

# Interim Results 2015/16

Pedro Ros, Chief Executive Officer  
Tony Foye, Chief Financial Officer

London, 24 February 2016

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Pedro Ros

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Tony Foye

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Pedro Ros

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Pedro Ros

Tony Foye

# Overview

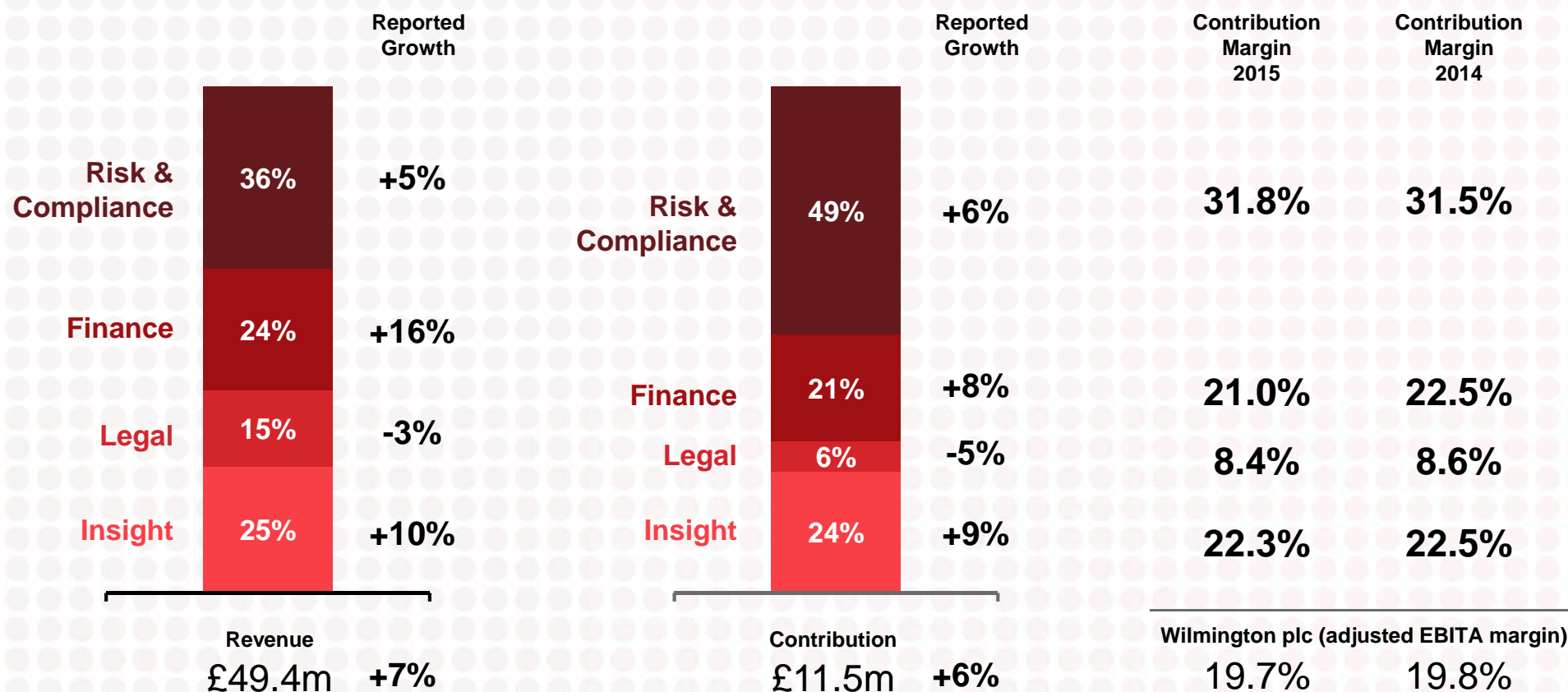
Pedro Ros

- 1 Underlying revenue growth +2% (overall +7%)**  
Adj PBT +10%, underlying Adj EBITA margin +70bps (overall -10bps)
- 2 Strong underlying momentum for Finance +8% (+16% overall) & good growth from R&C +5%**
- 3 Focus on maintaining margins in Legal and, as expected, mixed results in Insight**
- 4 Good start for FRA which builds on our international ambition** non-UK now 42% (2014: 38%)
- 5 Increased investment and focus in high potential businesses**

**Revenue up**  
(% of Group Revenue)

**Profits up**  
(% of Group Contribution)

**Margins maintained**



# Financial highlights

Tony Foye

Adjusted EBITA

£9.7m

(2014:  
£9.1m)

7%



Adjusted EBITA margin

19.7%

(2014:  
19.8%)

10bps



Adjusted PBT

£8.9m

(2014:  
£8.1m)

10%



Deferred revenue

£21.3m

(2014:  
£20.1m)

6%



Adjusted EPS

7.93p

(2014:  
7.17p)

11%



Dividend per share

3.8p

(2014:  
3.7p)

3%



Based on interim results to 31 December 2015

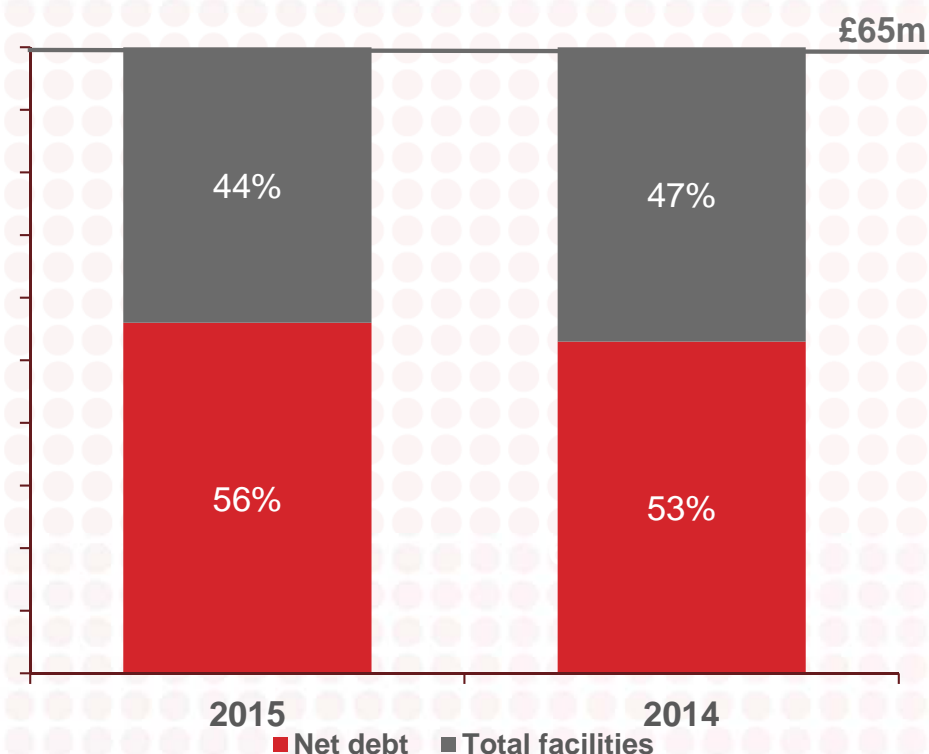
	6 months 2015	6 months 2014	Variance		12 months 2014/15
	£m	£m	£m	%	£m
<b>Revenue</b>	<b>49.4</b>	<b>46.1</b>	<b>3.3</b>	<b>+7</b>	<b>95.1</b>
Adjusted EBITA	9.7	9.1	0.6	+7	20.4
<i>EBITA Margin %</i>	<i>19.7</i>	<i>19.8</i>			<i>21.5</i>
Interest/Facility fees	(0.8)	(1.0)	0.2	-22	(2.0)
<b>Adjusted profit before tax</b>	<b>8.9</b>	<b>8.1</b>	<b>0.8</b>	<b>+10</b>	<b>18.4</b>
Adjusting items - operational	(0.9)	(0.7)			(1.1)
- finance	(0.2)	-			-
Share based payments	(0.3)	(0.6)			(0.9)
Amortisation	(3.0)	(3.1)			(6.1)
<b>Profit before tax</b>	<b>4.5</b>	<b>3.7</b>		<b>+23</b>	<b>10.3</b>
Taxation	(1.0)	(0.9)			(2.4)
<b>Profit after tax</b>	<b>3.5</b>	<b>2.8</b>			<b>7.9</b>
<b>Underlying tax rate</b>	<b>23.0%</b>	<b>23.7%</b>			<b>23.0%</b>
<b>Adjusted basic EPS</b>	<b>7.93p</b>	<b>7.17p</b>		<b>+11</b>	<b>16.42p</b>
<b>Dividend per share</b>	<b>3.80p</b>	<b>3.70p</b>		<b>+3</b>	<b>7.70p</b>



	6 months 2015	6 months 2014	Variance	12 months 2014/15
	£m	£m	£m	£m
<b>Cash conversion %</b>	<b>85%</b>	<b>79%</b>		<b>107%</b>
Adjusted EBITDA	10.7	10.4	0.3	22.3
Movement in working capital	(2.5)	(3.2)	0.7	(0.4)
<b>Cash inflow from operations</b>	<b>8.2</b>	<b>7.2</b>	<b>1.0</b>	<b>21.9</b>
Interest paid	(0.7)	(0.9)	0.2	(1.9)
Tax paid	(1.4)	(1.5)	0.1	(3.7)
Net capital expenditure	(0.8)	(1.4)	0.6	(2.6)
<b>Free cash flow before dividends</b>	<b>5.3</b>	<b>3.4</b>	<b>1.9</b>	<b>13.7</b>
Equity dividends	(3.5)	(3.2)	(0.3)	(6.4)
Acquisition spend	(8.5)	(0.2)	(8.3)	(0.2)
Deferred consideration/non-controlling interests	(0.3)	(0.3)	-	(0.3)
Disposal of business/fixed assets	0.3	-	0.3	0.1
Adjusting items (including refinance fees)	(0.8)	(0.3)	(0.5)	(1.4)
Share based payments	(0.2)	(0.2)	-	(0.2)
<b>Change in net debt during the year</b>	<b>(7.7)</b>	<b>(0.8)</b>	<b>(6.9)</b>	<b>5.3</b>
Brought forward net debt	(28.6)	(33.7)	5.1	(33.7)
FX	(0.3)	(0.1)	(0.2)	(0.2)
Carried forward net debt	(36.6)	(34.6)	(2.0)	(28.6)

	2015	2014
	£m	£m
Goodwill/Intangibles	<b>108.1</b>	103.5
Property, plant & equipment	<b>4.7</b>	5.8
Net debt	<b>(36.6)</b>	(34.6)
Working capital	<b>5.1</b>	4.8
Tax liabilities	<b>(0.7)</b>	(1.1)
Financial instruments	<b>(0.7)</b>	(0.9)
Deferred consideration	<b>(0.8)</b>	(0.5)
Provisions for future purchase of non-controlling interests	<b>(0.1)</b>	(0.1)
Capitalised bank fees	<b>0.5</b>	0.3
Deferred revenue	<b>(21.3)</b>	(20.1)
Deferred tax	<b>(2.8)</b>	(3.7)
<b>Net assets</b>	<b>55.4</b>	<b>53.4</b>

Debt profile



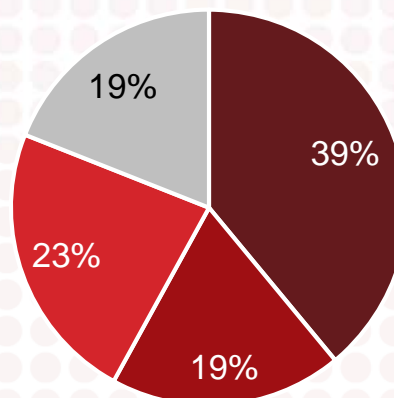
# Operational review

Pedro Ros

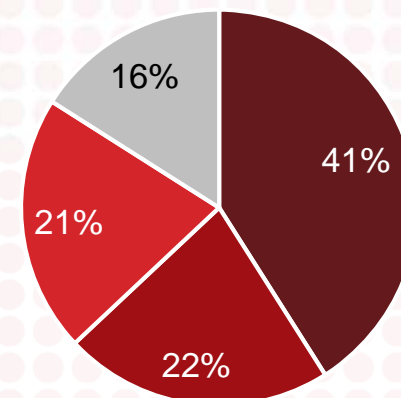
Revenue by region



2015



2014



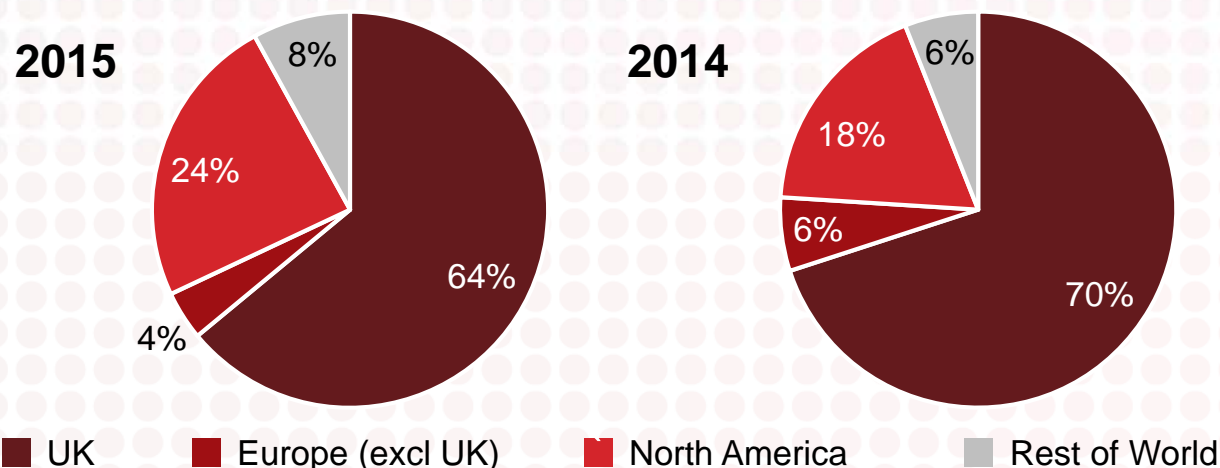
■ UK ■ Europe (excl UK) ■ North America ■ Rest of World

6 months to Dec	2015	2014	Change	Change
	£m	£m	£m	%
Revenue	17.6	16.8	0.8	5%
Contribution	5.6	5.3	0.3	6%
Margin %	32%	32%		

12 months to 30 June 2015	
£m	
Revenue	36.4
Contribution	11.9
Margin %	33%

- Quality of the revenue has improved driven by very strong growth from public (+30%) and online (+50%) compliance training
- Margin maintained; ongoing investment particularly in Compliance
- Solid growth from Axco (+6%)

Revenue by region



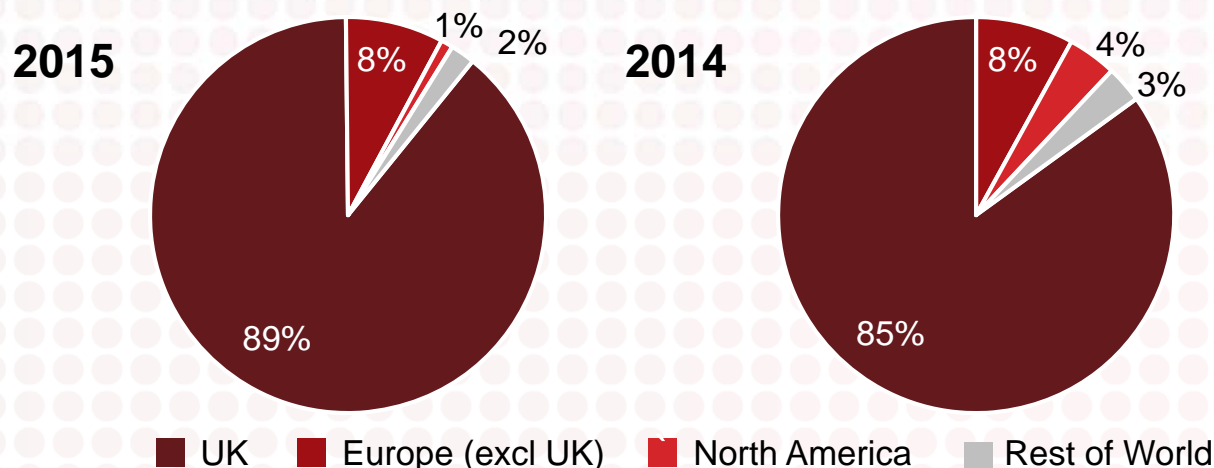
6 months to Dec	2015	2014	Change	Change
	£m	£m	£m	%
Revenue	11.6	10.0	1.6	16%
Contribution	2.4	2.3	0.2	8%
Margin %	21%	23%		

12 months to 30 June 2015	
£m	
Revenue	18.7
Contribution	4.4
Margin %	23%

- Specialised financial training: Investment in blended e-learning paying off and increased market share
- Technical financial training: good start developing from regulation changes (UK GAAP) and extra fiscal budget
- Maiden contribution from FRA (US)



Revenue by region

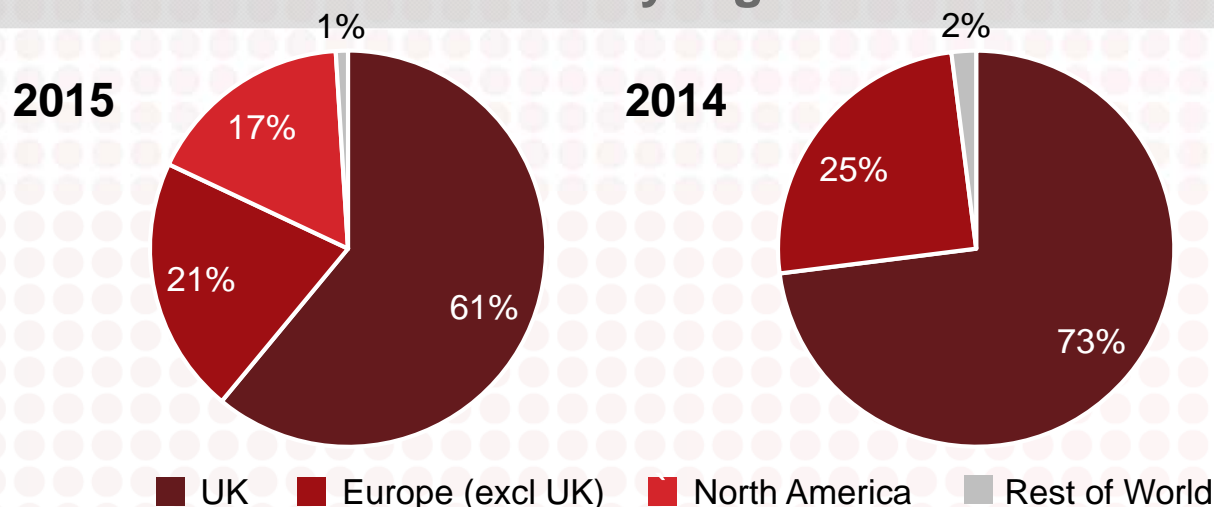


	6 months to Dec				12 months to 30 June 2015
	2015 £m	2014 £m	Change £m	Change %	£m
Revenue	7.6	7.9	(0.3)	(3%)	16.3
Contribution	0.6	0.7	(0.1)	(5%)	2.2
Margin %	8%	9%			14%

- Profit protected despite ongoing structural change in Legal CPD market
- Law for lawyers rationalisation continues: focussing on legal as a community
- Law for non-lawyers: Bond Solon (up 17%) looks to capitalise on strong momentum



Revenue by region



6 months to Dec	2015	2014	Change	Change	12 months to 30 June 2015
	£m	£m			
Revenue	12.5	11.4	1.1	10%	23.7
Contribution	2.8	2.6	0.2	9%	5.4
Margin %	22%	23%			23%

- Increasing proportion of revenue from Healthcare currently 70% of revenue
- Continued demand for analyst led insight
- Mixed performance on pharma data and low margin HC activities
- Good contribution from FRA (US) in revenue and contribution (good prospects for HY2)
- Stabilised revenue in data suppression and charities

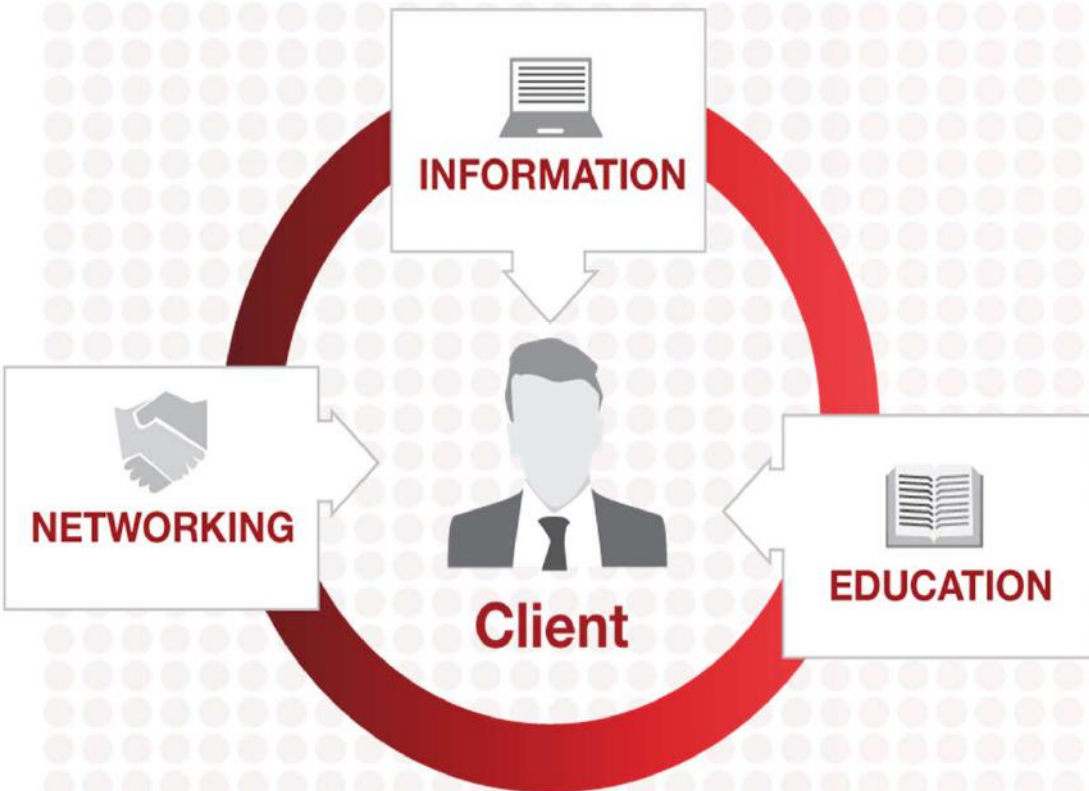
# Update on Strategy

Pedro Ros



- 1 Consistent implementation of the strategy**
- 2 Communities become central to our business model**
- 3 Increased investment and focus in high potential businesses**

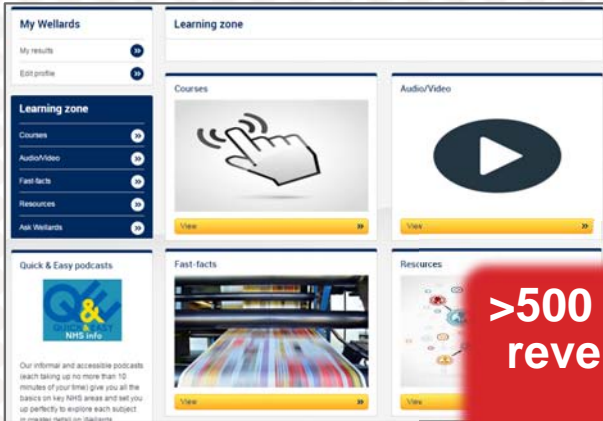
Turning knowledge into advantage



	Information	Education	Networking
Risk & Compliance	✓	✓	✓
Finance	✓	✓	✓
Legal	✓	✓	✓
Insight	✓	✓	✓



Leading provider of specialist and accredited online education to the pharmaceutical and medtech industries, specialising in NHS policies and strategies



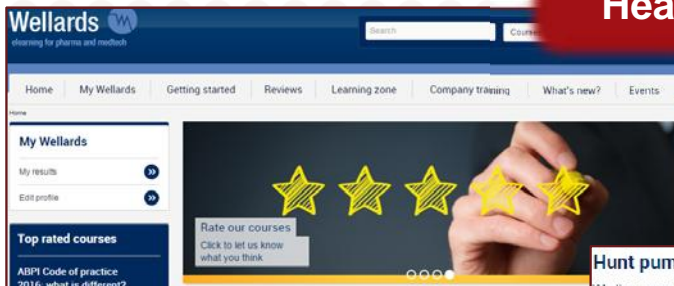
**>500 Customers, 50% revenue from top 50**

**70 online courses**

**Wellards**  
elearning for pharma and medtech

**Highly complementary to Healthcare business**

**>50,000 exams in 2015**

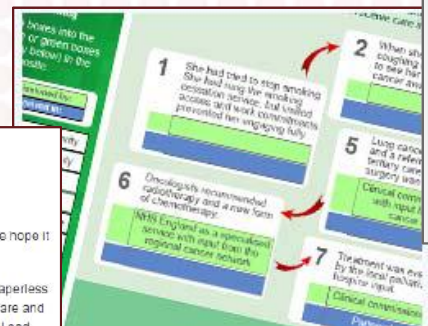


**Hunt pumps billions into tech updates**  
What's new: week ending 12 February 2016

**Will £4bn technology investment save £22bn?**

Government is to spend £4.2bn to update NHS technology in the hope it will help save £22bn in the long-term.

Health Secretary Jeremy Hunt said £1.8bn is earmarked for a paperless healthcare service, with another £750m to modernise hospital care and medicines. This second tranche is also aimed at digitising social and emergency care services.



**Wellards updates**

**Updated respiratory courses**

**Respiratory**

04 Feb 2016  
Wellards therapy area courses on chronic obstructive pulmonary disease pathology and treatment and asthma pathology and treatment have been updated. They offer a brief and straightforward outline...

**ABPI Code of practice 2016: what is different?**

29 Jan 2016  
The Association of the British Pharmaceutical Industry Code of practice 2016 is out and the pharma industry has until the end of April to get up to speed with the changes. Our cou...

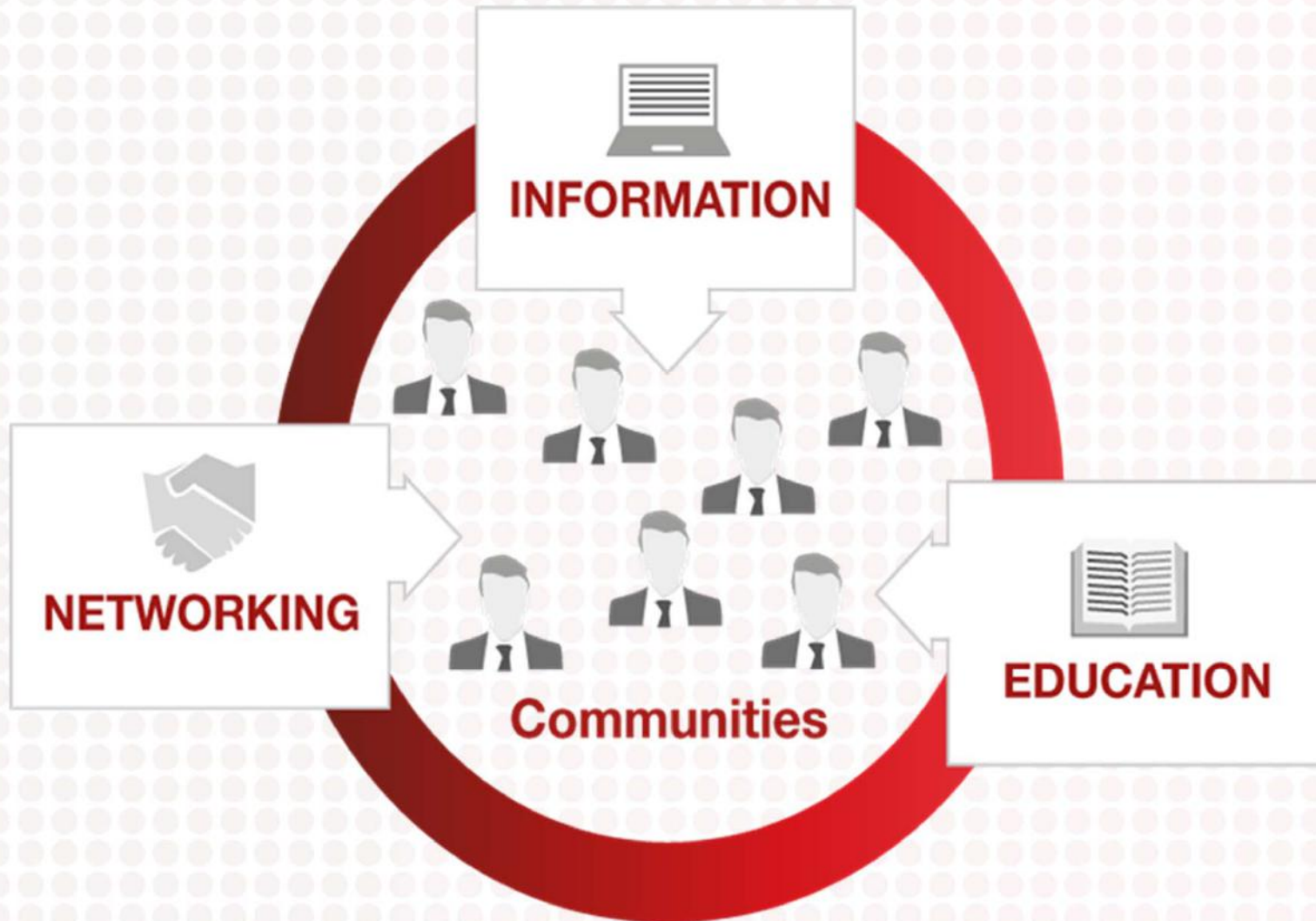
**Q1 review of the NHS**

20 Jan 2016  
What's the latest with the NHS vanguard sites — how will they be rolled out and financed? Will this year see the beginning of the end of commissioning as we know it? Wh...

**What's going on in the East Midlands?**

19 Jan 2016

Turning knowledge into advantage



Turning knowledge into advantage



International Compliance Association, London



International Compliance Association, London



Insurance professionals, Madrid



Financial services, Online



Accounting professionals, Midlands



Law professionals, London



Rise Nashville Healthcare professionals

## Focused on businesses that drive growth at Wilmington

- Present in expanding markets, underpinning the expectation of significant **growth**
- Prepared to create opportunities for **technology** to act as a game changer
- Recognised as capable **international** organisations
- Ready to build on existing strong **brand** identity to provide valuable leverage

- 1 Outlook on target for full year**
- 2 Continued transformation into a more integrated business: One Wilmington**
- 3 Continued organic investment in the business and focus on targeted acquisitions**





# Q&A

Pedro Ros and Tony Foye

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**Thank you.**

Wilmington plc