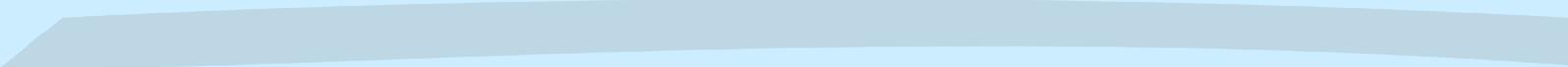


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## **Review of the year ended 30 June 2005**

**September 2005**

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## *Information and training for professional businesses*

	Year to 30 June 2005	Year to 30 June 2004
	£m	£m
<b>Turnover</b>	85.1	82.7
<b>Operating Profit</b> (before exceptionals, interest, amortisation and tax)	13.0	10.6
<b>Adjusted PBT</b> profit before tax, amortisation and exceptionals	12.1	10.2
<b>Adjusted EPS</b>	9.28p	7.73p
<b>Dividend per Share</b>	3.6p	3.0p

\*All figures in UK GAAP

### **Business Highlights**

- Turnover from continuing activities increased by 8%
- Operating profit up 22% to £13.0m
- Adjusted PBT up 18% to £12.1m
- Adjusted EPS increased by 20%
- Dividend increased by 20%
- Developing platform for future growth

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## Profit & Loss Highlights

	Existing £m	Acquired £m	Discontinued £m	Year to 30 June 2005 £m	Year to 30 June 2004 £m
Turnover - continuing	80.3	0.4	-	80.7	74.8
- discontinued	-	-	4.4	4.4	7.9
	<u>80.3</u>	<u>0.4</u>	<u>4.4</u>	<u>85.1</u>	<u>82.7</u>
Operating profit	<u>12.9</u>	-	<u>0.1</u>	13.0	10.6
Interest/facility fees				<u>(0.9)</u>	<u>(0.4)</u>
				12.1	10.2
Exceptional items				<u>(0.9)</u>	-
Profit before tax and amortisation				11.2	10.2
Amortisation				<u>(6.1)</u>	<u>(4.8)</u>
Profit before tax				5.1	5.4
Taxation				<u>(3.3)</u>	<u>(2.7)</u>
Profit after taxation				<u>1.8</u>	<u>2.7</u>
Adjusted EPS				<u>9.28p</u>	<u>7.73p</u>

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## Summary Cash Flow

	<b>Year to 30 June 2005 £m</b>	<b>Year to 30 June 2004 £m</b>
Cash inflow from operating activities	14.5	12.0
Servicing of finance	(1.1)	(0.8)
Taxation	(2.9)	(3.0)
Net replacement capital expenditure	(1.9)	(1.1)
Equity dividends	(2.6)	(2.2)
Free cash flow	6.0	4.9
Investment in premises	(0.6)	(2.5)
Acquisition spend	(9.5)	(13.7)
	(4.1)	(11.3)
New finance	0.3	0.2
Change in cash/(debt) during year	(3.8)	(11.1)

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## Summary Balance Sheet

	As at 30 June 2005 £m	As at 30 June 2004 £m
Intangible Assets	65.7	64.5
Tangible Assets	12.3	11.7
Net Cash/(Debt)	(8.2)	(4.5)
Working Capital	(0.9)	0.9
Acquisition Liabilities	(2.5)	(3.9)
Deferred Revenue	(8.8)	(9.4)
Net Assets	<hr/> 57.6	<hr/> 59.3

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## Three Year Record of Performance

Years to 30 June	2005 £m	2004 £m	2003 £m
<b>Consolidated Profit and Loss Accounts</b>			
<b>Turnover</b>	<b>85.1</b>	<b>82.7</b>	<b>78.4</b>
Cost of Sales	(28.5)	(27.5)	(26.3)
<b>Gross Profit</b>	56.6	55.2	52.1
Operating expenses	(43.6)	(44.6)	(42.7)
<b>Operating profit</b> (before amortisation and exceptionals)	<b>13.0</b>	<b>10.6</b>	<b>9.4</b>
<b>Operating Cashflow</b>	14.5	12.0	12.9

Growing profits whilst improving the quality of the business

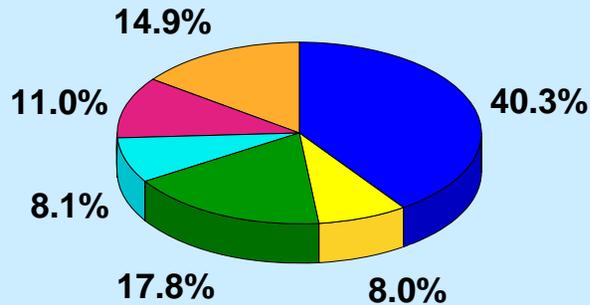
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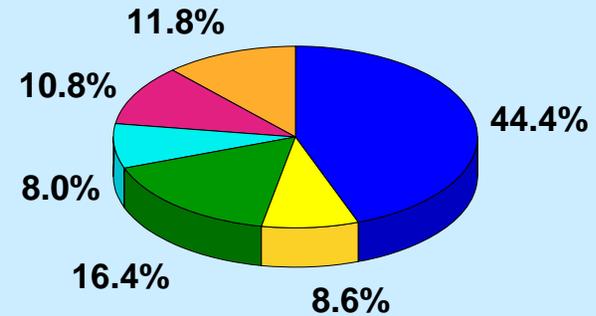
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## Turnover by Market

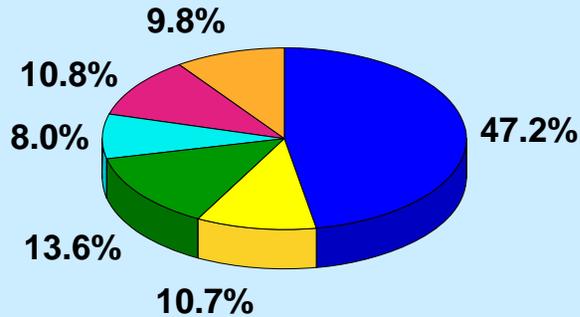
2001/02



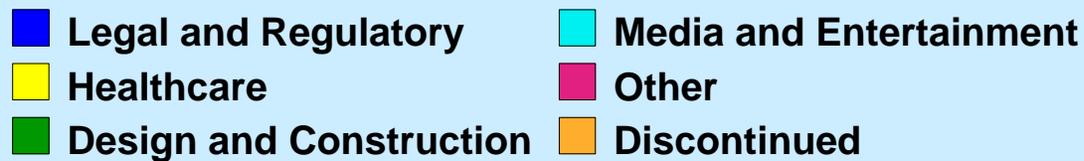
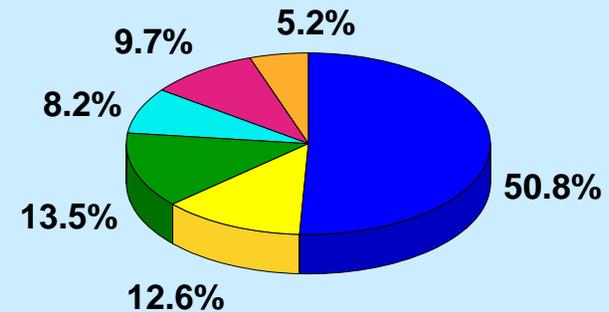
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2003/04



2004/05

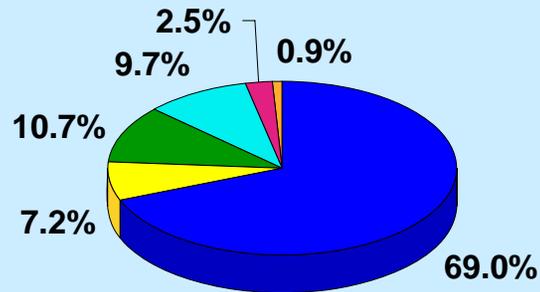


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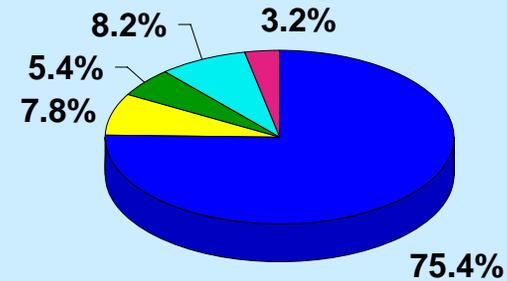
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## Profitability by Market\*

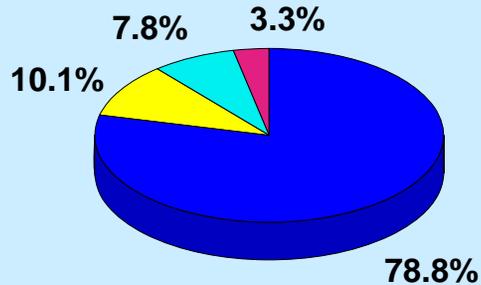
2001/02



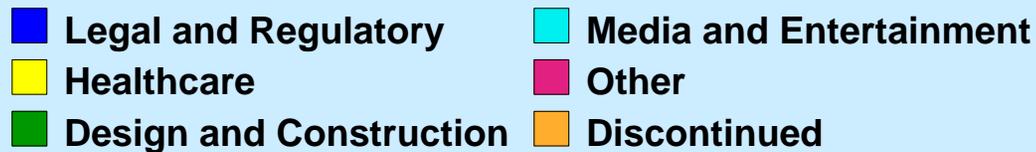
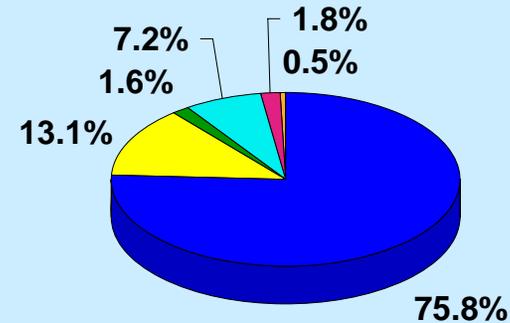
2002/03



2003/04



2004/05

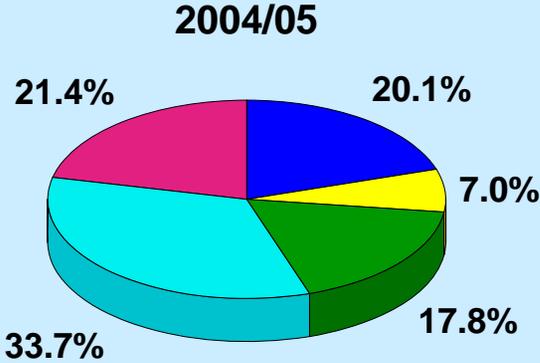
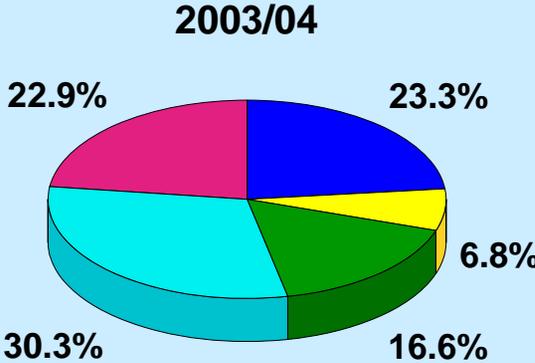
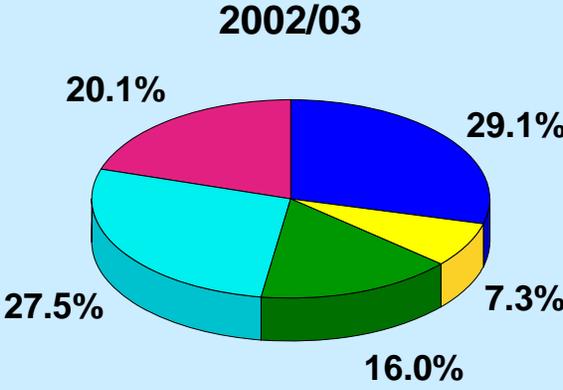
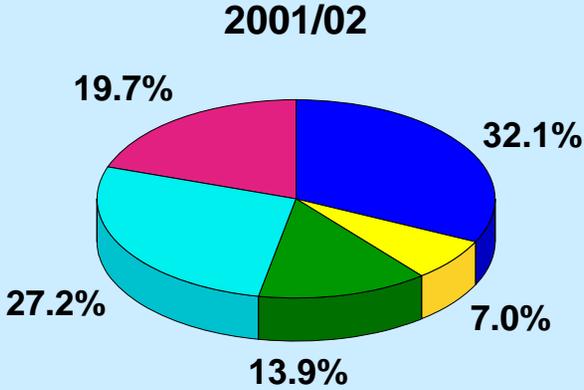


\* Pre unallocated central overheads.

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## Revenue Sources



- Magazine Advertising
- Events
- Directory Advertising
- Information Sales and Professional Services
- Subscriptions and Copy Sales

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## A Year of Growth and Progress

**Turnover of continuing activities up 8%. Operating profit up 22% to £13m**

- Restructured senior management team and PLC Board
- Average staff numbers reduced by 10% from 1084 to 975
- Approximately 265 staff in new premises with better equipment and technology
- Sale of Abacus Software
- Sale of Drinks portfolio
- Purchase of minority interests
- Purchase of Quorum Training

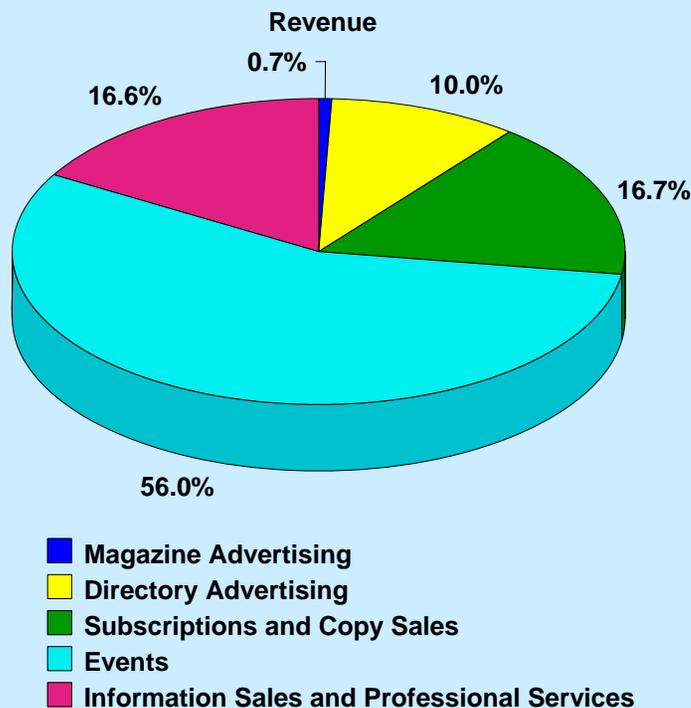
**Whilst reporting 20% adjusted EPS growth**

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## Legal and Regulatory

	Year to 30 June 2005	Year to 30 June 2004	% Change
<b>Turnover</b>	43.2	39.1	10.6
<b>Profit Contribution</b>	10.9	9.6	13.5



## Business Highlights

- Turnover grown 10.6%, profits up 13.5%
- Profit margin 25.3% (2004: 24.6%) despite ongoing investment in new initiatives
- Expansion of e-revenues and capability across the sector (47% of information turnover)
- Continuing legal training ahead of strong prior year comparator
- Immigration and asylum accreditation a significant contributor this year
- Acquisition of Quorum Training
- Increased advertising revenues generate profit growth in legal magazines
- New clients generate profit growth at Pendragon
- Caritas profits up 44% following reorganisation
- Growth and increased profitability of ICT

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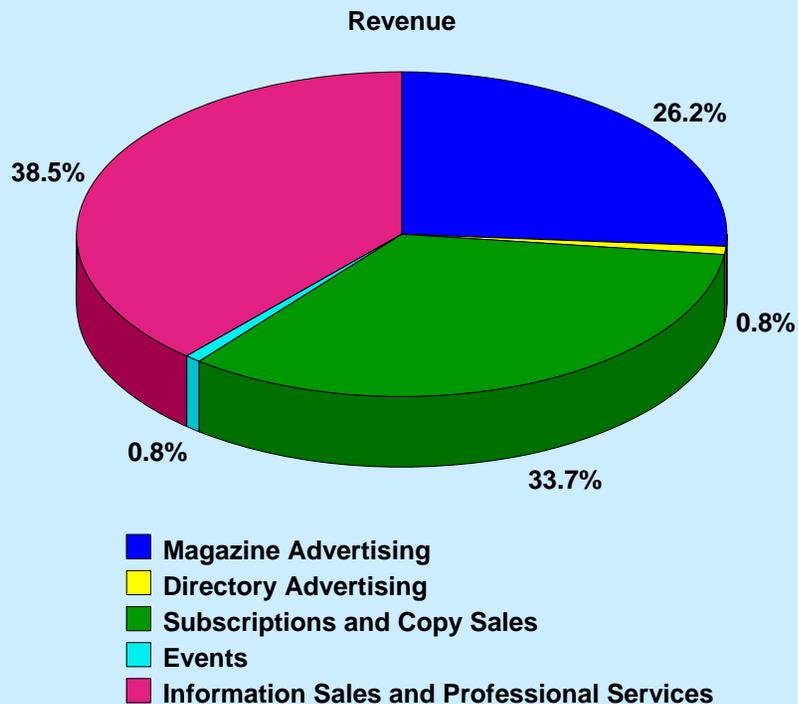
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## Healthcare

	Year to 30 June 2005	Year to 30 June 2004	% Change
<b>Turnover</b>	10.7	8.8	21.6%
<b>Profit Contribution</b>	1.9	1.2	50.9%

## Business Highlights

- Turnover grown 21.6%, profits up 50.9% reflecting a full year of APM
- Profit margin 17.5% (2004: 14.1%) despite ongoing investment in infrastructure, people and products
- APM relocated to new premises
- New products launches in 2005
- APM health extended to a pan European news service



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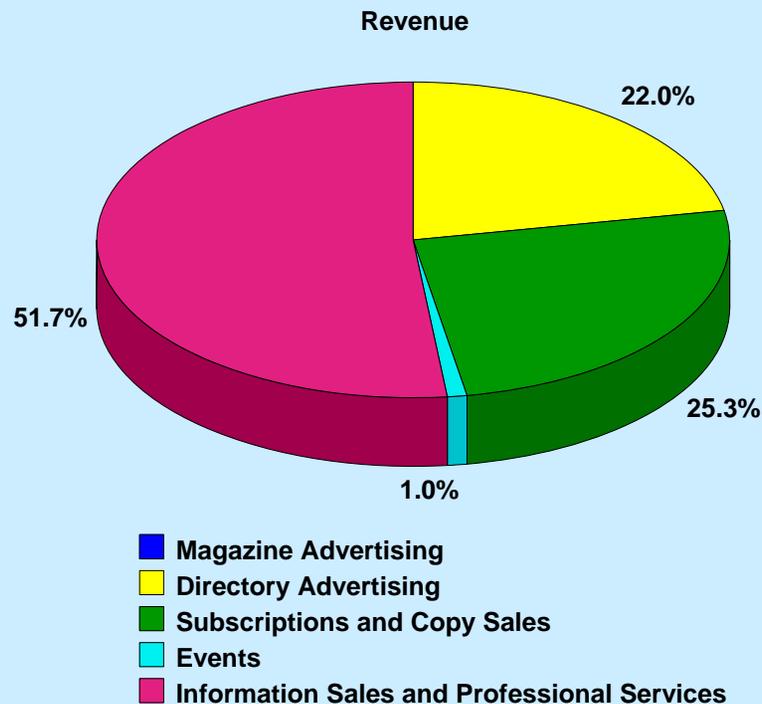
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## Media and Entertainment

	Year to 30 June 2005	Year to 30 June 2004	% Change
Turnover	7.0	6.6	5.3%
Profit Contribution	1.0	0.9	8.9%

### Business Highlights

- Turnover grown by 5.3%, profits up 8.9%
- Profit margin 14.7% (2004: 14.2%)
- Strong profits growth from RED-Muze
- Disposal of 75% shareholding in Abacus Software
- Will acquire minority interest in Hollis Directories Autumn 2005

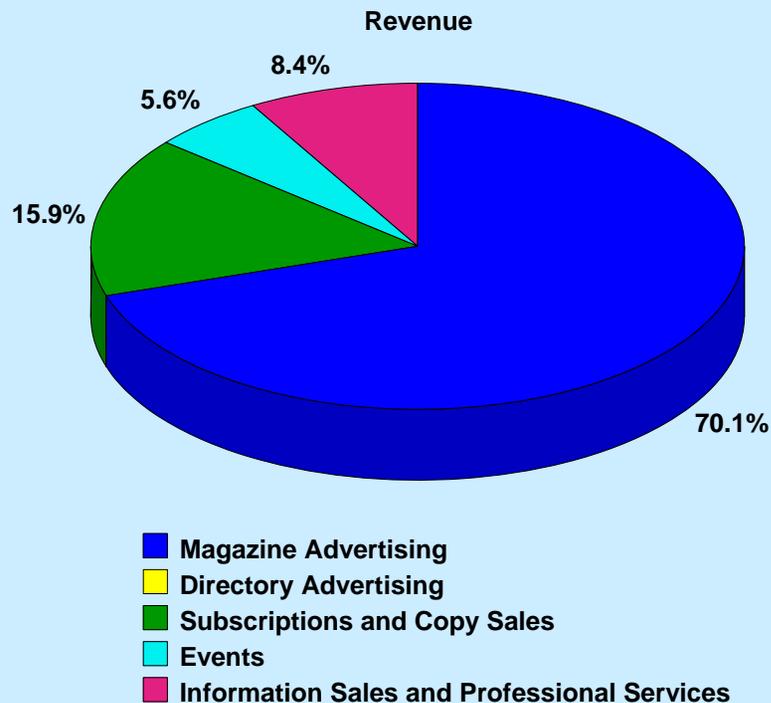


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## Design and Construction

	Year to 30 June 2005	Year to 30 June 2004	% Change
<b>Turnover</b>	11.4	11.3	1.4
<b>Profit Contribution</b>	0.2	-0.2	



## Business Highlights

- Restored to profit following prior year loss
- Completion of major restructuring:-
  - to create greater efficiency and reduce costs
  - to refocus portfolio along core market sectors
  - to exit properties in Sevenoaks and Chelmsford
  - exceptional costs in 2004/05
- Successful development of alternative revenue streams from database information sales and events
- Signs of improving page yields

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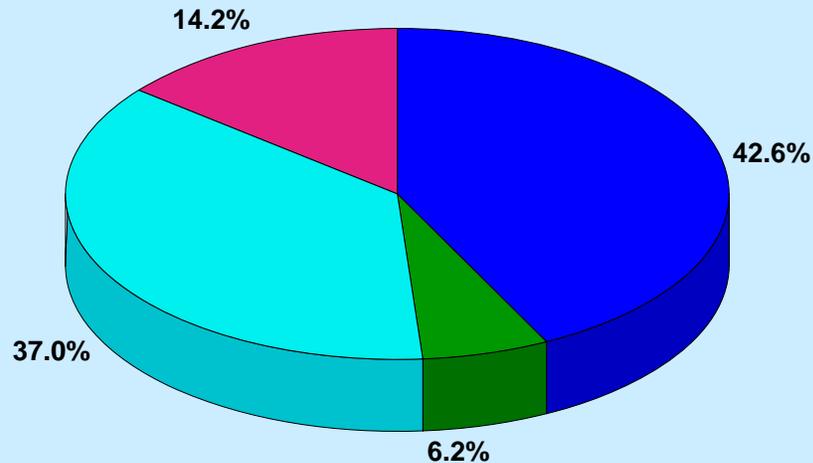
## Drinks and Catering

	Year to 30 June 2005	Year to 30 June 2004	% Change
Turnover	8.6	9.0	-5.0
Profit Contribution	0.3	0.3	

### Business Highlights

- Downturn in magazine advertising compensated by growth of event income
- Drinks portfolio sold in September 2005 for £2.2m

Revenue



- Magazine Advertising
- Directory Advertising
- Subscriptions and Copy Sales
- Events
- Information Sales and Professional Services

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## Key Strengths

- A strong focused business providing essential information and training
- Organic growth from new initiatives
- Experienced management team with a solid track record of
  - strategic acquisitions
  - delivering profit growth whilst reorganising the business
  - taking difficult decisions
- Strong balance sheet to enable Wilmington to take advantage of market opportunities
- Strong brands in professional information markets

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## Outlook

- We are set to make further progress this financial year
- We anticipate extension of CPD, compliance and accreditation schemes in our key professional markets
- Exciting growth prospects within core businesses
  - ongoing benefits of reorganisation, particularly in Design and Construction
  - Quorum provides platform for growth in accountancy and finance training
  - expect further growth in anti money laundering and compliance training
  - launch of pan European news service on Healthcare issues
  - continuing growth of e-revenues
- The current year has started in line with our expectations

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## Legal and Regulatory

- Waterlow
- Central Law Training
- Bond Solon
- Solicitors Journal
- Pendragon Professional Publishing
- International Compliance Training
- CLT Centre for Professional Practice
- Caritas
- ICP
- Quorum Training

## Healthcare

- Binleys
- Agence de Presse Medicale
- Medical Laboratory World
- Hospital Development
- Manufacturing Chemist

## Design and Construction

- Blueprint
- FX
- IDFX
- Architect Standard Catalogue
- Timber Trades Journal
- Modern Power Systems
- Water Power
- Tunnels and Tunnelling

## Media and Entertainment

- Hollis
- WDIS
- PCR
- RED/Muze