

# **Euromoney Institutional Investor PLC**

Preliminary Statement (unaudited)

September 30 2015

# Preliminary Statement (unaudited)

November 19, 2015

Highlights	2015	2014	Change
Total revenue	<b>£403.4 m</b>	£406.6 m	(1%)
<b>Adjusted results</b>			
• Adjusted operating profit	<b>£104.2 m</b>	£119.8 m	(13%)
• Adjusted profit before tax	<b>£107.8 m</b>	£116.2 m	(7%)
• Adjusted diluted earnings a share	<b>70.1 p</b>	70.6 p	(1%)
<b>Statutory results</b>			
• Operating profit	<b>£123.1 m</b>	£103.3 m	+19%
• Profit before tax	<b>£123.3 m</b>	£101.5 m	+21%
• Diluted earnings a share	<b>83.4 p</b>	59.2 p	+41%
Net cash/(debt)	<b>£17.7 m</b>	(£37.6) m	£55.3m
Final dividend	<b>16.40 p</b>	16.00 p	+3%

A detailed reconciliation of the group's adjusted results is set out in the appendix to this statement.

- Total revenues down 1% to £403.4m
- Second half underlying<sup>1</sup> revenues fell by 5%, due to weak commodity markets, after a 1% first half increase
- Adjusted operating margin down 4% points to 26% reflecting higher property and investment costs, impact of Dealogic transaction and the high marginal flow through from lower delegate and advertising revenues
- Adjusted profit before tax down 7% at £107.8m
- Strong operating cash conversion further strengthens balance sheet – net cash of £17.7m
- Three investments in financial technology companies completed
- Roll-out of Delphi content platform as planned, and good pipeline of new products in asset management
- Final dividend increased to 16.4p in line with policy
- First quarter trading has started in line with board's expectations and 2015 second half trends
- New board structure to be implemented

<sup>1</sup> Underlying revenues exclude the impact of acquisitions, disposals and currency movements.

Commenting on the results, Andrew Rashbass, CEO, said:

*“I am delighted and privileged to join Euromoney with its unique portfolio of businesses and outstanding people. Today's results reflect the strong headwinds, both cyclical and structural, facing many of our customers and our businesses. But they also show areas of real strength, for example around our asset-management-related businesses. They demonstrate, too, how cash generative the business is. These strengths create great opportunity. Following the completion of the strategy review which I am leading, we shall present an update to investors in early 2016. My initial impressions are that more active management of our portfolio and allocating our capital rigorously towards the best opportunities will allow us to grow existing businesses and invest in new areas too.”*

## Highlights

Euromoney Institutional Investor PLC, the international online information and events group, achieved an adjusted profit before tax of £107.8m for the year to September 30, 2015, against £116.2m in 2014. Adjusted diluted earnings a share were 70.1p (2014: 70.6p). The directors recommend a final dividend of 16.40p (2014: 16.00p), giving a total for the year of 23.40p (2014: 23.00p) to be paid to shareholders on February 11, 2016.

Total revenues for the year were 1% behind last year at £403.4m. Underlying<sup>1</sup> revenues, after also excluding event timing differences, decreased by 2%. The underlying revenue trends reported for the first half for subscriptions and advertising largely continued into the second. But after first half growth, event revenues deteriorated in the second half following the downturn in commodity prices and weakness in emerging markets.

Adjusted operating profit fell by £15.6m to £104.2m. The adjusted operating margin fell from 30% to 26% as a result of a number of factors highlighted at the start of the year, including higher property costs, the full year impact of the group's investment in its Delphi content platform, and the impact of the Dealogic transaction. In addition, the margin fell by 2% points as a result of the high marginal profit on declining advertising and delegate revenues, as well as the pressure on people costs that comes from operating in the digital space.

The 7% fall in adjusted profit before tax compares to a 13% drop in adjusted operating profit, helped by a £2.5m credit (2014: £2.4m expense) following the first half decision to reverse last year's long-term incentive expense, and by an increase of £2.2m in the adjusted share of results in associates following the Dealogic transaction.

The 1% decrease in adjusted diluted earnings a share reflects the benefit of a lower underlying tax rate and a reduction in the number of shares in issue following last year's share buy-back. Earnings for dividend purposes increased by 2% and this is reflected in the increase in the final dividend.

The statutory profit before tax of £123.3m is higher than the adjusted profit before tax as a result of gains realised on a number of assets sold during the period, partly offset by acquired intangible amortisation and goodwill impairment charges.

The group continued to invest in its digital products during 2015 including rolling out the functionality of the Delphi content platform to the group's remaining titles, investing in a strong pipeline of new information services now being launched, and continuing the move to a digital-only format for many of the group's titles by the end of 2016.

The group ended the year in a net cash position for the first time since the acquisition of Institutional Investor in 1997. Net cash of £17.7m at September 30 compared with net debt of £10.6m at March 31 and £37.6m at last year end. This balance sheet position reflects the group's strong operating cash flows, supplemented by net property proceeds of £10.6m following the group's move to new London offices. This was offset by net acquisition and disposal spend of £15.6m including £11.6m for the deferred consideration on the acquisition of Insurance Insider. Underlying cash flows remain strong and there is plenty of headroom for the group to pursue selective acquisitions.

As highlighted in previous statements, trading conditions became more challenging during the second half of 2015. The investment banking, particularly fixed income, and commodities sectors, which together account for more than two thirds of the group's revenues, continue to face significant structural and cyclical headwinds, while the outlook for emerging markets also deteriorated. In contrast, the group's businesses serving the asset management industry, which are predominantly subscription-driven, have remained robust. These trading conditions are expected to continue into the first half of 2016.

## Board Structure

A separate RNS has been issued today covering changes to the board's structure.

## Strategy

Andrew Rashbass was appointed Executive Chairman on October 1, 2015 and is now leading the board's review of the group's strategy and its portfolio of businesses. The group plans to give investors a full strategy update early in 2016.

However, during 2015 Euromoney's strategy had been to build a robust and tightly-focused global online information business with an emphasis on both developed and emerging markets. The group continued to focus on increasing the proportion of revenues derived from electronic subscription products; investing in technology to develop existing and new electronic information services; building large, must-attend annual events; keeping the quality of its portfolio under review and eliminating products with a low margin or too high a dependence on print advertising; maintaining tight cost control; retaining and fostering an entrepreneurial culture; and using its healthy balance sheet and strong cash flows to fund selective acquisitions and strategic investments.

The group continued to invest in technology and digital products and to roll out its Delphi digital platform for authoring, storing and delivering content. By the end of September, Euromoney had completed the transition of all applicable publishing products onto the Delphi authoring system. BCA Research's new Delphi tools - BCA Analytics, its standalone interactive charting tool, and BCA Edge, its fully integrated online research service – have begun to attract significant customer support.

The group's largest organic investment in 2015 was Institutional Investor's Investor Intelligence Network and Manager Intelligence Network. These capital introduction networks bring together institutional investors and asset managers from around the world in two separate but linked digital communities that allow them to connect, share knowledge and put capital to work. Revenues will come from capital introduction fees, data services, platform fees and, subject to regulatory approval in the US being obtained, which is now expected in spring 2016, the ability to charge basis points on capital placed.

The group made three minority investments in financial technology companies in 2015. The first was a 15.5% equity stake in Dealogic in December 2014, alongside the Carlyle Group which acquired a controlling interest. Further details of the Dealogic transaction are provided later in this report.

Secondly, in July 2015 the group acquired a 10% equity interest in Estimize, the most comprehensive crowd-sourced financial estimates platform, for a consideration of \$3.6m. Estimize sources company earnings and estimates from over 7,000 hedge fund, brokerage and independent analysts as well as a diverse community of individuals. By being more representative of market expectations, Estimize has proved to be an especially accurate forecaster of company earnings. Estimize is working with BCA Research to develop new datasets, and BCA's extensive list of buy-side clients now has access to data and insights from Estimize.

Thirdly, in September 2015 the group acquired a 9.9% interest in Zanbato, an international private capital placements platform for \$5.4m. Founded in 2010, Zanbato ([www.zanbato.com](http://www.zanbato.com)) is based in California and builds technology to address inefficiencies in private capital markets. Zanbato's *Marketplace* software allows institutional investors and family offices to review private investment opportunities in pre-IPO company shares and real estate. Zanbato and Institutional Investor have also entered into a joint venture to bring together the technology of Zanbato and the market reach of Institutional Investor's Investor Intelligence Network to serve the institutional segment of the private placements market.

In 2015, the group also disposed of some non-strategic assets, predominantly print-based newsletters and magazines.

#### Currency

As highlighted in previous statements, the group generates approximately two thirds of both its revenues, including approximately a third of its UK revenues, and profit before tax in US dollars. The exposure to US dollar revenues in its UK businesses is hedged using forward contracts to sell US dollars, which delays the impact of movements in exchange rates for at least a year. However, the group does not hedge the foreign exchange risk on the translation of overseas profits. While it endeavours to match foreign currency borrowings with investments, as debt levels have fallen the related foreign currency finance cost has been of only limited benefit as a hedge against the translation of overseas profits.

The strength of the US dollar has had a favourable impact on the translation of overseas profits. The average sterling-US dollar rate for the year to September 30 was \$1.55 (2014: \$1.66). This improved headline revenue growth rates for the year by approximately three percentage points and adjusted profit before tax by approximately £7m. Each one cent movement in the US dollar rate has an impact on profits on translation of approximately £0.6m on an annualised basis.

The revenue tables below show headline growth rates. Underlying<sup>1</sup> revenue growth rates exclude the impact of acquisitions, disposals and currency movements.

#### Dealogic Transaction

Euromoney acquired a 15.5% equity interest, and 20% of the voting rights, in Dealogic in December 2014. This investment was funded through the sale to Dealogic of Euromoney's interests in two businesses, Capital DATA and Capital NET, which Dealogic and Euromoney had operated since the 1980s. The transaction valued Euromoney's participation in these two businesses at \$85m, for which Euromoney received equity in Dealogic valued at \$59m, cash of \$5m, and preference shares of \$21m which are redeemable in December 2015. The transaction generated a gain on sale of £48m which has been included in exceptional items.

For the year to September 30, 2014, Euromoney's subscription revenues and adjusted operating profits included licence fees of £5.4m from its investment in Capital DATA. For the same period, Euromoney recognised a profit after tax of £0.3m from its 48.4% associate interest in Capital NET. In financial year 2015, for the three months prior to the transaction Euromoney recognised subscription revenues of £1.2m from Capital DATA and a profit after tax of £0.1m from Capital NET. For the nine months subsequent to the transaction, Euromoney recognised an adjusted share of profit in associates of £2.4m from Dealogic. As well as reducing the group's adjusted operating margin by 1% point, the transaction diluted Euromoney's 2015 adjusted after-tax earnings by approximately 2%.

With its strong brand and global use among investment banks, Dealogic offers Euromoney attractive strategic potential. The Dealogic transaction has significant potential long-term financial upside but, as highlighted at the time of the transaction, in the short-term the loss of earnings from the Capital DATA and Capital NET arrangements have more than offset the group's share of profits from the Dealogic associate interest.

#### Trading Review

Total revenues decreased by 1% to £403.4m. Underlying<sup>1</sup> revenues, after also adjusting for unfavourable event timing differences, decreased by 2%. A 1% increase in the first half was followed by a 5% decrease in the second, largely due to weakness in the commodities sector.

Trading has remained difficult, particularly in investment banking, where tougher regulation, increased compliance costs and significant fines levied by regulators have led to banks reducing headcount and cutting spend on marketing and information. The commodities sector has also suffered from oversupply, falling prices and lower trading volumes. In contrast, the performance of the group's asset management businesses has remained robust throughout the year, and subscription revenues, particularly for data and research products, have proved resilient. Emerging markets, which account for more than a third of the group's revenues, have proved challenging with increased geopolitical risk and weakening currencies.

	2015 £m	2014 £m	Headline change	Underlying <sup>1</sup> change	Underlying <sup>1</sup> change excluding timing differences
<b>Revenues</b>					
Subscriptions	210.5	196.8	7%	2%	2%
Advertising	48.9	52.2	(6%)	(11%)	(11%)
Sponsorship	59.2	56.6	5%	(4%)	(2%)
Delegates	70.5	71.1	(1%)	(12%)	(5%)
Other	12.1	13.3	(9%)	(11%)	(11%)
Sold/closed businesses	1.6	13.7			
FX gains on forward contracts	0.6	2.9			
<b>Total revenue</b>	<b>403.4</b>	<b>406.6</b>	<b>(1%)</b>	<b>(4%)</b>	<b>(2%)</b>

Growth in underlying<sup>1</sup> subscriptions partly offset the declines experienced in advertising and event revenues. Underlying<sup>1</sup> subscription revenues have been increasing at a steady rate of 2% for the past two years from a combination of new products and a robust asset management sector. After first half growth of 5%, underlying<sup>1</sup> event revenues (after also excluding event timing differences) declined by 9% in the second half due mainly to weakness in the commodities sector. Most of the group's larger events have performed well, particularly in the specialist finance and wholesale telecoms sectors, but this has been more than offset by the weaker performance from smaller events and training which traditionally struggle more in difficult markets. Underlying<sup>1</sup> advertising revenues continued to decline as a result of the structural and cyclical headwinds which have reduced banks' marketing spend, and more recently due to reductions in energy company advertising in response to weak oil prices.

The adjusted operating margin fell from 30% to 26% as a result of a number of factors highlighted at the start of the year, including higher property costs, the full year impact of the group's investment in its Delphi content platform, and the impact of the Dealogic transaction. In addition, the adjusted operating margin fell by nearly 2% points as a result of the high marginal profit on declining advertising and delegate revenues. Permanent headcount has fallen by 23 to 2,168 people since September 30, 2014 but like many businesses operating in the digital space the group continues to experience increases in people costs in excess of inflation, particularly in technology, data and research.

#### Business Review

The research and data division, with its revenues derived predominantly from subscription services, held up well during the year. Financial publishing continued to suffer from the structural and cyclical challenges facing global investment banks, while business publishing, which is less advertising dependent, was more robust. The conferences, seminars and training division had a difficult year after the sharp downturn in energy markets in the second half. This particularly hit the training business with the impact felt from reductions in training spend both from the energy sector itself as well as from banks in energy-dependent economies, many of them in emerging markets.

	2015 £m	2014 £m	Headline change	Underlying <sup>1</sup> change	Underlying <sup>1</sup> change excluding timing differences	Adjusted operating margin 2015 £m	Adjusted operating margin 2014 £m
<b>Revenues</b>							
Research and data	125.8	120.8	4%	0%	0%	35%	37%
Financial publishing	74.3	75.8	(2%)	(6%)	(6%)	25%	28%
Business publishing	70.0	67.8	3%	0%	0%	35%	34%
Conferences, seminars and training	131.1	125.6	4%	(7%)	(2%)	25%	27%
Sold/closed businesses	1.6	13.7					
FX gains on forward contracts	0.6	2.9					
<b>Total revenue</b>	<b>403.4</b>	<b>406.6</b>	<b>(1%)</b>	<b>(4%)</b>	<b>(2%)</b>	<b>26%</b>	<b>30%</b>

**Research and data:** the asset management sector remained robust throughout 2015 and renewal rates at BCA and NDR remained high. However, the group's emerging market information and data products, CEIC and EMIS, which generate a significant proportion of their revenues from local emerging markets as well as the banking sector, fared less well. As a result, underlying<sup>1</sup> revenues for the division were flat. The adjusted operating margin fell 2% to 35% due to amortisation at BCA for its new Delphi content platform, investment at CEIC in content automation, and new product and sales investment at EMIS.

**Financial publishing:** underlying<sup>1</sup> revenues decreased by 6% reflecting continued weakness in the group's financial titles and their dependence on bank advertising. In contrast, subscription revenues for the division increased, including strong growth from Insider Publishing, the insurance information business acquired in 2013, and Euromoney TRADEdata, the group's derivative data business. The adjusted operating margin fell 3% to 25% reflecting amortisation for *GlobalCapital's* Delphi content platform, and increased technology spend, particularly for HedgeFund Intelligence.

**Business publishing:** underlying<sup>1</sup> revenues were flat despite a strong performance from the wholesale telecoms business, TelCap, which was offset by the challenging energy markets faced by Gulf Publishing. Despite tougher metals markets, Metal Bulletin's revenues held up well. The adjusted operating margin improved from 34% to 35% attributable to the strong performance of TelCap and an improving margin for Metal Bulletin following a period of investment in its steel information service and pricing database.

**Conferences, seminars and training:** the 7% decrease in underlying<sup>1</sup> revenues is primarily attributable to the difficult market conditions faced by the group's commodities-related events, including metals and coal, particularly during the second half. Even after adjusting for some unfavourable events timing, this commodities weakness more than offset the strength of Institutional Investor's subscription-based

memberships for the asset management industry which continued to grow at double digit rates. The adjusted operating margin dropped 2% to 25% reflecting the high margin flow through from lower delegate revenues, and investment in e-learning products for Euromoney's training division. The increase in headline event revenues reflects the acquisition of Mining Indaba in July 2014, which achieved revenues of more than £9m the first time it was run under Euromoney ownership in February 2015.

#### Financial Review

The 7% fall in adjusted profit before tax to £107.8m compares to a 13% drop in adjusted operating profit. This partly reflects a £2.5m credit (2014: £2.4m expense) following the first half decision to reverse last year's CAP expense on the grounds that management believe it is unlikely the minimum performance target under CAP 2014, the group's long-term incentive plan, will be achieved in 2017. In addition, the Dealogic transaction gave rise to an increase of £2.2m in the adjusted share of results in associates.

The 1% decrease in adjusted diluted earnings a share reflects the benefit of a lower underlying tax rate and a reduction in the number of shares in issue following last year's share buy-back. The adjusted effective tax rate for the year was 18% against 22% for 2014 as the group continues to benefit from reductions in the UK corporate tax rate and the tax effects of acquisitions. The tax rate in each year depends mainly on the geographic mix of profits and applicable tax rates.

The statutory profit before tax of £123.3m is higher than the adjusted profit before tax due to a net exceptional credit of £33.4m (see note 3), offset by acquired intangible amortisation of £17.0m. The net exceptional credit mostly arises from profits on assets sold during the year, less goodwill impairment charges including a second half charge of £10.7m for Mining Indaba to reflect the sharp downturn in the commodities sector which is not expected to reverse in the near term. A detailed reconciliation of the group's adjusted and statutory results is set out in the appendix to this statement.

#### Net Cash, Cash Flow and Dividend

Net cash at September 30 was £17.7m compared with net debt of £10.6m at March 31 and £37.6m at last year end. This balance sheet position reflects the group's strong operating cash flows, as well as net property proceeds of £10.6m following the group's London office move. This was offset by net acquisition and disposal spend of £15.6m including £11.6m for the deferred consideration on the acquisition of Insurance Insider.

The operating cash conversion rate was 105% (2014: 92%). The rate was more than 100% due to the favourable effect of the rent-free period on the new London offices. The rate was less than 100% in 2014 after the vesting of options under CAP 2010 triggered cash outflows of approximately £9m for which the expense was accrued in previous years. After adjusting for these timing differences, the underlying operating cash conversion rate in each year was 101% (2014: 100%).

The group has a US\$160m (£106m) dedicated multi-currency borrowing facility from Daily Mail and General Trust plc, the group's parent, which expires in April 2016. The group has no significant outstanding acquisition commitments for 2016 and expects to receive a further \$21m in December 2015 from the redemption of preference shares as part of the Dealogic transaction. The need for, and size of, a new borrowing facility will therefore depend on the group's expected borrowing requirements at the time the facility expires, including its acquisition pipeline.

The company's policy is to distribute a third of its adjusted after-tax earnings by way of dividends. In line with its policy, the board recommends a final dividend of 16.40p a share (2014: 16.00p), to be paid to shareholders on February 11, 2016, giving a total dividend for the year of 23.40p a share (2014: 23.00p).

#### Outlook

Andrew Rashbass was appointed Executive Chairman on October 1, 2015 and is now leading the board's review of the group's strategy and its portfolio of businesses. The group plans to give investors a full strategy update early in 2016.

The first quarter has started as expected with a continuation of the challenging market conditions experienced in the second half of financial year 2015. The group's activities in the investment banking and commodities sectors, which together account for more than two thirds of the group's revenues, continue to face significant structural and cyclical headwinds, while the outlook for emerging markets remains weak. In contrast, the group's businesses serving the asset management industry, which are predominantly subscription-driven, have remained relatively robust. These conditions are expected to continue for the foreseeable future and the revenue trends experienced in the second half of 2015 are continuing into the first half of 2016.

<sup>1</sup> Underlying revenues exclude the impact of acquisitions, disposals and currency movements.

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## Appendix to Preliminary Statement (unaudited)

### Reconciliation of Consolidated Income Statement to adjusted results for the year ended September 30 2015

The reconciliation below sets out the adjusted results of the group and the related adjustments to the statutory Income Statement that the directors consider necessary in order to provide an indication of the underlying trading performance.

	Notes	Adjusted £000's	Adjust- ments £000's	2015 Total £000's	Adjusted £000's	Adjust- ments £000's	2014 Total £000's
<b>Total revenue</b>	2	<b>403,412</b>	-	<b>403,412</b>	406,559	-	406,559
<b>Adjusted operating profit</b>	2	<b>104,234</b>	-	<b>104,234</b>	119,809	-	119,809
Acquired intangible amortisation	8	-	(17,027)	(17,027)	-	(16,735)	(16,735)
Long-term incentive credit/(expense)		2,490	-	2,490	(2,367)	-	(2,367)
Exceptional items	3	-	33,421	33,421	-	2,630	2,630
<b>Operating profit</b>		<b>106,724</b>	<b>16,394</b>	<b>123,118</b>	117,442	(14,105)	103,337
Share of results in associates and joint ventures	9	2,435	(2,816)	(381)	264	-	264
Finance income	4	379	4,748	5,127	248	1,298	1,546
Finance expense	4	(1,728)	(2,851)	(4,579)	(1,799)	(1,873)	(3,672)
<b>Net finance income/(costs)</b>	4	<b>(1,349)</b>	<b>1,897</b>	<b>548</b>	(1,551)	(575)	(2,126)
<b>Profit before tax</b>		<b>107,810</b>	<b>15,475</b>	<b>123,285</b>	116,155	(14,680)	101,475
Tax expense on profit	5	(18,890)	1,291	(17,599)	(25,722)	112	(25,610)
<b>Profit for the year</b>		<b>88,920</b>	<b>16,766</b>	<b>105,686</b>	90,433	(14,568)	75,865
<b>Attributable to:</b>							
Equity holders of the parent		88,678	16,766	105,444	89,832	(14,568)	75,264
Equity non-controlling interests		242	-	242	601	-	601
		<b>88,920</b>	<b>16,766</b>	<b>105,686</b>	90,433	(14,568)	75,865
<b>Diluted earnings per share</b>	7	<b>70.12p</b>	<b>13.26p</b>	<b>83.38p</b>	70.60p	(11.45)p	59.15p

Adjusted figures are presented before the impact of amortisation of acquired intangible assets (comprising trademarks and brands, databases and customer relationships), exceptional items, share of acquired intangibles amortisation and tax in associates and joint ventures, net movements in acquisition deferred consideration and acquisition commitments. In respect of earnings, adjusted amounts reflect a tax rate that includes the current tax effect of the goodwill and intangible assets.

Further analysis of the adjusting items is presented in notes 3, 4, 5, 7, 8 and 9 to the Preliminary Statement.

# Consolidated Income Statement

for the year ended September 30 2015

	Notes	Unaudited 2015 £000's	Audited 2014 £000's
<b>Total revenue</b>	2	<b>403,412</b>	406,559
<b>Operating profit before acquired intangible amortisation, long-term incentive credit/(expense) and exceptional items</b>	2	<b>104,234</b>	119,809
Acquired intangible amortisation	8	(17,027)	(16,735)
Long-term incentive credit/(expense)		2,490	(2,367)
Exceptional items	3	33,421	2,630
<b>Operating profit</b>		<b>123,118</b>	103,337
Share of results in associates and joint ventures	9	(381)	264
Finance income	4	5,127	1,546
Finance expense	4	(4,579)	(3,672)
<b>Net finance income/(costs)</b>	4	<b>548</b>	(2,126)
<b>Profit before tax</b>		<b>123,285</b>	101,475
Tax expense on profit	5	(17,599)	(25,610)
<b>Profit for the year</b>		<b>105,686</b>	75,865
<b>Attributable to:</b>			
Equity holders of the parent		105,444	75,264
Equity non-controlling interests		242	601
		<b>105,686</b>	75,865
Basic earnings per share	7	83.42p	59.49p
Diluted earnings per share	7	83.38p	59.15p
Adjusted basic earnings per share	7	70.16p	71.00p
Adjusted diluted earnings per share	7	70.12p	70.60p
Dividend per share (including proposed dividends)	6	23.40p	23.00p

A detailed reconciliation of the group's statutory results to the adjusted results is set out in appendix to the preliminary statement on page 7.



# Consolidated Statement of Comprehensive Income

for the year ended September 30 2015

	Unaudited 2015 £000's	Audited 2014 £000's
<b>Profit for the year</b>	<b>105,686</b>	75,865
<b>Items that may be reclassified subsequently to profit or loss:</b>		
Change in fair value of cash flow hedges	(5,000)	(1,642)
Transfer of gains on cash flow hedges from fair value reserves to Income Statement:		
Foreign exchange gains in total revenue	1,657	990
Foreign exchange (losses)/gains in operating profit	(375)	164
Net exchange differences on translation of net investments in overseas subsidiary undertakings	24,305	(207)
Translation reserves recycled to Income Statement	-	(482)
Net exchange differences on foreign currency loans	(8,788)	(3,448)
Tax on items that may be reclassified	581	36
<b>Items that will not be reclassified to profit or loss:</b>		
Actuarial gains/(losses) on defined benefit pension schemes	2,421	(2,297)
Tax (charge)/credit on actuarial gains/losses on defined benefit pension schemes	(484)	459
<b>Other comprehensive income/(expense) for the year</b>	<b>14,317</b>	(6,427)
<b>Total comprehensive income for the year</b>	<b>120,003</b>	69,438
<b>Attributable to:</b>		
Equity holders of the parent	119,429	69,418
Equity non-controlling interests	574	20
	<b>120,003</b>	69,438

# Consolidated Statement of Financial Position

as at September 30 2015

	Notes	Unaudited 2015 £000's	Audited 2014 £000's
<b>Non-current assets</b>			
Intangible assets			
Goodwill	8	381,993	383,934
Other intangible assets	8	149,386	161,509
Property, plant and equipment		9,171	16,924
Investment in associates	9	32,437	72
Investment in joint venture	9	30	-
Available-for-sale investments	9	5,835	-
Deferred consideration		258	1,532
Deferred tax assets		20	-
Derivative financial instruments		9	179
		<b>579,139</b>	<b>564,150</b>
<b>Current assets</b>			
Trade and other receivables		83,386	67,424
Deferred consideration		331	354
Current income tax assets		5,912	6,470
Group relief receivable		515	613
Cash deposit with DMGT group company		9,799	-
Cash and cash equivalents (excluding bank overdrafts)		8,889	8,571
Derivative financial instruments		1,313	2,611
		<b>110,145</b>	<b>86,043</b>
<b>Current liabilities</b>			
Acquisition commitments	12	-	(2,088)
Deferred consideration	12	-	(10,389)
Trade and other payables		(24,011)	(25,532)
Current income tax liabilities		(14,043)	(9,125)
Accruals		(55,743)	(47,973)
Deferred income		(112,129)	(109,842)
Loan notes		(267)	(490)
Bank overdrafts		(741)	-
Derivative financial instruments		(3,346)	(1,322)
Provisions		(835)	(2,164)
		<b>(211,115)</b>	<b>(208,925)</b>
<b>Net current liabilities</b>		<b>(100,970)</b>	<b>(122,882)</b>
<b>Total assets less current liabilities</b>		<b>478,169</b>	<b>441,268</b>
<b>Non-current liabilities</b>			
Acquisition commitments	12	(9,171)	(11,277)
Other non-current liabilities		(641)	(804)
Preference shares		(10)	(10)
Committed loan facility with DMGT group company		-	(45,677)
Deferred tax liabilities		(18,424)	(19,101)
Net pension deficit		(1,973)	(4,787)
Derivative financial instruments		(661)	(385)
Provisions		(2,345)	(2,704)
		<b>(33,225)</b>	<b>(84,745)</b>
<b>Net assets</b>		<b>444,944</b>	<b>356,523</b>
<b>Shareholders' equity</b>			
Called up share capital	11	320	320
Share premium account		102,557	102,011
Other reserve		64,981	64,981
Capital redemption reserve		8	8
Own shares		(21,582)	(21,582)
Reserve for share-based payments		37,169	39,158
Fair value reserve		(27,506)	(22,259)
Translation reserve		53,420	36,706
Retained earnings		228,823	149,564
<b>Equity shareholders' surplus</b>		<b>438,190</b>	<b>348,907</b>
Equity non-controlling interests		6,754	7,616
<b>Total equity</b>		<b>444,944</b>	<b>356,523</b>

Approved by the board on November 19, 2015.

# Consolidated Statement of Changes in Equity

for the year ended September 30 2015

	Share capital £000's	Share premium account £000's	Other reserve £000's	Capital redemp- tion reserve £000's	Own shares £000's	Reserve for share- based pay- ments £000's	Fair value reserve £000's	Trans- lation reserve £000's	Retained earnings £000's	Total £000's	Non- control- ling interests £000's	Total equity £000's
At September 30 2013 (audited)	316	101,709	64,981	8	(74)	37,122	(20,216)	38,707	102,959	325,512	8,247	333,759
Profit for the year	-	-	-	-	-	-	-	-	75,264	75,264	601	75,865
Other comprehensive expense for the year	-	-	-	-	-	-	(2,043)	(2,001)	(1,802)	(5,846)	(581)	(6,427)
<b>Total comprehensive income for the year</b>	-	-	-	-	-	-	(2,043)	(2,001)	73,462	69,418	20	69,438
Exercise of acquisition commitments	-	-	-	-	-	-	-	-	176	176	(176)	-
Adjustment arising from change in non-controlling interest	-	-	-	-	-	-	-	-	44	44	114	158
Charge for share-based payments	-	-	-	-	-	2,036	-	-	-	2,036	-	2,036
Cash dividend paid	-	-	-	-	-	-	-	-	(28,771)	(28,771)	(589)	(29,360)
Own shares acquired	-	-	-	-	(21,508)	-	-	-	-	(21,508)	-	(21,508)
Exercise of share options	4	302	-	-	-	-	-	-	-	306	-	306
Tax relating to items taken directly to equity	-	-	-	-	-	-	-	-	1,694	1,694	-	1,694
<b>At September 30 2014 (audited)</b>	<b>320</b>	<b>102,011</b>	<b>64,981</b>	<b>8</b>	<b>(21,582)</b>	<b>39,158</b>	<b>(22,259)</b>	<b>36,706</b>	<b>149,564</b>	<b>348,907</b>	<b>7,616</b>	<b>356,523</b>
Profit for the year	-	-	-	-	-	-	-	-	105,444	105,444	242	105,686
Other comprehensive income/(expense) for the year	-	-	-	-	-	-	(5,247)	16,714	2,518	13,985	332	14,317
<b>Total comprehensive income for the year</b>	-	-	-	-	-	-	(5,247)	16,714	107,962	119,429	574	120,003
Derecognition of non-controlling interest	-	-	-	-	-	-	-	-	1,079	1,079	(1,079)	-
Adjustment arising from change in non-controlling interest	-	-	-	-	-	-	-	-	(226)	(226)	82	(144)
Credit for share-based payments	-	-	-	-	-	(1,989)	-	-	-	(1,989)	-	(1,989)
Cash dividend paid	-	-	-	-	-	-	-	-	(29,064)	(29,064)	(439)	(29,503)
Exercise of share options	-	546	-	-	-	-	-	-	-	546	-	546
Tax relating to items taken directly to equity	-	-	-	-	-	-	-	-	(492)	(492)	-	(492)
<b>At September 30 2015 (unaudited)</b>	<b>320</b>	<b>102,557</b>	<b>64,981</b>	<b>8</b>	<b>(21,582)</b>	<b>37,169</b>	<b>(27,506)</b>	<b>53,420</b>	<b>228,823</b>	<b>438,190</b>	<b>6,754</b>	<b>444,944</b>

## Consolidated Statement of Changes in Equity *continued*

for the year ended September 30 2015

The investment in own shares is held by the Euromoney Employees' Share Ownership Trust (ESOT) and Euromoney Employee Share Trust (EEST). The EEST was incorporated in February 2014 to facilitate the purchase of shares for the Capital Appreciation Plan 2014. The trusts waived the rights to receive dividends. Interest and administrative costs are charged to the profit and loss account of the trusts as incurred.

	<b>2015</b>	2014
	<b>Number</b>	Number
Euromoney Employees' Share Ownership Trust	<b>58,976</b>	58,976
Euromoney Employee Share Trust	<b>1,747,631</b>	1,747,631
<b>Total</b>	<b>1,806,607</b>	1,806,607
Nominal cost per share (p)	<b>0.25</b>	0.25
Historical cost per share (£)	<b>11.95</b>	11.95
Market value (£000)	<b>17,163</b>	18,337

The other reserve represents the share premium arising on the shares issued for the purchase of Metal Bulletin plc in October 2006.

# Consolidated Statement of Cash Flows

for the year ended September 30 2015

	Unaudited 2015 £000's	Audited 2014 £000's
<b>Cash flow from operating activities</b>		
Operating profit	123,118	103,337
Acquired intangible amortisation	17,027	16,735
Licences and software amortisation	2,680	1,962
Depreciation of property, plant and equipment	2,643	2,908
Goodwill impairment	18,458	-
Profit on disposal of property, plant and equipment	(4,168)	(7)
Long-term incentive (credit)/expense	(2,490)	2,367
Profit on disposal of associate	(2,921)	-
Profit on disposal of available-for-sale investment	(45,502)	-
Profit on disposal of business (2014: includes recycled cumulative translation differences)	(2,446)	(6,834)
Impairment of carrying value of associate	-	444
Decrease in provisions	(1,757)	(1,326)
<b>Operating cash flows before movements in working capital</b>	<b>104,642</b>	<b>119,586</b>
Decrease/(increase) in receivables	1,169	(4,662)
Increase/(decrease) in payables	3,641	(4,765)
<b>Cash generated from operations</b>	<b>109,452</b>	<b>110,159</b>
Income taxes paid	(13,670)	(19,553)
Group relief tax paid	(1,116)	(2,927)
<b>Net cash generated from operating activities</b>	<b>94,666</b>	<b>87,679</b>
<b>Investing activities</b>		
Dividends received from associate	123	323
Interest received	401	242
Purchase of intangible assets	(1,760)	(3,236)
Purchase of property, plant and equipment	(6,487)	(3,105)
Proceeds from disposal of property, plant and equipment	15,837	10
Purchase of available-for-sale investments	(5,835)	-
Payment following working capital adjustment from purchase of subsidiary	-	(9)
Purchase of subsidiary undertaking, net of cash acquired	-	(58,001)
Proceeds from disposal of non-controlling interest	-	158
Proceeds from disposal of business	40	5,345
Purchase of associates and joint venture	(934)	-
Proceeds from disposal of associate and joint venture	2,912	-
<b>Net cash from/(used) in investing activities</b>	<b>4,297</b>	<b>(58,273)</b>
<b>Financing activities</b>		
Dividends paid	(29,064)	(28,771)
Dividends paid to non-controlling interests	(439)	(589)
Interest paid	(904)	(1,372)
Issue of new share capital	546	306
Payments to acquire own shares	-	(21,508)
Payment of acquisition deferred consideration	(11,558)	(2,849)
Purchase of additional interest in subsidiary undertakings	(252)	(369)
Redemption of loan notes	(223)	(538)
Loan (repaid to)/received from DMGT group company	(56,735)	23,916
<b>Net cash used in financing activities</b>	<b>(98,629)</b>	<b>(31,774)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>334</b>	<b>(2,368)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>8,571</b>	<b>11,268</b>
Effect of foreign exchange rate movements	(757)	(329)
<b>Cash and cash equivalents at end of year</b>	<b>8,148</b>	<b>8,571</b>

Cash and cash equivalents include bank overdrafts.

## Note to the Consolidated Statement of Cash Flows

	Unaudited 2015 £000's	Audited 2014 £000's
<b>Net Cash/(Debt)</b>		
At October 1	(37,596)	(9,937)
Net increase/(decrease) in cash and cash equivalents	334	(2,368)
Net decrease/(increase) in amounts owed to DMGT group company	56,735	(23,916)
Redemption of loan notes	223	538
Effect of foreign exchange rate movements	(2,016)	(1,913)
<b>At September 30</b>	<b>17,680</b>	<b>(37,596)</b>
<b>Net cash/(debt) comprises:</b>		
Cash at bank and in hand	8,889	8,571
Cash deposit with DMGT company	9,799	-
Bank overdrafts	(741)	-
<b>Total cash and cash equivalents</b>	<b>17,947</b>	<b>8,571</b>
Committed loan facility	-	(45,677)
Loan notes	(267)	(490)
<b>Net cash/(debt)</b>	<b>17,680</b>	<b>(37,596)</b>

The group's debt is provided through a dedicated multi-currency borrowing facility from Daily Mail and General Trust plc (DMGT). The total maximum borrowing capacity is US\$160m (£106m) facility which expires at the end of April 2016. Interest is payable on this facility at a variable rate of between 1.35% and 2.35% above LIBOR dependent on the ratio of adjusted net debt to EBITDA. The facility's covenant requires the group's net debt to be no more than three times adjusted EBITDA on a rolling 12 month basis. Failure to do so would result in the group being in breach of the facility, potentially resulting in the facility being withdrawn or impediment of management decision making by the lender. Management regularly monitor the covenant and prepare detailed debt forecasts to ensure that sufficient headroom is available and that the covenants are not close or potentially close to breach. At September 30 2015, the group's net cash to adjusted EBITDA was (0.15) times and the committed undrawn facility available to the group was £106m given the loan was paid in full.

In the absence of any significant acquisitions, the group has no pressing requirement to arrange new finance before the facility expires in April 2016 and the group intends to replace it with a new borrowing facility, the amount and terms of which will depend on its expected borrowing requirements at the time. There is a risk that the undrawn portion of the facility, or that the additional funding, may be unavailable or withdrawn if DMGT experiences funding difficulties themselves. However, if DMGT were unable to fulfil its funding commitment to the group, the directors are confident that the group would be in a position to secure adequate external facilities, although at a higher cost of funding.

The group's strategy is to use excess operating cash to deposit with DMGT or pay down its debt. As at September 2015, the group repaid the multi-currency borrowing facility from DMGT in full. The group generally has an annual cash conversion rate (the percentage by which cash generated from operations covers operating profit before acquired intangible amortisation, long-term incentive expense and exceptional items) of 100% or more due to much of its subscription, sponsorship and delegate revenue being paid in advance. The group's operating cash conversion rate was 105%. The underlying operating cash conversion rate is 101% compared to 100% in 2014.

# Notes to the Preliminary Statement

## 1 Basis of preparation

While the financial information contained in this unaudited preliminary announcement has been prepared in accordance with the recognition and measurement criteria of International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as adopted by the European Union, this announcement does not itself contain sufficient information to comply with IFRS.

The information for the year ended 30 September 2015 does not constitute statutory accounts for the purposes of section 435 of the Companies Act 2006. A copy of the accounts for the year ended 30 September 2014 has been delivered to the Registrar of Companies. The auditor's report on those accounts was not qualified and did not contain statements under section 498(2) or 498(3) of the Companies Act 2006. The audit of the statutory accounts for the year ended 30 September 2015 is not yet complete. These accounts will be finalised on the basis of the financial information presented by the Directors in this preliminary announcement and will be delivered to the Registrar of Companies following the Company's annual general meeting.

The loan (repaid to)/received from DMGT group company in the 2014 Consolidated Statement of Cash Flows has been re-presented to show the allowable netting of the draw downs and repayment of amounts from a committed facility with DMGT group company.

The 2014 Consolidated Statement of Financial Position has been re-presented to reflect a reclassification to net down certain balances within trade receivables of £8.5m, accrued income of £4.0m and deferred income of £12.4m. This has a corresponding impact on the working capital movements in the Consolidated Statement of Cash Flows. This reclassification has no impact on net assets or net cash and cash equivalents.

## Accounting policies

The consolidated financial statements have been prepared under the historical cost convention, except for the revaluation of certain financial instruments.

The same accounting policies, presentation and methods of computation are followed in these financial statements as were applied in the group's 2014 annual audited financial statements, except as described below.

- IFRS 10 'Consolidated Financial Statements'. This standard builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within consolidated financial statements. The amendments do not have an effect on these consolidated financial statements.
- IFRS 11 'Joint Arrangements' provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form. The amendments do not have an effect on these consolidated financial statements.
- IFRS 12 'Disclosure of Interests in Other Entities' includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. The amendments do not have a material effect on these consolidated financial statements.
- IAS 27 (revised) 'Separate Financial Statements (2011)' now contains requirements relating only to separate financial statements as the new IFRS 10 'Consolidated Financial Statements' addresses the requirements for consolidated financial statements. The amendments do not have an effect on these consolidated financial statements.
- IAS 28 (revised) 'Investments in Associates and Joint Ventures (2011)' includes the requirements for joint ventures, as well as associates, to be equity accounted following the issue of IFRS 11. The amendments do not have an effect on these consolidated financial statements.
- Amendments to IAS 32 'Offsetting Financial Assets and Financial Liabilities' provide clarification on the application of offsetting rules relating to financial assets and financial liabilities. The amendments do not have a significant effect on these consolidated financial statements.
- Amendments to IFRS 10, 11, and 12 on transition guidance clarify the 'date of initial application' in IFRS 10, and provide relief in IFRS 11 and 12 from the presentation or adjustment of comparative information for periods prior to the immediately preceding period. The amendments do not have a significant effect on these consolidated financial statements.
- Amendments to IFRS 10, IFRS 12 and IAS 27 on 'Consolidation for Investment Entities' define an investment entity and introduce an exception to consolidating particular subsidiaries for investment entities. The amendments do not have an effect on these consolidated financial statements.
- Amendments to IAS 36 on Recoverable Amount Disclosures for Non-financial Assets remove certain disclosures of the recoverable amounts of CGUs. The application of these amendments has no material impact on the disclosures in these consolidated financial statements.
- Amendments to IAS 39 on Novation of Derivatives and Continuation of Hedge Accounting provide relief from discontinuing hedge accounting when novation of a derivative designated as a hedging instrument meets certain criteria. The application of these amendments has not had any material impact on these consolidated financial statements.

## Going concern

Having assessed the principal risks and the other matters discussed in connection with the viability statement, the directors consider it appropriate to adopt the going concern basis of accounting in preparing this annual report.

## 2 Segmental analysis

	United Kingdom		North America		Rest of World		Eliminations		Total	
	2015 £000's	2014 £000's	2015 £000's	2014 £000's	2015 £000's	2014 £000's	2015 £000's	2014 £000's	2015 £000's	2014 £000's
<b>Revenue</b>										
<b>by division and source:</b>										
Research and data	16,784	16,202	85,081	80,747	23,940	23,897	-	(3)	125,805	120,843
Financial publishing	50,565	49,549	28,382	28,907	2	1,949	(4,646)	(4,600)	74,303	75,805
Business publishing	51,151	48,900	19,621	19,327	1,687	1,786	(2,505)	(2,212)	69,954	67,801
Conferences, seminars and training	59,237	54,576	57,370	51,824	14,675	19,680	(219)	(528)	131,063	125,552
Closed businesses	1,212	8,226	596	5,433	-	182	(144)	(160)	1,664	13,681
Foreign exchange losses on forward contracts	623	2,877	-	-	-	-	-	-	623	2,877
<b>Total revenue</b>	<b>179,572</b>	<b>180,330</b>	<b>191,050</b>	<b>186,238</b>	<b>40,304</b>	<b>47,494</b>	<b>(7,514)</b>	<b>(7,503)</b>	<b>403,412</b>	<b>406,559</b>
Investment income (note 4)	-	-	117	64	262	171	-	-	379	235
<b>Total revenue and investment income</b>	<b>179,572</b>	<b>180,330</b>	<b>191,167</b>	<b>186,302</b>	<b>40,566</b>	<b>47,665</b>	<b>(7,514)</b>	<b>(7,503)</b>	<b>403,791</b>	<b>406,794</b>

	United Kingdom		North America		Rest of World		Total	
	2015 £000's	2014 £000's	2015 £000's	2014 £000's	2015 £000's	2014 £000's	2015 £000's	2014 £000's
<b>Revenue</b>								
<b>by type and destination:</b>								
Subscriptions	35,195	32,016	103,055	92,343	72,226	72,465	210,476	196,824
Advertising	5,136	6,842	23,343	22,659	20,426	22,660	48,905	52,161
Sponsorship	10,156	6,330	23,737	24,445	25,262	25,857	59,155	56,632
Delegates	7,380	7,383	15,287	15,813	47,820	47,945	70,487	71,141
Other	2,523	2,762	6,937	7,383	2,640	3,097	12,100	13,242
Sold/closed businesses	1,215	6,150	450	5,274	1	2,258	1,666	13,682
Foreign exchange gains on forward contracts	623	2,877	-	-	-	-	623	2,877
<b>Total revenue</b>	<b>62,228</b>	<b>64,360</b>	<b>172,809</b>	<b>167,917</b>	<b>168,375</b>	<b>174,282</b>	<b>403,412</b>	<b>406,559</b>

	United Kingdom		North America		Rest of World		Total	
	2015 £000's	2014 £000's	2015 £000's	2014 £000's	2015 £000's	2014 £000's	2015 £000's	2014 £000's
<b>Operating profit<sup>1</sup></b>								
<b>by division and source:</b>								
Research and data	3,922	5,111	34,362	34,311	5,315	5,733	43,599	45,155
Financial publishing	13,395	15,456	4,977	5,774	95	332	18,467	21,562
Business publishing	17,008	15,483	7,451	7,474	(215)	(149)	24,244	22,808
Conferences, seminars and training	14,621	12,362	17,113	16,446	1,568	5,679	33,302	34,487
Sold/closed businesses	1,019	5,984	322	752	(25)	(24)	1,316	6,712
Unallocated corporate costs	(15,566)	(9,451)	(260)	(798)	(868)	(666)	(16,694)	(10,915)
<b>Operating profit before acquired intangible amortisation, long-term incentive credit/(expense) and exceptional items</b>	<b>34,399</b>	<b>44,945</b>	<b>63,965</b>	<b>63,959</b>	<b>5,870</b>	<b>10,905</b>	<b>104,234</b>	<b>119,809</b>
Acquired intangible amortisation <sup>2</sup> (note 8)	(6,822)	(6,869)	(9,645)	(9,485)	(560)	(381)	(17,027)	(16,735)
Long-term incentive (credit)/expense	1,269	(1,146)	757	(1,090)	464	(131)	2,490	(2,367)
Exceptional items (note 3)	36,781	(2,887)	1,752	6,062	(5,112)	(545)	33,421	2,630
<b>Operating profit before associates</b>	<b>65,627</b>	<b>34,043</b>	<b>56,829</b>	<b>59,446</b>	<b>662</b>	<b>9,848</b>	<b>123,118</b>	<b>103,337</b>
Share of results in associates and joint ventures							(381)	264
Finance income (note 4)							5,127	1,546
Finance expense (note 4)							(4,579)	(3,672)
<b>Profit before tax</b>							<b>123,285</b>	<b>101,475</b>
Tax expense (note 5)							(17,599)	(25,610)
<b>Profit for the year</b>							<b>105,686</b>	<b>75,865</b>

1. Operating profit before acquired intangible amortisation, long-term incentive credit/(expense) and exceptional items (refer to the appendix to the Preliminary Statement).

2. Acquired intangible amortisation represents amortisation of acquisition-related non-goodwill assets such as trademarks and brands, customer relationships and databases (note 8).



## 2 Segmental analysis *continued*

	Acquired intangible amortisation		Long-term incentive credit/(expense)		Exceptional items		Depreciation and amortisation	
	2015	2014	2015	2014	2015	2014	2015	2014
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
<b>Other segmental information by division:</b>								
Research and data	(10,344)	(9,469)	622	(628)	(1,259)	(547)	(1,137)	(1,224)
Financial publishing	(1,988)	(3,434)	498	(464)	(5,133)	(1,202)	(85)	(30)
Business publishing	(2,141)	(2,322)	249	(232)	(40)	(28)	(25)	(28)
Conferences, seminars and training	(2,454)	(1,403)	598	(557)	(15,045)	(190)	(37)	(48)
Sold/closed businesses	-	-	-	-	2,441	6,834	-	-
Unallocated corporate income/(costs)	(100)	(107)	523	(486)	52,457	(2,237)	(4,039)	(3,540)
	<b>(17,027)</b>	<b>(16,735)</b>	<b>2,490</b>	<b>(2,367)</b>	<b>33,421</b>	<b>2,630</b>	<b>(5,323)</b>	<b>(4,870)</b>

	United Kingdom		North America		Rest of World		Total	
	2015	2014	2015	2014	2015	2014	2015	2014
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
<b>Non-current assets (excluding derivative financial instruments, deferred consideration and deferred tax assets)</b>								
<b>by location:</b>								
Goodwill	122,037	137,669	253,560	236,369	6,396	9,896	381,993	383,934
Other intangible assets	64,773	73,681	83,913	86,978	700	850	149,386	161,509
Property, plant and equipment	7,274	14,661	1,340	1,757	557	506	9,171	16,924
Investments	38,302	72	-	-	-	-	38,302	72
<b>Non-current assets</b>	<b>232,386</b>	<b>226,083</b>	<b>338,813</b>	<b>325,104</b>	<b>7,653</b>	<b>11,252</b>	<b>578,852</b>	<b>562,439</b>
Capital expenditure by location	(5,622)	(2,465)	(493)	(397)	(372)	(243)	(6,487)	(3,105)

The group has taken advantage of paragraph 23 of IFRS 8 'Operating Segments' and does not provide segmental analysis of net assets as this information is not used by the directors in operational decision making or monitoring of business performance.

### 3 Exceptional items

Exceptional items are items of income or expense considered by the directors, either individually or if of a similar type in aggregate, as being either material or significant and which require additional disclosure in order to provide an indication of the underlying trading performance of the group.

	2015 £000's	2014 £000's
Profit on disposal of associate	2,921	-
Profit on disposal of available-for-sale investment	45,502	-
Profit on disposal of business (2014: includes recycled cumulative translation differences)	2,446	6,834
Profit on disposal of property, plant and equipment	4,181	-
	<b>55,050</b>	6,834
Goodwill impairment	<b>(18,458)</b>	-
Restructuring and other exceptional costs	<b>(3,171)</b>	(3,760)
Impairment of carrying value of associate	-	(444)
	<b>33,421</b>	2,630

**For the year ended September 30 2015** the group recognised an exceptional credit of £33.4m. During the year the group disposed of its interests in a number of assets generating a gain on sale of £55.1m. Most of this relates to the sale of group's interests in Capital DATA and Capital NET as part of the Dealogic transaction (note 9). The group also sold a number of predominantly print-based newsletters and magazines (note 10) as well as certain freehold and leasehold properties as part of the relocation of its London offices.

Following the sharp downturn in the commodities sector in 2015 and no sign that market conditions will improve over the near term, the group has impaired the value of its investment in the *Investing in African Mining Indaba* ("Mining Indaba"), originally purchased in July 2014, by £10.7m. The group expects Mining Indaba to recover strongly once commodity markets pick up and will continue with its strategy set out at the time of the acquisition to develop the event's investor content and networking opportunities and to use its expertise in emerging markets, as well as its international network, to accelerate growth outside Africa.

The acquisition goodwill for Centre for Investor Education ("CIE") has been subject to an impairment charge of £2.9m. See below for further details.

The remaining £4.8m charge for goodwill impairment relates to HedgeFund Intelligence ("HFI"), the group's information and events business serving the hedge fund industry. The performance of the business since the last year end has been disappointing but for 2016 HFI products have moved onto the Delphi content platform which will significantly enhance their quality.

Restructuring and other exceptional costs cover the major reorganisation of certain businesses initiated in the first half, costs relating to the relocation of the group's London headquarters, and professional fees resulting from the CIE dispute.

The group's tax charge includes a related tax charge on these exceptional items of £1.0m (note 5).

#### Centre for Investor Education Limited ("CIE")

In April 2013 the group acquired a 75% equity interest in CIE for a final consideration of £10.2m, with a commitment to acquire the remaining 25% by early 2016. At September 30 2014 based on the reported financial performance of CIE up to that date, the liability for the acquisition commitment was valued at £3.5m and the acquisition deferred consideration was valued at £1.7m. However, as part of the local statutory audit of CIE for the year to September 30 2014, a number of governance and financial irregularities were identified which remain subject to legal resolution. As a result of these irregularities, the former owner-managers of CIE were replaced and a number of adjustments made to the group's investment in CIE. The acquisition goodwill has been subject to an impairment charge of £2.9m. The group, in preparation of these financial statements at September 30 2015 has examined all evidence, including its own management investigation and Deloitte & Touche LLP Australia's findings, in reaching the conclusion that no further amounts are payable under the share purchase agreement for CIE. In October 2015, the group filed a public statement of claim against the previous owners for breaches of warranties and other damages.

As a result, the group has revised its prior estimate of acquisition commitments in respect of CIE which has given rise to a credit of £3.5m and acquisition deferred consideration of £1.7m included in net finance income as a fair value adjustment (note 4). The group has also de-recognised the non-controlling interest in equity.

**For the year ended September 30 2014** the group recognised a net exceptional credit of £2.6m. This comprised an exceptional credit for the profit on disposal of MIS Training offset by exceptional acquisition costs, restructuring and property costs, and impairment of carrying value of associate. The restructuring and other exceptional costs of £3.8m include acquisition costs of £0.9m for the acquisitions of Infrastructure Journal and Mining Indaba, costs of £1.5m for the relocation of the group's London headquarters and restructuring costs of £1.3m from the reorganisation of certain businesses including closure of print products. The group's tax charge included a related tax charge of £0.3m.

#### 4 Finance income and expense

	2015 £000's	2014 £000's
<b>Finance income</b>		
Interest income:		
Interest receivable from short-term investments	379	235
Movements in acquisition commitments (note 12)	4,748	1,298
Fair value gains on financial instruments:		
Ineffectiveness of interest rate swaps and forward contracts	-	13
	<b>5,127</b>	<b>1,546</b>
<b>Finance expense</b>		
Interest expense:		
Interest payable on committed borrowings	(1,120)	(1,349)
Net interest expense on defined benefit liability	(170)	(120)
Movements in acquisition deferred consideration (note 12)	(2,851)	(1,873)
Interest on tax	(438)	(330)
	<b>(4,579)</b>	<b>(3,672)</b>
<b>Net finance income/(costs)</b>	<b>548</b>	<b>(2,126)</b>

	2015 £000's	2014 £000's
<b>Reconciliation of net finance income/(costs) in Income Statement to adjusted net finance costs</b>		
Total net finance income/(costs) in Income Statement	548	(2,126)
Add back:		
Movements in acquisition commitments	(4,748)	(1,298)
Movements in acquisition deferred consideration	2,851	1,873
	<b>(1,897)</b>	<b>575</b>
<b>Adjusted net finance costs</b>	<b>(1,349)</b>	<b>(1,551)</b>

The reconciliation of net finance income/(costs) in the Income Statement has been provided since the directors consider it necessary in order to provide an indication of the adjusted net finance costs.

Included in the movements of acquisition commitments and acquisition deferred consideration are fair value adjustments of £3.5m and £1.7m respectively for CIE (for further detail see note 3).

## 5 Tax on profit on ordinary activities

	2015 £000's	2014 £000's
<b>Current tax expense</b>		
UK corporation tax expense	7,989	6,906
Foreign tax expense	12,949	12,695
Adjustments in respect of prior years	(1,083)	(570)
	<b>19,855</b>	19,031
<b>Deferred tax expense</b>		
Current year	(1,764)	6,107
Adjustments in respect of prior years	(492)	472
	<b>(2,256)</b>	6,579
<b>Total tax expense in Income Statement</b>	<b>17,599</b>	25,610
Effective tax rate	14%	25%

The adjusted effective tax rate for the year is set out below:

	2015 £000's	2014 £000's
<b>Reconciliation of tax expense in Income Statement to adjusted tax expense</b>		
Total tax expense in Income Statement	17,599	25,610
Add back:		
Tax on acquired intangible amortisation	4,096	4,114
Tax on exceptional items	(983)	(263)
	<b>3,113</b>	3,851
Tax on US goodwill amortisation	(4,113)	(3,837)
Share of tax on associates	716	-
Adjustments in respect of prior years	1,575	98
	<b>1,291</b>	112
<b>Adjusted tax expense</b>	<b>18,890</b>	25,722
Adjusted profit before tax (refer to the appendix to the Preliminary Statement)	<b>107,810</b>	116,155
Adjusted effective tax rate	18%	22%

The group presents the above adjusted effective tax rate to help users of this report better understand its tax charge. In arriving at this rate, the group removes the tax effect of items which are adjusted for in arriving at the adjusted profit disclosed in the appendix to the Preliminary Statement. However, the current tax effect of goodwill and intangible items is not removed. The group considers that the resulting adjusted effective tax rate is more representative of its tax payable position, as the deferred tax effect on the goodwill and intangible items is not expected to crystallise.

## 5 Tax on profit on ordinary activities *continued*

The actual tax expense for the year is different from 20.5% of profit before tax for the reasons set out in the following reconciliation:

	2015 £000's	2014 £000's
<b>Profit before tax</b>	<b>123,285</b>	101,475
Tax at 20.5% (2014: 22%)	<b>25,273</b>	22,325
Factors affecting tax charge:		
Different tax rates of subsidiaries operating in overseas jurisdictions	<b>3,150</b>	6,238
Share of tax on profits of associates and joint ventures	<b>(84)</b>	(73)
US state taxes	<b>1,371</b>	1,075
Non-taxable income	<b>(6,356)</b>	-
Goodwill and intangibles	<b>197</b>	63
Disallowable expenditure	<b>1,734</b>	92
Other items deductible for tax purposes	<b>(5,515)</b>	(3,394)
Tax impact of consortium relief	<b>(596)</b>	(618)
Adjustments in respect of prior years	<b>(1,575)</b>	(98)
<b>Total tax expense for the year</b>	<b>17,599</b>	25,610

In addition to the amount charged to the Income Statement, the following amounts relating to tax have been directly recognised in other comprehensive income and equity:

	Other comprehensive income		Equity	
	2015 £000's	2014 £000's	2015 £000's	2014 £000's
Current tax	-	-	-	(2,690)
Deferred tax	<b>(97)</b>	(495)	<b>492</b>	996
	<b>(97)</b>	(495)	<b>492</b>	(1,694)

## 6 Dividends

	2015 £000's	2014 £000's
<b>Amounts recognisable as distributable to equity holders in year</b>		
Final dividend for the year ended September 30 2014 of 16.00p (2013: 15.75p)	<b>20,501</b>	19,917
Interim dividend for year ended September 30 2015 of 7.00p (2014: 7.00p)	<b>8,977</b>	8,969
	<b>29,478</b>	28,886
Employee share trusts dividend	<b>(414)</b>	(115)
	<b>29,064</b>	28,771
Proposed final dividend for the year ended September 30	<b>21,033</b>	20,501
Employee share trusts dividend	<b>(296)</b>	(289)
	<b>20,737</b>	20,212

A final dividend of 16.40p per ordinary share (2014:16.00p) is proposed for the year ended September 30 2015. Subject to shareholder approval at the AGM on January 28 2016, this would be paid on Thursday February 11 2016 to shareholders on the register on Friday November 27 2015. It is expected that the shares will be marked ex-dividend on Thursday November 26 2015.

The proposed final dividend has not been included as a liability in these financial statements in accordance with IAS 10 'Events after the balance sheet date'.

## 7 Earnings per share

	2015 £000's	2014 £000's
<b>Basic earnings attributable to equity holders of the parent</b>	<b>105,444</b>	75,264
Adjustments (refer to the appendix to the Preliminary Statement)	<b>(16,766)</b>	14,568
<b>Adjusted earnings</b>	<b>88,678</b>	89,832

  

	2015 Number 000's	2014 Number 000's
Weighted average number of shares	<b>128,202</b>	127,506
Shares held by the employee share trusts	<b>(1,807)</b>	(990)
<b>Weighted average number of shares</b>	<b>126,395</b>	126,516
Effect of dilutive share options	<b>65</b>	720
<b>Diluted weighted average number of shares</b>	<b>126,460</b>	127,236

  

	Pence	Pence
<b>Basic earnings per share</b>	83.42	59.49
Adjustments per share	<b>(13.26)</b>	11.51
<b>Adjusted basic earnings per share</b>	<b>70.16</b>	71.00

  

<b>Diluted earnings per share</b>	83.38	59.15
Adjustments per share	<b>(13.26)</b>	11.45
<b>Adjusted diluted earnings per share</b>	<b>70.12</b>	70.60

The adjusted diluted earnings per share figure has been disclosed since the directors consider it necessary in order to give an indication of the underlying trading performance.

## 8 Goodwill and other intangibles

	Acquired intangible assets							
	Trademarks & brands	Customer relation- ships	Databases	Total acquired intangible assets	Licences & software	Intangible assets in develop- ment	Goodwill	Total
	2015	2015	2015	2015	2015	2015	2015	2015
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
<b>2015</b>								
<b>Cost/carrying amount</b>								
At October 1 2014	164,843	98,713	12,083	<b>275,639</b>	12,923	62	411,815	<b>700,439</b>
Additions	-	-	-	-	1,324	436	-	<b>1,760</b>
Transfer	-	-	-	-	498	(498)	-	-
Exchange differences	7,018	4,064	533	<b>11,615</b>	420	-	17,457	<b>29,492</b>
<b>At September 30 2015</b>	<b>171,861</b>	<b>102,777</b>	<b>12,616</b>	<b>287,254</b>	<b>15,165</b>	-	<b>429,272</b>	<b>731,691</b>
<b>Amortisation and impairment</b>								
At October 1 2014	62,144	53,059	7,225	<b>122,428</b>	4,687	-	27,881	<b>154,996</b>
Amortisation charge	8,209	7,737	1,081	<b>17,027</b>	2,680	-	-	<b>19,707</b>
Impairment	-	-	-	-	-	-	18,458	<b>18,458</b>
Exchange differences	3,157	2,351	463	<b>5,971</b>	240	-	940	<b>7,151</b>
<b>At September 30 2015</b>	<b>73,510</b>	<b>63,147</b>	<b>8,769</b>	<b>145,426</b>	<b>7,607</b>	-	<b>47,279</b>	<b>200,312</b>
<b>Net book value/carrying amount at September 30 2015</b>	<b>98,351</b>	<b>39,630</b>	<b>3,847</b>	<b>141,828</b>	<b>7,558</b>	-	<b>381,993</b>	<b>531,379</b>

	Acquired intangible assets							
	Trademarks & brands	Customer relation- ships	Databases	Total acquired intangible assets	Licences & software	Intangible assets in develop- ment	Goodwill	Total
	2014	2014	2014	2014	2014	2014	2014	2014
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
<b>2014</b>								
<b>Cost/carrying amount</b>								
At October 1 2013	148,636	89,859	9,150	<b>247,645</b>	3,023	6,690	385,518	<b>642,876</b>
Additions	-	-	-	-	244	2,992	-	<b>3,236</b>
Transfer	-	-	-	-	9,598	(9,598)	-	-
Acquisitions	16,581	9,031	2,941	<b>28,553</b>	-	-	30,832	<b>59,385</b>
Balance at disposal of company	-	-	-	-	-	-	(3,450)	<b>(3,450)</b>
Exchange differences	(374)	(177)	(8)	<b>(559)</b>	58	(22)	(1,085)	<b>(1,608)</b>
<b>At September 30 2014</b>	<b>164,843</b>	<b>98,713</b>	<b>12,083</b>	<b>275,639</b>	<b>12,923</b>	<b>62</b>	<b>411,815</b>	<b>700,439</b>
<b>Amortisation and impairment</b>								
At October 1 2013	54,746	44,821	6,043	<b>105,610</b>	2,709	-	28,944	<b>137,263</b>
Amortisation charge	7,417	8,300	1,018	<b>16,735</b>	1,962	-	-	<b>18,697</b>
Balance at disposal of company	-	-	-	-	-	-	(907)	<b>(907)</b>
Exchange differences	(19)	(62)	164	<b>83</b>	16	-	(156)	<b>(57)</b>
<b>At September 30 2014</b>	<b>62,144</b>	<b>53,059</b>	<b>7,225</b>	<b>122,428</b>	<b>4,687</b>	-	<b>27,881</b>	<b>154,996</b>
<b>Net book value/carrying amount at September 30 2014</b>	<b>102,699</b>	<b>45,654</b>	<b>4,858</b>	<b>153,211</b>	<b>8,236</b>	<b>62</b>	<b>383,934</b>	<b>545,443</b>

## 9 Investments

	Investment in associates £000's	Investment in joint ventures £000's	Available- for-sale investments £000's	Total £000's
At October 1 2013	702	-	-	702
Impairment	(444)	-	-	(444)
Disposals	(127)	-	-	(127)
Share of profits after tax retained	264	-	-	264
Share of profits before tax and acquired intangible amortisation	337	-	-	337
Share of tax	(73)	-	-	(73)
Dividends	(323)	-	-	(323)
<b>At September 30 2014</b>	<b>72</b>	<b>-</b>	<b>-</b>	<b>72</b>
Additions	32,855	34	5,835	38,724
Disposals	10	-	-	10
Share of profits after tax retained	(377)	(4)	-	(381)
Share of profits before tax and acquired intangible amortisation	2,440	(5)	-	2,435
Share of tax	(775)	1	-	(774)
Share of acquired intangible amortisation net of tax	(2,042)	-	-	(2,042)
Dividends	(123)	-	-	(123)
<b>At September 30 2015</b>	<b>32,437</b>	<b>30</b>	<b>5,835</b>	<b>38,302</b>

All of the above investments in associates and joint ventures are accounted for using the equity method in these consolidated financial statements.

### Reconciliation of share of results in associates and joint ventures in Income Statement to adjusted share of results in associates and joint ventures

Total share of results in associates and joint ventures in Income Statement

Add back:

Share of tax

Share of acquired intangible amortisation net of tax

2015 £000's	2014 £000's
(381)	264
774	-
2,042	-
<b>2,816</b>	<b>-</b>
<b>2,435</b>	<b>264</b>

### Adjusted share of results in associates and joint ventures

Information on investment in associates, investment in joint ventures and available-for-sale investments:

	Note	Principal activity	Year ended	Description of holding	Group interest	Country of incorporation
<b>Investment in associates</b>						
Diamond TopCo Limited (Dealogic)	1	Capital market software solutions	31 Dec	Equity share capital	15.5%	UK
World Bulk Wine Exhibition (WBWE)	2	Event for commercialisation of bulk wine	31 Dec	Equity share capital	40.0%	Spain
<b>Investment in joint ventures</b>						
Institutional Investor Zanbato Limited (II Zanbato)	3	Hedge fund manager trading signals	30 Sept	Equity share capital	50.0%	UK
Sanostro Institutional AG (Sanostro)	4	Hedge fund manager trading signals	31 Dec	Equity share capital	50.0%	Switzerland
<b>Available-for-sale investments</b>						
Estimize, Inc (Estimize)	5	Financial estimates platform	31 Dec	Equity share capital	10.0%	Delaware, US
Zanbato, Inc (Zanbato)	6	Private capital placement and workflow	31 Dec	Equity share capital	9.9%	California, US

- In December 2014 the group acquired 15.5% of the equity share capital with 20% voting rights in Dealogic, a company incorporated by the Carlyle Group (see below). Dealogic provides data and analytics, market intelligence and capital markets software solutions to investment banks to help them manage their workflows, assist with deal origination and execution, and optimise productivity across their equity capital markets, fixed income, investment banking and research, sales and trading businesses.
- In April 2015 the group acquired 40% of the equity share capital of WBWE for a consideration of €1.3m (£0.9m). WBWE is the biggest event in the world dedicated to the commercialisation of bulk wine.
- In November 2014 the group set up a new joint venture with Zanbato Inc. with each owning 50% equity share capital in II Zanbato.
- In December 2014 the group acquired 50% of the equity share capital of Sanostro for a cash consideration of £34,000. Sanostro provides hedge fund manager trading signals to European banks. The group has joint control over the company.
- In July 2015 the group acquired 10% of the equity share capital of Estimize for a cash consideration of \$3.6m (£2.3m). Estimize provides a financial estimates platform through sourcing estimates from hedge fund, brokerage and independent analysts to provide consensus market expectations. This investment is treated as an available-for-sale investment.
- In September 2015 the group acquired 9.9% of the equity share capital of Zanbato for a cash consideration of \$5.4m (£3.5m). Zanbato is an international private capital placement and workflow tools provider. This investment is treated as an available-for-sale investment.



## 9 Investments continued

### Capital NET Limited (CapNet)

In December 2014 the group disposed of 100% of its equity share capital in CapNet for a cash consideration of US\$4.6m (£2.9m). At date of disposal, CapNet had a net liability value of £10,000 resulting in a profit on disposal of £2.9m (note 3).

### Assets available-for-sale investments

#### Capital DATA Limited (CapData)

The group had a 50% interest in CapData. The ordinary share capital of CapData was divided into 50 'A' shares and 50 'B' shares with the group owning the 50 'A' shares. Under the terms of the Articles of Association of CapData, the 'A' shares held by the group did not carry entitlement to any share of dividends or other distribution of profits of CapData. The group did not have the ability to exercise significant influence nor was it involved in the day-to-day running of CapData. As such the investment in CapData was accounted for as an asset available-for-sale with a carrying value of £nil (2014: £nil).

In December 2014 the group disposed its equity share capital in CapData for a total consideration of US\$80.4m, settled by US\$59.2m of ordinary 'B' shares (representing 15.5%) and US\$21.2m of zero-coupon redeemable preference shares in Dealogic. The \$59.2m of 'B' shares were valued based on the price paid by other third party investors in Dealogic. IAS 28 requires that where a non-monetary asset is contributed to an associate for an equity interest in that associate, the resulting gain must be restricted. As the group received part of the consideration for CapData (US\$59.2m) in the form of an associate interest in Dealogic, this element of the disposal gain must be restricted by the percentage of the group's investment in the new structure, namely 15.5%. The consideration in preference shares is treated as a current receivable given the fixed short-term redemption of this instrument, and the related profit on disposal is recognised immediately. The profit on disposal (note 3) is as follows:

	\$000's	£000's
Ordinary 'B' shares in Dealogic received as consideration	59,225	37,817
Restriction applied to ordinary 'B' shares consideration	(9,180)	(5,862)
	<b>50,045</b>	<b>31,955</b>
Preference shares received	21,215	13,547
<b>Total profit on disposal</b>	<b>71,260</b>	<b>45,502</b>

## 10 Acquisitions and disposals

### **Purchase of new business**

#### *Infrastructure Journal (IJ)*

During the financial year to September 30 2014, the group acquired IJ. The fair value of net assets acquired and consideration for the acquisition have been finalised and there were no changes since September 30 2014.

### **Increase in equity holdings**

#### *TTI Technologies LLC (TTI/Vanguard)*

In March 2015 the group acquired 5.4% of the equity share capital of TTI/Vanguard for a cash consideration of US\$0.2m (£0.1m). The group's equity shareholding in TTI/Vanguard increased to 100%.

#### *Family Office Network Limited (FON)*

In April 2015 the group acquired 49% of the equity share capital of FON for a cash consideration of US\$0.2m (£0.1m). The group's equity shareholding in FON increased to 100%.

### **Sale of business**

#### *Institutional Investor Titles (II Titles)*

On October 31 2014, the group completed the sale of its newsletter publications and website services titled Compliance Intelligence, Fund Director Intelligence, Fund Industry Intelligence, and Real Estate Finance Intelligence to Pageant Media Limited. The disposal of II Titles gave rise to a profit on disposal of US\$4.0m (£2.4m), after deducting disposal costs incurred, which was recognised as an exceptional item (note 3) in the Income Statement.

The net assets of II Titles at the date of disposal were as follows:

	<b>Final fair value £000's</b>
<b>Net liabilities disposed</b>	<b>(2,129)</b>
<b>Directly attributable costs</b>	<b>53</b>
<b>Profit on disposal</b>	<b>2,446</b>
<b>Total consideration</b>	<b>370</b>
<b>Consideration satisfied by:</b>	
Cash	<b>93</b>
Deferred consideration	<b>277</b>
	<b>370</b>
<b>Net cash inflow arising on disposal:</b>	
Cash consideration (net of directly attributable costs)	<b>40</b>
Less: cash and cash equivalent balances disposed	<b>-</b>
	<b>40</b>

The net liabilities disposed mainly relates to the deferred revenue balances held by the group, with Pageant Media now being responsible for the delivery of the underlying service.

## 11 Called up share capital

	2015 £000's	2014 £000's
<b>Allotted, called up and fully paid</b>		
128,248,894 ordinary shares of 0.25p each (2014: 128,133,417 ordinary shares of 0.25p each)	<b>320</b>	320

During the year, 115,477 ordinary shares of 0.25p each (2014: 1,676,093 ordinary shares) with an aggregate nominal value of £289 (2014: £4,191) were issued following the exercise of share options granted under the company's share option schemes for a cash consideration of £0.5m (2014: £0.3m).

## 12 Acquisition commitments and deferred consideration

The group is party to contingent consideration arrangements in the form of both acquisition commitments and deferred consideration payments. IAS 39 'Financial Instruments' requires the group to recognise the discounted present value of the contingent consideration. This discount is unwound as a notional interest charge to the Income Statement. The group regularly performs a review of the underlying businesses to assess the impact on the fair value of the contingent consideration. Any resultant change in these fair values is reported as a finance income or expense in the Income Statement.

	Acquisition commitments		Deferred consideration	
	2015 £000's	2014 £000's	2015 £000's	2014 £000's
At October 1	13,365	15,037	8,503	11,646
Reduction from disposals during the year	-	-	(269)	(2,214)
Net movements in finance income and expense during the year (note 4)	(4,748)	(1,298)	2,851	1,873
Exercise of commitments	(109)	(247)	-	-
Paid during the year	-	(111)	(11,558)	(2,738)
Exchange differences to reserves	663	(16)	(116)	(64)
<b>At September 30</b>	<b>9,171</b>	<b>13,365</b>	<b>(589)</b>	<b>8,503</b>

Included in net movements in finance income and expense is a credit of £5.2m in respect of CIE (note 4) and the remaining amount relates to other movements in fair value adjustments and acquisition imputed interest.

Exchange differences to reserves were recorded within net exchange differences on translation of net investments in overseas subsidiary undertakings in the Statement of Comprehensive Income.

### Reconciliation of finance income and expense (note 4):

	Acquisition commitments		Deferred consideration	
	2015 £000's	2014 £000's	2015 £000's	2014 £000's
Fair value adjustment during the year	(5,727)	(2,682)	2,617	800
Imputed interest	979	1,384	234	1,073
<b>Net movements in finance income and expense during the year</b>	<b>(4,748)</b>	<b>(1,298)</b>	<b>2,851</b>	<b>1,873</b>
<b>Unrealised (income)/expense included in net movements during the year</b>	<b>(5,729)</b>	<b>(2,485)</b>	<b>560</b>	<b>753</b>

## 12 Acquisition commitments and deferred consideration *continued*

### Maturity profile of contingent consideration:

	Acquisition commitments		Deferred consideration	
	2015 £000's	2014 £000's	2015 £000's	2014 £000's
<b>Assets</b>				
Within one year (included in current assets)	-	-	(331)	(354)
In more than one year (included in non-current assets)	-	-	(258)	(1,532)
	-	-	(589)	(1,886)
<b>Liabilities</b>				
Within one year (included in current liabilities)	-	2,088	-	10,389
In more than one year (included in non-current liabilities)	9,171	11,277	-	-
	9,171	13,365	-	10,389
	9,171	13,365	(589)	8,503

There is a deferred tax asset of £nil (2014: £40,000) related to the acquisition commitments.

The discounted acquisition commitment and deferred consideration are based on pre-determined multiples of future profits of the businesses, and have been estimated on an acquisition-by-acquisition basis using available performance forecasts. The directors derive their estimates from internal business plans and financial due diligence. At September 30 2015, the weighted average growth rates used in estimating the expected profits range was 23%.

A one percentage point increase or decrease in growth rate in estimating the expected profits, results in the acquisition commitment at September 30 2015 increasing or decreasing by £0.1m with the corresponding change to the value at September 30 2015 charged to the Income Statement in future periods.

## 13 Related party transactions

The group has taken advantage of the exemption allowed under IAS 24 'Related Party Disclosures' not to disclose transactions and balances between group companies that have been eliminated on consolidation. Other related party transactions and balances are detailed below:

- (i) The group had borrowings under a US\$160m multi-currency facility with Daily Mail and General Holdings Limited (DMGH), a Daily Mail and General Trust plc (DMGT) group company as follows:

	2015 US\$000's	2015 £000's	2014 US\$000's	2014 £000's
Amounts owing under US\$ facility at September 30	-	-	62,486	38,543
Amounts owing under GBP facility at September 30	-	-	-	7,895
Amounts due under current account facility at September 30	-	-	(1,234)	(761)
	-	-		45,677
Fees on the available facility for the year	-	733	-	417

- (ii) On August 3 2015 the company entered into a deposit agreement with Daily Mail and General Holdings Limited:

	2015 US\$000's	2015 £000's	2014 US\$000's	2014 £000's
Deposits denominated in US\$ at September 30	1,787	1,182	-	-
Deposits denominated in GBP at September 30	-	8,617	-	-
	-	-	-	-

- (iii) During the year the group expensed services provided by DMGT, the group's parent, and other fellow group companies, as follows:

	2015 £000's	2014 £000's
Services expensed	849	503

### 13 Related party transactions *continued*

(iv) During the year DMGT group companies surrendered tax losses to Euromoney Consortium Limited under an agreement between the two groups. These tax losses are relievably against UK taxable profits of the group under HMRC's consortium relief rules:

	2015 £000's	2014 £000's
Amounts payable	1,787	1,626
Tax losses with tax value	2,383	2,168
Amounts owed by DMGT group at September 30	<b>(313)</b>	<b>(387)</b>

(v) DMGT group companies have an agreement to surrender tax losses to Euromoney Consortium 2 Limited. These tax losses are relievably against UK taxable profits of the group under HMRC's consortium relief rules:

	2015 £000's	2014 £000's
Amounts payable	-	226
Tax losses with tax value	-	302
Amounts owed by DMGT group at September 30	<b>(202)</b>	<b>(226)</b>

(vi) During the year, in an arms-length transaction, the group sold a property to Mintel Limited for a consideration of £2.3m. Mr N Berry, a director of DMGT plc, owns 97% of Mintel Limited through a family holding.

(vii) During the year the group received dividends from its associate undertakings:

	2015 £000's	2014 £000's
Capital NET Limited	123	291
GGA Pte. Limited	-	32
	<b>123</b>	<b>323</b>

### 14 Events after the balance sheet date

A board meeting was held on November 18 2015 and a number of board changes were implemented as proposed by the nominations committee. The nominations committee agreed that:

- the chairman of the board be changed to a non-executive role and that JC Botts be appointed as the non-executive chairman in an interim capacity until such time as the company appoints a permanent independent non-executive chairman;
- A Rashbass's role as executive chairman be changed to the new role of chief executive officer;
- A Rashbass to step down as chairman of the nominations committee and JC Botts to replace A Rashbass as chairman of the nominations committee until an independent non-executive chairman has been appointed;
- CHC Fordham to step down from the nominations committee; and
- the number of executive directors on the board to reduce and accordingly CHC Fordham, N Osborn, J Wilkinson, B AL-Rehany and D Alfano not to seek re-election at the company's next AGM in January 2016.

The directors propose a final dividend of 16.40p per share (2014: 16.00p) totalling £21.0m (2014: £20.2m) for the year ended September 30 2015. The dividend will be submitted for formal approval at the AGM to be held on January 28 2016. In accordance with IAS 10 'Events after the Reporting Period', these financial statements do not reflect this dividend payable but will be accounted for in shareholders' equity as an appropriation of retained earnings in the year ending September 30 2016.

There were no other events after the balance sheet date.