Euromoney Institutional Investor PLC

2010 Half Year Results Presentation

Colin Jones, Finance Director

May 13, 2010

2010 HALF YEAR

- **Financial Review**
- Trading Review
- Strategy/Outlook

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KEY MESSAGES

- Record first half profits reflects successful strategy to build a more robust and higher quality information group
- Continued focus on tight cost and margin control – operating margin improved from 23% to 31% despite 8% decline in revenues
- Strong operating cash flows, EBITDA under 2.0x and debt expected to fall sharply over next 2-3 years
- Better than expected revenue performance in Q2
- Recent trading slightly ahead of expectations and positive outlook for Q3
- Invested more than £2m in revenue growth through new products and migration to online information services

RECORD HALF YEAR RESULTS[1]

£m	2008	2009	2010	change
Revenue	154.8	160.7	**147.8**	-8%
Adjusted PBT[1]	30.5	29.9	**40.0**	+34%
Statutory PBT[1]	15.1	(41.8)	**32.7**	n/a
Adjusted EPS[1]	20.1p	18.5p	**24.9p**	+34%
Dividend	6.25p	6.25p	**6.25p**	-
Net debt	201.8	214.7	**178.1**	-17%

[1]As reconciled in appendix to chairman's statement

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ADJUSTED PBT[1]

£m	2009	2010
Adjusted PBT	**29.9**	**40.0**
Intangible amortisation	(7.5)	(7.6)
Exceptional items	(32.2)	1.6
FX loss on TES	(19.9)	-
FX loss on hedging	(9.0)	-
Acq option commitments	(3.1)	(1.3)
Statutory profit/(loss)	**(41.8)**	**32.7**

[1]See appendix to chairman's statement

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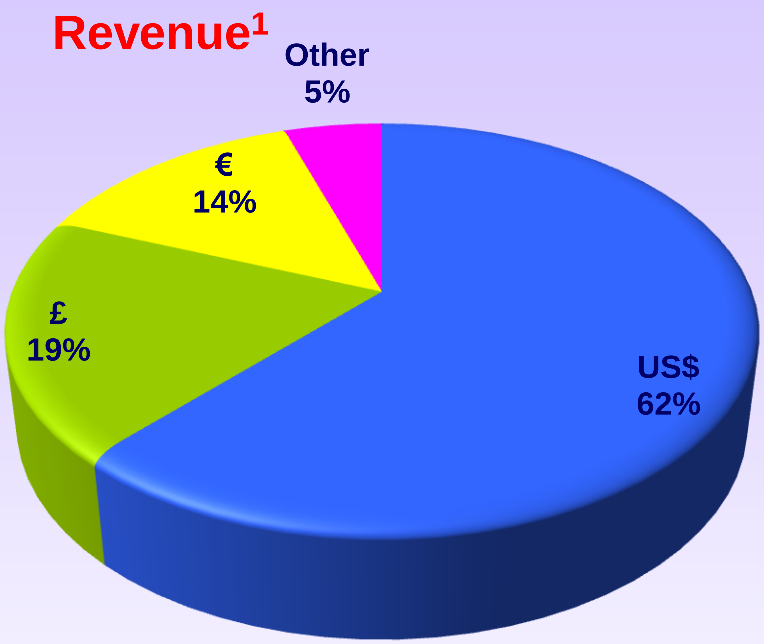
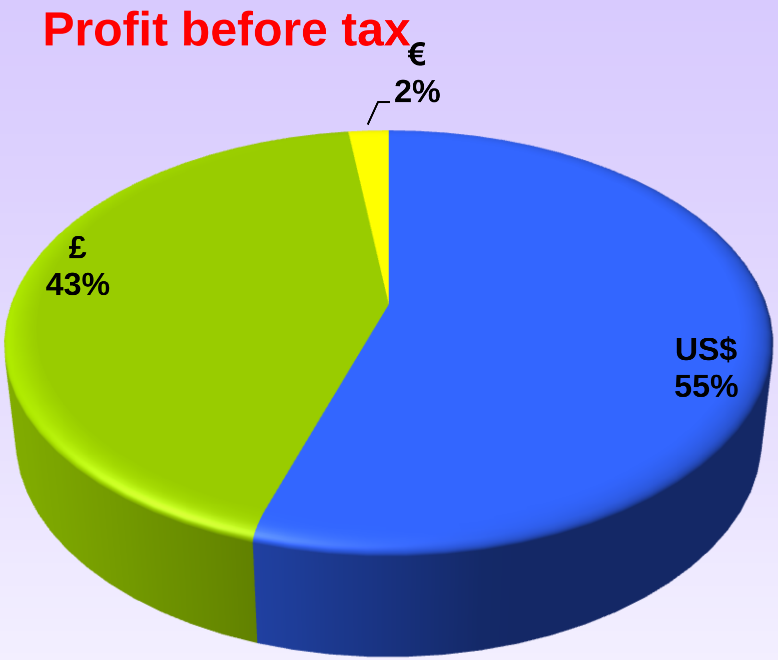
FINANCIAL HIGHLIGHTS

- FX less significant impact on revenues and debt in comparison to FY2009
- Reduction in FX losses £2.3m
- Net debt up £13.0m since Sept 30 to £178.1m due to acquisitions and timing of derivative settlement
- Debt:EBITDA below 2.0x
- Cash conversion improved to 88% (2009: 66%)
- Average cost of funds 5.1% (2009: 5.8%) – saving £1.9m on net finance costs
- Interim dividend maintained at 6.25p as part of transition to 3x cover and 1/3rd interim distribution
- Scrip alternative offered again

IMPACT OF FX





USD	2010	2009
Average rates	1.60	1.58
Closing rates	1.52	1.43

USD	1¢ movement
Revenue (£m)	+/- 0.6
Profit (£m)	+/- 0.2

[1]Before effect of FX hedging

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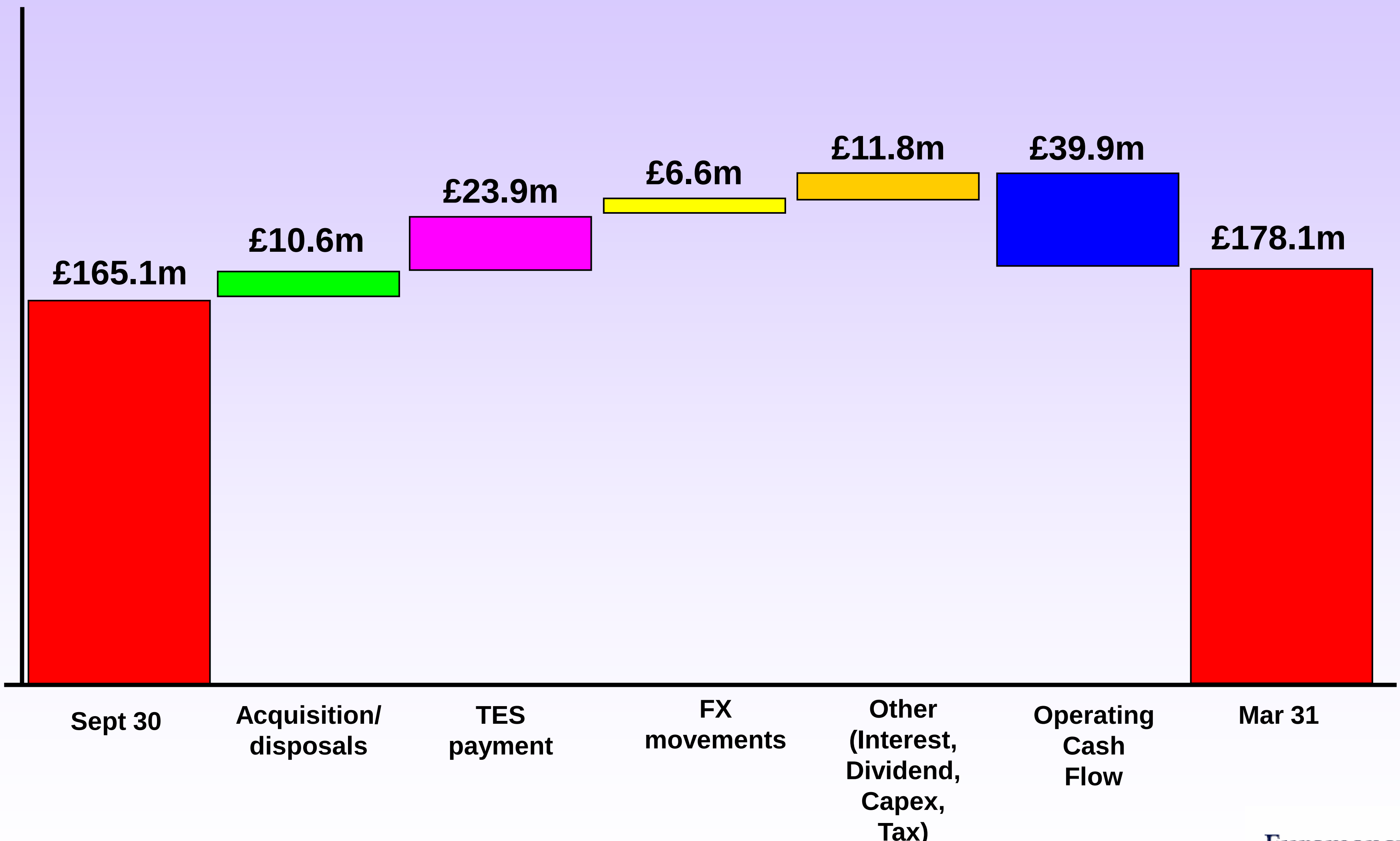
CASH FLOW / NET DEBT



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NET FINANCE COSTS

£m	FY 2009	HY 2009	HY 2010
Interest on debt facility	(12.3)	(6.6)	(5.0)
Tax equalisation income	0.1	0.1	-
Other	(1.7)	(0.1)	0.3
Underlying net finance costs	**(13.9)**	**(6.6)**	**(4.7)**
FX loss on TES	(19.9)	(19.9)	-
FX loss on restructured hedging	(7.9)	(9.0)	-
Acquisition option commitments	(2.8)	(3.1)	(1.3)
Statutory net finance costs	**(44.5)**	**(38.6)**	**(6.0)**

See note 5

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TAX

£m	FY 2009	HY 2009	HY 2010
Adjusted PBT	63.0	29.9	40.0
Statutory tax credit/(charge)	10.4	21.7	(5.7)
Add: tax credit on FX on TES	(19.9)	(19.9)	-
Add: other tax adjustments	(7.6)	(10.4)	(5.0)
Underlying tax charge	(17.1)	(8.6)	(10.7)
Underlying tax rate	**27%**	**29%**	**27%**

See note 6

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CAP

- CAP 2010 granted in March
- CAP 2010 immediately follows CAP 2004, with 2009 as profit base
- Profit target £100m (Adj PBT before CAP cost) by 2013
- CAP 2010 similar to CAP 2004 but funded by equal mix of cash/shares – potential dilution 3.5m shares
- Total cost £30m over 5 years (H1 cost: £0.6m)

£m	FY2010	FY2011 to 2013	FY2014	FY2015
CAP cost	4.0	6.8	4.5	1.1

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TRADING SUMMARY

£m	2008	2009	2010	change
Revenue	154.8	160.7	**147.8**	-8%
Adjusted operating profit[1]	36.1	37.1	**45.4**	+22%
Adjusted PBT[1]	30.5	29.9	**40.0**	+34%
Operating margin	23.3%	23.1%	**30.7%**	+7.6%

[1]As reconciled in appendix to chairman's statement

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TRADING HIGHLIGHTS

- Q1 revenues in line with negative trends in 2009
- Q2 gradual revenue recovery, led by advertising then events
- Relaxing of customer budgets in new budget year
- H1 continued to benefit from 2009 cost cuts, esp headcount: operating margin increased from 23% to 31%
- Operational gearing managed through cuts in product volumes and direct costs in line with strategy
- Sponsor and delegate sales accelerated in March/April
- Hopeful that subscription revenue decline bottomed out in Q2 with positive trends in renewal rates and new orders
- FX impact on revenues not significant

REVENUE BY TYPE

£m	2009	**2010**	change	@ constant fx rates
Subscriptions	77.7	**72.6**	-7%	-3%
Advertising	25.6	**23.9**	-7%	-4%
Sponsorship	18.9	**15.6**	-18%	-15%
Delegates	38.1	**33.8**	-11%	-10%
Other/closed	5.4	**4.6**	-14%	-12%
	165.7	**150.5**	-9%	-7%
FX loss on forward contracts	(5.0)	**(2.7)**		
Total	160.7	**147.8**	-8%	-6%

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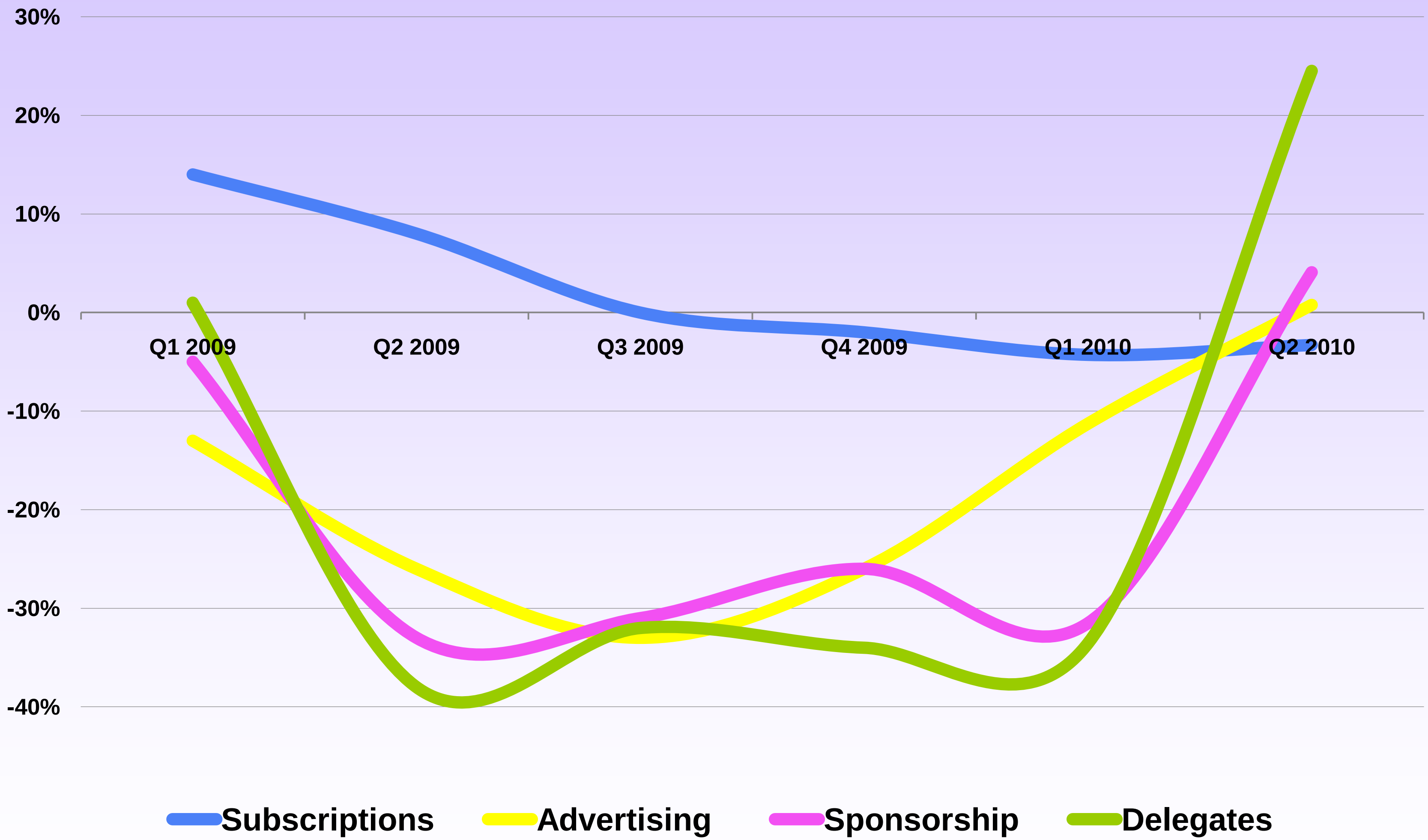
REVENUE GROWTH BY QTR[1]



[1] At constant exchange rates

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REVENUE CHANGE BY QTR

Y-o-Y % change	FY2009				FY2010	
	Q1	Q2	Q3	Q4	Q1	Q2
Subscriptions	+34%	+35%	+20%	+9%	-4%	-9%
Advertising	-4%	-15%	-24%	-22%	-11%	-3%
Sponsorship	+5%	-21%	-23%	-21%	-31%	-
Delegates	+9%	-31%	-26%	-30%	-33%	+23%
Other	+14%	-	+8%	-12%	-26%	+3%
Total	+15%	-1%	-9%	-11%	-17%	-1%
Total[1]	+13%	-5%	-11%	-12%	-17%	+2%

[1] After effect of FX hedging

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REVENUE CHANGE BY QTR[2]

Y-o-Y % change	FY2009				FY2010	
	Q1	Q2	Q3	Q4	Q1	Q2
Subscriptions	+14%	+8%	-	-2%	-4%	-3%
Advertising	-13%	-26%	-33%	-26%	-11%	+1%
Sponsorship	-5%	-33%	-31%	-26%	-32%	+4%
Delegates	+1%	-38%	-32%	-34%	-34%	+25%
Other	+6%	-9%	-1%	-16%	-25%	+5%
Total	+3%	-17%	-20%	-18%	-17%	+4%
Total[1]	+4%	-16%	-22%	-18%	-17%	+5%

[2] At constant exchange rates
[1] After effect of FX hedging

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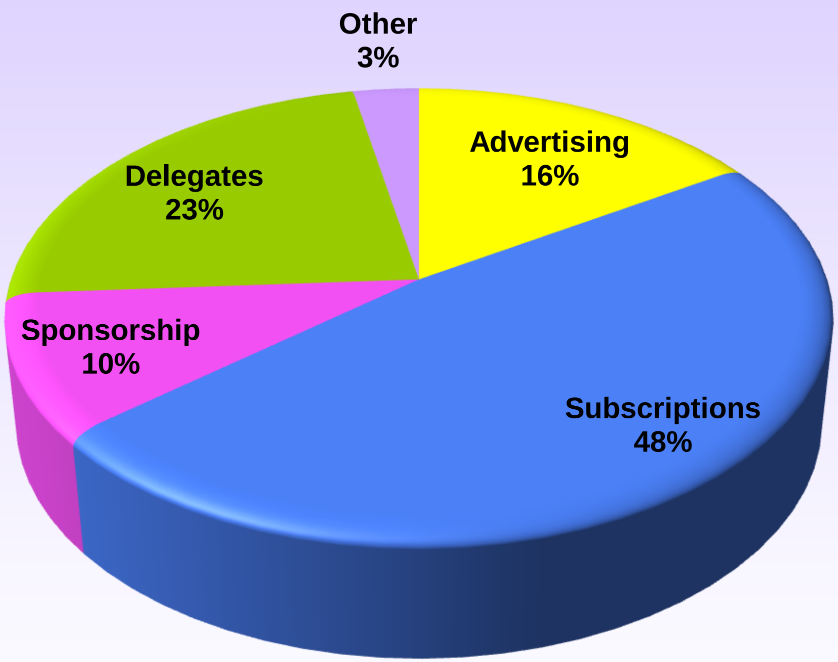
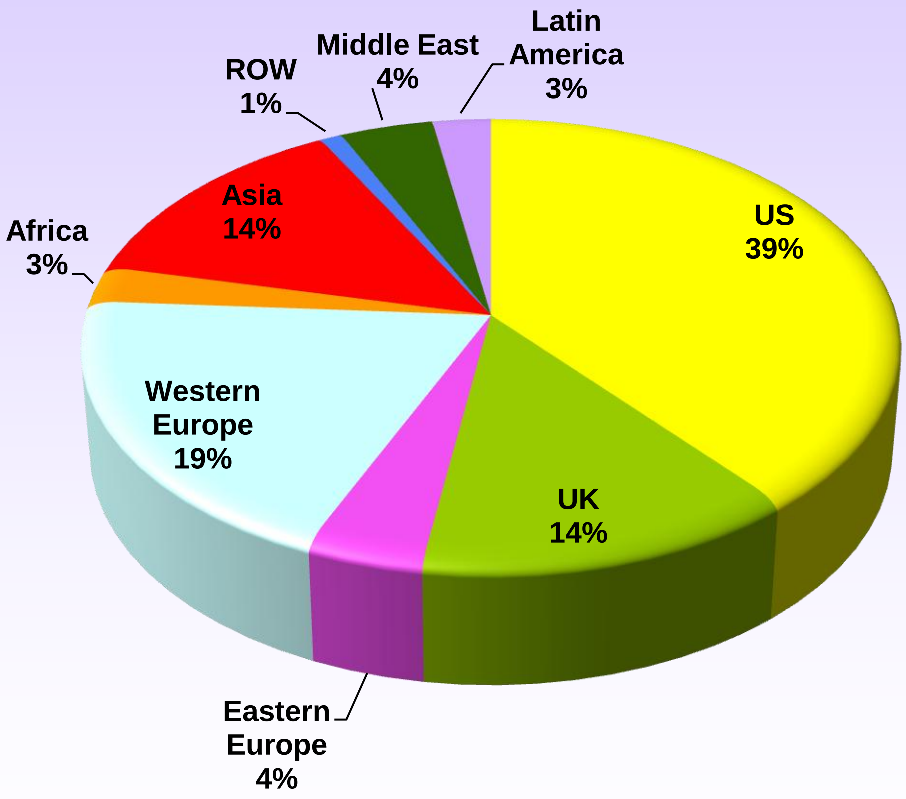
REVENUE MIX

Revenue by type



Revenue by destination



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FOCUS ON EMERGING MARKETS

8 out of top 20 customer countries are in emerging markets

Rank	Country	# of customers
4	India	7,624
9	Egypt	5,393
10	Malaysia	5,315
11	China	5,055
12	Brazil	4,906
15	Indonesia	3,923
18	Russia	3,801
20	Mexico	3,147

Selected countries with over 100 active customers *

Kazakhstan	Tanzania
Libya	Uganda
Cayman Islands	Angola
Azerbaijan	Syria
Lebanon	Bolivia
Estonia	Jamaica
Mauritius	Bangladesh
Jordan	Barbados
Latvia	Sudan
Yemen	Malawi
Lithuania	Uruguay
Puerto Rico	Zimbabwe

* Active customers over last 2 years

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REVENUE BY DIVISION

£m	2009	**2010**	change	@ constant fx rates
Financial Publishing	37.1	**34.5**	-7%	-5%
Business Publishing	26.2	**25.1**	-4%	-2%
Training	18.2	**13.7**	-25%	-23%
Conferences & Seminars	39.3	**35.2**	-10%	-8%
Databases and Information Services	44.9	**42.0**	-6%	-3%
	165.7	**150.5**	-9%	-7%
FX loss on forward contracts	(5.0)	**(2.7)**		
Total	160.7	**147.8**	-8%	-6%

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OPERATING PROFIT BY DIVISION[1]

£m	2009	**2010**	change
Financial Publishing	8.1	**10.9**	+35%
Business Publishing	10.3	**10.4**	-
Training	3.5	**3.2**	-9%
Conferences & Seminars	8.2	**10.7**	+30%
Databases and Information Services	18.6	**17.9**	-3%
Corporate/closed businesses	(11.6)	**(7.7)**	-33%
Total	37.1	**45.4**	+22%

[1]Before effect of FX hedging

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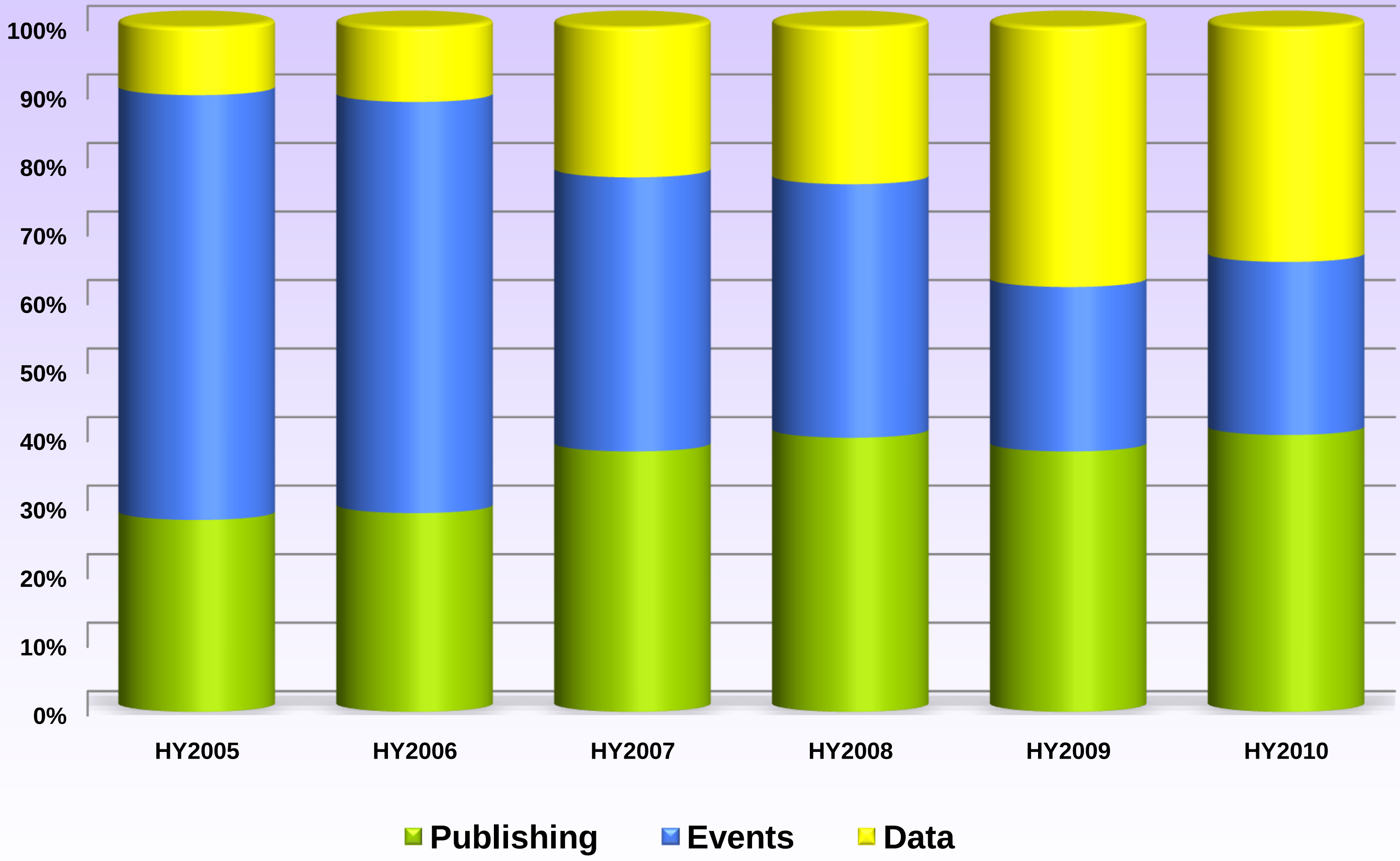
PROFIT MIX[1]



[1]Before corporate costs

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OPERATING MARGIN BY DIVISION

	H1 2009	H2 2009	**H1 2010**
Financial Publishing	21.8%	32.7%	**31.6%**
Business Publishing	39.4%	43.3%	**41.3%**
Training	19.4%	20.5%	**23.3%**
Conferences & Seminars	20.9%	21.1%	**30.3%**
Databases and Information Services	41.4%	41.4%	**42.8%**
Total[1]	23.1%	27.0%	**30.7%**

[1]After corporate costs

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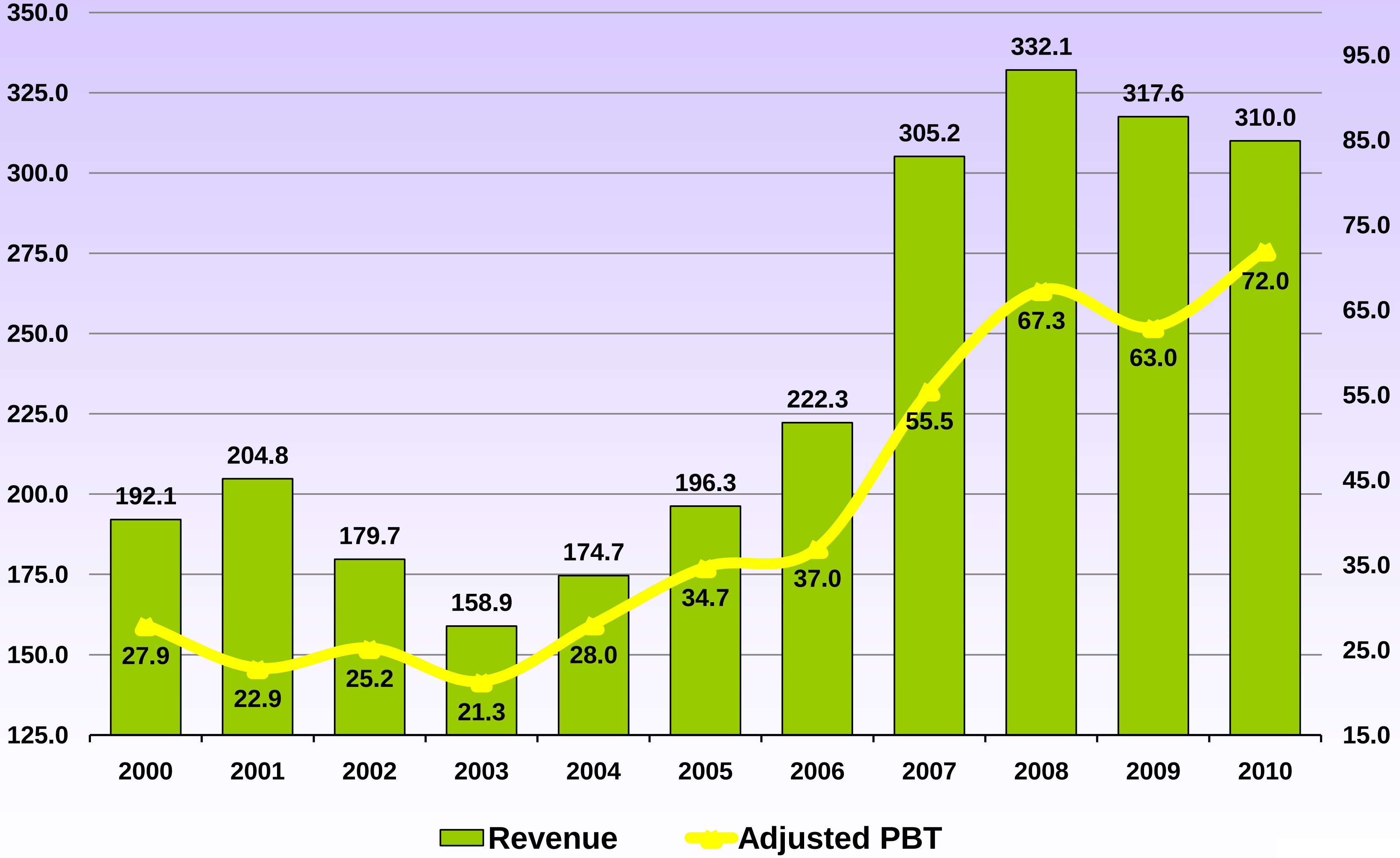
STRATEGY FOCUSED ON GROWTH

Strategy designed to build a more focused, more robust and higher quality global information business

- (1) Maintain high margins
- (2) Drive organic growth:
  - *Invest in building high quality electronic subscription products*
  - *Accelerate online product migration*
  - *Improve product quality through editorial investment*
  - *Focus on key strength – quality and effectiveness of marketing*
  - *Quickly roll out successes to new geographies esp emerging markets*
- (3) Selective acquisitions to accelerate growth strategy and build market share
- (4) Invest in people / infrastructure to support growth

10 YEAR GROWTH[1]



[1] 2010 based on analyst consensus

OPERATIONAL GEARING

- Events & Training – LOW fixed costs
  - Most costs (incl headcount) vary directly with volumes
  - But 3-6 month reaction lag
  - Typically a few high margin events finance launch of new events
  - Margins tend to be lower than publishing
- Publishing – MEDIUM
  - Fixed costs of producing and distributing content
  - Variable costs above minimum content
  - Online move reduces some costs
- Data & Info Services - HIGH
  - High fixed cost (esp technology) of building service and maintaining content
  - Potential for very high margins once products established

NEW BUSINESS INITIATIVES

H1 Launches	H2 Pipeline
Euromoney Market Data	Asiamoney Plus
iichina.com	Air Credit database
HFI live performance data	UCITS information service
Industrial Minerals re-launch	II Asset Book
Reactions Catastrophe Centre	Euromoney Sovereign Risk
Subscriptions infrastructure	BCA interactive data
	Metal Bulletin online directories
	Social networking

Driving revenue growth in 2011 and beyond

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H2 OUTLOOK

- Outlook remains uncertain – significant sovereign debt risk and fear of Greece contagion; weak macro outlook
- Q3 strong bookings for events – key quarter
- Forward bookings indicate continuation of advertising recovery
- Optimistic of return to subscription revenue growth in Q3
- Further savings on finance costs and reductions in FX losses, partly offset by full CAP cost (net £2m)
- Pressure on headcount and product investment means cost savings disappear from May
- Focus on new product investment (H2 up to £4m) and long-term revenue growth

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