



18th October 2012

Positive performance – 2012 Group guidance maintained

Interim Management Statement for the nine months ended 30 September 2012

Highlights

- Revenue for the nine months was up 4.0% at £734.6m (Sept 2011: £706.2m); underlying revenue growth was 4.9%
- Adjusted operating profit was up 11.1% to £141.7m (Sept 2011: £127.5m)
- Adjusted operating profit margin rose to 19.3% (Sept 2011: 18.1%)
- Consolidated Group guidance for full year 2012, of 4-5% underlying growth and a margin greater than 19.3%, remains unchanged
- UBM's Board of Directors has decided to recommend that UBM plc return to a United Kingdom tax domicile, subject to shareholder approval

David Levin, Chief Executive Officer, UBM said:

“UBM remains on track to deliver the consolidated Group guidance we reiterated at the Interim Results. Events growth continues as expected with good growth in our large Q3 events, particularly in China, and we continue to invest to strengthen our global Events business. PR Newswire performed well, with good growth and margins on track. The Data Services and Marketing Services segments reflects slightly softer market conditions in businesses that serve the global semi-conductor industry. Our guidance reflects this softness and we remain mindful of the continuing uncertainties in the macro environment. We expect to complete the strategic review of Data Services by the end of Q1 2013.”

Unaudited results for the nine months ended 30 September 2012					
Revenue	2012⁽¹⁾	2011	Change	Underlying Change⁽¹⁾	
	£m	£m	%	%	%
Events	338.9	278.5	21.7	12.7	12.7
PR Newswire	147.2	139.7	5.4	4.5	4.5
Data Services	123.7	138.3	-10.6	-2.2	-2.2
Marketing Services – Online	67.1	63.5	5.7	5.3	5.3
Marketing Services – Print	57.7	86.2	-33.1	-14.5	-14.5
Total Revenue	734.6	706.2	4.0	4.9	4.9
Margin					
Adjusted Operating Profit	2012⁽¹⁾	2011	Change	2012	2011
	£m	£m	%	%	%
Events	105.1	85.5	22.9	31.0	30.7
PR Newswire	32.2	28.5	13.0	21.9	20.4
Data Services	15.5	18.6	-16.7	12.5	13.4
Marketing Services – Online	(0.2)	0.5	nm	(0.3)	0.8
Marketing Services – Print	2.9	4.7	-38.3	5.0	5.5
Corporate Operations	(13.8)	(10.3)	nm	-	-
Total Adjusted Operating Profit	141.7	127.5	11.1	19.3	18.1

Adjusted operating profit is group operating profit excluding amortisation of intangible assets arising on acquisitions, exceptional items and share of taxation on profit from joint ventures and associates.

(1) Following the formation earlier this year of our UBM Technology business unit, a number of business activities have been reallocated from the Data Services segment to Events and Marketing Services – Online. The impact of this realignment on revenue and EBITA for the 9 month period ended 30 September 2012 is as set out in the following table:

£m	Data Services	Events	Marketing Services – Online
Revenue	(8.5)	5.5	3.0
EBITA	(0.2)	0.0	0.2

Events

- YTD event revenues are up 21.7% to £338.9m (Sept 2011: £278.5m); underlying growth was 12.7%.
- Of our top 20 shows which ran during the quarter Furniture China, Black Hat USA, Concrete Brazil and Children-Baby-Maternity-Expo showed good double digit growth while growth at the September Hong Kong Jewellery Show was, as expected, more moderate given venue space constraints, which will continue into 2013.
- It should be noted that a number of shows ran in H1 in 2012 rather than Q3 as in 2011.
- YTD adjusted operating margin of 31.0% (Sept 2011: 30.7%).
- As at 30 September 2012, forward bookings for our 2011 Top 20 annual events are up 14.7% compared to last year.
- We continue to build our physical presence across target Emerging Markets and today announce the acquisition of the EFEM events in Turkey – see separate press release.
- Events guidance: we continue to expect full year underlying growth of 12-14% with a full year margin of 31-32% reflecting the lower even year biennial impact and higher investment in Q4.

PR Newswire

- YTD PR Newswire's revenues rose 5.4% to £147.2m (Sept 2011: £139.7m); underlying growth was 4.5%.
- Our US Distribution business had a strong Q3 as the initiative to sell higher engagement offerings to our existing client base more than offset declines in traditional release volumes. The other areas of PR Newswire have broadly continued the trends seen in the first half of the year.
- YTD adjusted operating margin was 21.9% (Sept 2011: 20.4%) reflecting growth in US Distribution and international business as well as the benefit of investment and sales force development. This was partially offset by dilution from Vintage and the launch of the Agility product.
- PR Newswire guidance: we continue to expect full year underlying growth of 3-5% with full year margin in line with the FY 2011 margin of 21.8%.

Data Services

- YTD Data Services revenues fell 10.6% to £123.7m (Sept 2011: £138.3m), with underlying revenues down 2.2%.
- Our businesses in healthcare, trade and transport, built environment and paper performed in line with our expectations. However, UBMTechInsights revenues continue to reflect delays in expected orders given softer market conditions in the global semi-conductor industry.
- YTD adjusted operating margin was 12.5% (Sept 2011: 13.4%).
- Data Services guidance: with continued weakness in the semi-conductor industry, Data Services revenue and margin may both be approximately 100bps lower than the previous segmental guidance (revenues flat and margins of 17%).

Marketing Services – Online & Print

- Combined reported revenues fell 16.6% to £124.8m (Sept 2011: £149.7m), with underlying revenue down 4.7%.
- The combined YTD adjusted operating margin was 2.2% (Sept 2011: 3.5%).
- Weakness has been most pronounced in both our electronics portfolio (print and online) and in the built environment, where we have seen revenue declines of 11% and 12% respectively.
- Overall YTD Online revenues rose 5.7% to £67.1m (Sept 2011: £63.5m). Underlying revenues were up 5.3% with growth in webcasting and custom engagement products partially offset by declines in other online advertising revenues.
- YTD print revenues fell by 33.1% to £57.7m (Sept 2011: £86.2m) largely reflecting disposals of print titles. Underlying revenues were down 14.5% as a result of continued declines in advertising and general marketing spend, notably in the technology, pharmaceutical and construction industries.
- UBM's print magazine portfolio comprised 84 titles at 30 September 2012 (30 Sept 2011: 103).
- Marketing Services – Online & Print guidance: as a result of weakness in more traditional online advertising, particularly for the electronics market, and accelerating declines in print advertising, we anticipate combined underlying revenues will be flat for the full year with a combined margin of 2-3%.

Portfolio changes

- There were no acquisitions or disposals completed during Q3 2012.

Debt

- UBM's consolidated net debt stood at £518.9m as at 30 September 2012 down from £536.8m at 30 June 2012.
- 2.1x LTM EBITDA (pro forma for acquisitions).

Tax domicile

- The Board has resolved to recommend to return UBM plc's tax domicile to the UK before year end, subject to shareholder approval.
- A shareholder Circular will be issued to shareholders on 1st November 2012 and a general shareholder meeting held thereafter.
- We anticipate no change in reported tax rates or taxation paid as a result of this change in domicile.

Foreign exchange rates

- Note that all constant currency or underlying calculations are based on average FX rates for the nine months year to date.

Average rate for period	YTD 2012	YTD 2011	Change
£/\$	1.58	1.62	-2.5%
£/€	1.23	1.15	+7.0%

- It should be noted that Q4 2011 average £/\$ rate was 1.57 versus the current spot price of 1.61.

Notice: Investor Day – 30th October

UBM will be hosting an investor day at 3pm on Tuesday 30th October with presentations on our Global Events Momentum initiative and on UBM Technology, our division serving the Technology community. The presentations will be hosted at the London Stock Exchange, 10 Paternoster Square, London EC4M 7LS. The event is expected to last approximately 2 hours. As required by the stock exchange security, all attendees must be registered in advance. We would therefore be grateful if you could confirm whether you, or a colleague, will be able to join us by return email to: investorrelations@ubm.com

A live webcast of the presentations will be made available from UBM's website. To access the webcast please go to www.ubm.com. An on-demand recording of the webcast will also be accessible from UBM's website later in the evening.

- Ends -

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Notes to Editors

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