



+12%

DMG WORLD MEDIA HAS HAD ANOTHER RECORD YEAR, BUILDING ON STRONG PERFORMANCES IN PRIOR YEARS.

An international business
dmg world media is an international business, running shows and publications in 20 countries from its 38 offices in the US, Canada, Brazil, the UK, France, UAE, China, Australia and New Zealand.

Operating profit increases
dmg world media reported an increase in its underlying operating profit* of 12% in 2004.



Charles Sinclair
Chairman (left)
Mike Cooke
Chief Executive Officer (right)

dmg world media Financial highlights

Turnover

2004: £145m

Operating profit*

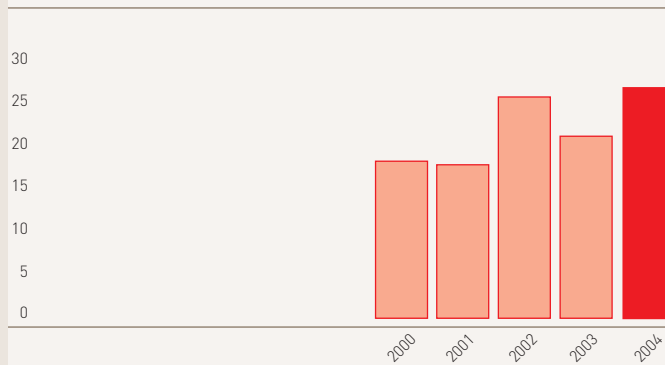
2004: £26m

% of Group turnover

2004: 7%

* Adjusted operating profit (before amortisation and impairment of intangible assets)

dmg world media Growth in operating profit* (£ million)



dmg world media is one of the world's leading international exhibition companies. It aims to be its customers' first choice, helping them to do business together and make informed choices through its range of exhibitions and related print and new media products.

2004 was a record year, reporting an increase in operating profit* of 26% over last year. This was due in part to a number of large non-annual events taking place, including the Global Petroleum Show in Calgary, the reporting of two Index shows in Dubai (Index 2004 was brought forward from October 2004 to September 2004 due to Ramadan) and to a number of acquisitions. This strong result was despite the fact that half of dmg world media's

revenue was generated in the North American market where the continuing weakness of the US dollar had a significant adverse effect. Adjusting for these non-annual shows and foreign exchange, the underlying operating profit grew year on year by 12% on a turnover which grew by 6%.

2004 was a much better year for the exhibition business overall, when compared with 2003. Despite the conflict in Iraq, dmg world media's business performed well in the Middle East. However, the four hurricanes in Florida this September did affect a number of shows, forcing two shows to be cancelled, one show to close early and reducing visitor levels at the September Surf Expo Show. Continued strong management, tight cost control and the high level of commitment from its staff has meant that dmg world media has held some of its largest events ever this year, including both Index shows and The Big 5 in Dubai, Surf Expo (January) in Orlando and the Daily Mail Ideal Home Show in London. For the second year running, Surf Expo was honoured by Trade Show Week as one of the 50 fastest growing shows in the US. The Suburban Home and Garden show in Philadelphia also made the list this year.

Launches and acquisitions are an integral part of dmg world media's growth strategy. In 2004 there were 12 new product launches compared with 11 in 2003. The 2004 launches included five new home shows – two in the US, and one each in the UK, Canada and Australia; a number of new shows at its Business Media division including shows in South Korea, China and Morocco; and a new antiques fair in France. In addition, dmg world media completed seven fill in acquisitions – five in North America and one each in the UK and New Zealand. dmg world media is planning to launch a further eight shows in the coming year.

dmg world media is expecting continued strong growth in its underlying business, although overall profits are likely to be lower due to a number of large non-annual shows and Index not reporting in 2005. The new financial year has already started well, with a successful second edition of the Autumn Ideal Home Show in London, which again beat expectations in terms of both exhibitor space sales and visitor attendance.