

Review of the six months to 31 December 2009

Charles Brady, Chief Executive

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25 February 2010

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- 2 Financial Highlights
- 3 Professional Publishing & Information
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- 5 Future Outlook

- Solid performance despite a very tough economic environment
- Revenue and Adjusted PBT below level achieved in prior year
- Positive indicators bode well for the future
 - In some sectors trading conditions easing
 - New business wins
 - Reduced cost base
- Wilmington's performance underpinned by strong levels of subscriptions and electronic revenue
- Excellent cash generation

The information and training group fulfilling the needs of professional businesses

- Revenue declined by 16.0% to £36.9m
- Operating Profit down 20.6% to £6.2m
- Adjusted Profit down 20.9% to £5.5m
- PBT increased by 2.3% to £2.7m
- Adjusted EPS decreased by 14.7% to 4.4p
- Dividend increased to 3.5p
- Operating cash inflow declined by 4.3% to £5.0m

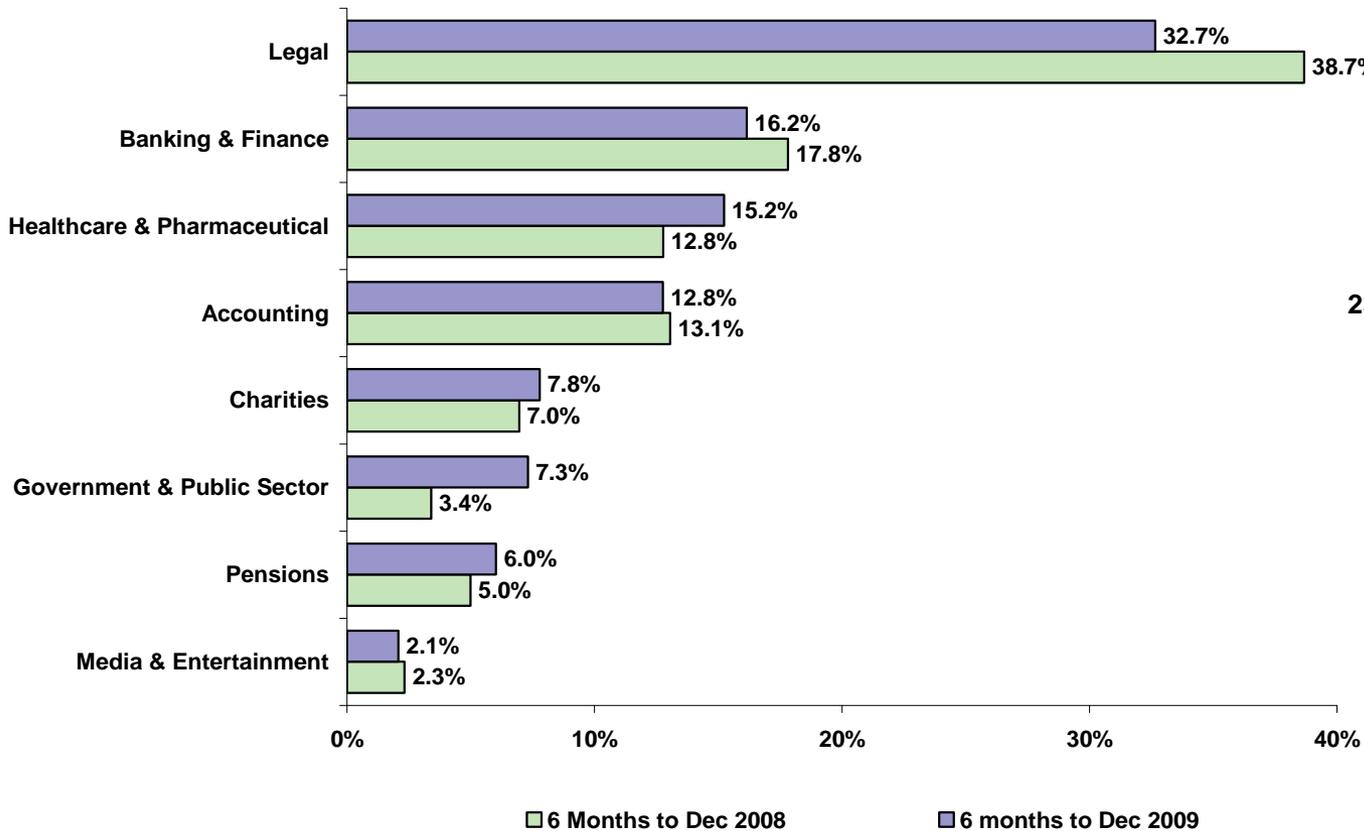
	Six months to 31 Dec 2009 (£m)	Six months to 31 Dec 2008 (£m)	Twelve months to 30 June 2009 (£m)
Revenue	36.9	44.0	86.3
Operating Profit ¹	6.2	7.8	14.6
Adjusted Profit ²	5.5	7.0	13.3
Profit before Tax	2.7	2.6	2.9
Adjusted EPS	4.4p	5.2p	10.5p
Dividend per Share	3.5p	2.3p	7.0p
Cash inflow ³	5.0	5.2	13.9

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

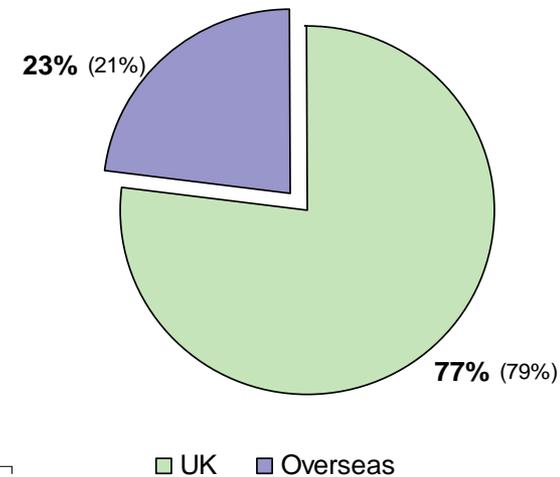
2. Profit before amortisation and impairment, share based payments, tax, the unwinding of the discount on the provision for future purchase of minority interests and non-recurring items

3. Cash inflow from continuing and discontinued operations

Group Revenue by Sector
Dec 2009 vs Dec 2008



Revenue by Region
Dec 2009



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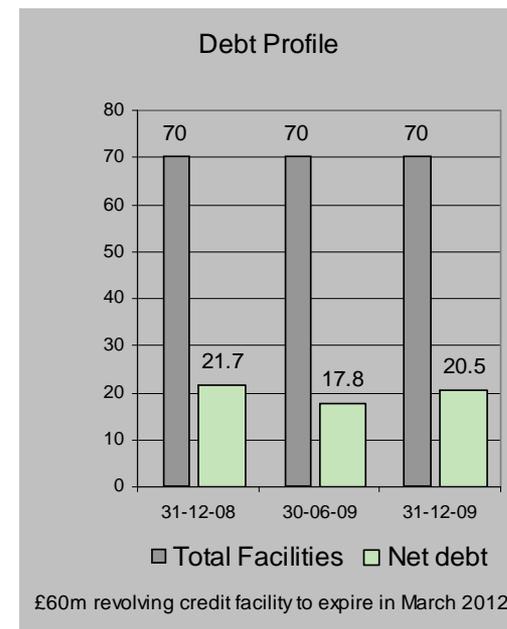
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Future Outlook

	Six months to 31 Dec 2009 (£m)	Six months to 31 Dec 2008 (£m)	Twelve months to 30 Jun 2009 (£m)
Revenue	36.9	44.0	86.3
Operating Profit	6.2	7.8	14.6
Interest / Facility Fees	(0.7)	(0.8)	(1.3)
Adjusted Profit	5.5	7.0	13.3
Movement in discount of put option liability	(0.3)	(0.5)	(0.9)
Share Based Payments	(0.1)	(0.2)	(0.1)
Non-recurring Items	-	(1.3)	(1.7)
PBTA	5.1	5.0	10.6
Amortisation and Impairment	(2.4)	(2.4)	(7.8)
Profit before Tax	2.7	2.6	2.8
Income Tax Expense	(1.0)	(1.1)	(1.9)
Profit After Tax	1.7	1.5	0.9
Discontinued Operations	-	(0.5)	(0.7)
Net Profit	1.7	1.0	0.2
Adjusted EPS – Continuing Operations	4.4p	5.2p	10.5p
Dividend per share	3.5p	2.3p	7.0p

	Six months to 31 Dec 2009 (£m)	Six months to 31 Dec 2008 (£m)	Twelve months to 30 June 2009 (£m)
Cash inflow from Operations	5.0	6.5	15.6
Non-recurring Items	-	(1.3)	(1.7)
	<u>5.0</u>	<u>5.2</u>	<u>13.9</u>
Servicing of Finance	(0.6)	(0.8)	(1.2)
Taxation	(0.4)	(1.8)	(4.7)
Net Replacement Capex	(0.5)	(0.9)	(1.4)
Free Cash Flow before Dividends	<u>3.5</u>	<u>1.7</u>	<u>6.6</u>
Equity Dividends	(4.2)	(4.3)	(6.3)
Free Cash Flow	(0.7)	(2.6)	0.3
Acquisition Spend net of Disposal Proceeds	(2.0)	(1.0)	-
Change in net debt during the period	<u>(2.7)</u>	<u>(3.6)</u>	<u>0.3</u>
Brought Forward net debt	(17.8)	(17.9)	(17.9)
Net Cash within acquisitions/(disposals)	-	(0.2)	(0.2)
Carried Forward net debt	(20.5)	(21.7)	(17.8)
Cash Conversion %	83%	86%	112%

	As at 31 Dec 2009 (£m)	As at 31 Dec 2008 (£m)	As at 30 June 2009 (£m)
Goodwill / Intangibles	89.1	99.1	91.1
Property, Plant & Equipment	7.4	8.0	7.8
Net Debt	(20.5)	(21.7)	(17.8)
Working Capital	0.2	1.9	1.5
Financial Instruments	(1.0)	(1.1)	(1.0)
Deferred Consideration	(0.1)	(0.4)	(0.1)
Provisions for future purchase of minority interests	(5.7)	(9.7)	(7.6)
Deferred Revenue	(12.1)	(12.8)	(13.9)
Deferred Tax	(5.7)	(6.6)	(6.2)
Net Assets	51.6	56.7	53.8



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Future Outlook

Business Highlights

- Revenue declined by 7.4% to £16.2m
- Profits down by 1.6% to £4.5m

	Six months to 31 Dec 2009 (£m)	Six months to 31 Dec 2008 (£m)	% Change
Revenue	16.2	17.4	(7.4)%
Profit Contribution	4.5	4.6	(1.6)%

BRANDS



Information Services Ltd.



Pendragon



APM International
www.apmnews.com



Smees & Ford

The legacy people

(Perspective)

SOLICITORS JOURNAL



WATERLOW
Legal & Regulatory

- **Waterlow Professional Publishing**

- Waterlow
- Solicitors Journal
- Charity Choice
- Caritas
- AP Information Services
- Ark Publishing

- **Pendragon**

- **Binley's**

- **Agence de Presse Médicale**

- **International Company Profile**

- **PCR**

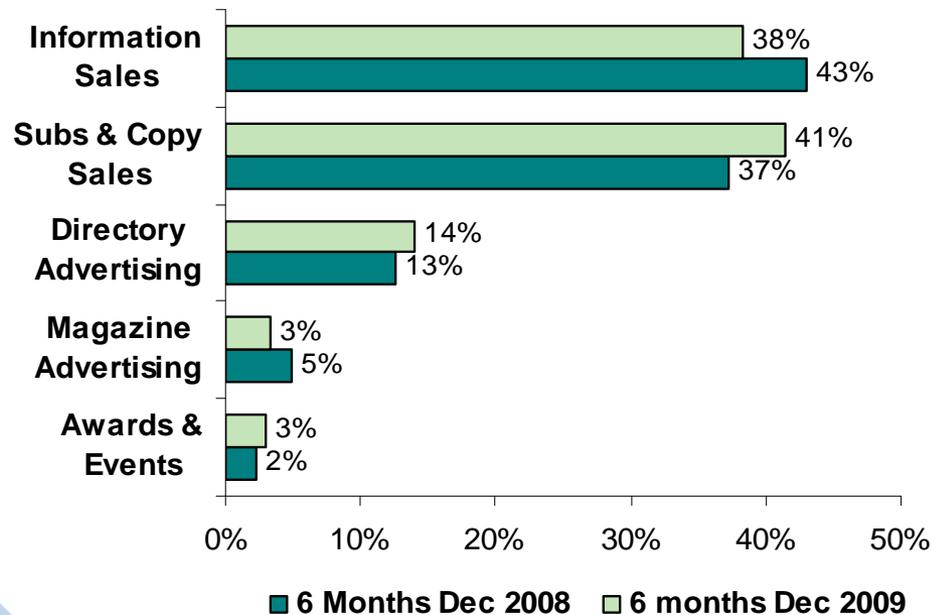
- **Smee and Ford**

- Acquired the remaining 15% shareholding of Ark Group – and an additional 5% shareholding of Binley's
- The benefits of costs savings, implemented last year, are being realised
- Created a more efficient operational structure
- APM (France) delivered a robust performance
- Pendragon and APIS, pension businesses maintained strong results

MARKET SECTORS

- Accounting
- Banking & Finance
- Charities
- Healthcare & Pharmaceutical
- Legal
- Media & Entertainment
- Pensions

Professional Publishing & Information
Sources of revenue to Dec 2009



- Strong performance underpinned by;
 - Subscribers and long term data licence agreements
 - Over 60% of revenues delivered electronically

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Future Outlook

Business Highlights

- Revenue declined 21.6% to £20.8m
- Profits decreased 34.4% to £2.8m

	Six months to 31 Dec 2009 (£m)	Six months to 31 Dec 2008 (£m)	% Change
Revenue	20.8	26.5	(21.6)%
Profit Contribution	2.8	4.3	(34.4)%



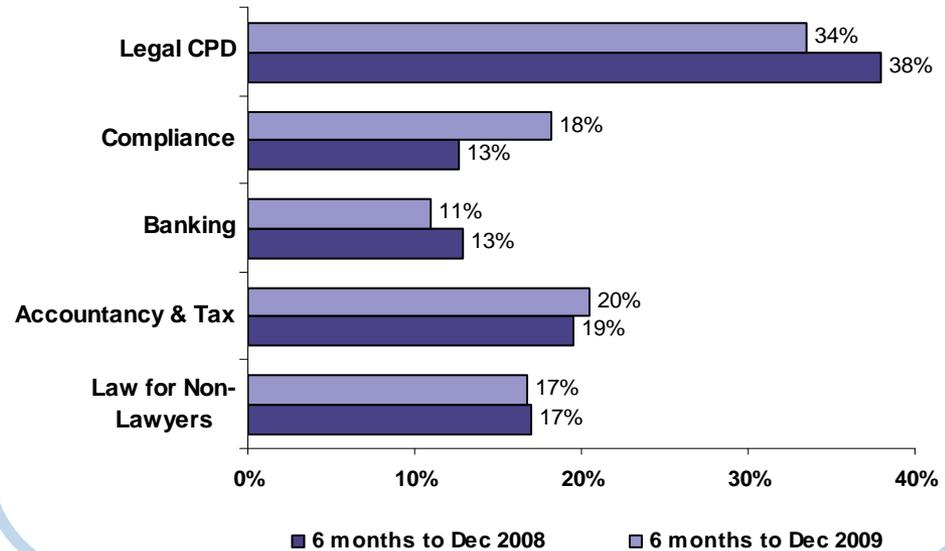
- **Central Law Training**
- **CLT Scotland**
- **CLT Ireland**
- **CLT International**
- **Mercia**
- **Bond Solon**
- **Quorum Training**
- **Matchett Group**
- **International Compliance Training**
- **La Touche Training**
- **Practice Track**
- **Ark Conferences**

- Difficult trading conditions in the legal training markets throughout the UK and Ireland
- Reduction in graduate induction training for the investment banks, though outlook improving for Summer 2010
- Starting to see clear benefits from changes to the course programme and cost savings
- CLT International continues to make good progress in the Middle East and Singapore

MARKET SECTORS

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

Professional Training & Events
Sources of Revenue to Dec 2009



- A number of new contract wins underpin our expectations for the financial year and beyond
- The overall level of bookings is improving, January marginally higher than the same period last year

Innovative Product Development - *Harnessing new technology*

- **Online Webinars** *live and interactive seminars*
 - Topical focussed specialist content delivered by leading experts
 - Interactive, dynamic, innovative training direct to your desktop
 - Flexible attendance without travel
 - Advanced technology enabling enhanced interactivity
- **Flexible Legal Practice Course** *meeting the demands for professional legal training*
 - Innovative and flexible approach to studying for busy professionals
 - Largely delivered by online workshops and weekend study sessions
 - Cost effective solution for delegates

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Future Outlook

Situation

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

Goal

- Taking a long term perspective
- Build a solid foundation in preparation for when market conditions improve
- 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 low gearing, excellent cashflow and significantly unutilised committed banking facilities

Outlook

- Trading conditions easing in some areas, but revenue growth remains fragile
- We continue to concentrate on tight management and cost control
- Investing in new opportunities
- Operating across an increasingly international platform