Interim Report 2007

Euromoney Institutional Investor PLC

CONTENTS

CHAIRMAN'S STATEMENT

Highlights	2007	2006	change
Revenue	**£144.2m**	£103.1m	**+40%**
Operating profit	**£22.4m**	£15.8m	**+42%**
Adjusted operating profit*	**£34.2m**	£17.6m	**+95%**
Profit before tax	**£18.8m**	£13.5m	**+40%**
Adjusted profit before tax*	**£24.8m**	£13.9m	**+78%**
Diluted earnings a share	**13.3p**	10.8p	**+23%**
Adjusted diluted earnings a share*	**19.2p**	11.3p	**+70%**
Dividend	**6.0p**	5.4p	**+11%**

*see glossary

Results reflect strong organic growth and successful integration of acquisitions

- Revenues up 40% to £144 million, the highest ever
- Adjusted profit before tax up 78% to record £24.8 million
- Adjusted operating margin improves from 17% to 24%
- Strong growth across all divisions and revenue streams
- Metal Bulletin integration successfully completed and synergies ahead of expectations
- Investment in new businesses stepped up
- Interim dividend increased by 11% to 6p
- Capital Appreciation Plan continues to drive record performance
- Encouraging outlook for the full year

*Glossary

Adjusted operating profit = Operating profit before acquired intangible amortisation, share option expense, exceptional items and share of results in associates and joint ventures as set out in the income statement.

Adjusted profit before tax = Profit before tax from continuing operations before acquired intangible amortisation, exceptional items, net movements in acquisition option commitments, and imputed interest on acquisition option commitments as set out in the income statement and note 4.

Adjusted earnings a share = Diluted earnings a share before acquired intangible amortisation, exceptional items, net movements in acquisition option commitments, imputed interest on acquisition option commitments and deferred tax assets recognised as set out in note 7.

Highlights

Euromoney Institutional Investor PLC (Euromoney), the international publishing, events and electronic information group, achieved adjusted operating profit for the six months to March 31 2007 of £34.2 million, nearly double that achieved in the same period in 2006. Adjusted profit before tax increased by 78% to £24.8 million and adjusted diluted earnings a share increased by 70% to 19.2p. The board has approved an interim dividend of 6p, against 5.4p, to be paid to shareholders on June 25 2007.

These record interim results reflect the company's successful strategy to build a leading international business information group. The group operating margin improved and all divisions achieved strong organic growth, based on:

- advertising revenues increasing at the highest rate for some time;
- subscription revenues for both print and electronic products continuing to show double digit growth;
- the benefit of past investment in marketing and new products

In addition, Metal Bulletin plc, which was acquired on October 5 2006, has traded in line with expectations at the time of acquisition and has been successfully integrated into the group ahead of plan. Better than expected cost synergies have been generated from the elimination of duplicate functions; all non-core businesses have been sold; and the investment in new products and marketing is already beginning to generate rewards.

Trading Background

The positive trading background experienced in 2006 has extended into the first half of 2007 as global financial institutions continue to invest in new products, markets and headcount, driving increased demand for quality business information through a variety of media. Capital markets worldwide continue to see record activity levels, fuelled by a surplus of liquidity and low interest rates. Markets also remain strong across all geographies, particularly emerging markets such as the Middle East and Asia which are so important to the group's products.

Subscription revenues, which for this period include Metal Bulletin's BCA research business, nearly doubled to £50.3 million. The group's strategy of investing in premium subscription products, particularly those delivered electronically, has driven strong organic growth over the past two years and the investment in subscription marketing and new products has been stepped up. Subscription revenues accounted for more than a third of total revenues in the first half and are now the largest revenue stream in the group. More than £1 million was invested in new products during the period.

Advertising revenues increased by 20% to £28.3 million, the highest increase for some years. Titles such as *Euromoney* and the international edition of *Institutional Investor* have achieved increases in advertising in excess of 20%.

Sponsorship and delegate revenues increased by 28% to £58.9 million, driven by strong demand for the networking opportunities and training expertise the group's events and training courses offer.

Acquisition of Metal Bulletin plc

The acquisition of Metal Bulletin was completed at the start of the financial year and the focus of management in the first half has been the integration of Metal Bulletin's businesses within the Euromoney group. This integration is now largely complete. The emphasis going forward will be to invest in and grow the Metal Bulletin businesses to deliver the revenue synergies set out at the time of acquisition. Metal Bulletin contributed revenues from continuing operations of £27.2 million and adjusted operating profits from continuing operations of £9.1 million to the group in the period between the date of acquisition and March 31. The programme to dispose of those Metal Bulletin businesses identified for sale at the time of acquisition has been successfully completed. These businesses contributed operating profits of some £1 million in the first half.

Following the restructuring of Metal Bulletin the board has identified annualised cost synergies of £5 million, of which £3.5 million will be realised in the current financial year. For the six months to March 31, the synergies amounted to £1 million, and exceptional costs of £4.7 million were incurred, including £2.5 million for the elimination of duplicate functions and systems, and £2.2 million for onerous property leases.

In March, the Remuneration Committee approved an increase in the hurdle for the group's profit target under its long-term incentive scheme, the Capital Appreciation Plan, from £50 million to £57 million to reflect the effect of the Metal Bulletin acquisition.

Business Review

Revenues from Financial Publishing increased by 20% to £35.4 million reflecting strong growth in both advertising and subscription revenues. Operating margins improved from 15% to 21% producing a rise in adjusted operating profits of 71% to £7.5 million. Growth was achieved by both the general capital markets titles such as *Euromoney* and the international edition of *Institutional Investor*, as well as specialist financial titles such as *Alpha, Project Finance* and *Global Investor*. Within Metal Bulletin, the publishing activities of Managed Account Reports (MAR) were merged with the hedge fund publishing activities of Euromoney, while *Futures & Options World* has been integrated within the Euromoney specialist finance group and restructured with a view to restoring its profitability.

The group's print products are increasingly migrating to an electronic platform which provides excellent opportunities to enhance growth through the launch of new products, widening the reach of the subscriber base, and more targeted marketing efforts. The group's strategy of investing in subscription-based electronic information services led to the acquisition in October of Total Derivatives, a leading provider of real-time news and analysis on the global fixed income derivatives markets. Total Derivatives made a first half contribution of £0.6 million and provides an excellent platform for the launch of similar services in other niche financial verticals. In line with this strategy, Total Securitisation, an online news service dedicated to the global securitisation markets was launched in March and further products are planned.

The contribution from the Business Publishing division increased sharply following the acquisition of Metal Bulletin. Adjusted operating profits increased from £1.9 million to £4.8 million after revenues nearly doubled to £20 million. Among the other businesses in this division, the energy publishing companies Petroleum Economist and Gulf Publishing were the best performers, with the higher oil price driving increased investment in both downstream and upstream activities.

The Metals, Minerals and Mining (MMM) division of Metal Bulletin, which comprises the eponymous UK-based title and the US-based *American Metal Market,* is now the largest component of Business Publishing. The Euromoney and Metal Bulletin businesses in this sector have been brought together more closely with the objective of increasing the cross-marketing of products, and building a more substantial events business using Euromoney's expertise in this area. This strategy is unlikely to have a significant impact on revenues until 2008. In the meantime investments are being made in people, marketing and product development. The MMM publishing business contributed revenues of £8.5 million and adjusted operating profits of £2.3 million, in line with forecasts at the time of acquisition.

The strong growth achieved in the Conferences and Seminars division over the past few years continued with revenues up 20% to £45.9 million, and adjusted operating profits improved 31% to £13.5 million. The growth in this division continues to reflect the group's strategy of building existing events as well as launching new ones. Areas such as hedge funds, real estate finance, air finance and Islamic finance have provided opportunities for new events, particularly in emerging markets.

The Institutional Investor conference business, which has been a significant driver of growth with its attractive subscription-based membership model, increased the number of members by 11%. It launched a new legal institute earlier in the year and plans to launch another four institutes over the next 18 months. The hedge fund events previously run by Metal Bulletin's MAR business have been absorbed by Institutional Investor. The MMM events business has been restructured and Euromoney events expertise added, with a view to significantly expanding the number of events run in 2008. In the first half the MMM events business contributed revenues of £2.6 million and adjusted operating profits of £1 million to the Conferences and Seminars division.

The performance of the Training division extended the excellent results achieved in the second half of 2006. Revenues increased by 23% to £16.5 million and adjusted operating profits by 63% to £4.6 million. This business is very sensitive to the number of courses run and the average number of delegates per course. In the first half of 2006 the Training division invested heavily in revenue growth at the expense of the margin. This problem was quickly identified by management and rectified in the second half. As a result, profit growth in the second half of 2007 will be more challenging. However, the business continues to invest in new products and is experiencing an increase in delegate numbers across all its markets.

Total revenues for the Database and Information Services division, including BCA, the largest and fastest growing division of Metal Bulletin, increased from £9.3 million to £25.5 million, and adjusted operating profits increased nearly fourfold to £8.8 million. BCA is one of the world's leading independent providers of high quality global investment research for financial institutions, hedge funds and private wealth managers. In its first six months under Euromoney ownership, BCA's subscription revenues increased by 20% to $24.7 million, consistent with forecasts at the time of acquisition. The Euromoney strategy for BCA has been to accelerate the investment in new products, and help build its global sales resource using the Euromoney infrastructure. Since acquisition, new sales teams have been installed in Euromoney's New York and Hong Kong offices, while a new *Commodity and Energy Strategy* product is being launched this month and BCA is investing in a *Global Equities* product for launch in 2008.

The other key driver of growth in the Database and Information Services division is ISI, the emerging markets information provider, which experienced its best six month performance for a long time with record sales, subscription revenues up 17% to $14.3 million, and a customer retention rate over 90%. In addition, ISI's recently acquired subsidiary CEIC, which provides time-series economic data covering Asian markets, has been integrated within ISI and increased subscription revenues by 26%.

Financial Review

The acquisition of Metal Bulletin was completed on October 5 2006 for a cash consideration including costs of £240 million, plus assumed net debt of £15 million, funded by the issue of 13.8 million new shares for £65 million and borrowings of £175 million. In October 2006 the group also acquired a 67% interest in Total Derivatives for a cash consideration of £7.4 million. Further investments totalling £7.5 million were made in a number of the group's associates and subsidiaries during the period. The first half contribution to adjusted operating profits from these acquisitions and increases in equity interests was £11.2 million.

At the end of 2006 the group identified a number of businesses which no longer satisfied its strategic requirements. The programme to dispose of businesses identified for sale at the time of the acquisition of Metal Bulletin has already been completed: Atalink, the specialist and direct response marketing publisher was sold in March for £3.1 million, of which £1.3 million is expected to be received over the next 12 months; Energy Information Centre, the provider of integrated energy information data and services, was sold for £4.7 million in April; and the sale of Systematics to its management was completed in May. No profit or loss was made on the disposal of any of these businesses. In addition, in March the group sold Raven Fox, a leading duty-free and luxury goods publisher, for cash proceeds of £1.9 million giving rise to an exceptional gain on sale of £2 million. Further disposals of a number of small publishing titles were also completed in the period.

Net debt at March 31 was £239.6 million compared to £73.4 million at year end, reflecting the increased debt taken on to finance the acquisition of Metal Bulletin. The strong operating cash flows of Metal Bulletin helped increase group operating cash flows for the six months to £37.0 million and generated an adjusted operating profit to cash conversion rate of 127%. The net cost of funding the group's debt increased from £1.8 million to £7.2 million, with interest cover based on adjusted operating profit at March 31 a comfortable 4.7 times. Net finance costs of £3.6 million also include a charge of £0.9 million for the imputed interest on acquisition option commitments and a credit of £4.5 million for the net movement in the value of acquisition option commitments.

Outlook

The healthy economic and financial environment experienced in the first half looks set to continue into the second. Current trading is encouraging and forward bookings for advertising, sponsorship and delegates are all ahead of the same time last year. The investment in marketing and new products will leave the group well positioned for further growth. Meanwhile the success in integrating Metal Bulletin during the first half leaves the group well placed to concentrate on delivering the revenue synergies and growth identified at the time of acquisition.

The second half traditionally accounts for more than half of group profits, although Metal Bulletin, whose profits are weighted towards the first half, will help redress the balance. In addition, after an exceptionally strong second half in 2006, growth comparisons for the second half of 2007 will be more challenging, and the impact of the recent fall in the US currency through the two dollar threshold will also have a negative impact.

After a first half of strong organic growth and the successful integration of Metal Bulletin, the board of Euromoney remains confident in its clear long-term strategy to deliver consistent top-line growth from new and existing products; invest in increasing revenues from high quality subscription products, particularly electronic data and information services; continue to improve the operating margin; and to make selective acquisitions to strengthen the group's market positions. Overall, the enlarged group is well positioned for further growth.

Padraic Fallon
Chairman
May 16 2007

GROUP INCOME STATEMENT

For the six months ended March 31 2007

	Note	**Unaudited six months ended March 31 2007 £000's**	Unaudited six months ended March 31 2006 £000's	Audited year ended September 30 2006 £000's
Continuing operations	2	**144,658**	104,973	222,276
Less: share of revenue of joint ventures		**(441)**	(1,848)	(1,800)
Total revenue		**144,217**	103,125	220,476
Operating profit before acquired intangible amortisation, share option expense and exceptional items	2	**34,187**	17,559	43,812
Acquired intangible amortisation		**(6,882)**	–	(144)
Share option expense		**(2,611)**	(2,542)	(4,428)
Exceptional items	3	**(2,683)**	–	(716)
Operating profit before associates and joint ventures		**22,011**	15,017	38,524
Share of results in associates and joint ventures		**414**	733	1,208
Operating profit		**22,425**	15,750	39,732
Finance income	4	**6,691**	444	772
Finance costs	4	**(10,293)**	(2,711)	(5,270)
Net finance costs		**(3,602)**	(2,267)	(4,498)
Profit before tax		**18,823**	13,483	35,234
Tax on profit		**(4,030)**	(3,257)	(10,137)
Deferred tax asset recognition		**–**	–	13,649
Tax (charge)/credit on profit on ordinary activities	5	**(4,030)**	(3,257)	3,512
Profit after tax from continuing operations	2	**14,793**	10,226	38,746
Discontinued operations				
Profit for the period from discontinued operations	10	**419**	–	–
Profit for the period		**15,212**	10,226	38,746
Attributable to:				
Equity holders of the parent		**13,918**	9,620	37,430
Equity minority interests		**1,294**	606	1,316
		15,212	10,226	38,746
Basic earnings per share – continuing operations	7	**13.32**	10.83	42.11
Basic earnings per share – continuing and discontinued operations	7	**13.73**	10.83	42.11
Diluted earnings per share – continuing operations	7	**13.28**	10.81	41.90
Diluted earnings per share – continuing and discontinued operations	7	**13.69**	10.81	41.90
Adjusted diluted earnings per share	7	**19.18**	11.31	28.61
Dividend per share (including proposed dividends)	6	**6.0p**	5.4p	17.0p

GROUP BALANCE SHEET

As at March 31 2007

Non-current assets	Note	Unaudited as at March 31 2007 £000's	Unaudited as at March 31 2006 £000's	Audited as at September 30 2006 £000's
Intangible assets				
Goodwill		**260,184**	68,536	68,452
Other intangible assets		**144,405**	486	3,146
Property, plant and equipment		**17,333**	12,697	14,643
Investments		**84**	10,511	25,846
Deferred tax assets		**26,298**	11,030	22,917
		448,304	103,260	135,004
Current assets				
Trade and other receivables		**64,391**	48,734	73,512
Cash and cash equivalents		**27,562**	18,083	27,503
Derivative financial instruments		**5,720**	2,424	3,069
		97,673	69,241	104,084
Total assets of subsidiaries held for sale	10	**6,582**	–	–
Current liabilities				
Trade and other payables		**(44,958)**	(72,156)	(95,515)
Accruals		**(30,507)**	(18,100)	(29,478)
Deferred income		**(72,784)**	(46,678)	(45,324)
Bank overdrafts		**(7,073)**	(185)	(1,235)
		(155,322)	(137,119)	(171,552)
Net current liabilities		**(51,067)**	(67,878)	(67,468)
Total assets less current liabilities		**397,237**	35,382	67,536
Non-current liabilities				
Acquisition option commitments		**(34,396)**	(20,537)	(24,332)
Other non-current liabilities		**(625)**	–	(597)
Committed borrowings		**(247,340)**	(67,927)	(65,530)
Deferred tax liabilities		**(48,285)**	(1,802)	(3,074)
Derivative financial instruments		**(166)**	–	–
Provisions		**(2,628)**	(1,552)	(777)
Loan notes		**(12,711)**	–	–
Post retirement benefits		**(2,980)**	–	–
		(349,131)	(91,818)	(94,310)
Total liabilities of subsidiaries held for sale	10	**(1,557)**	–	–
Net assets/(liabilities)		**46,549**	(56,436)	(26,774)
Shareholders' equity				
Called up share capital		**258**	223	223
Share premium account		**103,398**	38,028	38,081
Capital redemption reserve		**8**	8	8
Own shares		**(74)**	(74)	(74)
Liability for share based payments		**8,518**	3,592	5,907
Fair value reserve		**7,585**	1,119	6,618
Translation reserve		**9,591**	(3,160)	(244)
Retained earnings		**(86,879)**	(96,715)	(78,642)
Equity shareholders' surplus/(deficit)		**42,405**	(56,979)	(28,123)
Equity minority interests		**4,144**	543	1,349
Total equity		**46,549**	(56,436)	(26,774)

GROUP CASH FLOW STATEMENT

For the six months ended March 31 2007

	Unaudited six months ended March 31 2007 £000's	Unaudited six months ended March 31 2006 £000's	Audited year ended September 30 2006 £000's
Cash flow from operating activities			
Operating profit	**22,425**	15,750	39,732
Share of results in associates and joint ventures	**(414)**	(733)	(1,208)
Operating profit from discontinued operations	**801**	–	–
(Profit)/loss on sale of business	**(1,972)**	–	1,483
Intangible amortisation	**6,882**	–	381
Goodwill impairment	**–**	–	519
Share option expense	**2,611**	2,542	4,428
Depreciation of property, plant and equipment	**1,479**	1,336	2,925
Movement in property rental provision	**1,851**	(170)	(348)
Gain on disposal of property, plant and equipment	**–**	–	(1,286)
Operating cash flows before movements in working capital	**33,663**	18,725	46,626
Increase in receivables	**(4,394)**	(133)	(9,822)
Increase in payables	**7,741**	6,387	22,753
Cash generated by operations	**37,010**	24,979	59,557
Income taxes paid	**(7,275)**	(3,629)	(6,884)
Net cash from operating activities	**29,735**	21,350	52,673
Investing activities			
Dividends paid to minorities	**(1,432)**	(1,724)	(1,724)
Dividends received from associates	**348**	354	756
Dividends received from assets held for resale	**111**	–	–
Interest received	**1,034**	442	662
Purchases of property, plant and equipment	**(1,591)**	(3,253)	(7,694)
Proceeds on disposal of property, plant and equipment	**2**	–	1,975
Purchase of available for sale investments	**–**	–	(19,740)
Purchase of additional interest in subsidiary undertakings	**(7,546)**	–	(14,507)
Acquisition of associate and joint ventures	**–**	(3,048)	(3,424)
Acquisition of subsidiary undertakings	**(152,587)**	(9,263)	–
Disposal of business	**1,865**	–	150
Net cash used in investing activities	**(159,796)**	(16,492)	(43,546)
Financing activities			
Dividends paid	**(11,933)**	(9,760)	(14,563)
Interest paid	**(5,450)**	(1,698)	(696)
Issue of new share capital	**400**	677	730
(Repayment)/increase in borrowings	**(78,136)**	2,727	3,336
Loan repaid to DMGT group company	**(34,109)**	(21,472)	(71,991)
Loan received from DMGT group company	**253,894**	17,393	76,399
Net cash used in financing activities	**124,666**	(12,133)	(6,785)
Net (decrease)/increase in cash and cash equivalents	**(5,395)**	(7,275)	2,342
Cash and cash equivalents at beginning of period	**26,268**	24,932	24,932
Effect of foreign exchange rate movements	**(384)**	241	(1,006)
Cash and cash equivalents at end of period	**20,489**	17,898	26,268

GROUP STATEMENT OF RECOGNISED INCOME AND EXPENSE

For the six months ended March 31 2007

	Unaudited six months ended March 31 2007 £000's	Unaudited six months ended March 31 2006 £000's	Audited year ended September 30 2006 £000's
Gains on sale of available-for-sale investments taken to equity	**–**	–	405
Gains on cash flow hedges	**2,530**	–	3,629
Net exchange differences on translation of foreign operations	**9,835**	(1,730)	1,056
Net exchange differences on foreign currency loans	**(607)**	1,718	3,183
Actuarial gains on defined benefit pension schemes	**882**	–	–
Tax on items taken directly to equity	**3,678**	(130)	(265)
Other movements	**–**	–	(23)
Net income recognised directly in equity	**16,318**	(142)	7,985
Transfers			
Transfer of gain on cash flow hedges from fair value reserves to the income statement	**(956)**	–	–
Profit for the period	**15,212**	10,226	38,746
Total recognised income and expense for the period	**30,574**	10,084	46,731
Attributable to:			
Equity holders of the parent	**29,280**	9,478	45,415
Equity minority interests	**1,294**	606	1,316
	30,574	10,084	46,731

1. Basis of preparation

This interim report was approved by the board of directors on May 16 2007.

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 2006 annual report. The comparative financial information is based on the interim results for the six months ended March 31 2006.

The figures for the year to September 30 2006 are an abridged statement from the group's accounts, 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.

Accounting policies

The condensed set of financial statements has been prepared using accounting policies consistent with International Financial Reporting Standards (IFRS). The group has not yet adopted IAS 34 'Interim Financial Reporting' but intends to do so from October 1 2007.

The same accounting policies, presentation and methods of computation are followed in the condensed set of financial statements as applied in the group's latest annual audited financial statements. In addition, for defined benefit schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in full in the period in which they occur. The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and as reduced by the fair value of scheme assets.

2. Segmental analysis

Primary reporting format

Segmental information is presented in respect of the group's business divisions and represent the group's management and internal reporting structure. The group is currently organised into five business divisions: Financial publishing; Business publishing; Training; Conferences and seminars; and Databases and information services. This is considered to be the primary reporting format. Financial publishing and Business publishing consist primarily of advertising and subscription revenue. The Training division consists primarily of delegate revenue. Conferences and seminars consists of both sponsorship income and delegate revenue. Databases and information services consists of subscription revenue. A breakdown of the group's revenue by type is set out below.

Secondary reporting format

The group divides the operation of its businesses across three main geographical areas: United Kingdom; North America; and Rest of World (which primarily includes Asia). These geographical areas are considered as the secondary reporting format.

Inter segment sales are charged at prevailing market rates.

	Unaudited six months ended March 31									
Revenue	**United Kingdom**		**North America**		**Rest of World**		**Elimination**		**Total**	
by division	**2007**	2006	**2007**	2006	**2007**	2006	**2007**	2006	**2007**	2006
and source:	**£000's**	£000's	**£000's**	£000's	**£000's**	£000's	**£000's**	£000's	**£000's**	£000's
Financial publishing	**18,571**	14,047	**16,670**	15,358	**694**	477	**(520)**	(419)	**35,415**	29,463
Business publishing	**13,655**	5,969	**5,961**	3,764	**586**	634	**(167)**	(149)	**20,035**	10,218
Training	**11,968**	9,198	**3,530**	3,365	**1,395**	1,188	**(348)**	(263)	**16,545**	13,488
Conferences and seminars	**18,121**	14,251	**23,045**	18,805	**6,691**	6,790	**(1,971)**	(1,710)	**45,886**	38,136
Databases and information services	**3,497**	2,595	**15,398**	2,387	**6,708**	4,353	**(73)**	(19)	**25,530**	9,316
Sold/closed businesses	**836**	2,135	**5**	248	**–**	146	**(35)**	(25)	**806**	2,504
Total revenue	**66,648**	48,195	**64,609**	43,927	**16,074**	13,588	**(3,114)**	(2,585)	**144,217**	103,125
Joint ventures	**–**	963	**–**	–	**441**	885	**–**	–	**441**	1,848
	66,648	49,158	**64,609**	43,927	**16,515**	14,473	**(3,114)**	(2,585)	**144,658**	104,973

The joint venture revenues of £441,000 (2006: £1,848,000) can be allocated as follows; Business publishing £nil (2006: £963,000); Databases and information services £nil (2006: £885,000); Conferences and seminars £353,000 (2006: £nil); Training £88,000 (2006: £nil).

Revenue of £27,190,000 from Metal Bulletin is included within the figures above as follows: Financial publishing £905,000; Business publishing £8,453,000; Conferences and seminars £4,585,000; Databases and information services £13,247,000.

2. Segmental analysis *continued*

	2007	2006
	£000's	£000's
Revenue by type:		
Subscriptions	**50,344**	26,622
Advertising	**28,290**	23,480
Sponsorship	**21,168**	17,788
Delegates	**37,685**	28,061
Other	**5,924**	4,670
Sold/closed businesses	**806**	2,504
Total revenue	**144,217**	103,125
Investment income (note 4)	**1,773**	444
Total revenue and investment income	**145,990**	103,569

Unaudited six months ended March 31

	United Kingdom		**North America**		**Rest of World**		**Elimination**		**Total**	
Revenue by destination:	**2007 £000's**	2006 £000's	**2007 £000's**	2006 £000's	**2007 £000's**	2006 £000's	**2007 £000's**	2006 £000's	**2007 £000's**	2006 £000's
Continuing businesses	**26,074**	18,568	**72,609**	48,146	**47,842**	36,467	**(3,114)**	(2,560)	**143,411**	100,621
Sold/closed businesses	**181**	590	**123**	601	**502**	1,338	**–**	(25)	**806**	2,504
Total revenue	**26,255**	19,158	**72,732**	48,747	**48,344**	37,805	**(3,114)**	(2,585)	**144,217**	103,125
Joint ventures	**–**	59	**–**	152	**441**	1,637	**–**	–	**441**	1,848
Total revenue (including share of joint ventures revenue)	**26,255**	19,217	**72,732**	48,899	**48,785**	39,442	**(3,114)**	(2,585)	**144,658**	104,973
Investment income	**1,540**	444	**191**	–	**42**	–	**–**	–	**1,773**	444
Total revenue (including share of joint ventures revenue) and investment income	**27,795**	19,661	**72,923**	48,899	**48,827**	39,442	**(3,114)**	(2,585)	**146,431**	105,417

2. Segmental analysis *continued*

	Unaudited six months ended March 31							
	United Kingdom		**North America**		**Rest of World**		**Total**	
	2007	2006	**2007**	2006	**2007**	2006	**2007**	2006
	£000's	£000's	**£000's**	£000's	**£000's**	£000's	**£000's**	£000's
Operating profit [1] by activity and source:								
Financial publishing	**5,045**	3,012	**2,476**	1,535	**(21)**	(169)	**7,500**	4,378
Business publishing	**3,873**	1,622	**1,077**	413	**(133)**	(98)	**4,817**	1,937
Training	**3,411**	1,974	**772**	557	**390**	281	**4,573**	2,812
Conferences and seminars	**5,813**	4,184	**6,585**	4,465	**1,066**	1,613	**13,464**	10,262
Databases and information services	**2,149**	2,021	**5,488**	183	**1,152**	130	**8,789**	2,334
Sold/closed businesses	**210**	(11)	**(1)**	–	**(1)**	37	**208**	26
Unallocated corporate costs	**(4,723)**	(3,814)	**(435)**	(376)	**(6)**	–	**(5,164)**	(4,190)
Operating profit before acquired intangible amortisation, share option expense and exceptional items	**15,778**	8,988	**15,962**	6,777	**2,447**	1,794	**34,187**	17,559
Acquired intangible amortisation [2]	**(2,484)**	–	**(4,217)**	–	**(181)**	–	**(6,882)**	–
Share option expense	**(1,321)**	(1,519)	**(1,146)**	(898)	**(144)**	(125)	**(2,611)**	(2,542)
Exceptional items (note 3)	**(953)**	–	**(1,730)**	–	**–**	–	**(2,683)**	–
Operating profit before associates and joint ventures	**11,020**	7,469	**8,869**	5,879	**2,122**	1,669	**22,011**	15,017
Share of results in associates and joint ventures							**414**	733
Net finance costs							**(3,602)**	(2,267)
Profit before tax							**18,823**	13,483
Tax							**(4,030)**	(3,257)
Profit after tax							**14,793**	10,226

The exceptional items of £2,683,000 (2006: £nil) can be allocated as follows: Sold/closed businesses £1,972,000 income; Unallocated corporate costs £4,655,000 (expense).

Share option expense of £2,611,000 (2006: £2,542,000) can be allocated as follows: Financial publishing £650,000 (2006: £688,000); Business publishing £265,000 (2006: £266,000); Training £327,000 (2006: £331,000); Conferences and seminars £570,000 (2006: £719,000); Databases and information services £234,000 (2006: £173,000); Sold/closed businesses £132,000 (2006: £nil); Unallocated corporate costs £433,000 (2006: £365,000).

Acquired intangible amortisation of £6,882,000 (2006: £nil) can be allocated as follows: Financial publishing £682,000; Business publishing £1,968,000; Conferences & seminars £37,000; Databases and information systems £4,195,000.

Operating profit of £9,116,000 from Metal Bulletin is included within the figures above. This has been allocated as follows: Financial publishing £54,000; Business publishing £2,349,000; Conferences and seminars £1,858,000; Databases and information services £5,701,000; Unallocated corporate costs £846,000 (expense).

[1] Operating profit before acquired intangible amortisation, share option expense and exceptional items.

[2] Acquired intangible amortisation represents amortisation of acquisition related non-goodwill assets such as trade marks, subscriber relationships, advertiser relationships, and databases.

3. Exceptional items

Exceptional items are items of income or expense considered by the directors, either individually or if of a similar type in aggregate, as being either material or significant and which require disclosure in order to provide a view of the group's results excluding these items.

	Unaudited six months ended March 31 2007 £000's	Unaudited six months ended March 31 2006 £000's	Audited year ended September 30 2006 £000's
Profit on sale of property	**–**	–	1,286
Profit/(loss) on disposal of business	**1,972**	–	(1,483)
Goodwill impairment	**–**	–	(519)
Reorganisation and restructuring costs	**(4,655)**	–	–
	(2,683)	–	(716)

In March 2007 the group sold Raven Fox, a leading duty-free and luxury goods publishing and events business (note 11).

Subsequent to the acquisition of Metal Bulletin in October 2006 (note 9) the group has begun the restructuring and reorganisation of the acquired group's operations and incurred associated costs of £4.7 million. This primarily includes restructuring costs and provisions for onerous property leases. This results in a tax credit for the group of £1.1 million.

4. Finance income and expense

	Unaudited six months ended March 31 2007 £000's	Unaudited six months ended March 31 2006 £000's	Audited year ended September 30 2006 £000's
Finance income			
Interest receivable from short-term investments	**1,773**	444	623
Dividends receivable from assets held for sale	**–**	–	110
Ineffectiveness of interest rate swaps	**–**	–	39
Net movements in acquisition option commitment values	**4,455**	–	–
Expected return on pension scheme assets	**463**	–	–
	6,691	444	772
Finance costs			
Committed borrowings	**(8,414)**	(2,036)	(4,020)
Imputed interest on acquisition option commitments	**(886)**	(448)	(916)
Notional interest on deferred consideration	**(96)**	(227)	(334)
Ineffectiveness of interest rate swaps	**(76)**	–	–
Interest payable on loan stock	**(267)**	–	–
Interest on pension scheme liabilities	**(554)**	–	–
	(10,293)	(2,711)	(5,270)
Net finance costs	**(3,602)**	(2,267)	(4,498)

5. Tax on profit on ordinary activities

	Unaudited six months ended March 31 2007 £000's	Unaudited six months ended March 31 2006 £000's	Audited year ended September 30 2006 £000's
Current tax charge			
UK corporation tax	**3,297**	2,715	6,119
Foreign tax	**2,734**	673	1,533
Adjustments in respect of prior years	**18**	–	107
	6,049	3,388	7,759
Deferred tax (credit)/charge			
Current year	**(1,983)**	(131)	(11,361)
Adjustments in respect of prior years	**(36)**	–	90
Total tax charge/(credit) in income statement	**4,030**	3,257	(3,512)

The effective tax rate for the interim period is 21%. The underlying tax rate, after adjusting profit before tax for exceptional items (note 3) and the net movements in acquisition option commitments (note 4), and their tax effect, is 29%. This is lower than the full year estimated underlying tax rate of 32% due to a different regional mix of profits over the full year.

6. Dividends

	Unaudited six months ended March 31 2007 £000's	Unaudited six months ended March 31 2006 £000's	Audited year ended September 30 2006 £000's
Amounts recognisable as distributable to equity holders in period			
Final dividend for the year ended September 30 2006 of 11.6p (2005: 11.0p)	**11,943**	9,767	9,767
Interim dividend for year ended September 30 2006 of 5.4p	**–**	–	4,806
	11,943	9,767	14,573
Employees' Share Ownership Trust dividend	**(10)**	(7)	(10)
	11,933	9,760	14,563
Interim dividend for the period ended March 31 2007 of 6.0p (2006: 5.4p)	**6,177**	4,806	
Employees' Share Ownership Trust dividend	**(4)**	(3)	
	6,174	4,803	

The final dividend was approved by shareholders at the Annual General Meeting held on February 1 2007 and paid on February 6 2007.

The interim dividend of 6.0p (2006: 5.4p) is anticipated to be paid on June 25 2007 to shareholders on the register on May 25 2007. It is expected that the shares will be marked ex-dividend on May 23 2007. Holders of International Depositary Receipts can receive their dividend on June 25 2007 by presentation of coupon number 40 to Dexia Banque Internationale à Luxembourg or to one of their agents. The interim dividend has not been included as a liability in these financial statements in accordance with IAS 10 'Events After the Balance Sheet Date'.

7. Earnings per share

	Unaudited six months ended March 31 2007 £000's	Unaudited six months ended March 31 2006 £000's	Audited year ended September 30 2006 £000's
Earnings attributable to equity holders of the parent	**13,918**	9,620	37,430
Less earnings from discontinued operations	**(419)**	–	–
Basic earnings – continuing operations	**13,499**	9,620	37,430
Intangible amortisation	**6,882**	–	144
Exceptional items	**2,683**	–	716
Deferred tax assets recognition	**–**	–	(13,649)
Imputed interest on acquisition option commitments	**886**	448	916
Net movements in acquisition option commitments	**(4,455)**	–	–
Adjusted earnings	**19,495**	10,068	25,557
Basic earnings – continuing and discontinued operations	**13,918**	9,620	37,430

	Number 000's	Number 000's	Number 000's
Weighted average number of shares	**101,424**	88,862	88,943
Shares held by the Employees' Share Ownership Trust	**(59)**	(59)	(59)
	101,365	88,803	88,884
Effect of dilutive share options	**303**	197	456
Diluted weighted average number of shares	**101,668**	89,000	89,340

	Pence per share	Pence per share	Pence per share
Basic earnings per share – continuing operations	**13.32**	10.83	42.11
Effect of dilutive share options	**(0.04)**	(0.02)	(0.21)
Diluted earnings per share – continuing operations	**13.28**	10.81	41.90
Effect of intangible amortisation	**6.77**	–	0.16
Effect of exceptional items	**2.64**	–	0.80
Effect of deferred tax assets recognition	**–**	–	(15.28)
Effect of imputed interest on acquisition option commitments	**0.87**	0.50	1.03
Effect of net movements in acquisition option commitments	**(4.38)**	–	–
Adjusted diluted earnings per share	**19.18**	11.31	28.61
Basic earnings per share – continuing and discontinued operations	**13.73**	10.83	42.11
Effect of dilutive share options	**(0.04)**	(0.02)	(0.21)
Diluted earnings per share – continuing and discontinued operations	**13.69**	10.81	41.90

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.

8. Net debt

	Unaudited six months ended March 31 2007 £000's	Unaudited six months ended March 31 2006 £000's	Audited year ended September 30 2006 £000's
Net debt at beginning of period	**(73,438)**	(66,430)	(66,430)
(Decrease)/increase in cash and cash equivalents	**(5,395)**	(7,275)	2,342
Increase/(decrease) in loans	**112,245**	8,346	(15,716)
(Increase)/decrease in amounts owed to DMGT group company	**(253,894)**	(6,994)	7,972
Debt acquired on acquisition of Metal Bulletin	**(12,606)**	–	–
Other non cash changes	**(12,711)**	(1,729)	(4,973)
Effect of foreign exchange rate movements	**6,237**	(1,430)	3,367
Net debt at end of period	**(239,562)**	(75,512)	(73,438)

Net debt comprises cash at bank and in hand, bank overdrafts, committed borrowings and loan notes. Debt acquired on acquisition of Metal Bulletin excludes cash at bank and bank overdrafts acquired which are presented in the cash flow statement as part of the acquisition of subsidiary undertakings.

Cash and cash equivalents in the cash flow statement includes banks overdrafts.

The group has a dedicated £300 million three year multi-currency facility with a subsidiary of DMGT. Interest is payable on this facility at a variable rate of between 0.4% and 1.6% above LIBOR. At September 30 2006, the group had not drawn down on this facility but remained a borrower under its existing five year committed facility. During October 2006 the group, funded by the new multi-currency facility, repaid all monies owing on its then existing committed facility and drew down further amounts to fund the purchase of Metal Bulletin plc and to settle related acquired debt.

9. Acquisitions

Metal Bulletin

On October 5 2006, the group acquired 100% of the issued share capital of Metal Bulletin plc for cash consideration of £239.6 million. Metal Bulletin plc is the parent company of a group of companies operating as a leading global information provider of "must have" market sensitive data in niche, business-to-business markets. Its revenues are derived from a range of publications, electronic products and services, conferences and research. This transaction has been accounted for using the purchase method of accounting.

The directors have adjusted the consolidated balance sheet of Metal Bulletin plc at October 5 2006 for the following adjustments that they believe more accurately represent the fair value of the assets at acquisition. At March 31 2007 these adjustments are provisional and will be finalised during the second half of the year.

9. Acquisitions *continued*

	Book value £000's	Accounting policy alignment £000's	Fair value adjustments £000's	Provisional fair value £000's
Net assets acquired:				
Goodwill	38,618	(38,618)	–	**–**
Intangible assets	5,456	–	133,043	**138,499**
Software	1,092	–	–	**1,092**
Other non-current assets	3,226	180	5,189	**8,595**
Current assets	10,704	(47)	(277)	**10,380**
Trade creditors and other payables	(29,930)	(398)	(4,080)	**(34,408)**
Other current liabilities	(6,033)	–	(81)	**(6,114)**
Non-current liabilities	(15,364)	(1,593)	(43,502)	**(60,459)**
	7,769	(40,476)	90,292	**57,585**
Goodwill				**182,006**
Total consideration				**239,591**
Consideration satisfied by:				
Cash				**156,410**
Shares				**65,016**
Loan notes				**12,711**
Directly attributable costs				**5,454**
				239,591

Intangible assets represent trade marks, subscriber relationships, advertiser relationships, and databases for which amortisation of £6.2 million has been charged in the period. Goodwill is attributable to the deemed value of the workforce and anticipated future operating synergies. Non-current liabilities includes primarily a deferred tax liability arising on the intangible assets.

Metal Bulletin plc contributed £27.2 million to the group's revenue, £9.1 million to the group's operating profit and £2.5 million to the group's profit before tax for the period between the date of acquisition and March 31 2007.

Total Derivatives

In October 2006, the group signed an agreement to acquire 67% of Total Derivatives, a leading provider of real-time news and analysis about the global fixed income derivatives markets. The price was £7.4 million including acquisition costs and a working capital adjustment resulting in provisional goodwill and intangible assets of £4.5 million and £6.9 million respectively. In addition, the management team will stay with the business and have options to sell their remaining shares to Euromoney at prices linked to profits for the financial years 2007, 2008 and 2009. The transaction is subject to a maximum consideration of 24.9% of Euromoney's market capitalisation at the date of completion.

Payments of deferred consideration

In March 2007, in accordance with the purchase agreement, the group paid the final instalment of $12.3 million (£6.2 million) for Information Management Network, the 80% owned financial conference organiser purchased in February 2004.

Increase in equity holdings

In January 2007, the group exercised its option to purchase the second tranche of Asia Business Forum increasing its equity holding from 47.5% to 90%. The payment is dependant on audited results to December 31 2006 and is anticipated to be £3.1 million, payable after the period end and resulting in a provisional additional goodwill of £3.8 million bringing total goodwill to £4.6 million.

In February 2007, the group purchased a further 1.2% of the equity share capital of Internet Securities, Inc for a cash consideration of $2.6 million (£1.3 million) resulting in additional goodwill of £1.0 million bringing total goodwill to £4.2 million.

In February 2007, the group purchased a further 15% of the equity share capital of Telcap Limited for a cash consideration of £1.7 million payable in April 2007 and resulting in additional goodwill of £1.6 million bringing total goodwill to £3.3 million.

10. Discontinued operations

Part of the Metal Bulletin reorganisation and integration plan involved the disposal of three of the non-core Metal Bulletin businesses. In accordance with IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations' these are classified as discontinued operations. For the two businesses disposed of after the period end their assets and liabilities are separately identified on the balance sheet. Revenue and profit after tax arising from the three operations to March 31 2007 is £4,911,000 and £419,000 respectively. These discontinued operations relate to the Business publishing and Database and information services segments.

11. Disposals

The first of the non-core Metal Bulletin operations above, Atalink Limited, a specialist and direct response publication company, was sold on March 30 2007 for £1.8 million. A further payment, anticipated to be £0.8 million, will be received for the net current assets of the company on agreement of the completion accounts. An additional final payment of £0.5 million is payable on March 30 2008. No profit or loss was made on disposal.

The remaining entities have been sold subsequent to the period end and have been classified as subsidiaries held for sale and presented separately in the balance sheet.

On March 12 2007, the group disposed of Raven Fox, a leading duty-free and luxury goods publishing and events business for cash consideration of £1.9 million. Raven Fox's liabilities on disposal were £0.2m resulting in a profit on sale, after related sale costs, of £2.0 million. This results in a tax charge of £0.6 million. The results of Raven Fox are included in the consolidated accounts up to the date of their disposal as part of closed businesses.

Post balance sheet date disposal

On April 12 2007 the group sold Energy Information Centre Limited, a leading company in the provision of wholesale and retail market intelligence, outsourced procurement and energy risk management strategy. The group received £4.7 million on completion with a further payment, anticipated to be £0.3 million, to be received for the net current assets of the company on agreement of the completion accounts.

On May 15 2007 the group sold certain assets of Systematics International Limited, a database business principally in the farm machinery and construction sector, for a nominal sum.

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 2007 which comprise the group income statement, the group balance sheet, the group cash flow statement, the group statement of recognised income and expense and related notes 1 to 11. 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 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 are 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 International Standards on Auditing (UK and Ireland) 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 2007.

Deloitte & Touche LLP
Chartered Accountants
London
May 16 2007

DIRECTORS & ADVISORS

Chairman PM Fallon ‡

Managing Director PR Ensor ‡

Finance Director CR Jones

Executive Directors
NF Osborn
DC Cohen
CR Brown
SM Brady
RT Lamont
D Alfano
G Mueller
MJ Carroll
CHC Fordham
JLE Wilkinson

Non-executive Directors
The Viscount Rothermere †
Sir Patrick Sergeant ‡§
CJF Sinclair †‡
JP Williams §
JC Botts †‡§
JC Gonzalez §

† 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

Joint brokers UBS, 1 Finsbury Avenue, London EC2M 2PP and Dresdner Kleinwort, 30 Gresham Street, London EC2V 7PG

Depositary 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, Northern House, Woodsome Park, Fenay Bridge, West Yorkshire, HD8 0LA

INTERNET SITES

Euromoney Institutional Investor Internet Sites (all www.)

abf-asia.com
abf.com.sg
absolutereturn.net
adhes.com
airfinancejournal.com
airtrafficmanagement.net
amm.com
asialaw.com
asiamoney.com
bcaresearch.com
ceicdata.com
chinalawandpractice.com
coaltrans.com
dcgtraining.com
dealogic.com
emergingmarkets.org
euromoney.com
euromoneybooks.com
euromoneyconferences.com
euromoneyleasetraining.com
euromoneyplc.com
euromoneyseminars.com
euromoneytraining.com
euromoney-yearbooks.com
euroweek.com
expertguides.com
financialdirectories.com
fow.com
fowevents.com
fowtradedata.com
globalinvestormagazine.com
globaltelecomsbusiness.com
gulfpub.com
hedgefundintelligence.com
hydrocarbonprocessing.com
iflr.com
iflr1000.com
iiconferences.com
iievents.com
iijournals.com
iimemberships.com
iinews.com
iiresearchgroup.com
iisearches.com
imn.org
indmin.com
institutionalinvestor.com
internationaltaxreview.com
isfmagazine.com
latinfinance.com
legalmediagroup.com
managingip.com
medadnews.com
metalbulletin.com
misti.com
mistieurope.com
petroleum-economist.com
pharmalive.com
projectfinancemagazine.com
reactionsnet.com
securities.com
sfinews.net
telcap.co.uk
totalderivatives.com
totalsecuritization.com
tradefinancemagazine.com
worldoil.com

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:
hotline@euromoneyplc.com

SHAREHOLDER NOTES

SHAREHOLDER NOTES

Printed by Folium www.folium.co.uk

Euromoney Institutional Investor PLC
Nestor House, Playhouse Yard,
London EC4V 5EX