

EUROMONEY INSTITUTIONAL INVESTOR PLC
TRADING UPDATE
FOR THE PERIOD TO JULY 20, 2016

Euromoney Institutional Investor PLC (“Euromoney”), the international online information and events group, today issues a trading update for the period from April 1 to July 20, 2016.

Trading

Since reporting its interim results on May 19, trading conditions have continued in line with the board’s expectations as set out in the interim results announcement. The UK referendum vote in June in favour of leaving the European Union (“Brexit”) had no significant impact on the third quarter’s trading.

Reported revenues for the quarter to June 30, 2016 fell by 1% to £104.7 million, with the benefit from a favourable Sterling–US Dollar rate offset by the reduction in revenues from the disposal of Gulf Publishing and Petroleum Economist in April. Underlying revenues, which exclude the impact of currency movements and acquisitions and disposals, also fell by 1%.

The 1% fall in underlying revenues in the third quarter compares with a 6% decrease in the first half. This improvement reflects the benefit of less challenging comparatives for event-related revenues as well as the early signs of progress, noted with the interim results, from the strategic actions the group is taking.

	Q3 2016 £m	Q3 2015 £m	Reported Q3 change vs FY15	Underlying Q3 change vs FY15	Underlying H1 change* vs FY15
Subscriptions	56.1	53.6	5%	1%	1%
Advertising	8.7	9.7	(10%)	(14%)	(13%)
Sponsorship	20.4	18.1	13%	9%	(8%)
Delegates	17.9	19.0	(6%)	(9%)	(17%)
Other	2.2	2.4	(5%)	(8%)	(19%)
Sold businesses	0.8	3.1	–	–	–
FX losses on forward currency contracts	(1.4)	(0.5)	–	–	–
Total revenues	104.7	105.4	(1%)	(1%)	(6%)

*Also adjusted for biennial event timing

Underlying subscription revenues increased by 1%. As highlighted at the time of the interim results, the decline to zero in the underlying subscription growth rate in the second quarter was expected to be the low point, and subscription revenues are now starting to benefit from the strategic initiatives the group is taking around new products, pricing and sales initiatives. The underlying decline in advertising revenues, which are especially bank dependent, is consistent with the long-term structural headwinds for advertising.

The third quarter is the most important of the year for the event businesses. The return to growth in sponsorship revenues reflects a robust performance from a number of the group's largest events in finance and telecoms. Underlying delegate revenues, although benefiting from easier comparatives after the impact of last year's decline in commodity markets, fell by 9%, largely as a result of the elimination of unprofitable public training courses.

Impact of Currency

The group generates approximately two thirds of its revenues and profit before tax in US dollars. The average Sterling-US Dollar rate for the quarter to June 30 was \$1.44 (2015: \$1.52) which had a favourable impact on reported results for the quarter.

The average rate for the final quarter of last financial year was \$1.54 and the further fall in the rate since Brexit will also have a favourable impact if it is maintained through September. Each one cent movement in the Sterling-US Dollar rate has a translation impact on profits of approximately £0.6m on an annualised basis.

Financial Position

Net cash increased from £56m at March 31 to £83m at June 30, reflecting the continued strong operating cash flows of the group as well as the net proceeds of £11m from the sale of Gulf Publishing and Petroleum Economist and the payment of an interim dividend of £9m.

Fourth Quarter Outlook

The group's results for the financial year depend heavily on the month of September, which traditionally accounts for at least 20% of the full year's profit. As usual at this time of the year, visibility for September is limited particularly for advertising and delegates. It is difficult to assess the impact of Brexit on the group's trading but, if exchange rates remain at current levels, this should provide some protection against increased volatility and uncertainty in investment banking and asset management.

Next Trading Update

Preliminary results for the year to September 30 will be announced on November 24, 2016. The company expects to issue a pre-close trading update on September 29, 2016.

July 21, 2016

END

For further information, please contact:

Euromoney Institutional Investor PLC

Andrew Rashbass, CEO: +44 20 7779 8845; Andrew.Rashbass@euromoneyplc.com

Colin Jones, Finance Director: +44 20 7779 8666; cjones@euromoneyplc.com

FTI Consulting

Charles Palmer: +44 20 3727 1400; euromoney@fticonsulting.com

NOTE TO EDITORS

Euromoney Institutional Investor PLC (www.euromoneyplc.com) is listed on the London Stock Exchange and is a member of the FTSE 250 share index. It is an international business-to-business media group focused primarily on the global banking, asset management and commodities sectors under brands including Euromoney, Institutional Investor and Metal Bulletin. It is a leading provider of economic and investment research and data under brands including BCA Research, Ned Davis Research, and the emerging market information providers, EMIS and CEIC. The group also runs an extensive portfolio of events for the financial and commodities markets. Its main offices are in London, New York, Montreal, Hong Kong and Sofia, and more than a third of its revenues are derived from emerging markets.