

Wilmington Group plc

Review of the six months to 31 December 2003

February 2004

Wilmington Group plc

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Wilmington Group plc

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Wilmington Group plc

Overview

A business information and media group that creates and owns high quality products that fulfil the information needs of professional businesses.

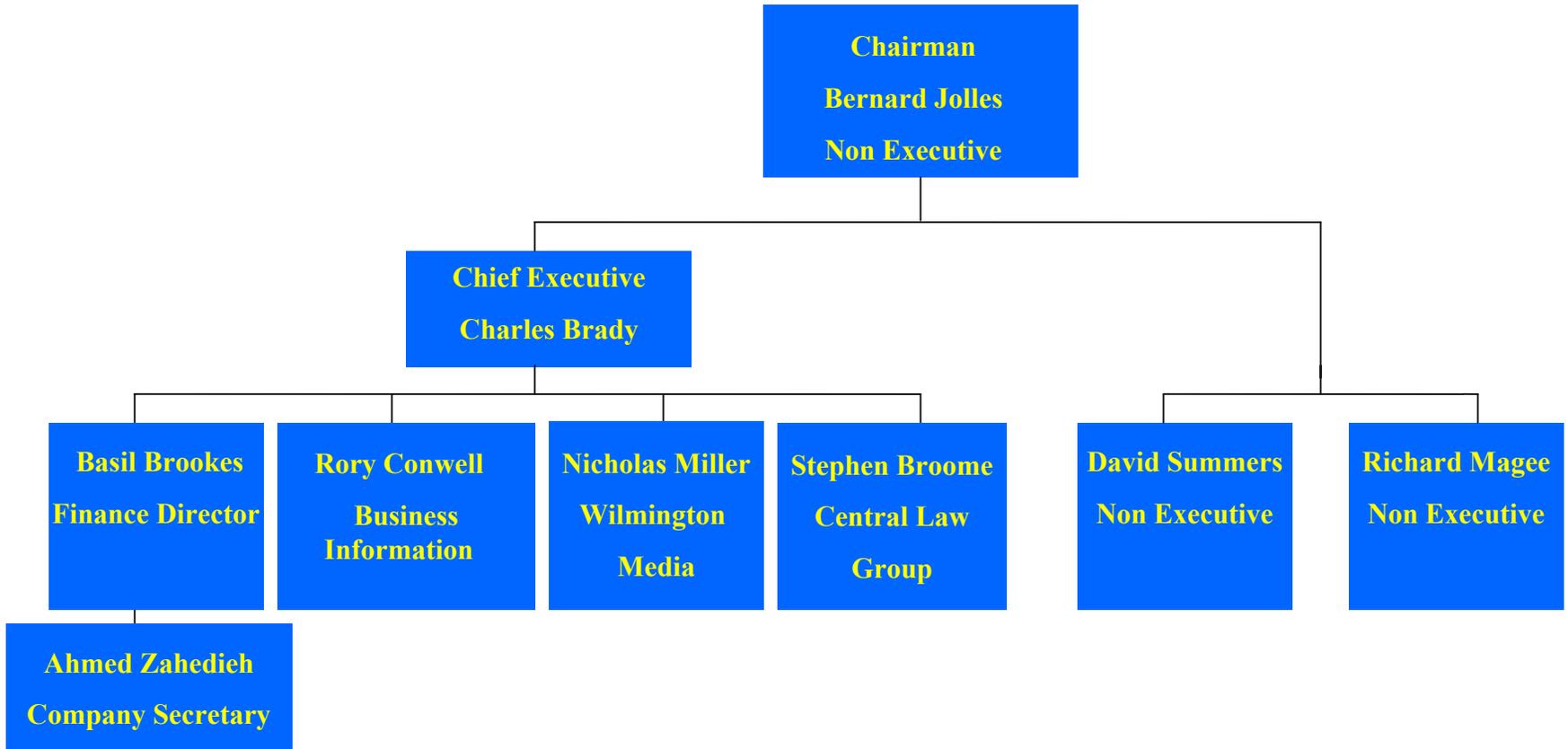
	Six months to 31 Dec 2003 £m	Six months to 31 Dec 2002 £m	Twelve months to 30 June 2003 £m
Turnover	37.5	37.0	78.4
PBTA (before tax and amortisation)	3.55	3.4	8.85

Business Highlights

- Turnover up to £37.5m
- PBTA up 5% to £3.55m
- Acquisition of Agence De Presse Medicale to add to our presence in the healthcare market
- Strong performance from CLG, profits up 23%. Good growth from the continuing legal education programmes
- Continuing development of anti-money laundering and compliance training programmes

Wilmington Group plc

Directors



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Financial Highlights

	Six months to 31 December 2003 £m	Six months to 31 December 2002 £m	Twelve months to 30 June 2003 £m
Turnover	37.5	37.0	78.4
PBITA	3.7	3.5	9.1
PBTA	3.6	3.4	8.8
Amortisation	(2.1)	(2.1)	(4.4)
Profit Before Tax	1.5	1.3	4.4
Operating Cash Inflow	1.6	2.8	12.9
Adjusted EPS	2.73p	2.46p	6.65p

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Five Year Annual Summary

Twelve Months Ended 30 June	2003 £m	2002 £m	2001 £m	2000 £m	1999 £m
Consolidated Profit and Loss Accounts					
Turnover	78.4	78.6	75.3	61.6	45.4
Cost of sales	(26.3)	(26.9)	(26.1)	(21.3)	(14.0)
Gross Profit	<u>52.1</u>	<u>51.7</u>	<u>49.2</u>	<u>40.3</u>	<u>31.4</u>
Operating expenses	(42.7)	(41.5)	(37.7)	(30.5)	(23.5)
Operating profit (before amortisation and exceptionals)	<u>9.4</u>	<u>10.2</u>	<u>11.5</u>	<u>9.8</u>	<u>7.9</u>
Operating Cashflow	<u>12.9</u>	<u>12.5</u>	<u>13.0</u>	<u>10.6</u>	<u>10.1</u>

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Divisional Revenue and Profit

	Six months to 31 Dec 2003 £m	Six months to 31 Dec 2002 £m	Twelve months to 30 June 2003 £m
Revenue			
WBI	10.3	9.7	22.9
Wilmington Media	15.4	17.3	34.6
Central Law Group	11.8	10.0	20.9
	<u>37.5</u>	<u>37.0</u>	<u>78.4</u>
	=====	=====	=====
Operating Profit (before exceptionals)			
WBI	1.6	1.7	4.4
Wilmington Media	(0.5)	(0.3)	0.6
Central Law Group	2.6	2.1	4.4
	<u>3.7</u>	<u>3.5</u>	<u>9.4</u>
	=====	=====	=====

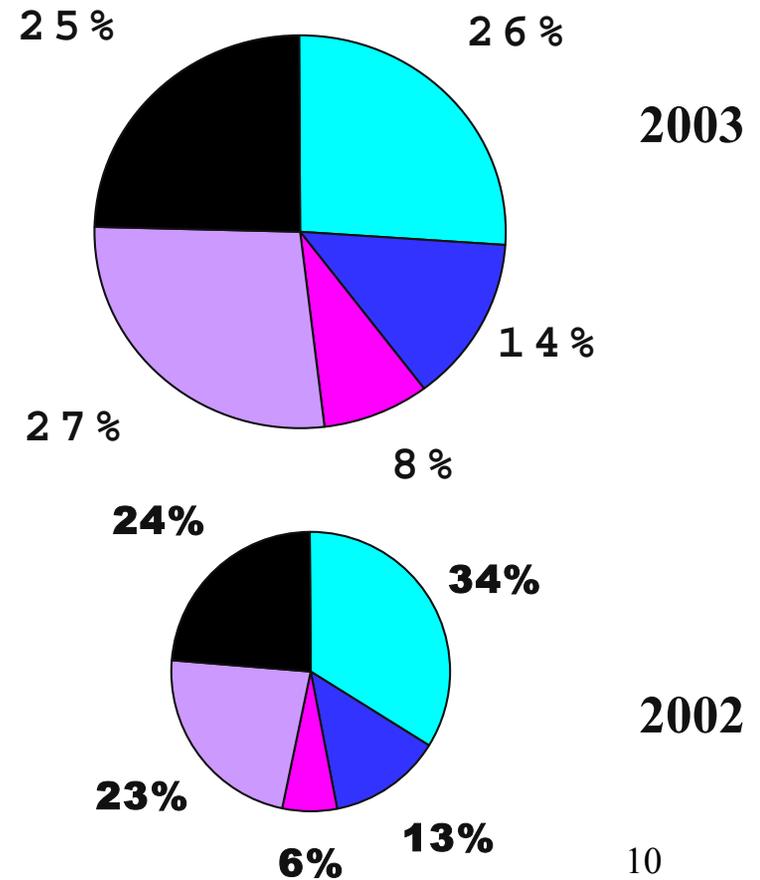
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Financial Performance – Summary Balance Sheet

	As at 31 Dec 2003 £m	As at 30 June 2003 £m
Intangible Assets	65.5	62.4
Tangible Assets	9.5	9.8
Net (Debt)/Cash	(6.5)	5.6
Working Capital	1.8	0.3
Deferred Consideration	(3.9)	(10.6)
Deferred Revenue	(7.3)	(8.7)
Net Assets	— 59.1 =====	— 58.8 =====

Wilmington Group plc Revenue Sources

- Information Sales and Professional Services
- Delegate Fees
- Magazine Advertising
- Subscriptions and Copy Sales
- Directory Advertising



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Wilmington Business Information

Divisional	Six months to 31 Dec 2003 £m	Six months to 31 Dec 2002 £m	Twelve months to 30 June 2003 £m
Turnover	10.3	9.7	22.9
Operating Profit	1.6	1.7	4.4

- Professional

Waterlows

Binleys/APM

Pendragon

- Financial

Caritas

ICP

- Media

RED/TMSS

Hollis/PCR

Abacus

Business Highlights

- Acquisition of Agence de Presse Medicale towards the end of the half year
- Strong performance from Binleys
- Pendragon has continued to perform ahead of expectations
- Profits maintained despite costs of integration of RED and Muze UK. This integration is on target. Expected to show benefits in the second half of the year
- Increasing returns from high margin products delivered electronically

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Wilmington Media

Divisional	Six months to 31 Dec 2003 £m	Six months to 31 Dec 2002 £m	Twelve months to 30 June 2003 £m
Turnover	15.4	17.3	34.6
Operating Profit	(0.5)	(0.3)	0.6

Design and
Construction

Power and Energy

Industrial Technology

Drinks and Luxury
Goods

Catering

Automotive

Healthcare

Circulation
Management

Business Highlights

- Turnover down 11% to £15.4m partly as a result of disposals and closures
- Advertising revenues remain under intense pressure
- Development of complementary revenue streams. Non advertising revenue up 7.5%
- Continued investment in our publishing systems
- Design titles adversely impacted by market downturn and increased competition
- Other titles performed well in a difficult trading environment
- Complementary acquisition of Cosmetics and Toiletries Manufacture Worldwide

Wilmington Group plc

Central Law Group – Professional Education

Divisional	Six months to 31 Dec 2003 £m	Six months to 31 Dec 2002 £m	Twelve months to 30 June 2003 £m
Turnover	11.8	10.0	20.9
Operating Profit	2.6	2.1	4.4

Business Highlights

- Turnover up 18% to £11.8m
- Profits up 23% to £2.6m
- Excellent contribution from continuing legal education division
- Excellent performance from Bond Solon, the leading witness training company
- Successful launch of anti-money laundering and compliance training
- Working with the British Bankers Association for UK compliance programmes

Continuing Legal Education

Mandatory Training

Subscription
Membership

Professional
Conferences

Professional Development and Accreditation

Criminal Litigation
Accreditation Scheme

American Bar Review

Higher Rights of
Audience

International

Management Offshore
Trust Companies

International
Compliance

MBA International
Wealth Management

Wilmington Group plc

Key Strengths

- **A strong diversified business**
 - shift away from reliance on advertising revenues into predictable, profitable businesses
 - Wilmington is well positioned to benefit from a recovery in the advertising market
 - Organic growth from new initiatives and brand extensions
- **Experienced management team with a record of successfully acquiring and integrating companies**
- **Strong balance sheet to enable Wilmington to take advantage of market opportunities**
- **Strong brands/clusters in the professional/business information markets.**

Wilmington Group plc

Outlook

- **Trading environment still challenging, but more stable**
- **Last year's restructuring and current business performance provide confidence**
- **Growth anticipated this financial year, though weighted to the second half**
 - modest profit from media
 - WBI and CLG both expected to show growth over the year
- **Continued investment in selective opportunities**
 - across all divisions
 - concentrated on key business areas
- **Further realistic acquisition opportunities envisaged**
- **The outlook for the full year continues to be encouraging**