Press Release
12 February 2015

Informa PLC
Full Year Results for 12 Months to 31 December 2014

Growth Acceleration Plan continues following delivery of improved earnings, increased dividends and stronger cash flow in 2014

Financial Performance
• Group revenue increased to £1,137m (2013: £1,130m[1])
• Adjusted operating profit consistent at £334.1m (2013: £334.7m[1])
• Adjusted diluted EPS ahead at 40.3p (2013: 40.1p)
• Free cash flow strong at £232.5m (2013: £207.8m[1])
• Total dividend per share increased by 2% to 19.3p; final dividend of 12.9p (2013: 18.9p)
• Non-cash impairment of £219m leads to statutory pre-tax loss of £31.2m (2013: £115.4m profit[1])

[1] Restated for the change in accounting for joint ventures.

Operational Performance
• 2014-2017 *Growth Acceleration Plan ("GAP")* launched and implementation underway
• Strong organic growth in **Global Exhibitions** with revenues up 18.9%; expanding US presence
• Differentiated operating model delivering consistent organic growth in **Academic Publishing**
• Organic decline demands increased market and customer focus in **Business Intelligence**
• New management at **Knowledge & Networking** pursuing community engagement model
• Full portfolio review leads to exit from conference businesses and Chinese Pharma investment
• Balance sheet write down of underperforming Datamonitor information assets acquired in 2007
• Refinanced balance sheet, net debt / EBITDA ratio within target range of 2.0 to 2.5 times

Informa, the leading Business Intelligence, Knowledge and Events group, today reported adjusted operating profits of £334.1m on revenues of £1,137.0m for the 12 months to 31 December 2014, following a strong performance in its **Global Exhibitions** and **Academic Publishing** businesses and the launch of a comprehensive *Growth Acceleration Plan* designed to deliver growth and higher returns across all the Group businesses.

Stephen A. Carter, Group Chief Executive, said: *"These results, achieved against significant currency headwinds, deliver on our promise of improved earnings, increased dividends and stronger cash flow in 2014".*

"To have achieved this outcome whilst implementing the first phase of our Growth Acceleration Plan – which included a new operating structure, balance sheet refinancing and several targeted acquisitions - is a testament to the quality of our people, improved operating discipline and a growing international presence. The underlying business performance, combined with initial momentum from our growth strategy, underpins the proposed increase to the final dividend."

He added:

"In 2014, we conducted a detailed portfolio review, leading to increased focus and simplification of our business operations. A review of our balance sheet has also led to the write down of certain underperforming Datamonitor assets. Following a year of Measured Change, we are now focused on accelerating growth in all four Operating Divisions. Assuming current exchange rates[1] persist, in 2015 we intend to deliver another year of adjusted EPS growth alongside our commitment to further dividend growth and over £30m of investment into the Growth Acceleration Plan."

Under the *Growth Acceleration Plan*, the Group's simplified operating model will be fully implemented in 2015, led by strengthened Executive and Divisional Management teams and supported by a targeted investment programme across the Group. The Group will also continue with its disciplined acquisition strategy, accompanied by pro-active portfolio management, which may lead to the sale of the Consumer information and forecasting assets in 2015.

[1] USD / GBP 1.52

Financial Performance

	2014 £m	2013[4] £m	Actual %	Organic %
Revenue	1,137.0	1,130.0	0.6	0.7
Operating (loss)/profit	(2.4)	146.0		
Adjusted operating profit[1]	334.1	334.7	(0.2)	(2.6)
Adjusted operating margin (%)[1]	29.4	29.6		
Operating cash flow[2]	323.8	329.2		
(Loss)/profit before tax	(31.2)	115.4		
Adjusted profit before tax[1]	309.6	307.3		
Loss for the year	(51.0)	(6.5)		
Adjusted profit for the year[1]	246.8	241.4		
Basic earnings (loss) per share (p)	(8.6)	17.1		
Diluted earnings (loss) per share (p)	(8.6)	17.1		
Adjusted diluted earnings per share (p)[1]	40.3	40.1		
Dividend per share (p)	19.3	18.9		
Free cash flow[2]	232.5	207.8		
Net debt[3]	876.2	782.6		

Notes:
In this document 'organic' refers to results adjusted for material acquisitions and disposals and the effects of changes in foreign currency exchange rates. In this document we refer to adjusted and statutory results. Adjusted results are prepared to provide a useful alternative measure to explain the Group's underlying business performance.
[1]Adjusted results exclude adjusting items as set out in the Consolidated Income Statement and detailed in note 2.
[2]Operating cash flow and free cash flow are as calculated on page 13.
[3]Net debt as calculated in note 12.
[4]Restated for the change in accounting for joint ventures.

Divisional Highlights

	2014 £m	2013[1] £m	Actual %	Organic %
Academic Publishing				
Revenue	**408.9**	407.8	0.3	3.0
Adjusted Operating Profit	**150.0**	150.9	(0.6)	3.3
Adjusted Operating Margin (%)	***36.7***	*37.0*		
Business Intelligence				
Revenue	**281.7**	305.9	(7.9)	(8.5)
Adjusted Operating Profit	**75.2**	86.8	(13.4)	(16.8)
Adjusted Operating Margin (%)	***26.7***	*28.4*		
Global Exhibitions				
Revenue	**200.2**	160.2	25.0	18.9
Adjusted Operating Profit	**67.4**	50.0	34.8	18.2
Adjusted Operating Margin (%)	***33.7***	*31.2*		
Knowledge & Networking				
Revenue	**246.2**	256.1	(3.9)	(3.2)
Adjusted Operating Profit	**41.5**	47.0	(11.7)	(17.2)
Adjusted Operating Margin (%)	***16.9***	*18.4*		

[1]Restated for the change in accounting for joint ventures.

Enquiries

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Analyst Presentation

There will be a presentation to analysts at 9.30am on 12 February 2015 at King Edward Hall, Bank of America Merrill Lynch Financial Centre, 2 King Edward Street, London, EC1A 1HQ. A simultaneous webcast of the analysts' presentation will be available via the Company's website (www.informa.com).

Trading Outlook

We have not assumed any marked improvement in recent macro trends within our budgets for 2015. Regional variances are set to continue, with a relatively robust outlook in North America, the Middle East, Africa and Asia, whilst Continental Europe and Latin America remain more challenging.

Internally, much focus will be on the *Growth Acceleration Plan* as we start to invest in a variety of growth initiatives across the Group. We anticipate investing £30m to £40m in 2015. This will impact earnings, through increased operating expenditure and the depreciation from higher capital spending. We expect operational benefits quickly but the full financial return will take time to materialise. Our goal remains to have all four Divisions delivering a positive run rate in organic growth by end 2016.

Our strong operating and financial discipline, combined with good early momentum in key markets gives us confidence that, at current exchange rates, Informa should be able to deliver further growth in adjusted earnings per share in 2015, even allowing for the impact of the *Growth Acceleration Plan*.

This outlook also enables us to commit to increase the annual dividend per share by a minimum of 2% per annum through the period of the 2014-2017 *Growth Acceleration Plan*.

Academic Publishing

The **Academic Publishing** market remains stable, although budget trends vary by geography and sector. We anticipate another solid year for journal subscriptions in 2015 alongside further progress in the roll-out of our open access offering at *Cogent OA*. Additionally, the merger of our Medical Journals business into the Division will generate cost savings in 2015 and growth beyond. On books, we will continue to expand the front list in niche subject areas, which should support further revenue growth, and the business will remain flexible in its approach to ebooks, reflecting customer demand.

The outlook points to another consistent performance. Our differentiated operating model and long-term approach to industry relationships position us well to deliver growth at, or ahead of, the market.

Business Intelligence

We are not assuming any significant change in the market backdrop through 2015. While there have been signs of stabilisation in parts of the Finance market sector, the Pharmaceutical sector remains challenging, with tight controls on procurement amongst many customers.

The new divisional management team is moving quickly to focus on customer relationships and subscription management, ahead of investing more broadly in product innovation via the *Growth Acceleration Plan*. We are anticipating steady operational progress in 2015. The subscription nature of the business means this will take time to translate into revenue growth but we take some encouragement from recent trends in deferred income. The business is now organised around five priority verticals and 40 major brands, closely tracked by a detailed matrix of operating metrics. We remain confident that with focused management we can return Business Intelligence to a positive run rate of organic growth by the end of 2016.

Global Exhibitions

The global market for Exhibitions remains structurally and cyclically robust. Informa is now an established international player, with strong positions in North America, the Middle East, Brazil, China and France, with particular strengths in Construction & Real Estate, Health & Nutrition, Beauty and Pop Culture. The breadth and quality of this portfolio gives us confidence that we can deliver further strong organic growth in 2015, albeit year-on-year comparisons will be impacted by the absence of biennial and quadrennial events. Our large Exhibitions already run in 2015, including *Arab Health* in Dubai and *World of Concrete* in the US, have performed strongly.

The pipeline for potential acquisitions remains healthy. We will remain pro-active and disciplined in those assets we add to our portfolio and those that do not meet our strategic and financial criteria.

Knowledge & Networking

The outlook for our conference and learning businesses continues to vary by region. Prospects in the UK, North America and Middle East are good, particularly for our larger, Branded events and those with value added services such as Partnering.

The strengthened divisional management team is pursuing a new strategy based on deeper community engagement across core verticals where we have established Brands and strong relationships. It is targeting a positive organic growth run rate by the end of 2015.

Operational Review

The **2014-2017 *Growth Acceleration Plan* ("*GAP"*)** that we set out on 6 November 2014 is a multi-year strategy designed to improve operational performance and better exploit the attractive growth available from our core markets.

The *Growth Acceleration Plan* aims to have all four Operating Divisions delivering a positive organic growth run rate by the end of 2016.

Growth Acceleration Plan: Operating Structure

Under the operating structure unveiled in July 2014, Informa has four market-facing Operating Divisions: **Academic Publishing**, **Business Intelligence**, **Global Exhibitions**, and **Knowledge & Networking**.

This structure aligns the Group more closely to the markets it serves, improves customer focus, and will encourage collaboration within business verticals and across geographies. Additionally, it creates the potential to leverage scale more effectively.

The four Operating Divisions are supported by a 'fifth' Division: **Global Support**, incorporating all central Group functions such as Shared Services, Information Technology and Finance. As the Group builds scale globally, the **Global Support** Division will become increasingly important in connecting different parts of the Group and ensuring we maximise efficiencies across process functions and the broader back office.

Growth Acceleration Plan: Management Model

In July, Gareth Wright was appointed Group Finance Director, stepping up from his previous role as Deputy Finance Director.

At the Executive Management level, we have appointed Patrick Martell as Chief Executive of **Business Intelligence**, Andrew Mullins as Chief Executive of **Knowledge & Networking**, Tom Moloney as Director of Talent & Transformation, and Alex Roth as Director of Strategy & Business Planning. Each executive brings highly relevant and valuable experience to their roles, complementing other internal appointments made to the Executive Management Team.

The four divisional Chief Executives have formed their Senior Management Teams through a combination of internal transfers and external recruitment. This provides each Operating Division with a well-defined organisational structure and clear lines of authority and accountability.

At Board level, we added further breadth and depth of experience in 2014 with the appointment as Non-Executive Directors of Gareth Bullock, former Group Executive Director at Standard Chartered, who was also appointed Senior Independent Non-Executive Director; Geoff Cooper, formerly Chief Executive of Travis Perkins, who was appointed Chairman of the Remuneration Committee; and Helen Owers, a former Senior Executive at Thomson Reuters.

Growth Acceleration Plan: Portfolio Management

One of the principles behind the *Growth Acceleration Plan* is to continually reassess the mix and focus of the Group to ensure we are allocating capital to the right areas where the potential to improve returns are greatest. A thorough review in 2014 led to a number of key decisions:

- transferring the management of the Medical Journals business from **Business Intelligence** to **Academic Publishing** and several other small assets to **Knowledge & Networking**;
- considering strategic alternatives for the smaller Consumer information and forecasting businesses within **Business Intelligence**;
- stopping additional funding to the Chinese Pharmaceutical data investment and fully providing for outstanding loans;
- closure and consolidation of Johannesburg, Melbourne and Singapore events activities; and
- taking an impairment against the carrying value of certain information assets acquired as part of the 2007 Datamonitor acquisition, including the Consumer portfolio under review.

Where appropriate, these actions have been provided for within the 2014 financial results.

Growth Acceleration Plan: Acquisition Strategy

Informa is committed to a targeted and disciplined acquisition strategy in order to build scale and capability across priority industry verticals and geographic markets.

In 2014, this activity was primarily focused on the **Global Exhibitions** Division, with a particular emphasis on building our US presence. This is the largest Exhibition market globally and, consequently, it leads the industry in terms of innovation and product development.

- In July, we announced the acquisition of the Virgo Group, with a portfolio of six major trade shows, including *SupplySide West*, the leading US Exhibition in the Health & Nutrition Vertical. This event is highly complementary to *Vitafoods*, our established exhibition brand in this space, which runs the leading event in Europe, as well as events in Asia and Latin America. The combination confirms Informa's position as the leading global player in this attractive, growing vertical.
- In November, we announced the acquisition of Hanley Wood Exhibitions, with a portfolio of 17 major exhibitions and leading trade shows in Construction & Real Estate, including *World of Concrete* and *Greenbuild*. This acquisition strengthens our global position in this vertical, complementing our leading position in Canada, through Brands such as *Construct* and the *Real Estate Global Forum*, and in the Middle East, through the *Cityscape* series of events.
- More recently, we completed the bolt-on acquisition of the *Orlando MegaCon* consumer Exhibition. This expands our strong Canadian FanExpo Pop Culture franchise further into the US, following the acquisition of the *Dallas ComiCon* in 2014, strengthening our position in this exciting and fast-growing vertical.

In each case, these businesses were specifically targeted as attractive strategic acquisitions, offering a strong growth outlook and good potential for synergies through customer marketing and geo-cloning. They all complement and enhance our existing, strong position within each vertical.

A second part of the *Growth Acceleration Plan* Acquisition Strategy is focused on post-acquisition integration, increasing the rigour and attention on businesses after they are bought to facilitate a smooth and efficient transition and ensure potential revenue and cost synergies are maximised.

Growth Acceleration Plan: Investment

One of the most significant elements of the *Growth Acceleration Plan* is our commitment to invest up to £90m in a range of internal projects across the Group over the next three years. These organic initiatives represent a mixture of catch-up investment and incremental growth projects and fall into four key categories:

- People and organisation
- Customer engagement and value creation
- Product and content refresh
- Production agility and scale

The investment programme spans across all four Operating Divisions, as well as the **Global Support** division, with a particular weighting towards the **Business Intelligence** Division, which is expected to account for about one third of total spend.

The deployment of capital into these initiatives will be carefully managed, with each project assessed on its merits and funds only provided in stages, depending on delivery of specific targets.

The first priority projects were submitted for funding in January 2015 and the volume of work streams is expected to build through the year. The Group expects to invest between £70m and £90m in *Growth Acceleration Plan* projects over the next three years with £30m to £40m budgeted for 2015. The majority of this year's investment, estimated at between 70% and 80%, is expected to be capital expenditure, depreciated over an average of five years, with the remainder being fully expensed operating expenditure.

It is anticipated that by 2017, the investment programme will deliver a positive cash return on investment with a full cash payback expected the following year.

Growth Acceleration: Plan Funding

The final element of the *Growth Acceleration Plan* relates to funding. The Group's ambition is to retain a robust financing framework for the duration of the 2014-2017 programme, incorporating a varied and balanced mix of funding sources and maintaining net debt / EBITDA within the Group's target range of 2.0 times to 2.5 times. This will ensure adequate liquidity to fund all elements of the *Growth Acceleration Plan*, including the investment programme and acquisition strategy. It will also allow the Group to meet its stated commitment to increase annual dividends per share by a minimum of 2% per annum through the 2014-2017 period.

The first step in delivering this strategy was the refinancing of the Group's Revolving Credit Facility in October 2014, with a maturity of October 2019, and increasing its size from £625m to £900m at an interest rate of Libor +0.6 to 1.2%, depending on the ratio of actual net debt / EBITDA.

In November 2014, the Group raised £207m through the issue of 45m new shares. This ensured that the Group's pro-forma net debt to EBITDA ratio at year-end stood at 2.2 times, within the target range, providing ongoing flexibility for the pursuit of targeted acquisitions, in line with the stated *Growth Acceleration Plan* Acquisition Strategy.

Divisional Trading Review

The Group reported a robust operating performance in 2014, successfully delivering growth in earnings and cash flow whilst implementing the first phase of the *Growth Acceleration Plan*. Strict operating discipline, combined with a balanced, international portfolio were key to this result, with organic growth within the **Global Exhibitions** and **Academic Publishing** Divisions more than offsetting some weakness within **Knowledge & Networking** and **Business Intelligence**.

The fluctuation in exchange rates had a marked impact on reported financials, mainly due to the strength of Sterling versus the US Dollar during most of the year. If exchange rates had remained constant at 2013 average rates, Group revenue in 2014 would have been £39.6m higher, adjusted operating profit £12.7m higher and adjusted diluted EPS 1.8p higher.

This implies constant currency EPS of 42.1p in 2014, equating to underlying earnings growth of 4.5%.

The commentary below includes statutory and adjusted measures. We believe adjusted operating profit is a useful additional measure in monitoring divisional trading performance.

Academic Publishing

	2014 £m	2013 £m	Actual %	Organic %
Revenue	**408.9**	407.8	0.3	3.0
Statutory Operating Profit	**106.3**	101.9	4.3	
Adjusted Operating Profit	**150.0**	150.9	(0.6)	3.3
Adjusted Operating Margin (%)	**36.7**	37.0		

The **Academic Publishing** Division publishes specialist books and journals. Operating as the Taylor & Francis Group, it is recognised internationally as one of the world's leading education publishers through its five leading imprints: Taylor & Francis, Routledge, CRC Press, Garland Science and Cogent OA. It has a portfolio of more than 100,000 book titles and 2,100 journals available in both print and digital formats, across subject areas within Humanities and Social Sciences, and Science, Technology and Medicine.

In 2014, **Academic Publishing** represented 36% of Group revenue and 45% of adjusted operating profit.

It was another consistent performance by the **Academic Publishing** Division in 2014, recording organic revenue growth of 3.0% against what was a challenging comparable in 2013. In addition, we continued with our bolt-on acquisition strategy, completing a number of small deals during the year, including Sharpe and Landes BioScience. However, overall reported revenue was flat, reflecting the US bias of the business and, hence, the negative impact of Sterling's strength against the US Dollar.

Journal subscriptions remained robust with high renewal rates and continued strong growth in both article submissions and content usage. Cogent OA, our open access imprint, continues to track ahead of its initial plan. Fifteen journal titles are now accepting articles and submission rates have remained consistently ahead of schedule.

Our books business had another good year, particularly in Humanities and Social Science, which performed strongly in the US. In November, we published the Sixth Edition of the *Molecular Biology of the Cell*, one of our most popular and well known textbooks, selling nearly 25,000 copies by year-end.

Ebook sales varied month-to-month through 2014 and while overall growth remained strong, the trend suggests print will remain important for some time. We continue to take a neutral approach to product format. All our production and design processes are digital but we have the flexibility to supply customers in the format they want with relatively low differences in marginal cost.

We continue to target customers who previously submitted orders through SWETS, the now bankrupt subscription agent. We estimate cash receipts were adversely impacted by about £15m in 2014 due to the delay in re-routing customers. We expect this cash shortfall largely to be recouped during the first half of 2015.

Business Intelligence

	2014 £m	2013 £m	Actual %	Organic %
Revenue	**281.7**	305.9	(7.9)	(8.5)
Statutory Operating (Loss)/Profit	**(155.2)**	49.9	(411.0)	
Adjusted Operating Profit	**75.2**	86.8	(13.4)	(16.8)
Adjusted Operating Margin (%)	**26.7**	28.4		

The **Business Intelligence** Division provides specialist data, intelligence and insight to businesses, helping them make better decisions, gain competitive advantage and enhance return on investment. It has a portfolio of more than 400 digital subscription products, providing critical intelligence to niche communities within five core industry verticals: Pharma & Healthcare, Finance, Maritime & Law, Technology/Media/Telecoms and Agra.

In 2014, **Business Intelligence** represented 25% of Group revenue and 23% of adjusted operating profit.

The Division reported an organic revenue decline of 8.5%, reflecting challenging trading conditions, which resulted in lower one-off product sales and a decline in advertising revenue. Subscription trends continue to vary by vertical and product but average renewal rates remain low by historical levels. Addressing this is a priority for the new management team, which brings with it substantial experience in the areas of sales, subscription management and content delivery.

The year saw a significant amount of change within the Division, both in terms of structure and management and, inevitably, this created some uncertainty and disruption. This contributed to the weak performance in 2014 but it leaves the business better resourced and with a structure more aligned to customers in its core markets, providing a solid framework through which to implement the *Growth Acceleration Plan*.

Following the portfolio review we undertook in 2014, we announced in November that we were considering alternatives for the Consumer information and forecasting businesses within Business Intelligence. This process is ongoing. These include some strong Brands, such as *Verdict*, which are relatively small players in a broad, competitive market.

In addition, after careful consideration we have decided to stop additional funding to our Chinese Pharmaceutical data investment and fully provide for its outstanding loans. Similarly, after reviewing the balance sheet carrying value of all our businesses, we have taken an impairment against certain information assets, including the Consumer assets and some Pharmaceutical products, which were acquired as part of the Datamonitor acquisition in 2007.

Global Exhibitions

	2014 £m	2013[1] £m	Actual %	Organic %
Revenue	**200.2**	160.2	25.0	18.9
Statutory Operating Profit	**24.5**	23.6	3.8	
Adjusted Operating Profit	**67.4**	50.0	34.8	18.2
Adjusted Operating Margin (%)	**33.7**	31.2		

[1]Restated for the change in accounting for joint ventures.

The **Global Exhibitions** Division organises transaction-oriented Exhibitions and Trade Shows, which provide buyers and sellers across different industries and communities with a powerful platform to meet face-to-face, build relationships and conduct business. Informa has a portfolio of over 150 exhibitions, serving a number of core verticals, including Health & Nutrition, Beauty, Property & Construction and Hobbyist/Fans.

In 2014, **Global Exhibitions** represented 17% of Group revenues and 20% of adjusted operating profit.

It was a strong year for the **Global Exhibitions** Division, recording organic revenue growth of 18.9%. This included the benefit of both the Brazilian biennial, *Formobile*, and the quadrennial Exhibition, *IPEX*, but even excluding these events, the Division delivered good double-digit growth. The strong revenue performance translated into a higher operating margin, at 33.7%, a level which reflects the underlying quality of our portfolio of Exhibitions and Trade Shows.

The Middle East region was particularly strong, led by the large Exhibitions that take place early in the year, such as *Arab Health* and *Middle East Electricity*. But there were also strong performances by European Exhibitions such as *Vitafoods,* and in Asia, events like *China Beauty Expo*, which was acquired in 2013.

Our strategy in **Global Exhibitions** is to blend ongoing organic expansion – through a combination of higher space sales, optimising yield and geo-cloning – with targeted acquisitions in priority verticals and geographies.

In 2014, a key objective was to establish a presence in the important US market and we achieved this through the acquisitions of Virgo Group in August and Hanley Wood Exhibitions in December. Both are highly complementary to our existing vertical mix and provide good potential for revenue synergies over time through cross marketing, transfer of best practise and geo-cloning.

In 2015, we expect North America to represent more than 35% of Divisional revenue.

Knowledge & Networking

	2014 £m	2013[1] £m	Actual %	Organic %
Revenue	**246.2**	256.1	(3.9)	(3.2)
Statutory Operating Profit/(Loss)	**22.0**	(29.4)	174.8	
Adjusted Operating Profit	**41.5**	47.0	(11.7)	(17.2)
Adjusted Operating Margin (%)	**16.9**	18.4		

[1]Restated for the change in accounting for joint ventures.

The **Knowledge & Networking** Division incorporates all the Group's training, learning, conference, advisory and congress businesses. It organises content-driven events and programmes that provide a platform for communities to meet, network and share knowledge. It runs around 3,000 conferences and training events across the globe each year, covering a range of subject areas, but with a particular focus on Life Sciences, Technology/Media/Telecoms and Finance.

In 2014, **Knowledge & Networking** represented 22% of Group revenues and 12% of adjusted operating profit.

The performance across the **Knowledge & Networking** Division was mixed. Our major regional hubs in the UK, Middle East and North America all reported year-on-year growth but this was offset by weakness elsewhere, notably in Australia and Continental Europe. In addition, the geo-political backdrop in Eastern Europe had a marked impact on activity levels in this region. Overall the Division reported an organic revenue decline of 3.2%, which translated into a lower operating margin, at 16.9%.

As part of our drive to improve efficiency and focus the business in areas where we have well established Brands and strong expertise, we took the decision to close our conference and training businesses in Johannesburg. We continue to run some selective events in Africa by exporting from our major hubs, but without the fixed cost of local infrastructure.

There were some strong individual performances through the year, notably from the EBD Group's portfolio of Partnering events for the Life Sciences industry. Its innovative model, which uses technology to enhance the networking potential of its conferences, continues to gain strong traction in the market. Delegate numbers are growing healthily and re-sign rates are far higher than for more traditional conferences.

This is a consistent theme across the Division, with those events where there is investment in the delegate experience, deep community engagement and a focus on building long-term Brand equity, generally performing better. This is something the new management team will look to build on as it implements its new strategy through the *Growth Acceleration Plan*.

Group Financial Review

The Group reported a robust operating performance in 2014, delivering growth in earnings and cash flow. This leaves the Group in a strong financial position, with the ratio of net debt to EBITDA at 2.2 times.

Group

	2014 £m	2013[1] £m	Actual %	Organic %
Revenue	1,137.0	1,130.0	0.6	0.7
Statutory Operating (Loss)/Profit	(2.4)	146.0	(101.6)	
Adjusted Operating Profit	334.1	334.7	(0.2)	(2.6)
Adjusted Operating Margin (%)	29.4	29.6		

[1] Restated for the change in accounting for joint ventures.

The Group's revenue has stayed broadly constant at £1,137.0m (2013: £1,130.0m). The statutory result decreased to a loss of £2.4m (2013: profit of £146.0m). This is primarily due to the increase in impairment charges during the year.

The Group's free cash flow strengthened to £232.5m (2013: £207.8m). This is a strong result especially with the deferral of SWETS subscription agent receipts of about £15m from 2014 to 2015 in the **Academic Publishing** division.

Adjusted and Statutory Results

Within this Full Year Results Statement, we refer to adjusted and statutory results and unless otherwise indicated the information reported is on a continuing basis.

Adjusted results are prepared to provide a more comparable indication of the Group's underlying business performance. This is in line with similar adjusted measures used by our peer companies. Adjusted results exclude adjusting items such as intangible asset amortisation and impairment charges. This adjusted measure is a sector-specific treatment and is not comparable with other sectors. A full list of adjusting items is provided in Note 2.

In order to help understand the underlying performance of the Group, we consider adjusted operating profit to be a more useful measure. Therefore to arrive at the Adjusted Operating Profit of £334.1m (2013: £334.7m) the following adjusting items have been recognised:

	Academic Publishing £m	Business Intelligence £m	Global Exhibitions £m	Knowledge & Networking £m	Total £m
Revenue	408.9	281.7	200.2	246.2	1,137.0
Adjusted operating profit	150.0	75.2	67.4	41.5	334.1
Restructuring and reorganisation costs	(2.5)	(10.5)	(3.0)	(4.7)	(20.7)
Acquisition and integration costs	(1.0)	–	(3.7)	–	(4.7)
Subsequent re-measurement of contingent consideration	–	1.6	(1.6)	1.8	1.8

Intangible asset amortisation[1]	(40.2)	(16.2)	(20.9)	(16.6)	(93.9)
Impairment	–	(205.3)	(13.7)	–	(219.0)
Statutory operating profit/(loss)	106.3	(155.2)	24.5	22.0	(2.4)

[1] Excludes software amortisation.

Impairment
The Group conducted its annual review of potential future returns from its portfolio of businesses and investments, including balance sheet carrying values.

In the **Business Intelligence** division the carrying value of goodwill and intangible assets across Consumer and Pharma & Healthcare businesses were impaired by £190.0m. The Group has also recognised an impairment charge of £13.5m relating to the loan receivable with Asia Gateway China, and an impairment charge of £1.8m for other intangible assets.
In the **Global Exhibitions** division the goodwill and intangible assets of the events business in Melbourne was impaired by £12.5m. The Group has also recognised an impairment charge of £1.0m relating to the loan receivable with Expo Vinis, and an impairment charge of £0.2m for other intangible assets.

Restructuring and Reorganisation Costs
Restructuring and reorganisation costs for the year of £20.7m (2013: £14.2m) principally relate to the strategic reorganisation undertaken within **Business Intelligence**, **Global Exhibitions** and **Knowledge & Networking**, and the redomicile of the Group from Switzerland back to the UK. The total costs comprise redundancy costs of £14.2m (2013: £10.7m), reorganisation costs of £2.1m (2013: £2.4m), re-domicile costs of £2.9m (2013: £0.6m) and vacant property provisions of £1.5m (2013: £0.5m).

Other Adjusting Items
A number of acquisitions were made during the year, and associated acquisition and integration costs of £4.7m have been recognised in the Consolidated Income Statement.

During the year contingent consideration was re-measured by £1.8m, which is offset by related impairments to other intangible assets of £2.0m.

Translation Impact
The Group is particularly sensitive to movements in the USD and Euro against the GBP.

The Group receives approximately 48% of its revenues and incurs approximately 39% of its costs in USD or currencies pegged to USD. Each 1 cent movement in the USD to GBP exchange rate has a circa £3.4m impact on revenue and a circa £1.5m impact on adjusted operating profits and a circa 0.16p impact on adjusted diluted EPS.

The Group receives approximately 8% of its revenues and incurs approximately 7% of its costs in Euros. Each 1 cent movement in the Euro to GBP exchange rate has a circa £0.7m impact on revenue and a circa £0.2m impact on adjusted operating profits and a circa 0.03p impact on adjusted diluted EPS.

With both currencies, offsetting the movements in adjusted operating profit will be movements in interest and tax liabilities. This analysis assumes all other variables, including interest rates, remain constant.

For debt covenant testing purposes, both profit and debt translation are calculated at the average rate of exchange throughout the relevant period.

Loss on Disposal of Businesses
The loss on disposal of £2.8m relates to (i) Loss on disposal of Fashion Exposed events in Australia of £1.3m; and (ii) final adjustments of £1.5m arising from the Corporate Training disposal that was completed on 30 September 2013. For the sale of the Fashion Exposed events, the consideration received was £0.4m and the carrying value of intangible assets was £1.7m, which resulted in a loss

on disposal of £1.3m. This has been recognised as an adjusting item in the Consolidated Income Statement.

Net Finance Costs

Net finance costs, which consist principally of interest costs net of interest receivable, decreased by £2.0m from £27.6m to £25.6m. The Group maintains a balance of fixed and floating rate debt partly through utilising derivative financial instruments.

In addition, there is an exceptional finance cost of £1.2m relating to the excess interest charge on early repayment of the revolving credit facility in the year. This has been recognised as an adjusting item in the Consolidated Income Statement.

Taxation

The Group tax credit on statutory Profit Before Tax ("PBT") was 63.5% (2013: 10.7% charge). The statutory tax rate reported for both 2014 and 2013 was affected by impairment charges which were not deductible for tax purposes.

Across the Group, tax has been provided on adjusted profits at an adjusted tax rate of 20.3% (2013: 21.4% restated for joint ventures). This adjusted tax rate benefits from profits generated in low tax jurisdictions, and is lower than for the previous year due to lower tax rates in certain countries including the UK, and the impact of our US businesses qualifying for certain tax incentives related to their exports.

During 2014, the Group paid £44.3m (2013: £71.4m) of Corporation and similar taxes on profits, including approximately £25.0m (2013: £44.0m) of UK Corporation Tax. Payments in 2013 included £15.0m in regard to matters agreed with HMRC in 2012.

For 2014, tax credits arising in respect of prior year matters, including adjustments to the tax impact of disposals and obtaining certain US tax incentives for 2013, have been presented as adjusting items in the accounts. The impact of the closure of UK and overseas tax issues resulted in a £13.7m release of tax provisions in 2013 which was reflected as an adjusting item in the accounts.

Our effective tax charge reconciles to cash taxes paid as follows:

	2014 **£m**	**2013** **£m**
Tax charge on adjusted PBT per Consolidated Income Statement	62.8	65.9
Deferred taxes	(7.3)	2.0
Current tax on adjusting items	(22.1)	(17.1)
Taxes paid in relation to earlier years less 2014 taxes payable in later periods	9.1	16.6
Withholding and other tax payments	2.2	1.5
Total corporate taxes paid	44.7	68.9
Taxes refunded from German authorities	(0.4)	(0.2)
Taxes paid in relation to discontinued operations	–	2.7
Net income taxes paid per Consolidated Cash Flow Statement	44.3	71.4

The current tax on adjusting items figure of £22.1m (2013: £17.1m) includes £16.0m (2013: £13.4m) of current tax deductions for amortisation of intangibles. This is a recurring item which results in cash taxes paid each year being lower than the effective tax charge.

The Group's Total Tax Contribution ("TTC"), which is made up of all material taxes paid out of profits and other material taxes generated by our businesses, was £168.1m in 2014. The UK element of our TTC was £81.6m. This is the first year for which we have reported TTC. Further details of our TTC will be provided in the Group's Corporate Social Responsibility Report.

Earnings and Dividend

Adjusted diluted EPS from continuing operations of 40.3p (2013: 40.1p) is ahead of 2013, while statutory diluted EPS is negative 8.6p (2013: positive 17.1p).

The Board has proposed a final dividend of 12.9p per share (2013: 12.5p per share). This dividend will be paid on 28 May 2015 to ordinary shareholders registered as of the close of business on 1 May 2015. This will result in a total dividend for the year of 19.3p per share (2013: 18.5p per share). Dividend cover has remained broadly consistent at 2.1 times total earnings (2013: 2.2 times) on an adjusted earnings basis.

Cash Flow

The Group continues to generate healthy cash flow with operating cash flow of £323.8m in 2014. This strength is reflected in a cash conversion rate, expressed as a ratio of operating cash flow (as calculated below) to adjusted operating profit, of 97% (2013: 98%).

The adjusting operating profit is a useful proxy for cash generation and therefore is used to provide a good indication of whether the required returns have been made by the Divisional operations.

	2014	**2013[1]**
	£m	**£m**
Adjusted operating profit from continuing operations	**334.1**	**334.7**
Depreciation of PP&E	6.1	6.4
Software and product development amortisation	12.1	15.7
Share-based payments	1.7	2.2
Adjusted EBITDA from continuing operations	**354.0**	**359.0**
Net capital expenditure	(14.7)	(14.4)
Working capital movement (net of restructuring and reorganisation accruals)	(15.5)	(15.4)
Operating cash flow from continuing operations	**323.8**	**329.2**
Restructuring and reorganisation	(21.0)	(20.1)
Net interest	(26.0)	(30.1)
Dividends received from joint ventures	–	0.2
Taxation	(44.3)	(71.4)
Free cash flow	**232.5**	**207.8**
Operating cash flow of discontinued operations	(3.8)	4.5
Acquisitions less disposals	(369.0)	(88.8)
Dividends paid to shareholders	(114.0)	(114.0)
Dividends paid to non-controlling interest	(0.9)	–
Net shares issued/(acquired)	204.1	(0.4)
Net funds flow	**(51.1)**	**9.1**
Opening net debt	**(782.6)**	**(802.4)**
Non-cash items	(2.4)	(1.1)
Foreign exchange	(40.1)	11.8
Closing net debt	**(876.2)**	**(782.6)**

[1] Restated for the change in accounting for joint ventures.

In the year ended 31 December 2014, before taking into account dividends, spend on acquisitions or proceeds from the sale of assets, the Group generated free cash flow of £232.5m (2013: £207.8m). The increase year-on-year is principally caused by a decrease in taxation paid compared to 2013. In 2013 certain historic tax liabilities were settled with local tax authorities.

The increase in net debt arising from acquisitions was £371.5m (2013: £136.3m) which comprises current year acquisitions of £363.3m (2013: £132.0m) and consideration in respect of acquisitions completed in prior years of £8.2m (2013: £4.3m). This was offset by a decrease in net debt arising from disposals of £2.5m inflow (2013: £47.5m inflow).

Net debt increased by £93.6m from £782.6m to £876.2m, driven primarily by a cash outflow of £51.1m and exchange rate movements of £40.1m. During the year the Group paid dividends of £114.9m.

Financing and Bank Covenants

In October 2014, the Group entered into a new five-year revolving credit facility of £900.0m, of which £455.2m was drawn down at 31 December 2014. The facility matures in October 2019.

The principal financial covenant ratios under the private placement and revolving credit facilities are maximum net debt to EBITDA of 3.5 times and minimum EBITDA interest cover of 4.0 times, tested semi-annually. At 31 December 2014 both financial covenants were comfortably achieved. The ratio of net debt to EBITDA was 2.2 times (2013: 2.2 times) calculated as per our bank agreement (using average exchange rate and adjusted for a full year's trading from 2014 acquisitions). The ratio of EBITDA to net interest payable was 14.4 times (2013: 13.0 times).

Return on Capital Employed

During 2014 we have completed a number of bolt-on acquisitions and we strengthened our **Global Exhibitions** division with the acquisitions of the Virgo Group and Hanley Wood Exhibitions.

Acquisitions are assessed on case-by-case basis against a broad set of financial and strategic criteria. For bolt-on acquisitions, this includes delivering returns in excess of the Group's weighted average cost of capital and being earnings enhancing in the first full year of ownership, as well as achieving a cash payback within seven years. However, for selective acquisitions, the Group will take a longer-term view to allow time for full integration of the acquired business, coupled with additional investment to maximise the long-term returns it generates.

Deferred Income

Deferred income is £342.9m (2013: £315.9m) at 31 December 2014, a 5% increase on a constant currency basis compared to the same date in 2013. Deferred income arises primarily from advance subscriptions and forward bookings for trade shows, exhibitions or conferences. Subscriptions generated by our **Academic Publishing** and **Business Intelligence** businesses renew annually in advance and many trade shows and exhibitions, because of their market leading status, receive commitments up to a year in advance.

Pensions

The Group's financial obligations to its pension schemes remain relatively small compared to the size of the Group, with net pension liabilities at 31 December 2014 of £10.1m (2013: £5.4m).

Following the completion of the triennial valuations of the defined benefit schemes in 2011, a revised deficit funding plan was agreed with the trustees to eliminate the deficits in both schemes. The contributions paid towards reducing the scheme deficits will decrease from £3.5m in 2014 to £0.5m in 2015. The contributions for the ongoing service will be £nil in 2015 as both schemes are closed to future accrual of benefits.

Post Balance Sheet Events

On 15 January 2015, the Group completed the acquisition of 100% of the shares of Megaconvention, Inc, for initial consideration of £4.9m and further performance-related consideration estimated at £3.4m payable over two years. The sole event of the Company is Orlando MegaCon, an enthusiast consumer show featuring exhibits and content from the sci-fi, horror, anime, gaming and TV genres including merchandise, memorabilia and art.

Annual Report and Financial Statements 2014

The Annual Report and Financial Statements for the financial year ended 31 December 2014 will be sent to shareholders and published on www.informa.com in April 2015.

Copies of this announcement may be obtained during normal business hours from the Company Secretary at the Company's office at 30-32 Mortimer Street, London, W1W 7RE.

Cautionary Statements

This document contains forward looking statements. These statements are subject to a number of risks and uncertainties and actual results and events could differ materially from those currently being anticipated as reflected in such forward looking statements. The terms 'expect', 'should be', 'will be' and similar expressions identify forward looking statements. Factors which may cause future outcomes to differ from those foreseen in forward looking statements include, but are not limited to: general economic conditions and business conditions in Informa's markets; exchange rate fluctuations, customers' acceptance of its products and services; the actions of competitors; legislative, fiscal and regulatory developments; changes in law and legal interpretation affecting Informa's intellectual property rights and internet communications; and the impact of technological change. These forward looking statements speak only as of the date of this interim management report. Except as required by any applicable law or regulation, the Group expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward looking statements contained in this document to reflect any change in the Group's expectations or any change in events, conditions or circumstances on which any such statement is based.

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2014

	Notes	Adjusted results 2014 £m	Adjusting items 2014 £m	Statutory results 2014 £m	Adjusted results 2013[1] £m	Adjusting items 2013[1] £m	Statutory results 2013[1] £m
Continuing operations							
Revenue		1,137.0	–	1,137.0	1,130.0	–	1,130.0
Net operating expenses	4	(802.9)	(336.5)	(1,139.4)	(795.3)	(188.7)	(984.0)
Operating profit/(loss)		334.1	(336.5)	(2.4)	334.7	(188.7)	146.0
Share of results of joint ventures		(0.1)	(0.3)	(0.4)	0.5	(0.1)	0.4
Loss on disposal of businesses	14	–	(2.8)	(2.8)	–	(3.4)	(3.4)
Finance costs	5	(28.0)	(1.2)	(29.2)	(29.8)	0.3	(29.5)
Investment income	6	3.6	–	3.6	1.9	–	1.9
Profit/(loss) before tax		309.6	(340.8)	(31.2)	307.3	(191.9)	115.4
Tax (charge)/credit	7	(62.8)	43.0	(19.8)	(65.9)	53.5	(12.4)
Profit/(loss) for the year from continuing operations		246.8	(297.8)	(51.0)	241.4	(138.4)	103.0
Discontinued operations							
Loss for the year from discontinued operations	13			–			(109.5)
Loss for the year				(51.0)			(6.5)
Attributable to:							
– Equity holders of the parent				(52.4)			(6.5)
– Non-controlling interest				1.4			–
Earnings per share from continuing operations							
– Basic (p)	10			(8.6)			17.1
– Diluted (p)	10			(8.6)			17.1

Earnings per share from continuing and discontinued operations					
– Basic (p)	10		(8.6)		(1.1)
– Diluted (p)	10		(8.6)		(1.1)
Adjusted earnings per share from continuing operations					
– Basic (p)	10	40.3		40.1	
– Diluted (p)	10	40.3		40.1	
Adjusted earnings per share from continuing and discontinued operations					
– Basic (p)	10	40.3		40.5	
– Diluted (p)	10	40.3		40.5	

[1] Restated for the change in accounting for joint ventures.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2014

	Notes	2014 £m	2013 £m
Loss for the year		(51.0)	(6.4)
Share of results of joint ventures		–	(0.1)
Restated loss for the year		(51.0)	(6.5)
Items that will not be reclassified to profit or loss			
Actuarial (loss)/gain on defined benefit pension schemes		(8.0)	8.3
Tax relating to items that will not be reclassified to profit or loss		1.7	(2.2)
Total items that will not be reclassified to profit or loss		(6.3)	6.1
Items that may be reclassified subsequently to profit or loss			
Change in fair value of cash flow hedges		(0.2)	0.5
Termination of interest rate swaps		(0.3)	–
Exchange differences on translation of foreign operations		7.9	(25.0)
Cumulative foreign exchange losses on disposals[1]	14	–	3.6
Tax relating to items that may be reclassified subsequently to profit or loss		0.1	(0.1)
Total items that may be reclassified subsequently to profit or loss		7.5	(21.0)
Other comprehensive income/(expense) for the year		1.2	(14.9)
Total comprehensive expense for the year		(49.8)	(21.4)
Attributable from continuing operations to:			
– Equity holders of the parent		(51.2)	88.1
– Non-controlling interest		1.4	–
Attributable from discontinued operations to:			
– Equity holders of the parent		–	(109.5)
– Non-controlling interest		–	–

[1] Cumulative foreign exchange losses on disposals was only previously presented in Consolidated Statement of Changes in Equity, this has been corrected above.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2014

	Share capital	Share premium account	Translation reserve	Other reserves	Retained earnings	Total	Non-controlling interest	Total equity

	£m	£m	£m	£m	£m	£m	£m	£m
At 1 January 2013	0.6	2.1	(6.1)	(1,216.6)	2,543.6	1,323.6	–	1,323.6
Share of results of joint ventures	–	–	–	–	0.1	0.1	–	0.1
Restated at 1 January 2013	0.6	2.1	(6.1)	(1,216.6)	2,543.7	1,323.7	–	1,323.7
Loss for the year	–	–	–	–	(6.5)	(6.5)	–	(6.5)
Change in fair value of cash flow hedges	–	–	–	0.5	–	0.5	–	0.5
Exchange differences on translation of foreign operations	–	–	(25.0)	–	–	(25.0)	–	(25.0)
Actuarial gain on defined benefit pension schemes	–	–	–	–	8.3	8.3	–	8.3
Cumulative foreign exchange losses on disposals (Note 14)	–	–	3.6	–	–	3.6	–	3.6
Tax relating to components of other comprehensive income	–	–	–	(0.1)	(2.2)	(2.3)	–	(2.3)
Total comprehensive (expense)/income for the year	–	–	(21.4)	0.4	(0.4)	(21.4)	–	(21.4)
Dividends to shareholders (Note 9)	–	–	–	–	(114.0)	(114.0)	–	(114.0)
Share award expense	–	–	–	2.2	–	2.2	–	2.2
Own shares purchased	–	–	–	(0.4)	–	(0.4)	–	(0.4)
Purchase of non-controlling interest	–	–	–	–	–	–	1.0	1.0
Transfer of vested LTIPs	–	–	–	(4.0)	4.0	–	–	–
Restated at 1 January 2014	0.6	2.1	(27.5)	(1,218.4)	2,433.3	1,190.1	1.0	1,191.1
Loss for the year	–	–	–	–	(52.4)	(52.4)	1.4	(51.0)
Change in fair value of cash flow hedges	–	–	–	(0.2)	–	(0.2)	–	(0.2)
Termination of interest rate swaps	–	–	–	(0.3)	–	(0.3)	–	(0.3)
Exchange difference on translation of foreign operations	–	–	7.9	–	–	7.9		7.9
Actuarial loss on defined benefit pension schemes	–	–	–	–	(8.0)	(8.0)	–	(8.0)
Tax relating to components of other comprehensive income	–	–	–	0.1	1.7	1.8	–	1.8
Total comprehensive income/(expense) for the year	–	–	7.9	(0.4)	(58.7)	(51.2)	1.4	(49.8)
Dividends to shareholders (Note 9)	–	–	–	–	(114.0)	(114.0)	(0.9)	(114.9)
Shares issued	–	204.0	–	–	–	204.0	–	204.0
Inversion accounting	–	–	–	1,756.0	(1,756.0)	–	–	–
Issue of shares under scheme of arrangement	2,189.3	(2.1)	–	(2,189.9)	2.7	–	–	–
Capital reduction	(2,189.3)	–	–	–	2,189.3	–	–	–
Share award expense	–	–	–	1.7	–	1.7	–	1.7
Own shares purchased	–	–	–	(0.1)	–	(0.1)	–	(0.1)
Put option on acquisition of non-controlling interest	–	–	–	(0.3)	–	(0.3)	–	(0.3)
Transfer of vested LTIPs	–	–	–	(2.1)	2.1	–	–	–
At 31 December 2014	0.6	204.0	(19.6)	(1,653.5)	2,698.7	1,230.2	1.5	1,231.7

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2014

		2014	2013[1]	2012[1]
	Notes	**£m**	**£m**	**£m**
ASSETS				
Non-current assets				
Goodwill		1,748.9	1,597.9	1,726.5
Other intangible assets		780.8	779.0	874.7
Investments in joint ventures		0.2	0.6	0.5

Property and equipment		17.5	16.5	19.3
Other receivables		30.9	38.1	20.4
Derivative financial instruments		–	0.5	–
		2,578.3	2,432.6	2,641.4
Current assets				
Inventory		44.5	42.2	38.2
Trade and other receivables		218.9	203.0	227.0
Current tax asset		4.2	2.4	3.1
Cash at bank and in hand		38.6	32.0	23.9
		306.2	279.6	292.2
Total assets		2,884.5	2,712.2	2,933.6
EQUITY AND LIABILITIES				
Capital and reserves				
Called up share capital	11	0.6	0.6	0.6
Share premium account	11	204.0	2.1	2.1
Translation reserve		(19.6)	(27.5)	(6.1)
Reserve for shares to be issued		3.2	3.6	5.9
Merger reserve		496.4	496.4	496.4
Other reserve		(2,152.8)	(1,718.6)	(1,718.6)
ESOP Trust shares		(0.3)	(0.2)	(0.3)
Hedging reserve		–	0.4	–
Retained earnings		2,698.7	2,433.3	2,543.7
Equity attributable to equity holders of the parent		1,230.2	1,190.1	1,323.7
Non-controlling interest		1.5	1.0	–
Total equity		1,231.7	1,191.1	1,323.7
Non-current liabilities				
Long-term borrowings	8	841.1	814.1	825.7
Deferred tax liabilities		125.6	134.5	160.9
Retirement benefit obligation		10.1	5.4	17.5
Provisions		11.8	7.1	8.7
Trade and other payables		5.9	6.5	3.6
		994.5	967.6	1,016.4
Current liabilities				
Short-term borrowings	8	73.7	0.5	0.6
Current tax liabilities		27.3	45.0	78.0
Provisions		16.4	12.7	5.1
Trade and other payables		198.0	179.4	203.3
Deferred income		342.9	315.9	306.5
		658.3	553.5	593.5
Total liabilities		1,652.8	1,521.1	1,609.9
Total equity and liabilities		2,884.5	2,712.2	2,933.6

[1] Restated for the change in accounting for joint ventures.

These financial statements were approved by the Board of Directors on 12 February 2015.

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2014

	Notes	2014 £m	2013[1] £m
Operating activities			
Cash generated by operations	12	317.5	330.1
Income taxes paid		(44.3)	(71.4)
Interest paid		(31.4)	(31.2)

Net cash inflow from operating activities		241.8	227.5
Investing activities			
Investment income		0.4	1.1
Dividends received from joint ventures		–	0.2
Purchase of property and equipment		(4.8)	(5.9)
Proceeds on disposal of property and equipment		0.1	0.4
Purchase of other intangible assets		(14.0)	(49.0)
Proceeds on disposal of other intangible assets		0.5	–
Purchase of intangible software assets		(8.3)	(8.3)
Acquisition of subsidiaries		(357.4)	(87.3)
Product development costs		(1.7)	(2.7)
Cash (outflow)/inflow on disposal of subsidiaries and businesses	14	(1.7)	47.5
Net cash outflow from investing activities		(386.9)	(104.0)
Financing activities			
Dividends paid to shareholders	9	(114.0)	(114.0)
Dividends paid to non-controlling interest		(0.9)	–
Draw down/(repayments) of borrowings	12	56.9	(0.6)
Cash inflow/(outflow) from the issue of share capital		204.1	(0.4)
Net cash outflow from financing activities		146.1	(115.0)
Net increase in cash and cash equivalents		1.0	8.5
Effect of foreign exchange rate changes		2.8	(0.3)
Cash and cash equivalents at beginning of the year		31.5	23.3
Cash and cash equivalents at end of the year		35.3	31.5

[1] Restated for the change in accounting for joint ventures.

Notes to the Full Year Results

For the year ended 31 December 2014

1 General information

The Consolidated Financial Statements as at 31 December 2014 and for year then ended comprise those of the Company and its subsidiaries and its interests in joint ventures (together referred to as the Group).

On 30 May 2014 under a Scheme of Arrangement between Informa plc (‘Old Informa’), the former holding company of the Group, and its shareholders, under Article 125 of the Companies (Jersey) Law 1991, and as sanctioned by The Royal Court of Jersey, all the issued shares in Old Informa were cancelled and an equivalent number of new shares in Old Informa were issued to Informa PLC (‘Company’) in consideration for the allotment to shareholders of one ordinary share in the Company for each ordinary share in Old Informa that they held on the record date, 29 May 2014.

The Company was incorporated under the Companies Act 2006 on 24 January 2014 and is headquartered in the United Kingdom. The introduction of a new parent company constitutes a Group reconstruction and has been accounted for as a reverse acquisition in accordance with IFRS 3 *Business Combinations*. The comparative equity structure has been restated to reflect the new equity structure of the Company. Therefore, although the Group reconstruction did not become effective until 30 May 2014, the Consolidated Financial Statements of the Company are presented as if the Company had always been part of the Group. Accordingly, the results of the Group for the year ended 31 December 2014 are shown in the Consolidated Income Statement and the comparative figures for the year ended 31 December 2013 are also presented on this basis. Earnings per share are unaffected by the reorganisation.

2 Basis of preparation

The financial information for the year ended 31 December 2014 does not constitute the statutory financial statements for that year, but is derived from those financial statements. While the financial information in these Full Year Results has been prepared in accordance with International Financial Reporting Standards (IFRS), these results do not in isolation contain sufficient information to comply with IFRS. Those financial statements have not yet been delivered to the Registrar of Companies, but include the auditor's report which was unqualified and did not contain a statement under Section 498 (2) or (3) of the Companies Act 2006.

The directors of Informa PLC, having made appropriate enquiries, consider that adequate resources exist for the Group to continue in operational existence for the foreseeable future and that, therefore, it is appropriate to adopt the going concern basis in preparing the Annual Report and Financial Statements for the year ended 31 December 2014.

Adjusted results

Management believes that adjusted results and adjusted earnings per share (Note 10) provide additional useful information on underlying trends to shareholders. These measures are used for internal performance analysis and incentive compensation arrangements for employees. The term "adjusted" is not a defined term under IFRS and may not therefore be comparable with similarly titled profit measurements reported by other companies. It is not intended to be a substitute for, or superior to, IFRS measurements of profit.

2 Basis of preparation continued

The following charges/(credits) are presented as adjusting items:

Continuing operations	Notes	2014 £m	2013 £m
Restructuring and reorganisation costs	4	20.7	14.2
Acquisition and integration costs	4	4.7	5.8
Intangible asset amortisation	4	93.9	105.0
Impairment – Goodwill and other intangible assets	4	202.5	40.5
Impairment – Loan receivable	4	14.5	8.3
Impairment – Intangible software assets		–	17.1
Impairment – Other	4	2.0	0.3
Subsequent re-measurement of contingent consideration	4	(1.8)	(2.5)
Loss on disposal of businesses	14	2.8	3.4
Interest on overdue tax		–	(0.3)
Excess interest on early repayment of revolving credit facility	5	1.2	–
Share of results of joint ventures	5	0.3	0.1
		340.8	191.9
Tax related to adjusting items	7	(31.4)	(39.8)
Tax credit in respect of prior year items	7	(11.6)	(13.7)
		297.8	138.4

The principal adjustments made are in respect of:

- restructuring and reorganisation costs – the costs incurred by the Group in non-recurring business restructuring and changing the operating model to align with the Group's revised strategy;

- acquisition and integration costs – the costs incurred by the Group in acquiring and integrating share and asset acquisitions;

- intangible asset amortisation – the Group continues to amortise other intangible assets. The amortisation charge in respect of intangible software assets and product development is included in the adjusted results. The amortisation charge in respect of all remaining other intangible assets is excluded from the adjusted results as management does not see these charges as integral to underlying trading;

- impairment – the Group tests for impairment on an annual basis or more frequently when an indicator exists. The material impairment charges are individually disclosed. The impairment charge for those other separately identified intangible assets has been linked with subsequent re-measurement of contingent consideration of those acquisitions;

- loss on disposal of businesses – the loss on disposal includes the fair value of consideration less the net assets/(liabilities) disposed, non-controlling interest and costs directly attributable with the disposal;

- excess interest on early repayment of revolving credit facility – capitalised facility fees are amortised over the loan periods but where revolving credit facilities have been terminated early, the unamortised fees are immediately expensed. This accelerated expense is not viewed as being part of the underlying results and is thus excluded from the adjusted results; and

- share of results of joint ventures – the share of results includes intangible asset amortisation and impairment charge related to joint ventures, which is excluded from adjusted results in line with the presentation of the Group's intangible asset amortisation and treatment of impairment.

The tax related to adjusting items is the tax effect of the items above and in 2014 it also includes the effect of the reduction in the UK corporation tax rate applicable for the purposes of calculating deferred tax to 20%.

The tax credit in respect of prior year items is mainly attributable to adjustments relating to historic disposals.

Significant exchange rates

The following significant exchange rates versus Sterling were applied during the year:

	Average rate		Closing rate	
	2014	**2013**	**2014**	**2013**
USD	1.6485	1.5635	1.5596	1.6510
EUR	1.2422	1.1776	1.2833	1.1997

3 Business segments

Business segments

Management has identified reportable segments based on financial information used by the Board of Directors in allocating resources and making strategic decisions. We consider the Chief Operating Decision Maker to be the Executive Directors.

Unless otherwise indicated the segment information reported on the following pages does not include any amounts for discontinued operations.

As announced on 10 July 2014 and on the back of a comprehensive strategic review earlier in the year, the Group has been repositioned to deliver growth and scale in each of its markets.

Following this assessment, a new operating model has been implemented for the Group. It has been designed to reduce the complexity of existing business structures and reporting lines.

From 1 January 2015, the Group operating model will be structured and reported as four Operating Divisions. Since the Executive Directors are already reviewing the financial information based on the four trading divisions, the segmental disclosures are being presented using the new structure, with comparatives restated. Therefore the Group's four identified reporting segments under IFRS 8 *Operating Segments* are as follows:

Academic Publishing

The **Academic Publishing** division, operating under the Taylor & Francis Group banner, comprises of the imprints of Routledge, Psychology Press, Garland Science, CRC Press and Cogent OA. The division provides books and journals, both in print and electronic formats, primarily for academic and research users in the subject areas of behavioural and social sciences, humanities, science, technology and medicine.

Business Intelligence

The **Business Intelligence** division provides highly specialised actionable intelligence to service the information needs of corporations and governments globally. The products consist of rich data sets and valuable insight, across the agricultural, commodities, banking and finance, maritime, pharmaceutical, healthcare and life sciences, technology, telecoms and media sectors.

Global Exhibitions

The **Global Exhibitions** division runs business to business exhibitions and trade shows, as well as a number of consumer and fan events globally.

Knowledge & Networking

The **Knowledge & Networking** division offers thousands of conferences and training courses globally as well as building communities and providing the attendees with the opportunity to meet face to face.

Segment revenue and results

31 December 2014

	Academic Publishing	Business Intelligence	Global Exhibitions	Knowledge & Networking	Total
	£m	£m	£m	£m	£m
Revenue	408.9	281.7	200.2	246.2	1,137.0
Adjusted operating profit	150.0	75.2	67.4	41.5	334.1
Restructuring and reorganisation costs (Note 2)	(2.5)	(10.5)	(3.0)	(4.7)	(20.7)
Acquisition and integration costs (Note 2)	(1.0)	–	(3.7)	–	(4.7)
Subsequent re-measurement of contingent consideration (Note 2)	–	1.6	(1.6)	1.8	1.8
Intangible asset amortisation[1]	(40.2)	(16.2)	(20.9)	(16.6)	(93.9)
Impairment (Note 2)	–	(205.3)	(13.7)	–	(219.0)
Operating profit/(loss)	106.3	(155.2)	24.5	22.0	(2.4)
Share of results of joint ventures					(0.4)
Loss on disposal of businesses					(2.8)
Finance costs (Note 5)					(29.2)
Investment income (Note 6)					3.6
Loss before tax from continuing operations					(31.2)

[1] Excludes software amortisation.

Segment revenue and results

31 December 2013

	Academic Publishing	Business Intelligence	Global Exhibitions	Knowledge & Networking	Total[1]
	£m	£m	£m	£m	£m
Revenue	407.8	305.9	160.2	256.1	1,130.0
Adjusted operating profit	150.9	86.8	50.0	47.0	334.7
Restructuring and reorganisation costs (Note 2)	(1.3)	(9.0)	(0.6)	(3.3)	(14.2)
Acquisition and integration costs (Note 2)	(0.1)	(0.8)	(4.7)	(0.2)	(5.8)
Subsequent re-measurement of contingent consideration (Note 2)	–	2.9	0.3	(0.7)	2.5
Intangible asset amortisation[2]	(41.4)	(25.4)	(18.7)	(19.5)	(105.0)
Impairment (Note 2)	(6.2)	(4.6)	(2.7)	(52.7)	(66.2)
Operating profit/(loss)	101.9	49.9	23.6	(29.4)	146.0
Share of results of joint ventures					0.4

Loss on disposal of businesses	(3.4)
Finance costs (Note 5)	(29.5)
Investment income (Note 6)	1.9
Profit before tax from continuing operations	115.4

[1] Restated for the change in accounting for joint ventures.
[2] Excludes software amortisation.

Adjusted operating result by operating segment is the measure reported to the Group Chief Executive for the purpose of resource allocation and assessment of segment performance. Finance costs and investment income are not allocated to segments, as this type of activity is driven by the central treasury function, which manages the cash positions of the Group.

Segment assets

	2014 £m	2013[1] £m
Academic Publishing	1,025.3	1,003.4
Business Intelligence	791.6	985.9
Global Exhibitions	657.0	286.4
Knowledge & Networking	360.2	378.5
Total segment assets	2,834.1	2,654.2
Unallocated assets	50.4	58.0
Total assets	2,884.5	2,712.2

[1] Restated for the change in accounting for joint ventures.

For the purpose of monitoring segment performance and allocating resources between segments, management monitors the tangible, intangible and financial assets attributable to each segment. All assets are allocated to reportable segments except for corporate balances, including some intangible software assets, balances receivable from businesses sold and taxation (current and deferred). Assets used jointly by reportable segments are allocated on the basis of the revenues earned by individual reportable segment.

The Group's revenues from its major products and services were as follows:

	2014 £m	2013[1] £m
Academic Publishing		
Subscriptions	218.6	218.8
Copy sales	190.3	189.0
Total Academic Publishing	408.9	407.8
Business Intelligence		
Subscriptions	246.2	258.6
Copy sales	25.1	32.8
Advertising	10.4	14.5
Total Business Intelligence	281.7	305.9
Global Exhibitions		
Attendee	20.1	16.4
Exhibitor	157.5	129.6
Sponsorship	16.2	9.0
Advertising	6.4	5.2
Total Global Exhibitions	200.2	160.2
Knowledge & Networking		
Attendee	147.5	156.6
Exhibitor	36.9	36.0
Sponsorship	56.8	57.9

Advertising	5.0	5.6
Total Knowledge & Networking	246.2	256.1
Total revenue from continuing operations	1,137.0	1,130.0

[1] Restated for the change in accounting for joint ventures.

Information about major customers

The Group's revenue by location of customer and information about its segment assets by geographical location are detailed below:

	Revenue from continuing operations		Segment assets	
	2014	2013[1]	2014	2013[1]
Geographical information	£m	£m	£m	£m
United Kingdom	149.0	158.3	1,130.2	1,281.3
North America	416.4	386.8	1,334.6	965.6
Continental Europe	235.1	253.1	77.3	106.4
Rest of World	336.5	331.8	342.4	358.9
	1,137.0	1,130.0	2,884.5	2,712.2

[1] Restated for the change in accounting for joint ventures.

No individual customer amounts to more than 10% of the Group's revenue.

4 Net operating expenses

Operating profit has been arrived at after charging/(crediting):

	Notes	Adjusted results 2014 £m	Adjusting items 2014 £m	Statutory results 2014 £m	Adjusted results 2013[1] £m	Adjusting items 2013[1] £m	Statutory results 2013[1] £m
Cost of sales		367.2	–	367.2	363.1	–	363.1
Staff costs (excluding redundancy costs)		319.9	–	319.9	322.6	–	322.6
Amortisation of other intangible assets		12.1	93.9	106.0	15.8	105.0	120.8
Depreciation		6.1	–	6.1	6.4	–	6.4
Impairment	2	–	219.0	219.0	–	66.2	66.2
Net foreign exchange loss		0.8	–	0.8	0.4	–	0.4
Auditor's remuneration for audit services		1.0	–	1.0	1.0	–	1.0
Operating lease expenses							
– Land and buildings		17.6	–	17.6	19.4	–	19.4
– Other		1.0	–	1.0	1.0	–	1.0
Restructuring and reorganisation costs	2	–	20.7	20.7	–	14.2	14.2
Acquisition and integration costs	2	–	4.7	4.7	–	5.8	5.8
Subsequent re-measurement of contingent consideration	2	–	(1.8)	(1.8)	–	(2.5)	(2.5)
Other operating expenses		77.2	–	77.2	65.6	–	65.6
Total net operating expenses from continuing operations		802.9	336.5	1,139.4	795.3	188.7	984.0

[1] Restated for the change in accounting for joint ventures.

5 Finance costs

	Notes	2014 £m	2013 £m
Interest expense on financial liabilities measured at amortised cost		27.8	29.2
Interest cost on pension scheme liabilities		0.2	0.6
Total interest expense		28.0	29.8
Interest on overdue tax	2	–	(0.3)
Excess interest on early repayment of revolving credit facility	2	1.2	–
		29.2	29.5

6 Investment income

	2014 £m	2013 £m
Loans and receivables:		
Interest income on bank deposits	0.5	0.6
Interest income on non-current receivables	3.1	1.3
	3.6	1.9

7 Taxation

The tax charge comprises:

	2014 £m	2013 £m
Current tax:		
Current year	33.4	50.8
Tax credit presented as adjusting item	(8.2)	(13.7)
Deferred tax:		
Current year	(2.4)	(19.4)
Tax credit presented as adjusting item	(3.4)	–
Credit arising from UK corporation tax rate change	0.4	(5.3)
Total tax charge on profit on ordinary activities	19.8	12.4

The tax shown as an adjusting item within the Consolidated Income Statement relates to the following:

Continuing operations	Notes	Gross 2014 £m	Tax 2014 £m	Gross 2013[1] £m	Tax 2013 £m
Restructuring and reorganisation costs	2	(20.7)	4.1	(14.2)	3.7
Acquisition and integration costs	2	(4.7)	1.4	(5.8)	–
Amortisation of other intangible assets	2	(93.9)	25.6	(105.0)	26.9
Impairment	2	(219.0)	–	(66.2)	4.0
Subsequent re-measurement of contingent consideration	2	1.8	0.4	2.5	–
Loss on disposal of businesses	14	(2.8)	–	(3.4)	–
Interest on overdue tax	5	–	–	0.3	(0.1)
Excess interest on early repayment of revolver facility	5	(1.2)	0.3	–	–
Share of results of joint ventures	2	(0.3)	–	(0.1)	–
Deferred tax (charge)/credit arising from UK corporation tax rate change		–	(0.4)	–	5.3
Tax credit in respect of prior year items	2	–	11.6	–	13.7
		(340.8)	43.0	(191.9)	53.5

[1] Restated for the change in accounting for joint ventures.

The current and deferred tax is calculated on the estimated assessable profit for the year. Taxation is calculated on each jurisdiction based on the prevailing rates of that jurisdiction.

The total tax charge for the year can be reconciled to the accounting profit as follows:

	2014		2013	
	£m	%	£m	%
(Loss)/profit before tax	(31.2)		115.4	
Tax charge at effective UK statutory rate of 21.5% (2013: 23.25%)	(6.7)	21.5	26.8	23.2
Permanent differences	34.5	(110.6)	3.0	2.7
Losses in certain jurisdictions that have not been recognised	3.2	(10.3)	1.6	1.4
Deferred tax credit arising from UK corporation tax rate change	0.4	(1.3)	(5.3)	(4.6)
Tax provision release (net of associated deferred tax charge)	(11.6)	37.2	(13.7)	(11.8)
Tax charge and effective rate for the year	19.8	(63.5)	12.4	10.9

In addition to the income tax charge to the Consolidated Income Statement, a tax credit of £1.8m (2013: charge of £2.3m) has been recognised directly in the Consolidated Statement of Comprehensive Income during the year.

8 Borrowings

	2014	2013
	£m	£m
Current		
Bank overdraft	3.3	0.5
Private placement loan notes	70.4	–
Total current borrowings	73.7	0.5
Non-current		
Bank borrowings	450.5	371.9
Private placement loan notes	390.6	442.2
Total non-current borrowings[1]	841.1	814.1
	914.8	814.6

[1] The borrowings for current and prior year are presented net of arrangement fees.

There have been no breaches of covenants under the Group’s bank facilities and private placement loan notes during the year. The bank and private placement borrowings are guaranteed by material subsidiaries of the Group. The Group does not have any of its property and equipment and other intangible assets pledged as security over loans.

The Group maintains the following significant lines of credit:

- Private placement loan notes drawn in three currency tranches of USD 597.5m, GBP 40.0m and EUR 50.0m. As at 31 December 2014, the note maturities ranged between one and six years, with an average duration of 4.3 years, at a weighted average interest rate of 4.3%.

- £900.0m (2013: £625.0m) revolving credit facility, of which £455.2m has been drawn down at 31 December 2014. Interest is payable at the rate of LIBOR plus a margin based on the ratio of net debt to EBITDA.

- £39.1m (2013: £39.5m) comprising a number of bilateral bank facilities that can be drawn down to meet short-term financing needs. These facilities consist of GBP 16.0m (2013: GBP 16.0m), USD 15.0m (2013: USD 15.0m), EUR 15.0m (2013: EUR 15.0m), and AUD 3.5m (2013: AUD 3.5m). Interest is payable at the local base rate plus margins that vary between 1% and 7%.

The effective interest rate as at 31 December 2014 is 3.0% (2013: 3.1%).

The Group had the following committed undrawn borrowing facilities at 31 December:

Expiry date	**2014** **£m**	**2013** **£m**
Within one to two years	–	–
In more than two years	444.8	251.1
	444.8	251.1

9 Dividends

	2014 **£m**	**2013** **£m**
Amounts recognised as distributions to equity holders in the year:		
Second interim dividend for the year ended 31 December 2012 of 12.5p per share	–	75.4
First interim dividend for the year ended 31 December 2013 of 6.4p per share	–	38.6
Second interim dividend for the year ended 31 December 2013 of 12.5p per share	75.4	–
Interim dividend for the year ended 31 December 2014 of 6.4p per share	38.6	–
	114.0	114.0
Proposed final dividend for the year ended 31 December 2014 of 12.9p per share (2013: 12.5p per share)	83.7	75.5

As at 31 December 2014 £0.1m (2013: £0.1m) of dividends are still to be paid.

As at 31 December 2014 holders of 737,272 (2013: 737,272) ordinary shares of 0.1 pence each have waived their rights to receive dividends.

Following the re-domicile back to the UK this year, the Dividend Access Plan was unwound on 28 July 2014.

10 Earnings per share

Basic

The basic earnings per share calculation is based on a loss attributable to equity shareholders of the parent of £52.4m (2013 restated: £6.5m loss). This loss on ordinary activities after taxation is divided by the weighted average number of shares in issue (less those non-vested shares held by employee share ownership trusts) which is 608,258,772 (2013: 602,421,793).

Diluted

The diluted earnings per share calculation is based on the basic earnings per share calculation above except that the weighted average number of shares includes all potentially dilutive options granted by the reporting date as if those options had been exercised on the first day of the accounting period or the date of the grant, if later, giving a weighted average of 608,309,328 (2013: 602,687,758).

The table below sets out the adjustment in respect of diluted potential ordinary shares:

	2014[1]	**2013[1]**
Weighted average number of shares used in basic earnings per share calculation	608,258,772	602,421,793
Effect of dilutive share options	50,556	265,965
Weighted average number of shares used in diluted earnings per share calculation	608,309,328	602,687,758

[1] For 2014 and 2013 the effect of dilutive share options were anti-dilutive for the purpose of the dilutive earnings per share and have not been used.

Adjusted earnings per share

The basic and diluted adjusted earnings per share calculations have been made to allow shareholders to gain a further understanding of the trading performance of the Group. They are based on the basic and diluted earnings per share calculations. Profits are based on operations attributable to equity shareholders and are adjusted for items that are not perceived by management to be part of the underlying trends in the business and the tax effect of those adjusting items.

From continuing operations:

	2014 £m	2013[1] £m
(Loss)/profit for the year	(51.0)	103.0
Non-controlling interest	(1.4)	–
Adjusting items net of attributable taxation (Note 2)	297.8	138.4
Adjusted profit for the year attributable to equity shareholders	245.4	241.4
Earnings per share from continuing operations:		
– Adjusted basic (p)	40.3	40.1
– Adjusted diluted (p)	40.3	40.1

[1] Restated for the change in accounting for joint ventures.

From continuing and discontinued operations:

	2014 £m	2013[1] £m
Loss for the year	(51.0)	(6.5)
Non-controlling interest	(1.4)	–
Adjusting items net of attributable taxation (Note 2)	297.8	250.3
Adjusted profit for the year attributable to equity shareholders	245.4	243.8
Earnings per share from continuing and discontinued operations:		
– Adjusted basic (p)	40.3	40.5
– Adjusted diluted (p)	40.3	40.5

[1] Restated for the change in accounting for joint ventures.

11 Share Capital

On 30 May 2014 under a Scheme of Arrangement between Informa plc ('Old Informa'), the former holding company of the Group, and its shareholders, under Article 125 of the Companies (Jersey) Law 1991, and as sanctioned by The Royal Court of Jersey, all the issued shares in Old Informa were cancelled and an equivalent number of new shares in Old Informa were issued to Informa PLC ('Company') in consideration for the allotment to shareholders of one ordinary share in the Company for each ordinary share in Old Informa that they held on the record date, 29 May 2014.

The Company was incorporated under the Companies Act 2006 on 24 January 2014, as a private company limited by shares with the name Informa Limited and re-registered on 14 May 2014 as a public company limited by shares called Informa PLC. The Company became the parent company of the Informa Group and the previous parent company, Old Informa, was renamed Informa Switzerland Limited.

The Company was incorporated with an issued share capital of £2 divided into 2 ordinary shares of 100 pence each which were taken by the subscribers and were paid up in full in cash. On 13 May 2014 the two ordinary shares of 100 pence each were converted into two Redeemable Deferred Shares of 100 pence each and an additional 49,998 Redeemable Deferred Shares were issued to the subscribers. The 50,000 issued Redeemable Deferred Shares of 100 pence each were redeemed on 11 June 2014.

On 13 May 2014 one ordinary share of 435 pence in the Company was issued and subsequently cancelled on 30 May 2014. Under the Scheme of Arrangement 603,941,249 ordinary shares of 435 pence each in the Company were allotted to shareholders on 30 May 2014.

On 4 June 2014 the nominal value per share of the issued share capital of the Company was reduced from 435 pence per share to 0.1 pence each pursuant to sections 645 to 649 of the Companies Act 2006.

Share capital as at 31 December 2014 amount to £0.6m. During the year, the Company also issued 45,000,000 ordinary shares of 0.1 pence for consideration of £207.0m. The share premium (net of transaction costs) is £204.0m as at 31 December 2014.

	2014	2013
	£m	£m
Issued and fully paid		
648,941,249 ordinary shares of 0.1p each (2013: 603,941,249 of 0.1p each)	0.6	0.6

	Number of shares	£m
At 1 January 2014	603,941,249	0.6
Issued	45,000,000	–
At 31 December 2014	648,941,249	0.6

12 Notes to the cash flow statement

	Notes	2014 £m	2013[1] £m
(Loss)/profit before tax from continuing and discontinued operations		(31.2)	2.2
Adjustments for:			
Depreciation of property and equipment		6.1	6.8
Amortisation of other intangible assets		106.0	139.2
Share-based payment		1.7	2.2
Subsequent re-measurement of contingent consideration	2	(1.8)	(2.5)
Loss on disposal of businesses	14	2.8	102.7
Finance costs	5	29.2	29.5
Investment income	6	(3.6)	(1.9)
Impairment	2	219.0	66.2
Share of results of joint ventures		0.4	(0.4)
Increase in inventories		(2.1)	(3.8)
(Increase)/decrease in receivables		(10.5)	11.1
Increase/(decrease) in payables		1.5	(21.2)
Cash generated by operations		317.5	330.1

[1] Restated for the change in accounting for joint ventures.

Analysis of net debt

	At 1 January 2014[1] £m	Non-cash items £m	Cash flow £m	Exchange movement £m	At 31 December 2014 £m
Cash at bank and in hand	32.0	–	3.8	2.8	38.6
Bank overdraft	(0.5)	–	(2.8)	–	(3.3)
Cash and cash equivalents	31.5	–	1.0	2.8	35.3
Bank loans due in more than one year	(371.9)	(2.1)	(52.1)	(24.4)	(450.5)
Private placement loan notes due in less than one year	–	(70.4)	–	–	(70.4)
Private placement loan notes due in more	(442.2)	70.1	–	(18.5)	(390.6)

than one year

	(782.6)	(2.4)	(51.1)	(40.1)	(876.2)

[1] Restated for the change in accounting for joint ventures.

Included within the cash flow movement of £51.1m is £382.3m (2013: £0.6m) of repayment of borrowings and £439.2 (2013: £nil) of loans drawn down.

The net movement caused by non-cash items arises from arrangement fee amortisation of £2.4m (2013: £1.1m).

13 Discontinued operations

On 30 September 2013, the Group disposed of its five Corporate Training businesses, which created a loss for the period from discontinued operations of £109.5m. The loss included £99.3m recognised on disposal, being proceeds of £87.3m (at fair value); less the carrying amount of the net assets and attributable goodwill.

These businesses were a separate cash generating unit and included within the Global Events reportable segment, as under the reporting structure in 2013.

The results of the discontinued operation, which have been included in the Consolidated Income Statement, were as follows:

	2013
	£m
Revenue	76.2
Expenses	(90.1)
Loss before tax	(13.9)
Attributable tax credit	3.9
	(10.0)
Loss on disposal of discontinued operations (Note 14)	(99.3)
Attributable tax charge	(0.2)
Loss for the period from discontinued operations	(109.5)

The disposal made in 2014 (see Note 14) does not meet the definition of a discontinued operation in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*.

14 Disposal of subsidiary and other assets

Disposals made in 2014

During the year the Group disposed of its Fashion Exposed event in Australia. Upon completion, proceeds of £0.4m were received, resulting in a loss on disposal of £1.3m – see Note 2.

Following the disposal of the Corporate Training businesses on 30 September 2013, final adjustments (including related costs) of £1.5m have been recognised in the loss on disposal. This has been included as an adjusting item in the Consolidated Income Statement – see Note 2.

Disposals made in 2013

On 30 September 2013, the group disposed of its five Corporate Training businesses; the European Conferences businesses in Spain and Italy; the trade and assets in the Superyacht Cup; and other small businesses. A loss on disposal of £102.7m, including directly attributable costs of £11.1m, has been recognised within adjusting items in the Consolidated Income Statement.

The disclosure below sets out the aggregate effect of the disposals on the Group's assets and liabilities.

	Corporate Training £m	Other businesses £m	Total £m
Goodwill	119.1	–	119.1
Other intangible assets (excluding intangible software assets)	46.4	1.3	47.7
Intangible software assets	2.1	–	2.1
Property and equipment	0.9	0.1	1.0
Inventory	0.7	–	0.7
Trade and other receivables	25.3	1.4	26.7
Cash and cash equivalents	3.5	1.8	5.3
Deferred tax asset	0.1	0.1	0.2
Trade and other payables	(13.6)	(1.7)	(15.3)
Deferred income	(2.6)	(0.8)	(3.4)
Deferred tax liabilities	(8.4)	(0.3)	(8.7)
Net assets disposed	173.5	1.9	175.4
Costs directly attributable with the disposal	9.8	1.3	11.1
Cumulative foreign exchange losses reclassified from equity	3.3	0.3	3.6
Loss on disposal	(99.3)	(3.4)	(102.7)
Total consideration	87.3	0.1	87.4
Satisfied by:			
Cash and cash equivalents	60.3	0.1	60.4
Deferred consideration	27.0	–	27.0
Net cash inflow arising on disposal			
Consideration received in cash and cash equivalents	60.3	0.1	60.4
Less: cash and cash equivalents disposed of	(3.5)	(1.8)	(5.3)
Less: costs directly attributable with the disposal	(6.6)	(1.0)	(7.6)
	50.2	(2.7)	47.5

The loss on disposal of £99.3m for the Corporate Training businesses is included within discontinued operations – see Note 13.