

EUROMONEY INSTITUTIONAL INVESTOR



+25%

A MIX OF ORGANIC GROWTH, TIGHT CONTROL OF COSTS AND FOCUSING ON HIGH MARGIN PRODUCTS LED TO FURTHER PROFIT IMPROVEMENTS.

Financial publishing
Absolute Return is a leading authority for the US hedge fund industry. It contributed to the strong performance of the high growth HFI business.

Conference revenues accelerate
The conference businesses had an excellent year with revenues up 25% helped by the acquisition of IMN. IMN is the world leader in events for the securitisation and indexation sectors and revenues of its annual Global Asset Securitisation event in Barcelona in June grew by a third.



Padraic Fallon
Chairman (left)
Richard Ensor
Managing Director (right)

Euromoney Institutional Investor Financial highlights

Turnover

2004: £175m

Operating profit*

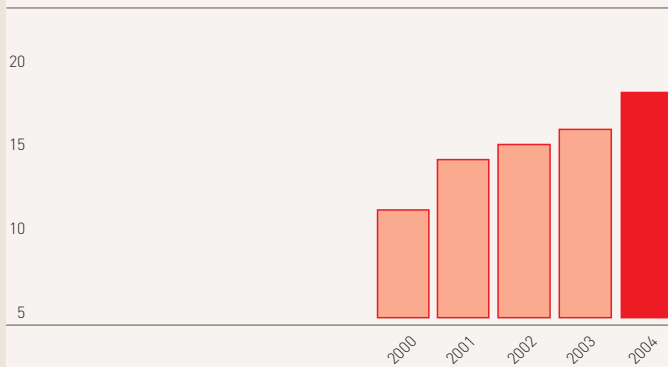
2004: £31m

% of Group turnover

2004: 8%

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

Euromoney Institutional Investor ISI revenue (US\$ million)



The profits of many of Euromoney's publishing businesses fell due to a combination of weak advertising revenues and the decline in the US dollar. However, advertising revenues showed signs of recovery and there was a continued strong performance from the events and training businesses.

In general, Euromoney's traditional financial advertisers have been slow to increase their advertising spend in spite of better market conditions. Financial advertising revenues, excluding Hedge Fund Intelligence (HFI), fell 4%. Institutional Investor was the only major title to increase advertising revenues over the year although Euromoney magazine saw a marked improvement in the second half. Both titles were helped by strong

performances from emerging markets, particularly Eastern Europe and Asia. In contrast, the recovery in advertising from the key London and New York financial centres has been slow.

The weakness in advertising meant that profits* from financial publishing (excluding HFI) fell by £1 million. However HFI, acquired in August 2003, has performed well ahead of expectations since acquisition.

Profits* from business publishing increased by £0.9 million despite a fall in revenues. Gulf, the Houston-based energy publisher, the legal publishing business, and Engel, the pharmaceutical marketing publisher, all experienced a strong second half advertising recovery.

The conference businesses had an excellent year, helped by a better than expected contribution from Information Management Network (IMN). Excluding IMN, conference revenues increased 25%. Euromoney Conferences was the best performer. Euromoney Seminars and Institutional Investor Memberships also had good years. Adhesion's profits increased as a result of a good contribution from the biennial Vinisud wine exhibition.

The results of the last three years have demonstrated the value of conference businesses, particularly ones that are predominantly sponsor-driven, as a more robust revenue stream than advertising. This has reinforced Euromoney's strategy of expanding its portfolio of market-leading annual events through a mixture of organic and acquisition growth. IMN's performance since acquisition in February has exceeded expectations.

Euromoney's training businesses also had an excellent year, continuing the growth begun in 2003. The businesses benefited from continued investment in new courses and marketing to increase delegate numbers. The financial and legal training businesses depend heavily on the performance of the global and emerging market financial institutions. Both have increased hiring and training budgets during the year which, combined with an improved travel outlook, has helped trading conditions.

Operating profits* from databases and information services increased by £0.6 million. Stronger emerging markets helped ISI, the electronic information service on emerging markets, have one of its best sales periods for several years. Subscription revenues increased by 14%. During the year, ISI expanded its service to cover a further 15 countries, bringing the total to more than 60, with nearly 9,000 information sources now available to subscribers.

The benefits of this investment, and the contribution from high growth businesses such as ISI, HFI and IMN, will form the base for stronger organic growth in 2005 and beyond.