Euromoney Institutional Investor PLC

Preliminary Announcement

September 30 2006

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Contents

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Preliminary Announcement

Record Profits and Dividend in 2006

Highlights	2006	2005^	change
Revenue	£220.5 m	£194.8 m	+13%
Operating profit*	£43.8 m	£39.3 m	+11%
Profit before tax	£35.2 m	£34.4 m	+2%
Diluted earnings a share	41.9 p	34.1 p	+23%
Adjusted diluted earnings a share‡	28.6 p	26.3 p	+9%
Dividend	17.0 p	16.2 p	+5%

^ 2005 comparatives have been restated in accordance with International Financial Reporting Standards.

- Operating profit* exceeds £40m for first time
- Organic revenue growth drives profitability higher
- Record cash generated from operations £60m
- All business units contribute to improved performance
- Capital Appreciation Plan continues to drive growth
- £230m acquisition of Metal Bulletin completed post year-end

HIGHLIGHTS
Euromoney Institutional Investor PLC, the international publishing, events and electronic information group, reports an increase in 2006 operating profit* to £43.8 million for the year to September 30, against £39.3 million for the previous year. Adjusted diluted earnings a share were 28.6p, against 26.3p in 2005, and the directors recommend a 5% increase in the final dividend to 11.6p, making a total for the year of 17.0p.

These record results reflect further progress in the group's strategy to build one of the world's leading international business media groups. All divisions achieved strong revenue growth, with group operating profit* exceeding £40 million for the first time. The group also benefited from record operating cash flows of £59.6 million in 2006, after an increase of £8 million in deferred subscription revenue.

Commenting on the results, Padraic Fallon, Chairman, said:

"It was another year of record performance, driven by strong organic revenue growth across all divisions. Our objectives remain the same: to deliver continued top-line growth from new and existing products; to diversify our revenues while improving the operating margin; and to invest selectively in acquisitions that strengthen the Company's market position. The acquisition of Metal Bulletin, which was completed after the year-end, is a big step forward in implementing our strategy for creating one of the world's leading international business media groups."

TRADING BACKGROUND
Revenue increased by 13% to £220.5million. The trading environment has remained good throughout the year, with financial institutions continuing to benefit from a strong performance in almost every asset class. Another year of brisk M&A activity has helped increase profitability for many of the group's key customers, while ample liquidity within the secondary and private equity markets has driven capital flows and investment.

Consistent with management's strategy, most of the growth in operating profit* has been generated organically. The performance of the print subscription titles has been particularly pleasing, with subscriber numbers, subscription rates and renewal rates all ahead of the previous year. This growth has been driven by the group's continued investment in direct marketing, with spend increasing by 19% to £10 million in the year.

Operating profits* from conferences and seminars were affected by timing differences: two of IMN's biggest events were run twice in 2005, but have since returned to their usual timing in the first quarter of 2007; this was partly compensated for by Adhesion's biennial *Vinisud* wine exhibition which was held in 2006. Excluding these timing differences, underlying group operating profits* increased by 20%. The training businesses have also been an important contributor to volume and margin improvements, helped by the launch of new courses.

MARGIN
The group's operating margin* was slightly lower than last year at 19.9%, compared to 20.2% in 2005, due to timing differences on some of the group's largest events. As expected, the positive benefit from operational gearing seen in 2005 moderated this year, as the group continued to invest in the long-term sustainable growth of its businesses. The focus remains on building high margin, repeat annual revenues and the elimination of low margin products.

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* Operating profit before acquired intangible amortisation, share option expense, exceptional items and share of results in associates and joint ventures as set out in the group income statement.
‡ Diluted earnings a share before acquired intangible amortisation, exceptional items, imputed interest on acquisition option commitments and deferred tax assets recognised, as set out in note 6.

BUSINESS REVIEW

Operating profits* from Financial Publishing increased by 17% to £13.1 million, as a result of strong growth in both advertising and subscription revenues. Nearly all titles increased profits: *Euromoney* had an impressive year, achieving 17% growth in advertising revenues and publishing its biggest IMF issue for ten years; *Institutional Investor - International Edition* improved its performance sharply on 2005; and the specialist titles *Euroweek* and *Project Finance* delivered strong growth from advertising and new products.

Business Publishing had a good year with operating profits* increasing by 25% to £6.8 million. Encouragingly, this was a broad-based improvement: the US energy publications delivered record profits; the legal titles benefited from strong growth in subscription and advertising revenues including a record *IFLR 1000* directory; and the transport and telecoms titles sharply increased profits by diversifying away from advertising into new revenue streams.

Operating profits* from Conferences and Seminars increased by 5% to £20.3 million and underlying profits, after adjusting for timing differences, increased by 23% continuing the excellent growth record achieved over the past five years. The continued interest in alternative assets has supported revenue and profit growth, and most of the businesses achieved an increase in both the number of events held and the average revenue per event, in line with the group's strategy. II Memberships had an excellent year, with a record number of members at year-end and subscription revenues increasing by 21%. New membership organizations for private wealth managers and legal and compliance officers are being launched in 2007. IMN continued to grow through the launch of successful new events for the securitization and real estate markets.

The Training businesses delivered operating profits* of £7.0 million, an increase of 13% and an all-time high. The growth mainly came from the volume of courses offered and an increase in the average yield. The full year result is particularly pleasing to management when compared to the half year, and reflects the decisive actions taken at that time to improve performance, and an increase in marketing investment.

Operating profits* from Databases and Information Services improved by 38% to £5.4 million. CEIC, consolidated from April 2006, continues to perform ahead of its forecasts at acquisition, and £0.5 million was invested in accelerating the roll out of CEIC's economic data service to other emerging markets. Revenue growth from ISI, the emerging markets information provider, maintained its momentum, with a client retention rate in excess of 90%. The number of ISI customers, products and data providers all increased during the year.

CASH FLOW AND NET DEBT

Year-end net debt was £73.4 million, down from £75.5 million at the half year. While the level of debt is usually higher in the first half following the payment of dividends and profit shares, net debt at year-end increased by only £7.0 million from 2005. This is after investing £3.4 million in the acquisition of Asia Business Forum, £19.7 million on the purchase of a 9% interest in Metal Bulletin, and a further £14.5 million increasing the group's investments in IMN, ISI and CEIC under earn-out agreements. The significant gap between what has been paid out and the increase in net debt has largely been met by the very strong cash generated from operations of £59.6 million, demonstrating the robust organic performance of the business and reflecting a key strength of the group's business model. In addition deferred revenue at year end was £45.3 million, against £37.5 million at the end of 2005.

MANAGEMENT INCENTIVE

Operating profit* exceeded £40 million for the first time, reflecting further evidence of the benefits of the Capital Appreciation Plan. This highly-geared equity incentive was introduced to drive profit** to a target of £50 million by 2008 against a base of £21 million in 2003. Approximately 150 managers participate in this incentive which encourages investment in new products and directly rewards each participant for the organic profit growth achieved by their business.

The non-cash cost of the CAP is being expensed over the life of the plan. For 2006, the first full year of amortizing the CAP cost, an expense of £4.3 million (2005: £1.3 million) has been charged.

ACQUISITIONS

In March 2006, the group acquired a 47.5% stake in Asia Business Forum, a leading business conference and training organizer in the Asian region, for £3.4 million. A further 42.5% interest will be acquired in 2007 under the earn-out agreement.

In October 2006 the group acquired a 67% stake in Total Derivatives, a leading provider of real-time news and analysis about the global fixed income derivatives markets, for £6.7 million. This is an exciting acquisition, taking the group further into the provision of electronic information services and providing an excellent platform for the launch of new products. The acquisition was funded from the group's existing borrowing facility and is expected to be earnings enhancing in 2007.

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* Operating profit before acquired intangible amortisation, share option expense, exceptional items and share of results in associates and joint ventures as set out in the group income statement.

** Profit before tax excluding acquired intangible amortization, share option expense, exceptional items and imputed interest on acquisition option commitments.

Euromoney's acquisition of Metal Bulletin plc was declared unconditional on October 5 2006, after the financial year-end. The acquisition cost of approximately £230 million was funded by a mix of debt (£163 million) loan notes (£12 million) and up to 14 million new shares (£55 million). The debt was provided by a new £375 million three year multi-currency facility. In addition the Company assumed £14 million of Metal Bulletin net debt. The issue of new shares increased the Company's issued share capital by 16%, and will significantly increase the free float in the Company's shares. Daily Mail and General Trust plc now owns 61% of the Company.

The acquisition of Metal Bulletin is consistent with the group's long-term strategy of building subscription and repeat revenues, reducing its dependence on advertising revenue, investing further in growing financial information products, and establishing critical mass in non-financial information products. The integration of Metal Bulletin is underway, and while it is too early to comment in detail, the Company is confident that the significant growth opportunities and cost savings identified at the time of acquisition are achievable.

DIVIDEND
The increase in the final dividend is consistent with the Company's strategy of moving gradually to a dividend cover of two times, while still delivering real dividend growth. The total payment to shareholders for the 2006 financial year will be £16.7 million, bringing the dividends returned to shareholders over the past five years to over £70 million, all financed from operating cash flows.

TAX
The group has traditionally had a low tax rate due to the tax amortization of goodwill available on US acquisitions and the availability of brought-forward tax losses for use against its US profits. In 2006, the group recognized a deferred tax credit of £13.6 million in respect of US tax losses and tax deductible US goodwill as the group's US businesses are now expected to generate taxable profits for the foreseeable future. After adjusting for this deferred tax credit, the group's underlying tax rate was 27% against 28% in 2005. The majority of the group's tax losses and deferred tax assets have been recognized and the group's underlying tax rate for 2007 and subsequent years is now expected to be at least 30%.

OUTLOOK
The Company has benefited from a healthy financial environment in 2006, and any marked reversal in the performance of financial markets in 2007 will present challenges. However, the Company's strategy has been to diversify its revenues while investing in the quality of its products and services to ensure competitive advantage irrespective of the trading environment. The opportunities that the Metal Bulletin acquisition presents, along with the group's continued organic growth, leave the Company optimistic about its prospects for 2007. For the new financial year, the first quarter is generally the least significant in profit terms, and visibility for the second quarter is always limited at this stage. However, current trading is encouraging, with advertising, sponsorship and delegate sales all ahead of the same period in 2005.

Padraic Fallon
Chairman
November 15 2006

NOTE TO EDITORS
About Euromoney Institutional Investor PLC

Euromoney Institutional Investor PLC is listed on the London Stock Exchange and a member of the FTSE-250 share index. It is a leading international business-to-business media group focused primarily on the international finance sector. It publishes more than 100 magazines, newsletters and journals, including the leading financial market titles Euromoney and Institutional Investor. It also runs an extensive portfolio of conferences, seminars and training courses and is a leading provider of electronic information and data covering international finance and emerging markets. Its main offices are in London, New York and Hong Kong and nearly half its revenues and profits are managed from the United States. On October 5 2006 the Company completed the acquisition of Metal Bulletin plc for £230 million. The acquisition was funded partly by the issue of 14 million new shares, following which the Daily Mail and General Trust plc now owns 61% of the Company.

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Group Income Statement
for the year ended September 30 2006

	Notes	2006 £000's	2005 £000's
Revenue	2		
Continuing operations		222,276	196,266
Less: share of revenue of joint ventures		(1,800)	(1,434)
Total revenue		220,476	194,832
Operating profit before acquired intangible amortisation, share option expense and exceptional items	2	43,812	39,348
Acquired intangible amortisation		(144)	-
Share option expense		(4,428)	(1,380)
Exceptional items	3	(716)	(315)
Operating profit before associates and joint ventures	2	38,524	37,653
Share of results in associates and joint ventures		1,208	624
Operating profit		39,732	38,277
Finance income		772	340
Imputed interest on acquisition option commitments		(916)	-
Other finance costs		(4,354)	(4,183)
Finance costs		(5,270)	(4,183)
Net finance costs		(4,498)	(3,843)
Profit before tax		35,234	34,434
Tax on profit		(10,137)	(9,657)
Deferred tax asset recognition		13,649	7,240
Tax credit/(expense) on profit on ordinary activities	4	3,512	(2,417)
Profit after tax		38,746	32,017
Attributable to:			
Equity holders of the parent		37,430	30,181
Equity minority interests		1,316	1,836
		38,746	32,017
Basic earnings per share	6	42.11p	34.19p
Diluted earnings per share	6	41.90p	34.10p
Dividend per share (including proposed dividends)	5	17.00p	16.20p

Euromoney Institutional Investor PLC

Group Balance Sheet

as at September 30 2006

	2006 £000's	2005 £000's
Non-current assets		
Intangible assets		
Goodwill	68,452	66,029
Other intangible assets	3,146	479
Property, plant and equipment	14,643	10,747
Investments	25,846	7,080
Deferred tax asset	22,917	9,820
	135,004	94,155
Current assets		
Trade and other receivables	73,512	54,927
Cash and cash equivalents	27,503	25,071
Derivative financial instruments	3,069	-
	104,084	79,998
Current liabilities		
Trade and other payables	(95,515)	(75,935)
Accruals	(29,478)	(23,225)
Deferred income	(45,324)	(37,491)
Bank overdrafts	(1,235)	(139)
	(171,552)	(136,790)
Net current liabilities	(67,468)	(56,792)
Total assets less current liabilities	67,536	37,363
Non-current liabilities		
Acquisition option commitments	(24,332)	-
Deferred consideration	-	(8,689)
Other non-current liabilities	(597)	-
Committed facility	(65,530)	(62,518)
Deferred tax liabilities	(3,074)	(981)
Provisions	(777)	(1,125)
	(94,310)	(73,313)
Net liabilities	(26,774)	(35,950)
Shareholders' equity		
Called up share capital	223	222
Share premium account	38,081	37,351
Capital redemption reserve	8	8
Own shares	(74)	(74)
Liability for share based payments	5,907	1,479
Fair value reserve	6,618	-
Translation reserve	(244)	(1,300)
Retained earnings	(78,642)	(75,245)
Equity shareholders' deficit	(28,123)	(37,559)
Equity minority interests	1,349	1,609
Total equity	(26,774)	(35,950)

Euromoney Institutional Investor PLC

Group Cash Flow Statement

for the year ended September 30 2006

	2006 £000's	2005 £000's
Cash flow from operating activities		
Operating profit	**39,732**	38,277
Share of operating profit in associates and joint ventures	**(1,208)**	(624)
Loss on disposal of business	**1,483**	315
Intangible amortisation	**381**	-
Goodwill impairment	**519**	-
Share option expense	**4,428**	1,380
Depreciation of property, plant and equipment	**2,925**	1,745
Utilisation of property rental provision	**(348)**	(148)
(Gain)/loss on disposal of property, plant and equipment	**(1,286)**	87
Operating cash flows before movements in working capital	**46,626**	41,032
Increase in receivables	**(9,822)**	(4,395)
Increase in payables	**22,754**	6,181
Cash generated by operations	**59,558**	42,818
Income taxes paid	**(6,884)**	(6,797)
Net cash from operating activities	**52,674**	36,021
Investing activities		
Dividends paid to minorities	**(1,724)**	(943)
Dividends received from associate	**756**	-
Interest received	**662**	345
Purchases of property, plant and equipment	**(7,694)**	(5,387)
Proceeds on disposal of property, plant and equipment	**1,975**	20
Purchase of available for sale investments	**(19,741)**	-
Purchase of additional interest in subsidiaries undertakings	**(14,507)**	(12,231)
Acquisition of associate and joint ventures	**(3,424)**	(6,097)
Disposal of subsidiary	**150**	500
Net cash used in investing activities	**(43,547)**	(23,793)
Financing activities		
Dividends paid	**(14,563)**	(13,376)
Interest paid	**(696)**	(3,756)
Issue of new share capital	**730**	2,960
Increase in borrowings	**3,336**	42,932
Repayment of borrowings	**-**	(39,540)
Loan repaid to DMGT group company	**(71,991)**	(15,384)
Loan received from DMGT group company	**76,399**	15,622
Net cash used in financing activities	**(6,785)**	(10,542)
Net increase in cash and cash equivalents	**2,342**	1,686
Cash and cash equivalents at beginning of year	**24,932**	23,099
Effect of foreign exchange rate movements	**(1,006)**	147
Cash and cash equivalents at end of year	**26,268**	24,932

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Note to the Group Cash Flow Statement

A Net Debt

	2006	2005
	£000's	£000's
Net debt at beginning of period	(66,430)	(62,389)
Increase in cash and cash equivalents	2,342	1,686
Decrease in loans	(15,716)	(18,907)
Decrease in amounts owed to DMGT group company	7,972	15,384
Other non cash changes	(4,973)	(106)
Effect of foreign exchange rate movements	3,367	(2,098)
Net debt at end of period	(73,438)	(66,430)

Net debt comprises cash at bank and in hand, bank overdrafts, bank loans and other borrowings.
Cash and cash equivalents in the cash flow statement includes banks overdrafts.

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Group Statement of Changes in Equity

for the year ended September 30 2006

	Note	2006 £000's	2005 £000's
Profit for the year		**37,430**	30,181
Dividends paid	5	**(14,563)**	(13,376)
		22,867	16,805
Proceeds from issue of shares for cash		**731**	2,960
Credit to equity for share based payments		**4,428**	1,380
Fair value gains on cash flow hedges		**3,629**	n/a
Fair value gains on available for sale investments		**405**	n/a
Net exchange difference on foreign currency loans		**3,183**	-
Changes in acquisition commitments		**(4,728)**	-
Tax on items going through reserves		**(265)**	(264)
Exchange differences on translation of foreign operations		**1,056**	(1,300)
Other movements		**(23)**	-
Net decrease in equity shareholders' deficit		**31,283**	19,581
Impact of adoption of IAS 39 on October 1 2005		**(21,847)**	-
Opening equity shareholders' deficit as restated/previously stated		**(37,559)**	(57,140)
Closing equity shareholders' deficit		**(28,123)**	(37,559)
Total equity attributable to:			
Equity holders of the parent		**(28,123)**	(37,559)
Equity minority interests		**1,349**	1,609
		(26,774)	(35,950)

IAS 39 requires unrealised fair value gains/(losses) on certain financial instruments to be recognised in equity; when realised, these fair value gains/(losses) are recognised in the income statement. In accordance with the transition rules for first time adoption of IFRSs, 2005 comparatives have not been restated. The impact of the adoption of IAS 39 is shown above and in note 7.

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Notes to the Preliminary Announcement

1 Basis of preparation

The preliminary results have been prepared in accordance with the recognition and measurement principles of International Financial Reporting Standards ('IFRS') as adopted by the European Union, and those parts of the Companies Act 1985 applicable to companies reporting under IFRS. The group is complying with IFRS for the first time for the year ended September 30 2006 and the accounting policies applicable to the group from October 1 2004 are those that are set out in a separate document, "Adoption of International Financial Reporting Standards - Preliminary restatement of 2005 financial information" which was published on March 22 2006, and is available on the group's website at www.euromoneyplc.com/reports/IFRS_Restatement_2005.pdf. The same accounting policies have been consistently applied to the preliminary financial statements except where the Group has taken advantage of the exemption in International Financial Reporting Standard 1: "First-time Adoption of International Financial Reporting Standards" ('IFRS 1') from the requirement to restate comparative information for International Accounting Standard 32: "Financial Instruments: Disclosure and Presentation" ('IAS 32') and International Accounting Standard 39: "Financial Instruments: Recognition and Measurement" ('IAS 39'). These standards have been adopted from October 1 2005 and the impact is set out in note 7.

The financial information set out in this announcement does not constitute the company's statutory accounts for the year ended September 30 2006 but is derived from those accounts. The financial information for the year ended September 30 2005 is based on information extracted from the group's statutory accounts for that period prepared under UK GAAP, and restated in accordance with IFRS. Statutory accounts for 2005, prepared under UK GAAP, have been delivered to the Registrar of Companies, and those for 2006 will be delivered following the company's annual general meeting. The auditors have reported on those accounts; their report was unqualified and did not contain statements under section 237 (2) or (3) of the Companies Act 1985.

2 Segmental analysis

Primary reporting format
Segmental information is presented in respect of the group's business divisions and represent the group's management and internal reporting structure. The group is currently organised into five business divisions: Financial publishing; Business publishing; Training; Conferences and seminars; and Databases and information services. This is considered to be the primary reporting format. Financial publishing and Business Publishing consist primarily of advertising and subscription revenue. The Training division consists primarily of delegate revenue. Conferences and seminars consists of both sponsorship income and delegate revenue. Databases and information services consists of subscription revenue. A breakdown of the group's revenue by type is set out below.

Secondary reporting format
The group divides the operation of its businesses across three main geographical areas: United Kingdom; North America; and Rest of World (which primarily includes Asia). These geographical areas are considered as the secondary reporting format.

Inter segment sales are charged at prevailing market rates.

	United Kingdom		North America		Rest of World		Eliminations		Total	
	2006 £000's	2005 £000's	**2006 £000's**	2005 £000's	**2006 £000's**	2005 £000's	**2006 £000's**	2005 £000's	**2006 £000's**	2005 £000's
Revenue										
By division and source:										
Financial publishing	**31,905**	29,425	**31,637**	28,365	**1,605**	1,408	**-**	-	**65,147**	59,198
Business publishing	**15,829**	14,610	**8,362**	7,039	**1,292**	1,155	**-**	-	**25,483**	22,804
Training	**19,831**	16,342	**7,143**	6,580	**2,243**	2,140	**(390)**	(358)	**28,827**	24,704
Conferences and seminars	**28,021**	22,101	**41,200**	38,994	**11,959**	7,976	**(4,220)**	(4,313)	**76,960**	64,758
Databases and information services	**5,201**	4,894	**5,349**	4,304	**10,689**	7,344	**-**	5	**21,239**	16,547
Closed businesses	**1,721**	4,053	**-**	344	**146**	1,420	**(21)**	(44)	**1,846**	5,773
Unallocated corporate costs	**1,980**	1,718	**-**	-	**-**	-	**(1,006)**	(670)	**974**	1,048
Group revenue	**104,488**	93,143	**93,691**	85,626	**27,934**	21,443	**(5,637)**	(5,380)	**220,476**	194,832
Joint ventures (sale of goods)	**915**	1,434		-	**885**	-	**-**	-	**1,800**	1,434
	105,403	94,577	**93,691**	85,626	**28,819**	21,443	**(5,637)**	(5,380)	**222,276**	196,266

The joint venture revenues of £1,800,000 (2005: £1,434,000) can be allocated as follows; Business publishing £915,000 (2005: £1,434,000); Databases and information £885,000 (2005: £nil).

	2006 £000's	2005 £000's
Revenue by type:		
Advertising	**58,589**	53,328
Sponsorship	**37,176**	32,705
Subscriptions	**56,300**	48,017
Training, delegates and events	**57,442**	46,786
Other	**9,123**	8,224
Closed businesses	**1,846**	5,772
Total revenue	**220,476**	194,832
Investment income	**733**	340
Total revenue and investment income	**221,209**	195,172

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Notes to the Preliminary Announcement *continued*

2 Segmental analysis *continued*

	United Kingdom		North America		Rest of World		Eliminations		Total	
	2006	2005	**2006**	2005	**2006**	2005	**2006**	2005	**2006**	2005
	£000's	£000's	**£000's**	£000's	**£000's**	£000's	**£000's**	£000's	**£000's**	£000's
Revenue										
By destination:										
Sale of goods	**24,334**	23,212	**59,303**	52,853	**38,606**	32,697	**(4,844)**	(3,414)	**117,399**	105,348
Sale of services	**12,562**	9,736	**42,857**	37,893	**46,585**	38,005	**(773)**	(1,922)	**101,231**	83,712
Closed businesses (sale of goods)	**489**	1,703	**464**	1,126	**914**	2,987	**(21)**	(44)	**1,846**	5,772
Group revenue	**37,385**	34,651	**102,624**	91,872	**86,105**	73,689	**(5,638)**	(5,380)	**220,476**	194,832
Joint ventures (sale of goods)	**60**	57	**152**	270	**1,588**	1,107	**-**	-	**1,800**	1,434
Total revenue	**37,445**	34,708	**102,776**	92,142	**87,693**	74,796	**(5,638)**	(5,380)	**222,276**	196,266
Investment income	**284**	119	**366**	189	**83**	32	**-**	-	**733**	340
Total revenue (including share of joint venture revenue) and investment income	**37,729**	34,827	**103,142**	92,331	**87,776**	74,828	**(5,638)**	(5,380)	**223,009**	196,606

	United Kingdom		North America		Rest of World		Total	
	2006	2005	**2006**	2005	**2006**	2005	**2006**	2005
	£000's	£000's	**£000's**	£000's	**£000's**	£000's	**£000's**	£000's
Operating profit[1]								
By division and source:								
Financial publishing	**8,526**	8,413	**4,637**	2,664	**(13)**	141	**13,150**	11,218
Business publishing	**5,020**	3,861	**1,560**	1,475	**204**	89	**6,784**	5,425
Training	**5,069**	3,906	**1,460**	1,619	**456**	632	**6,985**	6,157
Conferences and seminars	**7,486**	5,871	**11,091**	13,291	**1,708**	158	**20,285**	19,320
Databases and information services	**3,792**	2,768	**(121)**	1,551	**1,721**	(427)	**5,392**	3,892
Closed businesses	**(108)**	(182)	**-**	(248)	**8**	(66)	**(100)**	(496)
Unallocated corporate costs	**(7,548)**	(5,652)	**(1,097)**	(516)	**(39)**	-	**(8,684)**	(6,168)
	22,237	18,985	**17,530**	19,836	**4,045**	527	**43,812**	39,348
Acquired intangible amortisation [2]	**-**	-	**-**	-	**(144)**	-	**(144)**	-
Share option expense	**(2,241)**	(830)	**(1,944)**	(508)	**(243)**	(42)	**(4,428)**	(1,380)
Exceptional items (note 3)	**(716)**	(315)	**-**	-	**-**	-	**(716)**	(315)
Operating profit before associates and joint ventures	**19,280**	17,840	**15,586**	19,328	**3,658**	485	**38,524**	37,653
Share of results in associates and joint ventures							**1,208**	624
Net finance costs							**(4,498)**	(3,843)
Profit before tax							**35,234**	34,434
Tax							**3,512**	(2,417)
Profit after tax							**38,746**	32,017

The exceptional items of £716,000 (2005: £315,000) can be allocated as follows: Business publishing £2,002,000 (2005: £315,000); Unallocated corporate costs, profit £1,286,000 (2005: £nil). Share option expense of £4,428,000 (2005: £1,380,000) can be allocated as follows; Financial publishing £1,198,000 (2005: £373,000); Business publishing £464,000 (2005: £145,000), Training £577,000 (2005: £180,000); Conferences and seminars £1,253,000 (2005: 390,000), Databases £302,000 (2005: £94,000); Unallocated corporate costs £634,000 (2005: £198,000). Acquired intangible amortisation of £144,000 (2005: £nil) is allocated entirely to Databases.

1. Operating profit before acquired intangible amortisation, share option expense and exceptional items.
2. Intangibles amortisation represents amortisation on acquisitions related non goodwill assets such as brands, database content and trademarks.

Euromoney Institutional Investor PLC

Notes to the Preliminary Announcement *continued*

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 disclosure in order to provide a view of the group's results excluding these items.

	2006	2005
	£000's	£000's
Profit on sale of property	**1,286**	-
Loss on disposal of business	**(1,483)**	(315)
Goodwill impairment	**(519)**	-
	(716)	(315)

In September 2006, the group sold the freehold of one of its London properties with a net book value of £629,000 for £1,975,000 resulting in a profit on sale, after related sale costs, of £1,286,000. The group has capital losses brought forward from prior years available to relieve this gain. In the absence of these losses a tax charge of approximately £386,000 would have arisen.

In August 2006 the group sold Office Products International Limited (previously named Mondiale Limited) (“OPI”), the publisher and events organiser for £150,000. At the date of disposal OPI's net assets were £nil and the group wrote off goodwill held on its balance sheet of £1,651,000 resulting in a loss on disposal, after related transaction costs, of £1,483,000. There is no tax effect.

The group regularly performs a review of its portfolio of businesses and in 2006 the review resulted in goodwill impairment of £519,000. In 2005, no such impairment was required. There is no tax effect.

Notes to the Preliminary Announcement *continued*

4 Tax on profit on ordinary activities

	2006 £000's	2005 £000's
Current tax expense		
UK corporation tax	**6,119**	5,194
Foreign tax	**1,533**	1,531
Adjustments in respect of prior years	**107**	544
	7,759	7,269
Deferred tax (credit)/expense		
Current year	**(11,361)**	(4,701)
Adjustments in respect of prior years	**90**	(151)
	(11,271)	(4,852)
Total tax (credit)/expense in income statement	**(3,512)**	2,417

The effective rate of tax for the year is negative, at (10%) (2005: positive 7%). The actual total tax charge for the year is different from 30% of profit before tax for the reasons set out in the following reconciliation:

	2006 £000's	2005 £000's
Profit before tax	**35,234**	34,434
Tax at 30%	**10,570**	10,330
Factors affecting tax charge:		
Lower rates of tax on overseas profits	**(338)**	(599)
Joint venture and associate income reported net of tax	**(362)**	(187)
US State taxes	**756**	1,283
US goodwill	**(13,120)**	(1,809)
Disallowable expenditure	**136**	246
UK Goodwill	**161**	-
Recognition of previously unrecognised tax losses	**(1,957)**	(7,240)
Non deductible loss on sale of business	**445**	-
Prior year adjustments	**197**	393
Total tax (credit)/expense for the year	**(3,512)**	2,417

Of the charge to current tax £nil (2005: £18,000) related to profits arising in Mondiale, which was disposed of during the year. No tax charge or credit arose on the disposal of the relevant subsidiary. Following a reassessment of the recoverability of the potential US deferred tax asset, an additional asset of £13,649,000 (2005: £7,240,000) was recognised during the year.

The actual tax charged directly to equity was £265,000 (2005: £264,000).

5 Dividends

	2006 £000's	2005 £000's
Amounts recognisable as distributable to equity holders in period		
Final dividend for the year ended September 30 2005 of 11.0p (2004: 10.0p)	9,767	8,798
Interim dividend for year ended September 30 2006 of 5.4p (2005: 5.2p)	4,806	4,587
	14,573	13,385
Employees' Share Ownership Trust dividend	(10)	(9)
	14,563	13,376
Proposed final dividend for the period ended September 30	11,907	9,767
Employees' Share Ownership Trust dividend	(10)	(10)
	11,897	9,757

The final dividend of 11.6 pence per ordinary share (2005: 11.0 pence) will, subject to shareholder approval at the Annual General Meeting, be paid on February 6 2007 to shareholders on the register on November 24 2006. It is expected that the shares will be marked ex-dividend on November 22 2006. Holders of International Depositary Receipts can receive their dividend on February 6 2007 by presentation of coupon number 39 to Dexia Banque à Luxembourg or to one of their agents.

The final dividend is subject to approval at the Annual General Meeting on February 1 2007 and has not been included as a liability in these financial statements in accordance with IAS 10 "Events after the balance sheet date".

6 Earnings per share

	2006 £000's	2005 £000's
Basic earnings	37,430	30,181
Intangible amortisation	144	-
Exceptional items	716	315
Deferred tax assets recognition	(13,649)	(7,240)
Imputed interest on acquisition option commitments	916	-
Adjusted earnings	25,557	23,256

	Number 000's	Number 000's
Weighted average number of shares	88,943	88,336
Shares held by the Employees' Share Ownership Trust	(59)	(59)
	88,884	88,277
Effect of dilutive share options	456	231
Diluted weighted average number of shares	89,340	88,508

	2006 Pence per share	2005 Pence per share
Basic earnings per share	42.11	34.19
Effect of dilutive share options	(0.21)	(0.09)
Diluted earnings per share	41.90	34.10
Effect of intangible amortisation	0.16	-
Effect of exceptional items	0.80	0.36
Effect of deferred tax assets recognition	(15.28)	(8.18)
Effect of imputed interest on acquisition option commitments	1.03	-
Adjusted diluted earnings per share	28.61	26.28

The adjusted diluted earnings per share figure has been disclosed since the directors consider it to give a meaningful indication of the underlying trading performance.

7 First time adoption of IAS 39 "Financial Instruments: Recognition and Measurement"

As permitted by IFRS 1 “First time Adoption of International Financial Reporting Standards”, the group has elected to defer the implementation of IAS 39 until the year ended September 30 2006. The effect of the adoption of IAS 39 at October 1 2005 is to reduce net assets by £21.9 million, due to the following adjustments:

Forward exchange contracts and interest rate swaps
IAS 39 requires that derivative financial instruments are recognised on the balance sheet at their fair value. At October 1 2005 the effect on the group balance sheet was to reduce net assets by £0.6 million.

Derecognition of liabilities
IAS 39 sets out specific criteria in relation to when a financial liability should be derecognised. Application of this resulted in an increased liability of £1.6 million which was recognised on the balance sheet from October 1 2005.

Acquisition option commitments
The group is party to a number of put options over the remaining minority interests in its subsidiaries. IAS 39 requires the recognition of a liability in respect of these acquisition option commitments. As at October 1 2005, the discounted present value of these options is £20.1 million. From October 1 2005 these discounts are unwound as a notional interest charge to the income statement.

Deferred tax
A deferred tax asset of £0.4 million has been recognized on the above adjustments.