EUROMONEY INSTITUTIONAL INVESTOR PLC
INTERIM MANAGEMENT STATEMENT
FOR THE PERIOD TO JANUARY 29, 2014

Euromoney Institutional Investor PLC ("Euromoney"), the international online information and events group, today issues its Interim Management Statement for the period from October 1, 2013 to January 29, 2014. There have been no material events or transactions in the period other than the information contained in this Interim Management Statement.

Trading

Since reporting its 2013 results on November 14, 2013, trading has continued largely in line with the board's expectations as set out in the preliminary results announcement. As highlighted in that announcement, the trading conditions experienced in the second half of the company's financial year 2013 (FY13) were expected to continue into the first quarter of financial year 2014, with the notable exception of advertising. Total revenues for the first quarter increased by 3% to £98.4 million, while underlying revenues, excluding acquisitions, were unchanged.

The group generates nearly two thirds of its revenues in US dollars and movements in the sterling-dollar rate can have a significant impact on reported revenues. However, the average sterling-dollar rate for the first quarter was $1.63, against $1.61 last year, and the impact of exchange rates on revenues in the period was therefore not significant.

The following table summarises the year-on-year revenue changes for the first quarter at both headline rates and at constant currency:

	Q1 FY14 £m	Q1 FY13 £m	Headline change	Change at constant currency
Subscriptions	51.3	49.0	5%	6%
Advertising	11.2	11.2	-	1%
Sponsorship	11.7	10.8	8%	9%
Delegates	20.6	20.4	1%	1%
Other/closed	3.6	3.5	4%	5%
Foreign exchange losses on forward currency contracts	-	0.5	-	-
Total revenues	98.4	95.4	3%	4%

The 6% increase in subscription revenues at constant currency was consistent with that achieved during the second half of FY13, as was the 2% underlying increase excluding acquisitions. As highlighted in November's preliminary results announcement, the sharp improvement in advertising in the last quarter of FY13 was largely driven by product timing rather than any sustained improvement in advertising markets, and was not expected to continue into the first quarter of FY14, although the trend in advertising revenue for the first quarter is still an improvement on that seen throughout most of FY13. The growth in sponsorship and delegate revenues arises from acquisitions in FY13, particularly CIE, Australia's leading provider of investment forums for the asset management industry whose performance since acquisition has exceeded expectations.

During the period, the group has continued to invest in new products, particularly Project Delphi, its new platform for authoring, storing and delivering its content which is expected both to improve the quality of its existing subscription products and increase the speed to market of new digital information services. Phase one of the project is on track for completion during the second quarter. The first products available on the new platform, including the group's Global Capital Markets content and a fully integrated online research service from BCA, are already at an advanced stage of testing, and sales of BCA's new analytics product started in January.

Currency movements did not materially affect the first quarter's results but the recent strength of sterling against the US dollar is expected to have a more significant impact on trading from the second quarter. While the group hedges its exposure to the US dollar revenues in its UK businesses, it does not hedge the foreign exchange risk on the translation of overseas profits. The group generates more than half its operating profits in US dollars and the translation impact of a one cent movement in the average US dollar rate is approximately £0.6 million on an annualised basis. The recent sterling-US dollar level of approximately $1.65 compares with an average rate of $1.54 for the last nine months of FY13.

Financial Position

Net debt at December 31, 2013 was £11.4 million, an increase of £1.5 million since the year-end. The first quarter is traditionally the one with the lowest operating cash flows because of the payment of annual profit shares and other incentives in December. The only significant capital outflows in the period were the £12.5 million acquisition of Infrastructure Journal, the leading information source for the international infrastructure markets (see RNS announcement on October 15, 2013), and a further £2 million on Project Delphi.

The final dividend for financial year 2013, if approved by shareholders at the Annual General Meeting, is payable on February 13 2014 in the amount of £19.9 million.

Capital Appreciation Plan (CAP)

As reported at the time of the 2013 results, the second 50% of awards under CAP 2010, the group's long-term incentive plan, will vest on February 13 and is expected to be satisfied by the issue of approximately 1.5 million new ordinary shares and a cash payment of £7.0 million.

The board believes the CAP has been an important driver of the fivefold increase in the group's profits since the incentive was first introduced in 2004. Accordingly, at the time of the 2013 results, the company announced proposals to introduce a new long-term incentive plan, CAP 2014, with a similar structure and cost to CAP 2010. The principal terms of CAP 2014 were set out in the circular to shareholders dated December 20, 2013 and are subject to approval by shareholders at the AGM. If approved, rewards under CAP 2014 will be satisfied by a mix of cash and up to 3.5 million shares which the company intends to acquire in the market over the course of the life of the new CAP.

Outlook

As highlighted in previous trading updates, the profitability of banks and asset managers improved during 2013. However, litigation against banks, often leading to significant financial settlements, combined with increasing regulation and demands for stronger capital bases, was causing global financial institutions to take a cautious view of the outlook and manage their budgets for marketing, training and information buying accordingly. While the macro-economic outlook has continued to improve, and there are signs of increased budgets in the asset management industry especially in the US, global financial institutions have generally continued to maintain tight control of costs during the early part of the new calendar budget cycle.

While trading conditions remain challenging, the group's performance remains largely in line with the board's expectations. The group will maintain its strategy of investing in new products and digital publishing, particularly through Project Delphi, to drive organic growth, and using its strong balance sheet and cash flows to fund further acquisitions.

AGM/ Next Trading Update

The company is holding its Annual General Meeting at 9.30am on January 30. No further comment on trading will be made at this meeting.

The results for the six months to March 31 will be announced on May 15, 2014. The company intends to issue a pre-close trading update on March 26.

Richard Ensor
Chairman
January 29, 2014
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ABOUT THIS INTERIM MANAGEMENT STATEMENT

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NOTE TO EDITORS

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