

Huveaux

**INTERIM RESULTS 2006
AND ACQUISITION OF
POLITICAL WIZARD**

Highlights

- Turnover up 122% to £20.1m
- EPS doubled to 0.68p
- EBITDA up 152% to £1.8m
- Key strategic steps delivered ahead of schedule
- Acquisition of Political Wizard – leading online political monitoring business
- Outlook for further strong progress

- Epic and JBB Santé fully integrated
- Portfolio in Political Division expanded significantly
- 35 new titles launched by Lonsdale
- New revenue streams at Epic
- Key strategic CME milestones achieved in France

Results

6 Months to 30 June 2006

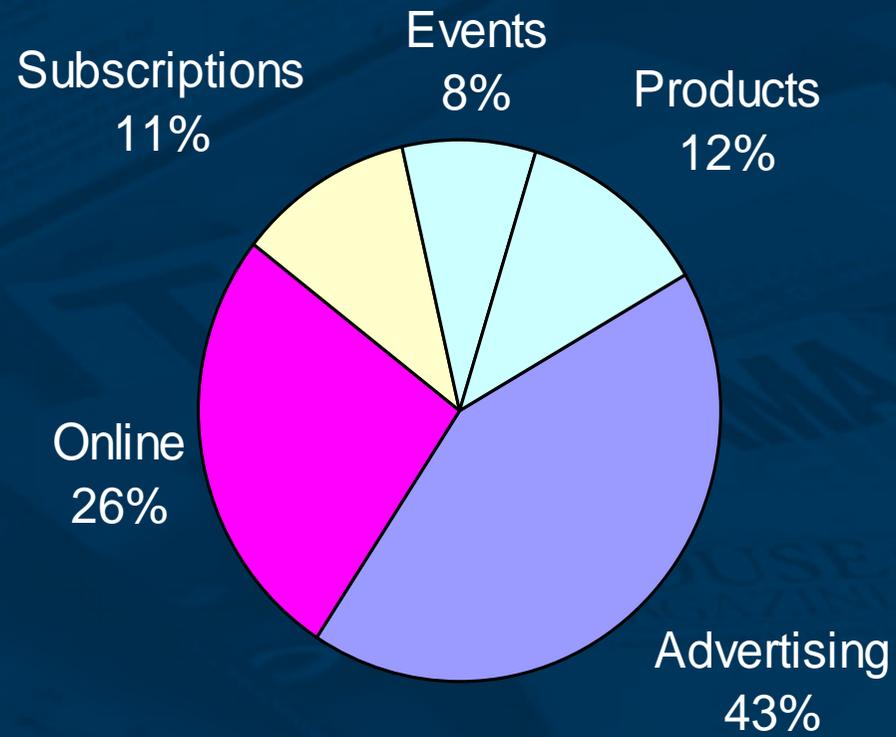
Huveaux

£'000	<u>2006</u>	<u>2005</u>
Turnover	20,075	9,046
EBITDA	1,780	707
Pre-tax profit*	1,380	557
Tax	(434)	(191)
Profit after tax	<u>862</u>	<u>366</u>
Adjusted EPS* (pence)	<u>0.68</u>	<u>0.34</u>

* Before Goodwill amortisation of £84,000 in 2006 (nil 2005)

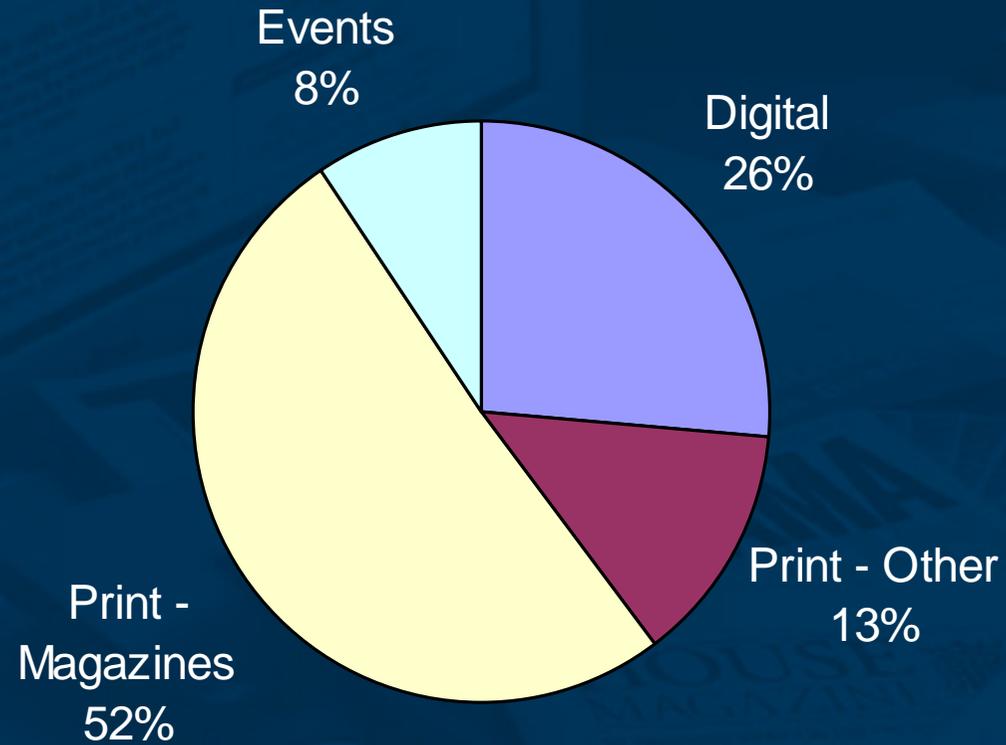
Revenue by Product

Huveaux



Revenue by Medium

Huveaux



- Cash position remains strong at over £1m with net debt of £9.3m
- £1.5m dividend paid
- £0.9m of 2005 exceptional items paid
- Gearing still at modest levels – 18% pre Political Wizard and 25% after
- Net debt : proforma EBITDA at 2.5x
- Headroom to fund potential acquisitions

- The Company is adopting EBITDA as the principle measure of profitability
- A reconciliation to operating profit is provided in the interim statement
- Principle reconciling items are:
 - Depreciation
 - Amortisation
 - Exceptional items

POLITICAL DIVISION

Political Division

Huveaux

£'000	<u>2006</u>	<u>2005</u>
Original business	4,112	4,127
Eurosource	-	250
Total Sales	<u>4,112</u>	<u>4,377</u>
EBITDA	435	603

Political Division

- Like-for-like revenue maintained following election
- Record number of product launches:
 - *Dod's Polling*
 - *EU Political Monitoring*
 - *The Parliament Regional Review*
 - *Vacher's Parliamentary Profiles*
 - *Dod's Westminster Contacts*
 - *Who's Who in Public Affairs*
 - *Civil Service portal (in development)*
- Foundation for significant revenue and profit growth for full year

LEARNING DIVISION

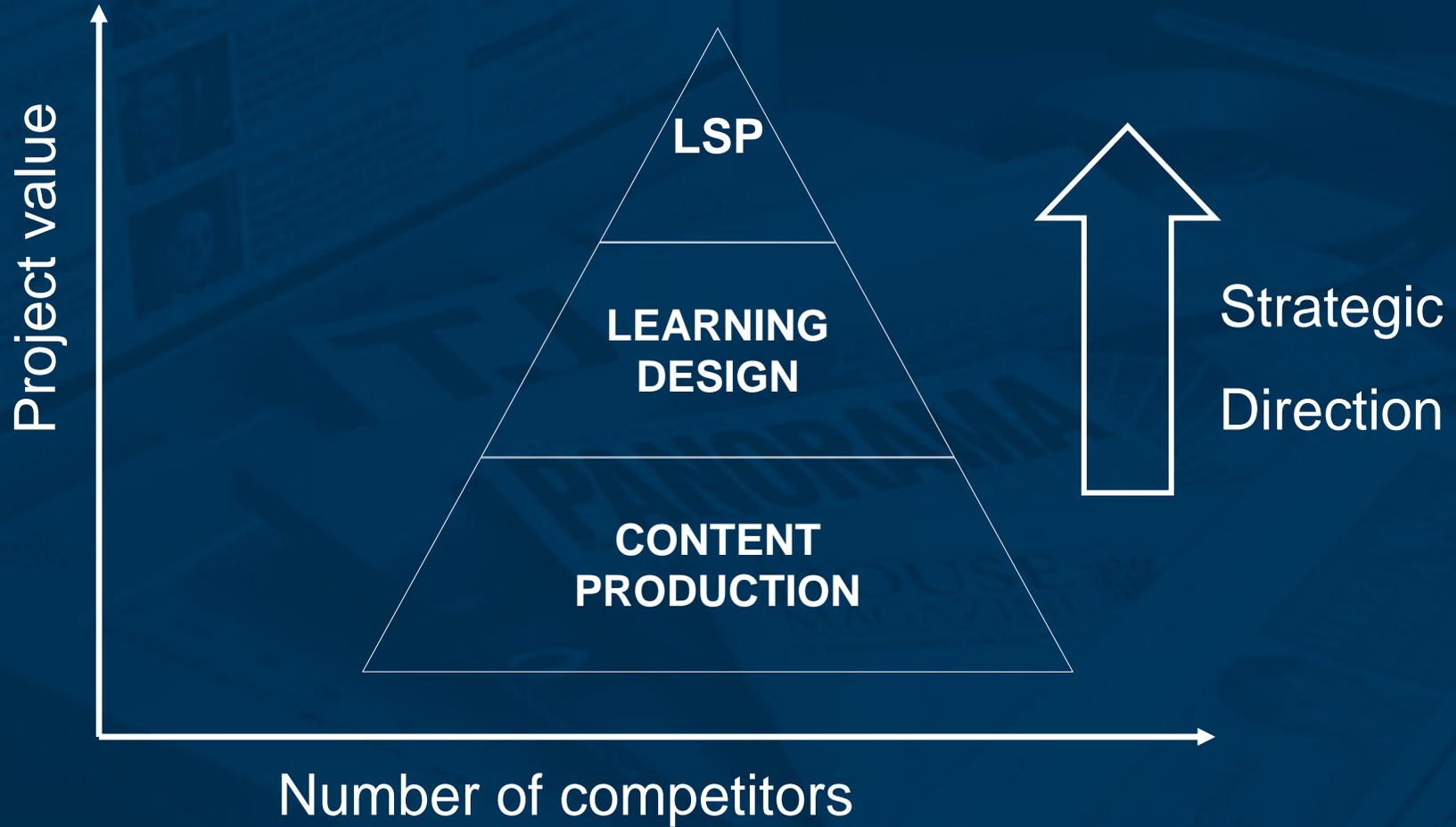
Learning Division

Huveaux

£'000	<u>2006</u>	<u>2005</u>
Turnover	7,800	3,912
EBITDA	1,325	807

Learning Division - Epic

- Retention of existing client base
- New blue chip corporate customers
- Largest ever contract won
- *Epic Professional* launched
- Contract for e-learning in France won with JBB (Cancer Research)
- JV to produce CME e-learning products
- Learning Service Provider contract won



- Political Knowledge very strong start to the year
- Lonsdale 35 new products launched on new syllabus
- Training video sales replaced by e-learning
- Training Journal and TJ training events showing good growth

Outlook for solid growth in 2nd half based upon :

- Epic Professional
- Epic new contracts
- Lonsdale 35 new revision guides
- Increased number of political conferences

Good across the board growth

HEALTHCARE DIVISION

Healthcare Division

Huveaux

£'000

2006

2005

Revenue

8,163

757

EBITDA

1,058

(47)

- Panorama du Medecin relaunched
- Market share has increased from 14% to 16%
- Le Concours Medical relaunched as a fortnightly magazine with a new editorial proposition
- CME legislation officially published 3rd June 2006
- CME magazines provisionally allocated highest CME points score
- CME alcoholism product approved by French Health Ministry
- Alongside Epic won an e-learning contract with French National Institute of Cancer Research

Positive outlook in second half based on:

- Increased market share
- Reduction in costs
- Start of CME revenues

OUTLOOK

- Well positioned for continued strong progress
- Outlook for 2006 remains in line with expectations
- Actively pursuing further acquisitions

ACQUISITION OF POLITICAL WIZARD

- Key strategic step
 - Digital
 - Fast growing
 - Subscription income
 - Full service client offering
 - UK and EU
- Doubles customer base
- Earnings enhancing in first full year of ownership

Leading online political monitoring business in UK
and EU

- Political Wizard
- European Wizard
- Campaign Wizard
- PMS Parliamentary Companion

Transaction structure

- Total cash consideration of £4.88 million
- £0.58m deferred until transfer of technology complete
- Funded by £5.4 million loan from Bank of Scotland

Proforma Earnings

£'000	<u>£'000</u>
Monitoring Revenue	780
Publications	120
Total Revenue	900
Expected costs	450
Expected EBITDA	450

Historical Earnings

£'000	<u>2005</u>	<u>2004</u>
Revenue		
- Monitoring	592	406
- Publishing	128	139
- Other	97	48
Total Revenue	817	593
Operating Profit	108	(19)

QUESTIONS