

Review of the six months ended 31 December 2010

Charles Brady, Chief Executive

Basil Brookes, Finance Director

February 2011

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2 Financial Highlights

3 Wilmington Publishing & Information

4 Wilmington Training & Events

5 Outlook

- Revenue increased by 7.4% to £39.7m
- Adjusted EBITA up 10.2% to £6.8m after expensing £0.7m incremental investment spend
- Adjusted profit up 10.3% to £6.1m
- PBT decreased by 7.1% to £2.5m
- Adjusted EPS increased by 10.5% to 4.86p
- Dividend maintained at 3.5p
- Operating cash inflow increased by 22.5% to £6.4m

	Six months to 31 Dec 2010 (£m)	Six months to 31 Dec 2009 (£m)	Twelve months to 30 June 2010 (£m)
Revenue	39.7	36.9	78.4
Adjusted EBITA ¹	6.8	6.2	14.4
Adjusted Profit ²	6.1	5.5	13.1
Profits before Tax	2.5	2.7	7.3
Adjusted EPS	4.86p	4.40p	10.59p
Dividend per Share	3.5p	3.5p	7.0p
Cash inflow	6.4	5.2	15.5

1. Profit before net finance costs, amortisation, share based payments, tax, the unwinding of the discount on the provision for future purchase of minority interests and non-recurring items
2. Profit before amortisation, share based payments, tax, the unwinding of the discount on the provision for future purchase of minority interests and non-recurring items

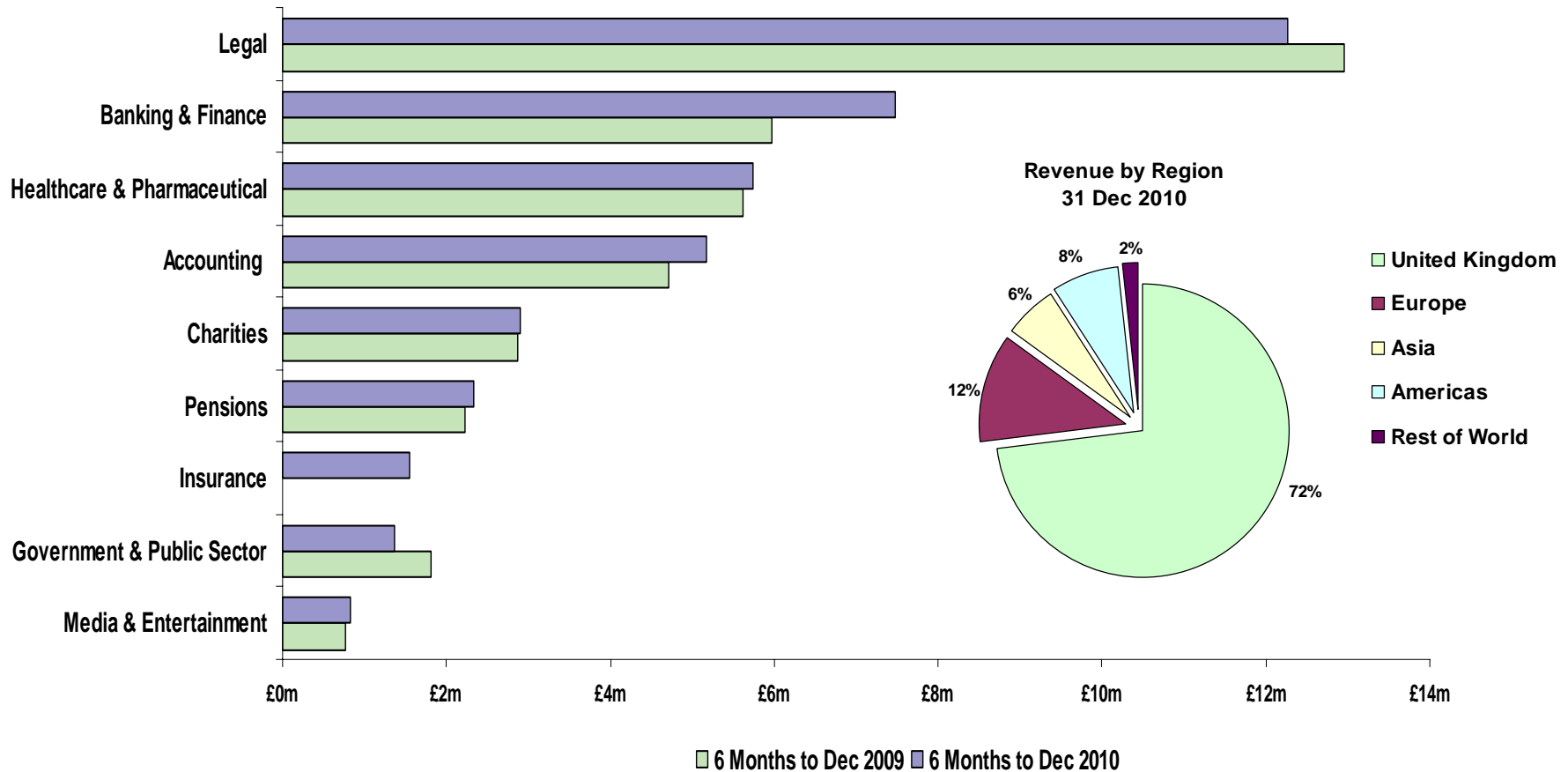
Develop **long term**, sustainable profits by fulfilling the information and training needs of professional businesses globally

Invest in our core business to increase levels of organic **growth** and achieve long term goals

Invest in technology to manage our business and to help our clients to manage theirs

Develop and invest in strong management teams supported by a robust organisational infrastructure

Identify and make acquisitions that will **add value** and generate the best earnings enhancing returns



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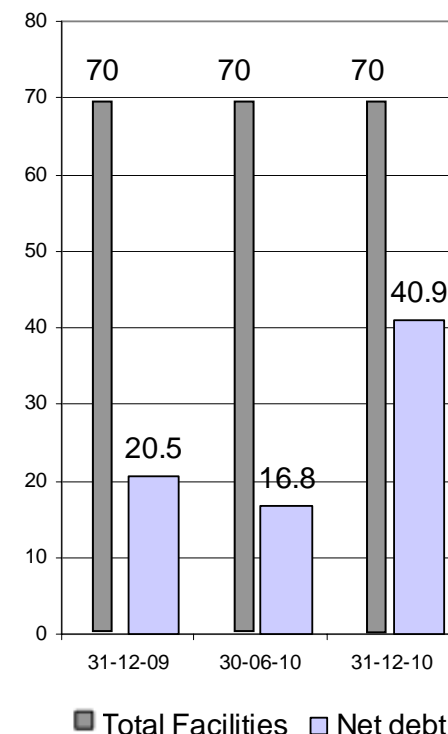
5 Outlook

	Six months to 31 Dec 2010 (£m)	Six months to 31 Dec 2009 (£m)	Twelve months to 30 June 2010 (£m)
Revenue	39.7	36.9	78.4
Underlying profit	7.0	6.2	14.4
Axco pre-interest contribution	0.5	-	-
Incremental investment spend	(0.7)	-	-
Operating Profit	6.8	6.2	14.4
Interest / Facility Fees	(0.7)	(0.7)	(1.3)
Adjusted Profit	6.1	5.5	13.1
Movement in discount of put option liability	(0.1)	(0.3)	(0.5)
Share Based Payments	(0.3)	(0.1)	(0.3)
Non-recurring Items	(0.5)	-	(0.1)
PBTA	5.2	5.1	12.2
Amortisation and Impairment	(2.7)	(2.4)	(4.9)
Profit before Tax	2.5	2.7	7.3
Income Tax Expense	(0.9)	(1.0)	(2.5)
Profit After Tax	1.6	1.7	4.8
Adjusted EPS – Continuing Operations	4.9p	4.4p	10.6p
Dividend per share	3.5p	3.5p	7.0p

	Six months to 31 Dec 2010 (£m)	Six months to 31 Dec 2009 (£m)	Twelve months to 30 June 2010 (£m)
Cash inflow from Operations	6.4	5.2	15.5
Servicing of Finance	(0.7)	(0.6)	(1.3)
Taxation	(1.8)	(0.4)	(2.4)
Net Replacement Capex	(0.6)	(0.5)	(1.1)
Free Cash Flow before Dividends	<u>3.3</u>	<u>3.7</u>	<u>10.7</u>
Equity Dividends	(3.2)	(4.2)	(7.4)
Free Cash Flow	0.1	(0.5)	3.3
Acquisition Spend	(25.8)	(2.2)	(2.3)
Issue of new shares	0.2	-	-
Change in net debt during year	<u>(25.5)</u>	<u>(2.7)</u>	<u>1.0</u>
Brought Forward net debt	(16.8)	(17.8)	(17.8)
Net Cash within acquisitions	1.4	-	-
Carried Forward net debt	<u>(40.9)</u>	<u>(20.5)</u>	<u>(16.8)</u>
Cash Conversion %	<u>99%</u>	<u>87%</u>	<u>110%</u>

	As at 31 Dec 2010 (£m)	As at 31 Dec 2009 (£m)	As at 30 June 2010 (£m)
Goodwill / Intangibles	111.7	89.1	87.6
Property, Plant & Equipment	7.2	7.4	7.2
Net Debt	(40.9)	(20.5)	(16.8)
Working Capital	1.8	0.2	1.3
Financial Instruments	(0.3)	(1.0)	(1.0)
Deferred Consideration	-	(0.1)	-
Provisions for future purchase of minority interests	(3.1)	(5.7)	(7.6)
Deferred Revenue	(16.8)	(12.1)	(14.2)
Deferred Tax	(8.7)	(5.7)	(4.9)
Net Assets	50.9	51.6	51.6

Debt Profile



£60m revolving credit facility to expire in March 2012

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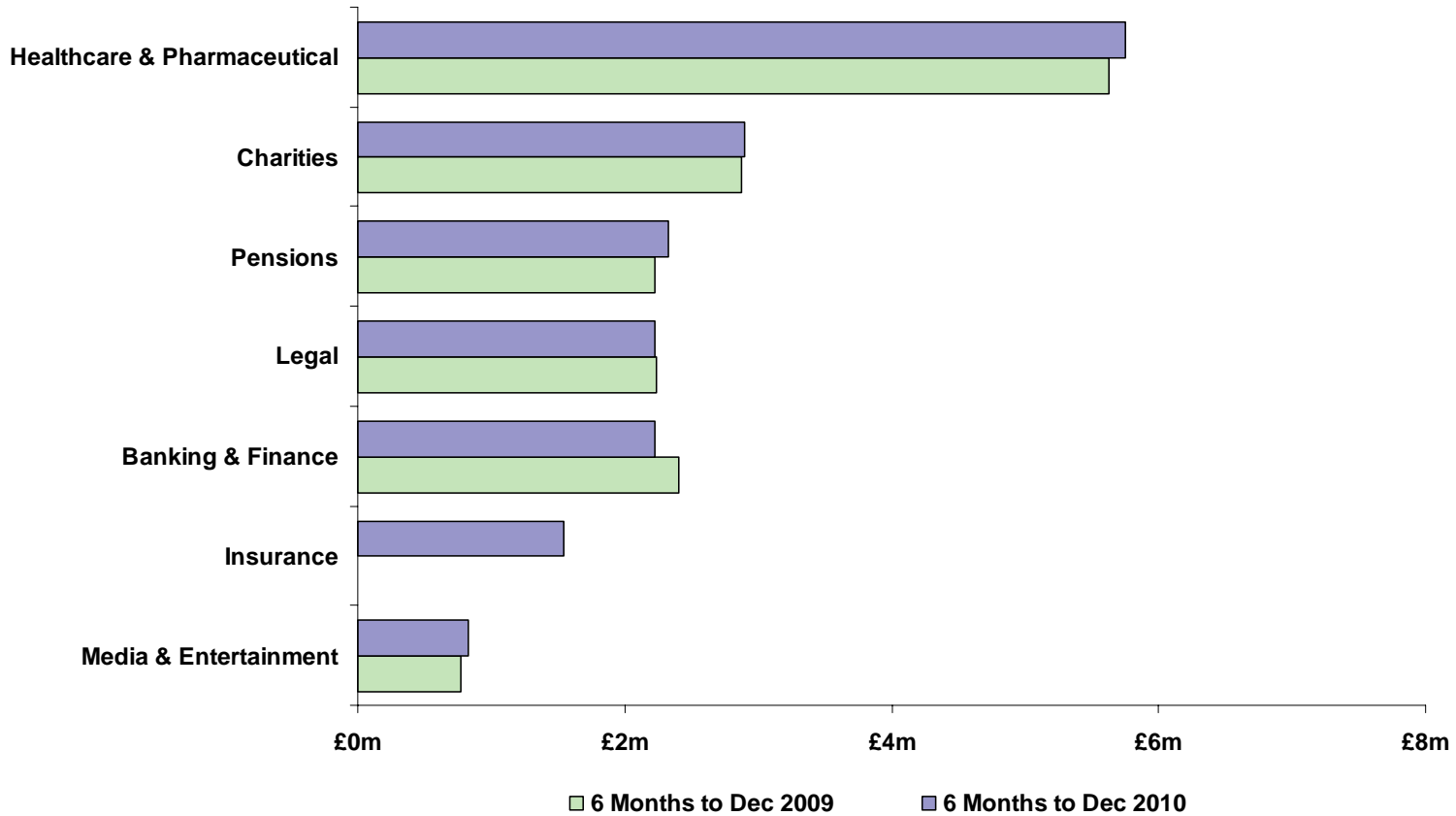
Business Highlights

- Revenue increased 9.9% to £17.7m
- Underlying revenue, before acquisitions, stable at £16.2m
- Segmental profits increased by 6.7% to £4.8m
- £0.3m incremental investment spend expensed
- £0.5m contribution from Axco

	Six months to 31 Dec 2010 (£m)	Six months to 31 Dec 2009 (£m)	% Change
Revenue	17.7	16.2	9.9%
Profit Contribution	4.8	4.5	6.7%

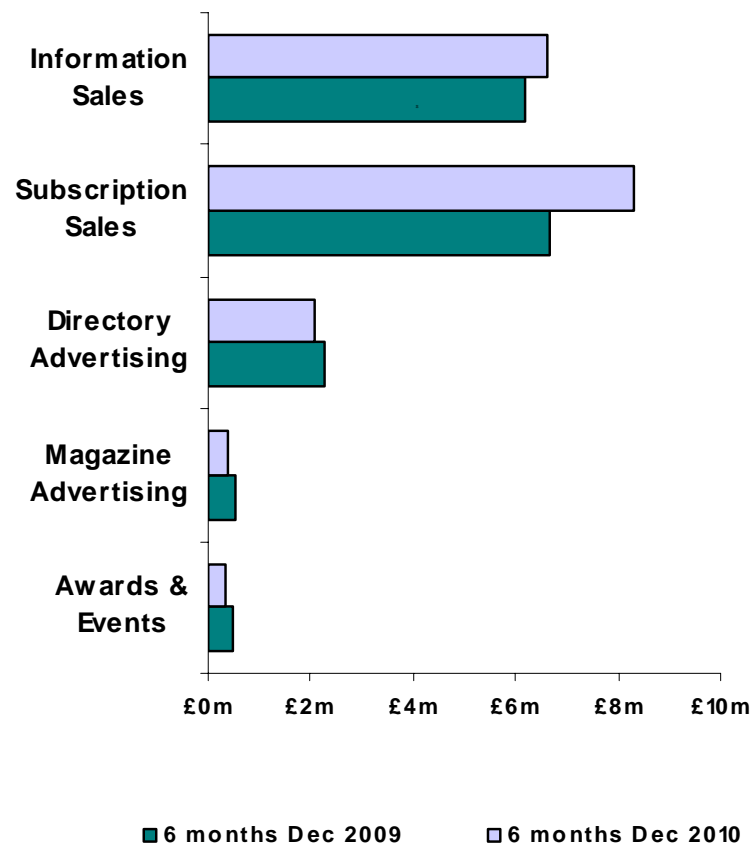


Market Sectors December 2010



- Most earnings successfully transitioned to long term, subscription based, digital revenue streams
 - Revenue from information sales and subscriptions 84% (2009: 79%)
 - Digital revenues 75.3% of sales (2009: 71.5%)
- Anticipate these trends will continue this year

Sources of Revenue to 31 December 2010



- Ongoing investment to develop additional digital subscription products from remaining print portfolios
 - e.g. Charity Financials
- Purchased assets of Guidestar and Onmedica to augment organic development initiatives
 - Guidestar: Financial data for charities
 - Onmedica: Digital marketing data for pharmaceutical companies

- The leading provider of international compliance and regulatory information for the global insurance industry
- Contribution in line with expectations
- Subscription renewals at or above expectations
- Opportunities for product development

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Business Highlights

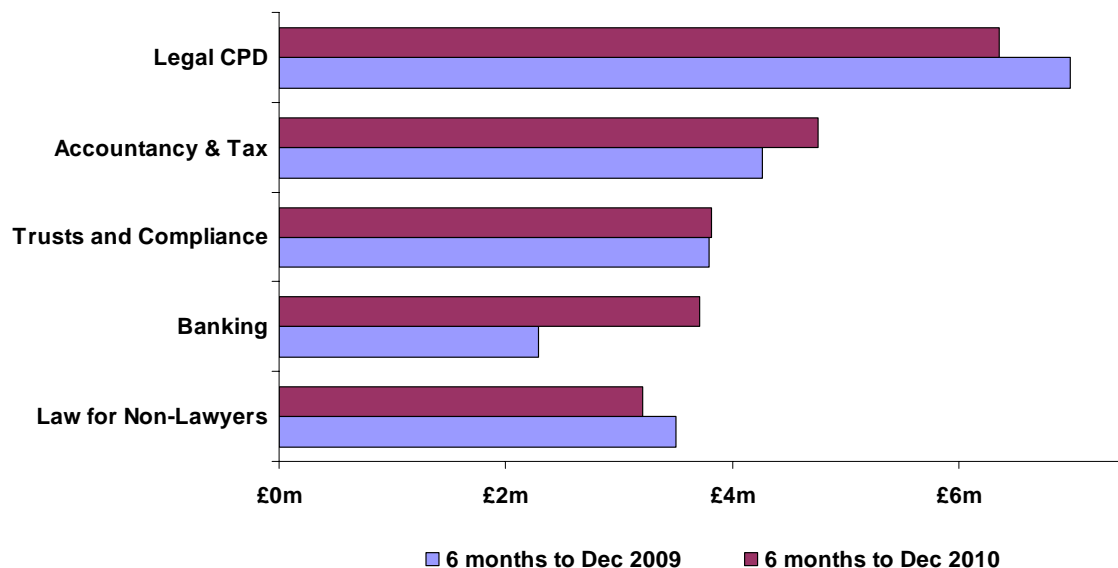
- Revenue increased 5.4% to £21.9m
- Segmental profits increased by 10.1% to £3.1m
- £0.4m incremental investment spend expensed
- Excluding investment spend profits increased by 22.9% to £3.5m
- Profit growth led by The Matchett Group (graduate training for investment banks)

	Six months to 31 Dec 2010 (£m)	Six months 31 Dec 2009 (£m)	% Change
Revenue	21.9	20.8	5.4%
Profit Contribution	3.1	2.8	10.1%



- UK legal training continues to be difficult
 - Planned reduction in course programme
 - Webinars showing strong year on year growth
 - Successful launch of new course programmes in response to changes in legal practice
- Law for non lawyers
 - Public sector very difficult
 - Continued growth from paralegal
 - Witness familiarisation programmes holding up
 - Major launch of new programme for expert witnesses

Sources of Revenue to 31 December 2010



- Matchett has seen significant growth year on year
 - Major new contracts won for Summer and Autumn 2011
 - Successful launch and consolidation of Hong Kong operations
- NCLT – Flexible Legal Practice Course
 - 120 LPC students commenced flexible programme in September 2010
 - Bookings for September 2011 intake significantly ahead of prior year
- Trust and compliance training investing in new programmes in UK and internationally. Investment in Malaysia, Australia and Russia

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- Prompt action at the onset of the downturn protected profits and margins
- Trading conditions in 2010 have improved compared to the prior year
- We expect trading conditions in the second half of our financial year to be broadly similar to the same period in the prior year
- Organic investment plans are on target
- The Group generates strong cash flow
- The Group continues to look for acquisitions that have a good strategic fit