

EUROMONEY INSTITUTIONAL INVESTOR PLC

RNS Announcement

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Euromoney Institutional Investor PLC completes **its acquisition of Ned Davis Research Group**

Euromoney Institutional Investor PLC (“Euromoney”), the international publishing, events and electronic information group, has now completed its acquisition of Ned Davis Research Group (“NDRG”), a transaction which was initially announced on June 20 2011.

Headquartered in Venice, Florida, Ned Davis Research Group produces data, financial models and charts, and gives clients commentaries and independent intelligence for their asset allocation strategies. Using more than 200 data providers, Ned Davis Research Group has access to 12 million data series and publishes over 20,000 charts and graphs to help clients understand macro-economic environments and execute asset allocation strategies, ranging from global regions to U.S. styles and sectors. All of Ned Davis Research Group’s content is published online – www.ndr.com – or is distributed electronically.

Mr. Davis, who founded the business in 1980, will stay with Ned Davis Research Group as a director and continue to write his highly respected investment research.

The acquisition of Ned Davis Research Group is consistent with the Euromoney group’s strategy to build a tightly focussed global online information business with a high proportion of revenues derived from subscription products. For the financial year to September 30 2012, the acquisition is expected to be earnings enhancing, to increase the proportion of group adjusted operating profit* generated from electronic databases and information services to approximately 40%, and to increase the proportion of group revenues derived from subscriptions to over 50% for the first time. For the financial year to September 30 2011, the acquisition is expected to be marginally dilutive to the Euromoney group’s earnings after charging acquisition costs of approximately £1 million.

For the year to December 31 2010, Ned Davis Research Group had revenues of US\$36 million and a pre-tax profit of US\$11.8 million. The value of its gross assets at June 30 2011 was US\$12.9 million.

Euromoney's first significant investment in financial research was BCA Research ("BCA") as part of its Metal Bulletin plc acquisition in October 2006. Since then, BCA's revenues and profits have grown strongly, in spite of some of the most difficult market conditions for many of its clients for a generation. Euromoney has invested in BCA's bench of research strategists and analysts in Montreal and now in London, in new products, and in international sales and marketing. Euromoney intends to follow a similar investment strategy with Ned Davis Research Group, helping it to build a range of new international products and services and driving revenue growth through an expanded global sales and marketing team.

Ned Davis Research Group has a different research methodology and a different style of product to BCA, concentrating more on graphical financial models and indicators with a historical perspective, and fusing external influences, fundamentals, technical, and sentiment data into its analysis. Ned Davis Research Group and BCA are more complementary than competitive businesses, and there are opportunities to cross-sell to each other's clients.

Euromoney will pay approximately US\$108 million (£66 million), after an estimated net adjustment at completion of US\$4 million, for an 85% interest in Ned Davis Research Group. The consideration has been funded from Euromoney's existing committed borrowing facility. The maximum amount payable by Euromoney for a 100% interest in Ned Davis Research Group is \$173 million.

At closing, Ned Davis will retain a 13% equity interest in the business and several key senior managers will also invest in its equity. This remaining equity will then be acquired by Euromoney under an earn-out agreement, in two equal instalments, based on the profits of the Ned Davis Research Group for the years to December 31 2012 and 2013.

Euromoney has appointed Eric Lankinen, Chief Operating Officer of BCA, as Chief Executive Officer of Ned Davis Research Group.

Padraic Fallon, Chairman of Euromoney, said: "We are delighted to have acquired Ned Davis Research Group. It is a business of the highest quality and we hope to accelerate its growth in the same way as we have done for BCA. We admire this business and its people, and believe the acquisition adds to the strengths of the Euromoney group."

Ned Davis said: "We are excited about the growth opportunities Euromoney will provide us as they understand our business and our goal for further global penetration. We will continue to invest in high-quality research, data, technology, and sales as we reach parts of the world we now do not service. This is an exciting period for Ned Davis Research Group and we look forward to the future."

*Operating profit before acquired intangible amortisation, long-term incentive expense and exceptional items.

END

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NOTE TO EDITORS

Euromoney Institutional Investor PLC (www.euromoneyplc.com) is listed on the London Stock Exchange and a member of the FTSE-250 share index. It is a leading international business-to-business media group focused primarily on the international finance, metals and commodities sectors. It publishes more than 70 titles, including *Euromoney*, *Institutional Investor*, and *Metal Bulletin*. It also runs an extensive portfolio of conferences, seminars and training courses and is a leading provider of electronic information, research and data services covering international finance, metals and emerging markets. Its main offices are in London, New York, Montreal and Hong Kong and more than a third of its revenues are derived from emerging markets.