



United Business Media

Merrill Lynch TMT Conference

Globalisation & Integrated Publishing

Nigel Wilson

CFO

London

6 June 2006



United Business Media

Introduction

- ❖ UBM – Decisive actions created focused global business
 - ◆ Focused global B2B and News Distribution business
 - ◆ Rebalanced portfolio through acquisition, disposals, organics
- ❖ Events – Strong revenue and profit growth
 - ◆ Acquisitions in key verticals – Technology, Healthcare, Lifestyle
 - ◆ Expanding global portfolio – Games, Chemicals, Ingredients
 - ◆ Benefiting from growth in online
- ❖ Online – Exceptional revenue growth
 - ◆ Acquisitions – Light Reading, TechOnLine
 - ◆ Developing profitable models is our challenge
- ❖ Print - Actively managing our portfolio
 - ◆ Disposed of non integrated businesses
 - ◆ Merged titles eg Dr Dobbs/Software Developer
- ❖ Repurchased 100m shares in last 12 months
 - ◆ 27% of equity base

2

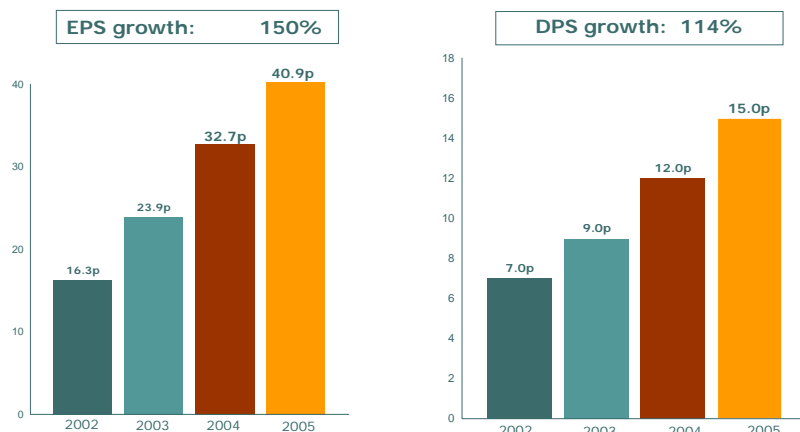
UBM overview Global B2B and News Distribution business



- ❖ Leading global B2B media company – only focused global player
- ❖ UBM brings together B2B buyers and sellers
 - ◆ focused on building leading positions in fast growing geographies and in specific vertical B2B markets
- ❖ PR Newswire – global news distribution market leader
- ❖ CMP - integrated event, print, data & online marketing services
 - ◆ 300+ events, 200 websites, 200 newspapers, magazines & directories
 - ◆ **CMP Technology** – global business focused on technology industry
 - ◆ **CMP Information** – UK based professional B2B media in c.20 verticals
 - ◆ **CMPMedica** – global healthcare media business
 - ◆ **CMP Asia** – events-led asian media business focused on specific verticals
- ❖ Committed to strong financial returns for shareholders

3

Strong financial returns: track record of EPS and DPS growth



Note: 2002 & 2003 UK GAAP, 2004 & 2005 IFRS

4

Segmental analysis

Twelve months to 31 December 2005



United Business Media

	Revenue £m	Operating Profit £m	Margin %
PR Newswire	104.1	29.2	28.0
CMP Asia	61.9	17.5	28.3
CMP Media	225.9	24.9	11.0
CMPi	177.0	43.0	24.3
CMPMedica	106.9	19.4	18.1
Corporate	-	3.1	-
Total	675.8	137.1	19.6*

* Excludes share of profits of disposed of equity accounted investments of £4.6m

5

Market trends.....rebalancing the portfolio

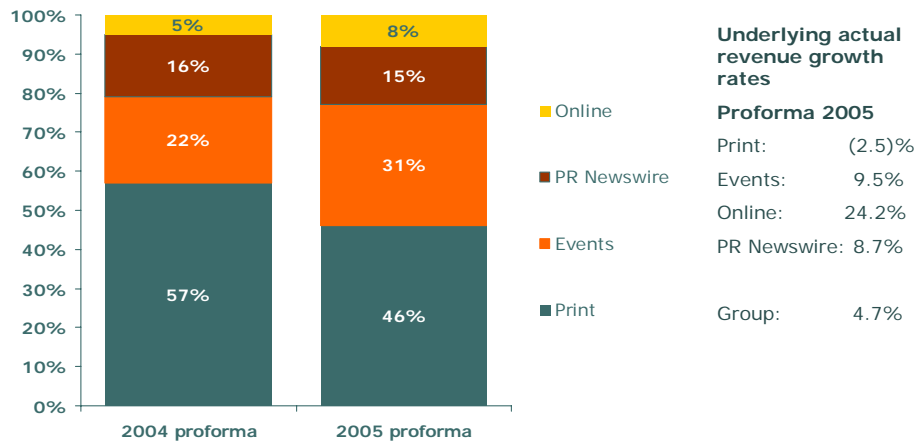


United Business Media

- ❖ Audience focus is increasing in importance
 - ◆ Shift from horizontal to vertical specialisation
 - ◆ Qualified leads versus mass market
 - ◆ Analytic ROI
- ❖ Events/Exhibitions
 - ◆ Globalisation/specialisation
 - ◆ Analytic ROI
- ❖ Online : migration of spend increasing eg recruitment
- ❖ Disintermediation: advertisers building direct client relationships
- ❖ Opportunities increasing in emerging markets – China, India, Brazil, Russia
- ❖ Broadband changing behaviour and increasing growth options

6

Rebalancing our portfolio to accelerate growth Distribution of revenue



Underlying actual revenue growth rates

Proforma 2005

Print:	(2.5)%
Events:	9.5%
Online:	24.2%
PR Newswire:	8.7%
Group:	4.7%

Source: 2004 proforma UBM group excluding NOP and legacy television assets and including Exchange & Mart and CMPMedica

7

Acquisitions of events, online, data and print



Acquisitions in 2005	£m
France Medical Press & Services	24
The Publican	21
Light Reading	15
Informex	12
ABI	12
Other (Black Hat, JJF)	21
	<u>105</u>

Acquisitions in 2006	£m
MediaLive	36
Shorecliff	7
Mediworld – India	1
GZ Beauty Fair - China	4
Cable Digital News	1

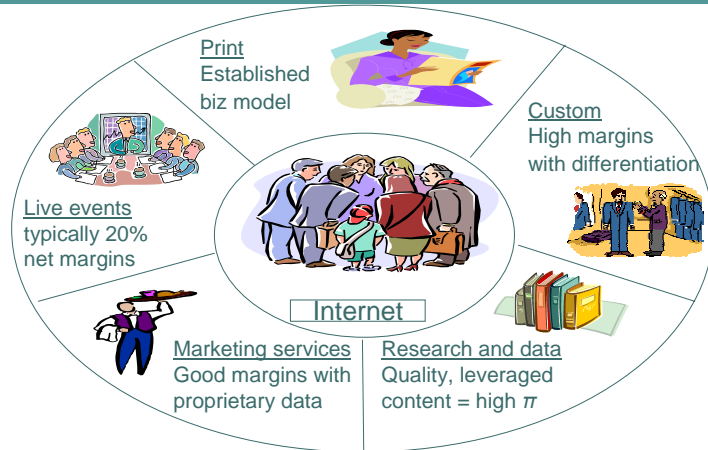
■ Online
 ■ Events
 ■ Print
 ■ Data

Our acquisition criteria requires a first full year post tax ROI of 8%

8

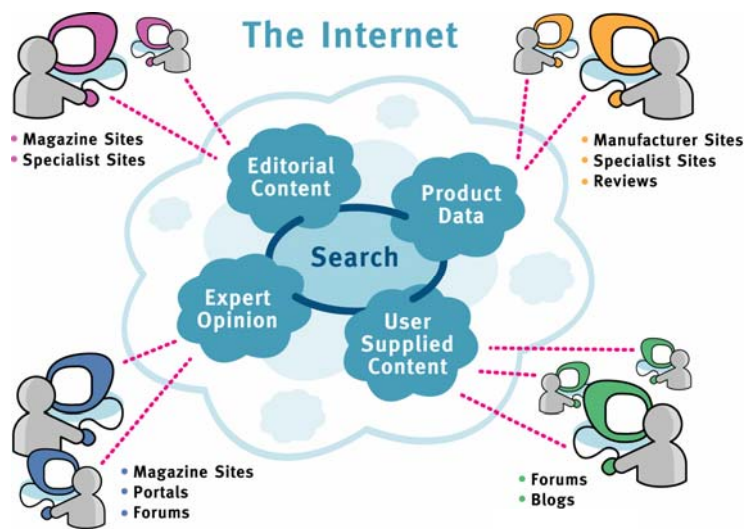
The future as integrated publishers

Principal asset is audience, organised online

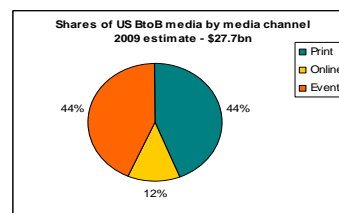
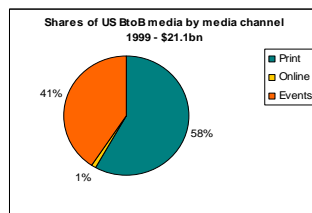
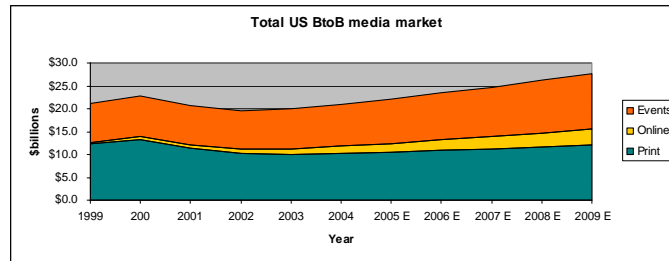


The B2B media company of the future will sell multiple media channels

Increasing importance of internet



The US B2B market is large and growing Print is and is forecast to be the biggest single B2B media channel



Source: Veronis Suhler Stevenson

11

Rapidly changing market dynamics



- ❖ Traffic
 - ◆ Role of Google as referrer
 - ◆ Emergence of social networks: e.g. del.icio.us, Digg
- ❖ Audience
 - ◆ Community Networking
 - ◆ Importance of user-generated content
 - ◆ Peer reviews
- ❖ Advertisers
 - ◆ Online spend growing strongly – 60% UK, 30% US
 - ◆ Measuring ROI and shifting spend accordingly
- ❖ Yields
 - ◆ Increase with audience qualification
 - ◆ Increase closer to the transaction
 - ◆ Demand for both high and low yield traffic
- ❖ Profitability & productivity in online
 - ◆ Increasing revenue per person required
 - ◆ Lifecycle of product versus print product

12

CMP: Technology – successful integrated publisher



Print	Online	Face-to-Face
200+ B2B publications 10 million + readers	200+ websites 3 million e-newsletter subscribers 325 eSeminars	200+ events <ul style="list-style-type: none"> Forums Conferences Expos Roundtables

<http://www.informationweek.com>
<http://www.techweb.com>

13

Events – acquisitions in key verticals



- ❖ Technology
 - ♦ MediaLive, Shorecliff, Black Hat
- ❖ Healthcare
 - ♦ CMPMedica, Mediworld (China)

14

Events – increasingly global portfolio

- ❖ Interop – IT solutions
 - ◆ Las Vegas, New York, Tokyo, Moscow
- ❖ CPhi – Pharmaceutical ingredients
 - ◆ Europe, China, India, Japan
- ❖ Food Ingredients
 - ◆ Europe, China, Central & Ea
- ❖ Game Developer Conference
 - ◆ US, Europe
- ❖ Health & Beauty
 - ◆ Japan, China, US



15

Events – face to face increasing importance, online opportunities being pursued

- ❖ Embedded Systems Conference
 - ◆ Boston, San Jose, Taiwan
- ❖ Hong Kong Jewellery & Watch Fair
 - ◆ Hong Kong Jewellery & Watch Fair – June & Sept
 - ◆ Asia's Fashion Jewellery & Accessories Fair - Hong Kong
 - ◆ China International Gold, Jewellery & Gem Fair – Shenzhen, Guangzhou, Tokyo



16

Acquisitions driving growth: Light Reading – a successful blend of online, print and exhibitions



<http://www.lightreading.com>



<http://www.cabledigitalnews.com>

- Entry to communications technology vertical
- Web-centric platform drives high-margin businesses like research and small events
- CMP websites remodelled at Light Reading – execution transfer
- Expansion – Dark Reading, Heavy Reading
- Acquisition - Cable Digital News
- 2005 revenue of Light Reading \$10m

17

Online acquisitions - adding audiences and business models



<http://www.techonline.com>



- New online businesses: engage audience with education and product evaluation
- Strengthens electronics group with new functionality and worldwide audience of 355,000 engineers

18

Online propositions for customers



Revenue models.....profitability.....

❖ Views

- ◆ Banners
- ◆ Sponsorship
- ◆ E-newsletters
- ◆ Web TV

❖ Search

- ◆ Content/archive index
- ◆ Vertical
- ◆ Cross product
- ◆ Multichannel

❖ Leads

- ◆ NetSeminars
- ◆ ProductCasts
- ◆ White papers
- ◆ Podcasts

❖ Career portal

- ◆ CV matching

19

Organic growth: electronic newsletters – an area we are improving



- ❖ Rethinking models – focusing on improving production efficiency and content
- ❖ Introduce a new way to generate content and create email newsletters
 - ◆ Aggregators With Attitude (“AWA”) – punchy & succinct; provide readers with leadership & guidance; industry analysts.....generate revenue and drive traffic
- ❖ Improve execution
 - ◆ Establish benchmarks – ROI, performance metrics
 - ◆ New launches – topics to be revealed.....
 - ◆ Set up newsletter central shared services.....in progress
- ❖ Execution excellence – standardise deployment; flexible & scalable content management; efficient production process; formalise operations and automate reporting

20

Tech career portal to replace lost print revenue



- ❖ Online recruitment for IT and engineering professionals
 - ♦ High demand for specialists predicted over next 10 years
 - ♦ Online recruitment industry predicted to grow from \$1.7bn to \$9.5bn within 10 years¹
 - ♦ Highly fragmented industry allowing new entrants that can generate traffic
 - ♦ Rich editorial content and robust database of jobs
 - ♦ First to market – build and maintain leadership position in niche career portal
- ❖ Niche & high tech/high touch differentiation
 - ♦ screening & categorisation of applicants
 - ♦ Leverage traffic base to drive high volume of targeted traffic to portal
 - ♦ Allow recruiters access to passive job seekers
- ❖ Bringing value to CMP – a mature & profitable model
- ❖ Entry into online recruitment market

(1) http://www.csf.com/conferences/mediaweek/client/wc_agenda.shtml & Classified Int., Rec. Adv. Report, April 05, Pg. 24

TechCareers.com



The screenshot shows the TechCareers.com website. At the top, there is a navigation bar with links for HOME, SEARCH JOBS, POST RESUME, NEWS & FEATURES, BLOGS/OPINIONS, CAREER RESOURCES, and MY ACCOUNT. Below the navigation bar is a search section with fields for keywords, location, and job function, along with an 'Advanced Search' button. To the right of the search bar is a section titled 'Employer Solutions' with a 'CLICK HERE' button. Below the search bar is a 'News & Features' section with a headline 'U.S. Holds Own Vs. China, India' and a 'Discussion Forums & Blogs' section with a headline 'What is The Hottest Skill?'. The URL 'http://www.techcareers.com' is visible in the top right corner of the screenshot.

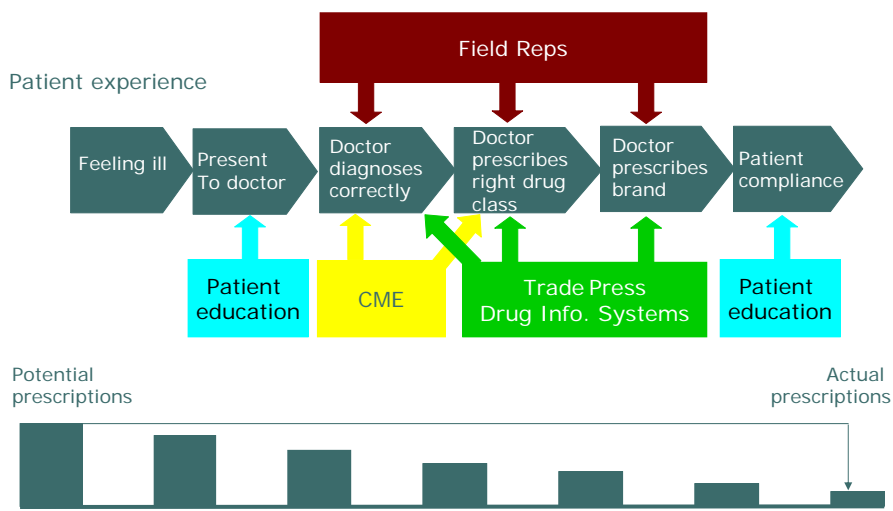
UBM Healthcare – an integrated publisher



Doctors
Nurses
Pharmacists
Specialists
Patients

Pharma
Biotech
Device
Government
Payor

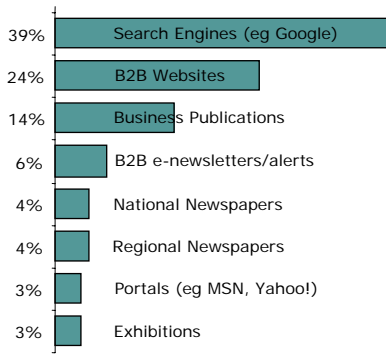
Our customers' challenge



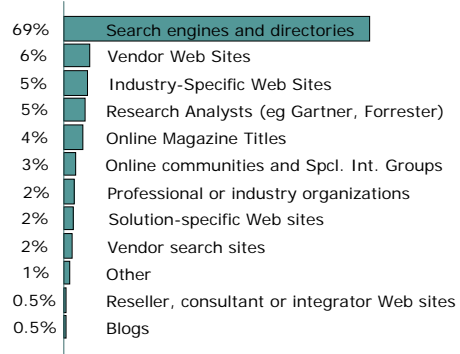
Reality today: online starts with Google



Most useful media source for finding work-related information¹

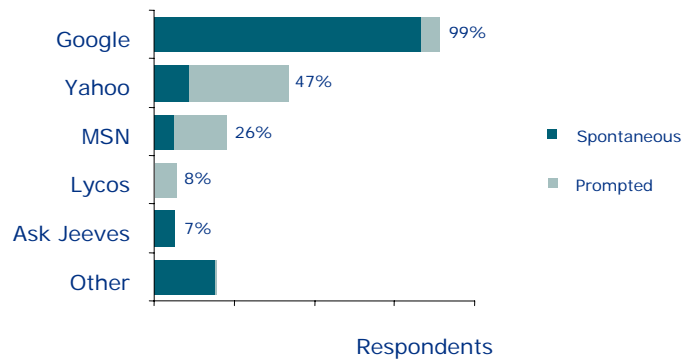


Where do you start conducting your online research?²



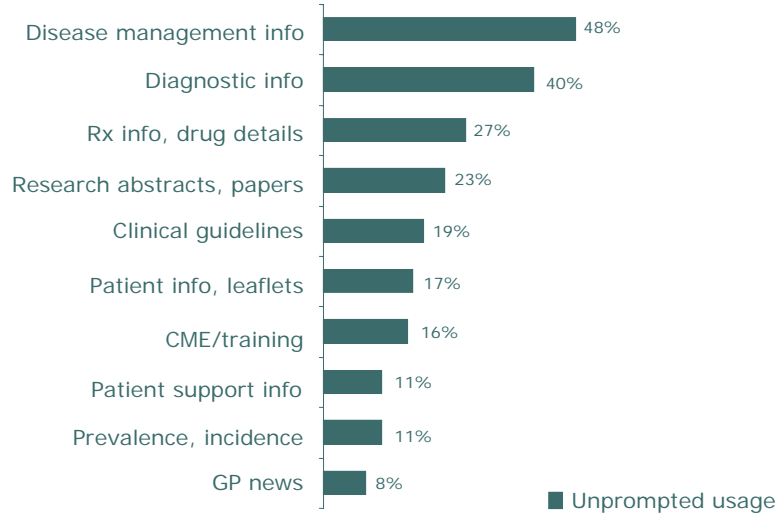
(1) "The Role of B2B Websites", The UK Association of Online Publishers (April 2005)
 (2) "Define What's Valued Online", B2B Technology Buyer Survey, CMO Council (Sep. 2005)

Where doctors start their search



Source: Proprietary UBM/IMS research

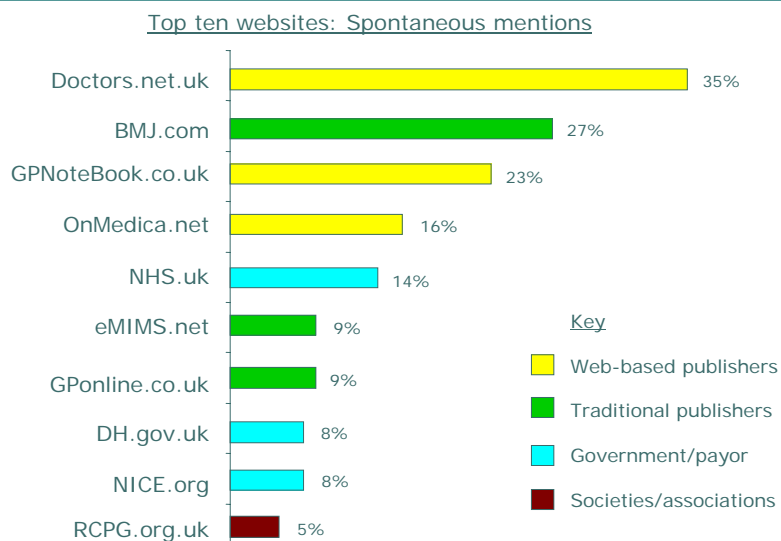
What doctors are using the web for



Source: Proprietary UBM/IMS research

27

What sources UK doctors use



Source: Proprietary UBM/IMS research

28

Print - lead generation and ROI



United Business Media

- ❖ If a media company has only print, they face big challenges
....segmentation is key...consideration given to differences in:
 - ♦ the way marketers spend...they need ROI, lead generation, liquidity, branding
 - ♦ delivery by different media types delivering different marketing objectives and serving different readers needs...improved segmentation
 - ♦ the sectors and geographies we are in...jewellery to oncology...India to California
- ❖ Solutions sit along a continuum from print to broadcast....choice around balancing reach vs interaction
- ❖ Print is portable and the most effective way of gathering and qualifying a large audience
- ❖ Lead generation is not new but the ability to narrowly define buying communities and have qualified leads at a lower cost is substantially improved by the internet

29

Print - interactive



United Business Media

- ❖ B2B is less threatened than newspapers, TV and B2C – readers have compelling reasons to seek out print...our titles are “must read” in segmented, narrow areas of interest eg construction, pharmacists, doctors
- ❖ But, the best titles also have websites that update readers on breaking news, provide white papers, peer group reviews, a platform for community interactions....and have outstanding events – these sites will increase in usage
- ❖ Specialist technology based products will attract away revenue
 - ♦ Google - the default search
 - ♦ Doctors workflow products
 - ♦ Online user generated content sites

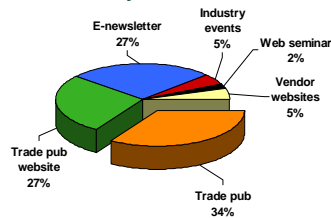
30

What do our readers think?

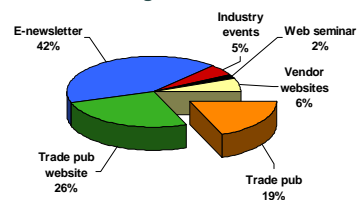
Preferred information source to use for...



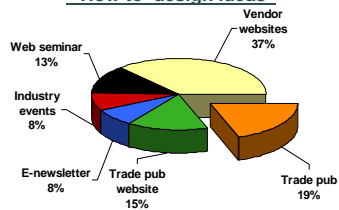
“News and analysis”



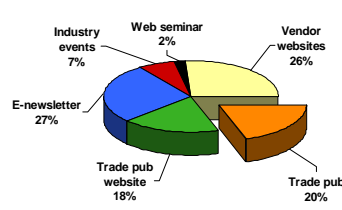
“Breaking News”



“How to’ design ideas”



“New product info”



Q. Indicate which sources you'd be most likely to turn to for information on the following issues/topics. And which source would you MOST PREFER on the following issues or topics?

Base = Global respondents

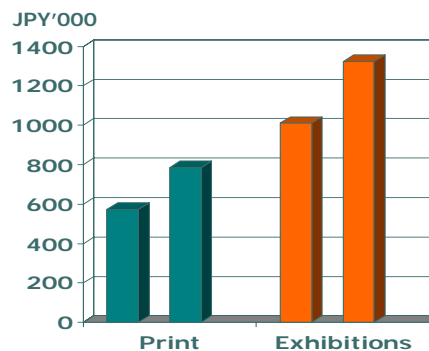
31

Success in international expansion Our experience in Japan



- ❖ In Japan we have grown our print and exhibition business by 37% and 31% since 2002 - they achieve similar margins at over 30%
- ❖ Print and exhibitions complement one another
- ❖ Next steps – expand events (Interop Japan), grow online

Revenue - 2002 and 2005



32

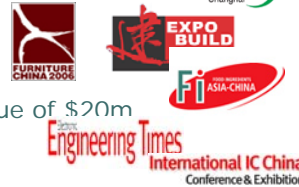
Success in international expansion Our experience in China



- ❖ CMP Asia - '05 revenue of \$25m
 - ❖ Operated since 1998, organising 27 events per year in China
 - ❖ Large must-attend events – Furniture, Expo Build, Fi, Marinetc, Hotelex



- ❖ E-Media Asia JV with Global Sources – '05 revenue of \$20m
 - ❖ Electronics - EETimes Asia, ESMChina, IIC-China



- ❖ CPhi China – successfully extended CMPI's global brand



- ❖ Information Week China – recently launched



- ❖ Xinhua PR Newswire
 - ❖ Marketing alliance for news release distribution for Chinese companies quoted on US exchanges
 - ❖ Potential expansion into further territories



33

UBM - integrated event, print & online marketing services.....



- ❖ Print products must evolve to provide analysis...
- ❖ Associated websites should give instant news and searchable archives of related industry stories
- ❖ Websites should give everyone in the industry access to every press release launched, every government regulation and the latest research....deep relevant search
- ❖ Exhibitions and conferences must create an exciting, memorable trading environment
- ❖ Need to interact with customers and advertisers using online and events
- ❖ Focus on audience
 - Capitalising on shift from horizontal to vertical
 - Building vertical communities across media platforms

34

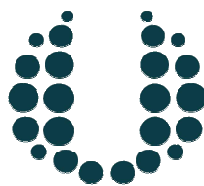
Conclusion



United Business Media

- ❖ Focused integrated global B2B player
- ❖ Strong growth from events, online and PR Newswire
- ❖ Responding effectively to rapidly changing markets
- ❖ Decisions driven by desire to create shareholder value

35



United Business Media



Divisional Results

37

PR Newswire - News Distribution

Twelve months to 31 December



	2005 £m	2004 £m	Reported Change %	Underlying Change %
Turnover				
Americas	94.2	85.4	10.3	9.2
RoW	9.9	9.4	5.3	5.3
	104.1	94.8	9.8	8.8
Operating profit				
Americas	27.3	23.7	15.2	13.8
RoW	1.9	0.2	-	-
	29.2	23.9	22.2	20.7
Margin	28.0	25.2		

38

CMP Asia

Twelve months to 31 December



United Business Media

	2005	2004	Reported Change %	Underlying Change %
Turnover (£m)	61.9	51.4	20.4	15.1
Operating Profit (£m)	17.5	14.0	25.0	10.9
Operating Margin (%)	28.3	27.2		

39

CMP Media

Twelve months to 31 December



United Business Media

	2005	2004	Reported Change %	Underlying Change %
Turnover (£m)	225.9	220.3	2.5	0.0
Operating Profit (£m)	24.9	27.1	(8.1)	(16.2)
Operating Margin (%)	11.0	12.3		

❖ Revenue: Technology 72%, Healthcare 16%, Other 12%

40

CMPi

Twelve months to 31 December



United Business Media

	2005	2004	Reported Change %	Underlying Change %
Turnover (£m)	177.0	161.0	9.9	4.0
Operating Profit (£m)	43.0	38.5	11.7	(4.0)
Operating Margin (%)	24.3	23.9		

41

CMPMedica*



United Business Media

	2005	2004
Turnover (£m)	106.9	29.8
Operating Profit (£m)	19.4	3.4
Operating Margin (%)	18.1	11.4

* CMPMedica acquired 30 July 2004, France Medical Press & Services acquired 31 March 2005

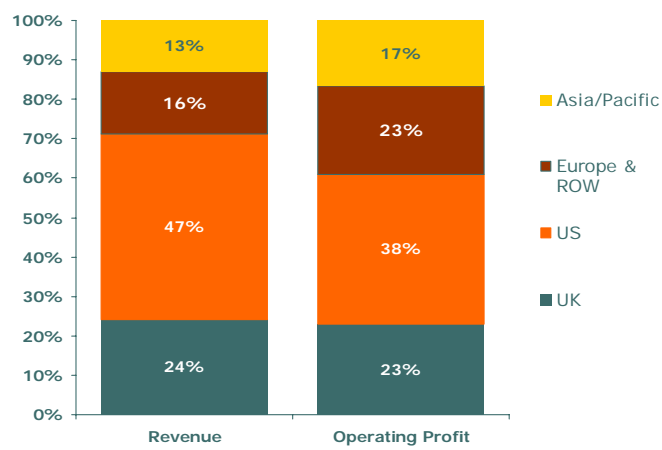
42



Other

Geographic split

Distribution of 2005 Revenue and Operating Profit



Building Leading Positions



Sector	Revenue 2005		Key Brands
	£m	%	
Technology	183.1	27.1	Information Week, TechWeb.com, Game Developer, Embedded Systems Conference, CRN, VARBusiness, EE Times
Healthcare	154.7	22.9	Consultant, Oncology, Diagnostic Imaging, US Psychiatric & Mental Health Congress, Vidal, MIMS, Le Quotidien du Medecin, Pulse
News distribution	104.1	15.4	PR Newswire
Built Environment	65.0	9.6	ABI, Builder, Barbour Index, IFSEC
Lifestyle	56.8	8.4	Cosmoprof Asia, HBA
Fashion	28.0	4.2	Asia Pacific Leather Fair, HK Jewellery Fair
Ingredients	25.2	3.7	Chemical & Food ingredients shows
Other	58.9	8.7	Interiors Show, Marintec China, Intermach, Asian Paper, Tissue World and many others
Total	675.8	100	

45

Acquisition performance: creating shareholder value



The following table shows cash spent on acquisitions since 2003 and the returns on this capital in 2005:

	Invested £m	Cumulative Pre Tax Return %
2003	105.7	13.0
2004	189.7	10.9
2005*	104.9	12.1

*The results of 2005 acquisitions have been included on a proforma basis to reflect full year impact

46