

Review of the year ended 30 June 2010

Charles Brady, Chief Executive

Basil Brookes, Finance Director

September 2010

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2 Financial Highlights

3 Wilmington Publishing & Information

4 Wilmington Training & Events

5 Outlook

- Robust performance despite an extremely tough year for the global economy
- Revenue down 9% to £78.4m
- Prompt action at the onset of the downturn protected profits and margins
- Adjusted EBITA declined less than 1.4% to £14.4m
- Improved comparators in second half of the financial year
 - First half Revenue down 16%, Adjusted EBITA down 21% on prior year
 - Second half Revenue down 2%, Adjusted EBITA up 20% on prior year
- Positive indicators bode well for the future
 - Legal and investment banking sectors showing signs of stabilisation and improvement
 - Resilient performance from accountancy, charities, healthcare, pensions, trust and compliance sectors

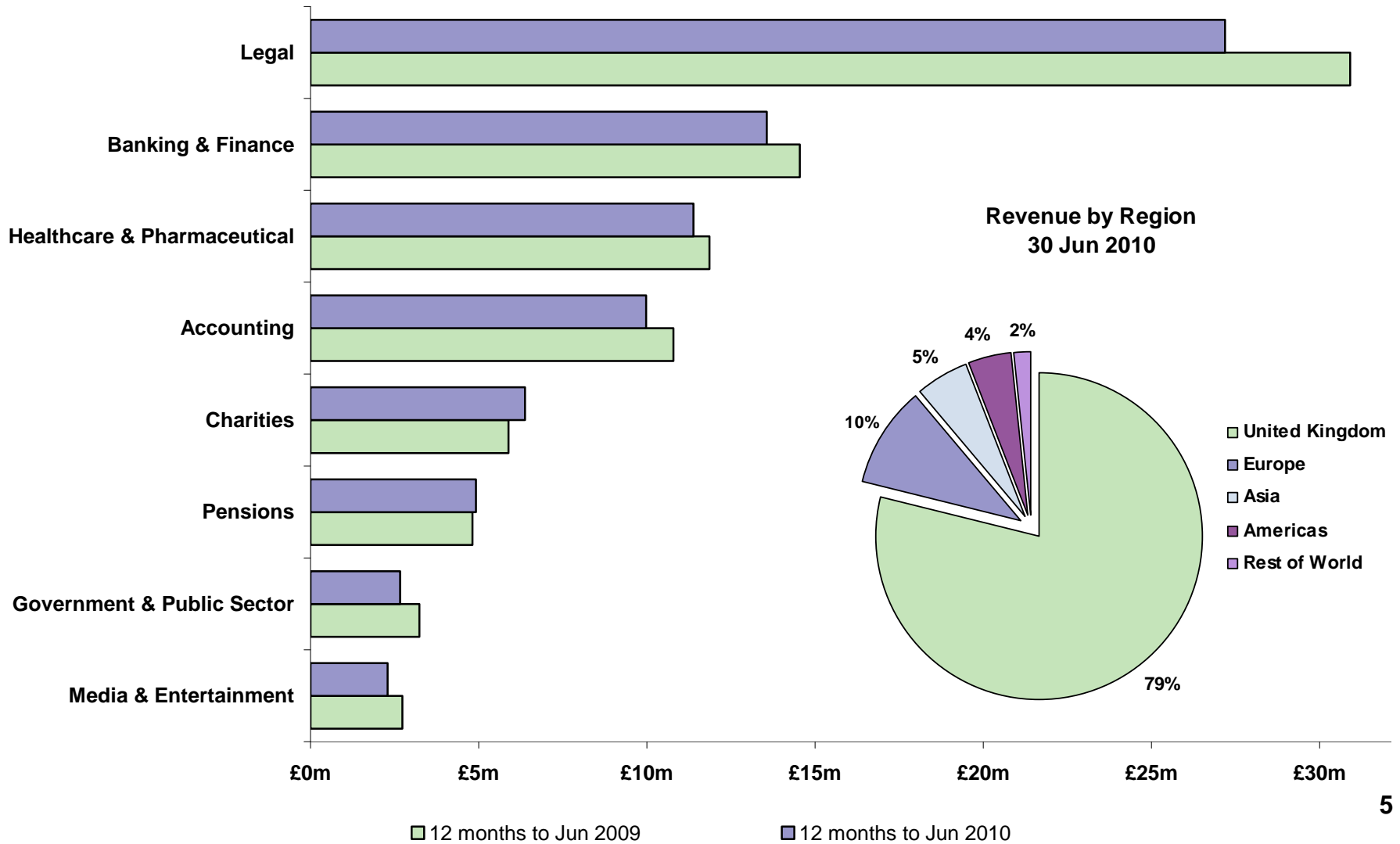
Develop **long term**, sustainable profits by fulfilling the information and training needs of professional businesses globally

Invest in our core business to increase levels of organic **growth** and achieve long term goals

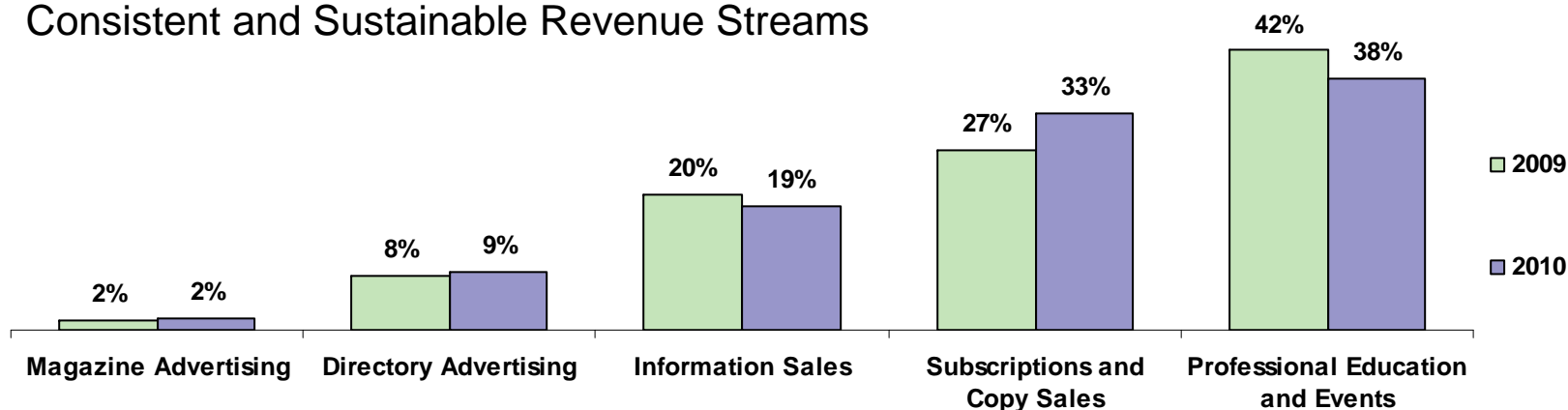
Invest in technology to manage our business and to help our clients to manage theirs

Develop and invest in strong management teams supported by a robust organisational infrastructure

Identify and make acquisitions that will **add value** and generate the best earnings enhancing returns



- Adjusted Profit Before Tax - reduced by 1.5% to £13.1m (2009: £13.3m)
- Adjusted Earnings per Share - increased by 0.9% to 10.6p (2009: 10.5p)
- Cashflow - Free cash flow £10.6m (2009: £6.6m).
- Adjusted Operating Margin - increased to 18.4% (2009: 16.9%)
- Consistent and Sustainable Revenue Streams



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- Revenue decreased by 9.1% to £78.4m
- Adjusted EBITA declined by 1.4% to £14.4m
- Adjusted profit decreased by 1.5% to £13.1m
- Profit before Tax increased by 157% to £7.3m
- Adjusted EPS increased by 0.9% to 10.6p
- Dividend held at 7p
- Operating cash inflow of £15.5m

	Year Ended 30 June 2010 (£m)	Year Ended 30 June 2009 (£m)
Revenue	78.4	86.3
Adjusted EBITA ¹	14.4	14.6
Adjusted Profit ²	13.1	13.3
Profit before Tax	7.3	2.9
Adjusted EPS	10.6p	10.5p
Dividend per Share (Interim and proposed final)	7.0p	7.0p
Cash inflow ³	15.5	15.6

1. Profit before interest, amortisation and impairment, share based payments, tax, the unwinding of the discount on the provision for future purchase of minority interests and non-recurring items

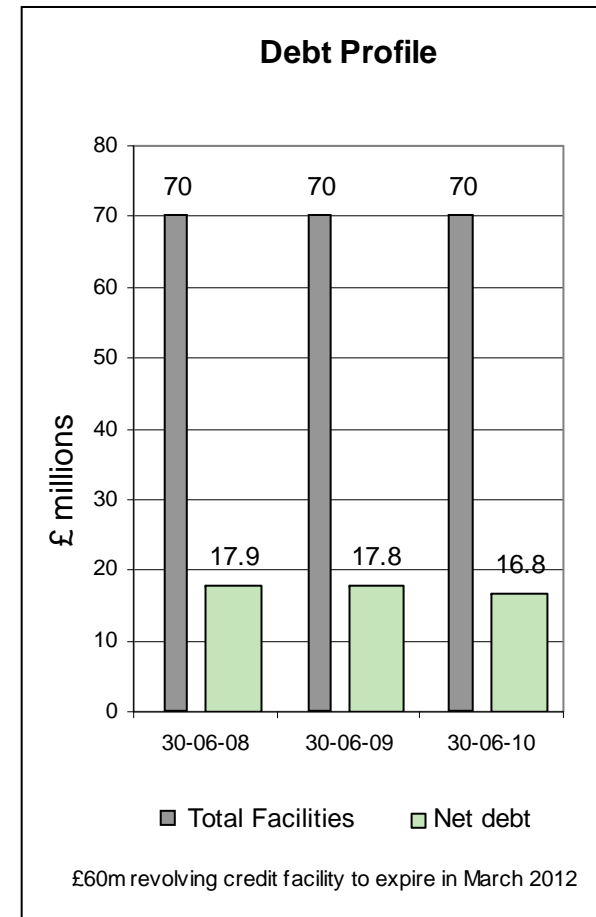
2. Profit before amortisation and impairment, share based payments, tax, the unwinding of the discount on the provision for future purchase of minority interests and non-recurring items

3. Cash inflow from continuing and discontinued operations before non recurring items

	Year Ended 30 June 2010 (£m)	Year Ended 30 June 2009 (£m)
Revenue	78.4	86.3
Adjusted EBITA	14.4	14.6
Interest / Facility Fees	(1.3)	(1.3)
Adjusted Profit	13.1	13.3
Movement in discount of put option liability	(0.5)	(0.9)
Share Based Payments	(0.3)	(0.1)
Non-recurring Items	(0.1)	(1.7)
PBTA	12.2	10.6
Amortisation and Impairment	(4.9)	(7.8)
Profit before Tax	7.3	2.8
Income Tax Expense	(2.5)	(1.9)
Profit After Tax	4.8	0.9
Discontinued Operations	-	(0.7)
Net Profit	4.8	0.2
Adjusted EPS – Continuing Operations	10.6p	10.5p
Dividend per share (Interim and proposed final)	7.0p	7.0p

	Year Ended 30 June 2010 (£m)	Year Ended 30 June 2009 (£m)
Cash inflow from Operations	15.5	15.6
Non-recurring Items	(0.1)	(1.7)
Operating Cash Flow	<u>15.4</u>	<u>13.9</u>
Servicing of Finance	(1.3)	(1.2)
Taxation	(2.4)	(4.7)
Net Replacement Capex	<u>(1.1)</u>	<u>(1.4)</u>
Free Cash Flow before Dividends	10.6	6.6
Equity Dividends	<u>(7.4)</u>	<u>(6.3)</u>
Free Cash Flow	3.2	0.3
Acquisition Spend net of Disposal Proceeds	<u>(2.2)</u>	<u>-</u>
Change in net debt during the year	1.0	0.3
Brought Forward net debt	(17.8)	(17.9)
Net Cash within acquisitions/(disposals)	<u>-</u>	<u>(0.2)</u>
Carried Forward net debt	(16.8)	(17.8)
Cash Conversion %	110%	108%

	Year Ended 30 June 2010 (£m)	Year Ended 30 June 2009 (£m)
Goodwill / Intangibles	87.6	91.1
Property, Plant & Equipment	7.2	7.8
Net Debt	(16.8)	(17.8)
Working Capital	0.4	1.5
Financial Instruments	(1.0)	(1.0)
Deferred Consideration	-	(0.1)
Provisions for future purchase of minority interests	(6.7)	(7.6)
Deferred Revenue	(14.2)	(13.9)
Deferred Tax	(4.9)	(6.2)
Net Assets	51.6	53.8



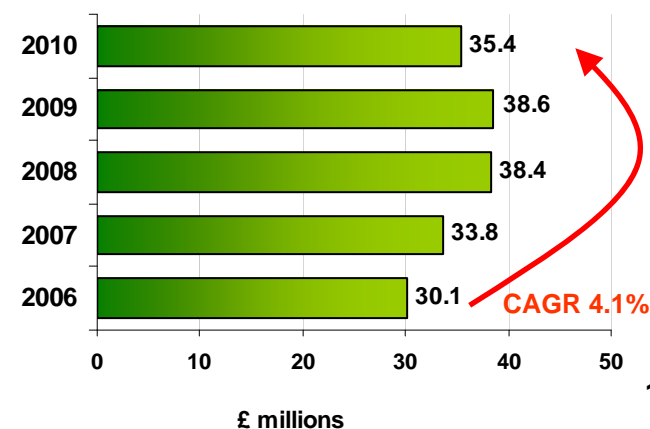
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Business Highlights

- Revenue declined by 8.1% to £35.4m
- Profits down by 1.5% to £10.3m
- Profit margin increased to 29%
- Over 65% of revenues delivered electronically

	Year Ended 30 June 2010 (£m)	Year Ended 30 June 2009 (£m)	% Change
Revenue	35.4	38.6	(8.1)%
Profit Contribution	10.3	10.4	(1.5)%
Profit Margin	29%	27%	7%

Wilmington Publishing & Information
Revenue 2006 - 2010



- Wilmington Business Intelligence

- Waterlow
- Solicitors Journal
- Charity Choice
- Caritas
- AP Information Services
- Ark Publishing
- WME
- Smee & Ford

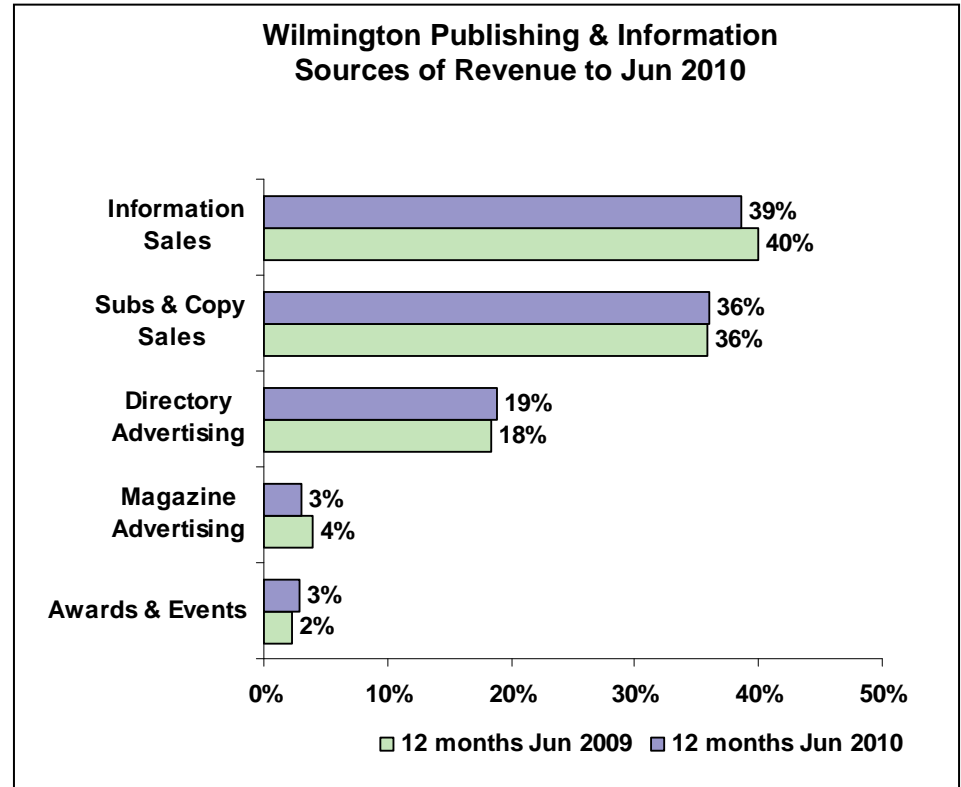
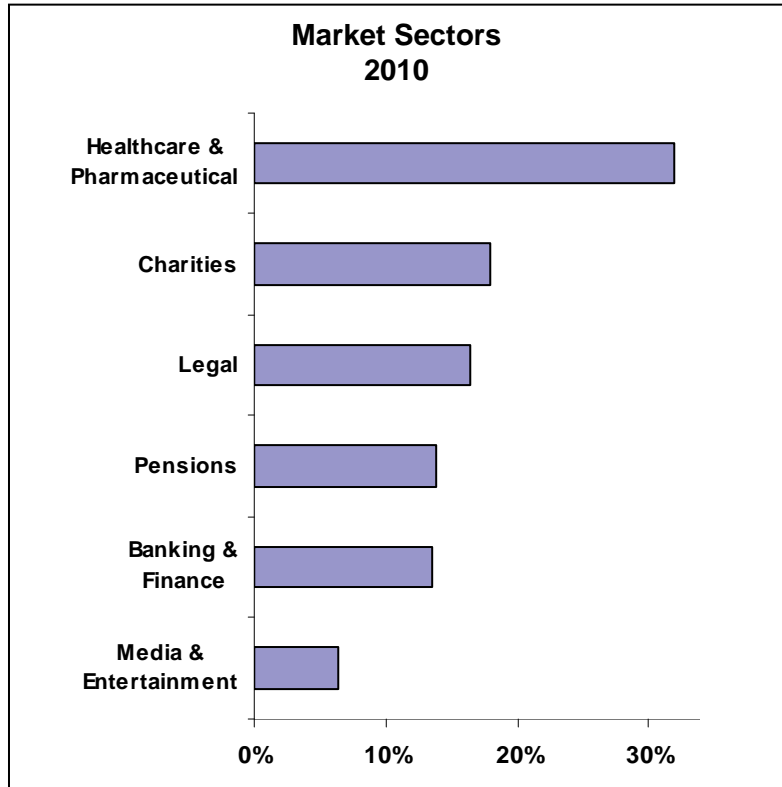
- Pendragon

- Binley's

- Agence de Presse Médicale

- International Company Profile

- Continued to perform well overall throughout the economic downturn
- Benefitted from cost savings and improved operating structure which has protected profits
- Development of new electronic services and online intelligence tools
- APM (France) increased profits
- In the pensions market Pendragon and APIS grew profits
- Acquired the remaining 15% shareholding of Ark Group – and an additional 5% shareholding of Binley's



- Performance underpinned by subscribers and long term data licence agreements

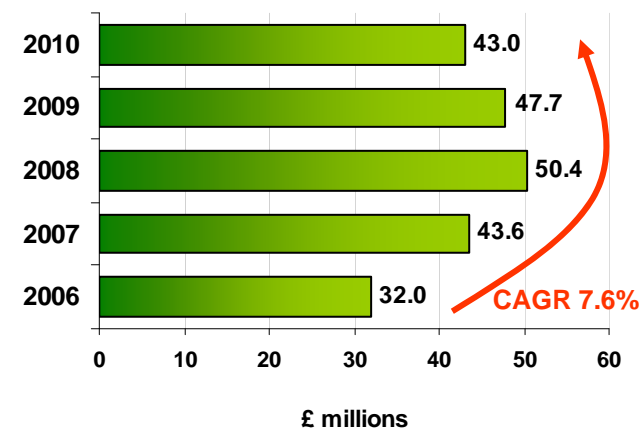
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Business Highlights

- Revenue declined 9.1% to £43.0m
- Profits decreased 5.0% to £6.6m
- Profit margins increased to 15%

	Year Ended 30 June 2010 (£m)	Year Ended 30 June 2009 (£m)	% Change
Revenue	43.0	47.7	(9.1)%
Profit Contribution	6.6	6.9	(5.0)%
Profit Margin	15%	14%	6%

Wilmington Training & Events
Revenue 2006 - 2010



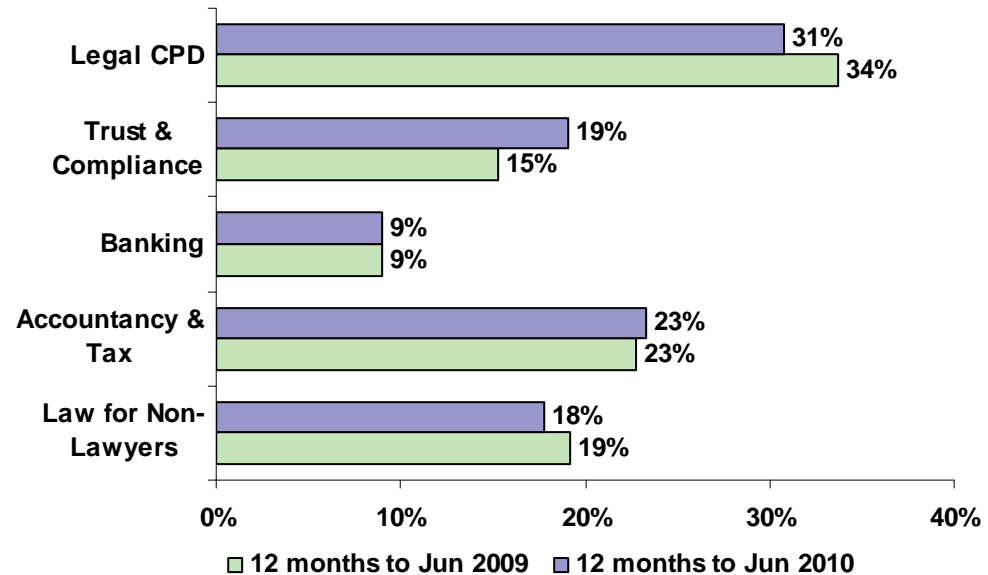
- Central Law Training
- CLT Scotland
- CLT International
- Mercia
- Bond Solon
- Quorum Training
- Matchett Group
- International Compliance Training
- La Touche Training
- Practice Track
- Ark Conferences

- CLT International continues to make good progress in the Middle East and Singapore
- Launched a flexible Legal Practice Course with the University of West of England (UWE)
- Signs of stabilisation and growth, particularly in the banking sectors
- Difficult trading conditions in the legal training markets throughout the UK and Ireland
- Seeing the benefits of cost reductions, improved operating efficiency and changes to course programmes

Market Sectors

- Legal
- Banking & Finance
- Accounting
- Government & Public Sector

**Wilmington Training & Events
Sources of Revenue to Jun 2010**

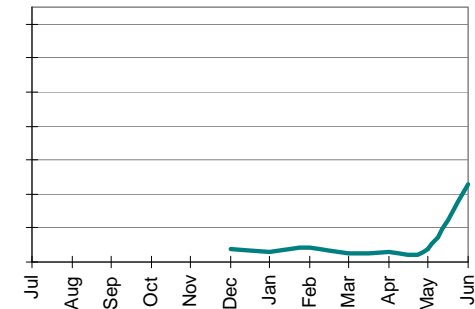


- The legal webinar programme has gone from strength to strength
- The technology is being harnessed by other parts of the Group

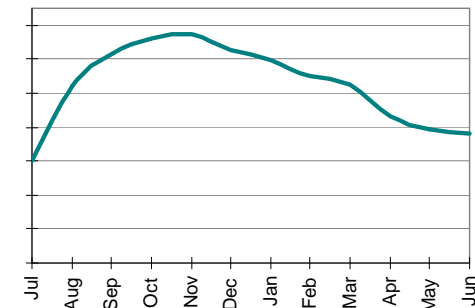
- Leading provider of Graduate Entrant training to International Investment Banks
- Also provides CPD and management training to banks, large corporates and public sector bodies
- Had very weak start to financial year during its seasonally important period as a result of the banking crisis
- However since Spring 2010 there has been a notable uplift in performance

Cumulative Profitability

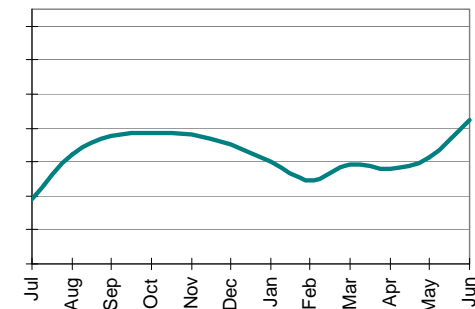
2007/2008



2008/2009



2009/2010



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Outlook



CLT Online Webinars

- Topical focussed specialist content delivered by leading experts
- Interactive, dynamic, innovative training direct to desktop
- Flexible attendance without travel
- Advanced technology enabling enhanced interactivity



Charities portfolio

- Moved traditional print products into an online environment
- Extended depth of content and increased coverage to 169,000 charities
- Increased functionality including B2C interface for financial performance data and online donations
- Compelling B2B information offering, especially when packaged with analytical technology aimed at both Charities and professional advisors
- Program of further developments for launch this year both B2B and B2C



CLT Flexible Legal Practice Course

- Innovative and flexible approach to studying for the Legal Practice Course
- Delivered by online workshops and weekend study sessions
- Cost effective solution for delegates
- Further developments planned



International expansion

- Growing international portfolio of courses for the financial and banking sectors
- Considerable expansion in regulatory and compliance programmes
- International expansion, operates in over 30 jurisdictions
- Development and presentation of new programmes in Asia, Russia and Middle East



Next Generation NHS Mapping

- Combining powerful geo-tagged data and the latest online mapping technologies
- Locality-based information analysis which inform strategic and operational business decisions
- Enables precise pinpointing of healthcare organisations
- Personalised and powerful planning and analysis tool



- Online medical publication for the professional development needs of doctors and other healthcare professionals through

Daily news

Views

Blog

Learning

- Digital marketing is the fastest growing area of Pharma Marketing spend
- Acquired 9 July 2010
- Integrated within Binley's portfolio

- Development of industry leading Management Development Programme
- Invested in Sales Skills Training Programme tailored for graduate recruits through to sales managers
- Specialist Training – support for CIMA, CIPD, CIM and IT courses
- NVQ training
- Formal staff appraisal schemes across the Group
- Binley's nominated for Employer of the Year (Essex Business Excellence awards 2010)
- CLT Scotland awarded Training Provider of the Year by Scott & Co Legal Awards

Current

- Solid performance despite very tough trading conditions
- A strong focussed business providing essential information and training

Goal

- Taking a long term perspective
- A solid foundation for improving market conditions
- Seeking to expand market share
- Strategic acquisitions

Strengths

- The Group has resilient assets, proven management teams and strong brands in key professional markets
- We have a strong balance sheet and excellent cashflow

Outlook

- Signs of stabilisation and trading easing
- We continue to concentrate on tight management and cost control
- Operating across an increasingly international platform
- Investing in new product development and overseas expansion



- Leading provider of international compliance and regulatory information for the global insurance industry
- Axco provides comprehensive information on the markets, regulations and taxation environment for the insurance industry within 165 countries
- 96% of revenues derived from subscriptions to products delivered electronically
- Renewal rate in excess of 95%



- Highly complementary to
 - Pendragon, our pensions law and regulation information business
 - Compliance and regulatory training divisions within Wilmington

- Acquisition furthers the strategy to build a world class, international, compliance and regulatory information and training business



- Initial cash consideration of £21.325m
- Deferred payment capped at £675k
- Approx. £2m net cash at completion
- Proforma Revenues and EBITDA were £5.8m and £1.93m respectively (for the 12 months to 30 June 2010)