Annual Report & Accounts 2012

Euromoney Institutional Investor PLC

Euromoney Institutional Investor PLC
is listed on the London Stock Exchange and a member of the FTSE 250 share index. It is a leading international business-to-business media group focused primarily on the international finance, metals and commodities sectors.

The group publishes more than 70 titles in both print and online format, including *Euromoney, Institutional Investor* and *Metal Bulletin*, and is a leading provider of electronic research and data under the BCA Research, Ned Davis Research and ISI Emerging Markets brands. It also runs an extensive portfolio of conferences, seminars and training courses for financial markets.

The group's main offices are in London, New York, Montreal and Hong Kong and more than a third of its revenues are derived from emerging markets.

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Highlights

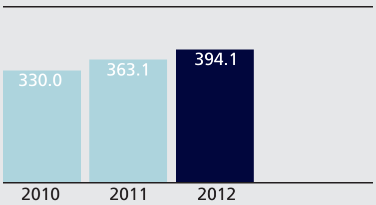
"The record results for the year reflect the challenging market conditions as well as the successful implementation of our strategy. Investment in online information businesses and emerging markets has created a global portfolio with a resilient business model. Subscription revenues now account for more than 50% of group revenues, and more than a third of our revenues is derived from emerging markets.

In 2013, we will continue to invest in our products to ensure that we are well placed to benefit from any improvement in the global economy."

Richard Ensor
Chairman

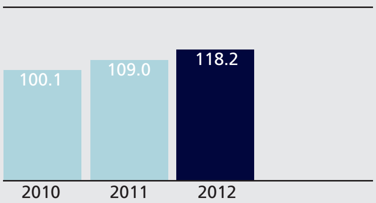
Revenue

£394.1m



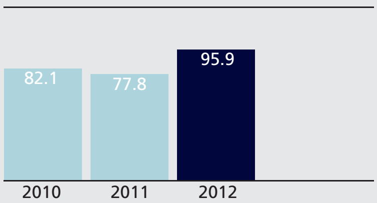
Adjusted Operating Profit*

£118.2m



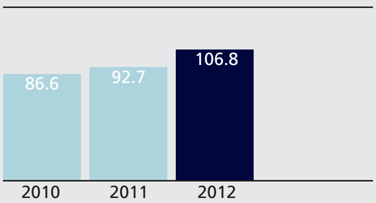
Operating Profit

£95.9m



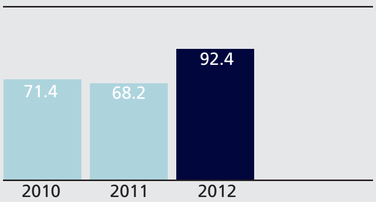
Adjusted Profit before Tax*

£106.8m



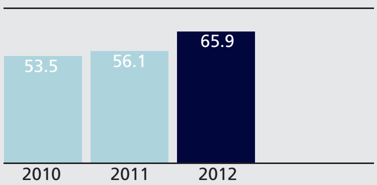
Profit before Tax

£92.4m



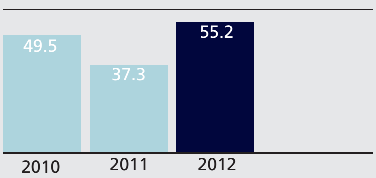
Adjusted Diluted Earnings Per Share*

65.9p



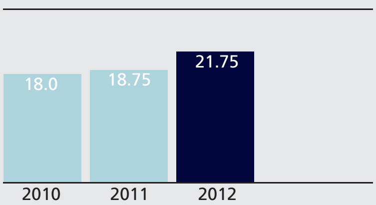
Diluted Earnings Per Share

55.2p



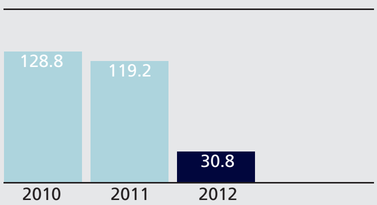
Dividend

21.75p



Net Debt

£30.8m

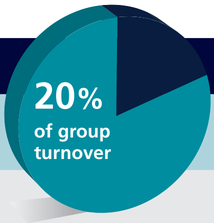


* See reconciliation of Consolidated Income Statement to adjusted results on page 7.

Our Divisions
Activities

FINANCIAL PUBLISHING

£77.1m Revenue

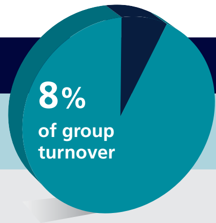


Financial publishing includes an extensive portfolio of titles covering the international capital markets as well as a number of specialist financial titles. Products include magazines, newsletters, journals, surveys and research, directories, and books.

A selection of the company's leading financial brands includes: *Euromoney, Institutional Investor, EuroWeek, Latin Finance, Asiamoney, Global Investor, Project Finance, Air Finance* and the hedge fund title *EuroHedge*.

TRAINING

£31.2m Revenue

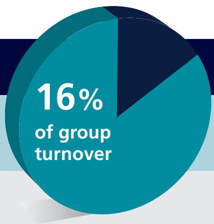


The training division runs a comprehensive range of banking, finance and legal courses, both public and in-house, under the Euromoney and DC Gardner brands.

Courses are run all over the world for both financial institutions and corporates. In addition the company's Boston-based subsidiary, MIS, runs a wide range of courses for the audit and information security market.

BUSINESS PUBLISHING

£64.6m Revenue



The business publishing division produces print and online information for the metals and mining, legal, telecoms and energy sectors.

Its leading brands include: *Metal Bulletin, American Metal Market; International Financial Law Review, International Tax Review* and *Managing Intellectual Property; Capacity; Petroleum Economist, World Oil* and *Hydrocarbon Processing*.

Principal Brands

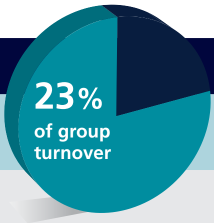
EUROMONEY

SINCE 1882 AMM American Metal Market

ISI EMERGING MARKETS A Euromoney Institutional Investor Company

CONFERENCES and SEMINARS

£92.3m Revenue



The group runs a large number of sponsored conferences and seminars for the international financial markets, mostly under the Euromoney, Institutional Investor, Metal Bulletin and IMN brands.

Many of these conferences are the leading annual events in their sector and provide sponsors with a high quality programme and speakers, and outstanding networking opportunities. Such events include: Euromoney's *Covered Bond Congress;* the *Global Borrowers and Investors Forum;* the *Annual Global Hedge Fund Summit;* the *European Airfinance Conference;* and *Global ABS* and *ABS East* for the asset-backed securities market. In the commodities sector, events include *Metal Bulletin's International Ferro Alloys* conference and the world's leading annual coal conferences, *Coaltrans* and *Coaltrans Asia*; TelCap runs *International Telecoms Week*, the worldwide meeting place for telecom carriers and service providers; and MIS runs a leading event for the information security sector in the US, *InfoSec World*.

RESEARCH and DATA

£130.3m Revenue

The group provides a number of subscription-based research and data services for financial markets.

Montreal-based BCA Research is one of the world's leading independent providers of global macro economic research. In 2011, the group expanded its independent research activities with the acquisition of US-based Ned Davis Research, a leading provider of independent financial research to institutional and retail investors. The company's US subsidiary, Internet Securities, Inc. provides the world's most comprehensive service for news and data on global emerging markets under the Emerging Markets Information Service (EMIS) brand, and includes CEIC, one of the leading providers of time-series macro-economic data for emerging markets. The group also offers global capital market databases through a venture with its partner, Dealogic (Holdings) plc.

Institutional Investor
MetalBulletin
ASIAMONEY
EUROWEEK THE NEWSPAPER OF THE GLOBAL CAPITAL MARKETS
BCA RESEARCH
Ned Davis Research Group
Coaltrans Conferences
LATINFINANCE
INFORMATION MANAGEMENT NETWORK IMN

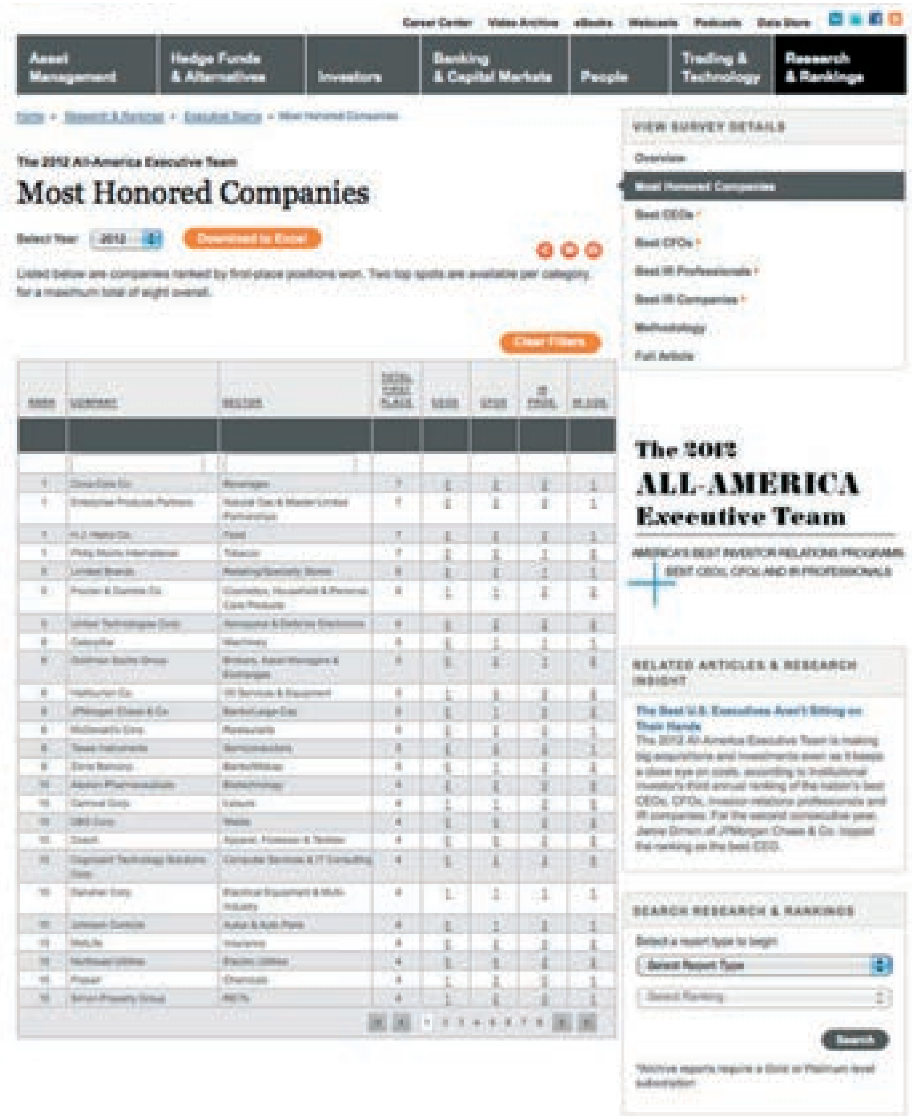
Chairman's Statement

Richard Ensor

Highlights

Euromoney Institutional Investor PLC, the international online information and events group, achieved a record adjusted profit before tax of £106.8 million for the year to September 30 2012, against £92.7 million in 2011. Adjusted diluted earnings a share were 65.9p (2011: 56.1p). The directors recommend an 18% increase in the final dividend to 14.75p, giving a total for the year of 21.75p (2011: 18.75p), to be paid to shareholders on February 14 2013.

Total revenues for the year increased by 9% to £394.1 million. Underlying revenues, excluding acquisitions, increased by 3%. The acquisition of Ned Davis Research (NDR) in August 2011 has helped increase the proportion of revenues generated from subscriptions to more than 50% for the first time. Headline subscription revenues increased by 17% to £199.7 million and underlying subscriptions, excluding NDR, by 5%.



The adjusted operating margin was unchanged at 30%. Costs, particularly headcount, have remained tightly controlled throughout the year. At the same time, the group has increased its investment in technology and new products as part of its online growth strategy.

Net debt at September 30 was £30.8 million compared with £88.5 million at March 31 and £119.2 million at September 30 2011. In the absence of any significant acquisitions, net debt has fallen by £88.4 million since the start of the year, reflecting the group's strong cash flows and an operating cash conversion rate* in excess of 100%. The group's net debt is now at its lowest level for more than a decade and its robust balance sheet provides plenty of headroom for the group to pursue its acquisition strategy.

As highlighted in previous trading updates, market conditions became noticeably tougher from June. The uncertainty over Europe remains, as does a solution to the pending US fiscal cliff. Meanwhile global financial institutions face the combined challenges of difficult markets, increased capital requirements and a tougher regulatory environment. Inevitably they have responded by cutting costs, particularly people, and exiting some parts of their business. However, the outlook for emerging markets, which account for more than a third of the group's revenues, is more positive. The board expects this challenging trading background to continue at least into the early part of 2013.

Strategy

The group's strategy remains the building of a robust and tightly focused global online information business with an emphasis on emerging markets. This strategy is being executed through increasing the proportion of revenues derived from electronic subscription products; using technology efficiently to assist the online migration of the group's print products as well as developing new electronic information services; investing in products of the highest quality; eliminating products with a low margin or too high a dependence on print advertising; maintaining tight cost control at all times; retaining and fostering an entrepreneurial culture; and using a healthy balance sheet and strong cash flows to fund selective acquisitions.

Driving revenue growth from existing as well as new products is a key part of the group's strategy. Since 2010, the group has been investing heavily in technology and content delivery platforms, particularly for the mobile user, and in new digital products as part of its transition to an online information business. In 2012, as in 2011, the group spent approximately £10 million on this transition. This level of expenditure is expected to continue in 2013. In addition, the group has recently started work on a project to build a new platform for authoring, storing and presenting its content, with a view to both improving the quality of its existing subscription products and increasing the speed to market of new online information services. This project is expected to have a capital cost of approximately £6 million in 2013.

Acquisitions remain a key part of the group's strategy. The most recent was the purchase of Global Grain for £5.7 million in February. Global Grain's main asset, *Global Grain Geneva*, is the world's leading event for international grain traders. The event is held in November each year and is on track to exceed last year's attendance by at least 10%, while an event for the Asia-Pacific region was launched successfully in March and two further new events are planned for 2013.

While the market for acquisitions of specialist online information businesses remains competitive and valuations challenging, the group will continue to use its robust balance sheet and strong cash flows to pursue further transactions in 2013.

Chairman's Statement
continued

Capital Appreciation Plan (CAP)
The CAP is the group's long-term incentive scheme designed to retain and reward those who drive profit growth and is an integral part of the group's successful growth and investment strategy.

The terms of CAP 2010 broadly required an adjusted profit before tax (and before CAP expense) of £100 million to be achieved, from a base profit of £62.3 million in 2009, within the four year period ending in September 2013. The strong financial performance of the group meant the initial CAP profit target was achieved in 2011, two years earlier than expected. The CAP profit target for 2012 was increased to £105 million following the acquisition of NDR, and this target has also been achieved.

Although the CAP profit target was first achieved in 2011, the rules of the plan prevent CAP options from vesting more than one year early. Individual CAP awards were therefore based on the profits for 2012, creating a strong incentive for profit growth this year. Accordingly, the first 50% of CAP awards will vest in February 2013 and be satisfied by the issue of approximately 3.5 million new ordinary shares and £15 million in cash. The second 50% of CAP awards is subject to an additional performance test for 2013 and will vest in February 2014 provided the additional performance test is satisfied, thereby providing further incentive for profit growth in 2013.

The board believes the CAP has been an important driver of the fivefold increase in the group's profits since it was introduced in 2004. Subject to shareholder approval, the board expects to put a new long-term incentive plan in place from 2014.

Management
On October 15 2012, the company announced the sad news of the death of its chairman, Padraic Fallon, after a long battle with cancer. He had worked for the company for nearly 40 years and been executive chairman since 1992.

Mr Fallon had already announced his intention to retire at the AGM in January 2013, and a succession plan was announced in August after consultation with shareholders. Under this plan, I would assume the role of executive chairman and Christopher Fordham, an executive director since 2003 and the director responsible for the group's acquisition strategy, would take over my responsibilities as managing director. This succession plan has now been implemented. Further changes to the board are anticipated over the next few months, including the appointment of at least one new independent non-executive director.

Outlook
The uncertainty over Europe remains, as does a solution to the pending US fiscal cliff. Meanwhile global financial institutions face the combined challenges of difficult markets, increased capital requirements and a tougher regulatory environment. Inevitably they have responded by cutting costs, particularly people, and exiting some parts of their business. The board expects this challenging trading background to continue at least into the early part of 2013.

Subscriptions account for half the group's revenues and therefore provide some protection against weak markets in 2013, as does the group's reliance on emerging markets for more than a third of its revenues. However, the negative trends in advertising and delegate revenues in the last quarter are expected to continue into the first quarter of financial year 2013, although the outlook for event sponsorship is more positive. First quarter trading has started in line with the board's expectations but as usual at this time, forward revenue visibility beyond the first quarter is limited, other than for subscriptions.

For 2013, the group plans to continue its programme of investing in the digital transformation of its publishing businesses and in improving the quality of its products. The board is confident its strategy for investing in new products and digital publishing and using its strong balance sheet to fund acquisitions, its exposure to emerging markets, and its tight control of operating costs will continue to sustain it through these difficult market conditions. As the world economy begins an albeit slow recovery, financial and other markets will also gradually improve, enhancing our prospects.

Richard Ensor
Chairman
November 14 2012

* The operating cash conversion rate is the percentage by which cash generated from operations covers adjusted operating profit.

Appendix to Chairman's Statement

Reconciliation of Consolidated Income Statement to adjusted results for the year ended September 30 2012

The reconciliation below sets out the adjusted results of the group and the related adjustments to the statutory Income Statement that the directors consider necessary in order to provide an indication of the adjusted trading performance.

	Notes	**Adjusted £000**	**Adjustments £000**	**2012 Total £000**	Adjusted £000	Adjustments £000	2011 Total £000
Total revenue	3	**394,144**	**–**	**394,144**	363,142	–	363,142
Operating profit before acquired intangible amortisation, long-term incentive expense and exceptional items	3	**118,175**	**–**	**118,175**	108,967	–	108,967
Acquired intangible amortisation	12	**–**	**(14,782)**	**(14,782)**	–	(12,221)	(12,221)
Long-term incentive expense		**(6,301)**	**–**	**(6,301)**	(9,491)	–	(9,491)
Additional accelerated long-term incentive expense	6	**–**	**–**	**–**	–	(6,603)	(6,603)
Exceptional items	5	**–**	**(1,617)**	**(1,617)**	–	(3,295)	(3,295)
Operating profit before associates		**111,874**	**(16,399)**	**95,475**	99,476	(22,119)	77,357
Share of results in associates		**459**	**–**	**459**	408	–	408
Operating profit		**112,333**	**(16,399)**	**95,934**	99,884	(22,119)	77,765
Finance income	8	**1,500**	**2,975**	**4,475**	1,761	–	1,761
Finance expense	8	**(7,064)**	**(977)**	**(8,041)**	(8,961)	(2,368)	(11,329)
Net finance costs		**(5,564)**	**1,998**	**(3,566)**	(7,200)	(2,368)	(9,568)
Profit before tax		**106,769**	**(14,401)**	**92,368**	92,684	(24,487)	68,197
Tax expense on profit	9	**(23,359)**	**831**	**(22,528)**	(24,164)	1,637	(22,527)
Profit after tax		**83,410**	**(13,570)**	**69,840**	68,520	(22,850)	45,670
Attributable to:							
Equity holders of the parent		**83,242**	**(13,570)**	**69,672**	68,441	(22,850)	45,591
Equity non-controlling interests		**168**	**–**	**168**	79	–	79
		83,410	**(13,570)**	**69,840**	68,520	(22,850)	45,670
Diluted earnings per share – continuing operations	11	**65.91p**	**(10.74)p**	**55.17p**	56.05p	(18.71)p	37.34p

Adjusted figures are presented before the impact of amortisation of acquired intangible assets (comprising trademarks and brands, databases and customer relationships), the additional accelerated long-term incentive expense, restructuring and other exceptional operating costs, movements in acquisition deferred consideration, and net movements in acquisition option commitment values. In respect of earnings, adjusted amounts reflect a tax rate that includes the current tax effect of the goodwill and intangible assets.

Further analysis of the adjusting items is presented in notes 5, 6, 8, 9, 11 and 12 to the Annual Report.

Directors' Report

The directors submit their annual report and group accounts for the year ended September 30 2012.

Certain statements made in this document are forward-looking statements. Such statements are based on current expectations and are subject to a number of risks and uncertainties that could cause actual events or results to differ materially from any expected future events or results referred to in these forward-looking statements. Unless otherwise required by applicable law, regulation or accounting standard, the directors do not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future development or otherwise. Nothing in this document shall be regarded as a profit forecast.

The Directors' Report has been prepared for the group as a whole and, therefore, gives greater emphasis to those matters which are significant to Euromoney Institutional Investor PLC and its subsidiary undertakings when viewed as a whole. It has been prepared solely to provide additional information to shareholders to assess the company's strategy and the potential for that strategy to succeed, and the Directors' Report should not be relied upon by any other party for any other purpose. The Corporate Governance Report forms part of this Directors' Report.

1. Principal activities

Euromoney Institutional Investor PLC is listed on the London Stock Exchange and a member of the FTSE 250 share index. It is a leading international business-to-business media group focused primarily on the international finance, metals and commodities sectors. It publishes more than 70 titles in both print and online format, including *Euromoney*, *Institutional Investor* and *Metal Bulletin*, and is a leading provider of electronic research and data under the BCA Research, Ned Davis Research and ISI Emerging Markets brands. It also runs an extensive portfolio of conferences, seminars and training courses for financial markets. The group's main offices are in London, New York, Montreal and Hong Kong and more than a third of its revenues are derived from emerging markets. Details of the group's legal entities can be found in note 14.

2. Business model

The group's activities are categorised into five operating divisions: Financial Publishing; Business Publishing; Conferences and Seminars; Training; and Research and Data (see pages 2 and 3 for further details). The group has many mutually exclusive valuable brands (see pages 2 and 3) allowing the directors to extend the value of existing products and to leverage these into new areas – both on a geographical basis and a new product basis, for example publishing businesses often run branded events covering their area of specialism. The group has a sizeable and valuable marketing database allowing new and existing products to be matched with relevant companies and individuals on a tailored basis.

The group primarily generates revenues from four revenue streams: advertising; subscriptions; sponsorship; and delegates.

Advertising revenues represent the fees that customers pay to place an advert in one or more of the group's publications, either in print or online. Advertising revenue is primarily generated from the Financial Publishing and Business Publishing divisions.

Subscription revenues are the fees that customers pay to receive access to the group's information, either through online access to various databases, through regular delivery of soft copy research, publications and newsletters or hard copy magazines. Subscriptions are also received from customers who belong to Institutional Investor's exclusive specialised membership groups. Subscription revenue is primarily generated from the Financial Publishing, Business Publishing and Research and Data divisions.

Sponsorship revenues represent fees paid by customers to sponsor an event. A payment of sponsorship entitles the sponsor to high-profile speaking opportunities at the conference, unique branding before, during and after the event and an unparalleled networking opportunity to meet the sponsor's clients and representatives. Sponsorship revenue is generated from the Conferences and Seminars division and the publishing businesses which run smaller events.

Delegate revenues represent fees paid by customers to attend a conference, training course or seminar. Delegate revenues are derived from the Conferences and Seminars and Training divisions and from smaller events run by the publishing businesses.

Details of the group's revenues by revenue stream and by division are set out in note 3.

The group has a global customer base with revenue derived from almost 200 countries, with approximately 60% from the US, Canada, UK and the rest of Europe and more than a third of its revenue from emerging markets. Its customer base predominantly consists of financial institutions, governments, financial advisory firms, hedge fund organisations, law firms, commodity traders, other corporate organisations and for the group's niche focused products relevant niche corporate entities across the length of the respective supply chain.

The group's main offices are located in London, New York, Montreal and Hong Kong.

The group's costs are tightly managed with a constant focus on margin control. The group benefits from having a flexible cost base, outsourcing the printing of publications, hiring external venues for events, and choosing to engage freelancers, contributors, external trainers and speakers to help deliver its products. Other than its main offices, the group avoids the fixed costs of offices in most of the markets in which it operates. This allows the group to scale up resource or reduce overhead as the economic environment in which it operates demand.

The group has strong covenants and takes advantage of its ability to borrow money cheaply using these funds to invest in new products and fund acquisitions. The group's subscription revenues are normally received in advance, at the beginning of the subscription service, and a typical subscription contract would be for a 12 month period. This helps provide the group with strong cash flows and normally leads to cash generated from operations being in excess of adjusted operating profit – a cash conversion percentage in excess of 100%.

The board does not micro-manage each business, instead devolving operating decisions to the local management of each business, while taking advantage of a strong central control environment for monitoring performance and underlying risk. This encourages an entrepreneurial culture where businesses have the right kind of support and managers are motivated and rewarded for growth and initiative.

The group invests for the long-term in businesses and products that meet certain financial and strategic criteria. Equally, where businesses no longer fit, the group divests. The group is investing heavily in its program to migrate its print products online, develop new electronic information services, and to take advantage of mobile and cloud technology.

3. Strategy

The key elements of the group's strategy are:

- driving top-line revenue growth from both new and existing products;
- building robust subscription and repeat revenues and reducing the dependence on advertising;
- improving operating margins through tight cost control;
- investing in new businesses, technology and the online migration of its publishing activities;
- leveraging technology to launch specialised new electronic information services;
- making acquisitions that supplement the group's existing businesses;
- strengthening the company's market position in key areas which have the capacity for organic growth using the existing knowledge base of the group;
- managing its cash flows to keep its debt within a net debt to EBITDA limit of three times; and
- providing incentives to foster an entrepreneurial culture and retain key people (see section 4.4.6 of the Directors' Report).

4. Business review

4.1 Group results and dividends

The group profit for the year attributable to shareholders amounted to £69.7 million (2011: £45.6 million). The directors recommend a final dividend of 14.75 pence per ordinary share (2011: 12.50 pence), payable on Thursday February 14 2013 to shareholders on the register on Friday November 23 2012. This, together with the interim dividend of 7.00 pence per ordinary share (2011: 6.25 pence) which was declared on May 17 2012 and paid on July 19 2012, brings the total dividend for the year to 21.75 pence per ordinary share (2011: 18.75 pence).

Directors' Report
continued

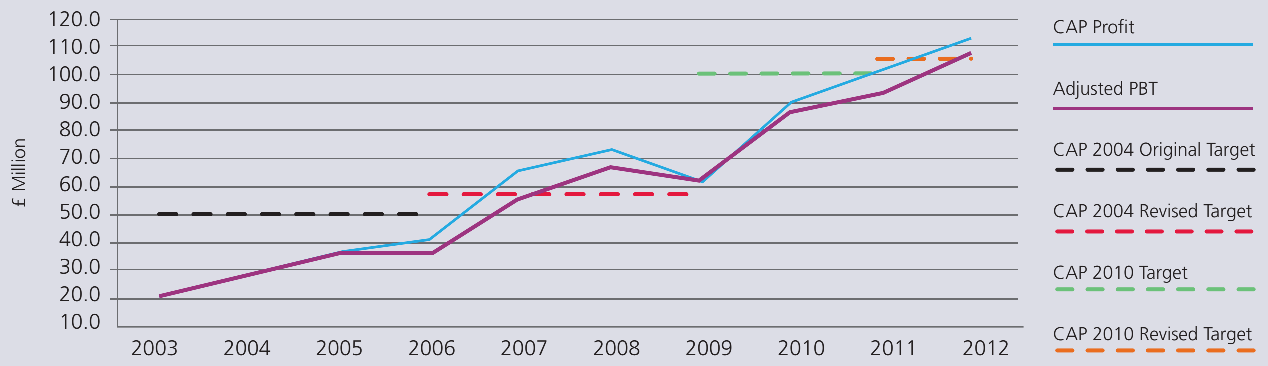
4.2 Key performance indicators

The group monitors its performance against its strategy using the following key performance indicators:

	Revenue 2012 £m	Mix 2012 %	Revenue 2011 £m	Mix 2011 %	Revenue growth %
Revenue growth and mix					
Subscriptions	**199.7**	**51%**	171.0	47%	**+17%**
Advertising	**58.4**	**15%**	62.7	17%	**(7%)**
Sponsorship	**47.6**	**12%**	48.8	13%	**(2%)**
Delegates	**80.1**	**20%**	75.0	20%	**+7%**
Other/closed	**9.7**	**2%**	9.4	3%	**+3%**
Foreign exchange losses on forward contracts	**(1.4)**	**–**	(3.8)	–	**–**
	394.1	**100%**	363.1	100%	**+9%**

	2012	2011	Change
Gross margin[1]	**75.1%**	73.9%	**1.2%**
Adjusted operating margin[2]	**30.0%**	30.0%	**–**
Like-for-like growth in profits[3]	**£5.7m**	£7.6m	
Headcount[4]	**2,133**	2,111	**22**
Net debt to EBITDA[5]	**0.27:1**	1.01:1	

CAP profit[6] **and Adjusted PBT**[7]



1. **Gross margin:** gross profit as a percentage of revenue. Gross profit and revenue are both as per note 4 to the financial statements.
2. **Adjusted operating margin:** operating profit before acquired intangible amortisation, long-term incentive expense, exceptional items and associates as a percentage of revenue. Operating profit and revenue are both as per the Group Income Statement in the financial statements.
3. **Like-for-like growth in profits:** proportion of adjusted operating profit growth that relates to organic growth, rather than acquisitions. Adjusted operating profit is from continuing operations and excludes closed businesses, acquired intangible amortisation, exceptional items, long-term incentive expense, unallocated corporate costs and interest and is adjusted for significant timing differences.
4. **Headcount:** number of permanent people employed at the end of the period excluding people employed in associates.
5. **Net debt to EBITDA:** the amount of the group's net debt (converted at the group's weighted average exchange rate for the rolling 12 month period) to earnings before interest, tax, depreciation, amortisation and also before exceptional items and the accelerated long-term incentive expense, but after the normal long-term incentive expense.
6. **CAP profit:** profit before tax excluding acquired intangible amortisation, long-term incentive expense, exceptional items, net movements in acquisition option commitments values, imputed interest on acquisition option commitments, foreign exchange loss interest charge on tax equalisation contracts and foreign exchange on restructured hedging arrangements as set out in the Group Income Statement, note 5 and note 8.
7. **Adjusted PBT:** CAP profit after the deduction of long-term incentive expense as set out on page 7.

4.3 KPIs explained

The key performance indicators are all within the board's expectations and support its successful strategy. These indicators are discussed in detail in the Chairman's Statement on pages 4 to 6, and in section 4.4 below.

4.4 Development of the business of the group

4.4.1 Trading review

Total revenues for the year increased by 9% to £394.1 million. After a 13% increase in the first half, the headline rate of revenue growth dropped to 5% in the second as markets became tougher and the impact of the acquisition of NDR in August 2011 diminished. Underlying revenues, excluding NDR, increased by 1% in the second half against 6% in the first.

	2012	2011	Headline change			Change at constant exchange rates
Revenues	**£m**	£m	H1	H2	Year	Year
Subscriptions	**199.7**	171.0	22%	12%	17%	16%
Advertising	**58.4**	62.7	(9%)	(5%)	(7%)	(8%)
Sponsorship	**47.6**	48.8	1%	(5%)	(2%)	(4%)
Delegates	**80.1**	75.0	19%	(4%)	7%	6%
Other/closed	**9.7**	9.4	–	5%	3%	2%
Foreign exchange losses on forward currency contracts	**(1.4)**	(3.8)	–	–	–	–
Total revenue	**394.1**	363.1	13%	5%	9%	8%
Less: revenue from acquisitions	**(24.3)**	(4.6)				
Underlying revenue	**369.8**	358.5	6%	1%	3%	2%

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Subscriptions increased by 17% to nearly £200 million and accounted for more than half the group's revenues for the first time. Underlying subscription revenues, excluding NDR, increased by 5%, with the growth driven largely by the group's electronic information services such as BCA Research and CEIC Data.

The 7% fall in advertising revenues reflects two very different trends. Financial titles have experienced falls of as much as 20% in the face of deep cuts by global financial institutions. But this has been partly offset by increases in online advertising, a greater appetite for print advertising from emerging markets and growth in advertising from sectors outside finance, particularly energy.

Event revenues broadly comprise an equal mix of sponsorship and paying delegates. Event sponsorship, which is heavily financial market focused, has suffered in a similar way to advertising, although to a lesser degree. Events, particularly those outside the financial sector which tend to be more delegate driven, performed well in the first half but growth has been more difficult to achieve in the second and some smaller events were cut.

The group derives nearly two-thirds of its total revenue in US dollars and movements in the sterling–US dollar rate can have a significant impact on reported revenues. However, this was not the case in 2012 and headline revenue growth rates are similar to those at constant currency (see table above).

The group's adjusted operating margin was 30.0%, the same as 2011. The increased spend on technology and digital products has reduced margins in the publishing businesses, while in the research and data division margins have improved following investments made in the previous two years. In the face of challenging markets, costs and margins have remained tightly controlled throughout the year. Permanent headcount at September 30 was 2,133 against 2,111 a year ago, with most of the increase coming in the second half. The average headcount (including temporary staff) increased by 3% during the year, mostly due to the acquisition of NDR at the end of 2011.

4.4.2 Business division review

Financial Publishing: revenues fell by 8% to £77.1 million and adjusted operating profits by 12% to £24.9 million. Advertising, which accounts for approximately half the division's revenues, has been under pressure all year from cuts in spend by global financial institutions as well as a gradual shift away from print advertising across the sector. As a result, financial advertising fell by 13%, although the impact of more severe cuts by Wall Street banks was offset by a stronger performance from emerging markets which helped sustain titles such as *Euromoney* and *Asiamoney*. Revenues from subscription products were flat, helped by the launch of new products.

Business Publishing: the group's activities outside finance cover a number of sectors including metals, commodities, energy, telecoms and law, and provide a strong counterbalance to the more volatile financial publishing division. Revenues increased by 9% to £64.6 million and adjusted operating profits by 5% to £24.5 million, with growth achieved from both advertising, particularly in the energy sector, and subscriptions, for which *Metal Bulleti*n is the biggest driver. This year is the first that profits from Business Publishing have been similar to those from Financial Publishing.

Training: the group's training division predominantly serves the global financial sector. However, more than half its revenues are derived from emerging markets, and this has helped mitigate the impact of cuts in bank headcount and training budgets. Training revenues fell by 4% to £31.2 million and adjusted operating profits by 11% to £7.0 million. The decline in operating margin from 24% to 22% was largely due to the completion at the end of 2011 of a long-term training contract in Asia, and the margin in the second half recovered to 25%.

Conferences and Seminars: revenues comprise both sponsorship and paying delegates and increased by 7% to £92.3 million, with adjusted operating profits up 9% to £29.0 million. After a strong first half, markets became more challenging during the third quarter, the most important of the year for the events businesses. Financial market events, with a heavy emphasis on sponsorship revenues, have been under pressure from cost cutting among global financial institutions. In contrast, events in sectors outside finance, particularly in the commodities and energy sectors, have performed better. The division also generates nearly 20% of its revenues from subscriptions to membership organisations for the asset management industry, and these have continued to grow, helped by a significant investment in Institutional Investor's *Investor Intelligence Network*, a private online community for senior executives from institutional investors and asset owners worldwide.

Research and Data: revenues are derived predominantly from subscriptions and increased by 25% to £130.3 million. Underlying growth, excluding NDR, was 6%. The trends seen in the first half have continued, with the main drivers of growth being BCA, the group's independent macroeconomic research house, CEIC, the emerging market data provider, and the capital market databases run as a joint venture with Dealogic. Renewal rates for all these products have held up well, although new sales have been harder to generate. Adjusted operating profits increased by 30% to £55.4 million including a £9.0 million contribution from NDR.

4.4.3 Financial review

The adjusted profit before tax of £106.8 million compares to a statutory profit before tax of £92.4 million. A detailed reconciliation of the group's adjusted and statutory results is set out in the appendix to the Chairman's Statement. The statutory profit is generally lower than the adjusted profit before tax because of the impact of acquired intangible amortisation. Exceptional charges of £1.6 million (2011: £3.3 million) were incurred, mainly as a result of the restructuring of one of the group's businesses.

The long-term incentive expense of £6.3 million (2011: £9.5 million before additional accelerated expense of £6.6 million) relates largely to the amortisation of the £30 million cost of the company's CAP scheme. The reduction in this year's expense partly reflects the acceleration of cost last year following the earlier than expected vesting of CAP 2010 (see below), as well as a credit of £1.8 million for options lapsing under CAP 2004. This early vesting means the CAP 2010 expense for 2013 is expected to fall to approximately £2.0 million.

Adjusted net finance costs for the group's committed borrowing facility fell by £1.6 million to £5.6 million, reflecting the rapid reduction in net debt, most of it in the second half. The average cost of funds for the year fell to 4.8% (2011: 5.7%) as the group's cheaper floating rate debt comprised a higher portion of total debt following the acquisition of NDR.

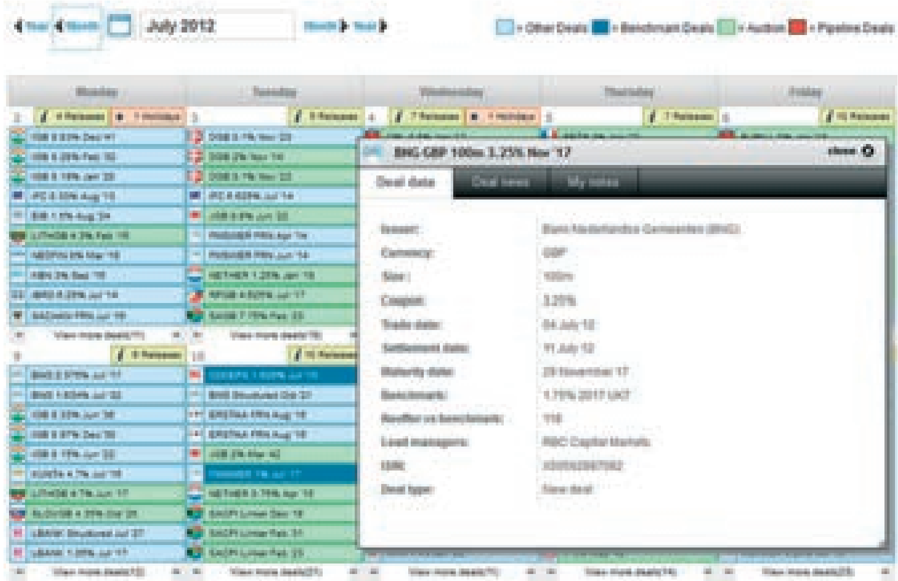
Statutory net finance costs of £3.6 million (2011: £9.6 million) include a £2.9 million credit for the reduction in the expected consideration payable under the option agreement to acquire the outstanding 15% minority interest in NDR. The group acquired 85% of NDR for £68.5 million in August 2011 and the integration with the rest of the group, including the consolidation of the back office functions, the restructuring of the sales teams and the opening of a sales office in London was completed according to plan. However, it has taken longer than expected to convert the business to the standard subscription model used by BCA, and to expand the sales team. This, combined with difficult markets in the US, has meant that the revenue growth from NDR in 2012 has been less than that expected at the time of acquisition, although the outlook for growth in 2013 and beyond remains positive. As a result, the expected amount payable under the NDR earn-out arrangement has fallen to £7.9 million, of which £4.3 million is payable in 2013.

The adjusted effective tax rate for the year was 22% against 26% in 2011. The tax rate depends on the geographic mix of profits and the group has benefited this year from the reduction in the UK corporate tax rate from 26% to 24%. The effective tax rate has also benefited from an increase in the tax deduction for goodwill amortisation on acquisitions in the US, following the purchase of NDR. The UK tax rate will fall to 23% in April 2013, although this benefit will be more than offset by the expiry of the US tax deduction for goodwill amortisation from the acquisition of Institutional Investor 15 years ago.

The group continues to generate two-thirds of its revenues, including approximately 30% of the revenues from its UK businesses, and more than half its operating profits in US dollars. The group hedges its exposure to the US dollar revenues in its UK businesses by using forward contracts to sell surplus US dollars. This delays the impact of movements in exchange rates for at least a year. The group does not hedge the foreign exchange risk on the translation of overseas profits, although it does endeavour to match foreign currency borrowings with investments and the related foreign currency finance costs provide a partial hedge against the translation of overseas profits. The translation impact on overseas profits of a one cent movement in the average US dollar exchange rate is approximately £0.5 million on an annualised basis. The average sterling–US dollar rate for the year was $1.58 (2011: $1.61) which increased operating profits by approximately £1.5 million, most of it in the second half.

4.4.4 Net debt, cash flow and dividend

Net debt at September 30 was £30.8 million compared with £88.5 million at March 31, and has fallen by £88.4 million since the start of the year. The group's net debt is now at its lowest level since the acquisition of Institutional Investor in 1997. The sharp fall in net debt during the year was helped by the offer of the scrip dividend alternative and the absence of any significant acquisitions. Cash generated from operations increased by £4.2 million to £122.2 million and the operating cash conversion rate (the percentage by which cash generated from operations covers adjusted operating profit), was 103% (2011: 108%). For 2013, the ending



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of the scrip dividend, combined with the £7.5 million cash payment following the vesting of the first tranche of CAP options and an increase in technology capital expenditure, will reduce the group's free cash flows.

The group's debt is provided through a $300 million (£190 million) dedicated multi-currency committed facility from its parent company, Daily Mail and General Trust plc (DMGT). This facility expires in December 2013, after which the group has the option to access a further $300 million facility from DMGT for the period through April 2016. The option to take up this facility must be exercised by November 2013.

The company's policy is to distribute a third of its after-tax earnings by way of dividends each year. Pursuant to this policy, the board recommends a final dividend of 14.75 pence a share (2011: 12.50 pence) giving a total dividend for the year of 21.75 pence a share (2011: 18.75 pence). Last year the additional accelerated CAP expense of £6.6 million was not charged against earnings for dividend purposes. As explained at the time, this expense would instead be charged against earnings for dividend purposes over the period to which it originally related. Accordingly, earnings for dividend purposes were reduced by £1.1 million in 2012, and will be similarly reduced by £4.0 million in 2013 and £1.5 million in 2014.

The final dividend will be paid on February 14 2013 to shareholders on the register at November 23 2012. As announced at the time of the interim results, acceptance levels for the scrip dividend alternative have been low and the company will no longer be offering a scrip dividend.

4.4.5 Balance sheet

The net assets of the group were £287.9 million compared to £225.6 million in 2011. The main movements in the balance sheet items were: intangible assets fell by £20.7 million, reflecting amortisation costs of £14.8 million offset by the recognition of £5.2 million of goodwill and £1.3 million of acquired intangible assets following the acquisition of Global Grain; and property, plant and equipment fell by £2.4 million to £18.0 million, largely as a result of regular capital expenditure across the group of £1.7 million offset by depreciation of £3.4 million. Trade and other receivables fell by £5.5 million to £66.0 million due to a £4.7 million decrease in trade debtors primarily reflecting improved collections across the group and a £1.2 million reduction in the debtors provision. Other debtors fell by £4.9 million reflecting the receipt of local taxes, and prepayments and accrued income increased by £2.0 million, primarily due to an increase in accrued subscription revenue. Net current income tax assets and liabilities fell from a net asset position of £1.8 million to a net liability of £6.4 million following receipts in the year and further provision for tax due from trading activities; total acquisition option commitments fell from £11.0 million to £7.9 million mainly reflecting the revised commitment to purchase the remaining equity shareholding in NDR; net derivative financial instrument (due less than one year and more than one year) fell from a liability of £6.9 million to an asset of £2.1 million following maturity of several forward currency and interest rate swap contracts during the year coupled with a reduction in the mark to market loss of the group's future interest rate swaps and forward currency contracts; committed loan facility fell £86.9 million to £43.2 million, net cash generated by the group from operations of £122.2 million offset by £9.0 million used in investing activities, £96.4 million spent on financing activities and £15.3 million on tax; net

pension deficit increased from £1.9 million to a deficit of £4.8 million reflecting a £5.5 million increase in the pension obligation offset by a £2.6 million increase in the asset value.

4.4.6 Capital Appreciation Plan (CAP)

The CAP is a highly geared performance-based share option scheme which both directly rewards executives for the growth in profits of the businesses they manage, and links this to the delivery of shareholder value by satisfying rewards in a mix of shares in the company and cash. The current CAP, CAP 2010, aims to mirror the success of CAP 2004 for both shareholders and management by delivering exceptional profit growth over the performance period. Further details of CAP 2004 and CAP 2010 are set out in the Company Shares Schemes section in the Directors' Remuneration Report.

4.4.7 Acquisitions and disposals

Acquisitions remain an important part of the group's growth strategy. In particular the board believes that acquisitions are valuable for taking the group into new sectors, for bringing new technologies into the group and for increasing the group's revenues by buying into rapidly growing niche businesses. The group continues to look for strategic acquisitions in the areas of international finance and commodities, and in emerging markets.

Acquisitions

Purchase of new business – Global Grain Geneva

On February 29 2012, the group acquired *Global Grain Geneva*, the world's leading event for international grain traders. The initial consideration paid was €6,159,000 (£5,134,000). A further net consideration of €93,000 (£77,000) is expected to be paid dependent upon the audited results of the business for the year to February 2013. The acquisition of Global Grain is consistent with the group's strategy of building fast growing global event businesses.

Purchase of associate – Global Grain Asia

Also on February 29 2012, the group acquired 50% of Global Grain Asia, a new event for grain industry professionals in the Asia-Pacific region, for €671,000 (£567,000). The group has the option to purchase the remaining 50% equity holding of GGA Pte. Limited in March 2014 and if exercised expects to pay €1,021,000 (£813,000).

Provisional fair value and goodwill update – Ned Davis Research (NDR)

In August 2011, the group acquired 85% of the equity share capital of NDR, the US-based provider of independent financial research to institutional investors, for an initial cash consideration of US$112.0 million (£68.5 million). Following true-up adjustments during the year to the cash payable following the final working capital calculation, the cash receivable from non-controlling interests, the finalisation of the sellers' tax liability, the accounting policy alignment of property, plant and equipment and the recognition of previously unrecognised tax liabilities, the related goodwill was increased by £1.0 million to £35.3 million.

Further details of the above acquisitions are set out in note 15.

Increase in equity holdings

During the year the group spent £840,000 on an additional 1.12% interest in Internet Securities Inc., the emerging market content aggregator and data business, taking its holding to 99.92%.

4.4.8 Headcount

The number of people employed is monitored monthly to ensure there are sufficient resources to meet the forthcoming demands of each business and to make sure that the businesses continue to deliver sufficient profits to support the people they employ. During 2012 the directors have focused on maintaining headcount at a similar level to that in 2011, hiring new heads only where considered essential or for investment purposes. Headcount at September 2012 was 2,133, an increase of only 22 since September 2011, the main increases being in technology to support the stepped up investment in that area and at NDR as the directors expand its sales force into new regions.

4.4.9 Marketing and digital development

In 2012 group marketing strategy has focused on widening the prospect pool through the group's communities focus and driving online revenue through new product innovation.

The group continues to push boundaries to maintain customer acquisition by adopting a more nurturing approach to marketing – with the explosion of niche online communities and online audience development. The marketing and digital development team create and manage 70 communities with over 140,000 members, growing at a 6% monthly average. These communities reach finance, business and commodities professionals across the globe. In addition, the online products have now achieved over 14% growth in unique visitors.

In 2012 the group spent £9.9 million in online product development to drive multi-device access to the group's product portfolio, dedicated community services and launch new premium data-based subscriber services. The group's dedicated online customer network for aviation finance has now engaged over 3,300 senior members and provides a platform to keep them updated on industry news, events, share opinions and network together. The group's innovative *Investor Intelligence Network* has 1,300 members, with a combined US$18 trillion in assets, providing a private online forum where institutional investors can question their peers in a confidential environment and engage with investment managers on their mandates. The mobile and tablet applications continue to roll out and have provided greater online engagement, with a 70% growth in

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average time spent online from 2011. The usage behaviour of mobile applications has been complementary to online site usage, engaging users whilst travelling or not at their desks. The applications have also provided an opportunity for greater advertising and sponsorship revenues.

Customers remain at the heart of the group's strategy – the group now request online customer feedback, provide prototype and beta stages of innovation and have invested in online segmentation and analytics through Webtrends across all sites.

Efficiencies have continued within marketing services – with customer service, contact research and event sales, accounting for 48% of all event delegate revenue, now outsourced to Philippines and India.

4.4.10 Systems and information technology

The group continues to increase its investment in technology with particular emphasis on cloud, mobile, social and data as well as the people that manage its delivery and management.

A number of new products were launched as well as existing digital assets redesigned during the year to support continued business demand.

Project Delphi was initiated in 2012 and is at the core of this digital strategy. The project will introduce a new digital application platform for authoring, storing and presenting content and data based upon a unified web content management system, standards based XML data repository and semantic engine. It will enable the repurposing of existing content and data with granular discovery and aggregation, remove existing barriers to product segmentation and increase speed to market. Responsive design and HTML5 have both been adopted within the digital development process with mobile versions of key websites launched as well as over 14 mobile applications.

Continued investment has been made in migrating the digital and corporate infrastructure to a new supplier who will provide an enterprise class, service-orientated hybrid cloud architecture. Microsoft Office 365, remote working solutions and Windows 7 have all been successfully piloted and will be fully rolled out in 2013. The new CRM and events platform have continued to be rolled out across the group with increased functionality. Investment in the e-commerce, tax and permissioning systems also continued. The online store technology will provide a way to promote better cross-selling of products across the group.

A framework has been adopted for service management in order to minimise business disruption and generate cost efficiencies across the group. There has also been an increased focus on information security with frequent penetration tests and audits conducted. The group's digital assets are compliant with the new Privacy and Electronic Communication Regulations. Policies regarding social media use have similarly been reviewed and Euromoney is actively building out capability in this area.

These steps have increased the group's flexibility, scalability and resilience allowing technical staff to instead focus on core front-office and revenue-generating activities rather than commodity maintenance.

4.4.11 Tax and treasury

Committee

The group's tax and treasury committee normally meets twice a year and is responsible for recommending policy to the board. The committee members are the chairman, managing director and finance director of the company, and the finance director and the deputy finance director of DMGT. The chairman of the audit committee is also invited to attend tax and treasury meetings. The group's treasury policies are directed to giving greater certainty of future costs and revenues and ensuring that the group has adequate liquidity for working capital and debt capacity for funding acquisitions.

Treasury

The treasury department does not act as a profit centre, nor does it undertake any speculative trading activity, and it operates within policies and procedures approved by the board.

Interest rate swaps are used to manage the group's exposure to fluctuations in interest rates on its floating rate borrowings. The maturity profile of these derivatives is matched with the expected future debt profile of the group. The group's policy is to fix the interest rates on approximately 80% of its term debt looking forward over five years. The maturity dates are spread in order to avoid interest rate basis risk and also to mitigate short-term changes in interest rates.

At September 30 2012, the group had 69% of its gross debt fixed by the use of interest rate hedges. The predictability of interest costs is deemed to be more important than the possible opportunity cost forgone of achieving lower interest rates and this hedging strategy has the effect of spreading the group's exposure to fluctuations arising from changes in interest rates and hence protects the group's interest charge against sudden increases in rates but also prevents the group from benefiting immediately from falls in rates.

The group generates approximately two-thirds of its revenues in US dollars, including approximately 30% of the revenues in its UK-based businesses, and approximately 60% of its operating profits are US dollar-denominated. The group is therefore exposed to foreign exchange risk on the US dollar revenues in its UK businesses, and on the translation of the results of its US dollar-denominated businesses.

In order to hedge its exposure to US dollar revenues in its UK businesses, a series of forward contracts are put in place to sell forward surplus US dollars. The group hedges 80% of forecast US dollar revenues for the coming 12 months and up to 50% for a further six months.

The group does not hedge the foreign exchange risk on the translation of overseas profits, although it does endeavour to match foreign currency borrowings with investments and the related foreign currency finance costs provide a partial hedge against the translation of overseas profits. As a result of this hedging strategy, any profit or loss from the strengthening or weakening of the US dollar will largely be delayed until the following financial year and beyond.

Details of the financial instruments used are set out in note 19 to the accounts.

Tax

The adjusted effective tax rate based on adjusted profit before tax and excluding deferred tax movements on intangible assets, prior year items and exceptional items is 22% (2011: 26%). The group's reported effective tax rate decreased to an expense of 24% compared to an expense of 33% in 2011. A reconciliation to the underlying effective rate is set out in note 9 to the accounts.

The total net deferred tax balance held is a liability of £9.6 million (2011: £9.0 million) and relates primarily to capitalised intangible assets and rolled over capital gains, net of deferred tax assets held in respect of US tax losses and short-term timing differences and the future deductions available for the CAP.

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5. Principal risks and uncertainties

The principal risks and uncertainties the group faces vary across the different businesses and are identified in the group's risk register. Management of significant risk is regularly on the agenda of the board and other senior management meetings.

The geographical spread and diverse portfolio of businesses within the group help to dilute the impact of some of the group's key risks.

The group's principal risks and uncertainties are summarised below:

DOWNTURN IN ECONOMY OR MARKET SECTOR	
The group generates significant income from certain key geographical regions and market sectors for its publishing, events, research and data businesses.	
POTENTIAL IMPACT	MITIGATION
Uncertainty in global financial markets increases the risk of a downturn or potential collapse in one or more areas of the business. If this occurs income is likely to be adversely affected and for events businesses some abandonment costs may also be incurred.	The group has a diverse product mix and operates in many geographical locations. This reduces dependency on any one sector or region. Management has the ability to cut costs quickly if required or to switch the group's focus to new or unaffected markets, e.g. through development of new vertical markets or transferring events to better performing regions.

TRAVEL RISK	
The conference, seminar and training businesses account for approximately a third of the group's revenues and profits. The success of these events and courses relies heavily on the confidence in and ability of delegates and speakers to travel internationally.	
POTENTIAL IMPACT	MITIGATION
Significant disruptions to or reductions in international travel for any reason could lead to events and courses being postponed or cancelled and could have a significant impact on the group's performance. Past incidents such as transport strikes, extreme weather including hurricanes, terrorist attacks, fears over SARS and swine flu, and natural disasters such as the disruption from volcanic ash in Europe, have all had a negative impact on the group's results, although none materially.	Where possible, contingency plans are in place to minimise the disruption from travel restrictions. Events can be postponed or moved to another location, or increasingly can be attended remotely using online technologies. Cancellation and abandonment insurance is in place for the group's largest events.

COMPLIANCE WITH LAWS AND REGULATIONS

Group businesses are subject to legislation and regulation in the jurisdictions in which they operate. The key laws and regulations that may have an impact on the group cover areas such as libel, bribery and corruption, competition, data protection, privacy (including e-privacy), health and safety and employment law. Additionally, specific regulations from the Audit Bureau of Circulations apply to published titles (see incorrect circulation claims below).

POTENTIAL IMPACT	MITIGATION
A breach of legislation or regulations could have a significant impact on the group in terms of additional costs, management time and reputational damage. In recent years responsibilities for managing data protection have increased significantly. The emergence of new online technology is further driving legislation and responsibilities for managing data privacy. Failure to comply with data protection and privacy laws could result in significant financial penalties and reputational damage.	Compliance with laws and regulations is taken seriously throughout the group. The group's Code of Conduct (and supporting policies) sets out appropriate standards of business behaviour and highlights the key legal and regulatory issues affecting group businesses. Divisional and local management is responsible for compliance with applicable local laws and regulations, overseen by the executive committee and the board. The group has strict policies and controls in place for the management of data protection and privacy across the group with staff receiving relevant training. This year the group rolled out website technology across all its online businesses to comply with new EU e-privacy regulations (PECR). Controls are also in place surrounding compliance with the Audit Bureau of Circulation's regulations and other regulatory bodies to which the group adhere.

DATA INTEGRITY, AVAILABILITY AND SECURITY

The group uses large quantities of data including customer, employee and commercial data in the ordinary course of its business. The group also publishes data (see published content risk below). The integrity, availability and security of this data is key to the success of the group.

POTENTIAL IMPACT	MITIGATION
Any challenge to the integrity or availability of information that the group relies upon could result in operational and regulatory challenges, costs to the group, reputational damage to the businesses and the permanent loss of revenue. The wider use of social media has increased this risk as negative comments made about the group's products can now spread more easily. Although technological innovations in mobile working, the introduction of cloud-based technologies and the growing use of social media present exciting opportunities for the group, they also introduce new information security risks that need to be managed carefully.	The group has comprehensive information security standards and policies in place which are reviewed on a regular basis. Access to key systems and data is restricted, monitored, and logged with auditable data trails. Restrictions are in place to prevent unauthorised data downloads. The group is subject to regular internal information security audits, supplemented by expert external resource. Comprehensive backup plans for IT infrastructure and business data are in place to protect the businesses from unnecessary disruption. The group has professional indemnity insurance.

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LONDON, NEW YORK, MONTREAL OR HONG KONG WIDE DISASTER

The group's main offices are located in London, New York, Montreal and Hong Kong. A significant incident affecting these regions could lead to disruption to group operations.

POTENTIAL IMPACT

An incident affecting one or more of the key offices could disrupt the ordinary operations of the businesses at these locations; a region wide disaster affecting all offices could have much worse implications with serious management and communication challenges for the group and a potential adverse affect on results.

The risk of office space becoming unusable for a prolonged period and a lack of suitable alternative accommodation in the affected area could also cause significant disruption to the business and interfere with delivery of products and services.

Incidents affecting key clients or staff in these regions could also give rise to the risk of not achieving forecast results.

MITIGATION

Business continuity plans are in place for all businesses. These plans are refreshed annually and a programme is in place for testing. If required, employees can work remotely.

The group has robust IT systems with key locations (including the UK, US, Canada and Asia) benefiting from offsite data backups, remote recovery sites and third-party 24-hour support contracts for key applications.

Recently the group's business continuity planning helped its New York office to recover quickly and effectively from the significant disruption caused by Hurricane Sandy.

PUBLISHED CONTENT RISK

The group generates a significant amount of its revenue from publishing, be it magazines, journals or information and data published online. As a result, there is an inherent risk of error which, in some instances, may give rise to claims for libel. The rapid development of social media has further increased this risk.

The transition to online publishing means content is being distributed far quicker and wider than ever before. This has introduced new challenges for securing and delivering content and effective management of content rights and royalties.

The business also publishes databases and data services with a particular focus on high value proprietary data. There is the potential for errors in data collection and data processing. The group publishes industry pricing benchmarks for the metals markets and runs more than 100 reader polls and awards each year.

POTENTIAL IMPACT

A successful libel claim could damage the group's reputation. The rise in use of social media, and in particular blogging, has further increased this risk. Damage to the reputation of the group arising from libel could lead to a loss of revenue, including income from advertising. In addition there could be costs incurred in defending the claim.

The failure to manage content redistribution rights and royalty agreements could lead to overpayment of royalties, loss of intellectual property and additional liabilities for redistribution of content.

The integrity of the group's published data is critical to the success of the group's database, research and data services. The group also publishes extensive pricing information and indices for the global metals industries. Errors in published data, price assessments or indices could affect the reputation of the group leading to fewer subscribers and lower revenues.

MITIGATION

The group runs mandatory annual libel courses for all journalists and editors. Controls are in place, including legal review, to approve content that may carry a libel risk. The group also has editorial controls in place for publishing using social media and this activity is monitored carefully.

The group's policy is to own its content and manage redistribution rights tightly. Royalty and redistribution agreements are in place to mitigate risks arising from online publishing.

The group has implemented tight controls for the verification, cleaning and processing of data used in its database, research and data services.

The group's processes and methodologies for assessing metals prices and calculating indices are clearly defined and documented. All employees involved with publishing pricing information receive relevant training. Robust contractual disclaimers are in place for all businesses that publish pricing data.

PUBLISHED CONTENT RISK continued	
POTENTIAL IMPACT	MITIGATION
Any challenge to the integrity of polls and awards could damage the reputation of the product challenged and by association the rest of the group, resulting in legal costs and a permanent loss of revenue.	Polls and awards are regularly audited and a firewall is in place between the commercial arm of the business and the editors involved in the polls and awards. Key staff are aware of the significant nature of published content risk and strong internal controls are in place for reporting to senior management if a potential issue arises. The group also has libel insurance and professional indemnity cover.

INCORRECT CIRCULATION OR AUDIENCE CLAIMS	
The group publishes over 70 titles and sells advertising based partly on circulation and online audience figures. An incorrect claim for circulation or audience could adversely affect the group's reputation.	
POTENTIAL IMPACT	MITIGATION
A claim resulting from an incorrect circulation or audience claim could lead to the permanent loss of advertisers and other revenue streams.	The group audits the circulation figures of every publication regularly and monitors related internal controls. A strict approval system is in place for all media packs. Detailed guidance is provided to all relevant employees and their understanding of the rules is regularly monitored. There are a large number of mutually exclusive titles and it is unlikely that an incorrect circulation claim, should it arise, would affect the circulation of other titles within the wider group. Similar controls are applied to claims for electronic publishing activities including online traffic reporting.

LOSS OF KEY STAFF	
The group is reliant on key management and staff across all of its businesses. Many products are dependent on specialist, technical expertise.	
POTENTIAL IMPACT	MITIGATION
The inability to recruit and retain talented people could affect the group's ability to maintain its performance and deliver growth. When key staff leave or retire, there is a risk that knowledge or competitive advantage is lost.	Long-term incentive plans are in place for key staff to encourage retention. The directors remain committed to recruitment and retention of high quality management and talent, and provide a programme of career opportunity and progression for employees including extensive training and international transfer opportunities. Succession planning is in place for senior management. The group announced in August that PR Ensor, managing director, would succeed PM Fallon as executive chairman with CHC Fordham, an executive director since 2003, succeeding PR Ensor as managing director. This followed an independent and rigorous selection process. These succession plans have now been implemented.

Directors' Report
continued

FAILURE OF CENTRAL BACK-OFFICE TECHNOLOGY

The business has invested significantly in central back-office technology to support the transition of the business from print to online publishing. The back-office provides customer and product management, digital rights management, e-commerce and performance and activity reporting. The platform supports a large share of the group's online requirements including key activities for publishing, events and data businesses. The back-office technology is critical to the successful functioning of the online business and hence carries a significant amount of risk.

POTENTIAL IMPACT	MITIGATION
A failure of the back-office technology may affect the performance, data integrity or availability of the group's products and services. Any extensive failure is likely to affect a large number of the businesses and customers, and lead directly to a loss of revenues. Online customers are accessing the group's digital content in an increasing number of ways, including using websites, apps and e-books. The group relies on effective digital rights management technology to provide flexible and secure access to its content. An inability to provide flexible access rights to the group's content could lead to products being less competitive or allow unauthorised access to content, reducing subscription revenues as a result. A reduction in back-office technology investment increases the risk of the online platform becoming ineffective with the group becoming less competitive. This could lead to fewer customers and declining group revenues.	The group continues to invest significantly in its central back-office technology. The platform is planned, managed and run by a dedicated, skilled team and its progress and performance is closely monitored by the executive committee and the board. The group continues to invest in digital rights management technology to ensure its content is adequately secured and changing customer requirements for accessing the group's products and services are met. The group has recently made a substantial investment in new e-commerce technology and hosting infrastructure to ensure the back-office platform continues to perform effectively over the next five years.

ACQUISITION AND DISPOSAL RISK

As well as launching and building new businesses, the group continues to make strategic acquisitions where opportunities exist to strengthen the group. The management team review a number of potential acquisitions each year with only a small proportion of these going through to the due diligence stage and possible subsequent purchase. The strategy also results in the disposal of businesses that no longer fit the group's investment criteria.

POTENTIAL IMPACT	MITIGATION
There is a risk that an acquisition opportunity could be missed. The group could also suffer an impairment loss if an acquired business does not generate the expected returns or fails to operate or grow in its markets and products areas. Additionally, there is a risk that a newly acquired business is not integrated into the group successfully or that the expected risks of a newly acquired entity may be misunderstood. As a consequence a significant amount of management time could be diverted from other operational matters. The group is also subject to disposal risk, possibly failing to achieve optimal value from disposed businesses, failing to identify the time at which businesses should be sold or under estimating the impact on the remaining group from such a disposal.	Senior management perform detailed in-house due diligence on all possible acquisitions and call on expert external advisers where deemed necessary. Acquisition agreements are usually structured so as to retain key employees in the acquired company and there is close monitoring of performance at board level of the entity concerned post acquisition. The board regularly reviews the group's existing portfolio of businesses to identify under-performing businesses or businesses that no longer fit with the group's strategy and puts in place divestment plans accordingly.

FAILURE OF ONLINE STRATEGY

The emergence of new technologies such as tablet and other mobile devices and the proliferation of social media is changing how customers access and use the group's products and services. The group has established a strategy to meet the many challenges of migrating the publishing businesses from traditional print media to online and to ensure the non-publishing businesses take advantage of new technology when advantageous to do so. This strategy has been pursued for a number of years.

POTENTIAL IMPACT

The group's online strategy addresses a number of challenges arising from the group's transition from print media to an online business and changing customer behaviour.

Competition has increased, with free content becoming more available on the Internet and new competitors benefiting from the lower barriers to entry. A failure to manage pricing effectively or successfully differentiating the group's products and services could negatively affect business results.

The customer environment is changing fast with an increasing number spending more time using the Internet. Print circulation is declining and a failure to convert customers from print risks a permanent loss of customers to competition.

The transition from the traditional monthly publishing cycle to continuous publishing has affected editorial practices significantly. A failure to continue to manage this transition effectively could make the business less efficient and less competitive.

Further changes in technology including the widespread use of tablets and other mobile devices and the impact of social media such as LinkedIn and Twitter is changing customer behaviour and will introduce new challenges for all businesses. A failure in the group's online strategy to meet these challenges could result in a permanent loss of revenue.

MITIGATION

The group is already embracing these challenges and overall sees the Internet and other technological advances as an opportunity not a threat.

Significant investment in the group's online strategy has already been made and will continue for as long as necessary (see 4.4.10 of the Directors' Report). New content management technology is being implemented across the group to enable more effective publishing to web, print and the rapidly increasing number of mobile platforms coming on to the market. Many of the group's businesses already produce soft copies of publications to supplement the hard copies as well as provide information and content via apps.

The group's acquisition strategy has increased the number of online information providers in the business. However, while online revenues are important, the group's product mix reduces dependency on this income. For example, the group generates a third of its profits from its event businesses and face-to-face meetings remain an important part of customers' marketing activities.

TREASURY OPERATIONS

The group treasury function is responsible for executing treasury policy which seeks to manage the group's funding, liquidity and treasury derivatives risks. More specifically, these include currency exchange rate fluctuations, interest rate risks, counterparty risk and liquidity and debt levels. These risks are described in more detail in note 19 to the financial statements.

POTENTIAL IMPACT

If the treasury policy does not adequately mitigate the financial risks summarised above or is not correctly executed, it could result in unforeseen derivative losses or higher than expected finance costs.

The treasury function undertakes high value transactions hence there is an inherent high risk of payment fraud or error having an adverse impact on group results.

MITIGATION

The tax and treasury committee is responsible for reviewing and approving group treasury policies which are executed by the group treasury.

Segregation of duties and authorisation limits are in place for all payments made. The treasury function is also subject to regular internal audit.

Directors' Report
continued

UNFORESEEN TAX LIABILITIES	
The group operates within many tax jurisdictions and earnings are therefore subject to taxation at differing rates across these jurisdictions.	
POTENTIAL IMPACT	MITIGATION
The directors endeavour to manage the tax affairs of the group in an efficient manner, however, due to an ever more complex international tax environment there will always be a level of uncertainty when provisioning for tax liabilities. There is also a risk of tax laws being amended by authorities in the different jurisdictions in which the group operates which could have an adverse effect on the financial results.	External tax experts and in-house tax specialists, reporting to the tax and treasury committee, work together to review all tax arrangements within the group and keep abreast of changes in global tax legislation.

6. Future development in the business

An indication of the trading outlook for the group is given in the Chairman's Statement on page 6. In 2013 the directors will manage the business to facilitate growth and to continue to shape the business to remain competitive in the economic environments in which it operates. The group is well placed to diversify its product and geographical base and remains committed to its strategy set out on page 9.

The board will continue to review the portfolio of businesses, disposing, closing or restructuring any under-performing businesses to allow the group to have the necessary resources and skills to remain acquisitive. The group will invest in technology and new businesses, particularly electronic information products, as well as in its internal systems.

7. Post balance sheet events

Events arising after September 30 2012 are set out in note 30.

8. Directors and their interests

The company's Articles of Association give power to the board to appoint directors from time to time. In addition to the statutory rights of shareholders to remove a director by ordinary resolution, the board may also remove a director where 75% of the board give written notice to such director. The Articles of Association themselves may be amended by a special resolution of the shareholders.

The directors who served during the year are listed on page 47. The directors' interests are given on page 51. There were no changes in the executive or non-executive directors during the year.

Following best practice under the June 2010 UK Corporate Governance Code and in accordance with the company's Articles of Association, all directors submit themselves for re-election annually. Accordingly, all directors will retire at the forthcoming Annual General Meeting and, being eligible, will offer themselves for re-election. In addition, in accordance with the June 2010 UK Combined Code on Corporate Governance, before the re-election of a non-executive director, the chairman is required to confirm to shareholders that, following formal performance evaluation, the non-executive directors' performance continues to be effective and demonstrates commitment to the role. Accordingly, the non-executive directors will retire at the forthcoming Annual General Meeting and, being eligible following a formal performance evaluation by the chairman, offer themselves for re-election.

Details of the interests of the directors in the ordinary shares of the company and of options held by the directors to subscribe for ordinary shares in the company are set out in the Directors' Remuneration Report on pages 41 to 52.

9. Customers and suppliers

The group operates through a large number of businesses in many geographical locations. As such, the relationships with key customers and suppliers is decentralised such that there is no overarching policy on how the group manages these relationships. This enables each business to tailor their approach to suit customers' and suppliers' specific needs and requirements. Each key customer and supplier has an account manager allocated to them ensuring that open communication is maintained throughout the relationship.

Each business agrees payment terms with its suppliers and it is group policy to make payments in accordance with these terms. The group had 59 days of purchases in creditors at September 30 2012 (2011: 77 days).

10. Employees' involvement and training

Equal opportunities

The group is an equal opportunity employer. It seeks to employ a workforce which reflects the diverse community at large, because the contribution of the individual is valued, irrespective of sex, age, marital status, disability, sexual preference or orientation, race, colour, religion, ethnic or national origin. It does not discriminate in recruitment, promotion or other employee matters. The group endeavours to provide a working environment free from unlawful discrimination, victimisation or harassment.

Quality and integrity of employees

The competence of people is ensured through high recruitment standards and a commitment to management and business skills training. The group has the advantage of running external training businesses and uses this in-house resource to train cost effectively its employees on a regular basis. Employees are also encouraged actively to seek external training as necessary.

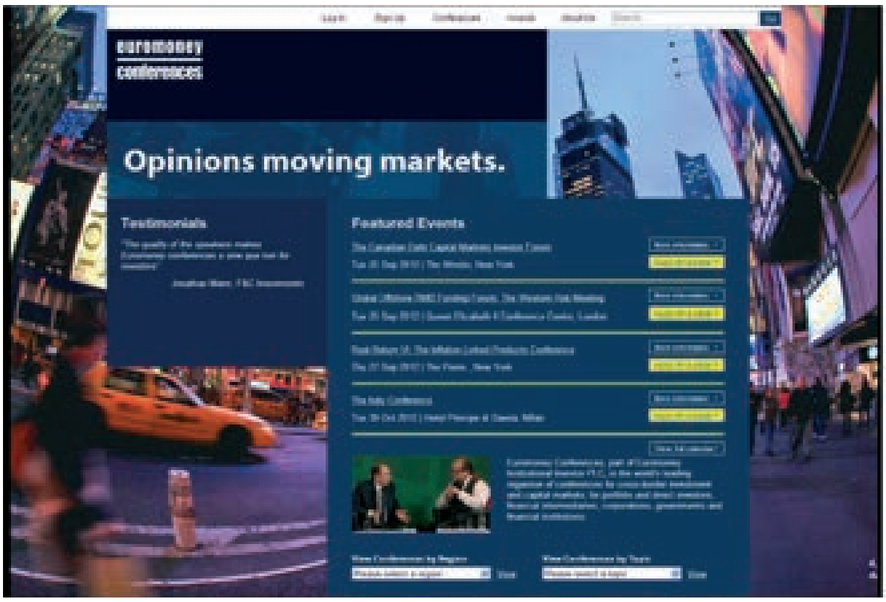
High-quality and honest personnel are an essential part of the control environment. The high ethical standards expected are communicated by management and through the employee handbook which is provided to all employees. The employee handbook includes specific policies on matters such as the use of the group's information technology resources, data protection policy, the UK Bribery Act, and disciplinary and grievance procedures. The group operates an internal intranet site which is used to communicate with employees and provide guidance and assistance on day-to-day matters facing employees. The group has a specific whistle blowing policy that is supported by an externally monitored and run whistle blowing hotline. The whistle blowing policy is updated regularly and is reviewed by the audit committee.

Human rights and health and safety requirements

The group is committed to the health and safety and the human rights of its employees and communities in which it operates. Health and safety issues are monitored to ensure compliance with all local health and safety regulations. External health and safety advisers are used where appropriate. The UK businesses benefit from a regular assessment of the working environment by experienced assessors and regular training of all existing and new UK employees in health and safety matters.

Disabled employees

It is the group's policy to give full and fair consideration to applications for employment from people who are disabled; to continue, wherever possible, the employment of, and to arrange appropriate training for, employees who become disabled; and to provide opportunities for the career development, training and promotion of disabled employees.



11. Going concern, debt covenants and liquidity

The results of the group's business activities, together with the factors likely to affect its future development, performance and financial position are set out in the Chairman's Statement on pages 4 to 6.

The financial position of the group, its cash flows and liquidity position are set out in detail in this report. The group meets its day-to-day working capital requirements through its US$300 million dedicated multi-currency borrowing facility with Daily Mail and General Trust plc group (DMGT). The facility is divided into US dollar and sterling funds with a total maximum borrowing capacity of US$250 million (£155 million) and £33 million respectively and matures in December 2013. The facility's covenant requires the group's net debt to be no more than four times adjusted EBITDA on a rolling 12 month basis. At September 30 2012, the group's net debt to adjusted EBITDA covenant was 0.27 times and the committed undrawn facility available to the group was £144.7 million.

In addition, the group has agreed terms with DMGT that provide it with access to US$300 million of funding should the group require it during the period from December 2013 through April 2016.

The group's forecasts and projections, looking out to September 2015 and taking account of reasonably possible changes in trading performance, show that the group should be able to operate within the level and covenants of its current borrowing facility.

After making enquiries, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in preparing this annual report.

Directors' Report
continued

12. Capital structure and significant shareholdings

Details of the company's share capital are given in note 23. The company's share capital is divided into ordinary shares of 0.25 pence each. Each share entitles its holder to one vote at shareholders' meetings and the right to receive one share of the company's dividends.

Significant shareholdings at November 13 2012

Name of holder	Nature of holding	Number of shares	% of voting rights
DMG Charles Limited	Direct	84,638,741	68.07

13. EU Takeovers Directive

Pursuant to s992 of the Companies Act 2006, which implements the EU Takeovers Directive, the company is required to disclose certain additional information which is not covered elsewhere in this annual report. Such disclosures are as follows:

- there are no restrictions on the transfer of securities (shares or loan notes) in the company, including: (i) limitations on the holding of securities; and (ii) requirements to obtain the approval of the company, or of other holders or securities in the company, for a transfer of securities;
- there are no people who hold securities carrying special rights with regard to control of the company;
- the company's employee share schemes do not give rights with regard to control of the company that are not exercisable directly by employees;
- there are no restrictions on voting rights;
- the directors are not aware of any agreements between holders or securities that may result in restrictions on the transfer of securities or on voting rights;
- the company has a number of agreements that take effect, alter or terminate upon a change of control of the company following a takeover bid, such as commercial contracts, bank loan agreements, property lease arrangements, directors' service agreements and employee share plans. None of these agreements are deemed to be significant in terms of their potential impact on the business of the group as a whole; and
- details of the directors' entitlement to compensation for loss of office following a takeover or contract termination are given in the Directors' Remuneration Report.

14. Authority to purchase and allot own shares

The company's authority to purchase up to 10% of its own shares expires at the conclusion of the company's next Annual General Meeting. A resolution to renew this authority for a further period will be put to shareholders at this meeting.

At the Annual General Meeting of the company on January 26 2012, the shareholders authorised the directors to allot shares up to an aggregate nominal amount of £90,971 expiring at the conclusion of the Annual General Meeting to be held in 2013. A resolution to renew this authority for a further period will be put to shareholders at this meeting.

15. Political and charitable contributions

During the year the group raised charitable contributions of £1,085,000 (2011: £1,108,000). There were no political contributions in either year. See pages 36 to 40 for details of the group's charitable projects.

16. Directors' indemnities

The company has directors' and officers' liability and corporate reimbursement insurance for the benefit of its directors and those of other associated companies. This insurance has been in place throughout the year and remains in force at the date of this report.

17. Annual General Meeting

The company's next Annual General Meeting will be held on January 31 2013.

18. Auditor

A resolution to reappoint Deloitte LLP as the company's auditor is expected to be proposed at the forthcoming Annual General Meeting.

19. Disclosure of information to the auditor

In the case of each of the persons who is a director of the company at November 14 2012:

- so far as each of the directors is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the company's auditor is unaware; and
- each of the directors has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information (as defined) and to establish that the company's auditor is aware of the information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

By order of the board

Colin Jones
Company Secretary
November 14 2012

Directors' Responsibility Statement

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors are required to prepare the group financial statements in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union and Article 4 of the IAS Regulation and have elected to prepare the parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing the parent company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

In preparing the group financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Responsibility statement

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the relevant financial reporting framework, give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the undertakings included in the consolidation taken as a whole; and
- the management report, which is incorporated into the Directors' Report, includes a fair review of the development and performance of the business and the position of the company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

By order of the Board

Richard Ensor
Director
November 14 2012

Colin Jones
Company Secretary
November 14 2012

Directors and Advisors

Executive Directors

Mr PR Ensor ‡

Chairman

Mr PR Ensor (aged 64) joined the company in 1976 and was appointed an executive director in 1983. He was appointed managing director in 1992 and chairman on October 15 2012. He is chairman of the nominations committee. He is also a director of Internet Securities, Inc., BCA Research, Inc., Ned Davis Research Inc., and Davis, Mendel & Regenstein Inc., and an outside member of the Finance Committee of Oxford University Press.

Mr CHC Fordham

Managing Director

Mr CHC Fordham (aged 52) joined the company in 2000 and was appointed an executive director in July 2003 and managing director on October 15 2012. He was previously the director responsible for acquisitions and disposals as well as running some of the company's businesses, including the recently acquired Ned Davis Research.

Mr NF Osborn

Mr NF Osborn (aged 62) joined the company in 1983 and was appointed an executive director in February 1988. He is the publisher of *Euromoney*. He is also a director of Internet Securities, Inc., and of RBC OJSC, a Moscow-listed media company.

Mr DC Cohen

Mr DC Cohen (aged 54) joined the company in 1984 and was appointed an executive director in September 1989. He is managing director of the training division.

Mr CR Jones

Mr CR Jones (aged 52) is the finance director and a chartered accountant. He joined the company in July 1996 and was appointed finance director in November 1996. He is also the group's chief operating officer and company secretary. He is a director of Institutional Investor, Inc., Information Management Network, Inc., Internet Securities, Inc. and BCA Research, Inc.

Ms DE Alfano

Ms DE Alfano (aged 56) joined Institutional Investor, Inc. in 1984 and was appointed an executive director in July 2000. She is managing director of Institutional Investor's conference division and a director and chairman of Institutional Investor, Inc.

Ms JL Wilkinson

Ms JL Wilkinson (aged 47) joined the company in 2000 and was appointed an executive director in March 2007. She is group marketing director, CEO of Institutional Investor's publishing activities and president of Institutional Investor, Inc.

Mr B AL-Rehany

Mr B AL-Rehany (aged 55) was appointed an executive director in November 2009. He is chief executive officer and a director of BCA Research, Inc. which he joined in January 2003. Euromoney acquired BCA Research, Inc. in October 2006.

Non-executive Directors

The Viscount Rothermere ‡

The Viscount Rothermere (aged 44) was appointed a non-executive director in September 1998 and is a member of the nominations committee. He is chairman of Daily Mail and General Trust plc.

Sir Patrick Sergeant ‡

Sir Patrick Sergeant (aged 88) is a non-executive director and president. He founded the company in 1969 and was managing director until 1985 when he became chairman. He retired as chairman in September 1992 when he was appointed as president and a non-executive director. He is a member of the nominations committee.

Mr JC Botts §†‡

Mr JC Botts (aged 71) was appointed a non-executive director in December 1992 and is chairman of the remuneration committee and a member of the audit and nominations committees. He is senior adviser of Allen & Company in London, a director of Songbird Estates plc and a director of several private companies. He was formerly a non-executive chairman of United Business Media plc.

Mr JC Gonzalez §

Mr JC Gonzalez (independent) (aged 66) was appointed a non-executive director in November 2004 and is a member of the audit committee. He is chairman and chief executive of American Orient Capital Partners Holdings Limited, an investment and financial advisory services firm based in Hong Kong covering the Asia Pacific region, and a director of a number of publicly listed companies in the Philippines.

Mr MWH Morgan †‡

Mr MWH Morgan (aged 62) was appointed a non-executive director on October 1 2008. He is a member of the remuneration and nominations committees. He was previously chief executive of DMG Information and became chief executive of Daily Mail and General Trust plc on October 1 2008.

Mr DP Pritchard §†

Mr DP Pritchard (independent) (aged 68) was appointed a non-executive director in December 2008. He is chairman of the audit committee and a member of the remuneration committee. He is chairman of Songbird Estates plc and of AIB Group (UK) plc, and a director of The Motability Tenth Anniversary Trust. He was formerly deputy chairman of Lloyds TSB Group, chairman of Cheltenham & Gloucester plc and a director of Scottish Widows Group and LCH.Clearnet Group.

† Member of the remuneration committee
‡ Member of the nominations committee
§ Member of the audit committee

Advisors and registered office

President
Sir Patrick Sergeant

Company Secretary
CR Jones

Registered Office
Nestor House, Playhouse Yard,
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Registered Number
954730

Auditor
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2 New Street Square,
London EC4A 3BZ

Solicitors
Nabarro, Lacon House,
Theobald's Road,
London WC1 8RW

Brokers
UBS, 1 Finsbury Avenue,
London EC2M 2PP

Registrars
Equiniti, Aspect House, Spencer
Road, Lancing, West Sussex,
BN99 6DA

Corporate Governance

The Financial Reporting Council's 2010 UK Corporate Governance Code ("the Code") is part of the Listing Rules ("the Rules") of the Financial Services Authority. The paragraphs below and in the Directors' Remuneration Report on pages 41 to 52 set out how the company has applied the principles laid down by the Code. The company continues substantially to comply with the Code, save for the exceptions disclosed in the Directors' Compliance Statement on page 34.

Directors

The board and its role

Details of directors who served during the year are set out on page 47. During the year the board comprised the chairman, managing director, seven other executive directors and six non-executive directors. Two of the six non-executive directors are independent, one is the founder and ex-chairman of the company, two are directors of Daily Mail and General Trust plc (DMGT), an intermediate parent company, and one has served on the board for more than the recommended term of nine years under the Code.

PM Fallon, the chairman, who was due to retire at the AGM in January 2013, died on October 14 2012. The company announced on October 15 2012 that its previously announced succession plans would be accelerated and that PR Ensor would succeed PM Fallon as chairman and CHC Fordham would succeed PR Ensor as managing director, both with immediate effect.

There are clear divisions of responsibility within the board such that no one individual has unfettered powers of decision. The board, although larger than average, does not consider itself to be unwieldy and believes it is beneficial to have representatives from key areas of the business at board meetings. There is a procedure for all directors in the furtherance of their duties to take independent professional advice, at the company's expense. They also have access to the advice and services of the company secretary. In accordance with best corporate governance practice under the 2010 UK Corporate Governance Code all directors will submit themselves for annual re-election. Newly appointed directors are submitted for election at the first available opportunity after their appointment.

The board meets every two months and there is frequent contact between meetings. Board meetings take place in London, New York, Montreal and Hong Kong, and occasionally in other locations where the group has operations. The board has delegated certain aspects of the group's affairs to standing committees, each of which operates within defined terms of reference. Details of these are set out below. However, to ensure its overall control of the group's affairs, the board has reserved certain matters to itself for decision. Board meetings are held to set and monitor strategy, identify, evaluate and manage material risks, to review trading performance, ensure adequate funding, examine major acquisition possibilities and approve reports to shareholders. Procedures are established to ensure that appropriate information is communicated to the board in a timely manner to enable it to fulfil its duties.

Committees

Executive committee

The executive committee meets each month to discuss strategy, results and forecasts, risks, possible acquisitions and divestitures, costs, staff numbers, recruitment and training and other management issues. It also discusses corporate and social responsibility including the group's various charity initiatives. It is chaired by the group chairman and comprises all executive directors plus other divisional directors. It is not empowered to make decisions except those that can be made by the members in their individual capacities as executives with powers approved by the board of the company. The discussions of the committee are summarised by the group chairman and reported to each board meeting, together with recommendations on matters reserved for board decisions.

Nominations committee

The nominations committee is responsible for proposing candidates for appointment to the board having regard to the balance of skills and structure of the board and ensuring the appointees have sufficient time available to devote to the role. This committee meets when required and during the year comprised PM Fallon (chairman of the committee), PR Ensor and four non-executive directors, being Sir Patrick Sergeant, The Viscount Rothermere, MWH Morgan and JC Botts. The committee's terms of reference are available on the company's website at: www.euromoneyplc.com/reports/Nominationcommittee.pdf.

This committee met three times during the year: in November 2011 to extend PM Fallon's service contract to January 2013; in December 2011 to recommend to the board the re-election of directors retiring by rotation; and in July 2012 to recommend to the board the appointment of PR Ensor as chairman and CHC Fordham as managing director.

The process for appointing a successor to the chairman was conducted by a sub-committee of the nominations committee, led by JC Botts, the company's longest serving non-executive director, supplemented by the company's independent non-executives, JC Gonzalez and DP Pritchard, and excluding the DMGT representatives on the committee. This sub-committee engaged an external search and board consulting firm to assist with the appointment of both the chairman and managing director. This firm undertook a comprehensive review of candidates including interviews, upward appraisal and external search of candidates. The sub-committee met several times during the year to consider the progress of the external search firm.

Remuneration committee

The remuneration committee meets twice a year and additionally as required. It is responsible for determining the contract terms, remuneration and other benefits for executive directors, including performance-related incentives. This committee also recommends and monitors the level of remuneration for senior management and overall, including group-wide share option schemes. The composition of the committee, details of directors' remuneration and interests in share options and information on directors' service contracts are set out in the Directors' Remuneration Report on pages 41 to 52. The committee's terms of reference are available on the company's website at: http://www.euromoneyplc.com/reports/Remunerationcommittee.pdf.

Audit committee

Details of the members and role of the audit committee are set out on page 34. The committee's terms of reference are available on the company's website at: http://www.euromoneyplc.com/reports/Auditcommittee.pdf.

Tax and treasury committee

Details of the members and role of the tax and treasury committee are set out in the Directors' Report on page 17.

Non-executive directors

The non-executive directors bring both independent views and the views of the company's major shareholder to the board. The non-executive directors who served during the year, whose biographies can be found on page 29 of the accounts, were The Viscount Rothermere, Sir Patrick Sergeant, JC Botts, JC Gonzalez (independent), MWH Morgan and DP Pritchard (independent).

At least once a year the company's chairman meets the non-executive directors without the executive directors being present. The non-executive directors meet without the company's chairman present at least annually to appraise the chairman's performance and on other occasions as necessary.

The board considers JC Gonzalez and DP Pritchard to be independent non-executive directors.

JC Botts has been on the board for more than the recommended term of nine years under the Code and the board believes that his length of service enhances his role as a non-executive director. However, due to his length of service, JC Botts does not meet the Code's definition of independence.

Sir Patrick Sergeant has served on the board in various roles since founding the company in 1969 and has been a non-executive director since 1992. As founder and president of the company, the board believes his insight and external contacts remain invaluable. However, due to his length of service, Sir Patrick Sergeant does not meet the Code's definition of independence.

The Viscount Rothermere has a significant shareholding in the company through his beneficial holding in DMGT and because of this he is not considered independent.

The Viscount Rothermere and MWH Morgan are also executive directors of DMGT, an intermediate parent company. However, the company is run as a separate, distinct and decentralised subsidiary of DMGT and these directors have no involvement in the day-to-day management of the company. They bring valuable experience and advice to the company and the board does not believe these non-executive directors are able to exert undue influence on decisions taken by the board, nor does it consider their independence to be impaired by their positions with DMGT. However, their relationship with DMGT means they do not meet the Code's definition of independence.

Corporate Governance
continued

Board and committee meetings

Board and committee meetings are arranged well in advance of the meeting date and papers covering the points to be discussed are distributed to its members in advance of the meetings. The following table sets out the number of board and committee meetings attended by the directors during the year to September 30 2012:

	Board	Executive committee	Remuneration committee	Nominations committee	Audit committee	Tax & treasury committee
Number of meetings held during year	**7**	**10**	**3**	**3**	**3**	**3**
Executive directors						
PM Fallon – chairman (died October 14 2012)	3	4	–	1	–	1
PR Ensor – managing director	6	10	–	1	–	3
NF Osborn	7	10	–	–	–	–
DC Cohen	7	9	–	–	–	–
CR Jones – finance director	7	10	–	–	–	3
DE Alfano	7	10	–	–	–	–
CHC Fordham	7	10	–	–	–	–
JL Wilkinson	7	10	–	–	–	–
B AL-Rehany	7	10	–	–	–	–
Non-executive directors						
The Viscount Rothermere	5	–	–	3	–	–
Sir Patrick Sergeant	3	–	–	3	–	–
JC Botts	5	–	3	3	3	–
JC Gonzalez	4	–	–	–	1	–
MWH Morgan	6	–	3	3	–	–
DP Pritchard	7	–	3	–	3	3

Board and committee effectiveness

During the year the board, through its chairman, assessed its performance and that of its committees. The chairman surveyed each board member and evaluated the strengths and weaknesses of the board and its members. In addition, each of the main committees completed a detailed questionnaire encompassing key areas within their mandates. The chairman concluded that the board and its committees had been effective throughout the year.

In view of the chairman's deteriorating health, the board did not assess the chairman's performance this year. However, as part of the succession planning exercise undertaken by the nominations committee, the role and responsibilities of the chairman and managing director were considered at length.

Communication with shareholders

The company's chairman, together with the board, encourages regular dialogue with shareholders. Meetings with shareholders are held, both in the UK and in the US, to discuss annual and interim results and highlight significant acquisitions or disposals, or at the request of institutional shareholders. Private shareholders are encouraged to participate in the Annual General Meeting. In line with best practice all shareholders have at least 20 working days' notice of the Annual General Meeting at which the executive directors, non-executive directors and committee chairs are available for questioning.

The company's chairman and finance director report to fellow board members matters raised by shareholders and analysts to ensure members of the board, in particular the non-executive directors, develop an understanding of the investors' and potential investors' view of the company.

Internal control and risk management

The board is responsible for the group's system of internal control and for reviewing its effectiveness. Such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

In accordance with principle C.2 and C.2.1 of the Code, the board has implemented a continuing process for identifying, evaluating and managing the material risks faced by the group.

The board has reviewed the effectiveness of the group's system of internal control and has taken account of material developments which have taken place since September 30 2011. It has considered the major business and financial risks, the control environment and the results of internal audit. Steps have been taken to embed internal control and risk management further into the operations of the group and to deal with areas of improvement which have come to management's and the board's attention.

Key procedures which the directors have established with a view to providing effective internal control, and which have been in place throughout the year and up to the date of this report, are as follows:

The board of directors

- the board normally meets six times a year to consider group strategy, risk management, financial performance, acquisitions, business development and management issues;
- the board has overall responsibility for the group and there is a formal schedule of matters specifically reserved for decision by the board;
- each executive director has been given responsibility for specific aspects of the group's affairs;
- the board reviews and assesses the group's principal risks and uncertainties at least annually;
- the board seeks assurance that effective control is being maintained through regular reports from business group management, the audit committee and various independent monitoring functions; and
- the board approves the annual forecast after performing a review of key risk factors. Performance is monitored regularly by way of variances and key performance indicators to enable relevant action to be taken and forecasts are updated each quarter. The board considers longer-term financial projections as part of its regular discussions on the group's strategy and funding requirements.

A risk committee, comprising the company's chairman, managing director and finance director, is responsible for managing and addressing risk matters as they arise.

During the year and up to the approval of this annual report and accounts the board has not identified nor been advised of any failings or weaknesses in the group's system of internal control which it has determined to be significant. Therefore a confirmation of necessary actions has not been considered appropriate.

Investment appraisal

The managing director, finance director and business group managers consider proposals for acquisitions and new business investments. Proposals beyond specified limits are put to the board for approval and are subject to due diligence by the group's finance team and, if necessary, independent advisors. Capital expenditure is regulated by strict authorisation controls. For capital expenditure above specified levels, detailed written proposals must be submitted to the board and reviews are carried out to monitor progress against business plan.

Accounting and computer systems controls and procedures

Accounting controls and procedures are regularly reviewed and communicated throughout the group. Particular attention is paid to authorisation levels and segregation of duties. The group's tax, financing and foreign exchange positions are overseen by the tax and treasury committee, which meets at least twice a year. Controls and procedures over the security of data and disaster recovery are periodically reviewed and are subject to internal audit.

Internal audit

The group's internal audit function is managed by DMGT's internal audit department, working closely with the company's finance director. Internal audit draws on the services of the group's central finance teams to assist in completing the audit assignments. Internal audit aims to provide an independent assessment as to whether effective systems and controls are in place and being operated to manage significant operating and financial risks. It also aims to support management by providing cost effective recommendations to mitigate risk and control weaknesses identified during the audit process, as well as provide insight into where cost efficiencies and monetary gains might be made by improving the operations of the business. Businesses and central departments are selected for an internal audit visit on a risk-focused basis, taking account of the risks identified as part of the risk management process; the risk and materiality of each of the group's businesses; the scope and findings of external audit work; and the departments and businesses reviewed previously and the findings from these reviews. This approach ensures that the internal audit focus is placed on the higher risk areas of the group, while ensuring an appropriate breadth of coverage. DMGT's internal audit reports its findings to management and to the audit committee.

Corporate Governance
continued

Accountability and audit

Audit Committee

The audit committee comprises DP Pritchard (chairman, independent), JC Botts, JC Gonzalez (independent), and SW Daintith, the finance director of DMGT. Three of the four members are non-executive directors. All members of the committee have a high level of financial literacy, SW Daintith is a chartered accountant and a member of the ICAEW, and DP Pritchard has considerable audit committee experience.

The committee meets at least three times each financial year and is responsible for reviewing the interim report, the annual report and accounts and other related formal statements before their submission to the board, and reviewing and overseeing controls necessary to ensure the integrity of the financial information reported to the shareholders.

The audit committee advises the board on the appointment or reappointment of the external auditor and on their remuneration, both for audit and non-audit work. It has set and applied a formal policy, which focuses on the effectiveness, independence and objectivity of the external audit and includes a policy on employment of former audit staff, an annual assessment of the qualifications, expertise and resources of the external auditor, the type of non-audit work permissible and a de minimis level of fees acceptable. Any non-audit work performed outside this remit is assessed and where appropriate approved by the committee. Fees paid to Deloitte for audit services, audit related services and other non-audit services are set out in note 4. During 2012 Deloitte did not provide significant non-audit services. The group's non-audit fee policy is available on the company's website (www.euromoneyplc.com/reports/nonauditfee.pdf). The committee considers the required audit partner rotation plans. It also discusses the nature, scope and findings of the audit with the external auditor and considers and determines relevant action in respect of any control issues raised by the external auditor.

The appointment of Deloitte as the group's external auditor (incumbents since the last audit tender in 1998) is kept under annual review and, if satisfactory, the committee will recommend the reappointment of the audit firm. The appointment of Deloitte followed a formal tender process undertaken in 1998 and, rather than adopting a policy on tendering frequency, the annual review of the effectiveness of the external audit is supplemented by a periodic comprehensive reassessment by the committee. The last such reassessment was performed in financial year 2009, when having received assurances on the continued quality of the audit, the committee determined to recommend the reappointment of the incumbent firm. As the appointment of the auditor is for one year only, being subject to annual approval at the company's Annual General Meeting, there is no contractual commitment to the current audit firm and, as such, the committee may undertake an audit tender at any time at its discretion. In performing its review, the committee evaluated the adequacy of the audit firm's key processes and controls in certain key areas including, but not limited to: arrangements for ensuring independence and objectivity; including the rotation of key audit partners; appropriateness of the planned audit scope and its execution; the robustness and perceptiveness of the auditor in their handling of the key accounting and audit judgements; and the quality of their reporting. The committee concluded that it was in the group's and shareholders' interests not to tender the external audit in 2012 and recommends the reappointment of Deloitte as the group's auditor.

The audit committee is also responsible for monitoring and assessing the effectiveness of internal audit, and reviews the internal audit programme and receives periodic reports on its findings. It reviews the whistle blowing arrangements available to staff.

The audit committee's terms of reference are available at www.euromoneyplc.com/reports/Auditcommittee.pdf.

Statement by the directors on compliance with the Code

The UK Listing Rules require the board to report on compliance throughout the accounting year with the applicable principles and provisions of the 2010 UK Corporate Governance Code issued by the Financial Reporting Council. Save for the exceptions outlined below, the group has complied throughout the financial year ended September 30 2012 with the provisions set out in Section 1 of the Code.

Provision B.1.2 states that half the board, excluding the chairman, should be comprised of non-executive directors determined by the board to be independent. During the year the board comprised 15 directors, of whom six were non-executive and only two were considered independent under the Code. However, there are clear divisions of responsibility within the board such that no one individual has unfettered powers of decision. The board, although large, does not consider itself to be unwieldy and believes it is beneficial to have representatives from key areas of the business at board meetings.

JC Botts has been on the board for more than the recommended term of nine years under the Code and the board believes that his length of service enhances his role as a non-executive director. However, due to his length of service, JC Botts does not meet the Code's definition of independence.

Sir Patrick Sergeant has served on the board in various roles since founding the company in 1969 and has been a non-executive director since 1992. As founder and president of the company, the board believes his insight and external contacts remain invaluable. However, due to his length of service, Sir Patrick Sergeant does not meet the Code's definition of independence.

The Viscount Rothermere has a significant shareholding in the company through his beneficial holding in DMGT and because of this he is not considered independent.

The Viscount Rothermere and MWH Morgan are also executive directors of DMGT, an intermediate parent company. However, the company is run as a separate, distinct and decentralised subsidiary of DMGT and these directors have no involvement in the day-to-day management of the company. They bring valuable experience and advice to the company and the board does not believe these non-executive directors are able to exert undue influence on decisions taken by the board, nor does it consider their independence to be impaired by their positions with DMGT. However, their relationship with DMGT means they do not meet the Code's definition of independence.

Contrary to provision A.4.1, the board has not identified a senior independent non-executive director. However, JC Botts, although not independent due to his length of service, acts as senior non-executive director.

Provision B.2.1 requires that the majority of the nominations committee should be comprised of independent non-executive directors. Although the committee consists of four non-executive and two executive directors, none of these non-executive directors can be considered independent under the Code.

Provision B.3.2 states that the terms and conditions of appointment of non-executive directors should be available for inspection. As explained in the Directors' Remuneration Report, the non-executive directors do not have service contracts.

Provisions C.3.1 and D.2.1 require the remuneration and audit committees to comprise entirely of independent non-executive directors. The remuneration committee is comprised of three non-executive directors, one of whom can be considered independent under the Code. During the year, the audit committee comprised four members, only three of which were non-executive directors of the company only two of whom can be considered independent under the Code.

On behalf of the board

Richard Ensor
Chairman
November 14 2012

Corporate and Social Responsibility

The group is diverse and operates through a large number of businesses in many geographical locations. Each business provides important channels of communication to different sections of society throughout the world. The success of the group's businesses owes much to understanding and engaging with the communities they serve both locally and globally.

The paragraphs below provide more detailed explanations on key areas of corporate responsibility.

Environmental responsibility

The group does not operate directly in industries where there is the potential for serious industrial pollution. It does not print products in-house or have any investments in printing works. It takes its environmental responsibility seriously and complies with all relevant environmental laws and regulations in each country in which it operates. Wherever economically feasible, account is taken of environmental issues when placing contracts with suppliers of goods and services and these suppliers are regularly reviewed and monitored. For instance, the group's two biggest print contracts are outsourced to companies who have environment management systems compliant with the ISO 14001 standard. The paper used for the group's publications is produced from pulp obtained from sustainable forests, manufactured under strict, monitored and accountable environmental standards.

The group is not a heavy user of energy; however, it does manage its energy requirements sensibly using low-energy office equipment where possible and using a common sense approach to office energy management. For instance, the UK group uses new secure multi-functional device technology which enables two sided printing and allows employees to delete unwanted documents at the printer before printing. This initiative should reduce paper, ink and electricity usage.

Each office within the group is encouraged to reduce waste, reuse paper and only print documents and emails where necessary. The main offices across the group also recycle waste where possible. This year the UK, US and Canadian offices recycled 91,000kg of paper and card, which is equivalent to more than 1,000 trees.

Carbon footprint

The company, as part of the wider Daily Mail and General Trust plc group (DMGT), participates in a DMGT group-wide carbon footprint analysis completed by ICF International. This exercise has been undertaken every year since 2006 using the widely recognised GHG protocol methodology developed by the World Resource Institute and the World Business Council for Sustainable Development.

In addition, the company, through DMGT, is part of the Carbon Disclosure Project (CDP) and has been submitting full responses to them since 2007 and is included in the FTSE CDP Carbon Strategy Index Series.

The directors are committed to reducing the group's carbon emissions and managing its carbon footprint. The company, as part of the wider DMGT group, committed to reducing its carbon footprint by 10% from the baseline year of 2007 by the end of 2012. The company, as part of the DMGT group, achieved the targeted 10% reduction two years early. This year the footprint fell by 1% compared to last year, after adjusting for acquisitions and disposals and updating emission factors, and by 19% compared to the 2007 baseline. This year the company, as part of the wider DMGT group, has set a new stretching target to reduce its carbon footprint by a further 10% from the 2012 base by the end of 2016.

FTSE4Good

The group was included for the first time in the FTSE4Good index in 2011 and continues to be a constituent of the index in 2012. The group has maintained its ESG rating of 3/5 and increased its group percentile rating from 39% to 51% in the ICB 'Global Super Sector'.

FTSE Group confirms that Euromoney Institutional Investor PLC has been independently assessed according to the FTSE4Good criteria, and has satisfied the requirements to become a constituent of the FTSE4Good Index Series. Created by the global index company FTSE Group, FTSE4Good is an equity index series that is designed to facilitate investment in companies that meet globally recognised corporate responsibility standards. Companies in the FTSE4Good Index Series have met stringent environmental, social and governance criteria, and are positioned to capitalise on the benefits of responsible business practice.

Social responsibility

The group continues to expand its charitable activities and raised over £1 million for local and international charitable causes during the year. These contributions came from Euromoney's own charitable budget, individual employee fundraising efforts and also from clients who generously made donations in support of the company's charitable projects.

We continue to encourage employees to be involved actively in supporting charities by fundraising themselves (e.g. running a marathon or triathlon), while the group contributed by way of donations to a series of employee-chosen charitable causes. In the past year funding was expanded to two new charitable projects; Anchor House, a homeless charity in the East End of London, and a blindness treatment project in South Omo, Ethiopia.

We continue to work and partner with recognised charitable organisations that have expertise within certain sectors, thus ensuring that the implementation and management of a charitable project is carried out efficiently and that donated funds reach the communities at which the charitable cause is aimed. At the same time, we are careful to address the sustainability aspects in each charitable project to ensure a long lasting beneficial impact.

Below is a summary of some of the charitable activities undertaken in the past year.

Kechene new water and sanitation facilities.

Water and Sanitation, Kechene, Addis Ababa, Ethiopia

Euromoney continued to support the African and Medical Research Foundation (AMREF) for a second year with its sustainable water and sanitation project in Addis Ababa, Ethiopia. Through staff activities and events such as awards dinners, the group exceeded its donation target of £212,000. The project is focused on Kechene, the largest slum in Addis Ababa. So far, the programme has involved rebuilding two water springs, the construction of five shower blocks and seven sanitation kiosks, with two more showers and five more kiosks to follow. Nineteen local water and sanitation committees are also in place to manage these facilities. Alongside this work, the project has trained twelve hygiene workers to promote information on sanitation and water-borne diseases. In total, the full facilities and promotional work are expected to bring clean water and better health to 22,000 people.

Corporate and Social Responsibility
continued

Little Rock School, Kibera, Nairobi, Kenya

This project involves the construction of new school premises for Little Rock School and is planned to be completed in January 2013. The original Little Rock premises consisted of five separate rented buildings spread across the slum area of Kibera in Nairobi. The new purpose-built school will have facilities for nearly 500 pupils and include 16 classrooms with up to 30 pupils each, from infant day care through to the first year of primary school. In addition, with a new a computer room, assembly area, physiotherapy room and administration block, the educational effectiveness and operation of the school will be transformed.

Little Rock is much more than a school. In addition to day teaching, it provides a feeding programme, after-schools clubs, term holiday tutoring, a public library, community engagement, parent support groups and an income generating workshop. This holistic approach empowers children, families and the community to work together to improve the lives of some of the most vulnerable children in the world, not only while they attend Little Rock but with skills and resources they carry forward into further schooling.

The coordination of the Little Rock construction programme is carried out by AbleChildAfrica, a UK headquartered charity which specialises exclusively in advocating for and supporting disabled children and disabled young people in Africa.

Little Rock new school premises — perspective view.

Pupils of Little Rock.

Water Well Project in Kimbunga Valley, Mombasa, Kenya

Euromoney supports this charity project by funding the construction of a rain-fed dam and the training of farmers in how to regenerate the surrounding land to make it suitable to grow crops. This has enabled the community in the Kimbunga Valley, near Mombasa, to have food and water security and surplus crops, and provide an income – something they have never had before. This has immediately helped over 600 people within local communities. However, experience shows that an additional 400–500 people will gravitate to the area due to the improved and sustainable livelihoods now available.

This is part of a wider initiative that Euromoney is working on in partnership with The Haller Foundation to help communities in the area lift themselves out of poverty – working towards an integrated model for sustainable development that enable communities to become self-sufficient, typically over a five year period.

Anchor House, Canning Town, London E16

At the *EuroWeek 25th Anniversary Awards Dinner* over £175,000 was raised for the Anchor House homeless charity which aims to turn its 1960s-style building into a 21st century facility providing workshops for vocational courses; an e-learning zone; new kitchen training facility and 25 new 'move on' studio flats for residents. Anchor House is transforming itself into a residential life-skills centre for the homeless. It annually supports up to 220 people each year and provides a stable and safe environment to help them develop aspirations, confidence and self-esteem, thus enabling them to move towards leading independent and self-fulfilling lives.

Community members digging the dam by hand.

The dam filled with rainwater.

Corporate and Social Responsibility
continued

Trachoma Project, South Omo, Ethiopia

At its July 2012 Awards Dinner, *Euromoney* raised over £480,000 to fund the first two years of a five-year charity project which will start in 2013. The project aims to provide clean water and sanitation facilities in order to help eradicate trachoma (a chronic, contagious inflammatory eye disease which can lead to blindness). The project will be run jointly by AMREF and ORBIS and aims to improve the water and sanitation facilities for 230,000 people within the South Omo community, improve the primary eye-care services for 644,000 people, treat over 550,000 people suffering from trachoma with antibiotics, surgically treat 13,000 adult sufferers of trachoma and train 16 eye care workers and 600 teachers to identify trachoma symptoms.

AMREF E-Health Projects

TelCap has supported AMREF's e-health projects with a donation from each of its conferences. At the *Capacity Africa* conference held in Dar es Salaam a fun run was organised where 25 conference delegates and three of the TelCap team ran a 5km route around Dar es Salaam in 30°C heat. The fun run and a charity raffle held during the event raised nearly US$9,000 in funds for AMREF. In addition TelCap donated over £8,500 to AMREF.

The Legal Media Group, including *International Financial Law Review, Managing Intellectual Property* and *International Tax Review*, raised over £6,000 for AMREF at their annual awards dinners.

The Voluntary Reading Scheme

Partnering with the children's literacy charity Volunteer Reading Help, ten volunteers from Euromoney spend an hour a week reading to children who are struggling with their reading at The New North Academy in London.

Bali Sports Foundation and Priscilla Hall Foundation

Coaltrans Conferences and its clients gave a donation of US$16,183 to the Bali Sports Peace Foundation, which provides sporting opportunities for underprivileged children in Bali and Papua New Guinea and US$14,883 to the Priscilla Hall Memorial Foundation, which aims to help underprivileged children of Indonesia.

Hope and Homes for Children

EuroWeek raised over £36,000 for the Hope and Homes for Children charity at their awards dinner. This charity works with children, their families, communities and governments across Central and Eastern Europe and Africa. In addition, one employee raised over £4,000 by participating in the Hope and Homes Triathlon.

Orbis – Saving Sight Worldwide

Euromoney Seminars and *Airfinance Journal* continue to support Orbis which works to prevent and treat blindness. £10,000 was raised at the annual *Airfinance* conference charity dinner in Dublin which will enable 50 eye-care workers to be trained and cover the cost of 15,000 antibiotic treatments.

Other US Charity Initiatives

Institutional Investor (II) matched donations made by its employees to more than 150 charities around the world. In doing so it encouraged and rewarded the spirit of giving and generosity amongst staff. Matching gifts were made to relief organizations, groups in support of the arts, foundations for disease research, environmental organizations, child welfare agencies, scholarship funds and a number of umbrella charities. II also sponsored scholarships at nearby Baruch College and offered internships to deserving students.

In addition, II raised donations at their annual awards dinners: US$16,000 for the Little Kids Rock charity, which transforms children's lives by restoring and revitalizing music education in disadvantaged public school; US$18,000 for the Expect Miracles Foundation, which is one of the leading advocates in the fight against cancer within the financial services industry; and US$25,000 for Sparks children's medical research charity.

Worldfund

Latin Finance contributed over US$10,000 to the Worldfund charity which supports high-quality and results-driven education in Latin America – the key to transforming lives and reducing poverty. Through Worldfund's investment in schools, after-school academic programs and teacher/principal training, they directly help 340,000 impoverished students annually in the region.

Forest Research Institute Malaysia

Petroleum Economist donated over £7,000 to the Forest Research Institute Malaysia, a jungle reforestation charity, at the *World Gas Conference* in June 2012.

Directors' Remuneration Report

Introduction

This Remuneration Report sets out the group's policy and structure for the remuneration of executive and non-executive directors together with details of directors' remuneration packages and service contracts. The report has been prepared in accordance with Schedule 8 (Quoted Companies: Directors' Remuneration Report) to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 and shareholders will be invited to approve this report at the Annual General Meeting on January 31 2013.

Remuneration committee

During the year the remuneration committee comprised JC Botts (chairman), MWH Morgan, and DP Pritchard (independent). All members of the committee are non-executive directors of the company. MWH Morgan is also a director of Daily Mail and General Trust plc (DMGT) but has no personal financial interests in the company (other than as a shareholder), and no day-to-day involvement in running the business. For the year under review, the committee also sought advice and information from the company's chairman, managing director and finance director. The committee's terms of reference permit its members to obtain professional external advice on any matter, at the company's expense, and they did so in 2012 as part of the independent executive search process undertaken in connection with the succession planning for the company's chairman. The group itself can use external advice and information in preparing proposals for the remuneration committee. It does apply external benchmarking although no material assistance from a single source was received in 2012.

Remuneration policy

The group believes in aligning the interests of management with those of shareholders. It is the group's policy to construct executive remuneration packages such that a significant part of a director's compensation is based on the growth in the group's profits contributed by that director. The two consistent objectives in its remuneration policy since the company's inception in 1969 have been the maximisation of earnings per share and the creation of shareholder value.

Maximising earnings per share

The first objective is achieved through a profit sharing scheme that links the pay of executive directors and key managers to the growth in profits of the group or relevant parts of the group. This scheme is completely variable with no guaranteed floor and no ceiling. All those on profit shares are aware that if profits rise, so does their pay. Similarly if profits fall, so do their profit shares.

To support the policy of profit sharing, the group is divided into approximately 100 profit centres. The manager of each profit centre is paid a profit share based on the profit centre's profit growth. Each profit centre is in turn part of a larger business unit and each business unit manager or executive director has a profit share based on the unit's profit growth. The profit sharing scheme is closely aligned with the group's strategy in that it encourages managers and directors to grow their businesses, to manage costs tightly, to launch new products and to search for acquisitions.

Creating shareholder value

The second objective is encouraged through the Capital Appreciation Plan (CAP).

The CAP is a highly geared performance-based share option scheme which both directly rewards executives for the growth in profits of the businesses they manage, and links this to the delivery of shareholder value by satisfying rewards in a mix of shares in the company and cash. The current CAP, CAP 2010, aims to mirror the success of CAP 2004 for both shareholders and management by delivering exceptional profit growth over the performance period. Further details of CAP 2004 and CAP 2010 are set out on pages 42 to 44.

The company also has an executive share option scheme which was approved by shareholders in January 1996. The performance criteria under which options granted under this scheme may be exercised are set out on page 44. This scheme expired in 2006, and no options have been issued under it since February 2004 although options previously granted may be exercised before various dates to February 2014.

The directors believe that these profit sharing and share option arrangements are responsible for much of the company's success since 1969. These arrangements align the interests of the directors and managers with those of shareholders and are considered an important driver of the company's growth.

Detailed remuneration arrangements of executive directors

Base salary and benefits

The base salary and benefits is generally not the most significant part of a director's overall compensation package, and variable profit share makes up much of their total pay. For example, of the total remuneration of the nine executive directors who served in the year, 89% was derived from variable profit shares, as illustrated in the following table:

	Fixed salary & benefits	Variable profit share
PM Fallon (died October 14 2012)	**4%**	**96%**
PR Ensor	**4%**	**96%**
NF Osborn	**30%**	**70%**
DC Cohen	**26%**	**74%**
CR Jones	**29%**	**71%**
DE Alfano	**19%**	**81%**
CHC Fordham	**17%**	**83%**
JL Wilkinson	**62%**	**38%**
B AL-Rehany	**26%**	**74%**
Total	**11%**	**89%**

Directors' Remuneration Report
continued

Each executive director receives a salary, which is usually below the market average, which is reviewed annually by the remuneration committee. Certain non-cash benefits are also provided including private health care.

Pension

Each UK-based director is entitled to participate in the Euromoney Pension Plan (a money purchase plan) or their own private pension scheme. Directors based overseas are entitled to participate in the pension scheme arrangements applicable to the country where they work. Details of pension scheme contributions can be found on page 48 of this report. There are no other post-retirement benefits.

Profit share

The profit sharing scheme links the pay of each executive director to the growth in profits of the businesses that they manage. Each executive director's profit share is completely variable with no guaranteed floor and no ceiling and is designed to be the most significant part of the executive director's remuneration package. In the event profits fall from one year to another, there is no clawback of profit share paid in respect of previous years, but the executive's profit share will decrease at a faster rate than the rate of reduction in profits of the businesses he/she manages. Each director's profit share is subject to remuneration committee approval, and can be revised at any time if the director's responsibilities are changed.

There is no deferral of profit share, which is paid in full in the December or January following the year in which it is earned, once the financial statements and profit shares have been subject to audit. The deferral element of the directors' remuneration is achieved through the delayed vesting and additional performance conditions under the CAP 2010.

Each executive director receives a profit threshold for the businesses they manage. This threshold is set at the time the director takes on responsibility for the business concerned, usually based on the profits of the previous 12 months. The standard profit share arrangement pays up to 1% of profits up to the threshold and 5% of profits in excess of this threshold. Some of the directors have schemes which have been in place for a number of years and pay profit shares at slightly higher rates or which are subject to additional thresholds.

The profit shares of PM Fallon (executive chairman) and PR Ensor (managing director) are based on the adjusted pre-tax post non-controlling interests profit of the group, thereby matching their profit share with the pre-tax return the group generates for its shareholders. PM Fallon is entitled to 5.09% (2011: 5.16%) of the adjusted pre-tax profit. PR Ensor is entitled to 3.01% (2011: 3.05%) of the adjusted pre-tax profit up to a threshold of £38.9 million (2011: £37.0 million) and an additional 1.13% (2011: 1.14%) of the adjusted pre-tax profit in excess of this threshold.

Following PM Fallon's death on October 14 2012, the company announced that the succession plans announced on August 1 2012 would be accelerated and PR Ensor would succeed PM Fallon as executive chairman with immediate effect. PR Ensor's remuneration arrangements as executive chairman will be unchanged from those as managing director. PM Fallon's salary and profit share accrued until his date of death.

CHC Fordham has a profit share from the businesses he manages directly plus, as acquisitions director, an incentive linked to the performance of acquisitions in the period post-acquisition. Under the company's previously announced succession plan, and following the death of PM Fallon on October 14 2012, CHC Fordham succeeded PR Ensor as managing director with immediate effect. In his new role, CHC Fordham's incentive arrangements have been revised to increase the proportion of his total remuneration paid as fixed salary and reduce the variable incentive. However, the basis for his variable incentive is not the same as that of PR Ensor as managing director. Instead, he will receive a profit share based on the growth in the company's pre-tax earnings per share (EPS), from a base pre-tax EPS of 64.3 pence, equivalent to an adjusted pre-tax profit of £79 million, with the base increasing at 5% per year. This is broadly equivalent to a 2% profit share above the base. At the same time, his salary was increased from £151,300 to £375,000.

CR Jones (finance director) receives a profit share linked to the pre-tax adjusted EPS of the group. A fixed sum is payable for every percentage point the EPS is above 11 pence and an additional fixed sum is payable for every percentage point that EPS is above 20 pence.

JL Wilkinson has a profit share from the businesses she manages directly plus, as group marketing director, an incentive based on the growth in the group's subscription and delegate revenues.

NF Osborn, DC Cohen, DE Alfano and B AL-Rehany receive profit shares from the businesses they manage directly.

Company share schemes

The board considers that share schemes are an important part of overall compensation and align the interests of directors and managers with those of shareholders. Details of each director's share options can be found on pages 49 to 51.

2010 Capital Appreciation Plan (CAP 2010)

CAP 2010 was approved by shareholders on January 21 2010 as a direct replacement for CAP 2004.

Awards under CAP 2010 were granted on March 30 2010 to approximately 200 directors and senior employees who have direct and significant responsibility for the profits of the group. Each CAP 2010 award comprises two equal elements: an option to subscribe for ordinary shares of 0.25 pence each in the company at an exercise price of 0.25 pence per ordinary share; and a right to receive a cash payment. No individual may receive an award over more than 6% of the award pool. In accordance with the terms of CAP 2010, no consideration was payable for the grant of the awards.

The award pool comprises 3,500,992 ordinary shares with an option value (calculated at date of grant using an option pricing valuation model) of £15 million, and cash of £15 million, limiting the total accounting cost of the scheme to £30 million over its life. Awards will vest in two equal tranches. The first becomes exercisable on satisfaction of the primary performance condition, but no earlier than February 2013, and lapses to the extent unexercised by September 30 2020. The second tranche of awards becomes exercisable in the February following the next financial year in which the primary performance condition is again satisfied, but no earlier than February 2014. The second tranche only vests on satisfaction of the primary performance condition and an additional performance condition (see below).

The **primary performance condition** required the group to achieve adjusted pre-tax profits[1] of £100 million, from a 2009 base profit of £62.3 million, by no later than the financial year ending September 30 2013, and that adjusted pre-tax profits[1] remained above this level for a second year.

The primary performance condition was first achieved in financial year 2011, two years earlier than expected, when adjusted pre-tax profits[1] were £101.3 million. However, the internal rules of the plan were modified to prevent the awards vesting more than one year early so although the primary condition had been achieved the award pool would be allocated between the holders of outstanding awards by reference to their contribution to the growth in profits of the group from the 2009 base year to the profits achieved in financial year 2012 and these awards would become exercisable in February 2013.

The primary performance condition for financial year 2012 was increased to adjusted pre-tax profits[1] of £105.0 million following the acquisition of NDR in August 2011. The primary performance condition was achieved again in financial year 2012 when adjusted pre-tax profits[1] were £113.0 million, resulting in the second tranche of CAP 2010 awards vesting and becoming exercisable from February 2014 subject to the additional performance condition being achieved in financial year 2013.

The **additional performance condition**, applicable for the vesting of the second tranche of awards, requires the profits of each business in the subsequent vesting period be at least 75% of that achieved in the year the first tranche of awards become exercisable. As the initial allocation of awards to participants will be calculated with reference to the profits achieved in financial year 2012, the earliest the additional performance condition can be applied is by reference to the profits achieved in financial year 2013, the primary performance condition having been met for a second time in financial year 2012. Thus the CAP 2010 is designed so that profit growth must be sustained if awards are to vest in full.

The number of options received under the share award of CAP 2010 is reduced by the number of options vesting with participants from the 2010 Company Share Option Plan (see below and note 24).

The number of options received under CAP 2010 is provisional and reflects management's best estimate taking into consideration the profits of the individual profit centres for financial year 2012, the respective weighting of these profits between participants and the offsetting number of options delivered under the CSOP 2010. The remuneration committee require management to apply true-up adjustments to these awards to reflect the results during the three month period to December 2012. The provisional number of options anticipated to be received by the directors under CAP 2010 are given in the directors' share option table on pages 49 to 51. The fair value per option granted and the assumptions used to calculate its value are set out in note 24.

2010 Company Share Option Plan (CSOP 2010)

The shareholders approved the CSOP 2010 at the Annual General Meeting on January 21 2010. The CSOP 2010 plan was approved by HM Revenue & Customs on June 21 2010.

Awards were granted under the CSOP 2010 on June 28 2010[2] to approximately 135 directors and senior employees of the group who have direct and significant responsibility for the profits of the group. Each CSOP 2010 option enables each participant to purchase up to 4,972[2] shares in the company at a price of £6.03[2] per share, the market value at the date of grant. No consideration was payable for the grant of these awards. The options will vest and become exercisable at the same time as the corresponding share award under the CAP 2010 providing the CSOP option is in the money at that time and does not vest before June 28 2013. Once vested the CSOP option remains exercisable for a period of one month and then lapses. If the CSOP option is not in the money at the time of vesting of the corresponding CAP 2010 share award it continues to subsist and becomes exercisable at the same time as the second tranche of the CAP 2010 share award.

Directors' Remuneration Report
continued

The CSOP 2010 has the same performance criteria as that of the CAP 2010 as set out above. The number of CSOP 2010 awards that will vest proportionally reduces the number of shares that vest under the CAP 2010. The CSOP is effectively a delivery mechanism for part of the CAP 2010 award. The CSOP 2010 options have an exercise price of £6.03[2], which will be satisfied by a funding award mechanism which is in place and results in the net gain[3] on these options being delivered in the equivalent number of shares to participants as if the same gain had been delivered using CAP 2010 options. The amount of the funding award will depend on the company's share price at the date of exercise.

2004 Capital Appreciation Plan (CAP 2004)

CAP 2004 was approved by shareholders on February 1 2005 and replaced the 1996 executive share option scheme. Each CAP 2004 award comprised an option to subscribe for ordinary shares of 0.25 pence each in the company for an exercise price of 0.25 pence per ordinary share. No consideration was paid for the grant of the awards. No further awards may be granted under CAP 2004.

CAP 2004 awards vest in three equal tranches. The first tranche became exercisable on satisfaction of the primary performance condition in 2007, and lapse to the extent unexercised on September 30 2014. The other two tranches of awards became exercisable following the results achieved in financial years 2008 and 2009, but only to the extent that the additional performance condition was also achieved. The primary performance condition, broadly, required the company to achieve adjusted pre-tax profits[1] of £57.0 million by no later than the financial year ending September 30 2008 and remain at least this level for two further vesting periods. The additional performance condition required that the profits of the respective participants' businesses in the subsequent two vesting periods be at least 75% of that achieved in the year the primary performance condition was first met.

The CAP 2004 profit target was achieved in 2007 and the option pool (a maximum of 7.5 million shares) was allocated between the holders of outstanding awards by reference to their profit contribution to the achievement of the primary performance condition, subject to the condition that no individual had an option over more than 10% of the option pool. One third of the awards vested immediately. The primary performance target was achieved again in 2008 and, after applying the additional performance condition, 2,241,269 options from the second tranche of options vested in February 2009. The primary performance target was achieved again in 2009 and, after applying the additional performance condition, 1,527,152 options from the third (final) tranche of options vested in February 2010. The additional performance condition was applied to profits for financial years 2010 and 2011 for those individual participants where the additional performance conditions had not previously been met and 303,321 and 244,152 options vested in February 2011 and February 2012 respectively. Applying the additional performance test to profits for financial year 2012, a further 54,599 options are expected to vest in February 2013.

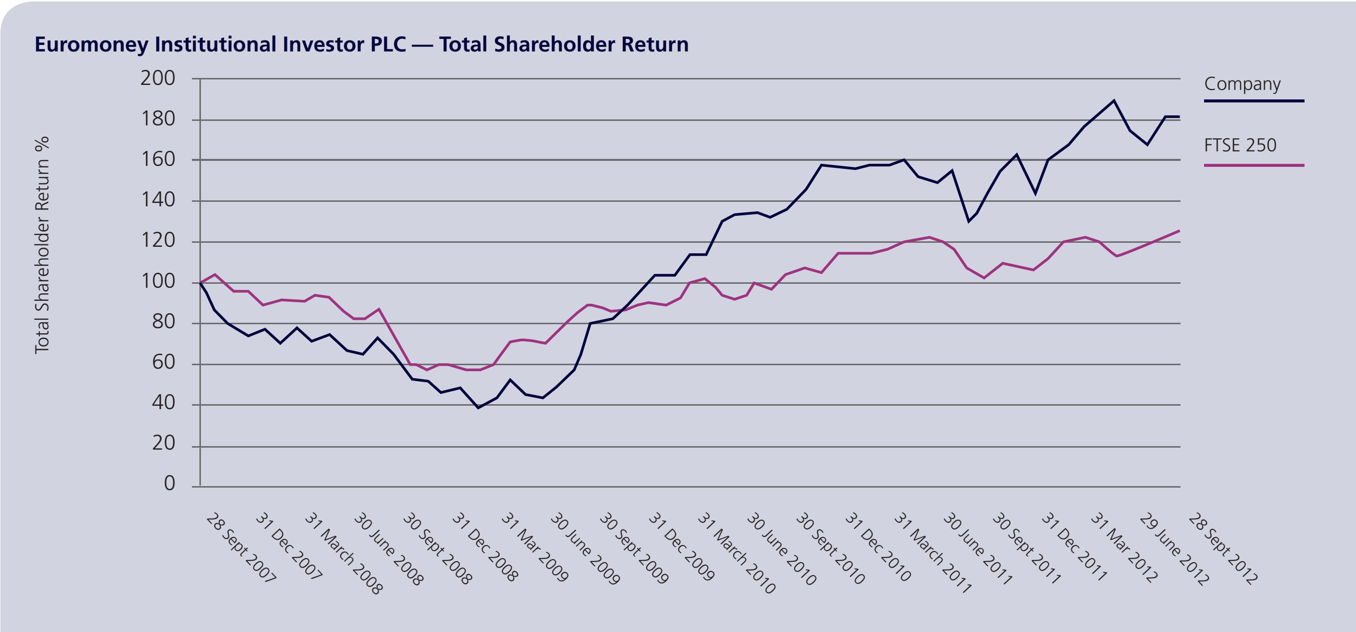
For the executive directors, the value of the second and third tranches of the CAP 2004 award that vested in February 2012 is set out in the directors' share option table on pages 49 to 51 and has been trued-up from the estimates provided in last year's annual report. The provisional number of options vesting in February 2013 for those directors who have CAP 2004 options that did not previously vest are also set out in this table. The number of CAP 2004 options vesting in February 2013 is provisional and will depend on any true-up adjustments required by the remuneration committee to be made to reflect the results for the three month period to December 2012. Financial year 2012 is the last year for which the additional performance test can be applied. As a result, an estimated 629,507 unvested CAP 2004 options at September 30 2012 will lapse.

1996 executive share option scheme

Some of the executive directors have options from a previous executive share option scheme approved by shareholders in 1996. This scheme expired in 2006 and no share options have been issued under it since February 2004 although options granted may be exercised before various dates to February 2014. These options are exercisable subject to the performance condition that the Total Shareholder Return (TSR) of the company exceeds the average TSR for the FTSE 250 index for the same period. For the performance condition to be satisfied, the TSR of the company must exceed that of the FTSE 250 on a cumulative basis, measured from the date of grant of the option, in any four out of six consecutive months starting 30 months after the option grant date.

Shown below is the group's TSR for the five years to September 2012 compared to the TSR of the FTSE 250 index over the same period. This index has been presented as it comprises the comparator group for the performance condition attached to the executive share option scheme. The TSR calculations assume the reinvestment of dividends.

Details of options held and exercised under this scheme can be found on pages 49 to 51 of this report. The fair value per option granted and the assumptions used to calculate its value are set out in note 24.



SAYE

The group operates an all employee save as you earn scheme in which those directors employed in the UK are eligible to participate. Participants save a fixed monthly amount of up to £250 for three years and are then able to buy shares in the company at a price set at a 20% discount to the market value at the start of the savings period. In line with market practice, no performance conditions attach to options granted under this plan. The executive directors who participated in this scheme during the year were PM Fallon, PR Ensor, NF Osborn, DC Cohen, CR Jones and CHC Fordham, details of which can be found on pages 49 to 51 of this report.

DMGT SIP

DMGT, the group's parent company, operates a share incentive plan in which all UK-based employees of the Euromoney group can participate. Employees can contribute up to £125 a month from their gross pay to purchase DMGT 'A' shares. These shares are received tax free by the employee after five years. The executive directors who participated in this scheme during the year were PM Fallon, PR Ensor and CR Jones, details of which can be found on page 52 of this report.

1. Adjusted pre-tax profits are before acquired intangible amortisation, exceptional items, movements in acquisition option commitment values, imputed interest on acquisition option commitments, foreign exchange loss interest charge on tax equalisation contracts, foreign exchange on restructured hedging arrangements, and the cost of the CAP itself.
2. The Canadian version of the CSOP 2010 has a grant date of March 30 2010 and an exercise price of £5.01, the market value of the company's shares at the date of grant, and enables each Canadian participant to purchase up to 19,960 shares in the company.
3. The net gain on the CSOP options is the market price of the company's shares at the date of exercise less the exercise price (£6.03[2]) multiplied by the number of options exercised.

Directors' service contracts

The company's policy is to employ executive directors on 12 month rolling service contracts. The remuneration committee seeks to minimise termination payments and believes these should be restricted to the value of remuneration for the notice period. Directors' service contracts are reviewed from time to time and updated where necessary. A service contract terminates automatically on the director reaching their respective retirement age. On August 1 2012, the company announced that PR Ensor would succeed PM Fallon as chairman and CHC Fordham would succeed PR Ensor as managing director, both following the January 2013 AGM. At the same time, PR Ensor's service contract was extended to September 30 2015. PM Fallon died on October 14 2012 at which point the succession plans announced on August 1 2012 were implemented with immediate effect.

With the exception of Sir Patrick Sergeant, none of the non-executive directors has a service contract. The remuneration of the non-executive directors is determined by the board based on the time commitment required by the non-executive, their role, and market conditions. Each non-executive receives a base annual fee of £28,000, with an additional annual fee of £6,500 payable to the chairs of the remuneration and audit committees.

Directors' Remuneration Report
continued

Executive directors	Date of service contract	Notice period (months)	Retirement age	Benefits accruing if contract terminated[1]	Benefits accruing if contract terminated due to incapacity[2]
PM Fallon (died October 14 2012)[3]	June 2 1986	12	65	12 months' salary, pension and profit share.	9 months' salary, profit share, and pension.
PR Ensor	Jan 13 1993	12	67	12 months' salary, pension and profit share.	6 months' salary, profit share and pension.
NF Osborn[4]	Jan 4 1991	12	62	12 months' salary, pension and a pro-rated profit share up to the date of termination.	1 month's salary, pension, and a pro-rated profit share up to the date of termination.
DC Cohen	Nov 2 1992	12	62	12 months' salary, pension and a pro-rated profit share up to the date of termination.	1 month's salary, pension, and a pro-rated profit share up to the date of termination.
CR Jones	Aug 27 1997	12	62	12 months' salary, pension and a pro-rated profit share up to the date of termination.	6 months' salary, pension, and a pro-rated profit share up to the date of termination.
DE Alfano[5]	Jan 10 2001	12	62	12 months' salary, pension and a pro-rated profit share up to the date of termination.	Salary, pension and profit share earned up to the date of termination only.
CHC Fordham	Sept 21 2004	12	62	12 months' salary, pension and a pro-rated profit share up to the date of termination.	6 months' salary, pension, and pro-rated profit share up to the date of termination.
JL Wilkinson	July 26 2000	12	62	12 months' salary, pension and a pro-rated profit share up to the date of termination.	6 months' salary, pension, and a pro-rated profit share up to the date of termination.
B AL-Rehany[6]	Nov 11 2009	12	62	12 months' salary, pension and a pro-rated profit share up to the date of termination.	6 months' salary, pension, and pro-rated profit share up to the date of termination.
Non-executive director					
Sir Patrick Sergeant	Jan 10 1993	12	n/a	12 months' expense allowance.	Expense allowance up to the date of termination.

1. On termination, profit share is calculated as though the director has been employed for the full financial year and then pro-rated according to the date of termination unless otherwise stated.
2. These reduced benefits also apply if the director gives less than their required notice period to the company. In the event of death in service, benefits accrue to the date of death. If a contract is terminated for reasons of bankruptcy or serious misconduct, it is terminated with immediate effect and with no payment in lieu of notice.
3. PM Fallon had a second service contract with a subsidiary of the group, Euromoney Institutional Investor (Jersey) Limited (EIIJ), dated May 4 1993. This service contract had the same terms as his contract with Euromoney Institutional Investor PLC. PM Fallon's service contracts terminated on his death on October 14 2012.
4. NF Osborn has a second service contract with a subsidiary of the group, Euromoney Inc., dated January 4 1991 which may be terminated by 12 months notice. In the event of termination NF Osborn is entitled to 12 months base salary and pension, plus a pro-rated profit share to the date notice of termination is given. The company may also terminate his agreement due to incapacity giving 3 months notice and NF Osborn would be entitled to 3 months' salary, pension and pro-rated profit share.
5. DE Alfano's service agreement is with Institutional Investor, Inc.
6. B AL-Rehany's service agreement is with BCA Research, Inc.

Information subject to audit (pages 47 to 51)
Directors' remuneration table

	Year to September 30				
	Salary and fees[1] 2012 £	**Benefits in kind 2012 £**	**Profit share 2012 £**	**Total 2012 £**	Total 2011 £
Executive directors					
PM Fallon (died October 14 2012)	**222,000**	**1,823**	**5,636,600**	**5,860,423**	5,354,630
PR Ensor[3]	**198,418**	**1,019**	**4,630,646**	**4,830,083**	4,396,681
NF Osborn[4,5]	**132,559**	**1,019**	**313,407**	**446,985**	509,539
DC Cohen[2]	**123,628**	**1,274**	**348,796**	**473,698**	536,539
CR Jones[2]	**258,000**	**1,274**	**643,278**	**902,552**	811,508
SM Brady (resigned November 15 2010)	**–**	**–**	**–**	**–**	17,040
DE Alfano	**138,994**	**8,367**	**636,808**	**784,169**	770,737
CHC Fordham	**151,300**	**1,274**	**743,792**	**896,366**	782,953
JL Wilkinson	**231,002**	**8,527**	**146,301**	**385,830**	541,218
B AL-Rehany	**260,662**	**1,908**	**752,127**	**1,014,697**	935,295
Non-executive directors					
The Viscount Rothermere	**28,000**	**–**	**–**	**28,000**	28,000
Sir Patrick Sergeant	**28,000**	**–**	**–**	**28,000**	28,000
JC Botts	**34,500**	**–**	**–**	**34,500**	34,500
JC Gonzalez	**28,000**	**–**	**–**	**28,000**	28,000
MWH Morgan	**28,000**	**–**	**–**	**28,000**	28,000
DP Pritchard	**34,500**	**–**	**–**	**34,500**	34,500
	1,897,563	**26,485**	**13,851,755**	**15,775,803**	14,837,140

Fees as a director include fees paid as a director of subsidiary companies. Benefits in kind include payments by the company for private health care.

1. The salaries of the executive directors are reviewed in April each year. None of the directors received a salary increase in April 2012. The increases in salaries since the 2011 annual report reflect the full year impact of salary increases granted in April 2011, and in the case of overseas directors also reflect movements in exchange rates over the relevant periods.
2. The salaries of DC Cohen and CR Jones include amounts of £7,928 and £18,000, respectively, following their decisions to cease contributions to the Harmsworth Pension Scheme with respect from April 2012 and to receive a cash allowance of 15% of base salary in lieu of company contributions to this fund.
3. PR Ensor is also an external member of the Finance Committee of Oxford University Press. During the year he retained earnings of £20,000 (2011: £20,000) in relation to this role. This amount is not included in the table above.
4. NF Osborn has waived £8,674 of profit share in respect of the current and future years. The profit share waived was paid into a private pension scheme on his behalf. The waiver has not been deducted from his profit share amount above.
5. NF Osborn is a non-executive director of RBC OJSC, a Moscow-listed media company. During the year he retained earnings of US$50,000 (2011: US$25,000) in relation to this role. He also serves on the management board of A&N International Media Limited, a fellow group company, for which he received fees for the year of £25,000 (2011: £25,000); and as an advisor to the boards of both DMG Events and dmgi, fellow group companies, for which he received a combined fee of US$45,000 (2011: US$40,000). These amounts are not included in the table above.

Directors' Remuneration Report
continued

Directors' pensions

Executive directors can participate in the Harmsworth Pension Scheme (a defined benefit scheme, closed to new directors), the Euromoney Pension Plan (a money purchase plan) or their own private pension scheme. Pension contributions paid by the company on behalf of executive directors during the year were as follows:

	Harmsworth Pension Scheme 2012 £	Euromoney Pension Plan 2012 £	Private schemes 2012 £	Total 2012 £	Total 2011 £
PM Fallon (died October 14 2012)	–	–	–	–	–
PR Ensor	–	–	–	–	–
NF Osborn	–	9,399	–	9,399	9,237
DC Cohen[2]	7,928	–	–	7,928	15,872
CR Jones[2]	12,375	–	–	12,375	34,418
SM Brady (resigned November 15 2010)	–	–	–	–	1,148
DE Alfano	–	–	3,938	3,938	3,383
CHC Fordham	–	15,130	–	15,130	14,630
JL Wilkinson	–	14,982	–	14,982	12,221
B AL-Rehany	–	–	7,173	7,173	7,043
	20,303	39,511	11,111	70,925	97,952

Under the Harmsworth Pension Scheme, the following pension benefits were earned by the directors:

Director	Increase in accrued annual pension during the year £	Accrued annual pension at September 30 2012 £	Pension cash accrual September 30 2012 £	Transfer value September 30 2012 £	Transfer value September 30 2011 £	Increase in transfer value (net of directors' contributions) £
PM Fallon (died October 14 2012)[1]	1,000	12,000	–	208,000	202,000	6,000
DC Cohen[2]	1,500	31,300	49,100	621,000	548,000	73,000
CR Jones[2]	1,900	43,400	63,700	771,000	691,000	80,000

The accrued annual pension entitlement is that which would be paid annually on retirement based on service to September 30 2012 and ignores any increase for future inflation. The pension cash accrual represents the sum which would be available on retirement based on service to September 30 2012 to secure retirement benefits, ignoring any increase for future inflation. All transfer values have been calculated on the basis of actuarial advice in accordance with 'Retirement Benefit – Transfer Values (GN11)' published by the Board for Actuarial Standards. The transfer values of the accrued entitlement include the pension cash accrual and represent the value of assets that the pension scheme would need to transfer to another pension provider on transferring the scheme's liability in respect of the directors' pension benefits. They do not represent a sum paid or payable to individual directors and, therefore, cannot be added meaningfully to annual remuneration. The pension cash accrual has been included in the increase in transfer value (net of directors' contributions). Members of the scheme have the option of paying additional voluntary contributions. Neither the contributions nor the resulting benefits are included in the above table. The normal retirement age for the Harmsworth Pension Scheme is 62 years.

1. PM Fallon's pension benefits related to a deferred pension in the Mail Newspapers Pension Scheme for pensionable service between April 1 1978 and April 1 1986, after which no further contributions were made to this scheme by the company or PM Fallon.
2. Company contributions to the Harmsworth Pension Scheme on behalf of DC Cohen and CR Jones were made until March 31 2012. From April 1 2012, these directors received a cash allowance in lieu of company pension contributions.

Directors' share options

The directors hold options to subscribe for new ordinary shares of 0.25 pence each in the company as follows:

	At start of year	Granted/ trued up during year	Exercised during year	At end of year		Exercise price	Date from which exercisable	Expiry date
PM Fallon								
(died October 14 2012)	5,133	–	(5,133)	–	§	£1.87	exercised	Aug 01 12
PR Ensor	5,133	–	(5,133)	–	§	£1.87	exercised	Aug 01 12
	–	1,810	–	1,810	*	£4.97	Feb 01 15	Aug 01 15
	5,133	1,810	(5,133)	1,810				
NF Osborn	5,133	–	(5,133)	–	§	£1.87	exercised	Aug 01 12
	3,430	(3,430)	–	–	^	£0.0025	Feb 14 13	Sept 30 20
	4,972	(673)	–	4,299	†	£6.03	Jun 28 13	Feb 14 20
	–	673	–	673	†	£6.03	Feb 13 14	Feb 14 20
	8,401	(4,775)	–	3,626	^	£0.0025	Feb 13 14	Sept 30 20
	–	1,810	–	1,810	*	£4.97	Feb 01 15	Aug 01 15
	21,936	(6,395)	(5,133)	10,408				
DC Cohen	10,000	–	(10,000)	–		£2.59	exercised	Dec 04 12
	5,000	–	–	5,000		£4.19	now	Jan 28 14
	7,969	–	(7,969)	–	‡	£0.0025	exercised	Sept 30 14
	–	15,896	–	15,896	‡	£0.0025	Feb 14 13	Sept 30 14
	11,286	(4,100)	–	7,186	^	£0.0025	Feb 14 13	Sept 30 20
	3,454	–	–	3,454	†	£6.03	Jun 28 13	Feb 14 20
	14,740	(4,101)	–	10,639	^	£0.0025	Feb 13 14	Sept 30 20
	–	1,810	–	1,810	*	£4.97	Feb 01 15	Aug 01 15
	52,449	9,505	(17,969)	43,985				
CR Jones	20,000	–	(20,000)	–		£2.59	exercised	Dec 04 12
	15,000	–	–	15,000		£4.19	now	Jan 28 14
	5,133	–	(5,133)	–	§	£1.87	exercised	Aug 01 12
	23,162	(1,629)	–	21,533	^	£0.0025	Feb 14 13	Sept 30 20
	4,972	–	–	4,972	†	£6.03	Jun 28 13	Feb 14 20
	28,134	(1,630)	–	26,504	^	£0.0025	Feb 13 14	Sep 30 20
	96,401	(3,259)	(25,133)	68,009				
DE Alfano	10,000	–	(10,000)	–		£4.19	exercised	Jan 28 14
	–	128	(128)	–	‡	£0.0025	exercised	Sept 30 14
	9,435	363	–	9,798	^	£0.0025	Feb 14 13	Sept 30 20
	9,434	364	–	9,798	^	£0.0025	Feb 13 14	Sept 30 20
	28,869	855	(10,128)	19,596				
CHC Fordham	5,133	–	(5,133)	–	§	£1.87	exercised	Aug 01 12
	1,480	–	(1,480)	–	‡	£0.0025	exercised	Sept 30 14
	–	621	–	621	‡	£0.0025	Feb 14 13	Sept 30 14
	19,612	5,338	–	24,950	^	£0.0025	Feb 14 13	Sept 30 20
	4,972	–	–	4,972	†	£6.03	Jun 28 13	Feb 14 20
	24,584	5,337	–	29,921	^	£0.0025	Feb 13 14	Sept 30 20
	55,781	11,296	(6,613)	60,464				
JL Wilkinson	15,013	(2,598)	–	12,415	^	£0.0025	Feb 14 13	Sept 30 20
	4,972	–	–	4,972	†	£6.03	Jun 28 13	Feb 14 20
	19,984	(2,597)	–	17,387	^	£0.0025	Feb 13 14	Sept 30 20
	39,969	(5,195)	–	34,774				

Directors' Remuneration Report
continued

Directors' share options *continued*

	At start of year	Granted/ trued up during year	Exercised during year	At end of year		Exercise price	Date from which exercisable	Expiry date
B AL-Rehany	6,688	7,570	–	14,258	^	£0.0025	Feb 14 13	Sept 30 20
	19,960	–	–	19,960	†	£5.01	Feb 14 13	Feb 14 20
	26,647	7,570	–	34,217	^	£0.0025	Feb 13 14	Sept 30 20
	53,295	15,140	–	68,435				
Total	**358,966**	**23,757**	**(75,242)**	**307,481**				

Directors' long-term incentive – cash settled

Under the terms of CAP 2010, the directors have been granted the following cash awards:

	At start of year £	Granted/ trued up during year £	Exercised during year £	At end of year £		Date from which entitled	Expiry date
NF Osborn	35,997	(17,577)	–	18,420	^	Feb 14 13	Sept 30 20
NF Osborn	35,997	(17,578)	–	18,419	^	Feb 13 14	Sept 30 20
DC Cohen	63,154	(17,568)	–	45,586	^	Feb 14 13	Sept 30 20
DC Cohen	63,154	(17,568)	–	45,586	^	Feb 13 14	Sept 30 20
CR Jones	120,540	(6,982)	–	113,558	^	Feb 14 13	Sept 30 20
CR Jones	120,540	(6,982)	–	113,558	^	Feb 13 14	Sept 30 20
DE Alfano	40,423	1,556	–	41,979	^	Feb 14 13	Sept 30 20
DE Alfano	40,423	1,556	–	41,979	^	Feb 13 14	Sept 30 20
CHC Fordham	105,329	22,870	–	128,199	^	Feb 14 13	Sept 30 20
CHC Fordham	105,329	22,870	–	128,199	^	Feb 13 14	Sept 30 20
JL Wilkinson	85,624	(11,130)	–	74,494	^	Feb 14 13	Sept 30 20
JL Wilkinson	85,625	(11,132)	–	74,493	^	Feb 13 14	Sept 30 20
B AL-Rehany	114,171	32,434	–	146,605	^	Feb 14 13	Sept 30 20
B AL-Rehany	114,171	32,434	–	146,605	^	Feb 13 14	Sept 30 20
	1,130,477	**7,203**	**–**	**1,137,680**			

§ Issued under the Euromoney Institutional Investor PLC SAYE scheme 2009.

* Issued under the Euromoney Institutional Investor PLC SAYE scheme 2012.

‡ Options granted are those expected to be issued following the satisfaction of the additional performance test (see page 44) in relation to awards outstanding from either tranche 2 or tranche 3 of the CAP 2004 which vest either on February 11 2012 or February 14 2013 as applicable, three months following the announcement of the company's results. The number of such options granted to each director is provisional and will require a true-up to reflect adjustments to the respective director's individual business profits between year end and December 31 2012. As such the actual number of options granted could vary from that disclosed.

^ The number of options and the amount of cash award granted under CAP 2010 to each director is provisional and based on the performance of the respective director's individual businesses up to the end of the performance period (September 2012). The number of such options granted to each director is provisional and will require a true-up to reflect adjustments to the respective director's individual business profits between year end and December 31 2012. The number of options received under the first tranche share award of the CAP 2010 is reduced by the number of options vesting with participants from the CSOP 2010 (note 24). As such the actual number of options and amount of the cash award issued is likely to be different to the amount granted.

† The number of options granted under CSOP 2010 to each director will first vest on the third anniversary of its grant, being June 28 2013 for the UK CSOP and February 14 2013 for the Canadian CSOP, providing the CSOP is in the money at that time and sufficient CAP 2010 award shares remain vested but unexercised. Once vested the option remains exercisable for a period of one month and then lapse. If the option is not exercised, the option continues to subsist and becomes exercisable at the same time as the second tranche of the CAP 2010 share award (note 24).

Directors' share options continued

The market price of the company's shares on September 30 2012 was £7.70. The high and low share prices during the year were £8.28 and £5.90 respectively. There were 23,757 options granted during the year (2011: 40,559).

The aggregate gain made by the directors on the exercise of share options in the year was £387,800 (2011: £363,807) as follows:

	Number of options exercised	Date of exercise	Market price per share on date of exercise (£)	Gain on exercise (£)	Number of shares retained
PM Fallon (died October 14 2012)	5,133	Feb 07 12	£7.36	28,194	5,133
PR Ensor	5,133	Feb 02 12	£6.85	25,562	–
NF Osborn	5,133	Feb 02 12	£6.85	25,562	3,883
DC Cohen	10,000	Jun 21 12	£7.42	48,236	–
DC Cohen	7,969	Jun 21 12	£7.42	59,073	–
CR Jones	5,133	Feb 02 12	£6.85	25,562	3,133
CR Jones	20,000	Aug 10 12	£7.47	97,600	10,000
DE Alfano	128	Feb 10 12	£7.31	935	–
DE Alfano	10,000	Jun 07 12	£7.75	35,617	–
CHC Fordham	1,480	Feb 10 12	£7.31	10,815	–
CHC Fordham	5,133	Jul 09 12	£7.84	30,644	5,133
	75,242			**387,800**	**27,282**

Information not subject to audit
Directors' interests in the company

The interests of the directors and their families in the ordinary shares of the company as at September 30 were as follows:

	Ordinary shares of 0.25p each	
	2012	2011
PM Fallon (died October 14 2012)	**630,383**	625,250
PR Ensor	**194,529**	194,529
NF Osborn	**45,354**	41,471
DC Cohen	**74,490**	124,490
CR Jones	**169,272**	156,139
DE Alfano	**99,256**	99,256
CHC Fordham	**140,377**	135,244
JL Wilkinson	**77,275**	77,275
B AL-Rehany	**14,791**	14,791
The Viscount Rothermere	**24,248**	23,899
Sir Patrick Sergeant	**165,304**	165,304
JC Botts	**15,503**	15,503
JC Gonzalez	**–**	–
MWH Morgan	**7,532**	7,532
DP Pritchard	**–**	–
	1,658,314	1,680,683
Non-beneficial		
Sir Patrick Sergeant	**20,000**	20,000

Directors' Remuneration Report
continued

Directors' interests in Daily Mail and General Trust plc

The interests of the directors, to be disclosed under chapter 9.8.6 of the UKLA Listing Rules, in the shares of Daily Mail and General Trust plc as at September 30 were as follows:

	Ordinary shares of 12.5p each		'A' ordinary non-voting shares of 12.5p each	
	2012	2011	**2012**	2011
The Viscount Rothermere[1&2]	**11,903,132**	11,903,132	**75,134,502**	75,134,502
PM Fallon (died October 14 2012)	**4,000**	4,000	**42,234**	41,860
PR Ensor	**–**	–	**866**	488
CR Jones	**–**	–	**821**	444
Sir Patrick Sergeant	**–**	–	**36,000**	36,000
MWH Morgan[1&2]	**764**	764	**978,104**	927,731

1. The figures in the table above include 'A' shares committed by executives under a long-term incentive plan, details of which are set out in the Daily Mail and General Trust plc annual report.
2. The figures in the table above include 'A' shares awarded to executives under the DMGT Executive Bonus Scheme. For MWH Morgan and The Viscount Rothermere respectively, 35,266 and 80,176 of these shares were subject to restrictions as explained in the Daily Mail and General Trust plc annual report.

The Viscount Rothermere had non-beneficial interests as a trustee at September 30 2012 in 5,540,000 'A' ordinary non-voting shares of 12.5 pence each (2011: 5,540,000 shares) plus nil ordinary shares of 12.5 pence each (2011: 639,208 shares).

Daily Mail and General Trust plc has been notified that, under section 824 of the Companies Act 2006 and including the interests shown in the table above, The Viscount Rothermere is deemed to have been interested in 11,903,132 ordinary shares of 12.5 pence each (2011: 12,542,340 shares).

At September 30 2012 and September 30 2011, The Viscount Rothermere was beneficially interested in 756,700 ordinary shares of Rothermere Continuation Limited, the company's ultimate parent company.

The Viscount Rothermere and MWH Morgan had options over 703,351 and 563,254 respectively 'A' ordinary non-voting shares in Daily Mail and General Trust plc at September 30 2012 (2011: 472,887 and 277,412 options respectively). The exercise price of these options ranges from £nil to £7.24. Further details of these options are listed in the Daily Mail and General Trust plc annual report.

Since September 30 2012, PM Fallon, PR Ensor and CR Jones purchased, through the DMGT SIP scheme, 26, 52 and 52 additional 'A' ordinary non-voting shares in Daily Mail and General Trust plc respectively. PM Fallon died on October 14 2012. There have been no other changes in the directors' interests since September 30 2012.

John Botts
Chairman of the Remuneration Committee
November 14 2012

Independent Auditor's Report

to the members of Euromoney Institutional Investor PLC

We have audited the group financial statements of Euromoney Institutional Investor PLC for the year ended September 30 2012 which comprise the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows and the related notes 1 to 31. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the group financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the group financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the group financial statements:

- give a true and fair view of the state of the group's affairs as at September 30 2012 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and Article 4 of the IAS Regulation.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the group financial statements are prepared is consistent with the group financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following:

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Under the Listing Rules we are required to review:

- the directors' statement contained within the Directors' Report in relation to going concern;
- the part of the Corporate Governance Statement relating to the company's compliance with the nine provisions of the UK Corporate Governance Code specified for our review; and
- certain elements of the report to shareholders by the board on directors' remuneration.

Other matter

We have reported separately on the parent company financial statements of Euromoney Institutional Investor PLC for the year ended September 30 2012 and on the information in the Directors' Remuneration Report that is described as having been audited.

Robert Matthews (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom
November 14 2012

Consolidated Income Statement

for the year ended September 30 2012

	Notes	2012 £000	2011 £000
Total revenue	3	**394,144**	363,142
Operating profit before acquired intangible amortisation, long-term incentive expense and exceptional items	3	**118,175**	108,967
Acquired intangible amortisation	12	**(14,782)**	(12,221)
Long-term incentive expense	24	**(6,301)**	(9,491)
Additional accelerated long-term incentive expense	6	**–**	(6,603)
Exceptional items	5	**(1,617)**	(3,295)
Operating profit before associates	3, 4	**95,475**	77,357
Share of results in associates		**459**	408
Operating profit		**95,934**	77,765
Finance income	8	**4,475**	1,761
Finance expense	8	**(8,041)**	(11,329)
Net finance costs	8	**(3,566)**	(9,568)
Profit before tax	3	**92,368**	68,197
Tax expense on profit	9	**(22,528)**	(22,527)
Profit after tax	3	**69,840**	45,670
Attributable to:			
Equity holders of the parent		**69,672**	45,591
Equity non-controlling interests		**168**	79
		69,840	45,670
Basic earnings per share – continuing operations	11	**56.74p**	38.02p
Diluted earnings per share – continuing operations	11	**55.17p**	37.34p
Adjusted basic earnings per share	11	**67.79p**	57.09p
Adjusted diluted earnings per share	11	**65.91p**	56.05p
Dividend per share (including proposed dividends)	10	**21.75p**	18.75p

A detailed reconciliation of the group's statutory results to the adjusted results is set out in the appendix to the Chairman's Statement on page 7.

Consolidated Statement of Comprehensive Income

for the year ended September 30 2012

	2012 £000	2011 £000
Profit after tax	**69,840**	45,670
Change in fair value of cash flow hedges	**3,913**	(1,340)
Transfer of loss on cash flow hedges from fair value reserves to Income Statement:		
Foreign exchange losses in total revenue	**3,382**	4,398
Foreign exchange losses/(gains) in operating profit	**184**	(695)
Interest rate swap losses in interest payable on committed borrowings	**1,251**	3,985
Net exchange differences on translation of net investments in overseas subsidiary undertakings	**(13,650)**	9,330
Net exchange differences on foreign currency loans	**5,886**	(5,691)
Actuarial losses on defined benefit pension schemes	**(3,398)**	(1,032)
Tax on items taken directly to equity	**(727)**	1,395
Other comprehensive (expense)/income for the year	**(3,159)**	10,350
Total comprehensive income for the year	**66,681**	56,020
Attributable to:		
Equity holders of the parent	**65,675**	55,923
Equity non-controlling interests	**1,006**	97
	66,681	56,020

Consolidated Statement of Financial Position

as at September 30 2012

	Notes	2012 £000	2011 £000
Non-current assets			
Intangible assets			
Goodwill	12	**333,065**	336,632
Other intangible assets	12	**136,243**	153,410
Property, plant and equipment	13	**17,982**	20,390
Investments	14	**735**	–
Deferred tax assets	22	**7,344**	13,216
Derivative financial instruments	19	**296**	218
		495,665	523,866
Current assets			
Trade and other receivables	16	**65,952**	71,417
Current income tax assets		**2,678**	9,803
Cash at bank and in hand		**13,544**	14,046
Derivative financial instruments	19	**2,715**	1,126
		84,889	96,392
Current liabilities			
Acquisition option commitments	25	**(4,273)**	(852)
Trade and other payables	17	**(27,700)**	(29,970)
Liability for cash-settled options	24	**(7,768)**	–
Current income tax liabilities		**(9,076)**	(8,044)
Group relief payable		**–**	(1,063)
Accruals		**(54,170)**	(56,249)
Deferred income	18	**(105,106)**	(105,507)
Derivative financial instruments	19	**(656)**	(6,275)
Provisions	21	**(2,037)**	(810)
Committed loan facility	20	**–**	(58,516)
Loan notes	20	**(1,228)**	(1,617)
Bank overdrafts	20	**–**	(1,549)
		(212,014)	(270,452)
Net current liabilities		**(127,125)**	(174,060)
Total assets less current liabilities		**368,540**	349,806
Non-current liabilities			
Acquisition option commitments	25	**(3,595)**	(10,149)
Liability for cash-settled options and other non-current liabilities	24	**(6,966)**	(11,039)
Preference shares		**(10)**	(10)
Committed loan facility	20	**(43,154)**	(71,543)
Deferred tax liabilities	22	**(16,975)**	(22,225)
Net pension deficit	27	**(4,757)**	(1,899)
Derivative financial instruments	19	**(241)**	(1,970)
Provisions	21	**(4,918)**	(5,396)
		(80,616)	(124,231)
Net assets		**287,924**	225,575
Shareholders' equity			
Called up share capital	23	**311**	303
Share premium account		**99,485**	82,124
Other reserve		**64,981**	64,981
Capital redemption reserve		**8**	8
Own shares		**(74)**	(74)
Reserve for share-based payments		**36,055**	33,725
Fair value reserve		**(18,152)**	(32,768)
Translation reserve		**40,728**	55,216
Retained earnings		**58,033**	16,218
Equity shareholders' surplus		**281,375**	219,733
Equity non-controlling interests		**6,549**	5,842
Total equity		**287,924**	225,575

The accounts were approved by the board of directors on November 14 2012.

Richard Ensor
Colin Jones
Directors

Consolidated Statement of Changes in Equity

for the year ended September 30 2012

	Share capital £000	Share premium account £000	Other reserve £000	Capital redemption reserve £000	Own shares £000	Reserve for share-based payments £000	Fair value reserve £000	Translation reserve £000	Retained earnings £000	Total £000	Equity non-controlling interests £000	Total £000
At September 30 2011	**303**	**82,124**	**64,981**	**8**	**(74)**	**33,725**	**(32,768)**	**55,216**	**16,218**	**219,733**	**5,842**	**225,575**
Retained profit for the year	–	–	–	–	–	–	–	–	69,672	69,672	168	69,840
Change in fair value of cash flow hedges	–	–	–	–	–	–	3,913	–	–	3,913	–	3,913
Transfer of loss on cash flow hedges from fair value reserves to Income Statement:												
Foreign exchange losses in total revenue	–	–	–	–	–	–	3,382	–	–	3,382	–	3,382
Foreign exchange losses in operating profit	–	–	–	–	–	–	184	–	–	184	–	184
Interest rate swap losses in interest payable on committed borrowings	–	–	–	–	–	–	1,251	–	–	1,251	–	1,251
Net exchange differences on translation of net investments in overseas subsidiary undertakings	–	–	–	–	–	–	–	(14,488)	–	(14,488)	838	(13,650)
Net exchange differences on foreign currency loans	–	–	–	–	–	–	5,886	–	–	5,886	–	5,886
Actuarial losses on defined benefit pension schemes	–	–	–	–	–	–	–	–	(3,398)	(3,398)	–	(3,398)
Tax on items taken directly to equity	–	–	–	–	–	–	–	–	(727)	(727)	–	(727)
Total comprehensive income for the year	–	–	–	–	–	–	14,616	(14,488)	65,547	65,675	1,006	66,681
Exercise of acquisition option commitments	–	–	–	–	–	–	–	–	62	62	(62)	–
Credit for share-based payments	–	–	–	–	–	2,330	–	–	–	2,330	–	2,330
Scrip/cash dividends paid	6	16,304	–	–	–	–	–	–	(23,794)	(7,484)	(299)	(7,783)
Exercise of share options	2	1,057	–	–	–	–	–	–	–	1,059	62	1,121
At September 30 2012	**311**	**99,485**	**64,981**	**8**	**(74)**	**36,055**	**(18,152)**	**40,728**	**58,033**	**281,375**	**6,549**	**287,924**

The investment in own shares is held by the Euromoney Employees' Share Ownership Trust (ESOT). At September 30 2012 the ESOT held 58,976 shares (2011: 58,976 shares) carried at a historic cost of £1.25 per share with a market value of £454,000 (2011: £363,000). The trust waived the rights to receive dividends. Interest and administrative costs are charged to the profit and loss account of the ESOT as incurred.

The other reserve represents the share premium arising on the shares issued for the purchase of Metal Bulletin plc in October 2006.

Consolidated Statement of Changes in Equity continued

for the year ended September 30 2011

	Share capital £000	Share premium account £000	Other reserve £000	Capital redemption reserve £000	Own shares £000	Reserve for share-based payments £000	Fair value reserve £000	Translation reserve £000	Retained earnings £000	Total £000	Equity non-controlling interests £000	Total £000
At September 30 2010	296	66,082	64,981	8	(74)	25,658	(33,425)	45,904	53	169,483	–	169,483
Retained profit for the year	–	–	–	–	–	–	–	–	45,591	45,591	79	45,670
Change in fair value of cash flow hedges	–	–	–	–	–	–	(1,340)	–	–	(1,340)	–	(1,340)
Transfer of loss on cash flow hedges from fair value reserves to Income Statement:												
Foreign exchange losses in total revenue	–	–	–	–	–	–	4,398	–	–	4,398	–	4,398
Foreign exchange gains in operating profit	–	–	–	–	–	–	(695)	–	–	(695)	–	(695)
Interest rate swap losses in interest payable on committed borrowings	–	–	–	–	–	–	3,985	–	–	3,985	–	3,985
Net exchange differences on translation of net investments in overseas subsidiary undertakings	–	–	–	–	–	–	–	9,312	–	9,312	18	9,330
Net exchange differences on foreign currency loans	–	–	–	–	–	–	(5,691)	–	–	(5,691)	–	(5,691)
Actuarial losses on defined benefit pension schemes	–	–	–	–	–	–	–	–	(1,032)	(1,032)	–	(1,032)
Tax on items taken directly to equity	–	–	–	–	–	–	–	–	1,395	1,395	–	1,395
Total comprehensive income for the year	**–**	**–**	**–**	**–**	**–**	**–**	**657**	**9,312**	**45,954**	**55,923**	**97**	**56,020**
Change in ownership of subsidiaries	–	–	–	–	–	–	–	–	1,091	1,091	(208)	883
Recognition of acquisition option commitments	–	–	–	–	–	–	–	–	(9,451)	(9,451)	–	(9,451)
Non-controlling interest recognised on acquisition	–	–	–	–	–	–	–	–	–	–	5,981	5,981
Exercise of acquisition option commitments	–	–	–	–	–	–	–	–	19	19	(19)	–
Credit for share-based payments	–	–	–	–	–	8,067	–	–	–	8,067	–	8,067
Scrip/cash dividends paid	6	15,325	–	–	–	–	–	–	(21,448)	(6,117)	(28)	(6,145)
Exercise of share options	1	717	–	–	–	–	–	–	–	718	19	737
At September 30 2011	**303**	**82,124**	**64,981**	**8**	**(74)**	**33,725**	**(32,768)**	**55,216**	**16,218**	**219,733**	**5,842**	**225,575**

Consolidated Statement of Cash Flows

for the year ended September 30 2012

	2012 £000	2011 £000
Cash flow from operating activities		
Operating profit	**95,934**	77,765
Share of results in associates	**(459)**	(408)
Acquired intangible amortisation	**14,782**	12,221
Licences and software amortisation	**339**	302
Long-term incentive expense	**6,301**	16,094
Intangible impairment	**–**	120
Depreciation of property, plant and equipment	**3,408**	2,651
Loss on disposal of property, plant and equipment	**53**	11
Increase in provisions	**844**	1,033
Operating cash flows before movements in working capital	**121,202**	109,789
Decrease/(increase) in receivables	**4,905**	(7,464)
(Decrease)/increase in payables	**(3,932)**	15,645
Cash generated from operations	**122,175**	117,970
Income taxes paid	**(11,065)**	(27,022)
Group relief tax paid	**(4,204)**	–
Net cash from operating activities	**106,906**	90,948
Investing activities		
Dividends paid to non-controlling interests	**(299)**	(28)
Dividends received from associate	**291**	656
Interest received	**306**	293
Purchase of intangible assets	**(819)**	(557)
Purchase of property, plant and equipment	**(1,665)**	(2,112)
Proceeds from disposal of property, plant and equipment	**2**	95
Payment following working capital adjustment from purchase of subsidiary	**(1,151)**	–
Purchase of subsidiary undertaking	**(5,099)**	(64,773)
Purchase of associate	**(567)**	–
Net cash used in investing activities	**(9,001)**	(66,426)
Financing activities		
Dividends paid	**(7,484)**	(6,117)
Interest paid	**(5,218)**	(6,644)
Interest paid on loan notes	**(12)**	(17)
Issue of new share capital	**1,059**	718
Payment of acquisition deferred consideration	**(612)**	(2,423)
Purchase of additional interest in subsidiary undertakings	**(924)**	(50)
Proceeds from disposal of interest in subsidiary undertakings	**–**	891
Proceeds received from non-controlling interest	**1,828**	–
Settlement of derivative assets/liabilities	**(332)**	(746)
Redemption of loan notes	**(386)**	(420)
Loan repaid to DMGT group company	**(139,067)**	(506,567)
Loan received from DMGT group company	**54,700**	498,067
Net cash used in financing activities	**(96,448)**	(23,308)
Net increase in cash and cash equivalents	**1,457**	1,214
Cash and cash equivalents at beginning of year	**12,497**	11,190
Effect of foreign exchange rate movements	**(410)**	93
Cash and cash equivalents at end of year	**13,544**	12,497

Cash and cash equivalents include bank overdrafts.

Note to the Consolidated Statement of Cash Flows

Net Debt	**2012 £000**	2011 £000
Net debt at beginning of year	**(119,179)**	(128,757)
Increase in cash and cash equivalents	**1,457**	1,214
Decrease in amounts owed to DMGT group company	**84,367**	8,500
Redemption of loan notes	**386**	420
Interest paid on loan notes	**12**	17
Accrued interest on loan notes	**(9)**	(15)
Effect of foreign exchange rate movements	**2,128**	(558)
Net debt at end of year	**(30,838)**	(119,179)
Net debt comprises:		
Cash at bank and in hand	**13,544**	14,046
Bank overdrafts	**–**	(1,549)
Total cash and cash equivalents	**13,544**	12,497
Committed loan facility	**(43,154)**	(130,059)
Loan notes	**(1,228)**	(1,617)
Net debt	**(30,838)**	(119,179)

Notes to the Consolidated Financial Statements

1 Accounting policies

General information

Euromoney Institutional Investor PLC (the 'company') is a company incorporated in the United Kingdom (UK).

The group financial statements consolidate those of the company and its subsidiaries (together referred to as the 'group') and equity-account the group's interest in associates. The parent company financial statements present information about the entity and not about its group.

The group financial statements have been prepared and approved by the directors in accordance with the International Financial Reporting Standards (IFRS) adopted for use in the European Union and, therefore, comply with Article 4 of the EU IAS Regulation. The company has elected to prepare its parent company financial statements in accordance with UK GAAP.

Judgements made by the directors in the application of those accounting policies that have a significant effect on the financial statements, and estimates with a significant risk of material adjustment in the next year, are discussed in note 2.

(a) Relevant new standards, amendments and interpretations issued and applied in the 2012 financial year:

- IAS 24 (revised), 'Related party disclosures', effective for accounting periods beginning on or after January 1 2011.
- IFRIC 14, 'Prepayments of a Minimum Funding Requirement Improvements to IFRSs 2010', effective for accounting periods beginning on or after January 1 2011.
- Amendments to IFRS 7 'Financial Instruments: Disclosures', effective for accounting periods beginning on or after July 1 2011.
- Improvements to IFRSs (2010), effective for accounting periods beginning on or after January 1 2011. Key amendments include: IFRS 1 – accounting policy changes in year of adoption and amendments to deemed cost (revaluation basis, regulatory assets); IFRS 3/IAS 27 – clarification of transition requirements, measurement of non-controlling interests, unreplaced and voluntarily replaced share-based payment awards; financial statement disclosures – clarification of content of statement of changes in equity (IAS 1), financial instrument disclosures (IFRS 7) and significant events and transactions in interim reports (IAS 34).

None of these newly adopted standards have had a material impact on the group's results in this financial year.

(b) Relevant new standards, amendments and interpretations issued but effective in future accounting periods:

- IFRS 9 'Financial Instruments' issued in October 2010 (effective for accounting periods beginning on or after January 1 2015). This standard is the first step in the process to replace IAS 39 'Financial Instruments: recognition and measurement'. IFRS 9 introduces new requirements for classifying and measuring financial assets and is likely to affect the group's accounting for its financial assets. This standard has not yet been endorsed by the EU. The group is yet to assess IFRS 9's full impact.
- IFRS 10, 'Consolidated Financial Statements' (effective for accounting periods beginning on or after January 1 2013). This standard builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company and provides additional guidance to assist in the determination of control where this is difficult to assess. This standard has not yet been endorsed by the EU. The group is yet to assess IFRS 10's full impact.
- IFRS 11, 'Joint Arrangements' (effective for accounting periods beginning on or after January 1 2013). This standard replaces IAS 31, 'Interests in Joint Ventures' and requires a party to a joint arrangement to determine the type of joint arrangement in which it is involved by assessing its rights and obligations and then account for those rights and obligations in accordance with that type of joint arrangement. A joint venturer applies the equity method of accounting for its investment in a joint venture in accordance with IAS 28 'Investments in Associates and Joint Ventures (2011)'. Unlike IAS 31, the use of 'proportionate consolidation' to account for joint ventures is not permitted.
- IFRS 12, 'Disclosure of Interests in Other Entities' (effective for accounting periods beginning on or after January 1 2013). This standard includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. This standard has not yet been endorsed by the EU. The group is yet to assess IFRS 12's full impact.
- IFRS 13, 'Fair Value Measurement' (effective for accounting periods beginning on or after January 1 2013). This standard aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements, which are largely aligned between IFRSs and US GAAP, do not extend to the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs or US GAAP. This standard has not yet been endorsed by the EU. The group is yet to assess IFRS 13's full impact.
- IAS 19 (revised), 'Employee Benefits', issued in June 2011 (effective for accounting periods beginning on or after January 1 2013). The impact on the group will be as follows: to eliminate the corridor approach and recognise all actuarial gains and losses in Other Comprehensive Income as they occur; to immediately recognise all past service costs; and to replace interest cost and expected return on plan assets with a net interest amount that is calculated by applying the discount rate to the net defined liability (asset). The group is yet to assess the full impact of the amendments.

Notes to the Consolidated Financial Statements *continued*

1 Accounting policies *continued*

- IAS 27, 'Separate Financial Statements (2011)' (effective for accounting periods beginning on or after January 1 2013). The standard requires that when an entity prepares separate financial statements, investments in subsidiaries, associates, and jointly controlled entities are accounted for either at cost, or in accordance with IFRS 9 Financial Instruments. It also deals with the recognition of dividends, certain group reorganisations and includes a number of disclosure requirements.
- IAS 28, 'Investments in Associates and Joint Ventures (2011)' (effective for accounting periods beginning on or after January 1 2013). This standard supersedes IAS 28, 'Investments in Associates', and prescribes the accounting for investments in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures. The standard defines 'significant influence' and provides guidance on how the equity method of accounting is to be applied (including exemptions from applying the equity method in some cases). It also prescribes how investments in associates and joint ventures should be tested for impairment.
- Offsetting Financial Assets and Financial Liabilities (Amendments to IAS 32), effective for accounting periods beginning on or after January 1 2014. This amends IAS 32, 'Financial Instruments: Presentation' to clarify certain aspects because of diversity in application of the requirements on offsetting, focused on four main areas:
  - the meaning of 'currently has a legally enforceable right of set-off'
  - the application of simultaneous realisation and settlement
  - the offsetting of collateral amounts
  - the unit of account for applying the offsetting requirements.
- Presentation of Items of Other Comprehensive Income (Amendments to IAS 1), effective for accounting periods beginning on or after July 31 2012. This amends IAS 1, 'Presentation of Financial Statements' to revise the way other comprehensive income is presented.
- Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance Amends IFRS 10, 'Consolidated Financial Statements', IFRS 11, 'Joint Arrangements' and IFRS 12, 'Disclosure of Interests in Other Entities' to provide additional transition relief in by limiting the requirement to provide adjusted comparative information to only the preceding comparative period.
- Disclosures – Offsetting Financial Assets and Financial Liabilities (Amendments to IFRS 7), effective for accounting periods beginning on or after January 1 2013. This amends the disclosure requirements in IFRS 7, 'Financial Instruments: Disclosures' to require information about all recognised financial instruments that are set off in accordance with paragraph 42 of IAS 32, 'Financial Instruments: Presentation'.
- Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27), effective for accounting periods beginning on or after January 1 2014. This amends IFRS 10, 'Consolidated Financial Statements', IFRS 12, 'Disclosure of Interests in Other Entities' and IAS 27, 'Separate Financial Statements' to: provide investment entities an exemption from the consolidation of particular subsidiaries and instead require that an investment entity measure the investment in each eligible subsidiary at fair value through profit or loss in accordance with IFRS 9, 'Financial Instruments' or IAS 39, 'Financial Instruments: Recognition and Measurement'; require additional disclosure about why the entity is considered an investment entity, details of the entity's unconsolidated subsidiaries, and the nature of relationship and certain transactions between the investment entity and its subsidiaries; require an investment entity to account for its investment in a relevant subsidiary in the same way in its consolidated and separate financial statements (or to only provide separate financial statements if all subsidiaries are unconsolidated).

The directors anticipate that the adoption of these standards in future periods will have no material impact on the financial statements of the group except for additional disclosures.

Basis of preparation

The accounts have been prepared under the historical cost convention, except for certain financial instruments which have been measured at fair value. The accounting policies set out below have been applied consistently to all periods presented in these group financial statements. The directors continue to adopt the going concern basis in preparing this report as explained in detail on page 25.

1 Accounting policies *continued*

Basis of consolidation

(a) Subsidiaries

The consolidated accounts incorporate the accounts of the company and entities controlled by the company (its 'subsidiaries'). Control is achieved where the company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities.

Intercompany transactions, balances and unrealised gains and losses on transactions between group companies are eliminated.

The group uses the acquisition method of accounting to account for business combinations. The amount recognised as consideration by the group equates to the fair value of the assets, liabilities and equity acquired by the group plus contingent consideration (should there be any such arrangement). Acquisition related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at acquisition. On an acquisition-by-acquisition basis, the group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interests proportionate share of the acquiree's net assets.

To the extent the consideration (including the assumed contingent consideration) provided by the acquirer is greater than the fair value of the assets and liabilities, this amount is recognised as goodwill. Goodwill also incorporates the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the group's share of the identifiable net assets acquired.

If this is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the Statement of Comprehensive Income.

Partial acquisitions – control unaffected

Where the group acquires an additional interest in an entity in which a controlling interest is already held, the consideration paid for the additional interest is reflected within movements in equity as a reduction in non-controlling interests. No goodwill is recognised.

Step acquisitions – control passes to the group

Where a business combination is achieved in stages, at the stage at which control passes to the group, the previously held interest is treated as if it had been disposed of, along with the consideration paid for the controlling interest in the subsidiary. The fair value of the previously held interest then forms one of the components that is used to calculate goodwill, along with the consideration and the non-controlling interest less the fair value of identifiable net assets.

The consideration paid for the earlier stages of a step acquisition, before control passes to the group, is treated as an investment in an associate.

(b) Transactions and non-controlling interests

Transactions with non-controlling interests in the net assets of consolidated subsidiaries are identified separately and included in the group's equity. Non-controlling interests consist of the amount of those interests at the date of the original business combination and its share of changes in equity since the date of the combination. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Where the group owns a non-controlling interest in the equity share capital of a non-quoted company and does not exercise significant influence, it is held as an investment and stated in the balance sheet at the lower of cost and net realisable value.

(c) Associates

An associate is an entity over which the group is in a position to exercise significant influence, but not control or joint control, through participation in the financial and operating policy decisions of the investee. The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting and are initially recognised at cost. The group's investment in associates includes goodwill identified on acquisition, net of any accumulated impairment loss.

The group's share of associate post-acquisition profit or losses is recognised in the Income Statement, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the group's share of losses in an associate equals its interest in the associate, including any other unsecured receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the group and its associates are eliminated to the extent of the group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the group.

Dilution gains and losses arising in investments in associates are recognised in the Income Statement.

Notes to the Consolidated Financial Statements continued

1 Accounting policies *continued*

Foreign currencies

Functional and presentation currency

The functional and presentation currency of Euromoney Institutional Investor PLC and its UK subsidiaries other than Fantfoot Limited is sterling. The functional currency of subsidiaries and associates is the currency of the primary economic environment in which they operate.

Transactions and balances

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates ruling at the balance sheet date.

Gains and losses arising on foreign currency borrowings and derivative instruments, to the extent that they are used to provide a hedge against the group's equity investments in overseas undertakings, are taken to equity together with the exchange difference arising on the net investment in those undertakings. All other exchange differences are taken to the Income Statement.

Group companies

The Income Statements of overseas operations are translated into sterling at the weighted average exchange rates for the year and their balance sheets are translated into sterling at the exchange rates ruling at the balance sheet date. All exchange differences arising on consolidation are taken to equity. In the event of the disposal of an operation, the related cumulative translation differences are recognised in the Income Statement in the period of disposal.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any recognised impairment loss.

Depreciation of property, plant and equipment is provided on a straight-line basis over their expected useful lives at the following rates per year:

Freehold land	do not depreciate
Freehold buildings	2%
Long-term leasehold premises	over term of lease
Short-term leasehold premises	over term of lease
Office equipment	11% – 33%
Motor vehicles	20%

Intangible assets

Goodwill

Goodwill represents the excess of the fair value of purchase consideration over the net fair value of identifiable assets and liabilities acquired.

Goodwill is recognised as an asset at cost and subsequently measured at cost less accumulated impairment. For the purposes of impairment testing, goodwill is allocated to those cash generating units that have benefited from the acquisition. Assets are grouped at the lowest level for which there are separately identifiable cash flows. The carrying value of goodwill is reviewed for impairment at least annually or where there is an indication that goodwill may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, then the impairment loss is allocated first to reduce the carrying amount of the goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis. Any impairment is recognised immediately in the Income Statement and may not subsequently be reversed. On disposal of a subsidiary undertaking, the attributable amount of goodwill is included in the determination of the profit and loss on disposal.

Goodwill arising on foreign subsidiary investments held in the consolidated balance sheet are retranslated into sterling at the applicable period end exchange rates. Any exchange differences arising are taken directly to equity as part of the retranslation of the net assets of the subsidiary.

Goodwill arising on acquisitions before the date of transition to IFRS has been retained at the previous UK GAAP amounts having been tested for impairment at that date. Goodwill written off to reserves under UK GAAP before October 1 1998 has not been reinstated and is not included in determining any subsequent profit or loss on disposal.

Internally-generated intangible assets

An internally-generated intangible asset arising from the group's software and systems development is recognised only if all of the following conditions are met:

- An asset is created that can be identified (such as software or a website);
- It is probable that the asset created will generate future economic benefits; and
- The development cost of the asset can be measured reliably.

Internally-generated intangible assets are stated at cost and amortised on a straight-line basis over the useful lives. Where no internally-generated intangible asset can be recognised, development expenditure is recognised as an expense in the period in which it is incurred.

1 Accounting policies *continued*

Other intangible assets

For all other intangible assets, the group initially makes an assessment of their fair value at acquisition. An intangible asset will be recognised as long as the asset is separable or arises from contractual or other legal rights, and its fair value can be measured reliably.

Subsequent to acquisition, amortisation is charged so as to write off the costs of other intangible assets over their estimated useful lives, using a straight-line or reducing balance method. These intangible assets are reviewed for impairment as described below.

These intangibles are stated at cost less accumulated amortisation and impairment losses.

Amortisation

Amortisation of intangible assets is provided on a reducing balance basis or straight-line basis as appropriate over their expected useful lives at the following rates per year:

Trademarks and brands	5 – 30 years
Customer relationships	3 – 16 years
Databases	1 – 22 years
Licences and software	3 – 5 years

Impairment of non-financial assets

Assets that have an indefinite useful life – for example, goodwill or intangible assets not ready to use – are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non-financial assets, other than goodwill, that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Trade and other receivables

Trade receivables are recognised and carried at original invoice amount, less provision for impairment. A provision is made and charged to the Income Statement when there is objective evidence that the group will not be able to collect all amounts due according to the original terms. More information on impairment is included in the impairment of financial assets section below.

Cash and cash equivalents

Cash and cash equivalents includes cash, short-term deposits and other short-term highly liquid investments with an original maturity of three months or less.

For the purpose of the group cash flow statement, cash and cash equivalents are as defined above, net of outstanding bank overdrafts.

Financial assets

The group classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables, and available-for-sale financial assets. The classification depends on the purpose for which the assets were acquired. Management determines the classification of its assets at initial recognition and re-evaluates this designation at every reporting date.

Classification

Financial assets at fair value through profit and loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term or if so designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months; otherwise, they are classified as non-current.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the end of the reporting period which are classified as non-current assets. The group's loans and receivables comprise trade and other receivables and cash and cash equivalents in the balance sheet.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period.

Notes to the Consolidated Financial Statements continued

1 Accounting policies *continued*

Recognition and measurement

Regular purchases and sales of financial assets are recognised on the date on which the group commits to purchase or sell the asset. All financial assets, other than those carried at fair value through profit or loss, are initially recognised at fair value plus transaction costs.

Financial assets at fair value through profit and loss

Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the profit and loss component of the Statement of Comprehensive Income. Gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss category' are included in the profit and loss component of the Statement of Comprehensive Income in the period in which they arise. Dividend income from assets, categorised as financial assets at fair value through profit or loss, is recognised in the profit and loss component of the Statement of Comprehensive Income as part of other income when the group's right to receive payments is established.

Loans and receivables

Loans and receivables are carried at amortised cost using the effective interest method.

Available-for-sale financial assets

Available-for-sale financial assets are subsequently measured at fair value.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

Impairment of financial assets

The group assesses at each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The criteria that the group uses to determine that there is objective evidence of an impairment loss include:

- Significant financial difficulty of the issuer or obligor;
- A breach of contract, such as a default or delinquency in interest or principal payments;
- The group, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the lender would not otherwise consider;
- It becomes probable that the borrower will enter bankruptcy or other financial reorganisation;
- The disappearance of an active market for that financial asset because of financial difficulties; or
- Observable data indicating that there is a measurable decrease in the estimate of future cash flows from a portfolio of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the portfolio, including:
  - (i) Adverse changes in the payment status of borrowers in the portfolio; and
  - (ii) National or local economic conditions that correlate with defaults on the assets in the portfolio.

The group first assesses whether objective evidence of impairment exists.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The asset's carrying amount is reduced and the amount of the loss is recognised in the profit and loss component of the Statement of Comprehensive Income. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the group may measure impairment on the basis of an instrument's fair value using an observable market price.

If the asset's carrying amount is reduced, the amount of the loss is recognised in the profit and loss component of the Statement of Comprehensive Income.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the profit and loss component of the Statement of Comprehensive Income.

1 Accounting policies *continued*

Financial liabilities

Committed borrowings and bank overdrafts

Interest-bearing loans and overdrafts are recorded at the amounts received, net of direct issue costs. Direct issue costs are amortised over the period of the loans and overdrafts to which they relate. Finance charges, including premiums payable on settlement or redemption are charged to the Income Statement as incurred using the effective interest rate method and are added to the carrying value of the borrowings or overdraft to the extent they are not settled in the period in which they arise.

Trade payables

Trade payables are not interest-bearing and are stated at their fair value.

Derivative financial instruments

The group uses various derivative financial instruments to manage its exposure to foreign exchange and interest rate risks, including forward foreign currency contracts and interest rate swaps.

All derivative instruments are recorded in the balance sheet at fair value. The recognition of gains or losses on derivative instruments depends on whether the instrument is designated as a hedge and the type of exposure it is designed to hedge. The group designates certain derivatives as either:

(a) hedges of a particular risk associated with a recognised asset or liability or a highly probable forecast transaction (cash flow hedge); or

(b) hedges of a net investment in a foreign operation (net investment hedge).

The group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the derivative matures in more than 12 months, and as a current asset or liability when the derivative matures in less than 12 months. Trading derivatives are classified as a current asset or liability.

Cash flow hedge

The effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges are recognised in other comprehensive income within the Statement of Comprehensive Income. The ineffective portion of such gains and losses is recognised in the Income Statement immediately.

Amounts accumulated in equity are reclassified to the Income Statement in the periods when the hedged item is recognised in the Income Statement (for example, when the forecast transaction that is hedged takes place).

The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognised in the Income Statement accordingly, the gain or loss relating to the ineffective portion is recognised in the Income Statement immediately. However, whenever the forecast transaction that is hedged results in the recognition of a non-financial asset (for example fixed assets), the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset. The deferred amounts are ultimately recognised in depreciation in the case of fixed assets.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the Income Statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the Income Statement.

The premium or discount on interest rate instruments is recognised as part of net interest payable over the period of the contract. Interest rate swaps are accounted for on an accruals basis.

Net investment hedge

Hedges of net investments in foreign operations are accounted for in the same way as cash flow hedges.

Gains or losses on the qualifying part of net investment hedges are recognised in other comprehensive income together with the gains and losses on the underlying net investment. The ineffective portion of such gains and losses is recognised in the Income Statement immediately.

Changes in the fair value of the derivative financial instruments that do not qualify for hedge accounting are recognised in the Income Statement as they arise.

Gains and losses accumulated in equity are transferred to the Income Statement when the foreign operation is partially disposed of or sold.

Liabilities in respect of put option agreements

Liabilities for put options over the remaining minority interests in subsidiaries are recorded in the Statement of Financial Position at their estimated discounted present value. These discounts are unwound and charged to the Income Statement as notional interest over the period up to the date of the potential future payment.

Notes to the Consolidated Financial Statements continued

1 Accounting policies *continued*

Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is calculated under the provisions of IAS 12 'Income tax' and is recognised on differences between the carrying amounts of assets and liabilities in the accounts and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. No provision is made for temporary differences on unremitted earnings of foreign subsidiaries or associates where the group has control and the reversal of the temporary difference is not foreseeable.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is charged or credited in the Income Statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the group intends to settle its current assets and liabilities on a net basis.

Provisions

A provision is recognised in the balance sheet when the group has a present legal or constructive obligation as a result of a past event, and it is probable that economic benefits will be required to settle the obligation. If material, provisions are determined by discounting the expected future cash flows at a pre tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Pensions

Contributions to pension schemes in respect of current and past service, ex-gratia pensions, and cost of living adjustments to existing pensions are based on the advice of independent actuaries.

Defined contribution plans

A defined contribution plan is a pension plan under which the group pays fixed contributions into a separate non-group related entity. Payments to the Euromoney Pension Plan and the Metal Bulletin Group Personal Pension Plan, both defined contribution pension schemes, are charged as an expense as they fall due.

The group also participates in the Harmsworth Pension Scheme, a defined benefit pension scheme which is operated by Daily Mail and General Trust plc. As there is no contractual agreement or stated policy for charging the net defined benefit cost for the plan as a whole to the individual entities, the group recognises an expense equal to its contributions payable in the period and does not recognise any unfunded liability of this pension scheme on its balance sheet. In other words, this scheme is treated as a defined contribution plan.

Defined benefit plans

Defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The group operates the Metal Bulletin Pension Scheme, a defined benefit scheme. The present value of providing benefits is determined by triennial valuations using the attained age method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in full in the Statement of Comprehensive Income in the period in which they occur. The retirement benefit obligation recognised in the Statement of Financial Position 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.

Share-based payments

The group makes share-based payments to certain employees which are equity and cash-settled. These payments are measured at their estimated fair value at the date of grant, calculated using an appropriate option pricing model. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of the number of shares that will eventually vest. At the period end the vesting assumptions are revisited and the charge associated with the fair value of these options updated. For cash-settled share-based payments a liability equal to the portion of the services received is recognised at the current fair value as determined at each balance sheet date.

1 Accounting policies *continued*

Revenue

Revenue represents income from advertising, subscriptions, sponsorship and delegate fees, net of value added tax.

- Advertising revenues are recognised in the Income Statement on the date of publication.
- Subscription revenues are recognised in the Income Statement on a straight-line basis over the period of the subscription.
- Sponsorship and delegate revenues are recognised in the Income Statement over the period the event is run.

Revenues invoiced but relating to future periods are deferred and treated as deferred income in the Statement of Financial Position.

Leased assets

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Operating lease rentals are charged to the Income Statement on a straight-line basis as allowed by IAS 17 'Leases'.

Dividends

Dividends are recognised as a liability in the period in which they are approved by the company's shareholders. Interim dividends are recorded in the period in which they are paid.

Own shares held by Employees' Share Ownership Trust

Transactions of the group-sponsored trust are included in the group financial statements. In particular, the trust's holdings of shares in the company are debited direct to equity.

Earnings per share

The earnings per share and diluted earnings per share calculations follow the provisions of IAS 33 'Earnings per share'. The diluted earnings per share figure is calculated by adjusting for the dilution effect of the exercise of all ordinary share options, SAYE options and the Capital Appreciation Plan options granted by the company, but excluding the ordinary shares held by the Euromoney Employees' Share Ownership Trust.

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 additional disclosure in order to provide an indication of the underlying trading performance of the group.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the board and executive committee members who are responsible for strategic decisions, allocating resources and assessing performance of the operating segments.

2 Key judgemental areas adopted in preparing these financial statements

The group prepares its group financial statements in accordance with International Financial Reporting Standards (IFRS), the application of which often requires judgements to be made by management when formulating the group's financial position and results. Under IFRS, the directors are required to adopt those accounting policies most appropriate to the group's circumstances for the purpose of presenting fairly the group's financial position, financial performance and cash flows.

In determining and applying accounting policies, judgement is often required in respect of items where the choice of specific policy, accounting estimate or assumption to be followed could materially affect the reported results or net asset position of the group should it later be determined that a different choice would have been more appropriate.

Management considers the accounting estimates and assumptions discussed below to be its key judgemental areas and, accordingly, provides an explanation of each below. Management has discussed its critical accounting estimates and associated disclosures with the group's audit committee.

The discussion below should also be read in conjunction with the group's disclosure of IFRS accounting policies, which is provided in note 1.

Acquisitions

The purchase consideration for the acquisition of a subsidiary or business is allocated over the net fair value of identifiable assets, liabilities and contingent liabilities acquired.

Fair value

Determining the fair value of assets, liabilities and contingent liabilities acquired requires management's judgement and often involves the use of significant estimates and assumptions, including assumptions with respect to future cash flows, recoverability of assets, and unprovided liabilities and commitments particularly in relation to tax and VAT.

Intangible assets

The group makes an assessment of the fair value of intangible assets arising on acquisitions. An intangible asset will be recognised as long as the asset is separable or arises from contractual or other legal rights, and its fair value can be measured reliably.

The measurement of the fair value of intangible assets acquired requires significant management judgement particularly in relation to the expected future cash flows from the acquired marketing databases (which are generally based on management's estimate of marketing response rates), customer relationships, trademarks, brands, and repeat and well established events. At September 30 2012 the net book value of intangible assets was £135.2 million (2012: £152.8 million).

Notes to the Consolidated Financial Statements continued

2 Key judgemental areas adopted in preparing these financial statements *continued*

Goodwill

Goodwill is impaired where the carrying value of goodwill is higher than the net present value of future cash flows of those cash generating units to which it relates. Key areas of judgement in calculating the net present value are the forecast cash flows, the long-term growth rate of the applicable businesses and the discount rate applied to those cash flows. Goodwill held on the Statement of Financial Position at September 30 2012 was £333.1 million (2011: £336.6 million).

Deferred consideration

The group often pays for a portion of the equity acquired at a future date. This deferred consideration is contingent on the future results of the entity acquired and applicable payment multipliers dependent on those results. The initial amount of the deferred consideration is recognised as a liability in the Statement of Financial Position. Each period end management reassess the amount expected to be paid and any changes to the initial amount are recognised as a finance income or expense in the Income Statement. Significant management judgement is required to determine the amount of deferred consideration that is likely to be paid, particularly in relation to the future profitability of the acquired business.

Acquisition option commitments

The group is party to a number of put and call options over the remaining non-controlling interests in some of its subsidiaries. IAS 39 'Financial Instruments: Recognition and Measurement' requires the discounted present value of these acquisition option commitments to be recognised as a liability on the Statement of Financial Position with a corresponding decrease in reserves. The discounts are unwound as a notional interest charge to the Income Statement. Key areas of judgement in calculating the discounted present value of the options are the expected future cash flows and earnings of the business, the period remaining until the option is exercised and the discount rate. At September 30 2012 the discounted present value of these acquisition option commitments was £7.9 million (2011: £11.0 million).

Share-based payments

The group makes long-term incentive payments to certain employees. These payments are measured at their estimated fair value at the date of grant, calculated using an appropriate option pricing model. The fair value determined at the grant date is expensed on a straight-line basis over the expected vesting period, based on the estimate of the number of shares that will eventually vest. The key assumptions used in calculating the fair value of the options are the discount rate, the group's share price volatility, dividend yield, risk free rate of return, and expected option lives. These assumptions are set out in note 24. Management regularly perform a true-up of the estimate of the number of shares that are expected to vest, which is dependent on the anticipated number of leavers.

The directors regularly reassess the expected vesting period. A plan that vests earlier than originally estimated results in an acceleration of the fair value expense of the plan recognised in the Income Statement at the time the reassessment occurs. Equally, a plan that vests later than previously estimated results in a credit to the Income Statement at the date of reassessment.

The charge for long-term incentive payments for the year ended September 30 2012 is £6.3 million (2011: £16.1 million).

Defined benefit pension scheme

The surplus or deficit in the defined benefit pension scheme that is recognised through the Statement of Comprehensive Income is subject to a number of assumptions and uncertainties. The calculated liabilities of the scheme are based on assumptions regarding salary increases, inflation rates, discount rates, the long-term expected return on the scheme's assets and member longevity. Details of the assumptions used are shown in note 27. Such assumptions are based on actuarial advice and are benchmarked against similar pension schemes.

Taxation

The group's tax charge on ordinary activities is the sum of the total current and deferred tax charges. The calculation of the group's total tax charge necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material profit and loss and/or cash flow variances.

The group is a multi-national group with tax affairs in many geographical locations. This inherently leads to a higher than usual complexity to the group's tax structure and makes the degree of estimation and judgement more challenging. The resolution of issues is not always within the control of the group and it is often dependent on the efficiency of the legislative processes in the relevant taxing jurisdictions in which the group operates. Issues can, and often do, take many years to resolve. Payments in respect of tax liabilities for an accounting period result from payments on account and on the final resolution of open items. As a result, there can be substantial differences between the tax charge in the Income Statement and tax payments.

2 Key judgemental areas adopted in preparing these financial statements *continued*

The group has certain significant open items in several tax jurisdictions and as a result the amounts recognised in the group financial statements in respect of these items are derived from the group's best estimation and judgement, as described above. However, the inherent uncertainty regarding the outcome of these items means eventual resolution could differ from the accounting estimates and therefore affect the group's results and cash flows.

Recognition of deferred tax assets

The recognition of net deferred tax assets is based upon whether it is probable that sufficient and suitable taxable profits will be available in the future, against which the reversal of temporary differences can be deducted. Recognition, therefore, involves judgement regarding the future financial performance of the particular legal entity or tax group in which the deferred tax asset has been recognised.

Historical differences between forecast and actual taxable profits have not resulted in material adjustments to the recognition of deferred tax assets. At September 30 2012, the group had a deferred tax asset of £7.3 million (2011: £13.2 million).

Treasury

Interest rate exposure

Interest rate swaps are used to manage the group's exposure to fluctuations in interest rates on its floating rate borrowings. The maturity profile of these derivatives is matched with the expected future debt profile of the group. The group's policy is to fix the interest rates on approximately 80% of its term debt looking forward over five years. The expected future debt profile of the group is based on estimates of both timings and size of future, as yet unknown, acquisitions offset by an estimate of the cash generated by the group over a five year period. If management materially underestimate the group's future debt profile this would lead to too few interest rate instruments being in place and the group more exposed to swings in interest rates. An overestimate of the group's future debt profile would lead to associated costs in unwinding the excess interest rate instruments. At September 30 2012, the fair value of the group's interest rate swaps was a liability of £0.6 million (2011: £2.6 million).

Forward contracts

The group is exposed to foreign exchange risk in the form of transactions in foreign currencies entered into by group companies and by the translation of the results of foreign subsidiaries into sterling for reporting purposes.

The group does not hedge the translation of the results of foreign subsidiaries, consequently, fluctuations in the value of sterling versus foreign currencies could materially affect the amount of these items in the consolidated financial statements, even if their values have not changed in their original currency. The group does endeavour to match foreign currency borrowings to investments in order to provide a natural hedge for the translation of the net assets of overseas subsidiaries.

Subsidiaries normally do not hedge transactions in foreign currencies into the functional currency of their own operations. However, at a group level a series of US dollar and Euro forward contracts is put in place up to 18 months forward partially to hedge its US dollar and Euro denominated revenues into sterling. The timing and value of these forward contracts is based on managements' estimate of its future US dollar and Euro revenues over an 18 month period. If management materially underestimate the group's future US dollar or Euro revenues this would lead to too few forward contracts being in place and the group being more exposed to swings in US dollar and Euro to sterling exchange rates. An overestimate of the group's US dollar or Euro revenues would lead to associated costs in unwinding the excess forward contracts. At September 30 2012, the fair value of the group's forward contracts was a net asset of £2.8 million (2011: £4.3 million liability).

Details of the financial instruments used are set out in note 19 to the accounts.

Notes to the Consolidated Financial Statements continued

3 Segmental analysis

Segmental information is presented in respect of the group's business divisions and reflects the group's management and internal reporting structure. The group is organised into five business divisions: Financial publishing; Business publishing; Training; Conferences and seminars; and Research and data. 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. Research and data consists of subscription revenue. A breakdown of the group's revenue by type is set out below.

Analysis of the group's three main geographical areas is also set out to provide additional information on the trading performance of the businesses.

Inter-segment sales are charged at prevailing market rates and shown in the eliminations columns below.

	United Kingdom		North America		Rest of World		Eliminations		Total	
	2012 £000	2011 £000	**2012 £000**	2011 £000	**2012 £000**	2011 £000	**2012 £000**	2011 £000	**2012 £000**	2011 £000
Revenue by division and source:										
Financial publishing	**48,077**	50,235	**31,925**	35,970	**2,487**	2,403	**(5,400)**	(4,824)	**77,089**	83,784
Business publishing	**46,027**	43,118	**18,924**	16,397	**1,879**	1,702	**(2,185)**	(1,725)	**64,645**	59,492
Training	**20,492**	19,670	**7,584**	7,854	**3,317**	5,264	**(181)**	(250)	**31,212**	32,538
Conferences and seminars	**38,418**	37,752	**42,778**	40,901	**11,181**	7,680	**(76)**	(87)	**92,301**	86,246
Research and data	**17,079**	15,341	**87,554**	63,822	**25,772**	25,203	**(120)**	(47)	**130,285**	104,319
Sold/closed businesses	**–**	–	**–**	–	**–**	534	**–**	–	**–**	534
Corporate revenue	**5**	6	**–**	–	**–**	6	**(5)**	(12)	**–**	–
Foreign exchange losses on forward contracts	**(1,388)**	(3,771)	**–**	–	**–**	–	**–**	–	**(1,388)**	(3,771)
Total revenue	**168,710**	162,351	**188,765**	164,944	**44,636**	42,792	**(7,967)**	(6,945)	**394,144**	363,142
Investment income (note 8)	**3**	12	**4**	4	**146**	158	**–**	–	**153**	174
Total revenue and investment income	**168,713**	162,363	**188,769**	164,948	**44,782**	42,950	**(7,967)**	(6,945)	**394,297**	363,316

	United Kingdom		North America		Rest of World		Total	
	2012 £000	2011 £000	**2012 £000**	2011 £000	**2012 £000**	2011 £000	**2012 £000**	2011 £000
Revenue by type and destination:								
Subscriptions	**33,685**	30,207	**99,455**	78,870	**66,588**	61,890	**199,728**	170,967
Advertising	**8,303**	9,259	**22,963**	24,167	**27,091**	29,228	**58,357**	62,654
Sponsorship	**6,605**	8,797	**19,833**	18,962	**21,160**	21,055	**47,598**	48,814
Delegates	**7,085**	9,254	**20,833**	20,066	**52,227**	45,689	**80,145**	75,009
Other	**2,025**	1,691	**4,736**	4,242	**2,943**	3,002	**9,704**	8,935
Sold/closed businesses	**–**	–	**–**	–	**–**	534	**–**	534
Foreign exchange losses on forward contracts	**(1,388)**	(3,771)	**–**	–	**–**	–	**(1,388)**	(3,771)
Total revenue	**56,315**	55,437	**167,820**	146,307	**170,009**	161,398	**394,144**	363,142

3 Segmental analysis *continued*

	United Kingdom		North America		Rest of World		Total	
	2012 £000	2011 £000	**2012 £000**	2011 £000	**2012 £000**	2011 £000	**2012 £000**	2011 £000
Operating profit[1] by division and source:								
Financial publishing	**17,800**	19,613	**6,451**	8,073	**600**	508	**24,851**	28,194
Business publishing	**16,768**	17,233	**7,714**	5,799	**16**	340	**24,498**	23,372
Training	**5,285**	4,887	**1,288**	1,335	**449**	1,631	**7,022**	7,853
Conferences and seminars	**12,652**	12,626	**13,328**	12,202	**3,067**	1,733	**29,047**	26,561
Research and data	**9,177**	8,915	**40,403**	28,325	**5,805**	5,236	**55,385**	42,476
Sold/closed businesses	**–**	–	**–**	1	**(40)**	(162)	**(40)**	(161)
Unallocated corporate costs	**(20,789)**	(17,676)	**(1,157)**	(1,152)	**(642)**	(500)	**(22,588)**	(19,328)
Operating profit before acquired intangible amortisation, long-term incentive expense and exceptional items	**40,893**	45,598	**68,027**	54,583	**9,255**	8,786	**118,175**	108,967
Acquired intangible amortisation[2]	**(2,986)**	(3,259)	**(11,681)**	(8,441)	**(115)**	(521)	**(14,782)**	(12,221)
Long-term incentive expense	**(1,796)**	(5,284)	**(3,705)**	(3,897)	**(800)**	(310)	**(6,301)**	(9,491)
Accelerated long-term incentive expense	**–**	(3,604)	**–**	(2,781)	**–**	(218)	**–**	(6,603)
Exceptional items (note 5)	**(49)**	(120)	**(905)**	(2,574)	**(663)**	(601)	**(1,617)**	(3,295)
Operating profit before associates	**36,062**	33,331	**51,736**	36,890	**7,677**	7,136	**95,475**	77,357
Share of results in associates							**459**	408
Finance income (note 8)							**4,475**	1,761
Finance expense (note 8)							**(8,041)**	(11,329)
Profit before tax							**92,368**	68,197
Tax expense (note 9)							**(22,528)**	(22,527)
Profit after tax							**69,840**	45,670

1. Operating profit before acquired intangible amortisation, long-term incentive expense and exceptional items (refer to the appendix to the Chairman's Statement).
2. Acquired intangible amortisation represents amortisation of acquisition related non-goodwill assets such as trademarks and brands, customer relationships and databases (note 12).

	Acquired intangible amortisation		Long-term incentive expense		Exceptional items		Depreciation and amortisation	
	2012 £000	2011 £000	**2012 £000**	2011 £000	**2012 £000**	2011 £000	**2012 £000**	2011 £000
Other segmental information by division:								
Financial publishing	**–**	(47)	**(797)**	(3,291)	**18**	–	**(10)**	(60)
Business publishing	**(2,663)**	(2,817)	**(940)**	(1,758)	**–**	–	**(15)**	(20)
Training	**–**	–	**(295)**	(1,134)	**–**	–	**(16)**	(19)
Conferences and seminars	**(461)**	(354)	**(1,492)**	(4,202)	**(94)**	–	**(52)**	(49)
Research and data	**(11,537)**	(8,875)	**(1,742)**	(3,058)	**(1,541)**	(2,979)	**(1,491)**	(854)
Sold/closed businesses	**–**	–	**–**	–	**–**	(601)	**–**	(2)
Unallocated corporate costs	**(121)**	(128)	**(1,035)**	(2,652)	**–**	285	**(2,163)**	(1,948)
	(14,782)	(12,221)	**(6,301)**	(16,095)	**(1,617)**	(3,295)	**(3,747)**	(2,952)

Notes to the Consolidated Financial Statements continued

3 Segmental analysis *continued*

	United Kingdom		North America		Rest of World		Total	
	2012 £000	2011 £000	**2012 £000**	2011 £000	**2012 £000**	2011 £000	**2012 £000**	2011 £000
Non-current assets (excluding financial instruments and deferred tax assets) by location:								
Goodwill	**91,555**	91,555	**237,005**	244,604	**4,505**	473	**333,065**	336,632
Other intangible assets	**32,688**	35,638	**102,223**	117,486	**1,332**	286	**136,243**	153,410
Investments	**735**	–	**–**	–	**–**	–	**735**	–
Property, plant and equipment	**13,716**	14,419	**3,309**	4,697	**957**	1,274	**17,982**	20,390
Non-current assets	**138,694**	141,612	**342,537**	366,787	**6,794**	2,033	**488,025**	510,432
Capital expenditure by location	**(431)**	(512)	**(810)**	(639)	**(424)**	(961)	**(1,665)**	(2,112)

The group has taken advantage of paragraph 23 of IFRS 8 'Operating segments' and does not provide segmental analysis of net assets as this information is not used by the directors in operational decision making or monitoring of the businesses performance.

4 Operating profit

	2012 £000	2011 £000
Revenue	**394,144**	363,142
Cost of sales	**(98,308)**	(94,881)
Gross profit	**295,836**	268,261
Distribution costs	**(4,280)**	(4,025)
Administrative expenses	**(196,081)**	(186,879)
Operating profit before associates	**95,475**	77,357

Administrative expenses include an acquisition credit of £205,000 (2011: acquisition cost of £1,012,000), an intangible asset impairment of £nil (2011: £120,000) and restructuring and other exceptional costs of £1,822,000 (2011: £2,163,000) (note 5).

4 Operating profit *continued*

Operating profit is stated after charging/(crediting):	2012 £000	2011 £000
Staff costs (note 7)	**159,305**	157,572
Intangible amortisation:		
Acquired intangible amortisation	**14,782**	12,221
Licences and software	**339**	302
Intangible asset impairment (note 5)	**–**	120
Depreciation of property, plant and equipment	**3,408**	2,651
Auditor's remuneration:		
Group audit	**779**	761
Assurance services	**95**	85
Non-audit	**41**	55
Property operating lease rentals	**6,405**	6,276
Loss on disposal of property, plant and equipment	**53**	11
Restructuring and other exceptional costs (note 5)	**1,822**	2,163
Acquisition (credit)/costs (note 5)	**(205)**	1,012
Foreign exchange loss/(gain)	**524**	(1,196)

Audit and non-audit services relate to:	2012 £000	2011 £000
Group audit:		
Fees payable for the audit of the company's annual accounts	**447**	509
Fees payable for other services to the group:		
Audit of subsidiaries pursuant to local legislation	**332**	252
Audit services provided to all group companies	**779**	761
Assurance services:		
Interim review	**95**	85
Non-audit services:		
Tax services	**28**	51
Other services	**13**	4
	41	55
Total group auditor's remuneration	**915**	901

Notes to the Consolidated Financial Statements continued

5 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 additional disclosure in order to provide an indication of the underlying trading performance of the group.

	2012 £000	2011 £000
Acquisition credit/(costs)	**205**	(1,012)
Intangible asset impairment (note 12)	**–**	(120)
Restructuring and other exceptional costs	**(1,822)**	(2,163)
	(1,617)	(3,295)

In 2012 the group recognised an exceptional expense of £1,617,000. This comprised an exceptional restructuring charge of £1,822,000 following the reorganisation of certain group functions, and acquisition legal costs of £94,000 in connection with the acquisition of Global Grain offset by a credit of £299,000 following the release of previously accrued costs in relation to the acquisition of Ned Davis Research. The group's tax charge includes a related tax credit of £456,000. The exceptional restructuring charge of £1,822,000 includes £1,564,000 recognised in relation to the termination benefits.

For the year ended September 30 2011, the group recognised costs of £1,012,000 relating to the acquisition of Ned Davis Research and exceptional restructuring and other costs of £2,163,000. In July 2011, the group purchased the *Coaltrans* publishing brand for £120,000 to supplement the existing *Coaltrans* conference brand. The group did not plan to publish under the brand and as such immediately impaired the related intangible asset. The group's tax charge included a related tax credit of £312,000.

6 Additional accelerated long-term incentive expense

In 2011 the group recognised an additional accelerated long-term incentive expense of £6,603,000. The CAP 2010 adjusted pre-tax profit* target of £100 million was achieved in financial year 2011, two years earlier than expected. Following modification, the internal rules of the plan prevent the awards vesting to employees more than one year early, so although the primary condition had been achieved the award pool was to be allocated to holders of awards based on the profits achieved in financial year 2012. (See Directors' Remuneration Report for further information). However, despite the awards not vesting in February 2012, IFRS 2 'Share-based payments' required the group to accelerate recognition of the CAP 2010 accounting charge as if the awards vested in February 2012. The total charge over the life of the scheme remains unchanged at £30 million.

* Profit before tax excluding acquired intangible amortisation, CAP 2010 element of long-term incentive expense, exceptional items, profits from significant acquisitions, net movements in acquisition option commitments values and imputed interest on acquisition option commitments as set out in the Income Statement note 5 and note 8.

7 Staff costs

(i) Number of staff (including directors and temporary staff)

	2012 Average	2011 Average
By business segment:		
Financial publishing	**351**	349
Business publishing	**262**	243
Training	**123**	122
Conferences and seminars	**250**	250
Research and data	**890**	845
Central	**387**	390
	2,263	2,199

	2012 Average	2011 Average
By geographical location:		
United Kingdom	**806**	793
North America	**751**	663
Rest of World	**706**	743
	2,263	2,199

(ii) Staff costs (including directors and temporary staff)

	2012 £000	2011 £000
Salaries, wages and incentives	**140,203**	129,523
Social security costs	**10,436**	9,713
Pension contributions	**2,365**	2,243
Long-term incentive expense	**6,301**	16,093
	159,305	157,572

Details of directors' remuneration has been disclosed in the Directors' Remuneration Report on page 47.

Notes to the Consolidated Financial Statements continued

8 Finance income and expense

	2012 £000	2011 £000
Finance income		
Interest income:		
Interest receivable from DMGT group undertakings	**18**	136
Interest receivable from short-term investments	**153**	174
Expected return on pension scheme assets	**1,329**	1,451
Net movements in acquisition option commitment values (note 25)	**2,940**	–
Movement in acquisition deferred consideration	**35**	–
	4,475	1,761
Finance expense		
Interest expense:		
Interest payable on committed borrowings	**(4,728)**	(7,007)
Interest payable to DMGT group undertakings	**–**	(25)
Interest payable on loan notes	**(9)**	(15)
Interest on pension scheme liabilities	**(1,314)**	(1,290)
Net movements in acquisition option commitment values (note 25)	**–**	(358)
Imputed interest on acquisition option commitments (note 25)	**(977)**	(181)
Movement in acquisition deferred consideration	**–**	(1,829)
Interest on tax underpaid	**(958)**	(317)
Fair value losses on financial instruments:		
Ineffectiveness of interest rate swaps and forward contracts	**(55)**	(307)
	(8,041)	(11,329)
Net finance costs	**(3,566)**	(9,568)

	2012 £000	2011 £000
Reconciliation of net finance costs in Income Statement to adjusted net finance costs		
Total net finance costs in Income Statement	**(3,566)**	(9,568)
Add back:		
Net movements in acquisition option commitment values	**(2,940)**	358
Imputed interest on acquisition option commitments	**977**	181
Movement in acquisition deferred consideration	**(35)**	1,829
	(1,998)	2,368
Adjusted net finance costs	**(5,564)**	(7,200)

The reconciliation of net finance costs in the Income Statement has been provided since the directors consider it necessary in order to provide an indication of the adjusted net finance costs.

9 Tax on profit on ordinary activities

	2012 £000	2011 £000
Current tax expense		
UK corporation tax expense	**8,229**	4,018
Foreign tax expense	**13,243**	12,359
Adjustments in respect of prior years	**1,294**	(709)
	22,766	15,668
Deferred tax (credit)/expense		
Current year	**2,759**	7,605
Adjustments in respect of prior years	**(2,997)**	(746)
	(238)	6,859
Total tax expense in Income Statement	**22,528**	22,527
Effective tax rate	**24%**	33%

The adjusted effective tax rate for the year is set out below:

	2012 £000	2011 £000
Reconciliation of tax expense in Income Statement to adjusted tax expense		
Total tax expense in Income Statement	**22,528**	22,527
Add back:		
Tax on intangible amortisation	**5,146**	4,041
Tax on exceptional items	**456**	312
Tax on additional accelerated long-term incentive expense	**–**	493
	5,602	4,846
Tax on US goodwill amortisation	**(6,474)**	(4,664)
Tax adjustments in respect of prior years	**1,703**	1,455
	831	1,637
Adjusted tax expense	**23,359**	24,164
Adjusted profit before tax (refer to the appendix to the Chairman's Statement)	**106,769**	92,684
Adjusted effective tax rate	**22%**	26%

The group presents the above adjusted effective tax rate to help users of this report better understand its tax charge. In arriving at this rate, the group removes the tax effect of items which are adjusted for in arriving at the adjusted profit disclosed in the appendix to the Chairman's Statement. However, the current tax effect of goodwill and intangible items is not removed. The group considers that the resulting adjusted effective tax rate is more representative of its tax payable position, as the deferred tax effect on the goodwill and intangible items is not expected to crystallise.

The UK income tax expense is based on a blended rate of the UK statutory rates of corporation tax during the year to September 30 2012 of 25% (2011: 27%) and reflects the reduction in the UK corporation tax rate from 26% to 24% from April 1 2012 and to 23% from April 1 2013. This change has resulted in a small deferred tax credit arising on the reduction in the carrying value of deferred tax liabilities reflecting the anticipated rate of tax at which those liabilities are expected to reverse.

Notes to the Consolidated Financial Statements continued

9 Tax on profit on ordinary activities *continued*

The actual tax expense for the year is different from 25% of profit before tax for the reasons set out in the following reconciliation:

	2012 £000	2011 £000
Profit before tax	**92,368**	68,197
Tax at 25% (2011: 27%)	**23,092**	18,413
Factors affecting tax charge:		
Different tax rates of subsidiaries operating in overseas jurisdictions	**3,767**	2,021
Associate income reported net of tax	**(115)**	(110)
US state taxes	**833**	1,116
Goodwill and intangibles	**32**	(48)
Disallowable expenditure	**1,325**	1,001
Other items deductible for tax purposes	**(3,824)**	–
Effect of additional accelerated long-term incentive expense	**–**	1,717
Tax impact of consortium relief	**(861)**	(354)
Deferred tax (credit)/charge arising from changes in tax laws	**(18)**	229
Adjustments in respect of prior years	**(1,703)**	(1,458)
Total tax expense for the year	**22,528**	22,527

The UK government has indicated that it intends to enact a further reduction in the UK corporation tax rate of 1% to 22% by April 1 2014. The directors expect that the future tax rate changes will reduce the UK deferred tax asset recognised but the actual impact will be dependent on the deferred tax position at the time.

In addition to the amount charged to the Income Statement, the following amounts relating to tax have been directly recognised in other comprehensive income:

	2012 £000	2011 £000
Current tax	**(602)**	–
Deferred tax	**1,329**	(1,395)
	727	(1,395)

10 Dividends

	2012 £000	2011 £000
Amounts recognisable as distributable to equity holders in period		
Final dividend for the year ended September 30 2011 of 12.50p (2010: 11.75p)	**15,162**	13,928
Interim dividend for year ended September 30 2012 of 7.00p (2011: 6.25p)	**8,643**	7,531
	23,805	21,459
Employees' Share Ownership Trust dividend	**(11)**	(11)
	23,794	21,448
Proposed final dividend for the year ended September 30	**18,342**	15,156
Employees' Share Ownership Trust dividend	**(9)**	(7)
	18,333	15,149

The proposed final dividend of 14.75p (2011: 12.50p) is subject to approval at the Annual General Meeting on January 31 2013 and has not been included as a liability in these financial statements in accordance with IAS 10 'Events after the balance sheet date'.

11 Earnings per share

	2012 £000	2011 £000
Basic earnings attributable to equity holders of the parent	**69,672**	45,591
Acquired intangible amortisation	**14,782**	12,221
Exceptional items	**1,617**	3,295
Imputed interest on acquisition option commitments	**977**	181
Net movement in acquisition option commitment values	**(2,940)**	358
Movements in acquisition deferred consideration	**(35)**	1,829
Additional accelerated long-term incentive expense	**–**	6,603
Tax on the above adjustments	**(5,602)**	(4,846)
Tax on US goodwill amortisation	**6,474**	4,664
Tax adjustments in respect of prior years	**(1,703)**	(1,455)
Adjusted earnings	**83,242**	68,441

Notes to the Consolidated Financial Statements *continued*

11 Earnings per share *continued*

	2012 Adjusted basic earnings per share Number 000's	2012 Adjusted diluted earnings per share Number 000's	2011 Adjusted basic earnings per share Number 000's	2011 Adjusted diluted earnings per share Number 000's
Weighted average number of shares	**122,859**	**122,859**	119,957	119,957
Shares held by the Employees' Share Ownership Trust	**(59)**	**(59)**	(59)	(59)
Weighted average number of shares	**122,800**	**122,800**	119,898	119,898
Effect of dilutive share options		**3,490**		2,214
Diluted weighted average number of shares		**126,290**		122,112

	Pence per share	Pence per share	Pence per share	Pence per share
Basic earnings per share	**56.74**	**56.74**	38.02	38.02
Effect of dilutive share options		**(1.57)**		(0.68)
Diluted earnings per share		**55.17**		37.34
Effect of acquired intangible amortisation	**12.04**	**11.70**	10.19	10.01
Effect of exceptional items	**1.32**	**1.28**	2.75	2.70
Effect of imputed interest on acquisition option commitments	**0.80**	**0.77**	0.15	0.15
Effect of net movements in acquisition option commitment values	**(2.39)**	**(2.33)**	0.30	0.29
Effect of movement in acquisition deferred consideration	**(0.03)**	**(0.03)**	1.53	1.50
Effect of additional accelerated long-term incentive expense	**–**	**–**	5.51	5.41
Effect of tax on the above adjustments	**(4.57)**	**(4.43)**	(4.04)	(3.98)
Effect of tax on US goodwill amortisation	**5.27**	**5.13**	3.89	3.82
Effect of tax adjustments in respect of prior years	**(1.39)**	**(1.35)**	(1.21)	(1.19)
Adjusted basic and diluted earnings per share	**67.79**	**65.91**	57.09	56.05

The adjusted diluted earnings per share figure has been disclosed since the directors consider it necessary in order to give an indication of the underlying trading performance.

All of the above earning figures per share relate to continuing operations.

12 Goodwill and other intangibles

2012	Acquired intangible assets: Trademarks & brands 2012 £000	Acquired intangible assets: Customer relation-ships 2012 £000	Acquired intangible assets: Databases 2012 £000	Total acquired intangible assets 2012 £000	Licences & software 2012 £000	Intangible assets in development 2012 £000	Goodwill 2012 £000	Total 2012 £000
Cost/carrying amount								
At October 1 2011	142,324	78,683	9,440	**230,447**	2,761	–	366,395	**599,603**
Additions	–	–	–	**–**	194	625	–	**819**
Acquisitions (note 15)	719	553	–	**1,272**	–	–	5,248	**6,520**
Exchange differences	(3,784)	(2,133)	(269)	**(6,186)**	(90)	–	(9,376)	**(15,652)**
At September 30 2012	**139,259**	**77,103**	**9,171**	**225,533**	**2,865**	**625**	**362,267**	**591,290**
Amortisation and impairment								
At October 1 2011	41,433	32,429	3,736	**77,598**	2,200	–	29,763	**109,561**
Amortisation charge	7,339	5,761	1,682	**14,782**	339	–	–	**15,121**
Exchange differences	(1,292)	(618)	(156)	**(2,066)**	(73)	–	(561)	**(2,700)**
At September 30 2012	**47,480**	**37,572**	**5,262**	**90,314**	**2,466**	**–**	**29,202**	**121,982**
Net book value/carrying amount at September 30 2012	**91,779**	**39,531**	**3,909**	**135,219**	**399**	**625**	**333,065**	**469,308**

2011	Acquired intangible assets: Trademarks & brands 2011 £000	Acquired intangible assets: Customer relation-ships 2011 £000	Acquired intangible assets: Databases 2011 £000	Total acquired intangible assets 2011 £000	Licences & software 2011 £000	Goodwill 2011 £000	**Total 2011 £000**
Cost/carrying amount							
At October 1 2010	133,399	50,933	4,787	189,119	2,445	327,016	**518,580**
Additions	120	–	–	120	437	–	**557**
Acquisitions	7,285	25,984	4,383	37,652	–	34,781	**72,433**
Disposals	–	–	–	–	(80)	–	**(80)**
Exchange differences	1,520	1,766	270	3,556	(41)	4,598	**8,113**
At September 30 2011	142,324	78,683	9,440	230,447	2,761	366,395	**599,603**
Amortisation and impairment							
At October 1 2010	33,645	28,043	2,776	64,464	2,011	29,398	**95,873**
Amortisation charge	7,217	4,099	905	12,221	302	–	**12,523**
Impairment losses	120	–	–	120	–	–	**120**
Disposals	–	–	–	–	(80)	–	**(80)**
Exchange differences	451	287	55	793	(33)	365	**1,125**
At September 30 2011	41,433	32,429	3,736	77,598	2,200	29,763	**109,561**
Net book value/carrying amount at September 30 2011	100,891	46,254	5,704	152,849	561	336,632	**490,042**

Notes to the Consolidated Financial Statements continued

12 Goodwill and other intangibles *continued*

Intangible assets, other than goodwill, have a finite life and are amortised over their expected useful lives at the rates set out in the accounting policies in note 1 of this report.

The carrying amounts of acquired intangible assets and goodwill by business are as follows:

	Acquired intangible assets		Goodwill	
	2012 £000	2011 £000	**2012 £000**	2011 £000
CEIC	**2,456**	2,537	**13,025**	13,501
Internet Securities	**–**	–	**8,406**	8,714
MIS	**–**	–	**2,550**	2,644
Petroleum Economist	**–**	–	**236**	236
Gulf Publishing	**–**	–	**4,723**	4,896
HedgeFund Intelligence	**–**	–	**14,718**	14,718
Information Management Network	**3,199**	3,646	**29,243**	30,313
MAR	**44**	55	**185**	192
BCA	**62,780**	71,770	**143,187**	148,426
Metal Bulletin publishing businesses	**24,590**	27,365	**52,710**	52,710
FOW	**–**	–	**196**	196
Total Derivatives	**2,292**	2,729	**8,180**	8,180
TelCap	**2,379**	2,549	**10,448**	10,448
Benchmark Financials	**234**	286	**456**	473
Arete	**2,801**	2,996	**4,794**	4,794
NDR	**33,346**	38,916	**35,951**	36,182
Global Grain Geneva	**1,098**	–	**4,048**	–
Other	**–**	–	**9**	9
Total	**135,219**	152,849	**333,065**	336,632

Goodwill acquired in a business combination is allocated, at acquisition, to the cash generating units (businesses) that are expected to benefit from that business combination.

During the year the goodwill in respect of each of the above businesses was tested for impairment in accordance with IAS 36 'Impairment of assets'. The methodology applied to the value in use calculations, reflecting past experience and external sources of information, included:

- forecasts by business based on pre-tax cash flows derived from approved budgets for 2013. Management believe these budgets to be reasonably achievable;
- subsequent cash flows for between one and three additional years increased in line with growth expectations of the applicable business;
- the pre-tax discount rate of 8.5%, reflecting the companies weighted average cost of capital (WACC); and
- long-term nominal growth rate of 3%.

Certain businesses, after the annual impairment review required under IAS 36, had a limited value in use in excess of the carrying value of £1.9 million. For these businesses management has set out below the change in assumptions required, in isolation, in order for the estimated carrying value to be equal or less than the value in use. The change in assumptions are summarised as follows:

- Increase in the WACC by 1% point.
- Decrease in the long-term growth rate by 3% points.

The result of the change in assumptions of a 3% decrease in growth rates and a 1% increase in WACC would result in an impairment of £0.3 million. Management believes that the general market conditions indicate that a decrease in growth rates to 0% or a WACC of 9.5% would be severe. Management will continue to conduct regular reviews to monitor this matter.

13 Property, plant and equipment

2012	Freehold land and buildings 2012 £000	Long-term leasehold premises 2012 £000	Short-term leasehold premises 2012 £000	Office equipment 2012 £000	Total 2012 £000
Cost					
At October 1 2011	6,447	3,251	15,539	19,603	**44,840**
Additions	–	25	307	1,333	**1,665**
Disposals	–	–	(49)	(844)	**(893)**
Acquisitions	–	(176)	–	(246)	**(422)**
Exchange differences	–	(28)	(221)	(560)	**(809)**
At September 30 2012	**6,447**	**3,072**	**15,576**	**19,286**	**44,381**
Depreciation					
At October 1 2011	283	561	8,309	15,297	**24,450**
Charge for the year	83	131	1,064	2,130	**3,408**
Disposals	–	–	(49)	(789)	**(838)**
Exchange differences	–	(13)	(150)	(458)	**(621)**
At September 30 2012	**366**	**679**	**9,174**	**16,180**	**26,399**
Net book value at September 30 2012	**6,081**	**2,393**	**6,402**	**3,106**	**17,982**

2011	Freehold land and buildings 2011 £000	Long-term leasehold premises 2011 £000	Short-term leasehold premises 2011 £000	Office equipment 2011 £000	Total 2011 £000
Cost					
At October 1 2010	6,447	2,729	15,370	17,309	**41,855**
Additions	–	7	198	1,907	**2,112**
Disposals	–	–	(76)	(698)	**(774)**
Acquisitions	–	488	(33)	982	**1,437**
Exchange differences	–	27	80	103	**210**
At September 30 2011	6,447	3,251	15,539	19,603	**44,840**
Depreciation					
At October 1 2010	200	484	7,359	14,327	**22,370**
Charge for the year	83	73	964	1,531	**2,651**
Disposals	–	–	(76)	(592)	**(668)**
Exchange differences	–	4	62	31	**97**
At September 30 2011	283	561	8,309	15,297	**24,450**
Net book value at September 30 2011	6,164	2,690	7,230	4,306	**20,390**
Net book value at September 30 2010	6,247	2,245	8,011	2,982	**19,485**

The directors do not consider the market value of freehold land and buildings to be significantly different from its book value.

Notes to the Consolidated Financial Statements continued

14 Investments

	Investments in associated undertakings 2012 £000	Investments in associated undertakings 2011 £000
At October 1	**–**	248
Additions	**567**	–
Share of profits after tax retained	**459**	408
Dividends	**(291)**	(656)
At September 30	**735**	–

Associated undertakings

The associated undertakings at September 30 2012 were Capital NET Limited, whose principal activity is the provision of electronic database services, and GGA Pte. Limited whose sole asset is *Global Grain Asia*, a new event for grain industry professionals in the Asia-Pacific region. The group has a 48.4% (2011: 48.4%) interest in Capital NET Limited and a 50% interest in GGA Pte. Limited.

Capital NET Limited does not have a coterminous year end with the group. The total assets, liabilities, revenues and profit after tax generated by Capital NET Limited from its latest available audited accounts at December 31 are set out below.

	Dec 31 2011 £000	Dec 31 2010 £000
Total assets	**603**	560
Total liabilities	**(224)**	(213)
Total revenues	**2,035**	1,853
Profit after tax	**733**	568

The total assets, liabilities, revenues and profit after tax generated by GGA Pte. Limited at September 30 are set out below:

	Sep 30 2012 £000
Total assets	**172**
Total liabilities	**(55)**
Total revenues	**327**
Profit after tax	**119**

Assets available for sale

The group has a 50% interest in Capital DATA Limited (Capital DATA). The ordinary share capital of Capital DATA is divided into 50 'A' shares and 50 'B' shares with the group owning the 50 'A' shares. Under the terms of the Articles of Association of Capital DATA, the 'A' shares held by the group do not carry entitlement to any share of dividends or other distribution of profits of Capital DATA. The group does not have the ability to exercise significant influence nor is it involved in the day-to-day running of Capital DATA. As such the investment in Capital DATA is accounted for as an asset available-for-sale with a carrying value of £nil (2011: £nil). Under a separate licence agreement the group is entitled to 28.2% of Capital DATA's revenues being £5,065,000 in the year (2011: £4,543,000). At December 31 2011, based on its latest available audited accounts, Capital DATA had £515,000 of issued share capital and reserves (December 31 2010: £739,000), and its profit for the year then ended was £1,026,000 (December 31 2010: £1,064,000).

14 Investments *continued*

Details of the company and its principal subsidiary undertakings included in these consolidated financial statements at September 30 2012 are as follows:

	Proportion held	Principal activity and operation	Country of incorporation
Company			
Euromoney Institutional Investor PLC	n/a	Investment holding company	United Kingdom
Direct investments			
Euromoney Institutional Investor (Jersey) Limited	100%†	Publishing	Jersey
Fantfoot Limited	100%	Investment holding company	United Kingdom
Euromoney Canada Limited	57.2%	Investment holding company	United Kingdom
Euromoney Canada Finance Limited	100%	Investment holding company	United Kingdom
Euromoney Jersey Limited	100%	Investment holding company	Jersey
Indirect investments			
Adhesion Group SA	100%	Conventions	France
BCA Research, Inc.	100%	Information services	Canada
BPR Benchmark Limitada	99.9%	Information services	Columbia
Carlcroft Limited	99.7%	Publishing	United Kingdom
CEIC Holdings Limited	99.9%	Information services	Hong Kong
Coaltrans Conferences Limited	99.7%	Conferences	United Kingdom
Davis, Mendel & Regenstein Inc.	84.5%	Information services	US
EII Holdings, Inc.	100%*	Investment holding company	US
EII US, Inc.	100%	Investment holding company	US
Euromoney Canada Limited	42.8%	Investment holding company	United Kingdom
Euromoney Charles Limited	100%	Investment holding company	United Kingdom
Euromoney Consortium Limited	99.7%	Investment holding company	United Kingdom
Euromoney Consortium 2 Limited	99.7%	Investment holding company	United Kingdom
Euromoney Holdings US, Inc	100%	Investment holding company	US
Euromoney Institutional Investor (Ventures) Limited	100%	Investment holding company	United Kingdom
Euromoney Partnership LLP	100%	Investment holding company	United Kingdom
Euromoney (Singapore) Pte Limited	100%	Training	Singapore
Euromoney Trading Limited	99.7%	Publishing, training and events	United Kingdom
Euromoney Training, Inc.	100%	Training	US
Euromoney, Inc.	100%	Training	US
EIMN, LLC	100%	Conferences	US
Glenprint Limited	99.7%	Publishing	United Kingdom
Global Commodities Group Sarl	100%	Conferences	Switzerland
GSCS Benchmarks Limited	99.7%	Publishing	United Kingdom
Gulf Publishing Company, Inc.	100%	Publishing	US
HedgeFund Intelligence Limited	99.7%	Publishing	United Kingdom
Institutional Investor LLC	100%	Publishing	US
Internet Securities, Inc.	99.9%	Information services	US
Latin American Financial Publications, Inc.	100%	Publishing	US
Metal Bulletin Holdings LLC	100%	Investment holding company	US
Metal Bulletin Limited	99.7%	Publishing	United Kingdom
MIS Training (UK) Limited	100%	Training	United Kingdom
Ned Davis Research Inc.	84.5%	Information services	US
Structured Retail Products Limited	98.5%	Information services	United Kingdom
TelCap Limited	99.7%	Publishing	United Kingdom
The Petroleum Economist Limited	99.7%	Publishing	United Kingdom
Tipall Limited	100%	Property holding	United Kingdom
Total Derivatives Limited	99.7%	Publishing	United Kingdom
Associates			
Capital NET Limited	48.4%	Databases	United Kingdom
GGA Pte. Limited	50%	Conferences	Singapore

All holdings are of ordinary shares.

In addition to the above, the group has a small number of branches outside the United Kingdom.

* 100% preference shares held in addition.

† Euromoney Institutional Investor (Jersey) Limited's principal country of operation is Hong Kong.

Notes to the Consolidated Financial Statements continued

15 Acquisitions

Purchase of new business – Global Grain Geneva

On February 29 2012, the group acquired 100% of the equity share capital of Global Commodities Group Sarl, which owns *Global Grain Geneva*, the world's leading event for international grain traders. The initial consideration paid was €6,159,000 (£5,134,000). A further net consideration of €93,000 (£77,000) is expected to be paid dependent upon the audited results of the business for the year to February 2013. The acquisition of Global Grain is consistent with the group's strategy of building fast growing global event businesses. The acquisition accounting is set out below and is provisional, pending final determination of the fair value of the assets and liabilities acquired:

	Book value £000	Fair value adjustments £000	Provisional fair value £000
Net assets:			
Intangible assets	–	1,272	1,272
Cash and cash equivalents	35	–	35
Trade creditors and other payables	(31)	–	(31)
Non-current liabilities	–	(305)	(305)
	4	967	971
Net assets acquired (100%)			971
Goodwill			4,240
Total consideration			5,211
Consideration satisfied by:			
Cash			5,134
Deferred consideration			77
			5,211
Net cash outflow arising on acquisition:			
Cash consideration			5,134
Less: cash and cash equivalent balances acquired			(35)
			5,099

Intangible assets represent brands €867,000 (£719,000) and customer relationships €666,000 (£553,000), for which amortisation of £126,000 has been charged in the period. The brands and customer relationships will be amortised over their useful economic lives of 20 years and three years respectively.

Goodwill arises from the anticipated profitability and future operating synergies from combining the acquired operations with the group. The goodwill recognised is not expected to be deductible for income tax purposes.

Global Grain Geneva contributed £nil to the group's revenue and incurred an operating loss of £96,000 and a loss after tax of £96,000 for the period between the date of acquisition and September 30 2012. Acquisition related costs of £94,000 were incurred and recognised as an exceptional item in the Income Statement. If the above acquisition had been completed on the first day of the financial year, *Global Grain Geneva* would have contributed £1,062,000 to the group's revenues and £627,000 to the group's profit before tax for the year (excluding the exceptional costs above). The deferred consideration is dependent on the results of the business for the period to December 31 2012 and is calculated using discounted cash flows. Following a sensitivity analysis of the fair value of the deferred consideration applying reasonably possible assumptions and a 10% change in expected revenues, the potential undiscounted amount of all future payments that the group could be required to make under this deferred consideration arrangement is between £nil and £276,000.

15 Acquisitions *continued*

Purchase of associate – Global Grain Asia

Also on February 29 2012, the group acquired 50% of the issued share capital of GGA Pte. Limited, whose sole asset is *Global Grain Asia*, a new event for grain industry professionals in the Asia-Pacific region, for €671,000 (£567,000). The group has the option to purchase the remaining 50% equity holding of GGA Pte. Limited in March 2014 and if exercised expects to pay €1,021,000 (£813,000). Under IAS 32 'Financial Instruments' this acquisition option commitment is not recorded as a liability in the balance sheet.

Fair value and goodwill update – Ned Davis Research (NDR)

In August 2011, the group acquired 85% of the equity share capital of NDR, the US-based provider of independent financial research to institutional investors, for an initial cash consideration of US$112.0 million (£68.5 million).

During the year changes have been made to the cash payable following the final working capital calculation, the cash receivable from non-controlling interests, the finalisation of the sellers' tax liability, the accounting policy alignment of property, plant and equipment and the recognition of previously unrecognised tax liabilities. Following these true-up adjustments, the related goodwill, fair value of net assets acquired and consideration have been finalised as follows:

	Provisional fair value £000	Change £000	Final fair value £000
Fair value of net assets acquired	33,869	(809)	33,060
Goodwill	34,337	1,008	35,345
Total consideration	68,206	199	68,405
Consideration satisfied by:			
Cash	68,500	1,151	69,651
Cash receivable from non-controlling interest	(1,390)	(438)	(1,828)
Deferred consideration	1,096	(514)	582
	68,206	199	68,405

The remaining equity interest is subject to a put and call option under an earn-out agreement, in two equal instalments, based on the profits of NDR for the years to December 31 2012 and 2013. The expected payment under this mechanism has decreased from £10,149,000 at September 30 2011 to £7,812,000 at September 30 2012 resulting in a credit to the Income Statement of £2,011,000 and a foreign exchange gain of £326,000 recognised in reserves.

Increase in equity holdings

Internet Securities, Inc (ISI)

There is an annual put option agreement over the sale of ISI shares between the company and the non-controlling shareholders of ISI. The annual put option value is based on the valuation of ISI as determined under a methodology provided by an independent financial adviser. Under the terms of the put option agreement consideration caps have been put in place that require the maximum consideration payable to option holders to be capped at an amount such that the results of any relevant class tests would, at the relevant time, fall below the requirement for shareholder approval.

In February 2012, under this put option mechanism, the group purchased 1.12% of the equity share capital of ISI for a cash consideration of US$1,326,000 (£840,000), increasing the group's equity shareholding in ISI to 99.92%.

Structured Retail Products Limited (SRP)

In December 2011, the group purchased 1.14% of the equity share capital of SRP from some of its employees for a cash consideration of £84,000 increasing the group's equity shareholding in SRP to 98.48%.

Notes to the Consolidated Financial Statements continued

16 Trade and other receivables

	2012 £000	2011 £000
Amounts falling due within one year		
Trade receivables	**54,146**	58,835
Less: provision for impairment of trade receivables	**(6,471)**	(7,697)
Trade receivables – net of provision	**47,675**	51,138
Amounts owed by DMGT group undertakings	**2,344**	2,221
Other debtors	**5,560**	10,489
Prepayments	**6,904**	6,061
Accrued income	**3,469**	1,508
	65,952	71,417

The average credit period on sales of goods and services is 30 days. Trade receivables beyond 60 days overdue are provided for based on estimated irrecoverable amounts from the sale of goods and services, determined by reference to past default experience.

Credit terms for customers are determined in individual territories. Concentration of credit risk with respect to trade receivables is limited due to the group's customer base being large and diverse. Due to this, management believe there is no further credit risk provision required in excess of the normal provision for doubtful receivables. There are no customers who represent more than 5% of the total balance of trade receivables.

As at September 30 2012, trade receivables of £24,263,000 (2011: £29,150,000) were not yet due.

As of September 30 2012, trade receivables of £15,469,000 (2011: £20,111,000) were past due for which the group has not provided as there has been no significant change in their credit quality and the amounts are still considered recoverable. These relate to a number of independent customers for whom there is no recent history of default. The average age of these receivables is 77 days (2011: 67 days). The group does not hold any collateral over these balances. The ageing of these trade receivables is as follows:

	2012 £000	2011 £000
Past due less than a month	**7,156**	11,956
Past due more than a month but less than two months	**3,348**	3,894
Past due more than two months but less than three months	**1,985**	2,168
Past due more than three months	**2,980**	2,093
	15,469	20,111

As at September 30 2012, trade receivables of £14,414,000 (2011: £9,574,000) were impaired and partially provided for. The amount of the provision was £6,471,000 (2011: £7,697,000). It was assessed that a portion of the receivables is expected to be recovered. The ageing of these receivables is as follows:

	2012 £000	2011 £000
Past due less than a month	**7,713**	116
Past due more than a month but less than two months	**2,857**	3,125
Past due more than two months but less than three months	**1,123**	1,373
Past due more than three months	**2,721**	4,960
	14,414	9,574

16 Trade and other receivables *continued*

Movements on the group provision for impairment of trade receivables are as follows:

	2012 £000	2011 £000
At October 1	**(7,697)**	(8,036)
Impairment losses recognised	**(3,271)**	(3,070)
Impairment losses reversed	**3,266**	2,668
Amounts written off as uncollectible	**1,153**	765
Exchange differences	**78**	(24)
At September 30	**(6,471)**	(7,697)

In determining the recoverability of a trade receivable, the group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. The concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly, the directors believe that there is no further credit risk provision required in excess of the allowance for doubtful debts.

The allowance for doubtful debts does not include individually impaired trade receivables which have been placed under liquidation as these trade receivables are written off directly to the Income Statement.

17 Trade and other payables

	2012 £000	2011 £000
Trade creditors	**4,170**	5,558
Amounts owed to DMGT group undertakings	**3**	51
Other creditors	**23,527**	24,361
	27,700	29,970

The directors consider the carrying amounts of trade and other payables approximate their fair values.

18 Deferred income

	2012 £000	2011 £000
Deferred subscription income	**81,020**	80,507
Other deferred income	**24,086**	25,000
	105,106	105,507

Notes to the Consolidated Financial Statements continued

19 Financial instruments and risk management

Derivative financial instruments

The derivative financial assets/(liabilities) at September 30 comprised:

	2012		2011	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Current				
Interest rate swaps – fair value through profit and loss	–	(156)	–	–
Interest rate swaps – cash flow hedge	–	(283)	–	(1,251)
Forward foreign exchange contracts – fair value through profit and loss	–	–	–	(332)
Forward foreign exchange contracts – cash flow hedge	2,715	(217)	1,126	(4,692)
	2,715	(656)	1,126	(6,275)
Non-current				
Interest rate swaps – fair value through profit and loss	–	(206)	–	(307)
Interest rate swaps – cash flow hedge	–	–	–	(1,008)
Forward foreign exchange contracts – cash flow hedge	296	(35)	218	(655)
	296	(241)	218	(1,970)
	3,011	(897)	1,344	(8,245)

Financial risk management objectives

The group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk arising in the normal course of business. Derivative financial instruments are used to manage exposures to fluctuations in foreign currency exchange rates and interest rates but are not employed for speculative purposes.

Full details of the objectives, policies and strategies pursued by the group in relation to financial risk management are set out on page 65 of the accounting policies and page 71 of the key judgemental areas. In summary, the group's tax and treasury committee normally meets twice a year and is responsible for recommending policy to the board. The group's treasury policies are directed to giving greater certainty of future costs and revenues and ensuring that the group has adequate liquidity for working capital and debt capacity for funding acquisitions.

The treasury department does not act as a profit centre, nor does it undertake any speculative trading activity and it operates within policies and procedures approved by the board.

Interest rate swaps are used to manage the group's exposure to fluctuations in interest rates on its floating rate borrowings. Further details are set out in the interest rate risk section on page 96.

Forward contracts are used to manage the group's exposure to fluctuations in exchange rate movements. Further details are set out in the foreign exchange rate risk section (page 94).

Capital risk management

The group manages its capital to ensure that entities in the group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The group's overall strategy remains unchanged from 2011.

The capital structure of the group consists of debt, which includes the borrowings disclosed in note 20, cash and cash equivalents and equity attributable to equity holders of the parent, comprising share capital, reserves and retained earnings as disclosed in the Consolidated Statement of Changes in Equity.

19 Financial instruments and risk management *continued*

Net debt to EBITDA* ratio

The group's tax and treasury committee reviews the group's capital structure at least twice a year. As part of the debt covenants under the loan facility provided by Daily Mail and General Trust plc (DMGT), the board has to ensure that net debt to a rolling 12 month EBITDA* does not exceed four times. The group expects to be able to remain within these limits during the life of the facility. The net debt to EBITDA covenant is defined to allow the rate used in the translation of US dollar EBITDA, including hedging contracts, to be used also in the calculation of net debt, thereby removing any distortion to the covenant from increases in net debt due to short-term movements in the US dollar.

The net debt to EBITDA* ratio at September 30 is as follows:

	2012 £000	2011 £000
Committed loan facility (at weighted average exchange rate)	**(43,127)**	(123,022)
Loan notes	**(1,228)**	(1,617)
Total debt	**(44,355)**	(124,639)
Cash and cash equivalents	**13,544**	12,497
Net debt	**(30,811)**	(112,142)
EBITDA*	**116,080**	111,192
Net debt to EBITDA* ratio	**0.27**	1.01

* EBITDA (Earnings before interest, tax, depreciation, amortisation) = adjusted operating profit before depreciation and amortisation of licences and software, adjusted for the timing impact of acquisitions and disposals.

Categories of financial instruments

The group's financial assets and liabilities at September 30 are as follows:

	2012 £000	2011 £000
Financial assets		
Derivative instruments in designated hedge accounting relationships	**3,011**	1,344
Loans and receivables (including cash and cash equivalents)	**72,592**	79,402
	75,603	80,746
Financial liabilities		
Derivative instruments – fair value through profit and loss	**(362)**	(639)
Derivative instruments in designated hedge accounting relationships	**(535)**	(7,606)
Acquisition option commitments (note 25)	**(7,868)**	(11,001)
Loans and payables (including overdrafts)	**(140,361)**	(229,740)
	(149,126)	(248,986)

The fair value of the financial assets and liabilities above are classified as level 2 in the fair value hierarchy other than acquisition option commitments which are classified as level 3 (page 100).

i) Market price risk

Market price risk is the possibility that changes in currency exchange rates, interest rates or commodity prices will adversely affect the value of the group's financial assets, liabilities or expected future cash flows. The group's primary market risks are interest rate fluctuations and exchange rate movements. Derivatives are used to hedge or reduce the risks of interest rate and exchange rate movements and are not entered into unless such risks exist. Derivatives used by the group for hedging a particular risk are not specialised and are generally available from numerous sources. The fair values of interest rate swaps, currency options and forward exchange contracts are set out in this note and represent the value for which an asset could be sold or liability settled between knowledgeable willing parties in an arm's length transaction calculated using the market rates of interest and exchange at September 30 2012. The group has no other material market price risks.

Notes to the Consolidated Financial Statements continued

19 Financial instruments and risk management *continued*

Market risk exposures are measured using sensitivity analysis.

There has been no change to the group's exposure to market risks or the manner in which it manages and measures the risks during the year.

ii) Foreign exchange rate risk

The group's principal foreign exchange exposure is to US dollar. The group generates approximately two-thirds of its revenues in US dollars, including approximately 30% of the revenues in its UK-based businesses, and approximately 60% of its operating profits are US dollar-denominated. The group is therefore exposed to foreign exchange risk on the US dollar revenues in its UK businesses, the translation of results of foreign subsidiaries and external loans as well as loans to foreign operations within the group where the denomination of the loan is not in the functional currency of the lender/borrower.

The carrying amounts of the group's US dollar-denominated monetary assets and monetary liabilities at the reporting date are as follows:

	Assets		Liabilities	
	2012 £000	2011 £000	**2012 £000**	2011 £000
US dollar	**58,770**	84,074	**(5,956)**	(7,967)

Subsidiaries normally do not hedge transactions in foreign currencies into the functional currency of their own operations. However, at a group level, a series of US dollar and Euro forward contracts are put in place to sell forward surplus US dollars and Euros so as to hedge 80% of the group's UK based US dollar and Euro revenues for the coming 12 months and 50% of the group's UK based US dollar and Euro revenues for the subsequent six months. The timing and value of these forward contracts is based on management's estimate of its future US dollar and Euro revenues over an 18 month period and is regularly reviewed and revised with any changes in estimates resulting in either additional forward contracts being taken out or existing contracts' maturity dates being moved forward or back. If management materially underestimate the group's future US dollar and Euro denominated revenues, this would lead to too few forward contracts being in place and the group being more exposed to swings in US dollar and Euro to sterling exchange rates. An overestimate of the group's US dollar and Euro denominated revenues would lead to associated costs in unwinding the excess forward contracts. The group also has a significant operation in Canada whose revenues are mainly in US dollars. At a group level a series of US dollar forward contracts is put in place up to 18 months forward to hedge the operation's Canadian cost base. In addition, each subsidiary is encouraged to invoice sales in its local functional currency where possible.

Forward exchange contracts are gross settled at maturity.

The following table details the group's sensitivity to a 10% increase and decrease in sterling against US dollar. A 10% sensitivity has been determined by the board as the sensitivity rate appropriate when reporting an estimated foreign currency risk internally and represents management's assessment of a reasonably possible change in foreign exchange rates at the reporting date.

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the group where the denomination of the loan is not in the functional currency of the lender/borrower. Where sterling strengthens 10% against the relevant currency a positive number below indicates an increase in profit and equity. For a 10% weakening of sterling against the relevant currency, there would be an equal and opposite impact on the profit and other equity, and the balances below would be negative.

Impact of 10% strengthening of sterling against US dollar

	2012 £000	2011 £000
Change in profit for the year in income statement	**(646)**	(954)
Change in equity	**6,606**	6,666

19 Financial instruments and risk management *continued*

The decrease in the loss from the sensitivity analysis is due to an increase in the working capital asset position. The fall in profit in equity from £6,666,000 to £6,606,000 from the sensitivity analysis is due to the decrease of the value of the derivative financial liabilities.

The group is also exposed to the translation of the results of its US dollar-denominated businesses, although the group does not hedge the translation of these results. Consequently, fluctuations in the value of sterling versus other currencies could materially affect the translation of these results in the consolidated financial statements. The group endeavours to match foreign currency borrowings to investments in order to provide a natural hedge for the translation of the net assets of overseas subsidiaries with the related foreign currency interest cost arising from these borrowings providing a partial hedge against the translation of foreign currency profits.

The change in equity is due to a 10% change in sterling against US dollars in relation to the translation of external loans and loans to foreign operations within the group where the denomination of the loan is not in the functional currency of the lender/borrower would result in a change of £4,105,000 (2011: £6,562,000). However, the change in equity is completely offset by the change in value of the foreign operation's net assets from their translation into sterling.

Forward foreign exchange contracts

It is the policy of the group to enter into forward foreign exchange contracts to cover specific foreign currency payments and receipts. A series of US dollar and Euro forward contracts are put in place to sell forward surplus US dollars and Euros so as to hedge 80% of the group's UK based US dollar and Euro revenues for the coming 12 months and 50% of the group's UK based US dollar and Euro revenues for the subsequent six months. In addition, at a group level a series of US dollar forward contracts is put in place up to 18 months forward to hedge the operation's Canadian cost base.

	Average exchange rate		Foreign currency		Contract value		Fair value	
	2012	2011	**2012 US$000**	2011 US$000	**2012 £000**	2011 £000	**2012 £000**	2011 £000
Cash Flow Hedges								
Sell USD buy GBP								
Less than a year	**1.589**	1.705	**71,875**	66,800	**45,236**	39,174	**694**	(3,769)
More than a year but less than two years	**1.581**	1.596	**17,225**	20,000	**10,892**	12,532	**206**	(331)
Sell USD buy CAD†								
Less than a year	**1.001**	1.026	**20,976**	16,880	**13,219**	10,669	**176**	(201)
More than a year but less than two years	**1.011**	0.991	**6,307**	7,400	**4,015**	4,516	**64**	(245)
			EUR 000's	EUR 000's	**£000**	£000	**£000**	£000
Sell EUR buy GBP								
Less than a year	**1.183**	1.158	**34,630**	34,600	**29,286**	29,871	**1,628**	55
More than a year but less than two years	**1.248**	1.140	**9,950**	11,100	**7,971**	9,737	**(9)**	156

† Rate used for conversion from CAD to GBP is 1.5889 (2011: 1.6233).

Notes to the Consolidated Financial Statements continued

19 Financial instruments and risk management *continued*

As at September 30 2012, the aggregate amount of unrealised gains under forward foreign exchange contracts deferred in the fair value reserve relating to future revenue transactions is £2,759,000 (2011: losses £4,003,000). It is anticipated that the transactions will take place over the next 18 months at which stage the amount deferred in equity will be released to the Income Statement.

As at September 30 2012, the aggregate amount of unrealised losses under ineffective cash flow hedges still in place at the year end is £nil (2011: £332,000), which have been recognised in the Income Statement.

iii) Interest rate risk

The group's borrowings are in both sterling and US dollars with the related interest tied to LIBOR. This results in the group's interest charge being at risk to fluctuations in interest rates. It is the group's policy to hedge approximately 80% of its interest exposure, converting its floating rate debt into fixed debt by means of interest rate swaps. The maturity dates are spread in order to avoid interest rate basis risk and also to negate short-term changes in interest rates. The predictability of interest costs is deemed to be more important than the possible opportunity cost foregone of achieving lower interest rates and this hedging strategy has the effect of spreading the group's exposure to fluctuations arising from changes in interest rates and hence protects the group's interest charge against sudden increases in rates but also prevents the group from benefiting immediately from falls in rates.

The group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk section on page 98.

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for both derivative and non-derivative instruments at the balance sheet date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the balance sheet date was outstanding for the whole year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents the directors' assessment of a reasonably possible change in interest rates at the reporting date.

If interest rates had been 100 basis points higher or lower and all other variables were held constant, the group's:

- Profit for the year ended September 30 2012 would decrease or increase by £338,000 (2011: £121,000). This is mainly attributable to the group's exposure to interest rates on its variable rate borrowings; and
- Other equity reserves would decrease or increase by £561,000 (2011: £934,000) mainly as a result of the changes in the fair value of interest rate swaps.

The group's sensitivity to interest rates has not materially changed during the period due to the group benefiting from similar levels of fixed rates.

Interest rate swap contracts

Under interest rate swap contracts, the group agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the group to mitigate the risk of changing interest rates on the fair value of issued fixed rate debt and the cash flow exposures on the issued variable rate debt. The fair value of interest rate swaps at the reporting date is determined by discounting the future cash flows using the yield curves at the reporting date and the credit risk inherent in the contract, and is disclosed below.

19 Financial instruments and risk management *continued*

The following table details the notional principal amounts and remaining terms of interest rate swap contracts outstanding as at the reporting date. The average interest rate is based on the outstanding balances at the end of the financial year:

Cash flow hedges

US dollar: Receive floating pay fixed

	Average contracted fixed interest rate		Notional principal amount		Fair value	
	2012 %	2011 %	**2012 £000**	2011 £000	**2012 £000**	2011 £000
Less than 1 year	**3.25**	3.98	**18,578**	35,306	**(389)**	(827)
1 to 2 years	**2.52**	3.25	**6,193**	19,258	**(206)**	(889)
2 to 5 years	**–**	2.52	**–**	6,419	**–**	(307)

GBP: Receive floating pay fixed

	Average contracted fixed interest rate		Notional principal amount		Fair value	
	2012 %	2011 %	**2012 £000**	2011 £000	**2012 £000**	2011 £000
Less than 1 year	**2.57**	4.46	**5,000**	15,000	**(50)**	(424)
1 to 2 years	**–**	2.57	**–**	5,000	**–**	(119)

The interest rate swaps settle on a quarterly basis. The floating rate on the interest rate swaps is LIBOR. The group will settle the difference between the fixed and floating interest rate on a net basis. All interest rate swap contracts exchanging floating rate interest amounts for fixed rate interest amounts are designated as cash flow hedges in order to reduce the group's cash flow exposure resulting from variable interest rates on borrowings. The interest rate swaps and the interest payments on the loan occur simultaneously and the amount deferred in equity is recognised in the Income Statement over the period that the floating rate interest payments on debt impact the Income Statement.

As at September 30 2012, the aggregate amount of unrealised interest under swap contracts deferred in the fair value reserve relating to future interest payable is £283,000 (2011: £2,259,000). It is anticipated that the transactions will take place over the next 18 months, at which stage the amount deferred in equity will be released to the Income Statement.

As at September 30 2012, the aggregate amount of unrealised interest under ineffective swaps still in place at the year end is £362,000 (2011: £307,000) which has been recognised in the Income Statement.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the group. The group seeks to limit interest rate and foreign currency risks described above by the use of financial instruments and as a result has a credit risk from the potential non-performance by the counterparties to these financial instruments, which are unsecured. The amount of this credit risk is normally restricted to the amounts of any hedge gain and not the principal amount being hedged. The group also has a credit exposure to counterparties for the full principal amount of cash and cash equivalents. Credit risks are controlled by monitoring the amounts outstanding with, and the credit quality of, these counterparties. For the group's cash and cash equivalents these are principally licensed commercial banks and investment banks with strong long-term credit ratings, and for derivative financial instruments with DMGT who have treasury policies in place which do not allow concentrations of risk with individual counterparties and do not allow significant treasury exposures with counterparties which are rated lower than AA.

Notes to the Consolidated Financial Statements continued

19 Financial instruments and risk management *continued*

The group also has credit risk with respect to trade and other receivables, prepayments and accrued income. The concentration of credit risk from trade receivables is limited due to the group's large and broad customer base. Trade receivable exposures are managed locally in the business units where they arise. Allowance is made for bad and doubtful debts based on management's assessment of the risk of non-payment taking into account the ageing profile, experience and circumstance.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset, including derivative financial instruments, recorded in the Statement of Financial Position. The group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The group defines counterparties as having similar characteristics if they are related entities. Concentration of credit risk did not exceed 5% of gross monetary assets at any time during the year.

Liquidity risk

The group has significant intercompany borrowings and is an approved borrower under a DMGT $300 million dedicated multi-currency facility. The facility is divided into US dollar and sterling funds and matures in December 2013. The total maximum borrowing capacity is as follows:

US Dollar	$250 million
Sterling	£33 million

The facility requires the group to meet certain covenants based on net debt and profits adjusted for certain non-cash items and the impact of foreign exchange. Failure to do so would result in the group being in breach of the facility potentially resulting in the facility being withdrawn or impediment of management decision making by the lender. Management regularly monitor the covenants and prepare detailed cash flow forecasts to ensure that sufficient headroom is available and that the covenants are not close or potentially close to breach. At September 30 2012, the group's net debt to adjusted EBITDA was 0.27 times.

The group's strategy is to use excess operating cash to pay down its debt. The group generally has an annual cash conversion rate (the percentage by which cash generated by operations covers operating profit before acquired intangible amortisation, long-term incentive expense and exceptional items) of over 100%, due to much of its subscription, conference and training revenue being paid in advance. For the year to September 30 2012 the group's cash conversion rate was 103% compared to 108% last year.

Under the DMGT facility, at September 30 2012, the group had £144.7 million of undrawn but committed facilities available. In the absence of any significant acquisitions, the group has no pressing requirement to arrange new finance before the facility expires in December 2013. In addition, the group has agreed terms with DMGT that provide it with access to additional funding should the group require it during the period from December 2013 through April 2016. There is a risk that the undrawn portion of the facility, or that the additional funding, may be unavailable or withdrawn if DMGT experience funding difficulties themselves. However, if DMGT were unable to fulfil its funding commitment to the group, the directors are confident that the group would be in a position to secure adequate external facilities, although probably at a higher cost of funding.

19 Financial instruments and risk management *continued*

This table has been drawn up based on the undiscounted contractual cash flows of the financial liabilities including both interest and principal cash flows. To the extent that the interest rates are floating, the undiscounted amount is derived from interest rate curves at September 30 2012. The contractual maturity is based on the earliest date on which the group may be required to settle.

2012	**Weighted average effective interest rate %**	**Less than 1 year £000**	**1–3 years £000**	**Total £000**
Variable rate borrowings	**2.49**	**1,228**	**43,154**	**44,382**
Acquisition option commitments	**–**	**4,273**	**3,595**	**7,868**
Non-interest bearing liabilities (trade and other payables, and accruals)	**–**	**89,638**	**6,341**	**95,979**

2011	Weighted average effective interest rate %	Less than 1 year £000	1–3 years £000	Total £000
Variable rate borrowings	2.34	61,682	71,543	133,225
Acquisition option commitments	–	852	10,149	11,001
Non-interest bearing liabilities (trade and other payables, and accruals)	–	86,219	10,296	96,515

At September 30 2012, £38,631,000 (2011: £110,059,000) of borrowings were designated in US dollars with the remainder in sterling. The average rate of interest paid on the debt was 4.82% (2011: 5.70%).

The following table details the group's remaining contractual maturity for its non-derivative financial assets, mainly medium-term deposits for amounts on loans owed by DMGT group undertakings and equity non-controlling interests. This table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets except where the group anticipate that the cash flow will occur in a different period.

	Weighted average effective interest rate %	**Less than 1 year £000**	**Total £000**
2012			
Variable interest rate instruments (cash at bank)	**0.86**	**13,544**	**13,544**
Non-interest bearing assets (trade and other receivables excluding prepayments)	**–**	**59,048**	**59,048**
		72,592	**72,592**
2011			
Variable interest rate instruments (cash at bank and short-term deposits)	1.24	14,046	14,046
Non-interest bearing assets (trade and other receivables excluding prepayments)	–	65,356	65,356
		79,402	79,402

Notes to the Consolidated Financial Statements *continued*

19 Financial instruments and risk management *continued*

The following table details the group's liquidity analysis for its derivative financial instruments. The table has been drawn up based on the undiscounted net cash inflows and (outflows) on the derivative instrument that settle on a net basis and the undiscounted gross inflows and (outflows) on those derivatives that require gross settlement. When the amount payable or receivable is not fixed, the amount disclosed has been determined by reference to the projected interest rates as illustrated by the yield curves existing at the reporting date.

2012	**Less than 1 month £000**	**1–3 months £000**	**3 months to 1 year £000**	**1–5 years £000**	**Total £000**
Net settled					
Interest rate swaps	**–**	**(196)**	**(375)**	**(66)**	**(637)**
Gross settled					
Foreign exchange forward contracts inflows	**7,358**	**13,163**	**67,221**	**22,877**	**110,619**
Foreign exchange forward contracts outflows	**(7,063)**	**(12,769)**	**(65,258)**	**(22,500)**	**(107,590)**
	295	**198**	**1,588**	**311**	**2,392**

2011	Less than 1 month £000	1–3 months £000	3 months to 1 year £000	1–5 years £000	Total £000
Net settled					
Interest rate swaps	–	(470)	(758)	(388)	(1,616)
Gross settled					
Foreign exchange forward contracts inflows	5,629	13,558	60,219	27,092	106,498
Foreign exchange forward contracts outflows	(6,114)	(14,494)	(62,583)	(27,473)	(110,664)
	(485)	(1,406)	(3,122)	(769)	(5,782)

Fair value of financial instruments

The fair values of financial assets and financial liabilities are determined as follows:

Level 1

- The fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets is determined with reference to quoted market prices.

Level 2

- The fair value of other financial assets and financial liabilities (excluding derivative instruments) is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments;
- Foreign currency forward contracts are measured using quoted forward exchange rates and yield curves derived from quoted interest rates matching maturities of the contracts; and
- Interest rate swaps are measured at the present value of future cash flows estimated and discounted based on the applicable yield curves derived from quoted interest rates.

Level 3

- If one or more significant inputs are not based on observable market date, the instrument is included in level 3.

As at September 30 2012 and the prior year, all the resulting fair value estimates have been included in level 2 other than the group's acquisition option commitments which are classified as level 3.

Other financial instruments not recorded at fair value

The directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the financial statements approximate their fair values.

20 Bank overdrafts and loans

	2012 £000	2011 £000
Bank overdrafts – current liability	–	1,549
Loan notes – current liability	1,228	1,617
Committed loan facility – current liability	–	58,516
Committed loan facility – non-current liability	43,154	71,543
Total committed loan facility	**43,154**	130,059

Loan notes

Loan notes were issued in October and November 2006 to fund the purchase of Metal Bulletin plc. Interest is payable on these loan notes at a variable rate of 0.75% below LIBOR, payable in June and December. Loan notes can be redeemed at the option of the loan note holder twice a year on the interest payment dates above. At least 20 business days' written notice prior to the redemption date is required. During the year ended September 30 2012 £386,000 (2011: £420,000) of these loan notes were redeemed.

Committed loan facility

The group's debt is provided through a dedicated $300 million multi-currency borrowing facility from Daily Mail and General Trust plc (DMGT). The facility is divided into US dollar and sterling funds and matures in December 2013. The total maximum borrowing capacity is $250 million (£155 million) and £33 million. Interest is payable on this facility at a variable rate of between 1.4% and 3.0% above LIBOR dependent on the ratio of adjusted net debt to EBITDA. The facility's covenant requires the group's net debt to be no more than four times adjusted EBITDA on a rolling 12 month basis. Failure to do so would result in the group being in breach of the facility, potentially resulting in the facility being withdrawn or impediment of management decision making by the lender. Management regularly monitor the covenant and prepare detailed debt forecasts to ensure that sufficient headroom is available and that the covenants are not close or potentially close to breach. At September 30 2012, the group's net debt to adjusted EBITDA was 0.27 times.

Under the DMGT facility, at September 30 2012, the group had £144.7 million of undrawn but committed facilities available. In the absence of any significant acquisitions, the group has no pressing requirement to arrange new finance before the facility expires in December 2013. In addition, the group has agreed terms with DMGT that provide it with access to additional funding should the group require it during the period from December 2013 through April 2016. There is a risk that the undrawn portion of the facility, or that the additional funding, may be unavailable or withdrawn if DMGT experience funding difficulties themselves. However, if DMGT were unable to fulfil its funding commitment to the group, the directors are confident that the group would be in a position to secure adequate external facilities, although probably at a higher cost of funding.

Notes to the Consolidated Financial Statements continued

21 Provisions

	Onerous lease provision £000	Other provisions £000	Group total £000
At October 1 2011	2,686	3,520	**6,206**
Provision in the year	413	803	**1,216**
Used in the year	(223)	(149)	**(372)**
Exchange differences	(92)	(3)	**(95)**
At September 30 2012	**2,784**	**4,171**	**6,955**

Maturity profile of provisions

	2012 £000	2011 £000
Within one year (included in current liabilities)	**2,037**	810
Between one and two years (included in non-current liabilities)	**2,469**	1,230
Between two and five years (included in non-current liabilities)	**2,449**	4,166
	6,955	6,206

Onerous lease provision

The onerous lease provision relates to certain buildings within the property portfolio which either at acquisition were rented at non-market rates, or are no longer occupied by the group.

Other provisions

The provision consists of social security arising on share option liabilities and dilapidations on leasehold properties.

22 Deferred taxation

The net deferred tax liability at September 30 2012 comprised:

	2011 £000	Income statement £000	Equity £000	Acquisitions and disposals £000	Exchange differences £000	2012 £000
Capitalised goodwill and intangibles	(33,142)	1,198	3,008	(305)	893	(28,348)
Tax deductible goodwill amortisation	2,564	(2,526)	–	–	(38)	–
Tax losses	2,969	(1,540)	–	–	(62)	1,367
Financial instruments	5,320	–	(5,761)	–	–	(441)
Other short-term temporary differences	13,280	3,106	1,424	235	(254)	17,791
Deferred tax	(9,009)	238	(1,329)	(70)	539	(9,631)
Comprising:						
Deferred tax assets	13,216					7,344
Deferred tax liabilities	(22,225)					(16,975)
	(9,009)					(9,631)

	2011 £000	Income statement £000	Equity £000	Acquisitions and disposals £000	Exchange differences £000	2012 £000
Other short-term temporary differences:						
Share-based payments	5,738	1,042	643	–	–	7,423
Pension deficit	475	(630)	781	–	–	626
Accelerated capital allowances	477	173	–	–	(21)	629
Deferred income, accruals and other provisions	6,590	2,521	–	235	(233)	9,113
Total other short-term temporary differences	13,280	3,106	1,424	235	(254)	17,791

At the balance sheet date, the group has unused US tax losses available for offset against future profits. At September 30 2012 a deferred tax asset of £1,367,000 (2011: £2,201,000) has been recognised in relation to these losses. The US losses can be carried forward for a period of 20 years from the date they arose. The US losses have expiry dates between 2013 and 2029.

At the balance sheet date, the group no longer has unused UK tax losses available for offset against future profits. At September 30 2012 a deferred tax asset of £nil (2011: £768,000) has been recognised in relation to these losses.

At the balance sheet date, a net deferred tax asset of £5,511,000 (2011: £6,320,000) has been recognised in respect of US tax deductible goodwill amortisation, capitalised intangible assets and other short-term timing differences.

Included within capitalised goodwill and intangibles is a deferred tax asset of £2,808,000 (2011: £nil) relating to tax deductible goodwill arising on acquisition option commitment for the minority share of Ned Davis Research, Inc. that was previously recognised within deferred tax on financial instruments.

The directors are of the opinion, that based on recent and forecast trading, it is probable that the level of profits in future years is sufficient to enable the above assets to be recovered.

No deferred tax liability is recognised on temporary differences of £94,478,000 (2011: £63,035,000) relating to the unremitted earnings of overseas subsidiaries as the group is able to control the timing of the reversal of these temporary differences and it is probable that they will not reverse in the foreseeable future. The temporary differences at September 30 2012 represent only the unremitted earnings of those overseas subsidiaries where remittance to the UK of those earnings may still result in a tax liability, principally as a result of dividend withholding taxes levied by the overseas tax jurisdictions in which these subsidiaries operate.

Notes to the Consolidated Financial Statements continued

23 Called up share capital

	2012 £000	2011 £000
Allotted, called up and fully paid		
124,349,531 ordinary shares of 0.25p each (2011: 121,247,380 ordinary shares of 0.25p each)	**311**	303

During the year, 3,102,151 ordinary shares of 0.25p each (2011: 2,755,469 ordinary shares) with an aggregate nominal value of £7,755 (2011: £6,889) were issued as follows: 2,381,410 ordinary shares (2011: 2,226,089) under the company's 2009 scrip dividend alternative for a cash consideration of £nil (2011: £nil); and 720,741 ordinary shares (2011: 529,380 ordinary shares) following the exercise of share options granted under the company's share option schemes for a cash consideration of £1,058,834 (2011: £718,392).

24 Share-based payments

The group's long-term incentive expense at September 30 comprised:

	2012 £000	2011 £000
Equity-settled options		
SAYE	**(97)**	(96)
CAP 2004	**1,809**	–
CAP 2010	**(4,042)**	(7,970)
	(2,330)	(8,066)
Cash-settled options		
CAP 2010	**(4,042)**	(7,970)
Internet Securities, Inc.	**(8)**	34
Structured Retail Products Limited	**79**	(92)
	(3,971)	(8,028)
	(6,301)	(16,094)
Long-term incentive expense	**(6,301)**	(9,491)
Additional accelerated long-term incentive expense	**–**	(6,603)
	(6,301)	(16,094)

The total carrying value of cash-settled options at September 30 2012 included in the Statement of Financial Position is:

	2012 £000	2011 £000
Current	**7,768**	–
Non-current	**6,341**	10,296
	14,109	10,296

24 Share-based payments *continued*

Equity-settled options

The options set out below are outstanding at September 30 and are options to subscribe for new ordinary shares of 0.25p each in the company. The total charge recognised in the year from equity-settled options was £2,330,000, 37% of the group's long-term incentive expense (2011: charge £8,066,000, 50%).

Number of ordinary shares under option: 2012

	2011	Granted/ (trued up) during year	Exercised during year	Lapsed/ forfeited during year	2012	Option price (£)	Weighted average market price at date of exercise (£)
Period during which option may be exercised:							
Executive options							
Before January 22 2012	**8,000**	**–**	**(8,000)**	**–**	**–**	**3.35**	**7.07**
Before December 3 2012	**86,000**	**–**	**(86,000)**	**–**	**–**	**2.59**	**7.31**
Before January 27 2014	**91,487**	**–**	**(39,487)**	**–**	**52,000**	**4.19**	**7.30**
SAYE							
Between February 1 2011 and July 31 2011	**3,018**	**–**	**(3,018)**	**–**	**–**	**3.18**	**6.90**
Between February 1 2012 and July 31 2012	**341,025**	**–**	**(338,767)**	**(2,258)**	**–**	**1.87**	**6.93**
Between February 1 2013 and July 31 2013	**46,466**	**–**	**–**	**(1,899)**	**44,567**	**3.44**	**–**
Between February 1 2014 and July 31 2014	**40,588**	**–**	**–**	**(15,091)**	**25,497**	**5.65**	**–**
Between February 1 2015 and July 31 2015	**–**	**158,769**	**–**	**(10,281)**	**148,488**	**4.97**	**–**
CAP 2004							
Before September 30 2014 (tranche 1)[1]	**421**	**–**	**–**	**–**	**421**	**0.0025**	**–**
Before September 30 2014 (tranche 2)[1]	**58,375**	**(18,063)‡**	**(40,312)**	**–**	**–**	**0.0025**	**7.37**
Before September 30 2014 (tranche 3)[1]	**293,032**	**(18,182)‡**	**(205,157)**	**–**	**69,693**	**0.0025**	**7.31**
CAP 2010							
Before September 30 2020 (tranche 1)[2]	**969,305**	**–**	**–**	**–**	**969,305**	**0.0025**	**–**
Before September 30 2020 (tranche 2)[2]	**1,750,496**	**–**	**–**	**–**	**1,750,496**	**0.0025**	**–**
CSOP 2010							
Before February 14 2020 (UK)	**541,671**	**–**	**–**	**–**	**541,671**	**6.03**	**–**
Before February 14 2020 (Canada)	**239,520**	**–**	**–**	**–**	**239,520**	**5.01**	**–**
	4,469,404	**122,524**	**(720,741)**	**(29,529)**	**3,841,658**		

The options outstanding at September 30 2012 had a weighted average exercise price of £1.49 and a weighted average remaining contractual life of 7.35 years.

Notes to the Consolidated Financial Statements continued

24 Share-based payments *continued*

Number of ordinary shares under option: 2011

	2010	Granted/ (trued up) during year	Exercised during year	Lapse/ forfeited during year	2011	Option price (£)	Weighted average market price at date of exercise (£)
Period during which option may be exercised:							
Executive options							
Before March 1 2012	147,424	–	(16,000)	(131,424)	–	5.38	6.87
Before January 22 2012	8,000	–	–	–	8,000	3.35	–
Before December 3 2012	192,000	–	(106,000)	–	86,000	2.59	6.88
Before January 27 2014	153,487	–	(62,000)	–	91,487	4.19	6.78
SAYE							
Between February 1 2011 and July 31 2011	35,003	–	(28,968)	(3,017)	3,018	3.18	7.03
Between February 1 2012 and July 31 2012	362,994	–	(2,647)	(19,322)	341,025	1.87	7.30
Between February 1 2013 and July 31 2013	51,688	–	–	(5,222)	46,466	3.44	–
Between February 1 2014 and July 31 2014	–	50,743	–	(10,155)	40,588	5.65	–
CAP 2004							
Before September 30 2014 (tranche 1)[1]	1,587	–	(1,166)	–	421	0.0025	6.91
Before September 30 2014 (tranche 2)[1]	122,697	58,064‡	(122,385)	(1)	58,375	0.0025	7.29
Before September 30 2014 (tranche 3)[1]	211,322	276,933‡	(190,214)	(5,009)	293,032	0.0025	7.26
CAP 2010							
Before September 30 2020 (tranche 1)[2]	969,305	–	–	–	969,305	0.0025	–
Before September 30 2020 (tranche 2)[2]	1,750,496	–	–	–	1,750,496	0.0025	–
CSOP 2010							
Before February 14 2020 (UK)	541,671	–	–	–	541,671	6.03	–
Before February 14 2020 (Canada)	239,520	–	–	–	239,520	5.01	–
	4,787,194	**385,740**	**(529,380)**	**(174,150)**	**4,469,404**		

The options outstanding at September 30 2011 had a weighted average exercise price of £1.38 and a weighted average remaining contractual life of 7.34 years.

1 CAP 2004 options shown in the above tables relate only to those options that have vested (see page 44 in the Directors' Remuneration Report for further information on CAP 2004 options).

2 The allocation of the number of options granted under each tranche of the CAP 2010 and CSOP UK and CSOP Canada represents the directors' best estimate. The CAP 2010 award is reduced by the number of options vesting under the respective CSOP schemes (see below and the Directors Remuneration Report for further details).

‡ Options granted/(trued up) relate to those that are likely to vest on February 14 2013 (2011: February 10 2012) under the second and third tranche of the CAP 2004 following the achievement of the additional performance test. The number of options granted is provisional and will primarily require a true up to reflect adjustments of the individual businesses profits during the period to December 31 2012 (2011: December 31 2011) as required by the Remuneration Committee. As such the actual number of options vested could vary from that disclosed.

Cash-settled options

The group has liabilities in respect of three share option schemes that are classified by IFRS 2 'Share-based payments' as cash settled. These consist of the cash element of the CAP 2010 scheme, options held by employees over new equity shares in Internet Securities Inc., a subsidiary of the group, and options held by employees over equity shares in Structured Retail Products Limited, a subsidiary of the group. Of these schemes, options with an intrinsic value of £3,000 had vested but are not yet exercised (2011: £7,000).

24 Share-based payments *continued*

Share Option Schemes

Capital Appreciation Plan 2010 (CAP 2010)

The CAP 2010 executive share option scheme was approved by shareholders on January 21 2010. Each CAP 2010 award comprises two equal elements – an option to subscribe for ordinary shares of 0.25p each in the company at an exercise price of 0.25p per ordinary share, and a right to receive a cash payment. The awards will vest in two equal tranches. The first tranche of awards become exercisable on satisfaction of the primary performance condition, but no earlier than February 2013, and lapse to the extent unexercised by September 30 2020. The second tranche of awards becomes exercisable in the February following a subsequent financial year in which adjusted pre-tax profits* again equal or exceed £105 million (increased from £100 million following the acquisition of NDR), but no earlier than February 2014. The second tranche only vests on satisfaction of the primary performance condition and an additional performance condition. The number of options received under the share award of the CAP 2010 is reduced by the number of options vesting with participants from the 2010 Company Share Option Plan. The primary performance condition was achieved in financial year 2011, two years earlier than expected, when adjusted pre-tax profits* were £101.3 million. However, the internal rules of the plan prevent the awards vesting more than one year early, so although the primary condition has been achieved, the award pool will be allocated between the holders of outstanding awards by reference to their contribution to the growth in profits of the group from the 2009 base year to the profits achieved in financial year 2012 and these awards are to become exercisable in February 2013 (see Directors' Remuneration Report for further information).

Company Share Option Plan 2010 (CSOP 2010)

In parallel with the CAP 2010, the shareholders approved the CSOP 2010 UK and Canada at the AGM on January 21 2010. The CSOP 2010 UK was approved by HM Revenue and Customs on June 21 2010 and options granted on June 28 2010. The CSOP 2010 UK option enables each participant to purchase up to 4,972 shares in the company at a price of £6.03 per share, the market value at the date of grant. The options will vest and become exercisable at the same time as the corresponding share award under the CAP 2010 providing the CSOP option is in the money at that time and does not vest before June 28 2013. Once vested the CSOP option remains exercisable for one month. If the CSOP option is not in the money at the time of vesting of the corresponding CAP 2010 share award it continues to subsist and becomes exercisable at the same time as the second tranche of the CAP 2010 share award. The CSOP 2010 Canada, granted on March 30 2010, enables each participant to purchase up to 19,960 shares in the company at a price of £5.01 per share, the market value at the date of grant. No option may vest after the date falling three months after the preliminary announcement of the results for the financial year ended September 30 2019, and the option shall lapse to the extent unvested at the time. The CSOP has the same performance criteria as that of the CAP 2010 as set out above. The number of CSOP 2010 awards that vest proportionally reduce the number of shares that vest under the CAP 2010 as the CSOP is effectively a delivery mechanism for part of the CAP 2010 award. The CSOP 2010 option exercise price of £6.03 (UK) and £5.01 (Canada) will be satisfied by a funding award mechanism and results in the same net gain on the CSOP options (calculated as the market price of the company's shares at the date of exercise less the exercise price, multiplied by the number of options exercised) delivered in the equivalent number of shares to participants as if the award had been delivered using 0.25p CAP options.

Capital Appreciation Plan 2004 (CAP 2004)

The CAP 2004 executive share option scheme was approved by shareholders on February 1 2005. Each of the CAP awards comprises an option to subscribe for ordinary shares of 0.25p each in the company for an exercise price of 0.25p per ordinary share. The awards become exercisable on satisfaction of certain performance conditions and lapse to the extent unexercised on September 30 2014. The initial performance condition was achieved in the financial year 2007 and the option pool (a maximum of 7.5 million shares) was allocated between the holders of outstanding awards. One-third of the awards vested immediately. The primary performance target was achieved again in 2008 and, after applying the additional performance condition, 2,241,269 options from the second tranche of options vested in February 2009. The primary performance target was also achieved in 2009 and 1,527,152 options (including a true-up adjustment of 5,654) for the third (final) tranche of options in 2009 vested in February 2010. The additional performance condition was applied to profits for financial year 2010 and 2011 for those individual participants where the additional performance conditions for the second and final tranches had not previously been met and 303,321 and 244,152 options vested in February 2011 and February 2012 respectively. For those individual participants' businesses where the additional performance conditions for the second and final tranche have not been met, the vesting is deferred until the profits are at least 75% of that achieved in 2007 but no later than by reference to the year ending September 30 2012. The directors estimate 54,599 of options will vest in February 2013 following satisfaction of this additional performance test.

* Adjusted pre-tax profits is profit before tax excluding acquired intangible amortisation, CAP 2010 element of long-term incentive expense, exceptional items, profits from significant acquisitions, net movements in acquisition option commitments values, imputed interest on acquisition option commitments, foreign exchange loss interest charge on tax equalisation contracts and foreign exchange on restructured hedging arrangements as set out in the Income Statement, note 5, 6 and 8.

Notes to the Consolidated Financial Statements continued

24 Share-based payments *continued*

Share Option Schemes *continued*

The company has six share option schemes for which an IFRS2 'Share-based payments' charge has been recognised. Details of these schemes are set out in the Directors' Remuneration Report on pages 42 to 45. The fair value per option granted and the assumptions used in the calculation are shown below.

Date of grant	Executive Options January 28 2002	SAYE 11 December 11 2009	SAYE 12 December 21 2010	SAYE 13 December 20 2011
Market value at date of grant (p)	419	430	706	621
Option price (p)	419	344	565	497
Number of share options outstanding	52,000	44,567	25,497	148,488
Option life (years)	10.0	3.5	3.5	3.5
Expected term of option (grant to exercise (years))	5.5	3.0	3.0	3.0
Exercise price (p)	419	344	565	497
Risk-free rate	4.10%	1.83%	1.63%	0.53%
Dividend yield	3.93%	7.49%	5.28%	4.30%
Volatility	30%	50%	38%	35%
Fair value per option (£)	0.72	1.21	1.82	1.54

The executive and Save as You Earn (SAYE) options were valued using the Black–Scholes option-pricing model. Expected volatility was determined by calculating the historical volatility of the group's share price over a period of 15 years. The executive options' fair values have been discounted at a rate of 10% to reflect their performance conditions. The expected term of the option used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations. The charge recognised in the year in respect of these options was £97,000 (2011: charge £96,000).

Date of grant	CAP 2004 Tranche 1 June 20 2005	CAP 2004 Tranche 2 June 20 2005	CAP 2004 Tranche 3 June 20 2005	Internet Securities Inc. (cash-settled options) February 28 2006
Market value at date of grant (p)	401	401	401	n/a
Option price (p)	0.25	0.25	0.25	n/a
Number of share options outstanding	421	–	69,693	2,126
Option life (years)	10	10	10	10
Expected term of option (grant to exercise (years))	3.28	4.53	5.53	4.50
Exercise price (p)	0.25	0.25	0.25	$13.10
Risk-free rate	5.0%	5.0%	5.0%	–
Dividend growth	8.44%	8.44%	8.44%	–
Fair value per option (£)	3.28	3.02	2.82	$14.34

The CAP 2004 options were valued using a fair value model that adjusted the share price at the date of grant for the net present value of expected future dividend streams up to the date of expected exercise. Under IFRS 2, Internet Securities, Inc. options are classified as cash-settled options. As such, their related fair value equates to the fair value at the balance sheet date. For both of these option schemes, the expected term of the option used in the models has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations. The long-term incentive recognised in the year for the CAP 2004 options was a credit of £1,809,000 (2011: £nil), and for Internet Securities, Inc. options was a charge of £8,000 (2011: credit £34,000).

24 Share-based payments *continued*

The Internet Securities, Inc. (ISI) options are over shares of ISI, a subsidiary entity. The ISI options outstanding at September 30 2012 had a weighted average exercise price of $13.10 (2011: $12.43) and a weighted average remaining contractual life of 3.41 (2011: 4.23) years.

	CAP 2010		CSOP 2010	
Date of grant	**Tranche 1 March 30 2010**	**Tranche 2 March 30 2010**	**UK June 28 2010**	**Canada March 30 2010**
Market value at date of grant (p)	**501**	**501**	**603.34**	**501**
Option price (p)	**0.25**	**0.25**	**603.34**	**501**
Number of share options outstanding	**969,305**	**1,750,496**	**541,671**	**239,520**
Option life (years)	**10**	**10**	**9.38**	**10**
Expected term of option (grant to exercise (years))	**4**	**5**	**3**	**3**
Exercise price (p)	**0.25**	**0.25**	**603.34***	**501.00***
Risk-free rate	**2.28%**	**2.75%**	**2.28%**	**2.28%**
Dividend growth	**7.00%**	**7.00%**	**7.00%**	**7.00%**
Fair value per option (£)	**4.37**	**4.20**	**4.37**	**4.37**

The CAP 2010 options were valued using a fair value model that adjusted the share price at the date of grant for the net present value of expected future dividend streams up to the date of expected exercise. The expected term of the option used in the models has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

The number of CSOP 2010 awards that vest proportionally reduce the number of shares that vest under the CAP 2010, the CSOP is effectively a delivery mechanism for part of the CAP 2010 award. The CSOP 2010 options have an exercise price of £6.03[1], which will be satisfied by a funding award mechanism which results in the same net gain[2] on these options delivered in the equivalent number of shares to participants as if the same award had been delivered using 0.25 pence CAP options. The amount of the funding award will depend on the company's share price at the date of exercise. Because of the above and the other direct links between the CSOP 2010 and the CAP 2010, including the identical performance criteria, IFRS 2 'Share based payments' combines the two plans and treats them as one plan (vesting in two tranches). The long-term incentive expense recognised in the year for the CSOP 2010 and CAP 2010 options (including the charge in relation to the cash element) was £8,084,000 (2011: £15,940,000).

1 Exercise price of Canadian CSOP is £5.01.

2 Net gain on the CSOP options is the market price of the company's shares at the date of exercise less the exercise price (£6.03[1]) multiplied by the number of options exercised.

* Exercise price excludes the effect of the funding award.

Notes to the Consolidated Financial Statements continued

25 Acquisition option commitments

The group is party to put options over the remaining non-controlling interest in subsidiaries. IAS 39 'Financial Instruments' requires the group to recognise the discounted present value of the remaining put option commitment. This discount is unwound as a notional interest charge to the Income Statement. The group regularly performs a review of the underlying businesses with put option commitments to assess the impact on the fair value of the respective put option commitment. Any resultant change in these fair values is reported as a finance income or expense in the Income Statement.

	2012 £000	2011 £000
Acquisition option commitments at October 1	11,001	1,061
Additions from acquisitions during the year	–	9,451
Net movements during the year following review of underlying business (note 8)	(2,940)	358
Imputed interest (note 8)	977	181
Exercise of option commitments	(831)	(50)
Exchange differences	(339)	–
Acquisition option commitments at September 30	7,868	11,001

A net income of £1,963,000 (2011: expense of £539,000) was recorded in finance income and finance expense (note 8).

Maturity profile of acquisition option commitments:

	2012 £000	2011 £000
Within one year	4,273	852
In more than one year	3,595	10,149
	7,868	11,001

There is a deferred tax asset of £nil (2011: £3,800,000) related to the put option commitment as at September 30 2012.

As explained in note 2, key judgemental areas in preparing the financial statements, the value of the put option commitments is subject to a number of assumptions. The directors estimate that a possible range of outcomes for the fair value of the NDR put option commitments, based on possible changes in the assumptions, is as follows:

	2012 £000	2011 £000
Estimated minimum	–	–
Estimated capped maximum	37,552	39,183

The put option agreement over the sale of Internet Securities, Inc. (ISI) shares between the company and the non-controlling shareholders of ISI is based on the valuation of ISI as determined under a methodology provided by an independent financial adviser. Under the terms of the put option agreement consideration caps have been put in place that require the maximum consideration payable to option holders to be capped at an amount such that the results of any relevant class tests would, at the relevant time, fall below the requirement for shareholder approval.

Following a sensitivity analysis of the fair value of the acquisition option commitments applying reasonable possible assumptions, a 10% change in expected profit, the liabilities at September 30 2012 range from £6,229,000 to £9,519,000 with the corresponding change to the value at September 30 2012 charged or credited to the Income Statement in future periods.

26 Operating lease commitments

At September 30 the group had committed to make the following payments in respect of operating leases on land and buildings:

	2012 £000	2011 £000
Within one year	**6,728**	7,317
Between two and five years	**16,451**	19,899
After five years	**2,812**	4,887
	25,991	32,103

The group's operating leases do not include any significant leasing terms or conditions.

At September 30 the group had contracted with tenants to receive the following payments in respect of operating leases on land and buildings:

	2012 £000	2011 £000
Within one year	**1,320**	903
Between two and five years	**3,492**	1,819
After five years	**445**	868
	5,257	3,590

27 Retirement benefit schemes

Defined contribution schemes

The group operates the following defined contribution schemes: Euromoney PensionSaver, Euromoney Pension Plan, the Metal Bulletin Group Personal Pension Plan in the UK and the 401(k) savings and investment plan in the US. It also participates in the Harmsworth Pension Scheme, a defined benefit scheme which is operated by Daily Mail and General Trust plc (DMGT) but is accounted for in Euromoney Institutional Investor PLC as a defined contribution scheme.

In compliance with recent legislation the group is making arrangements for relevant employees to be automatically enrolled into defined contribution pension plans. The staging date for the group for automatic enrolment is expected to be November 2013.

The pension charge in respect of defined contribution schemes for the year ended September 30 comprised:

	2012 £000	2011 £000
Euromoney Pension Plan/PensionSaver	**1,094**	965
Metal Bulletin Group Personal Pension Plan	**24**	28
Private schemes	**1,077**	1,035
Harmsworth Pension Scheme	**112**	148
	2,307	2,176

Notes to the Consolidated Financial Statements continued

27 Retirement benefit schemes *continued*

Euromoney PensionSaver and Euromoney Pension Plan

Euromoney PensionSaver was launched on October 1 2008 to replace the Euromoney Pension Plan as the principal pension arrangement offered to employees of the group. Under both plans, contributions are paid by the employer and employees. However, Euromoney PensionSaver is a group personal pension arrangement rather than the trust-based arrangement used by the Euromoney Pension Plan. Under both schemes, employees are able to contribute a minimum of 3% of salary with an equal company contribution in the first three years of employment and thereafter at twice the employee contribution rate, up to a maximum employer contribution of 10% of salary. The Euromoney Pension Plan is a part of the DMGT Pension Trust, an umbrella trust under which DMGT UK trust-based defined contribution plans are held. Insured death benefits previously held under this trust have been transferred to a new trust-based arrangement specifically for life assurance purposes.

When the process of transferring out the remaining assets of the Euromoney Pension Plan has been completed the Plan will be wound up.

Assets of both plans are invested in funds selected by members and held independently from the company's finances. The investment and administration of both plans is undertaken by Fidelity Pension Management.

Metal Bulletin Group Personal Pension Plan

The Metal Bulletin Group Personal Pension Plan is a defined contribution arrangement under which contributions are paid by the employer and employees. The scheme is closed to new members.

The plan's assets are invested under trust in funds selected by members and held independently from the company's finances. The investment and administration of the plan is undertaken by Skandia Life Group.

Private schemes

Institutional Investor, Inc. contributes to a 401(k) savings and investment plan for its employees which is administered by an independent investment provider. Employees are able to contribute up to 15% of salary with the company matching up to 50% of the employee contributions, up to 5% of salary.

The company also provides access to a stakeholder pension plan for relevant employees who are not eligible for other pension schemes operated by the group. These arrangements will be superseded when automatic enrolment begins in 2013.

Harmsworth Pension Scheme

The Harmsworth Pension Scheme is a defined benefit scheme operated by DMGT. The scheme is closed to new entrants. Existing members still in employment can continue to accrue benefits in the scheme on a cash basis, with members using this cash account to purchase an annuity at retirement.

A full actuarial valuation of the scheme is carried out triennially by the Scheme Actuary. The latest valuation was completed as at March 31 2010. As a result of this valuation, DMGT agreed to make annual contributions of 10% or 15% of members' basic pay (depending on membership section). In addition, DMGT has agreed a Recovery Plan involving a series of annual funding payments amounting to £231.4 million over a period to end on October 5 2023. In accordance with this agreement, a payment of £24.8 million was made on October 5 2011 and a payment of £21.0 million was made on September 28 2012. A further payment of £3.0 million was made post year end on October 5 2012. Both the ongoing contributions and Recovery Plan will be reviewed at the next triennial funding valuation of the main schemes due to be completed with an effective date March 31 2013.

DMGT has enabled the trustee of the scheme to acquire a beneficial interest in a Limited Partnership investment vehicle (LP). The LP has been designed to facilitate payment of part of the deficit funding payments described above to the scheme over the next 15 years. In addition, the LP is required to make a final payment to the principal scheme of £150 million or such lesser amount as may equate to the funding deficit within the scheme on an ongoing actuarial valuation basis at the end of the 15 year period. For funding purposes, the interest held by the trustee in the LP will be treated as an asset of the scheme and reduce the actuarial deficit within the scheme. However, under IAS 19 the LP is not included as an asset of the scheme and therefore is not included in the disclosures below. In exchange for its interest in the LP, the trustee has allowed the letters of credit previously provided by DMGT to be cancelled.

27 Retirement benefit schemes *continued*

The group is unable to identify its share of the underlying assets and liabilities in the Harmsworth Pension Scheme. The scheme is operated on an aggregate basis with no segregation of the assets to individual participating employers and, therefore, the same contribution rate is charged to all participating employers (i.e. the contribution rate charged to each employer is affected by the experience of the schemes as a whole). The scheme is therefore accounted for as a defined contribution scheme by the company. This means that the pension charge reported in these financial statements is the same as the cash contributions due in the period. The group's pension charge for the Harmsworth Pension Scheme for the year ended September 30 2012 was £112,000 (2011: £148,000).

DMGT is required to account for the Harmsworth Pension Scheme under IAS 19 'Employee Benefits'. The IAS 19 disclosures in the Annual Report and Accounts of DMGT have been based on the formal valuation of the scheme as at March 31 2010, and adjusted to September 30 2012 taking account of membership data at that date. The calculations are adjusted to allow for the assumptions and actuarial methodology required by IAS 19. These showed that the market value of the scheme's assets was £1,481.2 million (2011: £1,333.6 million) and that the actuarial value of these assets represented 84.6% (2011: 83.0%) of the benefits that had accrued to members (also calculated in accordance with IAS 19).

Defined benefit scheme
Metal Bulletin Pension Scheme
The company operates the Metal Bulletin plc Pension Scheme (MBPS), a defined benefit scheme which is closed to new entrants.

A full actuarial valuation of the defined benefit scheme is carried out triennially by the Scheme Actuary. The latest valuation of the MBPS was completed as at June 1 2010. As a result of the valuation, the company agreed to make annual contributions of 22.3% per annum of pensionable salaries, plus £42,400 per month to the scheme. The contributions will be reviewed at the next triennial funding valuation of the scheme due to be completed with an effective date June 1 2013.

The figures in this note are based on calculations carried out in connection with the actuarial valuation of the scheme as at June 1 2010 adjusted to September 30 2012 by the actuary. The key financial assumptions adopted were as follows:

Long-term assumed rate of:	**2012**	2011
Pensionable salary increases	**2.5% p.a.**	2.5% p.a.
Pension escalation in payment (pre-January 1997 members)	**5.0% p.a.**	5.0% p.a.
Pension escalation in payment (pensions earned from May 30 2002 to June 30 2006) (post January 1997 members)	**2.8% p.a.**	3.1% p.a.
Pension escalation in payment (pensions earned from June 30 2006) (post January 1997 members)	**2.5% p.a.**	2.5% p.a.
Discount rate for accrued liabilities	**4.1% p.a.**	5.0% p.a.
Inflation	**2.8% p.a.**	3.1% p.a.
Pension increase in deferment	**2.8% p.a.**	3.2% p.a.

Notes to the Consolidated Financial Statements continued

27 Retirement benefit schemes *continued*

The discount rate for scheme liabilities reflects yields at the balance sheet date on high quality corporate bonds. All assumptions were selected after taking actuarial advice.

The demographic assumptions adopted were as follows:

Pre-retirement mortality rates

The following mortality rates represent the probability of a person dying within one year.

Age	Males	Females
30	**0.03%**	**0.02%**
40	**0.05%**	**0.04%**
50	**0.14%**	**0.10%**
60	**0.44%**	**0.28%**

Assumed life expectancy in years, on retirement at 62	2012	2011
Retiring at the end of the reporting period:		
Males	**25.8**	25.7
Females	**28.0**	27.9
Retiring 20 years after the end of the reporting period:		
Males	**28.0**	27.9
Females	**29.2**	29.2

The fair value of the assets held by the MBPS and the long-term expected rate of return on each class of assets are shown in the following table:

2012	Equities	Bonds	With profits policy	Cash	Total
Value at September 30 2012 (£000)	**6,539**	**15,725**	**2,567**	**2,188**	**27,019**
% of assets held	**24.2%**	**58.2%**	**9.5%**	**8.1%**	**100.0%**
Long-term rate of return expected at September 30 2012	**8.00%**	**3.50%**	**5.00%**	**1.50%**	

2011	Equities	Bonds	With profits policy	Cash	Total
Value at September 30 2011 (£000)	7,416	12,390	2,572	1,983	24,361
% of assets held	30.4%	50.9%	10.6%	8.1%	100.0%
Long-term rate of return expected at September 30 2011	8.00%	5.00%	5.75%	3.50%	

27 Retirement benefit schemes *continued*

A reconciliation of the net pension deficit reported in the Statement of Financial Position is shown in the following table:

	2012 £000	2011 £000
Present value of defined benefit obligation	**(31,776)**	(26,260)
Assets at fair value	**27,019**	24,361
Deficit reported in the Statement of Financial Position	**(4,757)**	(1,899)

The deficit for the year excludes a related deferred tax asset of £626,000 (2011: asset £475,000).

Changes in the present value of the defined benefit obligation are as follows:

	2012 £000	2011 £000
Present value of obligation at October 1	**(26,260)**	(25,811)
Service cost	**(58)**	(75)
Interest cost	**(1,314)**	(1,290)
Benefits paid	**579**	589
Members' contributions	**(12)**	(13)
Actuarial movement	**(4,711)**	340
Present value of obligation at September 30	**(31,776)**	(26,260)

Changes in the fair value of plan assets are as follows:

	2012 £000	2011 £000
Fair value of plan assets at October 1	**24,361**	24,274
Expected return on plan assets	**1,329**	1,451
Contributions:		
Employer	**583**	584
Members	**12**	13
Annuity surplus refund	**25**	23
Actual return less expected return on pension scheme assets	**1,288**	(1,395)
Benefits paid	**(579)**	(589)
Fair value of plan assets at September 30	**27,019**	24,361

Notes to the Consolidated Financial Statements continued

27 Retirement benefit schemes *continued*

The actual return on plan assets was a gain of £2,617,000 (2011: gain £56,000) representing the expected return plus the associated actuarial gain or loss during the year.

The amounts charged to the Income Statement based on the above assumptions are as follows:

	2012 £000	2011 £000
Current service costs (charged to administrative costs)	58	75
Interest cost (note 8)	1,314	1,290
Expected return on plan assets (note 8)	(1,329)	(1,451)
Total charge/(income) recognised in Income Statement	43	(86)

Pension costs and the size of any pension surplus or deficit are sensitive to the assumptions adopted. The table below indicates the effect of changes in the principal assumptions used above.

		2012 £000	2011 £000
Mortality			
Change in pension obligation at September 30 from a one year change in life expectancy	+/–	943	689
Change in pension cost from a one year change	+/–	40	35
Salary Increases			
Change in pension obligation at September 30 from a 0.25% change	+/–	38	30
Change in pension cost from a 0.25% year change	+/–	4	3
Discount Rate			
Change in pension obligation at September 30 from a 0.1% change	+/–	630	495
Change in pension cost from a 0.1% change	+/–	3	1
Inflation			
Change in pension obligation at September 30 from a 0.1% change	+/–	182	147
Change in pension cost from a 0.1% change	+/–	7	7

Amounts recognised in the Consolidated Statement of Comprehensive Income (SOCI) are shown in the following table:

	2012 £000	2011 £000
Actual return less expected return on pension scheme assets	1,288	(1,395)
Return of surplus annuity payments	25	23
Experience adjustments on liabilities	(178)	827
Losses arising from changes in assumptions	(4,533)	(487)
Total losses recognised in SOCI	(3,398)	(1,032)
Cumulative actuarial gain recognised in SOCI at beginning of year	(415)	617
Cumulative actuarial gain recognised in SOCI at end of year	(3,813)	(415)

27 Retirement benefit schemes *continued*

History of experience gains and losses:

	2012 £000	2011 £000	2010 £000	2009 £000	2008 £000
Present value of defined benefit obligation	**(31,776)**	(26,260)	(25,811)	(21,916)	(16,985)
Fair value of scheme assets	**27,019**	24,361	24,274	21,552	19,512
(Deficit)/surplus in scheme	**(4,757)**	(1,899)	(1,537)	(364)	2,527
Experience adjustments on defined benefit obligation	**(178)**	827	(14)	(18)	(36)
Percentage of present value of defined benefit obligation	**0.6%**	(3.1%)	0.1%	0.1%	0.2%
Experience adjustments on fair value of scheme assets	**1,288**	(1,395)	1,363	760	(1,717)
Percentage of the fair value of the scheme assets	**4.8%**	(5.7%)	5.6%	3.5%	(4.0%)

The group expects to contribute approximately £509,000 (2011: expected contribution in 2012 of £509,000) to the MBPS during the 2013 financial year.

28 Contingent liabilities

Claims in Malaysia

Four writs claiming damages for libel were issued in Malaysia against the company and three of its employees in respect of an article published in one of the company's magazines, International Commercial Litigation, in November 1995. The writs were served on the company on October 22 1996. Two of these writs have been discontinued. The total outstanding amount claimed on the two remaining writs is Malaysian ringgits 82.3 million (£16,669,000). No provision has been made for these claims in these financial statements as the directors do not believe the company has any material liability in respect of these writs.

29 Related party transactions

The group has taken advantage of the exemption allowed under IAS 24 'Related party disclosures' not to disclose transactions and balances between group companies that have been eliminated on consolidation. Other related party transactions and balances are detailed below:

(i) The group had borrowings under a US$300 million multi-currency facility with DMGRH Finance Limited, a Daily Mail and General Trust plc (DMGT) group company as follows:

	2012 US$000	2012 £000	2011 US$000	2011 £000
Amounts owing under US$ facility at September 30	**62,381**	**38,631**	171,450	110,059
Amounts owing under GBP facility at September 30	**–**	**4,523**	–	20,000
		43,154		130,059
Commitment fee on unused portion of the available facility for year	**–**	**618**	–	721

Notes to the Consolidated Financial Statements continued

29 Related party transactions *continued*

(ii) During the year the group expensed services provided by DMGT, the group's parent, and other fellow group companies, as follows:

	2012 £000	2011 £000
Services expensed	**444**	406

(iii) At September 30, the group had fixed rate interest rate swaps outstanding with Daily Mail and General Holdings Limited (DMGH), a fellow group company, as follows:

	2012 US$000	2012 £000	2011 US$000	2011 £000
Interest rates between 2.5% and 5.4% and termination dates between March 28 2013 and March 31 2014 on US$ fixed rate interest rate swaps	**40,000**	**24,771**	95,000	60,983
Interest rate of 2.6% and termination date of March 28 2013 (2011: between September 30 2012 and March 28 2013) GBP fixed rate interest rate swaps	**–**	**5,000**	–	20,000

During the year the group paid interest to DMGH and related companies in respect of interest rate swaps as follows:

	2012 US$000	2012 £000	2011 US$000	2011 £000
US$ interest paid	**2,353**	**1,488**	4,475	2,784
GBP interest paid	**–**	**504**	–	974

(iv) In January 2011, the group granted an Indian Rupee 112 million loan facility to RMSI Private Limited, a DMGT group company, at a 10.5% fixed interest rate. The loan was repaid to the group on November 21 2011.

	2012 INR 000	2012 £000	2011 INR 000	2011 £000
Amounts owed under the facility at September 30	**–**	**–**	120,265	1,576
Interest income during the year	**1,476**	**18**	8,264	111

In February 2011, Euromoney Holdings US Inc, a group company, was granted a US$70 million short-term loan facility from DMGH. The loan was repaid on February 17 2011. There were no amounts outstanding at September 30 2012.

	2012 US$000	2012 £000	2011 US$000	2011 £000
Amounts received	**–**	**–**	70,000	43,750
Amounts paid	**–**	**–**	(70,041)	(43,776)
Interest expense	**–**	**–**	(41)	(26)

29 Related party transactions *continued*

(v) In February 2011, the company provided a US$70 million short-term loan facility to DMGH. The loan was repaid on February 17 2011. There were no amounts outstanding at September 30 2012.

	2012 US$000	**2012 £000**	2011 US$000	2011 £000
Amounts paid	–	–	(70,000)	43,750
Amounts received	–	–	70,041	(43,776)
Interest expense	–	–	(41)	(26)

(vi) During the year DMGT group companies surrendered tax losses to Euromoney Consortium Limited under an agreement between the two groups. These tax losses are relievable against UK taxable profits of the group under HMRC's consortium relief rules.

	2012 £000	2011 £000
Amounts payable	**2,584**	831
Tax losses with tax value	**3,445**	1,109
Amounts owed to DMGT Group at September 30	**–**	831

(vii) During the year DMGT group companies surrendered tax losses to Euromoney Consortium 2 Limited under an agreement between the two groups. These tax losses are relievable against UK taxable profits of the group under HMRC's consortium relief rules.

	2012 £000	2011 £000
Amounts payable	**631**	232
Tax losses with tax value	**841**	309
Amounts owed to DMGT Group at September 30	**–**	232

(viii) There is an annual put option agreement over the sale of Internet Securities, Inc. (ISI) shares between the company and the minority shareholders of ISI. The annual put option value is based on the valuation of ISI as determined under a methodology provided by an independent financial adviser. Under the terms of the put option agreement consideration caps have been put in place that require the maximum consideration payable to option holders to be capped at an amount such that the results of any relevant class tests would, at the relevant time, fall below the requirement for shareholder approval. In February 2012, under this put option mechanism, the group purchased 1.12% of the equity share capital of ISI for a cash consideration of US$1,326,000 (£840,000). The group's equity shareholding in ISI increased to 99.92%.

(ix) NF Osborn serves on the management board of A&N International Media Limited and both DMG Events and dmgi, fellow group companies, for which he received fees for the year to September 30 2012 of £25,000 and US$45,000 respectively (2011: £25,000 and US$40,000 respectively).

(x) PM Fallon served as a director on the executive board of DMGT, the group's parent. During the year he earned non-executive director fees of £24,500 (2011: £19,500) and received short-term employee benefits of £8,749 (2011: £6,907). PM Fallon died on October 14 2012.

(xi) During the year the group received a dividend of £291,000 (2011: £656,000) from Capital Net Limited, an associate of the group.

Notes to the Consolidated Financial Statements continued

29 Related party transactions *continued*

(xii) The compensation paid or payable for key management is set out below. Key management includes the executive and non-executive directors as set out in the Directors' Remuneration Report and other key divisional directors who are not on the board.

Key management compensation

	2012 £000	2011 £000
Salaries and short-term employee benefits	**18,726**	17,517
Non-executive directors' fees	**181**	197
Post-employment benefits	**137**	159
Other long-term benefits (all share-based)	**1,272**	2,644
	20,316	20,517
Of which:		
Executive directors	**16,458**	15,966
Non-executive directors	**181**	197
Divisional directors	**3,677**	4,354
	20,316	20,517

Details of the remuneration of directors is given in the Directors' Remuneration Report.

30 Events after the balance sheet date

The directors propose a final dividend of 14.75p per share (2011: 12.50p) totalling £18,342,000 (2011: £15,156,000) for the year ended September 30 2012. The dividend will be submitted for formal approval at the Annual General Meeting to be held on January 31 2013. In accordance with IAS 10 'Events after the balance sheet date', these financial statements do not reflect this dividend payable but will be accounted for in shareholders' equity as an appropriation of retained earnings in the year ending September 30 2013. During 2012, a final dividend of 12.50p (2011: 11.75p) per share totalling £15,162,000 (2011: £13,928,000) was paid in respect of the dividend declared for the year ended September 30 2011.

There were no other events after the balance sheet date.

31 Ultimate parent undertaking and controlling party

The directors regard the ultimate parent undertaking as Rothermere Continuation Limited, which is incorporated in Bermuda. The ultimate controlling party is The Viscount Rothermere. The largest and smallest group of which the company is a member and for which group accounts are drawn up is that of Daily Mail and General Trust plc, incorporated in Great Britain and registered in England and Wales. Copies of its report and accounts are available from:

The Company Secretary
Daily Mail and General Trust plc
Northcliffe House, 2 Derry Street
London W8 5TT

www.dmgt.co.uk

Independent Auditor's Company Report

to the members of Euromoney Institutional Investor PLC

We have audited the parent company financial statements of Euromoney Institutional Investor PLC for the year ended September 30 2012 which comprise the Company Balance Sheet and the related notes 1 to 17. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the parent company financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the parent company financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the parent company financial statements:

- give a true and fair view of the state of the company's affairs as at September 30 2012 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion:

- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006; and
- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the parent company financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Other matter

We have reported separately on the group financial statements of Euromoney Institutional Investor PLC for the year ended September 30 2012.

Robert Matthews (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom
November 14 2012

Company Balance Sheet

as at September 30 2012

	Notes	2012 £000	2011 £000
Fixed assets			
Tangible assets	4	**3,635**	4,161
Investments	5	**983,513**	938,461
		987,148	942,622
Current assets			
Debtors	6	**45,792**	98,392
Corporation tax		**2,808**	2,857
Cash at bank and in hand		**10**	42
		48,610	101,291
Current liabilities			
Bank overdrafts		**(13,699)**	(353)
Amounts owed to subsidiary undertakings		**(114,459)**	(53,405)
Other taxation and social security		**(270)**	(253)
Deferred income		**–**	(325)
Derivative financial instruments	12	**(439)**	(1,251)
Committed loan facility (see note 20 in the group accounts)		**–**	(58,516)
Loan notes		**(1,228)**	(1,617)
		(130,095)	(115,720)
Net current assets		**(81,485)**	(14,429)
Total assets less current liabilities		**905,663**	928,193
Non-current liabilities			
Committed loan facility (see note 20 in the group accounts)		**(43,154)**	(71,543)
Derivative financial instruments	12	**(206)**	(1,315)
Provisions	7	**(1,521)**	(1,521)
		(44,881)	(74,379)
Net assets		**860,782**	853,814
Capital and reserves			
Called up share capital	9	**311**	303
Share premium account	13	**99,485**	82,124
Other reserve	13	**64,981**	64,981
Capital redemption reserve	13	**8**	8
Capital reserve	13	**1,842**	1,842
Own shares	13	**(74)**	(74)
Reserve for share-based payments	13	**36,055**	33,725
Fair value reserve	13	**1,223**	(261)
Profit and loss account	13	**656,951**	671,166
Equity shareholders' funds	14	**860,782**	853,814

Euromoney Institutional Investor PLC (registered number 954730) has taken advantage of section 408 of the Companies Act 2006 and has not included its own profit and loss account in these accounts. The profit after taxation of Euromoney Institutional Investor PLC included in the group profit for the year is £9,579,000 (2011: £417,008,000).

The accounts were approved by the board of directors on November 14 2012.

Richard Ensor
Colin Jones
Directors

Notes to the Company Accounts

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention except for derivative financial instruments which have been measured at fair value and in accordance with applicable United Kingdom accounting standards and the United Kingdom Companies Act 2006. The accounting policies set out below have, unless otherwise stated, been applied consistently throughout the current and prior year.

The company has taken advantage of the exemption from presenting a cash flow statement under the terms of FRS 1 (Revised) 'Cash Flow Statements'.

The company is also exempt under the terms of FRS 8 'Related Party Disclosures' from disclosing related party transactions with members of a group that are wholly owned by a member of that group.

Further, the company, as a parent company of a group drawing up consolidated financial statements that meet the requirements of IFRS 7 'Financial Instruments: Disclosure', is exempt from disclosures that comply with its UK GAAP equivalent, FRS 29 'Financial Statements: Disclosures'.

Going concern, debt covenants and liquidity

The financial position of the group, its cash flows and liquidity position are set out in detail in this annual report. The group meets its day-to-day working capital requirements through its US$300 million dedicated multi-currency borrowing facility with Daily Mail and General Trust plc group (DMGT). The facility is divided into sterling and US dollar funds with a total maximum borrowing capacity of US$250 million (£155 million) and £33 million respectively and matures in December 2013. The facility's covenant requires the group's net debt to be no more than four times adjusted EBITDA on a rolling 12 month basis. At September 30 2012, the group's net debt to adjusted EBITDA covenant was 0.27 times and the committed undrawn facility available to the group was £144.7 million.

In addition, the group has agreed terms with DMGT that provide it with access to US$300 million of funding should the group require it during the period from December 2013 through April 2016.

The group's forecasts and projections, looking out to September 2015 and taking account of reasonably possible changes in trading performance, show that the group should be able to operate within the level and covenants of its current borrowing facility.

After making enquiries, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in preparing this annual report.

Turnover

Turnover represents income from advertising, subscriptions, sponsorship and delegate fees, net of value added tax.

- Advertising revenues are recognised in the income statement on the date of publication.
- Subscription revenues are recognised in the income statement on a straight-line basis over the period of the subscription.
- Sponsorship and delegate revenues are recognised in the income statement over the period the event is run.

Turnover invoiced but relating to future periods is deferred and treated as deferred income in the balance sheet.

Leased assets

Operating lease rentals are charged to the profit and loss account on a straight-line or other systematic basis as allowed by SSAP 21 'Accounting for Leases and Hire Purchase Contracts'.

Pension schemes

Details of the company's pension schemes are set out in note 27 to the group accounts. The company participates in the Harmsworth Pension Scheme, a defined benefit pension scheme which is operated by Daily Mail and General Trust plc. As there is no contractual agreement or stated policy for charging the net defined benefit cost for the plan as a whole to the individual entities, the company recognises an expense equal to its contributions payable in the period and does not recognise any unfunded liability of this pension scheme on its balance sheet.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and any recognised impairment loss.

Depreciation of tangible fixed assets is provided on the straight-line basis over their expected useful lives at the following rates per year:

Short-term leasehold premises	over term of lease

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Notes to the Company Accounts continued

1 Accounting policies *continued*

Deferred taxation is calculated under the provisions of FRS 19 'Deferred Taxation', and is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when the timing differences crystallise based on current tax rates and law. Deferred tax is not provided on timing differences on unremitted earnings of subsidiaries and associates where there is no commitment to remit these earnings. Deferred tax assets are only recognised to the extent that it is regarded as more likely than not that they will be recovered.

Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction or, if hedged forward, at the rate of exchange of the related foreign exchange contract. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates ruling at the balance sheet date.

Derivatives and other financial instruments

The company uses various derivative financial instruments to manage its exposure to foreign exchange and interest rate risks, including forward foreign currency contracts and interest rate swaps.

All derivative instruments are recorded in the balance sheet at fair value. Recognition of gains or losses on derivative instruments depends on whether the instrument is designated as a hedge and the type of exposure it is designed to hedge.

The effective portion of gains or losses on cash flow hedges are deferred in equity until the impact from the hedged item is recognised in the profit and loss account. The ineffective portion of such gains and losses is recognised in the profit and loss account immediately.

Gains or losses on the qualifying part of net investment hedges are recognised in equity together with the gains and losses on the underlying net investment. The ineffective portion of such gains and losses is recognised in the profit and loss account immediately.

Changes in the fair value of the derivative financial instruments that do not qualify for hedge accounting are recognised in the profit and loss account as they arise.

The premium or discount on interest rate instruments is recognised as part of net interest payable over the period of the contract. Interest rate swaps are accounted for on an accruals basis.

Liabilities for put options over the remaining minority interests in subsidiaries are recorded in the balance sheet at their estimated discounted present value. These discounts are unwound and charged to the income statement as notional interest over the period up to the date of the potential future payment. In respect of options over further interests in joint ventures and associates, only movements in their fair value are recognised.

Subsidiaries

Investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect amendments from contingent consideration. Cost also includes direct attributable cost of investment.

Trade and other receivables

Trade receivables are recognised and carried at original invoice amount, less provision for impairment. A provision is made and charged to the profit and loss account when there is objective evidence that the company will not be able to collect all amounts due according to the original terms.

Cash at bank and in hand

Cash at bank and in hand includes cash, short-term deposits and other short-term highly liquid investments with an original maturity of three months or less.

Dividends

Dividends are recognised as an expense in the period in which they are approved by the company's shareholders. Interim dividends are recorded in the period in which they are paid.

Provisions

A provision is recognised in the balance sheet when the company has a present legal or constructive obligation as a result of a past event, and it is probable that economic benefits will be required to settle the obligation. If it is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Share-based payments

The company makes share-based payments to certain employees which are equity-settled. These payments are measured at their estimated fair value at the date of grant, calculated using an appropriate option pricing model. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of the number of shares that will eventually vest. At the period end the vesting assumptions are revisited and the charge associated with the fair value of these options updated. In accordance with the transitional provisions, FRS 20 'Share-based payments' has been applied to all grants of options after November 7 2002, that were unvested at October 1 2004, the date of application of FRS 20.

2 Staff costs

	2012 £000	2011 £000
Salaries, wages and incentives	**43**	10
Social security costs	**6**	1
Share-based compensation costs (note 10)	**(1,712)**	96
	(1,663)	107

Details of directors' remuneration are set out in the Directors' Remuneration Report on pages 41 to 52 and in note 7 of the group accounts.

The directors do not receive emoluments specifically for their services to this company.

3 Remuneration of auditor

	2012 £000	2011 £000
Fees payable for the audit of the company's annual accounts	**447**	509

4 Tangible assets

	Short-term leasehold premises £000
Cost	
At October 1 2011 and September 30 2012	**8,322**
Depreciation	
At October 1 2011	**4,161**
Charge for the year	**526**
At September 30 2012	**4,687**
Net book value at September 30 2012	**3,635**
Net book value at September 30 2011	**4,161**

Notes to the Company Accounts continued

5 Investments

	2012 Subsidiaries £000	2012 Investments in associated undertakings £000	2012 Total £000	2011 Subsidiaries £000	2011 Investments in associated undertakings £000	2011 Total £000
At October 1	**938,432**	**29**	**938,461**	468,248	29	468,277
Additions	**46,940**	**–**	**46,940**	830,809	–	830,809
Disposals	**–**	**–**	**–**	(361,539)	–	(361,539)
Exchange differences	**(1,888)**	**–**	**(1,888)**	914	–	914
At September 30	**983,484**	**29**	**983,513**	938,432	29	938,461

In April 2012, the company assigned its loan receivable with BCA Research, Inc. to Euromoney Institutional Investor (Jersey) Limited (EIIJ) in return for increased investment in EIIJ.

During 2011, the company restructured its investments to take advantage of HMRC's consortium relief rules to enable its subsidiaries, where appropriate, to claim tax losses from the DMGT group. As part of the restructuring, the company acquired a 57% stake in Euromoney Canada Limited (ECL) (formerly Euromoney Telcap 1 Limited) and 100% stake in Euromoney Canada Finance Limited (ECFL) (formerly Euromoney Telcap 2 Limited) from its subsidiary Euromoney Institutional Investor (Ventures) Limited (EIIV). Following the acquisition, the company sold 100% of its shareholding in EIIV to ECFL.

Also in 2011, as part of a project to reduce the number of legal entities within the group Euromoney Yen Finance Limited (EYF), a 100% owned subsidiary, was struck off the register at Companies House during the year. Accordingly the company's investment in EYF, previously impaired to £nil net book value, was written off.

Details of the principal subsidiary and associated undertakings of the company at September 30 2012 can be found in note 14 to the group accounts.

6 Debtors

	2012 £000	2011 £000
Due within one year:		
Trade debtors	**532**	–
Amounts owed by DMGT group undertakings	**2,344**	645
Amounts owed by subsidiary undertakings	**42,268**	95,535
Other debtors	**165**	–
Deferred tax (note 8)	**148**	2,212
Prepayments and accrued income	**335**	–
	45,792	98,392

7 Provisions

	2012 Dilapidations on leasehold properties £000	2011 Dilapidations on leasehold properties £000
At October 1 and September 30	**1,521**	1,521

	2012 £000	2011 £000
Maturity profile of provisions:		
Between two and five years	**1,521**	1,521
	1,521	1,521

8 Deferred tax

The deferred tax asset at September 30 comprised:

	2012 £000	2011 £000
Tax losses	**–**	1,571
Other short-term timing differences	**148**	641
Provision for deferred tax	**148**	2,212

	2012 £000	2011 £000
Movement in deferred tax:		
Deferred tax asset at October 1	**2,212**	9,466
Deferred tax charge in the profit and loss account	**(1,571)**	(6,315)
Deferred tax charge to equity	**(493)**	(939)
Deferred tax asset at September 30	**148**	2,212

A deferred tax asset of £148,000 (2011: £2,212,000) has been recognised in respect of tax losses and other short-term timing differences. The directors are of the opinion that based on recent and forecast trading, the level of profits in future years are more likely than not to be sufficient to enable the asset to be recovered.

Notes to the Company Accounts continued

9 Share capital

	2012 £000	2011 £000
Allotted, called up and fully paid		
124,349,531 ordinary shares of 0.25p each (2011: 121,247,380 ordinary shares of 0.25p each)	**311**	303

During the year, 3,102,151 ordinary shares of 0.25p each (2011: 2,755,469 ordinary shares) with an aggregate nominal value of £7,755 (2011: £6,889) were issued as follows: 2,381,410 ordinary shares (2011: 2,226,089) under the company's 2009 scrip dividend alternative for a cash consideration of £nil (2011: £nil); and 720,741 ordinary shares (2011: 529,380 ordinary shares) following the exercise of share options granted under the company's share option schemes for a cash consideration of £1,058,834 (2011: £718,392).

10 Share-based payments

An explanation of the company's share-based payment arrangements are set out in the Directors' Remuneration Report on pages 42 to 45. The number of shares under option, the fair value per option granted and the assumptions used to determine their values is given in note 24 to the group accounts. Their dilutive effect on the number of weighted average shares of the company is given in note 11 to the group accounts.

Share option schemes

The executive and Save as You Earn (SAYE) Options were valued using the Black–Scholes option-pricing model. Expected volatility was determined by calculating the historical volatility of the group's share price over a 15 year period. The executive options' fair values have been discounted at a rate of 10% to reflect their performance conditions. The expected term of the option used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations. The charge recognised in the year in respect of these options was £97,000 (2011: £96,000). Details of the executive and SAYE options are set out in note 24 to the group accounts.

Capital Appreciation Plan 2004 (CAP 2004)

The CAP 2004 options were valued using a fair value model that adjusted the share price at the date of grant for the net present value of expected future dividend streams up to the date of expected exercise. The expected term of the option used in the models has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations. The share-based credit in the year for the CAP 2004 options was £1,809,000 (2011: £nil). Details of the CAP 2004 options are set out in note 24 to the group accounts.

Capital Appreciation Plan 2010 (CAP 2010) and Company Share Option Plan 2010 (CSOP 2010)

The CAP 2010 and CSOP 2010 options were valued using a fair value model that adjusted the share price at the date of grant for the net present value of expected future dividend streams up to the date of expected exercise. The expected term of the option used in the models has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations. The share-based expense recognised in the year for the CAP 2010 and CSOP 2010 options was £nil (2011: £nil). Details of the CAP 2010 and CSOP 2010 options are set out in note 24 to the group accounts (excludes ISI and cash-settled options).

There is no cost or liability for the cash element of the CAP 2010 option scheme. These are borne by the company's subsidiary undertakings.

A reconciliation of the options outstanding at September 30 2012 is detailed in note 24 to the group accounts.

11 Commitments and contingent liability

At September 30 the company has committed to make the following payments in respect of operating leases on land and buildings:

	2012 £000	2011 £000
Operating leases which expire:		
Within one year	**–**	–
Between two and five years	**690**	707
Over five years	**242**	242
	932	949

Cross-guarantee

The company, together with the ultimate parent company and certain other companies in the Euromoney Institutional Investor PLC group, have given an unlimited cross-guarantee in favour of its bankers.

12 Financial instruments

Derivative financial instruments

The derivative financial assets/(liabilities) at September 30 comprised:

	2012		2011	
	Assets £000	**Liabilities £000**	Assets £000	Liabilities £000
Interest rate swaps	**–**	**(645)**	–	(2,566)
Current portion	**–**	**(439)**	–	(1,251)
Non-current portion	**–**	**(206)**	–	(1,315)

The company holds all the interest rate swaps for the group and full details regarding these can be found in note 19 to the group accounts.

There were no derivatives outstanding at the balance sheet date that were designated as fair value hedges.

Hedge of net investment in foreign entity

The company has US dollar denominated borrowings which it has designated as a hedge of the net investment of its subsidiaries which have US dollars as their functional currency. The change in fair value of these hedges resulted in a decreased liability of £1,888,000 (2011: increase in liability of £914,000) which has been deferred in reserves where it is offset by the translation of the related investment and will only be recognised in the company's profit and loss account if the related investment is sold. There are no differences in these hedges charged to the profit and loss account in the current and prior year.

Fair values of non-derivative financial assets and financial liabilities

Where market values are not available, fair values of financial assets and financial liabilities have been calculated by discounting expected future cash flows at prevailing interest rates and by applying year end exchange rates. The carrying amounts of short-term borrowings approximate the book value.

Notes to the Company Accounts continued

13 Reserves

	Share capital £000	Share premium account £000	Other reserve £000	Capital redemption reserve £000	Capital reserve £000	Own shares £000	Reserve for share-based payments £000	Fair value reserve £000	Profit and loss account £000	Total £000
At September 30 2010	296	66,082	64,981	8	1,842	(74)	15,229	(2,917)	375,644	521,091
Retained profit for the year	–	–	–	–	–	–	–	–	417,008	417,008
Change in fair value of cash flow hedges	–	–	–	–	–	–	–	3,595	–	3,595
Tax on items taken directly to equity	–	–	–	–	–	–	–	(939)	–	(939)
Capital contribution	–	–	–	–	–	–	–	–	(100,038)	(100,038)
Credit for share-based payments	–	–	–	–	–	–	18,496	–	–	18,496
Scrip/cash dividends paid	6	15,325	–	–	–	–	–	–	(21,448)	(6,117)
Exercise of share options	1	717	–	–	–	–	–	–	–	718
At September 30 2011	**303**	**82,124**	**64,981**	**8**	**1,842**	**(74)**	**33,725**	**(261)**	**671,166**	**853,814**
Retained profit for the year	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**9,579**	**9,579**
Change in fair value of cash flow hedges	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**1,977**	**–**	**1,977**
Tax on items taken directly to equity	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(493)**	**–**	**(493)**
Credit for share-based payments	**–**	**–**	**–**	**–**	**–**	**–**	**2,330**	**–**	**–**	**2,330**
Scrip/cash dividends paid	**6**	**16,304**	**–**	**–**	**–**	**–**	**–**	**–**	**(23,794)**	**(7,484)**
Exercise of share options	**2**	**1,057**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**1,059**
At September 30 2012	**311**	**99,485**	**64,981**	**8**	**1,842**	**(74)**	**36,055**	**1,223**	**656,951**	**860,782**

The investment in own shares is held by the Euromoney Employees' Share Ownership Trust (ESOT). At September 30 2012 the ESOT held 58,976 shares (2011: 58,976 shares) carried at a historic cost of £1.25 per share with a market value of £454,000 (2011: £363,000). The trust waived the rights to receive dividends. Interest and administrative costs are charged to the profit and loss account of the ESOT as incurred.

The other reserve represents the share premium arising on the shares issued for the purchase of Metal Bulletin plc in October 2006.

Of the reserves above £36,055,000 (2011: £33,725,000) of the liability for share-based payments and £575,168,000 (2011: £589,383,000) of the profit and loss account is distributable to equity shareholders of the company. The remaining balance of £81,783,000 (2011: £81,783,000) is not distributable.

14 Reconciliation of movements in equity shareholders' funds

	2012 £000	2011 £000
Profit for the financial year inclusive of dividends	9,579	417,008
Dividends paid	(23,794)	(21,448)
	(14,215)	395,560
Issue of shares	17,369	16,049
Change in fair value of cash flow hedges	1,977	3,595
Tax on items taken directly to equity	(493)	(939)
Credit to equity for share-based payments	2,330	18,496
Capital contribution	–	(100,038)
Net increase in equity shareholders' funds	6,968	332,723
Opening equity shareholders' funds	853,814	521,091
Closing equity shareholders' funds	860,782	853,814

15 Related party transactions

Related party transactions and balances are detailed below:

(i) The company had borrowings under a US$300 million multi-currency facility with DMGRH Finance Limited, a fellow group company (note 20 of group accounts):

	2012 US$000	2012 £000	2011 US$000	2011 £000
Amounts owing under US$ facility at September 30	62,381	38,631	171,450	110,059
Amounts owing under GBP facility at September 30	–	4,523	–	20,000
		43,154		130,059
Commitment fee on unused portion of the available facility for year	–	618	–	721

(ii) At September 30, the company had fixed rate interest rate swaps outstanding with Daily Mail and General Holdings Limited (DMGH), a fellow group company, as follows:

	2012 US$000	2012 £000	2011 US$000	2011 £000
Interest rates between 2.5% and 5.4% and termination dates between March 28 2013 and March 31 2014 on US$ fixed rate interest rate swaps	40,000	24,771	95,000	60,983
Interest rate of 2.6% and termination date of March 28 2013 (2011: between September 30 2012 and March 28 2013) GBP fixed rate interest rate swaps	–	5,000	–	20,000

Notes to the Company Accounts continued

15 Related party transactions *continued*

During the year the group paid interest to DMGH and related companies in respect of interest rate swaps as follows:

	2012 US$000	**2012 £000**	2011 US$000	2011 £000
US$ interest paid	**2,353**	**1,488**	4,475	2,784
GBP interest paid	**–**	**504**	–	974

(iii) In February 2011, the company provided US$70 million short-term loan facility to DMGH, a fellow group company. The loan was repaid on February 17 2011. There were no amounts outstanding as at September 30 2012:

	2012 US$000	**2012 £000**	2011 US$000	2011 £000
Amounts paid	**–**	**–**	(70,000)	(43,750)
Amounts received	**–**	**–**	70,041	43,776
Interest income	**–**	**–**	41	26

(iv) During the year the company received a dividend of £291,000 (2011: £656,000) from Capital Net Limited, an associate of the company.

16 Post balance sheet event

The directors propose a final dividend of 14.75p per share (2011: 12.50p) totalling £18,342,000 (2011: £15,156,000) for the year ended September 30 2012 subject to approval at the Annual General Meeting to be held on January 31 2013. In accordance with FRS 21 'Post Balance Sheet Events', these financial statements do not reflect this dividend payable but will be accounted for in shareholders' equity as an appropriation of retained earnings in the year ending September 30 2013. During 2012, a final dividend of 12.50p (2011: 11.75p) per share totalling £15,162,000 (2011: £13,928,000) was paid in respect of the dividend declared for the year ended September 30 2011.

17 Ultimate parent undertaking and controlling party

The directors regard the ultimate parent undertaking as Rothermere Continuation Limited, which is incorporated in Bermuda. The ultimate controlling party is The Viscount Rothermere. The largest and smallest group of which the company is a member and for which group accounts are drawn up is that of Daily Mail and General Trust plc, incorporated in Great Britain and registered in England and Wales. Copies of its report and accounts are available from:

The Company Secretary
Daily Mail and General Trust plc
Northcliffe House, 2 Derry Street
London W8 5TT

www.dmgt.co.uk

Five Year Record

Consolidated Income Statement Extracts

	2008 £000	2009 £000	2010 £000	2011 £000	**2012 £000**
Total revenue	332,064	317,594	330,006	363,142	**394,144**
Operating profit before acquired intangible amortisation, long-term incentive expense and exceptional items	81,308	79,447	100,057	108,967	**118,175**
Acquired intangible amortisation	(12,749)	(15,891)	(13,671)	(12,221)	**(14,782)**
Long-term incentive expense	(5,361)	(2,697)	(4,364)	(9,491)	**(6,301)**
Additional accelerated long-term incentive expense	–	–	–	(6,603)	**–**
Exceptional items	(2,477)	(33,901)	(228)	(3,295)	**(1,617)**
Operating profit before associates	60,721	26,958	81,794	77,357	**95,475**
Share of results in associates	308	219	281	408	**459**
Operating profit	61,029	27,177	82,075	77,765	**95,934**
Net finance costs	(23,603)	(44,538)	(10,651)	(9,568)	**(3,566)**
Profit/(loss) before tax	37,426	(17,361)	71,424	68,197	**92,368**
Tax credit/(expense) on profit/(loss)	7,279	10,412	(12,839)	(22,527)	**(22,528)**
Profit/(loss) after tax from continuing operations	44,705	(6,949)	58,585	45,670	**69,840**
Profit from discontinued operations	245	1,207	–	–	**–**
Profit/(loss) for the year	44,950	(5,742)	58,585	45,670	**69,840**
Attributable to:					
Equity holders of the parent	43,719	(6,287)	58,105	45,591	**69,672**
Equity non-controlling interests	1,231	545	480	79	**168**
Profit/(loss) for the year	44,950	(5,742)	58,585	45,670	**69,840**
Basic earnings/(loss) per share	41.69p	(6.83)p	50.04p	38.02p	**56.74p**
Diluted earnings/(loss) per share	40.37p	(6.67)p	49.47p	37.34p	**55.17p**
Adjusted diluted earnings per share	44.36p	40.39p	53.50p	56.05p	**65.91p**
Diluted weighted average number of ordinary shares	107,687,024	112,372,620	117,451,228	122,112,168	**126,290,412**
Dividend per share	19.25p	14.00p	18.00p	18.75p	**21.75p**

Consolidated Statement of Financial Position extracts

	2008 £000	2009 £000	2010 £000	2011 £000	**2012 £000**
Intangible assets	407,578	425,648	422,707	490,042	**469,308**
Non-current assets	41,318	39,002	40,921	33,824	**26,357**
Accruals	(50,016)	(46,972)	(45,473)	(56,249)	**(54,170)**
Deferred income liability	(89,488)	(82,599)	(93,740)	(105,507)	**(105,106)**
Other net current assets/(liabilities)	(171,290)	(16,642)	21,962	(12,304)	**32,151**
Non-current liabilities	(50,038)	(213,446)	(176,894)	(124,231)	**(80,616)**
Net assets	88,064	104,991	169,483	225,575	**287,924**

Financial Calendar and Shareholder Information

2012 final results announcement	Thursday November 15 2012
Final dividend ex-dividend date	Wednesday November 21 2012
Final dividend record date	Friday November 23 2012
Interim management statement	Thursday January 31 2013
2013 AGM (approval of final dividend)	Thursday January 31 2013
Payment of final dividend	Thursday February 14 2013
2013 interim results announcement	Thursday May 16 2013*
Interim dividend ex-dividend date	Wednesday May 22 2013*
Interim dividend record date	Friday May 24 2013*
Payment of 2013 interim dividend	Thursday June 20 2013*
2013 final results announcement	Thursday November 14 2013*
Loan note interest paid to holders of loan notes on	Monday December 31 2012 Friday June 28 2013

* Provisional dates and are subject to change.

Shareholder enquiries

Administrative enquiries about a holding of Euromoney Institutional Investor PLC shares should be directed in the first instance to the company's registrar whose address is:

Equiniti
Aspect House
Spencer Road
Lancing
West Sussex
BN99 6DA

Telephone: 0871 384 2030 (calls cost 8p per minute from a BT landline. Other telephone provider costs may vary).
Overseas Telephone: (00) 44 121 415 7047

A number of facilities are available to shareholders through the secure online site www.shareview.uk including:

- Viewing holdings and obtaining an indicative value;
- Notifying a change of address;
- Requesting receipt of shareholder communications by email rather than by post;
- Viewing dividend payment history; and
- Making dividend payment choices.

Loan note redemption information

Loan notes can be redeemed twice a year on the interest payment dates above by depositing the Notice of Repayment printed on the Loan Note Certificate at the company's registered office. At least 20 business days' written notice prior to the redemption date is required.

Registered office

Nestor House
Playhouse Yard
Blackfriars
London
EC4V 5EX

Shareholder Notes

Shareholder Notes

euromoneyplc.com

Queen's Award for Enterprise 2008 in the International Category

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