Interim Report 2005

Euromoney Institutional Investor PLC

Euromoney Institutional Investor PLC

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Euromoney Institutional Investor PLC

Chairman's Statement

PROFITS* UP 24%

Highlights	2005	2004	change
Turnover	£89.0 m	£81.8 m	+9%
Profit before tax, goodwill amortization and impairment	£13.7 m	£11.1 m	+24%
Profit before tax	£9.8 m	£7.6 m	+30%
Adjusted diluted earnings a share*	11.2 p	10.2 p	+10%
Earnings a share	6.8 p	6.2 p	+10%
Dividend	5.2 p	5.0 p	+4%

Euromoney Institutional Investor PLC, the international publishing, events and electronic information group, reports an increase in profit before tax and goodwill amortization to £13.7 million for the six months to March 31, against £11.1 million for the previous year. Adjusted diluted earnings a share were 11.2p against 10.2p in 2004.

The board has approved an interim dividend of 5.2p, against 5p, to be paid to shareholders on June 24, 2005.

Profit before tax was £9.8 million, against £7.6 million, and earnings a share increased from 6.2p to 6.8p.

Trading in the first half followed a similar pattern to 2004. Growth in the publishing businesses was held back by continued tough advertising markets, increased investment in marketing and the weakness of the US dollar. In spite of these, publishing profits* increased by 14% to £6 million and advertising revenues increased by 4% to £25.9 million.

In contrast, the training and events businesses increased profits* by 40% to £10 million. This was despite the absence from the first half of two of the group's biggest events: *Vinisud,* the French wine exhibition; and *InfoSec World,* the audit and information security conference. In 2004, these two events together contributed profits* of £2 million. This was more than offset by the inclusion of the results of Information Management Network ("IMN"), acquired in March 2004, which contributed profits* of £4.1 million before funding costs of £0.6 million.

Group turnover increased by 9% to £89.0 million. The average US dollar sterling rate for the period was 1.87 against 1.78 last year which reduced turnover by approximately 4%. Excluding currency movements, the acquisition of IMN, and the timing differences on *Vinisud* and *InfoSec World,* turnover increased by 7%.

Profits* from financial publishing increased by 12% to £3.9 million following a 1% increase in revenues. Advertising into some of the group's titles, notably *Euromoney* and *Euroweek,* increased but generally magazines found it difficult to sustain the upward trends of the second half of 2004. So far the excellent financial results being reported by global financial institutions, particularly in the United States, have not translated into increased advertising spend. *Institutional Investor* achieved a 2% increase in advertising revenues but has seen a softening of markets since March. The group continues to maintain a high level of marketing investment in subscriptions but revenues fell slightly as smaller publications were merged or sold as part of the group's rationalization drive.

The results from the business publishing portfolio were mixed. Revenues were flat but profits* improved by 17% to £2.1 million, mostly as a result of the elimination of losses from underperforming businesses. Advertising across the legal, energy, pharmaceutical and transport sectors remained weak. In particular, there have been no signs of improvement in the outlook for Business Traveller and, after losses in the first half of £0.4 million, the business was sold at the beginning of May. The sale gave rise to an exceptional goodwill impairment charge of £1 million which has been recognised in the half year results.

The training businesses delivered excellent results, with growth in all regions and across the three sectors served - financial, legal, and audit and information security. Better markets, increased recruitment particularly in the financial sector, and more effective marketing all contributed to a 7% increase in revenues to £11 million and

* Before goodwill amortization and impairment as set out and reconciled in the attached profit and loss account and notes 2 and 9.

Chairman's Statement *continued*

profits* up 35% to £2.6 million. MIS, the Boston-based audit and information security training business, has seen strong demand for its courses in response to the additional audit and reporting requirements introduced by the Sarbanes-Oxley Act in the United States.

The conference and seminar businesses maintained the growth seen over the past two years, helped by the acquisition of IMN. Revenues increased by 26% to £29.1 million and profits* by 41% to £7.4 million. The Euromoney and Institutional Investor event businesses both increased revenues through the launch of new events, particularly in Asia. However, results from Adhesion, the group's French subsidiary were sharply down in the face of weak domestic demand for its business meetings. The results of the conferences and seminars division would have been even better but for the timing of two important events: Adhesion's biennial regional wine exhibition, *Vinisud,* was last run in February 2004 and is next scheduled for 2006; and MIS's annual *InfoSec World* conference was moved from March to April. The absence of both these events reduced first half revenues and profits* by £3.6 million and £2 million respectively.

IMN, the market leader in securitization and indexation events, contributed incremental profits* of £4.1 million. The performance of IMN has exceeded expectations with strong growth from its securitization events and successful launches of new events in the real estate and Native American finance sectors.

Revenues from databases and information services increased by 9% to £7.6 million, although the strong performance of ISI, the group's emerging market information service, is masked by the decline in the US dollar rate. ISI revenues increased by 20% to $10.7 million and annualised revenues passed $22 million, indicating that the significant investment by the group in electronic information and publishing is proving to be the correct strategy. ISI's gross and net new sales improved to levels not seen since 1998 when the business was still in the early stages of launch, while the retention rate was maintained at 90%. The revenue growth has also helped ISI add new products to its service and in March ISI completed the acquisition of CEIC in Hong Kong. CEIC is one of the leading providers of time-series macro-economic data covering Asia and provides an excellent fit with ISI with opportunities for both businesses to cross-sell each other's products.

Net debt at March 31 was £75.6m, an increase of £13.1 million since year end. The level of debt traditionally increases in the first half following the payment of the final dividend and year end profit shares in January. In addition the group spent £16 million on acquisitions and increasing its interests in subsidiaries. ISI acquired a 49% interest in CEIC for an initial consideration of £3.8 million. Payment for the next 25% will be made in June 2006 and the final 26% a year later.

The final instalment on the acquisition of a 100% interest in HFI was paid in January. The growth in profits* of HFI since its acquisition in August 2003 has exceeded expectations and triggered the maximum deferred consideration under the earn-out agreement of £5.5 million. The group acquired 80% of IMN in February 2004, but paid for only 50% at the time. The remaining 30% was subject to three deferred profit-related payments of which the first, of £5.3 million, was paid in February. The maximum EBITA multiple under the earn-out agreement was achieved for this first deferred payment. Further earn-out payments of 10% respectively are due in 2006 and 2007. The group also increased its equity interest in ISI from 90% to 91% in January at a cost of £0.4 million.

In March the group began a project to consolidate and refurbish its London offices. This project will last approximately two years and require capital expenditure of approximately £5.5 million. In addition, the head lease on one of the group's remaining properties was acquired in April for £1.8 million.

A new equity incentive scheme to replace the company's Executive Share Option Plan was approved at the Annual General Meeting in February. The Capital Appreciation Plan ("CAP") is a highly geared equity incentive designed to drive the achievement of the company's target of profits* of £50 million by 2008. Initial awards under the CAP will be granted within 42 days of the announcement of the interim results. The cost of the CAP will be amortized over the life of the scheme, starting from the date of grant. The expected non-cash charge in the second half will be approximately £1 million.

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* Before goodwill amortization and impairment as set out and reconciled in the attached profit and loss account and notes 2 and 9.

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Chairman's Statement *continued*

The trading trends seen in 2004 and the first half of 2005 have continued into the third quarter. The group does not expect significant growth in advertising and there have been signs over the past few weeks that US advertising may weaken further, particularly in the financial sector. However, forward bookings for the training and events businesses for the third quarter are ahead of last year. ISI subscription revenues, underpinned by strong first half sales, should continue to grow and the acquisition of CEIC will make a positive profit* contribution.

Two timing differences will help the second half results: the *InfoSec World* conference in April (run in March last year); and IMN's *ABS East* conference which has been brought forward from October to September to accommodate venue requirements. Based on last year's events, this would add £2 million to second half profits*. However, as usual September should contribute more than half of the profits* for the second half, which means that with little forward visibility for September revenues the outcome for the full year will depend heavily on the strength of financial markets over the next three months.

END

Background note: Euromoney Institutional Investor PLC is listed on the London and Luxembourg stock exchanges. It is a constituent of the FTSE 250 Index. Daily Mail and General Trust plc owns 71% of the company.

Padraic Fallon
Chairman
May 18 2005

For further information please contact: -

Padraic Fallon	Chairman	020 7779 8556	pfallon@euromoneyplc.com
Richard Ensor	Managing Director	020 7779 8845	rensor@euromoneyplc.com
Colin Jones	Finance Director	020 7779 8666	cjones@institutionalinvestor.com

Or visit our website at www.euromoneyplc.com

* Before goodwill amortization and impairment as set out and reconciled in the attached profit and loss account and notes 2 and 9.

Euromoney Institutional Investor PLC

Group Profit & Loss Account

for the six months ended March 31 2005

	Note	**Unaudited six months ended March 31 2005 £000's**	Unaudited six months ended March 31 2004 £000's	Audited year ended September 30 2004 £000's
Turnover	**2**			
Sold/closed businesses		**1,405**	1,993	3,348
Other continuing operations		**87,546**	79,826	171,306
Total turnover		**88,951**	81,819	174,654
Operating profit before goodwill amortization	**2**			
Sold/closed businesses		**(411)**	(502)	(821)
Other continuing operations		**15,825**	12,704	31,427
		15,414	12,202	30,606
Goodwill amortization		**(2,840)**	(3,504)	(6,357)
Exceptional goodwill impairment	**3**	**(1,047)**	-	(1,177)
Operating profit	**2**			
Sold/closed businesses		**(1,559)**	(544)	(1,586)
Other continuing operations		**13,086**	9,242	24,658
Total operating profit		**11,527**	8,698	23,072
Share of operating profit in associates and joint ventures		**94**	158	373
Profit on ordinary activities before interest and tax		**11,621**	8,856	23,445
Interest receivable		**126**	328	422
Interest payable and similar charges		**(1,913)**	(1,630)	(3,376)
Net interest		**(1,787)**	(1,302)	(2,954)
Profit on ordinary activities before tax		**9,834**	7,554	20,491
Tax on profit on ordinary activities	**4**	**(2,642)**	(1,865)	(3,899)
Profit on ordinary activities after tax		**7,192**	5,689	16,592
Equity minority interests		**(1,175)**	(252)	(578)
Profit for the financial period		**6,017**	5,437	16,014
Dividends paid and proposed	**8**	**(4,584)**	(4,395)	(13,186)
Retained profit for the financial period		**1,433**	1,042	2,828
Basic earnings per share	**9**	**6.84 p**	6.19 p	18.22 p
Diluted earnings per share	**9**	**6.81 p**	6.17 p	18.16 p
Adjusted diluted earnings per share before goodwill amortization and exceptional items	**9**	**11.21 p**	10.15 p	26.71 p
Dividend per share	**8**	**5.20 p**	5.00 p	15.00 p

Euromoney Institutional Investor PLC

Group Balance Sheet

as at March 31 2005

	Unaudited as at March 31 2005 £000's	Unaudited as at March 31 2004 £000's	Audited as at September 30 2004 £000's
Fixed assets			
Intangible assets	**59,692**	58,285	60,989
Tangible assets	**6,964**	8,545	7,576
Investments	**4,017**	34	190
	70,673	66,864	68,755
Current assets			
Debtors	**41,213**	30,916	37,670
Cash at bank and in hand	**15,109**	16,160	23,563
	56,322	47,076	61,233
Creditors: amounts falling due within one year	**(37,980)**	(30,934)	(127,326)
Net current assets/(liabilities)	**18,342**	16,142	(66,093)
Total assets less current liabilities	**89,015**	83,006	2,662
Creditors: amounts falling due after more than one year	**(90,568)**	(97,161)	(10,611)
Provisions for liabilities and charges	**(571)**	-	(575)
Accruals	**(15,418)**	(12,847)	(18,569)
Deferred income	**(37,960)**	(36,163)	(35,317)
Accruals and deferred income falling due within one year	**(53,378)**	(49,010)	(53,886)
Net liabilities	**(55,502)**	(63,165)	(62,410)
Capital and reserves			
Called up share capital	**221**	220	220
Share premium account	**35,298**	34,318	34,393
Capital redemption reserve	**8**	8	8
Own shares	**(74)**	(74)	(74)
Profit and loss account	**(92,032)**	(98,027)	(97,697)
Equity shareholders' deficit	**(56,579)**	(63,555)	(63,150)
Equity minority interests	**1,077**	390	740
	(55,502)	(63,165)	(62,410)

Euromoney Institutional Investor PLC

Group Cash Flow Statement
for the six months ended March 31 2005

	Note	**Unaudited six months ended March 31 2005 £000's**	Unaudited six months ended March 31 2004 £000's	Audited year ended September 30 2004 £000's
Net cash inflow from continuing operating activities	**5**	**14,357**	13,566	33,751
Dividends received from associate		**-**	570	570
Returns on investments and servicing of finance				
Interest received		**126**	328	422
Interest paid		**(1,689)**	(1,614)	(3,120)
Dividends paid to minorities		**(943)**	(151)	(150)
		(2,506)	(1,437)	(2,848)
Taxation				
UK tax paid		**(2,692)**	(1,602)	(3,530)
Overseas tax paid		**(1,215)**	(633)	(955)
UK tax received		**16**	318	319
Overseas tax received		**252**	264	308
		(3,639)	(1,653)	(3,858)
Capital expenditure and financial investment				
Purchase of tangible fixed assets		**(526)**	(498)	(1,240)
Sale of tangible fixed assets		**23**	58	78
		(503)	(440)	(1,162)
Acquisitions and disposals				
Purchase of subsidiary undertakings		**(12,249)**	(16,517)	(19,377)
Cash acquired with subsidiary undertaking		**-**	1,486	2,507
Purchase of joint venture		**(3,769)**	-	-
		(16,018)	(15,031)	(16,870)
Equity dividends paid		**(8,795)**	(8,554)	(12,949)
Cash outflow before financing		**(17,104)**	(12,979)	(3,366)
Financing				
Issue of new ordinary share capital		**906**	570	645
Issue of share capital by subsidiary to minority interest		**-**	20	-
Redemption of unsecured loan stock		**-**	(37)	(37)
Revolving credit facilities:				
Increase in borrowings		**13,403**	42,453	2,468
Repayment of borrowings		**(6,491)**	(10,957)	(8,411)
Loan repaid to DMGT group company		**(12,846)**	(27,998)	(26,003)
Loan received from DMGT group company		**14,620**	15,132	47,108
		9,592	19,183	15,770
(Decrease)/increase in cash during the period	**6,7**	**(7,512)**	6,204	12,404

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Group Statement of Total Recognized Gains and Losses

for the six months ended March 31 2005

	Unaudited six months ended March 31 2005 £000's	Unaudited six months ended March 31 2004 £000's	Audited year ended September 30 2004 £000's
Profit for the period	**6,017**	5,437	16,014
Foreign exchange translation differences	**3,575**	8,322	6,866
Total recognized gains and losses for the period	**9,592**	13,759	22,880

Reconciliation of Movements in Equity Shareholders' Funds

for the six months ended March 31 2005

	Unaudited six months ended March 31 2005 £000's	Unaudited six months ended March 31 2004 £000's	Audited year ended September 30 2004 £000's
Profit for the period	**6,017**	5,437	16,014
Dividends paid and proposed	**(4,584)**	(4,395)	(13,186)
	1,433	1,042	2,828
Proceeds from issue of shares for cash	**906**	570	645
Reinstatement of goodwill previously written off to reserves	**657**	-	-
Other recognized gains and losses relating to the period	**3,575**	8,322	6,866
Net decrease in equity shareholders' deficit	**6,571**	9,934	10,339
Opening equity shareholders' deficit	**(63,150)**	(73,489)	(73,489)
Closing equity shareholders' deficit	**(56,579)**	(63,555)	(63,150)

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Notes to the Unaudited Interim Report

1 Basis of preparation

This interim report was approved by the board of directors on May 18 2005 and follows the accounting policies adopted in the 2004 annual report. The financial information contained in this interim report does not constitute statutory accounts as defined in section 240 of the Companies Act 1985 and should be read in conjunction with the 2004 annual report. The comparative financial information is based on the interim results for the six months ended March 31 2004.

The figures for the year to September 30 2004 are an abridged statement from the group's accounts at that date which have been delivered to the Registrar of Companies. The auditors' report on those accounts was unqualified and did not contain a statement under section 237(2) or 237(3) of the Companies Act 1985.

2 Segmental analysis

	Unaudited six months ended March 31							
	United Kingdom		**North America**		**Rest of World**		**Total**	
	2005	2004	**2005**	2004	**2005**	2004	**2005**	2004
	£000's	£000's	**£000's**	£000's	**£000's**	£000's	**£000's**	£000's
Turnover								
By destination:								
Other continuing businesses	**16,199**	17,234	**36,829**	28,255	**34,518**	34,337	**87,546**	79,826
Sold/closed businesses	**286**	320	**301**	751	**818**	922	**1,405**	1,993
	16,485	17,554	**37,130**	29,006	**35,336**	35,259	**88,951**	81,819

	United Kingdom		**North America**		**Rest of World**		**Total**	
	2005	2004	**2005**	2004	**2005**	2004	**2005**	2004
	£000's	£000's	**£000's**	£000's	**£000's**	£000's	**£000's**	£000's
By activity and source:								
Financial publishing	**13,092**	12,102	**13,895**	14,743	**713**	613	**27,700**	27,458
Business publishing	**8,325**	8,425	**3,240**	3,040	**523**	507	**12,088**	11,972
Training	**7,219**	6,923	**2,691**	2,425	**1,140**	1,016	**11,050**	10,364
Conferences and seminars	**10,271**	8,957	**15,908**	8,339	**2,898**	5,724	**29,077**	23,020
Databases and information services	**2,377**	2,213	**1,789**	1,715	**3,465**	3,084	**7,631**	7,012
Sold/closed businesses	**355**	473	**300**	795	**750**	725	**1,405**	1,993
	41,639	39,093	**37,823**	31,057	**9,489**	11,669	**88,951**	81,819

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Notes to the Unaudited Interim Report *continued*

2 Segmental analysis *continued*

	Unaudited six months ended March 31							
	United Kingdom		North America		Rest of World		Total	
	2005	2004	**2005**	2004	**2005**	2004	**2005**	2004
	£000's	£000's	**£000's**	£000's	**£000's**	£000's	**£000's**	£000's
Operating profit								
By activity and source:								
Financial publishing	**2,843**	2,411	**1,112**	1,190	**(48)**	(112)	**3,907**	3,489
Business publishing	**1,769**	1,753	**329**	109	**14**	(54)	**2,112**	1,808
Training	**1,620**	1,249	**607**	377	**418**	328	**2,645**	1,954
Conferences and seminars	**2,122**	1,954	**5,460**	1,851	**(205)**	1,413	**7,377**	5,218
Databases and information services	**1,398**	1,390	**666**	303	**(356)**	(95)	**1,708**	1,598
Sold/closed businesses	**(187)**	(355)	**(209)**	(208)	**(15)**	61	**(411)**	(502)
Unallocated corporate costs	**(1,637)**	(1,120)	**(287)**	(243)	**-**	-	**(1,924)**	(1,363)
	7,928	7,282	**7,678**	3,379	**(192)**	1,541	**15,414**	12,202
Goodwill amortization and impairment	**(2,150)**	(976)	**(1,737)**	(2,515)	**-**	(13)	**(3,887)**	(3,504)
Operating profit after goodwill amortization	**5,778**	6,306	**5,941**	864	**(192)**	1,528	**11,527**	8,698

The goodwill amortization of £3,887,000 (2004: £3,504,000) can be allocated as follows; Financial publishing, £829,000 (2004: £833,000); Business publishing, £618,000 (2004: £537,000); Conferences and seminars, £1,041,000 (2004: £325,000); Databases and information services, £251,000 (2004: £1,767,000); and Sold/closed businesses, £1,148,000 (2004: £42,000).

3 Exceptional items

In May 2005, the Business Traveller group was sold. As a result the related goodwill at March 2005 was reduced to its recoverable amount based on the expected net sales proceeds. The total impairment was £1,047,000. The results of these businesses are included within sold/closed businesses.

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Notes to the Unaudited Interim Report *continued*

4 Tax on profit on ordinary activities

	Unaudited six months ended March 31 2005 £000's	Unaudited six months ended March 31 2004 £000's	Audited year ended September 30 2004 £000's
United Kingdom			
Corporation tax at 30% (2004: 30%)	**1,945**	1,637	4,514
Associates	**55**	49	114
Over provision in respect of prior periods	**-**	(499)	165
	2,000	1,187	4,793
Foreign tax			
Overseas taxation	**576**	665	1,063
Under provision in respect of prior periods	**66**	13	59
Total current tax	**2,642**	1,865	5,915
Deferred tax			
Origination and reversal of asset timing differences	**(551)**	-	(1,658)
Origination and reversal of liability timing differences	**1,816**	1,347	2,505
Increase in discount	**(1,265)**	(1,347)	(2,529)
Over provision in respect of prior periods	**-**	-	(334)
Total deferred tax	**-**	-	(2,016)
Tax charge on profit on ordinary activities	**2,642**	1,865	3,899

The standard rate of current tax for the year, based on the UK standard rate of corporation tax, is 30% (2004: 30%). The current tax charge for the period is different from 30% of profit before tax for the reasons set out in the following reconciliation:

	Unaudited six months ended March 31 2005 £000's	Unaudited six months ended March 31 2004 £000's	Audited year ended September 30 2004 £000's
Profit on ordinary activities before tax	**9,834**	7,554	20,491
Tax at 30%	**2,950**	2,266	6,147
Factors affecting charge:			
UK goodwill amortization	**645**	1,051	2,260
Non-taxable items and additional deductible UK items	**(240)**	(472)	(1,032)
US goodwill amortization and losses	**(1,033)**	(714)	(2,402)
Utilisation of tax losses brought forward	**(551)**		
US state taxes	**467**	166	418
Disallowable expenditure	**356**	127	-
Movement in other timing differences	**-**	-	374
Depreciation (less than)/in excess of capital allowances	**(6)**	(14)	45
Lower rates of tax on overseas profits	**(12)**	(59)	(119)
Under / (over) provisions in respect of prior periods	**66**	(486)	224
Current tax charge for the period	**2,642**	1,865	5,915

The tax charge for the period based on profit before tax, goodwill amortization, exceptional and prior year items has been calculated by applying the forecast full year effective rate of 18.8% to the interim profit before tax, goodwill amortization and exceptional items.

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Notes to the Unaudited Interim Report *continued*

5 Reconciliation of operating profit to net cash inflow from operating activities

	Unaudited six months ended March 31 2005 £000's	Unaudited six months ended March 31 2004 £000's	Audited year ended September 30 2004 £000's
Group operating profit	**11,527**	8,698	23,072
Amortization of goodwill	**2,840**	3,504	6,357
Exceptional goodwill impairment	**1,047**	-	1,177
Depreciation of tangible fixed assets	**872**	889	1,960
Profit on sale of tangible fixed assets	**(3)**	(12)	(23)
Decrease/(increase) in debtors	**342**	17,643	(3,095)
(Decrease)/increase in creditors	**(2,268)**	(17,156)	4,303
Net cash inflow from continuing operating activities	**14,357**	13,566	33,751

6 Reconciliation of net cash flow to movement in net debt

	Unaudited six months ended March 31 2005 £000's	Unaudited six months ended March 31 2004 £000's	Audited year ended September 30 2004 £000's
(Decrease)/increase in cash during the period	**(7,512)**	6,204	12,404
Cash inflow from change in debt finance	**(13,100)**	(3,461)	(285)
Decrease/(increase) in net amounts due from DMGT group undertaking	**4,414**	(15,132)	(14,840)
	(16,198)	(12,389)	(2,721)
Other non-cash items:			
Currency translation differences	**3,067**	6,562	7,703
Other non-cash changes	**-**	-	(357)
Movement in net debt in the period	**(13,131)**	(5,827)	4,625
Net debt at start of period	**(62,478)**	(67,103)	(67,103)
Net debt at end of period	**(75,609)**	(72,930)	(62,478)

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Notes to the Unaudited Interim Report *continued*

7 Analysis of changes in net debt

	At October 1 2004 £000's	Cash flow £000's	Exchange movements £000's	Other non-cash changes £000's	At March 31 2005 £000's
Cash at bank and in hand	23,563	(7,873)	(581)	-	15,109
Bank overdrafts	(553)	361	42	-	(150)
	23,010	(7,512)	(539)	-	14,959
Debt due within one year	(85,488)	(4,414)	(84)	85,488	(4,498)
Debt due in more than one year	-	(8,686)	3,606	(85,488)	(90,568)
	(85,488)	(13,100)	3,522	-	(95,066)
Amounts owed by DMGT group undertakings	-	4,414	84	-	4,498
Total	(62,478)	(16,198)	3,067	-	(75,609)

Other non-cash changes represent a reclassification of the DMGT loan from less than one year to more than one year following the new five year committed banking facility entered into in October 2004.

8 Dividends

	Unaudited six months ended March 31 2005 £000's	Unaudited six months ended March 31 2004 £000's	Audited year ended September 30 2004 £000's
Interim proposed 5.2p per share (2004: 5.0p)	**4,587**	4,398	4,397
Final paid 10p per share	**-**	-	8,798
	4,587	4,398	13,195
Employees' Share Ownership Trust dividend	**(3)**	(3)	(9)
	4,584	4,395	13,186

The interim dividend of 5.2p (2004: 5.0p) will be paid on June 24 2005 to shareholders on the register on May 27 2005. It is expected that the shares will be marked ex-dividend on May 25 2005. Holders of International Depositary Receipts ("IDR") can receive their dividend on June 24 2005 by presentation of coupon number 36 to Dexia Banque Internationale à Luxembourg or to one of their agents.

Holders of IDRs may exchange their certificates, talon attached, for their new IDR certificates containing additional coupons, numbered 36 onwards from the Dexia Banque Internationale à Luxembourg or one of their agents.

Euromoney Institutional Investor PLC

Notes to the Unaudited Interim Report *continued*

9 Earnings per share

	Unaudited six months ended March 31 2005 £000's	Unaudited six months ended March 31 2004 £000's	Audited year ended September 30 2004 £000's
Basic earnings	**6,017**	5,437	16,014
Goodwill amortization	**2,840**	3,504	6,357
Exceptional goodwill impairment (note 3)	**1,047**	-	1,177
Adjusted earnings before goodwill amortization and exceptional items	**9,904**	8,941	23,548
	Number 000's	Number 000's	Number 000's
Weighted average number of shares	**88,095**	87,859	87,910
Shares held by the Employees' Share Ownership Trust	**(59)**	(59)	(59)
	88,036	87,800	87,851
Effect of dilutive share options	**335**	279	309
Diluted weighted average number of shares	**88,371**	88,079	88,160
	Pence per share	Pence per share	Pence per share
Basic earnings per share	**6.84**	6.19	18.22
Effect of dilutive share options	**(0.03)**	(0.02)	(0.06)
Diluted earnings per share	**6.81**	6.17	18.16
Effect of goodwill amortization	**3.21**	3.98	7.21
Effect of exceptional goodwill impairment	**1.19**	-	1.34
Adjusted diluted earnings per share before goodwill amortization and exceptional items	**11.21**	10.15	26.71

The adjusted diluted earnings per share figure has been disclosed since the directors consider it to give a more meaningful indication of the underlying trading performance.

Independent Review Report to Euromoney Institutional Investor PLC

Introduction

We have been instructed by the company to review the financial information for the six months ended March 31 2005 which comprises the profit and loss account, the balance sheet, the cash flow statement, the statement of total recognized gains and losses, the reconciliation of movements in equity shareholders' funds and related notes 1 to 9. We have read the other information contained in the interim report and considered whether it contains any apparent misstatements or material inconsistencies with the financial information.

This report is made solely to the company in accordance with Bulletin 1999/4 issued by the Auditing Practices Board. Our work has been undertaken so that we might state to the company those matters that we are required to state to them in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our review work, for this report, or for the conclusions we have formed.

Directors' responsibilities

The interim report, including the financial information contained therein, is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the interim report in accordance with the Listing Rules of the Financial Services Authority which require that the accounting policies and presentation applied to the interim figures should be consistent with those applied in preparing the preceding annual accounts except where any changes, and the reasons for them, are disclosed.

Review work performed

We conducted our review in accordance with the guidance contained in Bulletin 1999/4 issued by the Auditing Practices Board for use in the United Kingdom. A review consists principally of making enquiries of group management and applying analytical procedures to the financial information and underlying financial data and, based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit performed in accordance with United Kingdom auditing standards and therefore provides a lower level of assurance than an audit. Accordingly, we do not express an audit opinion on the financial information.

Review conclusion

On the basis of our review we are not aware of any material modifications that should be made to the financial information as presented for the six months ended March 31 2005.

Deloitte & Touche LLP
Chartered Accountants
London
May 18 2005

Euromoney Institutional Investor PLC

Directors and Advisors

Chairman PM Fallon ‡

Managing Director PR Ensor ‡

Finance Director CR Jones

Directors
The Viscount Rothermere *†
Sir Patrick Sergeant *‡§
CJF Sinclair *†‡
NF Osborn
DC Cohen
CR Brown
JP Williams*§
JC Botts*†‡§
E Bounous
SM Brady
RT Lamont
D Alfano
G Mueller
MJ Carroll
CHC Fordham
J Gonzalez*

***** non-executive director
† member of the remuneration committee
‡ member of the nominations committee
§ member of the audit committee

President Sir Patrick Sergeant

Company Secretary CR Jones

Registered Office Nestor House, Playhouse Yard, London EC4V 5EX

Registered Number 954730

Auditors Deloitte & Touche LLP, London

Solicitors Nabarro Nathanson, Lacon House, Theobald's Road, London WC1X 8RW

Stockbrokers UBS, 1 Finsbury Avenue, London EC2M 2PP

Depositary Dexia Banque Internationale à Luxembourg SA, 69 route d'Esch, 2953 Luxembourg

Agents of the Depositary
Citicorp Investment Bank (Switzerland), Bahnhofstrasse 63, PO Box 224, CH 8021 Zurich
Citibank NA, Citibank House, 336 Strand, London WC2R 1HB

Registrars Capita IRG plc, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU

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For further information on all Euromoney Institutional Investor products, call the Hotline on:

(UK) +44 (0) 207 779 8999
(US) +1 800 437 9997 or
+1 212 224 3570

or e-mail to:
hotline@euromoneyplc.com