



# PRELIMINARY RESULTS

YEAR ENDED 31 DEC 2016

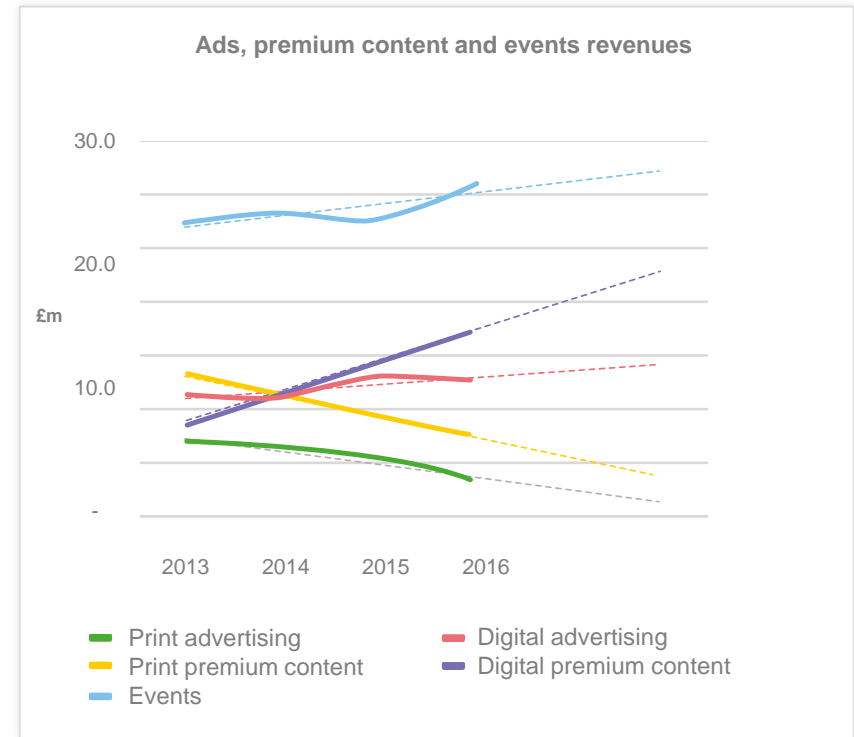
STRICTLY CONFIDENTIAL

**CENTAUR**  
MEDIA

- 1. Delivering Against Strategy**
- 2. Business Highlights**
- 3. Portfolio Performance**
- 4. The Next Chapter**

## Positive operational progress despite a difficult ad market;

- Revenue mix improvements
- Successful digital migration of publishing brands
- Brand innovation drives content monetisation
- Plan to focus around B2B professionals commences with acquisition of Oystercatchers
- Increased efficiencies



# FINANCIAL HIGHLIGHTS

<b>Underlying revenue</b> .....	<b>+2%</b>	
- Digital subscriptions .....	<b>+ 19%</b>	
- Total premium content .....	<b>+ 5%</b>	
- Events .....	<b>+ 10%</b>	
- Advertising revenues .....	<b>- 10%</b>	
<b>Adjusted operating profits</b> .....	<b>£ 9.1m</b>	(2015: £10.5m)
<b>Adjusted operating margins</b> .....	<b>12.6%</b>	(2015: 14.9%)
<b>Net debt</b> .....	<b>£14.1m</b>	(2015: £17.9m)



# FINANCIAL REVIEW

# FINANCIAL HIGHLIGHTS - YEAR ENDED DEC 31 2016

## REVENUE

**£72.5m ▲ 2%\***

(2015: £70.5m)

## ADJUSTED OPERATING PROFIT

**£9.1m ▼ 15%**

(2015: £10.5m)

## PREMIUM CONTENT REVENUES

**£20.8m (2015: £19.9m) ▲ 5%\***

## LIVE EVENTS REVENUES

**£30.7m (2015: £27.2m) ▲ 10%\***

## DEFERRED REVENUES

**£16.9m ▼ 1%**

(2015: £17.0m)

## ADJUSTED DILUTED EARNINGS PER SHARE

**4.5 pence  
▼ 15%**

(2015: 5.3 pence)

## DIVIDEND PER SHARE

**3.0 pence -**

(2015: 3.0 pence)

## NET DEBT

**£14.1m ▼ 21%**

(2015: £17.9m)

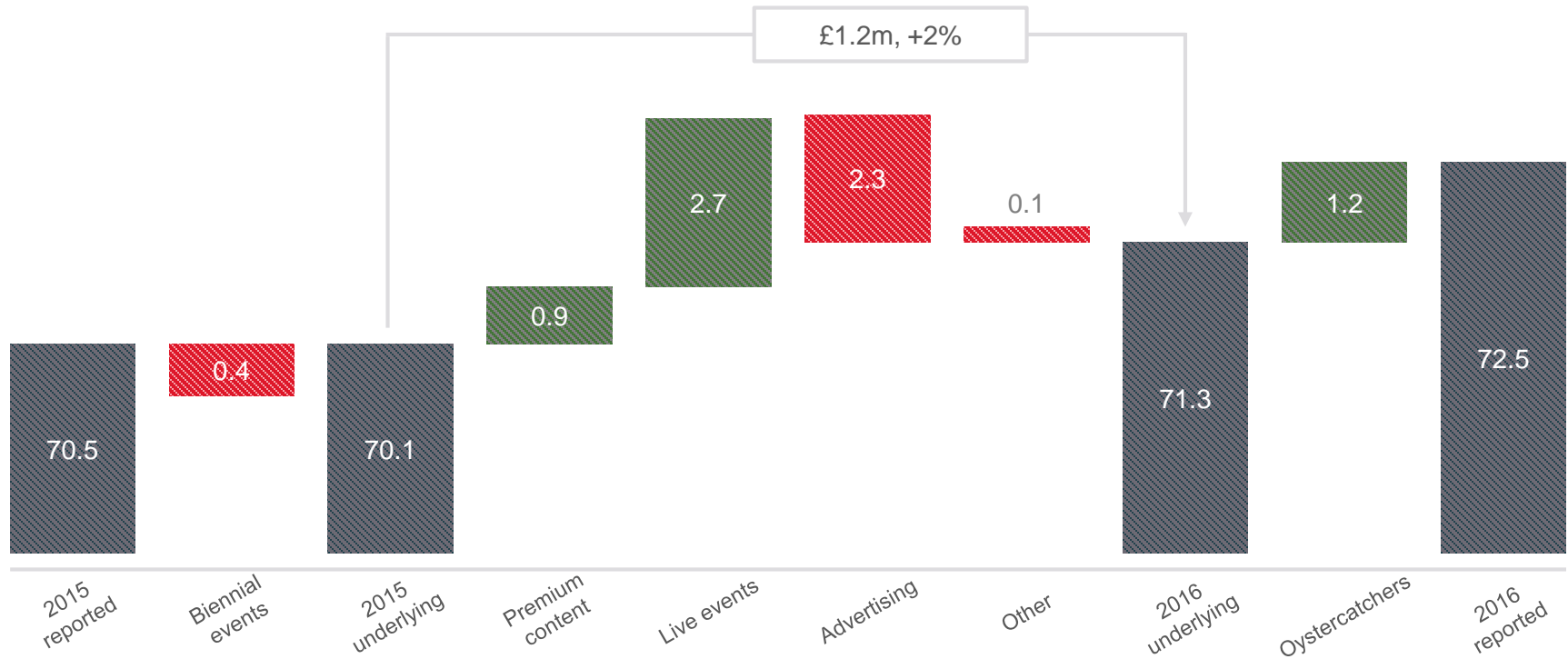
## ADJUSTED WORKING CAPITAL FLOW

**£4.1m**

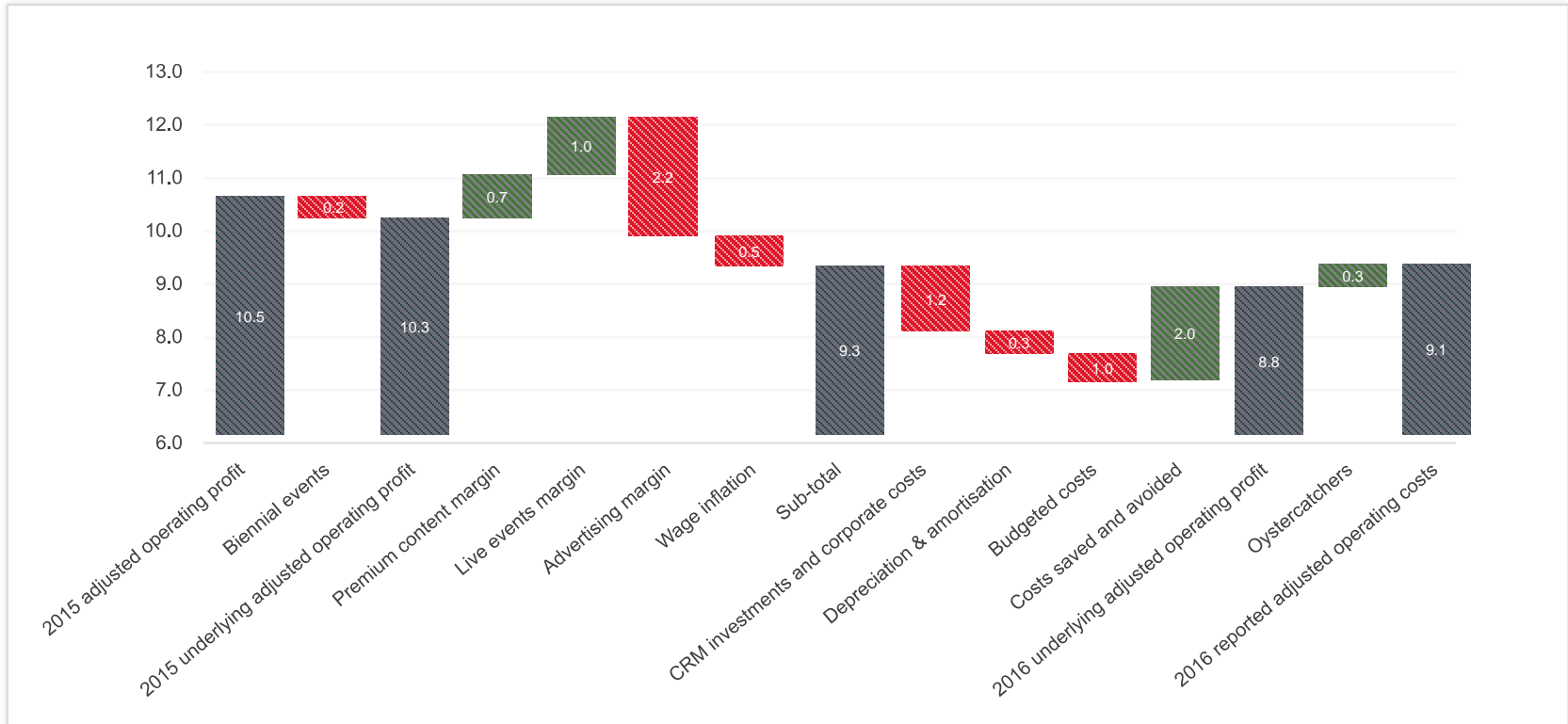
£11.0m swing  
(2015: £(6.9)m)

\* Underlying growth, adjusted for the acquisition of Oystercatchers and the biennial AMS show

# UNDERLYING REVENUE BRIDGE



# UNDERLYING PROFIT BRIDGE



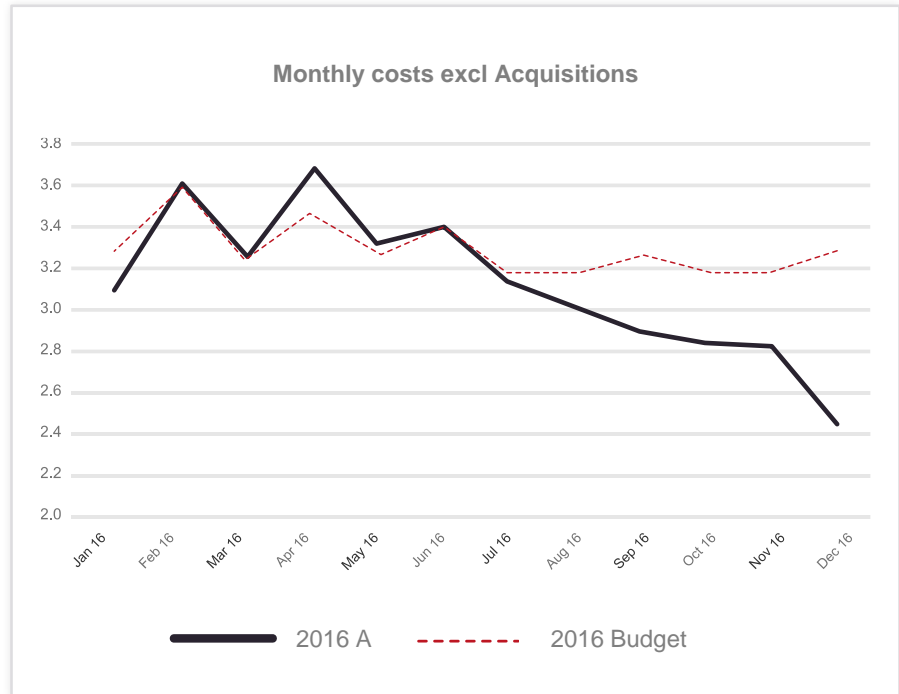


# COST SAVING

- Staff cost trend was increasing in anticipation of revenue growth, including wage inflation
- Increases were beginning to exceed plan and budgets
- Decline in forward bookings prompted cost reduction programme
- Recruitment plans halted to essential hires only

## Comprises:

- Senior staff savings **£0.3m**
- Other staff and cost reductions **£0.7m**
- Costs avoided **£1.0m**

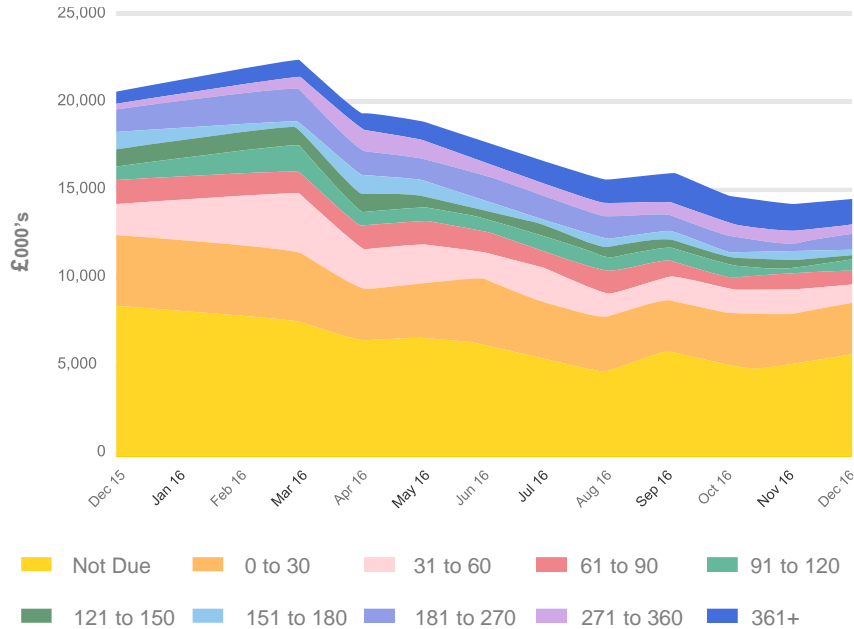


# ADJUSTED OPERATING CASH FLOW

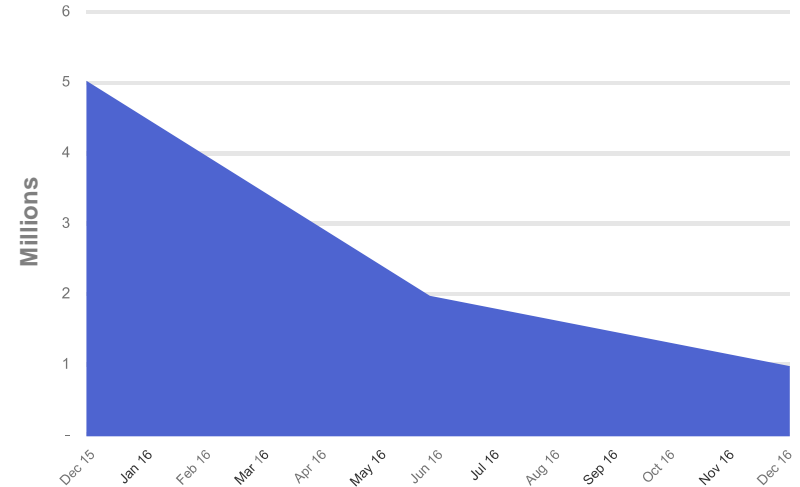
£m	2016	2015
Adjusted operating profit	9.1	10.5
Depreciation and amortisation	3.3	3.0
Movement in working capital	4.1	(6.9)
Capital expenditure	(2.6)	(3.3)
<b>Adjusted operating cash flow</b>	<b>13.9</b>	<b>3.3</b>
Operating cash conversion	153%	31%

# IMPROVED ACCOUNTS RECEIVABLE POSITION

Ageing



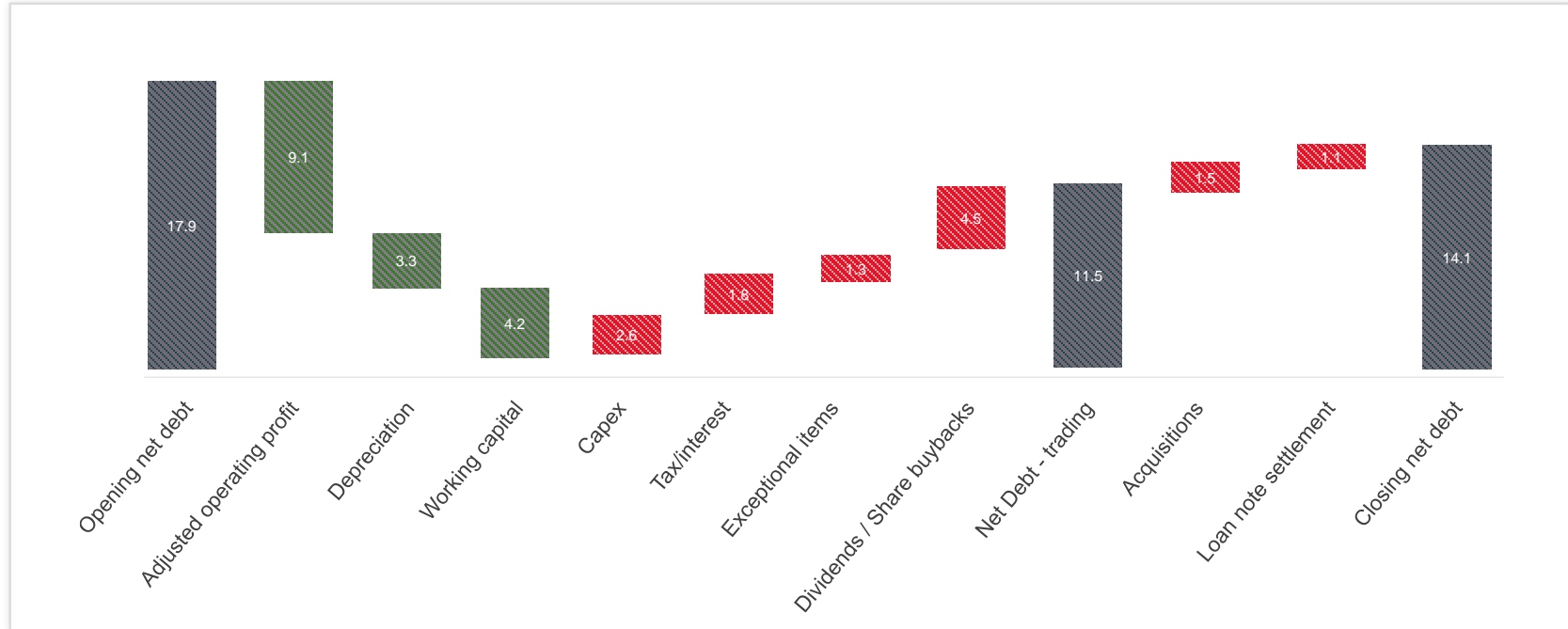
Progression of 91 days+ Past Dues  
(originally as at Dec-15)



# ADJUSTING ITEMS

Charge / (credit) £m	2016	2015
Impairment of goodwill	7.2	11.9
Amortisation of acquired intangible assets	2.3	2.2
Share-based payments	(0.1)	0.7
Impairment of trade receivables	1.8	-
Earn-out consideration	0.6	0.1
Exceptional staff related restructuring costs	0.9	0.6
Exceptional corporate restructuring costs	0.3	0.1
Profit on disposal of trade and assets	-	(0.4)
Exceptional finance costs	-	0.2
<b>Total</b>	<b>13.0</b>	<b>15.4</b>

# NET DEBT BRIDGE



- Revenue **+5%** v 2016
- Current year to date revenue;
  - Digital revenues ..... **+9%**
  - Digital Premium Content ..... **+19%**
  - Events revenue ..... **+10%**
  - Advertising ..... **-23%**
- Margin erosion ..... **c. 2%**
- 2017 profit reduction expected to reverse in 2018

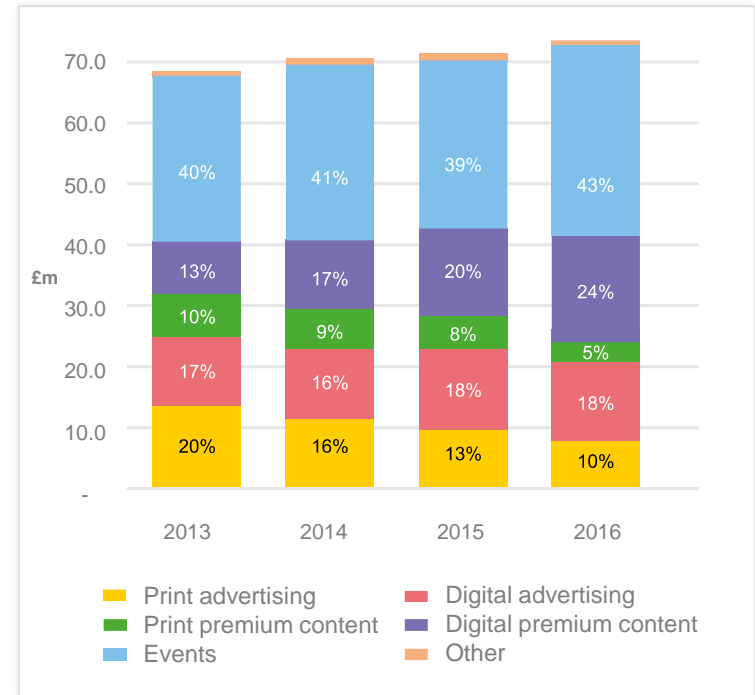


# PORTFOLIO REVIEWS

# REVENUE MIX IMPROVEMENTS

## Increasing percentage of higher quality revenues

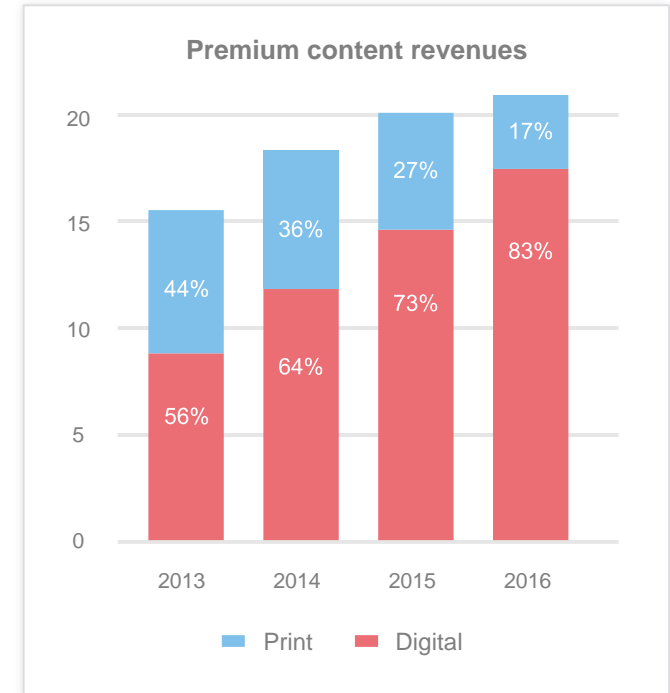
- Total Digital Revenues increase by.....**+9%**
- Digital Premium Content increase by.....**+19%**
- Event Revenues increase by.....**+10%**





## Strengthened brands monetise content digitally

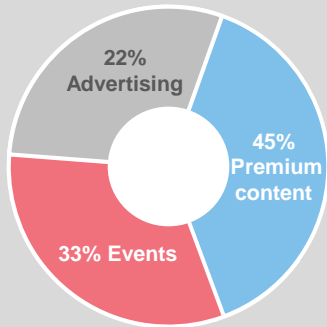
- Total digital premium content ..... **+ 19%**
- Econsultancy subscriptions ..... **+ 25%**
- MW Elearning pilot ..... **+ £300k**
- The Lawyer's premium content ..... **+ 48%**
- Platform completed transition to digital subscriptions



# MARKETING PORTFOLIO

TOTAL REVENUE:  
£29.7m +6%

ADJUSTED: +2%  
OPERATING PROFIT



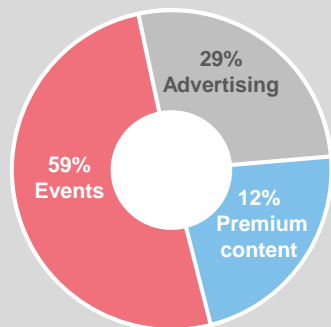
- **Econsultancy** subscription revenues grow by **25%**
- Product innovation from **Marketing Week** drives **20%** of revenue growth
- **Fashion & Beauty Monitor** and **Celebrity Intelligence** maintained good growth through introduction of market insight
- **Festival of Marketing** NPS +26 points
- Strong performance from **Oystercatchers** in Q4
- Advertising revenues decline **-7%**

- Priority investment will improve the digital subscription products further.
- Full integration of Oystercatchers is progressing well and will build stronger key account management service.

# PROFESSIONAL SEGMENT

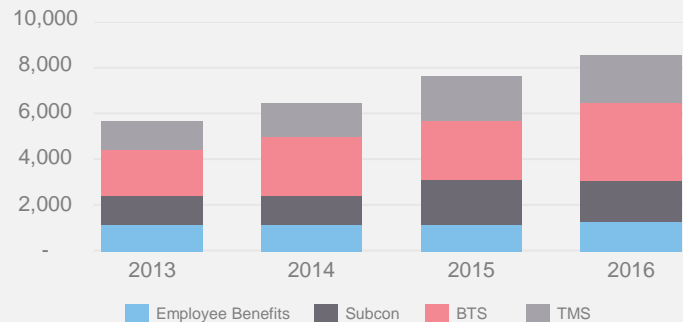
**TOTAL REVENUE:**  
£20.2m +5%

**ADJUSTED: -5%**  
**OPERATING PROFIT**



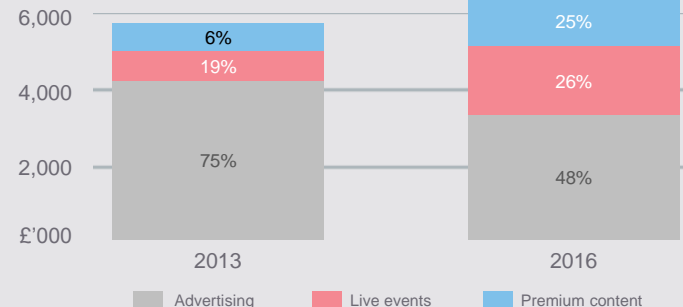
## Professional Exhibitions

- Continued growth **+19%**
- Strong digital performance enables reduction in print exposure
- Advertising declines **-14%**



## The Lawyer

- Revenue growth **+8%**
- Premium content now **25%** of total Legal revenue
- Priority investment creating a single united digital platform

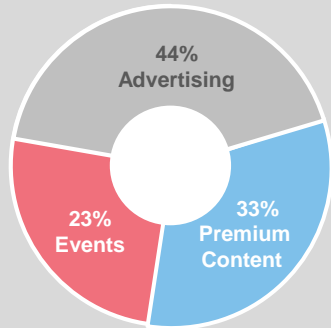


# FINANCIAL SERVICES PORTFOLIO

**TOTAL REVENUE:**  
£9.7m -19%

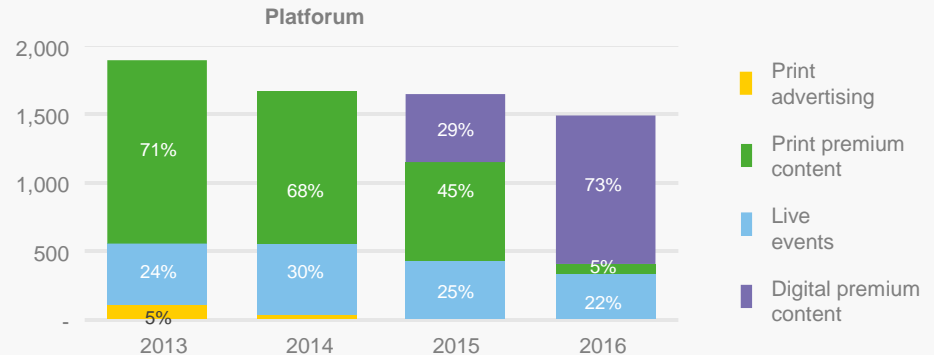
**ADJUSTED: -71%**  
**OPERATING PROFIT**

- Mirroring the wider industry, advertising revenues declined by **-24%** and sponsor led events fell by **-8%**
- Profit margin decline reflects high level of ad rev operational gearing
- The weaker outlook relating to advertising creates a non-cash impairment of goodwill



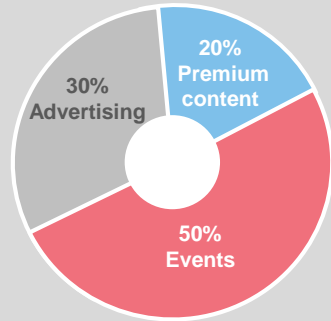
## Platform

- Transition to subscription business completed
- Deferred revenue **+77%**



TOTAL REVENUE:  
£12.9m +9%

ADJUSTED: +5%  
OPERATING PROFIT



## Key business trends remain positive

- +12% Exhibitors at 70% rebook
- +9% Visitors
- +5% Annual subscribers
- +25% Digital revenues
- +23% Mobile traffic

- Over the last 3 years Homebuilding & Renovating has become UK's leading provider of information for the sector and grown by 9% CAGR with 30% margins.
- B2C is non-core: the group needs to focus further around business professionals



**THE NEXT CHAPTER**

## Consistent operational progress creates opportunity to reshape the group

PURE B2B

REDUCED EXPOSURE TO ADVERTISING

ENRICHING & MONETISING CONTENT

MORE CUSTOMER FOCUS

A business to business media company that **informs, advises** and **connects** business professionals through **insight, data** and **events**.

Products and services that help leaders **accelerate** their business performance

# CONTENT & SERVICES FOCUSED ON B2B

## **Business Information**

Data products, insight & analysis, best practice,  
value management, research

## **Events, Training & Consultancy**

Connecting, E-learning, public training, bespoke

## **Creative Marketing Solutions**

Multi-platform content solutions, lead generation, database enrichment



## REDUCE PRINT SCHEDULES

- Reduces exposure to volatile print revenues
- Enables increased focus into digital subscription products and brand innovation

## DIVEST HOME INTEREST

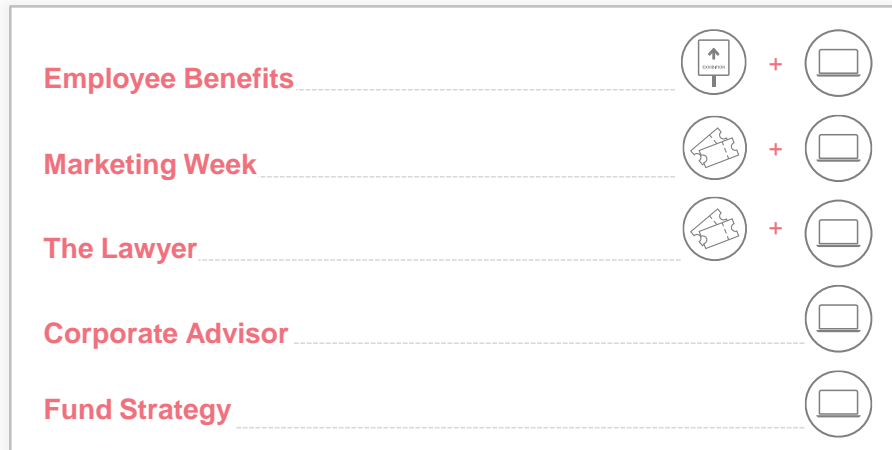
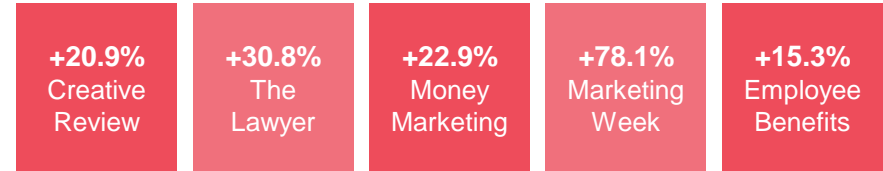
- Enables focus on core B2B professionals
- Proceeds enable group to underpin focus on core B2B content and services

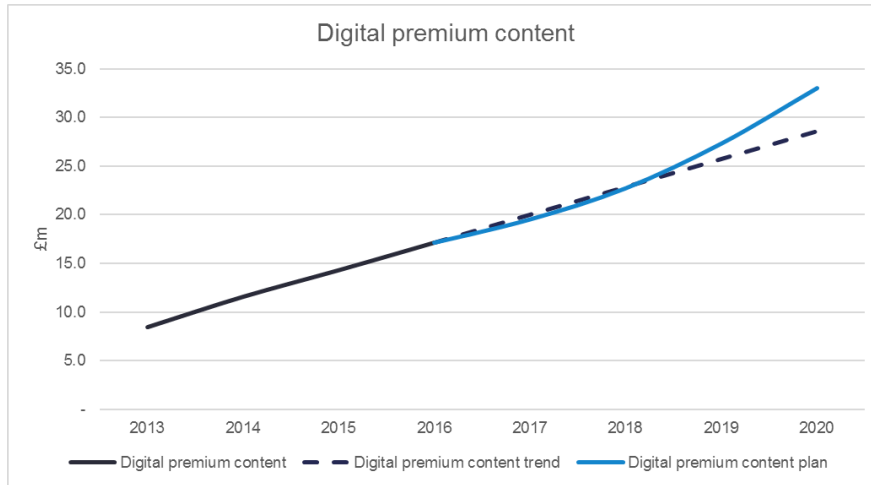
## Heritage brands digitally strengthened

A shared responsive platform, expert hub and common CRM system enables;

- Better data management, insight, inventory and programmatic opportunities
- New conversations around broader content marketing solutions for major B2B clients
- Significant reduction in print exposure and weekly editions

## Unique Users





## Digital premium content has grown steadily

- Improving existing subscription products
- Brand format/platform transition
- Brand innovation

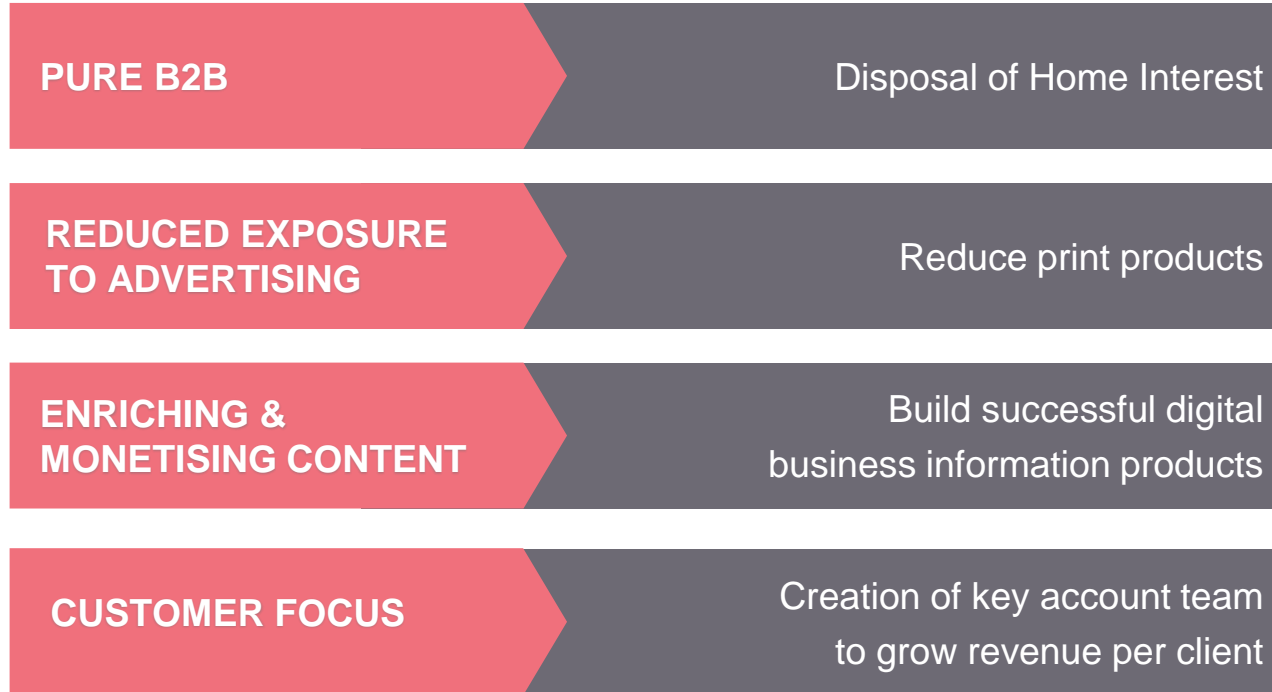
Subscription brands will now be prioritised and tech product development will drive growth.



THE LAWYER



# BUILDING A NEW B2B MEDIA GROUP





# APPENDICES

# DIVISIONAL SUMMARY

Revenue	2016 £m	2015 £m	Reported growth	Underlying growth
Marketing	29.7	27.0	10%	6%
Professional	20.2	19.7	3%	5%
Financial Services	9.7	12.0	(19)%	(19)%
Home Interest	12.9	11.8	9%	9%
<b>Total</b>	<b>72.5</b>	<b>70.5</b>	<b>3%</b>	<b>2%</b>
Adjusted operating profit	2016 £m	2015 £m	2016 margin	2015 margin
Marketing	4.2	4.1	14.1%	15.2%
Professional	2.1	2.2	10.4%	11.2%
Financial Services	0.6	2.1	6.2%	17.5%
Home Interest	2.2	2.1	17.1%	17.8%
<b>Total</b>	<b>9.1</b>	<b>10.5</b>	<b>12.6%</b>	<b>14.9%</b>

# APPENDIX I – INCOME STATEMENT – ADJUSTED NUMBERS

	2016 £m	2015 £m	Reported growth	Underlying growth
Revenue	72.5	70.5	3%	2%
Adjusted operating profit	9.1	10.5	(13)%	(15)%
Adjusted operating profit margin	12.6%	14.9%		
Finance costs	(0.5)	(0.7)		
Adjusted profit before taxation	8.6	9.8	(12)%	
Adjusted tax charge	(1.8)	(1.9)		
Adjusted net profit	6.8	7.9		
Adjusted basic EPS (pence)	4.7	5.5		
Adjusted diluted EPS (pence)	4.5	5.3	(15)%	
Dividend per share (pence)	3.0	3.0		



**CENTAUR**

MEDIA

INSPIRES & ENABLES