



Embargoed until 7am

5 March 2010

Disciplined and resilient performance in tough year

Results for the Year Ended 31 December 2009

Key Results

	2009	2008
Revenue	£847.6m	£887.0m
Adjusted operating profit	£171.2m	£173.5m
Adjusted EPS	55.1p	57.0p
Dividend per share	24.2p	23.8p
Statutory group operating (loss)/profit	£(25.8)m	£107.6m
Statutory profit after tax	£81.8m	£82.7m
Statutory EPS	30.9p	31.5p
Statutory EPS (diluted)	30.5p	30.8p

Financial Highlights

- Strong margins maintained; adjusted operating profit flat
- Robust operating cash flow; cash conversion up to 102.0% (2008 - 100.1%)
- Continuing cost discipline - headcount reduced by 479 during 2009
- Emerging markets revenue up 35.9%: c.20% of UBM adjusted operating profits from China, India & Brazil (2008 - c.15%)
- £46.5m payment in March 2010 to settle major tax issues, £135.2m tax creditor release
- £153m impairment charge reflects structural pressures on print-heavy units
- Exceptional charge of £16.5m for restructuring costs
- Positive FX contribution: at constant currency, revenues declined 15%, adjusted operating profit down 13%
- Balance sheet remains strong - debt / EBITDA 1.2 times; cash & undrawn facilities of £467.1m

Trading Highlights

Resilient Events performance: 51% of adjusted operating profits (2008 - 47%)

- Revenues down 1.5%, adjusted operating profit up 6.1%, margins up 2.2 points to 30.3%
- Very strong H2 biennial tradeshow performance; revenues up 55% on 2007

Solid performance in Data, Services & Online: 22% of adjusted operating profits (2008 - 18%)

- Revenues up 3.4%, adjusted operating profit up 22%, margins up 2.5 points to 16.3%

Active management of Print - magazine portfolio: 5% of adjusted operating profits (2008 - 14%)

- Revenues down 23.1%, adjusted operating profit down 62.8%, margins down 5.7 points to 5.4%

Robust performance in Targeting, Distribution & Monitoring: 26% of adjusted operating profits (2008 - 25%); revenues up 4.6%, adjusted operating profit up 3.5%, margins down 0.3 points to 27.8%

Outlook

Overall, the outlook for underlying performance in 2010 is stable; UBM is well positioned for medium term growth in Events; Data Services & Online; and Targeting, Distribution & Monitoring which now account for 95% of UBM's adjusted operating profit before corporate operations.

Events: Robust performance expected to continue, especially in high growth emerging markets

- 12 month forward bookings for top 20 annual events down 1.7%

Data, Services & Online: Modest revenue growth anticipated in 2010

- Further investment to support print / digital transition pressures margins slightly

Print - magazines: Continued management towards more focused print portfolio in medium term

- Further revenue falls and title closures anticipated but margins stable

Targeting, Distribution & Monitoring: On track for modest revenue growth in 2010

- Performance driven by multimedia products and international
- Margins in mid-20s as investment continues

David Levin, Chief Executive Officer of UBM said:

“UBM produced a disciplined and resilient performance in 2009. We continued to make progress both strategically and operationally in all of our divisions. We have reshaped our businesses towards market opportunities that provide sustainable growth revenue streams and we are increasingly well positioned to take advantage of global economic recovery. The Board has declared a second interim dividend of 18.2p, bringing the full year dividend to 24.2p, a 1.7% increase on 2008 (2008 - 23.8p).”

“Our Events business traded well in 2009, contributing more than half our adjusted operating profits and demonstrating the growing importance of market-leading face to face events in the digital age. Our large tradeshows fared particularly well with our top 20 annual events – which contribute around half of our events revenue and over two thirds of our events adjusted operating profits – growing nearly 12%. As expected our second half biennial shows in Asia and Europe were notably strong.”

“The performance across our Data, Services & Online business was satisfactory with margins improving by 2.5 percentage points. In Targeting, Monitoring & Distribution we maintained our share of US news distribution market and held our margins while market volumes shrank 3.1%. We continue to grow our multimedia news release business and to broaden our product portfolio to address the opportunities offered by the web as well as expanding our international operations.”

“We continued to progress UBM’s strategic development. Our long term strategy to build our business in emerging economies is proving successful, with China, India and Brazil now contributing over 20% of UBM’s adjusted operating profits and nearly 14% of our revenues, representing revenue and adjusted operating profit growth of more than 35%. Our revenues from the rest of Asia Pacific, Latin America, Africa and Middle East amounted to a further £41.0m, up 17.1% on 2008. These territories contributed 4.5% of UBM’s adjusted operating profits in 2009 (2008 - 3%).”

“We are pleased to have resolved our decade-long dialogue with the UK tax authorities over the tax payable on the sale of our Regional Newspapers business in 1998. We have agreed to make a payment of £46.5m in settlement of this and a number of other tax issues. This, together with the resolution of a number of other tax matters, has resulted in a release of £135.2m of our previous tax creditor.”

“We go into 2010 with our strategy clearly defined and with the operational and financial resources in place to implement that strategy. Despite the tentative and uneven economic recovery we see across our markets, we believe we are very well positioned for profitable growth in the medium term.”*

David Levin
Chief Executive Officer, UBM
5 March 2010

* A detailed outlook by UBM business segment is given in Section 2.5.

Contacts

Media

Peter Bancroft
E-mail communications@ubm.com
Direct telephone +44 20 7921 5961

Chris Barrie
E-mail chris.barrie@citigatedr.co.uk
Direct telephone +44 20 7282 2943
Mobile +44 796 872 72 89

Analysts / Investors

E-mail investorrelations@ubm.com
Direct telephone +44 20 7921 5095
Robert Gray +44 20 7921 5019
Andrew Crow +44 20 7921 5940

A live webcast of the results presentation will be made available from UBM's website from around 8.30am, 5 March 2010. To access the webcast please go to www.ubm.com.

A video recording of the webcast will also be accessible from UBM's website, www.ubm.com.

Notes to Editors

About UBM

UBM is a leading global provider of events; data, marketing and information products; print products; and targeting, distribution and monitoring services to specialist business communities. Our 5,800 staff in more than 30 countries are organised into specialist teams that serve these communities, helping them and their markets to work effectively and efficiently.

For more information, go to www.ubm.com



Results for the year ended 31 December 2009

Contents	Page
1. Summary group income statement	5
2. 2009 review	6
3. Acquisitions	14
4. Dividend	15
5. Cash flow and cash conversion	15
6. Financing and interest expense	15
7. Currency	16
8. Tax	16
9. Pensions	17
10. Exceptional items	17
Financial report	19

1 Summary group income statement

The table set out below presents selected items from UBM's consolidated income statement (which accompanies this summary), together with a reconciliation to non-GAAP measures, which we provide to assist in the comparison of the results between periods.

	Year ended		%
	2009 £m	2008 £m	
Revenue	847.6	887.0	(4.4)
Group operating profit before exceptional items	143.7	146.7	
<i>Add back:</i>			
- Amortisation of intangible assets arising on acquisition	26.8	26.1	
- Depreciation	13.2	12.9	
- Share of tax on profit in JVs and associates	0.7	0.7	
EBITDA¹	184.4	186.4	
Depreciation	(13.2)	(12.9)	
Adjusted operating profit²	171.2	173.5	(1.3)
Net interest costs	(13.0)	(6.4)	
Financing income:			
- Pension schemes	2.2	4.4	
- Foreign exchange gain on forward contracts	4.7	-	
Adjusted profit before tax³	165.1	171.5	(3.7)
Net financing income - other	2.9	0.3	
Net financing expense - other	(6.7)	(4.6)	
Amortisation of intangible assets	(26.8)	(26.1)	
Exceptional items:			
- Restructuring	(16.5)	(39.1)	
- Impairment	(153.0)	-	
(Loss) / Profit before tax	(35.0)	102.0	
Taxation	(18.4)	(20.9)	
Tax on exceptional items	-	1.6	
Exceptional tax credit	135.2	-	
Profit after tax	81.8	82.7	
Minority interest	(6.6)	(6.3)	
Attributable profit	75.2	76.4	
Dividend (pence)	24.2	23.8	1.7
Adjusted EPS (pence) ⁴	55.1	57.0	(3.3)
Adjusted EPS (diluted) - (pence) ⁵	54.2	55.8	(2.9)
EPS (pence)	30.9	31.5	(1.9)
EPS (diluted)	30.5	30.8	(1.0)

¹ EBITDA is adjusted group operating profit before depreciation.

² 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.

³ Adjusted profit before tax is before amortisation of intangible assets arising on acquisitions, exceptional items, share of taxation on profit from joint ventures and associates, net financing expense – other and excluding discontinued operations.

⁴ Adjusted earnings per share is before amortisation of intangible assets arising on acquisitions, certain exceptional items, deferred tax on intangible assets, taxation relating to exceptional items and net financing expense - other.

⁵ Adjusted diluted earnings per share is before amortisation of intangible assets arising on acquisitions, certain exceptional items, deferred tax on intangible assets, taxation relating to exceptional items and net financing expense - other, after adjusting for the impact of share options.

2 2009 Review

2.1. Summary of operating results

The table below presents the revenue and adjusted operating profit for our business segments – Events; Data, Services & Online; Print - magazines; and, Targeting, Distribution & Monitoring.

	Revenue				
	2009 £m	2008 £m	Change %	Constant currency change %	Under- lying ² %
Events	287.5	291.8	(1.5)	(12.1)	(8.8)
Data, Services & Online	232.9	225.3	3.4	(9.3)	(9.2)
Print - Magazines	165.8	215.6	(23.1)	(30.3)	(18.6)
Targeting, Distribution & Monitoring	161.4	154.3	4.6	(9.1)	(9.6)
	847.6	887.0	(4.4)	(15.2)	(11.1)

	Adjusted operating profit ¹				
	2009 £m	2008 £m	Change %	Constant currency change %	Under- lying ² %
Events	87.2	82.2	6.1	(6.0)	(9.9)
Data, Services & Online	37.9	31.1	21.9	7.4	0.9
Print - Magazines	8.9	23.9	(62.8)	(65.8)	(49.9)
Targeting, Distribution & Monitoring	44.8	43.3	3.5	(9.7)	(13.8)
Corporate Operations ³	(7.6)	(7.0)	8.6	n/a	n/a
	171.2	173.5	(1.3)	(13.0)	(13.9)

¹ Adjusted operating profit is operating profit excluding amortisation of intangible assets arising on acquisitions, exceptional items and share of taxation on profit from joint ventures and associates.

² Underlying: adjusted for the effects of acquisitions, discontinued products, foreign exchange and biennial events.

³ Corporate operations comprises net central operating costs, together with those equity accounted investments which do not form part of one of the group's operating divisions.

2.2. 2009 summary

In 2009 UBM delivered a disciplined and resilient operational and financial performance in a very difficult worldwide economic environment. We maintained our strong cash flow, margins and Sterling-reported profits, although underlying profits fell 13.9%. We have maintained our second interim dividend which, together with the first interim dividend, represents a modest increase of 1.7% for the year as a whole.

Despite extremely challenging conditions in many of our markets, our major growth segments (Events; Data, Services & Online; Targeting, Distribution & Monitoring) all performed robustly, with notable results from our larger tradeshows, Asian operations and

online activities. During the year we continued to ensure that we maintained a cost base appropriate to market conditions. The principal focus of our action was on our Print - magazine segment which faced the challenge of combined acute structural and cyclical pressures and reported a 30.3% revenue reduction year on year in constant currency terms. In response we closed 31 titles.

During the year we built our businesses in markets and geographies which offer opportunities for sustainable, profitable growth. Live events are of growing strategic importance to UBM: in 2009 we ran more than 300 events and our wider event portfolio generated more than half of our profits. Live events have a strong future in the digital age. We also see developing business opportunities in linking live events and online 'virtual' products as part of a rich, integrated offering to specialist communities.

Despite 2009's economic conditions we continued to expand our successful products and services, particularly tradeshows, in fast-growing emerging economies. This has been a long term UBM strategic priority and a key element in driving profitable growth in the future. Our primary – but not exclusive – focus has been on China, India and Brazil. Of these, our largest presence is in China where we now employ over 700 people. We have recently appointed a senior executive to represent UBM in Beijing to build our governmental relationships at all levels and to facilitate our expansion across China. In 2009 the revenues we generated in China, India and Brazil grew nearly 36% and these countries contributed over 20% of our profits, doubling their contribution since 2006.

In 2009 we invested £27.7m in the acquisition of four new businesses, and increased our stake in a fifth. These were all 'bolt-on' acquisitions to advance the development of our existing businesses. Acquisitions made in the last three years continue to perform well, generating an aggregate return on investment of 9.2% in 2009, reinforcing our track record of selecting good acquisition targets, acquiring them at attractive valuations and integrating them effectively.

In 2009 we continued to make progress both strategically and operationally in all of our divisions and we are increasingly well positioned to generate superior returns as the global economy recovers.

2.3. UBM strategy summary

In 2009 we have continued to implement our clearly defined strategy. UBM organises live events and provides marketing services, data, communications and media products and services which support the business activities of specialist communities in a wide range of countries worldwide. By operating close to these communities, our businesses have the deep market insight to develop the best possible products and services. We deploy our core skills across and between markets, transferring best practice and innovation from one community to another, from one geography to another, from one product type to another.

Our strategy for profitable growth targets products and markets which will prosper in the emerging digital age and which provide us with global growth opportunities. Our focus is on developing our live events (in particular tradeshows), our specialist data and online businesses, and our targeting, distribution and monitoring business. We are building our businesses in fast-growing, emerging markets, with a particular emphasis on China, India and Brazil. We also invest to acquire businesses that can accelerate our growth in markets, communities and geographies. We continue to manage our remaining print magazines appropriately in a difficult structural context; however we see a long term role for leading print titles in the overall future media mix.

2.4. 2009 business review

2.4.1. Events – UBM's largest business

	2009 £m	2008 £m	Reported change %	Underlying growth %	Constant currency %
Turnover	287.5	291.8	(1.5)	(8.8)	(12.1)
Operating Profit	87.2	82.2	6.1	(9.9)	(6.0)

In 2009 our events portfolio generated 33.9% of UBM's total revenue (2008 - 32.9%) and 50.9% of total adjusted operating profit (2008 - 47.4%). Revenue fell by 1.5% to £287.5m (2008 - £291.8m) and adjusted operating profit increased by 6.1% to £87.2m (2008 - £82.2m). These results reflect lower Sterling exchange rates; on a constant currency basis revenues and adjusted operating profit were down 12.1% and 6.0% respectively.

Our Events portfolio proved its resilience in 2009, with sales of exhibition stand space of nearly 1 million square metres in line with 2008 (including 87,000 square meters at 2009 biennial shows, up from 76,000 for 2008 biennials). We hosted more than 1,250,000 visitors across our 300 events worldwide, up 10% on the prior year. Notably, stand revenues excluding biennial events were up 12% over 2008 at reported exchange rates, and were flat in constant currency terms. These stable stand revenues were offset by weaker paid attendee and sponsorship revenues, reflecting cyclical pressures on corporate travel and marketing budgets. The impact of this reduction was concentrated at our paid attendee US technology events. Attendee revenues contribute around 10% of our overall Events revenues.

Our major event franchises, such as CPhI and Cosmoprof ran successfully during the year. We saw particularly good performances from our Asia events such as the September Hong Kong Jewellery Show (now our largest event and the largest jewellery show in the world), Furniture China and CPhI China, all of which grew by more than 10%.

Our biennial tradeshows were also very strong, notably the Marintec China show in Shanghai and Food Ingredients Europe in Frankfurt, both of which ran during the second half of the year. Overall, biennial events contributed revenue of £29.7m and adjusted operating profit of £13.9m, up from £18.0m and £5.9m respectively in 2008, and notably, up from £19.1m and £7.6m from the 2007 editions.

The performance of our events in Japan and in the UK's construction and property-related sectors reflected difficult market conditions, as previously indicated.

Despite the difficult environment in 2009 we continued to geo-clone our successful events, particularly in emerging economies. Worldwide we launched a total of 36 new events in 2009, including 15 in China, India and Brazil, taking our total number of events in these countries to 59, up from 44 in 2008. In India we ran a total of 22 shows in 2009, compared with just three in 2006 and we launched eleven new events including the Jewellery Show (Chennai), Informex India, Footwear Manufacturing (New Delhi) and Interop India. The events traded successfully, helping lay the foundations for our future growth in this rapidly growing economy. We also took our BSEC event (Built Environment for Schools) to the Middle East for the first time.

Events are a key focus of UBM's growth strategy, founded on our belief in the growing importance of live, 'in person' interaction in the digital age and its role in sustaining and advancing the development of commercial communities. The events market provides us with substantial profitable growth opportunities which are both resistant and complementary to digital developments taking place in other media markets. We are increasingly well placed to

use the combined strengths of our global operational infrastructure and of our in-depth knowledge of the specialist communities we serve to deliver successful, profitable, 'in person' events worldwide.

Forward bookings for our top 20 annual events due to run over the next twelve months are currently 1.7% below last year's level. Our top 20 annual events contribute around half of our events revenues and over two thirds of our events profits. For a more detailed business by business Outlook, see Section 2.5.

2.4.2. Data, Services & Online

	2009 £m	2008 £m	Reported change %	Underlying growth %	Constant currency %
Turnover	232.9	225.3	3.4	(9.2)	(9.3)
Operating Profit	37.9	31.1	21.9	0.9	7.4

Our Data, Services & Online businesses generated 27.5% of UBM's total revenue in 2009 (2008 - 25.4%) and 22.1% of total adjusted operating profit (2008 - 17.9%). Revenue rose by 3.4% to £232.9m (2008 - £225.3m) and adjusted operating profit climbed by 21.9% to £37.9m (2008 - £31.1m). On an underlying basis, revenues and adjusted operating profit down 9.2% and up 0.9% respectively.

Overall the performance across the Data, Services & Online segment was satisfactory with margins improving by 2.5 percentage points to 16.3% (2008 - 13.8%). Margins increased due to cost savings, favourable exchange movements and higher margins in acquired businesses and new products such as virtual events moving from loss into profit. Reflecting the diverse markets and geographies in which we operate, the results for individual products and businesses were mixed, with structural market shifts and the year's tough economic conditions having different impacts.

During 2009 we continued to invest in the development of innovative, customised marketing solutions which deliver empirical metrics of engagement (and return on investment) with increasingly targeted customer audiences. Reflecting the shift in demand towards these products, as well as the cyclical economic pressures on marketing spend, traditional online banner advertising revenues declined by around 10% on a constant currency basis in the year.

Across our data-oriented products, Vidal (drug information directories) performed well and ABI (construction health and safety data) in the UK reported good sales growth but tough trading conditions drove lower revenues in electronics (Semiconductor Insights), aviation (OAG), trade and transportation (PIERS) and Paper & Forestry markets (RISI).

Over the last several years we have invested in the development of our virtual events. In 2009 we ran a total of 38 virtual events, more than double the number we ran in 2008. Our virtual events included recruitment and careers fairs, content-rich seminars and conferences, as well as expo-type events. The majority of our virtual events took place within the technology market but we also ran events in markets such as UK commercial property, cruise shipping and US healthcare.

The rapid growth in the number of these events and their attractive audience engagement metrics have led to increasing sponsorship by our major customers. This demonstrates the ability of virtual events to provide a powerful, cost effective means of bringing customers together to engage and to interact with branded business content and as well as a means of building professional business community interaction. We now run a number of our live virtual and 'in person' tradeshow events in parallel and we believe there is a symbiotic

relationship between virtual and 'in person' tradeshows which is generating significant business opportunities.

To reinforce our leadership position in virtual events, we established UBM Studios to provide support across UBM, enabling us to deliver a range of specialised, engaging online interactive products to the communities we serve, complementing the other on- and offline products offered by our businesses (see www.ubmstudios.com for examples).

Revenues generated from other forms of online products such as net seminars, webcasts and webinars remained broadly in line with 2008. Notably, in 2009 our virtual events moved into profit after two years of investment.

We see significant strategic opportunities in building data-intensive services and products for specific, niche markets. After significant investment at the UBM Aviation business, we launched a new technology platform to facilitate migration away from the business's legacy mainframe systems. The new platforms allow us to enhance the existing products and to develop new products which better exploit our rich data resources. Similarly we are investing in the development of our healthcare business's global Drug Information System capabilities and in 2009 we also made further progress in converting print data products to digital products such as Vidal and MIMS in Asia.

In 2009 we made two acquisitions in the Data, Services & Online business segment. We acquired Iasist (www.iasist.com) for a total cash consideration of €6.4m. Iasist is a provider of benchmarking data and software to regional health authorities, hospitals and other health service providers, principally in Spain and Portugal. The acquisition further expands our range of healthcare data solutions, both in Iberia and beyond. We also acquired the remaining 48% equity of RISI, Inc (www.risiinfo.com) for a total cash consideration of \$14.3m.

2.4.3. Print - magazines - structural change and economic downturn

	2009 £m	2008 £m	Reported change %	Underlying growth %	Constant currency %
Turnover	165.8	215.6	(23.1)	(18.6)	(30.3)
Operating Profit	8.9	23.9	(62.8)	(49.9)	(65.8)

In 2009 Print - magazines generated 19.6% of UBM's total revenue (2008 - 24.3%) and 5.2% of adjusted operating profit (2008 - 13.8%). 2009's economic conditions accelerated the long term structural decline in print advertising revenues, resulting in UBM's Print - magazine portfolio reported revenue falling 23.1% to £165.8m (2008 - £215.6m) and adjusted operating profit of £8.9m, down from £23.9m in 2008. On an underlying basis, revenue and adjusted operating profit fell 18.6% and 49.9% respectively. On a constant currency basis revenue and adjusted operating profit were down 30.3% and 65.8% respectively.

We continued to take action to mitigate the effects of both structural decline and cyclical pressures on revenues, closing 31 titles as well as merging and reducing the frequency of a number of other titles. These actions resulted in a reduction in revenue and adjusted operating profit of £31.8m and £6.5m respectively. Our exceptional charge of £16.5m largely reflects the costs of taking these actions. The margins generated by our Print - magazine business recovered in the second half to 7.1%, compared with the 3.8% achieved for the first half of the year.

The B2B magazine world remains significantly over-published in the developed world and a significant number of titles will close in the coming years. In many - but not all - of the markets we serve, there will continue to be sufficient demand to support one or two leading titles, a position which each market will reach by means of a "last man standing" process. We continue to manage our print portfolio actively towards a medium term goal of a smaller,

commercially sustainable, more profitable portfolio in which most titles operate as part of an integrated portfolio of products serving a particular community.

Reader demand for quality content in print remains robust in many markets and geographies. We continue to see opportunities in emerging economies for new print titles and during 2009 we launched a number of new publications to test markets in India. In addition data derived from registrations for controlled circulation publications, particularly those serving the US technology markets, represent an important resource for our event lead generation and performance marketing businesses, providing them with a significant competitive advantage over their 'internet only' competitors.

2.4.4. Targeting, Distribution & Monitoring - opportunities in converging communications markets

	2009 £m	2008 £m	Reported change %	Underlying growth %	Constant currency %
Turnover	161.4	154.3	4.6	(9.6)	(9.1)
Operating Profit	44.8	43.3	3.5	(13.8)	(9.7)

Targeting, Distribution and Monitoring generated 19.0% of UBM's total revenue (2008 - 17.4%) and 26.2% of adjusted operating profit (2008 - 25.0%). Revenue rose by 4.6% to £161.4m (2008 - £154.3m) and adjusted operating profit rose 3.5% to £44.8m (2008 - £43.3m) although these results reflect favourable exchange rate movements on the results of the US business. We continued to invest in the business and capital expenditure at PR Newswire was £5.6m (2008 - £5.5m). Notwithstanding the increased depreciation charges from our historic and continued investment in the business, margins were broadly flat (dropping 0.3 percentage points).

The business was affected by difficult economic conditions, lower aggregate levels of corporate and market activity and the associated general reduction in marketing and communications expenditure. In the US news distribution business, which generated nearly 50% of overall 2009 revenues, we maintained market share, although message volumes across the market fell by 3.1%. The fall in aggregate volume was concentrated in the first half of the year with the market recovering to end the second half of the year flat.

Non-wire targeting and monitoring products in the US were also affected by lower levels of corporate spending. However we saw strong growth in the volume of multimedia news releases (up 35%) and in the hosted website engagement products, MediaRoom and IR Room (up almost 65%). Our significant presence in these markets was enhanced during the year by the acquisitions of the Fuel Team (a provider of specialist website modules for communications professionals) and Virtual Press Office (PR services provider for the Events industry) for a total of \$9m.

The performance outside North America was mixed with challenging trading conditions in the UK, Mexico and Dubai but with strong growth in France and Germany. Revenue growth in China and the rest of Asia was also good despite the weak Chinese IPO market which has previously contributed a significant proportion of revenue. Growth in other emerging markets (India, Brazil, Argentina and Russia) has also been strong. These emerging markets contributed nearly 5% of total revenues (2008 - 3.3%) and in aggregate grew by more than 20% in the year.

In addition to our continued geographical expansion, we see market opportunities arising from the convergence of marketing, public relations, investor relations and corporate communications practice, a shift which is being driven by the fragmentation of traditional media and the rise of social and online media. We aim to leverage our core global

distribution capabilities to take advantage of these opportunities, by means of organic product development and acquisitions. Revenues in these areas already substantially outstrip those generated in the regulatory disclosure market, with just over 17% of total revenue being generated in this area, the remainder being accounted for by communications, PR and marketing.

We are creating new cost-effective marketing products and services to support our customers' development of ongoing, interactive relationships with increasing specifically-targeted audiences. During the year we launched a number of new products such as Social Media Monitoring, an intelligence tool that enables communications professionals and marketers to monitor, analyse and measure the impact of what is being said about an organisation, a brand, a spokesperson or a competitor across the social media landscape.

In addition to new products, we also enhanced existing products, including visibility reports, online proofing to news releases within the Online Member Centre, as well as completely overhauling the main PR Newswire website and its supporting IT systems (see www.prnewswire.com). The investment made during 2009 is reflected in the profit margin, which, together with the decline in revenue, accounts for the fall from 28.1% in 2008 to 27.8% in 2009.

Virtual Press Office, acquired in December, will be integrated with our existing global events platform to position the Targeting, Distribution and Monitoring business as the leading marketing and communications service provider in the US live event market. Announcements relating to live events already account for 8.1% of total releases in the USA and are in the top 3 of all categories of releases. This service will be used across UBM's global events portfolio, as well as by other event organisers, exhibitors and attendees worldwide. The business will also be well placed to continue its growth beyond the domestic US market both through its access to UBM's global tradeshow and other live event portfolio, as well as through VPO's existing extensive relationships with leading event organisers around the world, particularly in Europe and Asia.

2.5. Outlook

Our overall underlying trading performance is stable. Our Events business is performing well and we see long term opportunities in this and in our Data, Services & Online and our Targeting, Distribution & Monitoring businesses. We anticipate continued contraction in print and, given the tentative and uneven economic recovery, have limited visibility on attendee revenues and client marketing spend. Our Asian and emerging market positions are set to continue to grow - and this represents an increasing part of our business.

In the light of these factors, we believe UBM is increasingly well positioned for sustainable, profitable growth in the medium term.

We note that 2010 is a 'negative' biennial year for our Events portfolio and that the exchange rate for 2010 may be significantly different from the \$1.57 average rate in 2009.

2.5.1. Outlook for Events

In 2009 our Events portfolio contributed 33.9% of UBM's revenues and 50.9% of adjusted operating profits.

In aggregate we expect the robust performance of our Events portfolio to continue, particularly in high growth emerging markets. Forward bookings for our top 20 annual events running in the next twelve months – which contributed around half of our total events revenue and over two thirds of total events adjusted operating profits in 2009 – are 1.7% lower than at this point last year. However because we will run fewer of our large biennial tradeshows in 2010 than in 2009, revenues will be lower. 2009 biennial revenues were £29.7m and 2008 biennial revenues were £19.9m at a constant currency rates.

We anticipate that events which serve markets and geographies that continue to be affected by the downturn, such as the UK furniture industry and our events in Japan, will continue to contract modestly in 2010. Our UK furniture show which ran in January 2010 was down by 10% although rebookings for the January 2011 event were 12.5% up.

In comparison to our exhibitor-paid events, we have limited visibility on our US paid attendee events which are predominantly US technology events such as Game Developer Conference, Interop and Black Hat and note that the pattern of attendee bookings has shifted significantly later. Paid attendee revenue represents around 10% of our total events revenue.

We believe our Events business is well placed to generate medium term growth in excess of GDP. Given our focus on emerging markets within that portfolio, we are anticipating trough to trough or peak to peak growth across the portfolio of around GDP plus 3-5% a year in the markets we serve.

2.5.2. Outlook for Data, Services & Online

In 2009 our Data, Services & Online activities contributed 27.5% of UBM's overall revenues and 22.1% of adjusted operating profits.

The Vidal drug information products have largely traded for 2010 and are in line with our expectations. We anticipate that the results of our subscription data products will reflect reduced 2009 renewals.

We believe our Data, Services & Online business is well placed to secure medium term growth in excess of GDP.

We see significant strategic opportunities to invest in data-intensive services & products serving specific markets. We continue to migrate data products to workflow solutions.

2.5.3. Outlook for Print - magazines

In 2009 our Print - magazine business contributed 19.6% of UBM's overall revenues and 5.2% of adjusted operating profits.

We continue to manage our Print - magazine portfolio actively in response to intense structural and cyclical pressures. Our medium term goal is to establish a smaller, commercially sustainable, more profitable portfolio. The proportion of UBM's revenues generated by print magazine products will continue to fall and we anticipate that it will be less than 15% by the end of 2010.

2.5.4. Outlook for Targeting, Distribution & Monitoring

In 2009 our Targeting, Distribution & Monitoring business contributed 19.0% of UBM's overall revenues and 26.2% of adjusted operating profits.

Our share of the US news distribution market – which generates nearly half of revenue – has been stable in 2009 but overall market volumes declined 3.1% over the year, principally in the first half of the year.

We continue to grow our non-wire, multimedia and online products such as ProfNet, MultiVu and MediaRoom. We expect to continue to expand our revenues generated in China, Europe and Latin America.

We believe our Targeting, Distribution and Monitoring business is well placed to secure medium to long term growth in excess of GDP. While we expect continued competitive pressure in the US news distribution market, particularly in lower value text-based releases,

we see significant growth opportunities in web-based multimedia, monitoring and targeting products and in driving the business's international growth.

3 Acquisitions

In 2009 we invested £27.7m in the acquisition of four new businesses, and increased our stake in a fifth. Our investment comprised cash of £22.7m (net of cash acquired) and deferred contingent consideration of £5.0m. We also made payments totalling £10.1m in respect of earnouts relating to acquisitions made in prior years.

2009 Acquisitions	Initial consideration net of cash acquired** £m	Deferred consideration £m	Total consideration £m
Iasist - 3/7/09	5.5	-	5.5
RISI (remaining 48%) - 3/7/09	8.7	-	8.7
The Fuel Team - 31/7/09	1.5	2.8	4.3
CIOE (70% interest)* - 27/8/09	3.0	-	3.0
Virtual Press Office - 14/12/09	4.0	2.2	6.2
	22.7	5.0	27.7

* Subsequently transferred to eMedia joint venture with Global Sources Inc.

** Excluding working capital adjustments and acquisition costs.

Contingent deferred consideration	Total £m
At 1 January 2009	38.6
Change in estimate	(5.7)
Acquisitions during the year	5.0
Earnouts paid	(10.1)
Foreign exchange gain	(2.7)
At 31 December 2009	25.1

Acquisition performance

	Consideration £m *	Pre-tax return on investment		
		2007	2008	2009
2007 acquisitions	91.2	10.4%	9.1%	9.3%
2008 acquisitions	51.3	-	12.4%	6.5%
2009 acquisitions**	27.7	-	-	14.8%
Total	170.2			9.2%

* Consideration (net of cash acquired) includes the latest estimate of expected earnouts.

** Return on Investment calculated on a proforma basis.

2009 acquisitions contributed adjusted operating profit of £2.6m since their acquisition and achieved a pre-tax return of 14.8% on a pro forma basis.

4 Dividend

The Board has declared a second interim dividend of 18.2 pence per share (2008 - 18.2 p) in lieu of a final dividend, bringing the total dividend for the year to 24.2p, an increase of 1.7% on the prior year (2008 - 23.8p). Dividend cover (based on adjusted EPS) is 2.3 times for 2009.

The second interim dividend on ordinary shares will be paid on 20 May 2010 to shareholders on the register at close of business on 16 April 2010.

Pursuant to the Dividend Access Plan, shareholders may elect to receive their dividend from a UK source. Shareholders who hold more than 50,000 shares and who wish to receive their dividend from a UK source must make an election. Shareholders who held 50,000 or fewer UBM shares on the date of admission of the Company's shares to the London Stock Exchange or (if later) on the first dividend record date after they became shareholders in the Company, will be automatically deemed to have elected to receive a UK-sourced dividend. All elections remain in force indefinitely unless revoked. Unless shareholders have made, or are deemed to have made, an election under the Dividend Access Plan, their dividends will be paid from an Irish source and will be taxed accordingly.

5 Cash flow and cash conversion

Cash generated from operations rose to £142.7m from £136.1m in 2008, reflecting continued tight discipline in controlling costs and working capital generation. Cash conversion⁶ rose to 102.0% of adjusted operating profits (2008 - 100.1%). Free cash flow was £98.7m, compared with £101.5m in 2008, despite the difficult trading conditions in a number of our key markets.

During 2009, we paid £34.3m for acquisitions (net of cash acquired) and earnout payments in relation to acquisitions made in prior years. Following the payment of £58.8m of dividends to shareholders and a foreign exchange movement of £27.9m, consolidated net debt at 31 December 2009 stood at £226.4m, down from £260.4m at the end of 2008.

6 Financing and interest expense

In November 2009 we further strengthened our capital resources through the issuance of £250m of 6.5% Sterling bonds maturing 2016, lengthening UBM's debt maturity profile and diversifying funding sources. The proceeds of this issue were used to repay outstanding debt. We entered into currency and interest rate swaps so that £100m of the issue effectively carries a US Dollar fixed rate of approximately 6.3%; the balance is swapped into US Dollar floating LIBOR + a spread of approximately 3.1%.

We have maintained our £325m multi-currency revolving credit facility provided by key relationship banks, which matures in July 2012. At 31 December 2009 UBM had drawn £16.8m from the facility leaving £308.2m available. Cash and equivalents totalled £158.9m at year end 2009.

Our balance sheet remains strong, with net debt at 31 December 2009 of £226.4m, or 1.23 times 2009 EBITDA of £184.4m.

Net finance expense for 2009 was £9.9m, including an exceptional cost of £6.7m incurred on the unwind of interest rate swaps hedging debt repaid upon issuance of the sterling bond. The composition of the net expense was as follows:

⁶ Cash conversion is adjusted cash generated from operating activities expressed as a percentage of the adjusted operating profit.

	£m	£m
Interest income - Cash and cash equivalents		1.8
Interest expense		(14.8)
Financing income:		6.9
Pension schemes	2.2	
Foreign exchange gain on forward contracts	4.7	
Financing income - other		2.9
Early settlement of interest rate swap contracts		<u>(6.7)</u>
Net finance expense		<u>(9.9)</u>

Financing income from pension schemes for 2010 is anticipated to be £2.1m. It is not expected that the gains on foreign exchange forward contracts, other financing income items or the exceptional settlement cost will recur in 2010.

7 Currency

Our revenue and adjusted operating profit in 2009 were generated principally in currencies other than Sterling, as follows:

	2009 Revenue %	2009 Adjusted operating profit %
US Dollar	57.8	57.0
Euro	17.8	25.3
UK Pound Sterling	15.5	10.3
Canadian Dollar	3.1	4.7
Japanese Yen	1.9	1.3
Other	<u>3.9</u>	<u>1.4</u>
Total	100	100

In the following table, we provide an estimate of the sensitivity of our revenue and adjusted operating profit to fluctuations in exchange rates of the key foreign currencies in which we operate:

	Average exchange rate in 2009	Exchange rate varies by	Effect on revenue	Effect on adjusted operating profit
			+/-	+/-
US Dollar	1.57	1 cent	£3.1m	£0.6m
Euro	1.12	1 cent	£1.3m	£0.4m

8 Tax

UBM's effective rate of income taxation for the year was 15.0% (2008 - 15.9%).

We have resolved a number of outstanding tax issues with various tax authorities worldwide (including the UK, USA, Netherlands and Luxembourg). The most significant issues were with the UK tax authorities, including the long-standing dispute relating to the disposal of our Regional Newspapers business in 1998. We have agreed to make a total payment of £46.5m to HMRC in March 2010. The resolution of these issues has resulted in a release of

£135.2m of our previous tax creditor. We have now resolved all outstanding issues in the UK for all years up to the end of 2007 and our overall tax creditor at 31 December 2009 has been reduced to £109.0m (including the £46.5m payable in March 2010).

9 Pensions

UBM operates a number of defined benefit and defined contribution schemes, based primarily in the UK. The most recent actuarial funding valuations for the majority of the UK scheme liabilities were carried out in 2008, and updated to 31 December 2009 using the projected unit credit method. The next triennial valuation will take place in 2011.

For US schemes, annual funding valuations are performed and therefore the results are based on the 2008 valuation.

At 31 December 2009, the aggregate deficit under IAS 19 was £26.6m, a decrease of £41.2m compared to the surplus of £14.6m at the previous year end, reflecting a decrease in discount rate and an increase in projected inflation rates, partially offset by asset returns.

The IAS 19 interest credit was £2.2m, representing the excess of expected asset growth during 2009 over the interest accretion on the scheme liabilities.

10 Exceptional items

10.1. Impairment charge

UBM recorded total impairment charges of £153.0m during 2009. Of this amount, £149.8m was taken in respect of the following cash generating units:

- CMP Medica	£67.0m
- UBM Technology	£47.0m
- Commonwealth Business Media	£35.8m

The impairment charges were taken against acquisition goodwill recorded in these units and reflects our lowered expectations for these units, particularly the outlook for their Print - magazine products caused by the continuing structural decline in print markets which has been accelerated by the difficult economic climate during 2009.

We also recorded impairment charges totalling £3.2m to the carrying value of joint ventures and equity investments.

10.2. Restructuring and business reorganisation costs

During 2009 we closed 31 print magazine titles and merged and reduced the frequency of others.

The exceptional charge of £16.5m includes £10.5m relating to redundancy costs for 479 staff and £2.1m relating to restructuring and business reorganisation costs. Of the amount charged, £7.7m has been incurred in 2009 and the balance is expected to be incurred in 2010. The charge also includes £3.9m of costs in respect of vacant property which will be incurred over the remainder of the respective lease terms.

	Reorganisation and restructuring provision
	£m
At 1 January 2009	20.6
Arising in the year	12.5
Utilised in the year	(22.0)
Currency translation	(1.3)
At 31 December 2009	9.8

The cost savings relating to the future vacant space and title closures do not represent an improvement to the future profitability of the business but are the elimination of future costs.

10.3. Other exceptional items

Following our issue of a £250m sterling corporate bond in November 2009, and the subsequent repayment of outstanding debt, UBM unwound interest rate swaps used to manage the interest rate exposure on \$300m of the debt repaid. This resulted in an exceptional charge of £6.7m, representing the mark to market cost on the unwind.

Consolidated income statement

for the year ended 31 December 2009

Notes		Before	Exceptional	Total	Before	Exceptional	Total
		exceptional	items		exceptional	items	
		2009	2009	2009	2008	2008	2008
		£m	£m	£m	£m	£m	£m
	Continuing operations						
3	Revenue	847.6	-	847.6	887.0	-	887.0
	Other operating income	9.7	-	9.7	10.2	-	10.2
	Operating expenses	(688.8)	-	(688.8)	(725.5)	-	(725.5)
	Amortisation of intangible assets arising on acquisitions	(26.8)	-	(26.8)	(26.1)	-	(26.1)
4	Exceptional reorganisation and restructuring costs	-	(16.5)	(16.5)	-	(37.5)	(37.5)
4	Other exceptional costs	-	-	-	-	(1.6)	(1.6)
4	Impairment charge	-	(153.0)	(153.0)	-	-	-
	Share of results from joint ventures and associates (after tax)	2.0	-	2.0	1.1	-	1.1
	Group operating (loss)/profit	143.7	(169.5)	(25.8)	146.7	(39.1)	107.6
	Finance income/(expense)						
5	Interest income	1.8	-	1.8	4.6	-	4.6
5	Interest expense	(14.8)	-	(14.8)	(11.0)	-	(11.0)
5	Financing income	6.9	-	6.9	4.4	-	4.4
5	Financing income – other	2.9	-	2.9	0.3	-	0.3
5	Financing expense – other	-	(6.7)	(6.7)	(4.6)	-	(4.6)
	(Loss)/profit before tax	140.5	(176.2)	(35.7)	140.4	(39.1)	101.3
6	Taxation	(17.7)	-	(17.7)	(20.2)	1.6	(18.6)
4, 6	Exceptional taxation net credit	-	135.2	135.2	-	-	-
		(17.7)	135.2	117.5	(20.2)	1.6	(18.6)
	Profit for the year	122.8	(41.0)	81.8	120.2	(37.5)	82.7
	Attributable to:						
	Equity shareholders – ordinary			75.2			75.9
	Equity shareholders – B shares			-			0.5
	Minority interests			6.6			6.3
				81.8			82.7
	Earnings per share (pence)						
7	- basic			30.9p			31.5p
7	- diluted			30.5p			30.8p
	Adjusted Group operating profit¹			£m			£m
				171.2			173.5
	Amortisation of intangible assets arising on acquisitions			(26.8)			(26.1)
4	Impairment charge			(153.0)			-
4	Exceptional reorganisation and restructuring costs			(16.5)			(37.5)
4	Other exceptional costs			-			(1.6)
	Share of taxation on profit in joint ventures and associates			(0.7)			(0.7)
	Group operating (loss)/profit			(25.8)			107.6
	Dividends			£m			£m
8	- Interim dividend of 6.00p (5.60p)			14.6			13.5
8	- Proposed second interim dividend of 18.20p (18.20p)			44.3			44.0

¹ Adjusted Group operating profit represents Group operating profit excluding amortisation of intangible assets arising on acquisitions, exceptional items and share of taxation on profit in joint ventures and associates.

Consolidated statement of comprehensive income

for the year ended 31 December 2009

Notes	2009 £m	2008 £m
Profit for the year	81.8	82.7
Other comprehensive income:		
Currency translation differences on foreign operations – Group	(50.3)	105.5
Cash flow hedges		
Gains/(losses) on cash flow hedges arising during the year	0.2	(8.3)
Add/(less) reclassification adjustments for losses/(gains) included in profit or loss	7.7	(3.4)
	7.9	(11.7)
12 Actuarial losses recognised in the pension schemes	(63.9)	(9.3)
12 Irrecoverable element of pension surplus	13.8	(2.2)
Share of other comprehensive income of joint ventures and associates		
Currency translation differences on foreign operations	(1.5)	4.3
Actuarial losses recognised in the pension schemes of associates	(3.9)	(3.3)
	(5.4)	1.0
6 Income tax relating to components of other comprehensive income	-	-
Other comprehensive (losses)/income for the year net of tax	(97.9)	83.3
15 Total comprehensive (losses)/income for the year net of tax	(16.1)	166.0
Attributable to:		
Equity shareholders	(22.6)	157.0
Minority interests	6.5	9.0
	(16.1)	166.0

Consolidated statement of financial position

at 31 December 2009

Notes		31 December 2009 £m	As restated 31 December 2008 £m
	Assets		
	Non-current assets		
9	Goodwill	820.9	1,039.2
	Intangible assets	110.6	143.4
	Property, plant and equipment	38.2	40.1
	Investments in joint ventures and associates	17.0	23.8
12	Retirement benefit surplus	-	30.2
	Other investments	0.6	2.0
		987.3	1,278.7
	Current assets		
	Inventories	7.7	9.3
	Trade and other receivables	169.8	202.0
	Derivative financial instruments	0.3	-
10	Cash and cash equivalents	158.9	172.4
		336.7	383.7
	Total assets	1,324.0	1,662.4
	Liabilities		
	Current liabilities		
11	Borrowings	0.3	58.5
	Trade and other payables	315.8	356.2
	Derivative financial instruments	10.9	10.9
	Provisions	23.4	43.1
6	Current tax liabilities	109.0	237.2
		459.4	705.9
	Non-current liabilities		
11	Borrowings	385.0	374.3
12	Retirement benefit obligation	26.6	15.6
	Trade and other payables	12.9	24.7
	Provisions	26.6	35.5
6	Deferred tax liabilities	27.7	35.2
		478.8	485.3
	Total liabilities	938.2	1,191.2
	Shareholders' equity		
13	Share capital	24.4	24.4
14	Share premium	1.2	1.0
15	Other reserves	(597.7)	(567.5)
15	Retained earnings	948.4	1,005.7
	Total shareholders' equity	376.3	463.6
15	Minority interest in equity	9.5	7.6
	Total equity	385.8	471.2
	Total equity and liabilities	1,324.0	1,662.4

Consolidated statement of changes in equity

for the year ended 31 December 2009

Notes	Share capital £m	Share premium £m	Other reserves £m	Retained earnings £m	Minority interests £m	Total equity £m
At 1 January 2009	24.4	1.0	(567.5)	1,005.7	7.6	471.2
Profit for the year	-	-	-	75.2	6.6	81.8
Other comprehensive losses	-	-	(43.8)	(54.0)	(0.1)	(97.9)
15 Total comprehensive (losses)/income for the year	-	-	(43.8)	21.2	6.5	(16.1)
13, 14 Issued in respect of share option schemes and other entitlements	-	0.2	-	-	-	0.2
Share-based payments	-	-	-	2.4	-	2.4
8 Equity dividends	-	-	-	(58.8)	-	(58.8)
15 Minority interest dividends	-	-	-	-	(4.4)	(4.4)
16 Acquisition of minority interests	-	-	-	(8.5)	(0.2)	(8.7)
15 Shares awarded by ESOP	-	-	13.6	(13.6)	-	-
At 31 December 2009	24.4	1.2	(597.7)	948.4	9.5	385.8
At 1 January 2008	82.7	361.3	217.7	(301.3)	5.7	366.1
Profit for the year	-	-	-	76.4	6.3	82.7
Other comprehensive income/(losses)	-	-	95.4	(14.8)	2.7	83.3
15 Total comprehensive income for the year	-	-	95.4	61.6	9.0	166.0
13, 14 Issued in respect of share option schemes and other entitlements	0.1	1.9	-	-	-	2.0
13 Capital reorganisation	(58.1)	(362.2)	(885.4)	1,305.7	-	-
13 Capital reorganisation – repurchase of B shares	(0.3)	-	0.3	(9.3)	-	(9.3)
Share-based payments	-	-	-	7.9	-	7.9
8 Equity dividends	-	-	-	(54.4)	-	(54.4)
15 Minority interest dividends	-	-	-	-	(7.1)	(7.1)
15 Shares awarded by ESOP	-	-	4.5	(4.5)	-	-
At 31 December 2008	24.4	1.0	(567.5)	1,005.7	7.6	471.2

Consolidated statement of cash flows

for the year ended 31 December 2009

Notes	As restated	
	2009	2008
	£m	£m
Cash flows from operating activities		
<i>Reconciliation of profit to operating cash flows</i>		
	81.8	82.7
	Profit for the year	
	<i>Add back:</i>	
6	(117.5)	18.6
	Taxation	
	12.3	11.5
	Depreciation	
	0.9	1.4
	Amortisation of website development costs	
	26.8	26.1
	Amortisation of intangibles arising on acquisitions	
5	(1.8)	(4.6)
	Interest income	
5	14.8	11.0
	Interest expense	
5	(6.9)	(4.4)
	Financing income	
5	(2.9)	(0.3)
	Financing income – other	
5	6.7	4.6
	Financing expense – other	
	2.9	8.4
	Other non-cash items	
	(2.0)	(1.1)
	Share of results from joint ventures and associates (after tax)	
4	169.5	39.1
	Non-cash exceptional items and charges to provisions	
	184.6	193.0
	Payments against provisions	
12	(41.3)	(41.3)
	Pension deficit contributions	
	0.9	-
	Decrease in inventories	
	25.5	23.1
	Decrease in trade and other receivables	
	(23.3)	(37.0)
	Decrease in trade and other payables	
	142.7	136.1
	Cash generated from operations	
	7.8	3.8
	Interest and finance income received	
	(22.3)	(8.0)
	Interest and finance costs paid	
	(16.5)	(18.7)
	Taxation paid	
	1.5	3.3
	Dividends received from joint ventures and associates	
	113.2	116.5
	Net cash flows from operating activities	
Cash flows from investing activities		
	(25.6)	(47.5)
	Acquisition of interests in subsidiaries, net of cash acquired	
	(14.5)	(15.0)
	Purchase of property, plant and equipment and intangibles	
	-	(0.4)
	Purchase of interest in joint ventures and associates	
	3.4	-
	Proceeds from sale of investments	
	(36.7)	(62.9)
	Net cash flows from investing activities	
Cash flows from financing activities		
14	0.2	2.0
	Proceeds from issuance of ordinary share capital	
	-	(9.3)
	Return of capital to shareholders (including costs)	
	(8.7)	-
	Acquisition of minority interests	
15	(58.8)	(54.4)
	Dividends paid to shareholders	
15	(4.4)	(7.1)
	Dividends paid to minority interests	
	(254.5)	(7.1)
	Repayment of borrowings	
	-	75.0
	Issue of £75m floating rate reset bonds	
	247.1	-
	Issue of £250m fixed rate sterling bonds 2016	
	(79.1)	(0.9)
	Net cash flows from financing activities	
	(2.6)	52.7
	Net (decrease)/increase in cash and cash equivalents	
	(7.3)	21.3
	Net foreign exchange difference	
10	168.7	94.7
	Cash and cash equivalents at 1 January	
10	158.8	168.7
	Cash and cash equivalents at 31 December	

Notes to the consolidated financial statements

at 31 December 2009

1. General information

United Business Media Limited ('UBML') is a company incorporated in Jersey under the Companies (Jersey) Law 1991. The address of the registered office is Whiteley Chambers, Don Street, St. Helier, JE4 9WG, Jersey. UBML is tax resident in the Republic of Ireland. The nature of the Group's operations and its principal activities are set out in Note 3.

The preliminary announcement was approved by the Board of Directors on 5 March 2010.

The figures and financial information for the year ended 31 December 2009 do not constitute the statutory financial statements for that year. Those financial statements have not yet been delivered to the Jersey Registrar of Companies, but include the auditor's report which was unqualified and did not contain a statement under Article 111(2) or Article 111(5) of the Companies (Jersey) Law 1991. The figures and financial information for the year ended 31 December 2008 included in the preliminary announcement do not constitute the statutory financial statements for that year. Those financial statements have been delivered to the Registrar and included the auditor's report which was unqualified and did not contain a statement under Article 111(2) or Article 111(5) of the Companies (Jersey) Law 1991.

The comparative information for the year ended 31 December 2008 has been restated for acquisition accounting adjustments which have been finalised in relation to certain acquisitions made in 2008. The comparative information has been restated in accordance with IFRS 3 'Business Combinations'. The impact of this restatement is to increase goodwill, property, plant and equipment, cash and cash equivalents and accruals and deferred income by £0.8m, £0.7m, £0.2m and £1.6m respectively, with a corresponding reduction in prepayments and accrued income by £0.1m.

Principal risks and uncertainties

Principal risks and uncertainties affecting the Group will be detailed within the Annual Report for the year ended 31 December 2009, a copy of which will be made available on the Group's website at www.ubm.com.

Changes to the composition of the Group

Year ended 31 December 2009

The Group has made a number of acquisitions in the year as disclosed in Note 16. These acquisitions are accounted for using the purchase method of accounting.

Year ended 31 December 2008

On 1 July 2008, as part of a reorganisation of the corporate structure of the Group, UBML was created as a new holding company and parent company of the Group. UBML is UK-listed, incorporated in Jersey and with its tax residence in the Republic of Ireland. United Business Media plc ('UBM plc') became a subsidiary of UBML. The former UBM plc shareholders were issued new shares in UBML on a one-for-one basis following a Scheme of Arrangement ('the Scheme') under Part 26 of the Companies Act 2006 which was approved by UBM plc shareholders. Immediately following the Scheme, the former shareholders of UBM plc held the same economic interest in UBML as they held in UBM plc immediately prior to its implementation.

The acquisition of UBM plc by UBML falls outside the scope of IFRS 3 'Business Combinations'. Following the guidance regarding the selection of an appropriate accounting policy provided by IAS 8 'Accounting policies, changes in accounting estimates and errors', the transaction was accounted for in the comparative period of these financial statements using the pooling of interests method, which reflects the economic substance of the transaction.

Notes to the consolidated financial statements

at 31 December 2009

2. Significant accounting policies

Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRS') as issued by the International Accounting Standards Board and IFRIC interpretations. The financial statements are prepared in compliance with the provisions of the Companies (Jersey) Law 1991.

The consolidated financial statements have been prepared on a historical cost basis, except for derivative financial instruments that have been measured at fair value.

Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except as follows:

The Group has adopted a number of new, revised and amended IAS, IFRS and IFRIC interpretations as of 1 January 2009. Adoption of the following new and revised standards has affected the presentation and disclosure in the financial statements of the Group, but has had no effect on the amounts reported:

IAS 1	Presentation of Financial statements (revised)
IAS 36	Impairment of Assets (part of Improvements to IFRSs – (May 2008))
IFRS 7	Financial Instruments: Disclosures (amendment)
IFRS 8	Operating Segments
IFRS 8	Operating Segments (amendment)

The principal effects of these changes are as follows:

IAS 1 – Presentation of financial statements (revised)

The Group adopted this revised standard on 1 January 2009. The revision separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with non-owner changes in equity presented as a single line. In addition, the standard introduces the statement of comprehensive income to be presented either as a single statement, or as two linked statements. The Group has elected to present two statements.

IAS 36 Impairment of Assets

When discounted cash flows are used to estimate 'fair value less costs to sell', additional disclosure is required about the discount rate, consistent with disclosures required when discounted cash flows are used to estimate 'value in use'. For those cash generating units where the Group is required to compute the recoverable amount, fair value less costs to sell is used on an earnings multiples approach. Where the fair value less costs to sell test does not demonstrate that the recoverable amount is in excess of the carrying amount, the cash generating unit is tested under value in use. This improvement does not have any impact on the presentation of the financial statements in the current year. Additional disclosures will be included in the future where applicable.

IFRS 7 – Financial Instruments: Disclosures

As of 1 January 2009, the Group adopted this amendment which requires increased disclosures about fair value measurements and liquidity risk. Fair value measurements related to items recorded at fair value are to be disclosed by source of inputs using a three level fair value hierarchy, by class, for all financial instruments recognised at fair value. The amendments also clarify the requirements for liquidity risk disclosures with respect to derivative transactions and assets used for liquidity management. The fair value measurement and liquidity risk disclosures are presented in Note 21 of the Group financial statements. The Group has elected not to provide comparative information for these expanded disclosures in the current year in accordance with the transitional reliefs offered in the amendment.

IFRS 8 – Operating Segments

The Group adopted IFRS 8 as of 1 January 2009. This new standard requires disclosure of information about the Group's operating segments and replaces the requirement to determine primary (business) and secondary (geographical) reporting segments of the Group. Adoption of this Standard did not have any effect on the financial position or performance of the Group. The Group determined that the four operating and reportable segments are Events, Data, Services and Online, Print – Magazines and Targeting, Distribution and Monitoring. Additional disclosures about each of these segments are shown in Note 3.

IFRS 8 – Operating Segments (amendment)

The Group has adopted early the amendment to IFRS 8 as of 1 January 2009. The amendment was issued as part of the Annual Improvements to IFRSs 2009. It removes the requirement to present segment asset information if it is not regularly provided to the chief operating decision maker. Adoption of this amendment did not have any effect on the financial position or performance of the Group; disclosure of segment assets is not given in the financial statements. Further details are given in Note 3.

The standards and interpretations adopted in these financial statements which have had no effect on the amounts reported, presentation or disclosure are:

IAS 23	Borrowing costs (revised)
IAS 27	Consolidated and Separate Financial Statements (amendment)
IAS 32	Financial Instruments: Presentation and IAS 1 – Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation (amendments)
IFRS 2	Share-based Payment – Vesting Conditions and Cancellations (amendment)
IFRIC 9	Re-assessment of embedded derivatives (amendment)
IFRIC 15	Agreements for Construction of Real Estate
IFRIC 16	Hedges of net Investment in a Foreign Operation
Improvements to IFRSs – (May 2008)	

Notes to the consolidated financial statements

at 31 December 2009

2. Significant accounting policies (continued)

Changes in accounting policies (continued)

Those standards listed above which have resulted in a change in accounting policy are:

IAS 23 – Borrowing costs (revised)

The revised IAS 23 requires capitalisation of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. The Group's previous policy was to expense borrowing costs as they were incurred. In accordance with the transitional provisions of the revised IAS 23, the Group has adopted the standard on a prospective basis. It applies to borrowing costs arising on qualifying assets where the commencement date for capitalisation is on or after 1 January 2009. It did not have an impact on the financial position or performance of the Group in 2009.

IFRS 2 – Share-based Payment – Vesting Conditions and Cancellations (amendment)

This amendment specifies that only service and performance conditions are vesting conditions. It also prescribes that all cancellations should result in an acceleration of the vesting period. The Group has adopted the revised standard on 1 January 2009; it did not have an impact on the financial position or performance of the Group.

IFRIC 16 – Hedges of Net Investment in a Foreign Operation

The interpretation provides guidance to be applied prospectively on the accounting for a hedge of a net investment. It provides guidance on identifying foreign currency risks that qualify for hedge accounting in a net investment hedge; which entity in the Group can hold the hedging instruments used in the hedge of a net investment; and how an entity should determine the amount of foreign currency gain or loss, relating to both the net investment and hedging instrument, to be recycled on disposal of the net investment. The Group has adopted IFRIC 16 on 1 January 2009, it did not have any impact on the financial position or performance of the Group.

Improvements to IFRSs – (May 2008)

In May 2008, the IASB issued a collection of amendments to its standards, primarily to remove inconsistencies and to clarify wording. Most of the improvements are effective from 1 January 2009 and there are separate transitional provisions for each standard. The adoption of the following amendments resulted in changes to accounting policies but did not have any impact on the financial position or performance of the group.

- *IAS 1 Presentation of Financial Statements:* assets and liabilities classified as held for trading in accordance with *IAS 39 Financial Instruments: Recognition and Measurement* are not always required to be presented as current in the statement of financial position. The Group has assessed whether this would result in any reclassifications of financial instruments between current and non-current in the statement of financial position and determined that it would not.
- *IAS 16 Property, Plant and Equipment:* replaces the term 'net selling price' with 'fair value less costs to sell'. The Group has applied this improvement, although it did not result in any changes to the financial position or performance of the Group.
- *IAS 23 Borrowing costs:* the definition of borrowing costs is revised to consolidate the two types of items that are considered components of 'borrowing costs' into one – the interest expense calculated in accordance with *IAS 39 Financial Instruments: Recognition and Measurement*. The Group has amended its accounting policy accordingly which did not result in a change to the financial position or performance of the Group.
- *IAS 38 Advertising and promotional activities:* the improvements clarify that an entity is permitted to recognise a prepayment asset for advertising or promotional expenditure only up to the point at which the entity has the right to access the goods purchase or services received. Mail order catalogues have been specifically identified as a form of advertising and promotional activities. Clarification of this standard has not resulted in any changes to the financial position or performance of the Group.

Other amendments resulting from Improvements to IFRSs did not have any impact on the accounting policies, financial position or performance of the Group.

Notes to the consolidated financial statements

at 31 December 2009

3. Segment information

Business segments

The chief operating decision maker ('CODM') for the purpose of IFRS 8 reporting is the executive management team - the Group Chief Executive Officer and the Group Chief Financial Officer. The Group considers there to be four reportable operating segments organised around products and services. The Group operates in a number of different markets and communities and considers that presentation of financial results on a products and services basis is the most appropriate way to demonstrate the performance of the Group. For the purpose of resource allocation and assessment of performance, the CODM regularly reviews information based on the products and services at a revenue and adjusted operating profit level.

- Events which provide face to face interaction in the form of exhibitions, trade shows, conferences and other live events;
- Data, Services and Online which provide a range of services including data-based workflow products, intellectual property consultancy and analytical services, sales lead generation programmes, website sponsorships and banner advertising as well as print and online directory products;
- Print – Magazines which publishes magazines and trade press to specialist markets; and
- Targeting, Distribution and Monitoring which operates in the targeting and distribution of company information and the evaluation of its impact on targeted audiences.

No operating segments have been aggregated to form the above reportable segments. The Group's management reporting and controlling systems use the accounting policies that are the same as those referred to in Note 2.

Segment measures

The Group measures the performance of its operating segments through a measure of segment profit or loss which is referred to as adjusted operating profit. Adjusted operating profit, as defined in the footnote to the Income Statement, represents operating profit excluding amortisation of intangible assets arising on acquisitions, exceptional items and share of taxation on results of joint ventures and associates. This measure is reported to the CODM for the purposes of resource allocation and assessment of performance.

Interest income, interest expense and income tax expense are not included in the adjusted operating profit measure which is reviewed by the CODM.

Intersegment revenue is recorded at values that represent estimated third-party selling prices.

Segment assets and liabilities are not regularly provided to the CODM. The Group has elected as provided under IFRS 8 'Operating segments' (amended) not to disclose a measure of segment assets or liabilities where these amounts are not regularly provided to the CODM.

With respect to geographical regions, revenue is generally allocated to countries based on the location where the products and services are provided. Non-current assets are disclosed according to the location of the businesses to which the assets relate.

Notes to the consolidated financial statements

at 31 December 2009

3. Segment information (continued)

Year ended 31 December 2009

	External revenue £m	Intersegment revenue £m	Total revenue £m	Depreciation (including amortisation of website development costs) £m	Share of pre-tax results from JVs and associates £m	Segment adjusted operating profit/(loss) £m
Events	287.5	0.4	287.9	(3.6)	0.8	87.2
Data, Services and Online	232.9	-	232.9	(2.9)	0.1	37.9
Print – magazines	165.8	-	165.8	(2.1)	0.2	8.9
Targeting, Distribution and Monitoring	161.4	0.5	161.9	(4.2)	1.1	44.8
Total segments	847.6	0.9	848.5	(12.8)	2.2	178.8
Other corporate	-	-	-	(0.4)	0.5	(7.6)
Eliminations	-	(0.9)	(0.9)	-	-	-
	847.6	-	847.6	(13.2)	2.7	171.2
Amortisation of intangibles arising on acquisitions						(26.8)
Impairment charge						(153.0)
Exceptional reorganisation and restructuring costs						(16.5)
Share of taxation on profit in joint ventures and associates						(0.7)
Group operating loss						(25.8)
Interest income						1.8
Interest expense						(14.8)
Financing income						6.9
Financing income – other						2.9
Financing expense – other						(6.7)
Loss before tax						(35.7)

¹ Adjusted operating profit represents operating profit excluding amortisation of intangible assets arising on acquisitions, exceptional items and share of taxation on profit in joint ventures and associates.

Total corporate costs for 2009 were £15.5m (2008: £15.1m). The corporate costs are offset by a level of internal cost recoveries from the Group's operating businesses and by sundry income which is not attributable to any of the Group's operations.

Notes to the consolidated financial statements

at 31 December 2009

3. Segment information (continued)

Year ended 31 December 2008

	External revenue £m	Intersegment revenue £m	Total revenue £m	Depreciation (including amortisation of website development costs) £m	Share of pre-tax results from JVs and associates £m	Segment adjusted operating profit/(loss) £m
Events	291.8	0.2	292.0	(3.8)	0.8	82.2
Data, Services and Online	225.3	-	225.3	(3.0)	-	31.1
Print – magazines	215.6	-	215.6	(2.8)	0.5	23.9
Targeting, Distribution and Monitoring	154.3	-	154.3	(2.9)	0.9	43.3
Total segments	887.0	0.2	887.2	(12.5)	2.2	180.5
Other corporate	-	-	-	(0.4)	(0.4)	(7.0)
Eliminations	-	(0.2)	(0.2)	-	-	-
	887.0	-	887.0	(12.9)	1.8	173.5

Amortisation of intangibles arising on acquisitions	(26.1)
Exceptional reorganisation and restructuring costs	(37.5)
Other exceptional items	(1.6)
Share of taxation on profit in joint ventures and associates	(0.7)
Group operating profit	107.6
Interest income	4.6
Interest expense	(11.0)
Financing income	4.4
Financing income – other	0.3
Financing expense – other	(4.6)
Profit before tax	101.3

¹ Adjusted operating profit represents operating profit excluding amortisation of intangible assets arising on acquisitions, exceptional items and share of taxation on profit in joint ventures and associates.

Revenue by products and services

Revenue from external customers analysed by products and services is given in the above segment tables. The Group's reportable segments are organised around products and services provided to external customers.

Geographic information

Revenues from external customers	Year ended 31 December 2009 £m	Year ended 31 December 2008 £m
United Kingdom	129.6	178.3
Foreign countries		
United States ¹	386.6	421.6
Other Americas	6.1	5.0
Europe and Middle East	163.8	154.1
China	101.4	75.8
Japan	18.5	18.4
Other Asia/Pacific	41.6	33.8
	718.0	708.7
Total revenue	847.6	887.0

¹ United States revenue also includes Canada due to the integrated nature of the business in North America

Notes to the consolidated financial statements

at 31 December 2009

3. Segment information (continued)

Non-current assets	2009 £m	2008 £m
United Kingdom	236.6	252.6
Foreign countries		
United States ¹	426.1	583.0
Other Americas	33.9	44.8
Europe and Middle East	248.8	314.3
China	7.2	8.2
Japan	6.1	13.0
Other Asia/Pacific	28.6	32.6
	750.7	995.9
Total non-current assets	987.3	1,248.5

¹ United States non-current assets also includes Canada due to the integrated nature of the business in North America

Non-current assets for this purpose consist of goodwill, intangible assets, property, plant and equipment, investments in joint ventures and associates and other investments.

4. Exceptional items

Exceptional items are presented separately as, due to their nature or for the infrequency of the events giving rise to them, this allows shareholders to understand better the elements of financial performance for the year, to facilitate comparison with prior periods, and to assess better the trends of financial performance.

	2009 £m	2008 £m
Charged to operating (loss)/profit		
Reorganisation and restructuring costs		
- Vacant property costs	(3.9)	(11.4)
- Redundancy	(10.5)	(16.8)
- Restructuring and business reorganisation costs	(2.1)	(5.1)
- Change of domicile	-	(4.2)
	(16.5)	(37.5)
Other exceptional items		
Impairment of goodwill (see Note 9)	(149.8)	-
Impairment of joint ventures and associates	(1.9)	-
Impairment of other investments	(1.3)	-
Total charged to operating (loss)/profit	(169.5)	(39.1)
Charged to (loss)/profit before tax		
Fair value adjustment – early settlement of interest rate swap contracts	(6.7)	-
Credited to profit after tax		
Taxation relating to exceptional items	-	1.6
Exceptional taxation net credit	135.2	-
Total credited to profit after tax	135.2	1.6
Total charged to profit for the year	(41.0)	(37.5)

Charged to operating (loss)/profit

Year ended 31 December 2009

During 2009, UBM continued to actively manage its product portfolio. This included the closure and merging of a number of print titles, and a headcount reduction of approximately 500 people. The exceptional charge of £16.5m includes £10.5m relating to redundancy, £2.1m relating to restructuring and business reorganisation costs and £3.9m relating to vacant property. The redundancy and restructuring and business reorganisation costs will be substantially incurred by 31 December 2010, and the amount relating to vacant property will be incurred over the remainder of the lease terms.

Total impairment losses of £153.0m have been recognised during the year of which £149.8m relates to goodwill; details are given in Note 9. The carrying value of investments in joint ventures and associates and other investments have been impaired by £1.9m and £1.3m respectively.

Notes to the consolidated financial statements

at 31 December 2009

4. Exceptional items (continued)

Year ended 31 December 2008

In April 2008, UBM announced that it was undertaking a reorganisation of the corporate structure of the Group which would create a new holding company which is UK-listed, incorporated in Jersey and with tax residency in the Republic of Ireland. The scheme was approved by shareholders on 2 June 2008 and was formally implemented on 1 July 2008. The exceptional charge of £4.2m represents the professional fees and other costs arising in connection with this change of domicile.

In November 2008, the CPhI India and P-MEC India events were cancelled as a result of the terrorist attacks in Mumbai. The irrecoverable costs incurred by CMP Asia and CMP Information, which total £1.6m, have been recorded as an exceptional item, classified within other exceptional items.

During the year, UBM reorganised its core operations, replacing the historic 'divisional' structure with a much flatter, market-focused organisation. In February, UBM Technology was reorganised into four separate market-focused businesses, followed by CMP Information into five businesses in June and Commonwealth Business Media into two businesses in December. UBM also implemented a number of restructuring and reorganisation projects across the Group. The objectives of these projects are to achieve greater alignment of product portfolios and organisational structure to the changing needs of customers, to better position the businesses to take advantage of higher growth areas and to improve profitability. This involved closure and merger of some print titles and a headcount reduction of over 500 people.

The exceptional charge of £33.3m includes £16.8m relating to redundancy costs and £5.1m relating to restructuring and business reorganisation. Of the amount charged, £8.4m has been incurred in 2008 and the balance is expected to be incurred in 2009. The charge also includes £11.4m of vacant property and other property costs which will be incurred over the remainder of the lease terms.

Charged to loss before tax

Year ended 31 December 2009

The fair value adjustment relates to early settlement of six interest rate swap contracts which were previously designated as cash flow hedges of expected payments under \$300m of borrowing from the Group's £325m variable rate multi-option facility. Further details are given in Note 5.

Credited to profit after tax

Year ended 31 December 2009

As a consequence of the resolution of a large number of outstanding taxation items, in various jurisdictions, there was a net exceptional tax credit of £135.2m. Further details are given in Note 6.

Year ended 31 December 2008

There is a £1.6m tax credit in relation to the £5.5m of redundancy and restructuring costs incurred by UK companies.

Notes to the consolidated financial statements

at 31 December 2009

5. Finance income/(expense)

	2009 Before exceptional £m	2009 Exceptional £m	2009 Total £m	2008 Before exceptional £m	2008 Exceptional £m	2008 Total £m
Interest income						
Cash and cash equivalents	1.8	-	1.8	4.6	-	4.6
Interest expense						
Borrowings and loans	(13.2)	-	(13.2)	(9.3)	-	(9.3)
Other	(1.6)	-	(1.6)	(1.7)	-	(1.7)
	(14.8)	-	(14.8)	(11.0)	-	(11.0)
Financing income:						
Pension schemes	2.2	-	2.2	4.4	-	4.4
Foreign exchange gain on forward contracts	4.7	-	4.7	-	-	-
	6.9	-	6.9	4.4	-	4.4
Financing income – other						
Foreign exchange gain on forward contracts	1.0	-	1.0	-	-	-
Ineffective portion of net investment hedges	0.3	-	0.3	-	-	-
Ineffective portion of cash flow hedges	0.1	-	0.1	-	-	-
Net foreign exchange gain	1.3	-	1.3	-	-	-
Other fair value adjustments	0.2	-	0.2	0.3	-	0.3
	2.9	-	2.9	0.3	-	0.3
Financing expense – other						
Fair value adjustments – early settlement of interest rate swap contracts	-	(6.7)	(6.7)	-	-	-
Ineffective portion of cash flow hedges	-	-	-	(0.3)	-	(0.3)
Net foreign exchange loss	-	-	-	(4.3)	-	(4.3)
	-	(6.7)	(6.7)	(4.6)	-	(4.6)
Net finance expense	(3.2)	(6.7)	(9.9)	(6.3)	-	(6.3)

In December 2009, the Group settled early six interest rate swap contracts which were previously designated as cash flow hedges of expected payments under \$300m of borrowing from the Group's £325m variable rate multi-option facility. Following the issue of the £250m fixed rate sterling bonds in November 2009, that \$300m of borrowings was repaid. Three of the swap contracts totaling \$150m were due to mature in January 2011 with the other three contracts totaling \$150m were due to mature in July 2012. The early settlement resulted in a loss of £6.7m which has been included as an exceptional item.

Foreign exchange gain on forward contracts within financing income represents realised gains on foreign currency contracts against profits of the overseas operations.

6. Taxation

Major components of income tax income for the year ended 31 December 2009 are:

	2009 £m	2008 £m
Consolidated income statement		
Current tax:		
Current tax charge	(24.2)	(24.8)
Exceptional taxation net credit	135.2	-
Deferred tax:		
Origination and reversal of temporary differences	6.5	6.2
Income tax credit/(charge) in the consolidated income statement	117.5	(18.6)
Consolidated statement of other comprehensive income		
Current tax	-	-
Deferred tax	-	-
Income tax recognised in other comprehensive income	-	-

Notes to the consolidated financial statements

at 31 December 2009

6. Taxation (continued)

Factors affecting tax (credit)/charge for the year

A reconciliation of income tax expense applicable to loss before tax at the statutory tax rate to tax expense for the year ended 31 December 2009 is as follows:

	2009 £m	2008 £m
(Loss)/profit before tax	(35.7)	101.3
(Loss)/profit before tax multiplied by standard rate of corporation tax in Republic of Ireland of 12.5% (2008: 12.5%)	(4.5)	12.7
Effect of:		
Expenses not deductible for tax purposes	23.7	4.0
Tax effect of items not recognised in consolidated financial statements	(9.1)	(9.8)
Origination and reversal of temporary differences not recognised	(9.5)	(4.8)
Different tax rates on overseas earnings	19.3	19.1
Share of results from associates and joint ventures (after tax)	(0.6)	(0.3)
Non-taxable income	(1.6)	(2.3)
Exceptional taxation net credit	(135.2)	-
Income tax (credit)/charge reported in the consolidated income statement	(117.5)	18.6

The amounts relating to current tax recognised in the statement of financial position are:

	2009 £m	2008 £m
At 1 January 2009	237.2	227.6
Current tax charge	24.2	24.8
Exceptional tax net credit	(135.2)	-
Tax paid	(16.5)	(18.7)
Foreign exchange and other movements	(0.7)	3.5
At 31 December 2009	109.0	237.2

At 31 December 2008 the current tax liability of £237.2m included an assessment of the Group's uncertain tax positions in various jurisdictions, including the dispute with HMRC in relation to the sale of the Regional Newspapers business in 1998 where the tax in dispute was estimated at £80m. During the year the Group has resolved a large number of outstanding items in various jurisdictions.

This included:

- (i) the dispute in relation to the sale of the Regional Newspapers business, for which a payment (including interest) of £36.4m is due to be paid in March 2010;
- (ii) other UK issues for accounting periods up to 31 December 2007 for which a payment (including interest) of £10.1m is due to be paid in March 2010, and
- (iii) other non-UK issues for which a payment of £3m was made during the year.

The £46.5m due to be paid in March 2010 is included in the current tax liabilities at 31 December 2009.

The amounts included in the current tax liability at 31 December 2008 in relation to these issues, over and above the amounts paid and payable above, have therefore been released. As a consequence there was a net exceptional tax credit of £135.2m.

The Group does not expect the tax cash outflow in 2010 in respect of this creditor to exceed £10m in addition to the £46.5m referred to above.

Deferred tax

Deferred tax at 31 December 2009 relates to the following:

	Consolidated statement of financial position		Consolidated income statement	
	2009 £m	2008 £m	2009 £m	2008 £m
Deferred tax				
Intangible assets acquired	26.0	33.4	(6.4)	(6.4)
Other temporary differences	1.7	1.8	(0.1)	0.2
	27.7	35.2	(6.5)	(6.2)

At 31 December 2009, there was no recognised deferred tax liability for taxes that would be payable on the unremitted earnings of certain of the Group's subsidiaries as the Group has determined that undistributed profits of its subsidiaries will not be distributed in the foreseeable future.

Notes to the consolidated financial statements

at 31 December 2009

6. Taxation (continued)

The temporary differences associated with investments in subsidiaries for which a deferred tax liability has not been recognised amount in aggregate to £5.3bn (2008: £13.1bn). There are no income tax consequences to the Group arising from the payment of dividends by the Company to its shareholders.

	2009 £m	2008 £m
The movement in the net deferred tax liability was as follows:		
Net liability at 1 January	35.2	30.8
Acquisition of subsidiaries (see Note 16)	1.3	3.0
Amounts credited to net profit	(6.5)	(6.2)
Currency translation	(2.3)	7.6
Net liability at 31 December	27.7	35.2

The Group has unrecognised deferred tax assets of £59.2m relating to deductible temporary differences and £105.5m (of which £63.9m will expire between 2019 and 2029) relating to unused tax losses (2008: £80.1m and £63.6m of which £50.6m will expire within 2018 and 2028 respectively). No deferred tax asset has been recognised in respect of these amounts due to the unpredictability of future taxable profit streams. The Group also has unrecognised deferred tax assets of £52.3m (2008: £52.3m) relating to unused capital losses which can only be utilised against future capital gains.

7. Earnings per share

Basic earnings per share amounts are calculated by dividing net profit for the year attributable to ordinary equity shareholders of the parent by the weighted average number of ordinary shares outstanding during the year (reflecting the movements set out in Note).

Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary shareholders of the parent by the weighted average number of ordinary shares outstanding during the year (adjusted for the effects of dilutive options).

Adjusted earnings per share is calculated on adjusted Group operating profit (net profit for the year attributable to ordinary equity shareholders, less amortisation of intangible assets arising on acquisitions, certain exceptional items, deferred tax on amortisation of intangible assets, taxation relating to exceptional items and net financing expense – other) divided by the weighted average number of ordinary shares outstanding during the year. Certain exceptional items, net financing expense – other, taxation related to exceptional items and deferred tax on amortisation of intangible assets are excluded from this calculation, as due to their nature and the infrequency of the events giving rise to them, separate presentation allows shareholders to understand better the elements of financial performance for the year, so as to facilitate comparison with prior periods and to assess better the trends of financial performance.

The following reflects the income and share data used in the basic and diluted earnings per share computations:

	2009 Earnings £m	2009 Weighted average no. of shares million	2009 Earnings per share pence	2008 Earnings £m	2008 Weighted average no. of shares million	2008 Earnings per share Pence
Adjusted Group operating profit	171.2			173.5		
Net interest expense	(13.0)			(6.4)		
Financing income	6.9			4.4		
Adjusted profit before tax	165.1			171.5		
Taxation	(24.8)			(27.3)		
Minority interests	(6.6)			(6.3)		
B share dividend	-			(0.5)		
Adjusted earnings per share	133.7	243.1	55.1	137.4	241.2	57.0
Adjustments						
Amortisation of intangible assets arising on acquisitions	(26.8)		(11.0)	(26.1)		(10.8)
Deferred tax on amortisation of intangible assets	6.4		2.6	6.4		2.6
Adjustments in respect of non-tax exceptional items	(169.5)		(69.8)	(39.1)		(16.2)
Tax exceptional item	135.2		55.6	-		-
Taxation relating to exceptional items	-		-	1.6		0.7
Net financing expense – other	(3.8)		(1.6)	(4.3)		(1.8)
Basic earnings per share	75.2	243.1	30.9	75.9	241.2	31.5
Dilution						
Options	-	3.4	(0.4)	-	5.1	(0.7)
Diluted earnings per share	75.2	246.5	30.5	75.9	246.3	30.8
Adjusted earnings per share (as above)	133.7	243.1	55.1	137.4	241.2	57.0
Options	-	3.4	(0.9)	-	5.1	(1.2)
Diluted adjusted earnings per share	133.7	246.5	54.2	137.4	246.3	55.8

Notes to the consolidated financial statements

at 31 December 2009

7. Earnings per share (continued)

The Group has one category of dilutive potential ordinary shares: those share options granted to employees where the exercise price is less than the average market price of the Company's ordinary shares during the year. The impact of dilutive securities in 2009 would be to increase weighted average shares by 3.4 million shares (2008: 5.1 million shares) for employee share options.

The weighted average number of shares excludes ordinary shares held by the Employee Share Ownership Plan (the 'ESOP') and the Qualifying Employee Share Ownership Trust (the 'QUEST').

8. Dividends

	2009 £m	2008 £m
Declared and paid during the year		
Equity dividends on ordinary shares		
Second interim dividend for 2008 of 18.20p (2007 of 16.76p)	44.2	40.4
Interim dividend for 2009 of 6.00p (2008: 5.60p)	14.6	13.5
Equity dividends – B shares	-	0.5
	58.8	54.4
Proposed (not recognised as a liability at 31 December)		
Equity dividends on ordinary shares		
Second interim dividend for 2009 of 18.20p (2008: 18.20p)	44.3	44.0

The proposed second interim dividend has not been recognised as a liability in these financial statements.

Pursuant to the Dividend Access Plan ('DAP') arrangements put in place as part of the Scheme of Arrangement, shareholders in the Company are able to elect to receive their dividends from a UK source (the 'DAP election'). Shareholders who held 50,000 or fewer shares (i) on the date of admission of the Company's shares to the London Stock Exchange and (ii) in the case of shareholders who did not own the shares at that time, on the first dividend record date after they become shareholders in the Company, unless they elect otherwise, will be deemed to have elected to receive their dividends under the DAP arrangements. Shareholders who hold more than 50,000 shares and who wish to receive their dividends from a UK source must make a DAP election. All elections remain in force indefinitely unless revoked. Unless shareholders have made a DAP election, or are deemed to have made a DAP election, dividends will be received from an Irish source and will be taxed accordingly.

9. Goodwill

31 December 2009

	UBM Technology £m	CMP Medica £m	UBM Asia ¹ £m	UBM Information ² £m	Commonwealth Business Media £m	RISI £m	Targeting, Distribution and Monitoring ³ £m	Total £m
Cost								
At 1 January 2009	300.3	321.5	19.7	212.9	104.1	5.0	75.7	1,039.2
Acquisitions (see Note 16)	(1.5)	3.4	2.5	0.4	(0.5)	-	4.3	8.6
Transfer to joint venture (see Note 16)	-	-	(2.5)	-	-	-	-	(2.5)
Transfers	(0.2)	-	(4.6)	4.8	-	-	-	-
Currency translation	(29.9)	(25.0)	(1.9)	(1.5)	(8.9)	-	(7.4)	(74.6)
At 31 December 2009	268.7	299.9	13.2	216.6	94.7	5.0	72.6	970.7
Impairment								
At 1 January 2009	-	-	-	-	-	-	-	-
Charge for the year	47.0	67.0	-	-	35.8	-	-	149.8
At 31 December 2009	47.0	67.0	-	-	35.8	-	-	149.8
Carrying value								
At 1 January 2009	300.3	321.5	19.7	212.9	104.1	5.0	75.7	1,039.2
At 31 December 2009	221.7	232.9	13.2	216.6	58.9	5.0	72.6	820.9

¹ Formerly CMP Asia

² Formerly CMP Information

³ Formerly B2B Distribution, Monitoring and Targeting

Notes to the consolidated financial statements

at 31 December 2009

9. Goodwill (continued)

31 December 2008 (as restated)

	UBM Technology £m	CMP Medica £m	UBM Asia ¹ £m	UBM Information ² £m	Commonwealth Business Media £m	RISI £m	Targeting, Distribution and Monitoring ³ £m	Total £m
Cost								
At 1 January 2008	188.6	243.9	14.8	202.6	80.0	5.0	51.4	786.3
Acquisitions (see Note 16)	33.4	0.3	-	6.0	0.1	-	5.1	44.9
Currency translation	78.3	77.3	4.9	4.3	24.0	-	19.2	208.0
At 31 December 2008	300.3	321.5	19.7	212.9	104.1	5.0	75.7	1,039.2
Impairment								
At 1 January 2008 and 31 December 2008	-	-	-	-	-	-	-	-
Carrying value								
At 1 January 2008	188.6	243.9	14.8	202.6	80.0	5.0	51.4	786.3
At 31 December 2008	300.3	321.5	19.7	212.9	104.1	5.0	75.7	1,039.2

¹ Formerly CMP Asia

² Formerly CMP Information

³ Formerly B2B Distribution, Monitoring and Targeting

The amounts shown for the year ended 31 December 2008 have been restated to reflect the finalisation of acquisition accounting adjustments relating to certain acquisitions made in 2008 (see Note 1).

Financial results of cash generating units

The tables below show the revenue and adjusted operating profit measures of each cash generating unit ('CGU') in the current and prior year. The amounts are shown to provide additional financial information in respect of the financial performance of these CGUs and as a context for the reasons for impairment set out below. The same measures for the Group's reportable segments of Events, Data, Services and Online, Print – Magazines and Targeting, Distribution and Monitoring are set out in Note 3.

31 December 2009

	UBM Technology £m	CMP Medica £m	UBM Asia £m	UBM Information £m	Commonwealth Business Media £m	RISI £m	Targeting, Distribution and Monitoring £m	Total £m
External revenue	162.2	178.7	117.6	154.1	58.2	15.4	161.4	847.6
Inter-CGU revenue	-	-	0.4	-	-	-	0.5	0.9
Total CGU revenue	162.2	178.7	118.0	154.1	58.2	15.4	161.9	848.5
Eliminations								(0.9)
Total revenue								847.6
CGU Adjusted operating profit ¹	15.1	28.4	39.7	38.5	10.5	1.8	44.8	178.8
Other corporate								(7.6)
Total adjusted operating profit¹								171.2

¹ Adjusted operating profit represents operating profit excluding amortisation of intangible assets arising on acquisitions, exceptional items and share of taxation on profit in joint ventures and associates.

Notes to the consolidated financial statements

at 31 December 2009

9. Goodwill (continued)

31 December 2008

	UBM Technology £m	CMP Medica £m	UBM Asia £m	UBM Information £m	Commonwealth Business Media £m	RISI £m	Targeting, Distribution and Monitoring £m	Total £m
External revenue	194.0	182.3	91.1	190.0	60.9	14.4	154.3	887.0
Inter-CGU revenue	-	-	0.2	-	-	-	-	0.2
Total CGU revenue	194.0	182.3	91.3	190.0	60.9	14.4	154.3	887.2
Eliminations								(0.2)
Total revenue								887.0
CGU Adjusted operating profit ¹	29.3	29.1	26.2	43.4	7.7	1.5	43.3	180.5
Other corporate								(7.0)
Total adjusted operating profit¹								173.5

¹ Adjusted operating profit represents operating profit excluding amortisation of intangible assets arising on acquisitions, exceptional items and share of taxation on profit in joint ventures and associates.

Impairment tests for goodwill

Goodwill has historically been recorded at the level of business units, which have comprised the Group's CGUs. The CGUs represent the lowest level within the Group at which goodwill is monitored for internal management purposes. Goodwill has not been sub-allocated to three of the Group's reportable segments (Events, Data, Services and Online, and Print – Magazines). Accordingly, the 2009 annual impairment review has been undertaken using the Group's seven CGUs.

A summary of the goodwill allocation to the Group's CGUs is given in the above tables.

Management tests goodwill annually for impairment as at 30 September each year, or more frequently if there are indicators that goodwill may be impaired. The recoverable amount of a CGU is the higher of a CGUs fair value less costs to sell and its value in use. In calculating the fair value less costs to sell and value in use of its CGUs, management is assisted by the work of external advisors.

The recoverable amount of a CGU is not re-computed annually by management if all of the following criteria are met:

- The component assets and liabilities of the CGU have not changed significantly since the last recoverable amount calculation;
- The previous assessment of recoverable amount exceeded the carrying amount of the CGU by a substantial margin; and
- Based on an analysis of events that have occurred and circumstances that have changed since the most recent recoverable amount calculation, the likelihood that a current recoverable amount determination of the CGU would be less than its carrying value is remote.

Management has considered all of the above criteria in conjunction with the financial results for the CGUs in 2009 and the forecast results for 2010 and future years, along with consideration of events that have taken place, and any changes to economic conditions that have occurred, since the previous goodwill impairment test. Management consider that three CGUs – Targeting, Distribution and Monitoring, UBM Asia and RISI meet all three of the carry forward criteria, and the results of prior year calculations of the recoverable amounts of these CGU's, based on fair value less costs to sell, have been rolled forward for the purpose of the 2009 impairment test.

Fair value less costs to sell has been applied for UBM Information and value in use has been applied for UBM Technology, CMPMedica and Commonwealth Business Media as the most appropriate test basis for each CGU.

Impairment charges recognised

The impairment charges in respect of goodwill recognised in the consolidated income statement as a separate line item within operating loss are as follows:

Cash generating unit	Segment	2009 £m	2008 £m
UBM Technology	Events, Data, Services and Online, and Print – Magazines ¹	47.0	-
CMPMedica	Events, Data, Services and Online, and Print – Magazines ¹	67.0	-
Commonwealth Business Media	Events, Data, Services and Online, and Print – Magazines ¹	35.8	-
		149.8	-

¹ Assets (including goodwill) and liabilities of the CGUs have not been allocated to the three business segments within Events, Data, Services and Online, and Print – Magazines

Notes to the consolidated financial statements

at 31 December 2009

9. Goodwill (continued)

UBM Technology

During the year ended 31 December 2009, the goodwill in relation to UBM Technology was impaired by £47.0m, mainly due to the continued decline in print revenue and operating profit within the technology sector. Over the past few years, UBM has actively managed the print magazine portfolio to adapt to the long term structural shifts in the media environment. A number of titles have either been discontinued, consolidated or the frequency of publication reduced, resulting in a significant decline in print-based revenue and operating profit, further accelerated in 2009 by the difficult economic climate.

CMPMedica

The goodwill in relation to CMPMedica was impaired by £67.0m during the year ended 31 December 2009. This was primarily due to reduced print magazine revenue and operating profit. A number of CMPMedica titles were discontinued in 2009, resulting in a significant decline in print-based revenue and operating profit, further accelerated by the reduction in General Practitioner advertising revenue reflecting the difficult economic climate. In addition, regulatory change in the US has resulted in reduced spending by the pharmaceutical companies for Continuing Medical Education, resulting in the cancellation of a number of planned meeting series.

Commonwealth Business Media

During the year ended 31 December 2009, the goodwill in relation to Commonwealth Business Media was impaired by £35.8m. As with UBM Technology and CMPMedica, the charge is mainly attributable to the decline in print magazine and print directory revenue and operating profit. Both magazines and directories within the trade and transportation sector have been impacted by the long term structural shift away from print media towards digital and face-to-face media. This decline has been accelerated in 2009 as a result of the difficult economic environment, particularly in the US.

Value in use impairment test

The recoverable amounts for the UBM Technology, CMPMedica and Commonwealth Business Media CGUs were determined using value in use. The value in use tests for each CGU have been based on the estimated future cash flows which are discounted to their present value using a pre-tax discount rate that reflects management's estimate of the CGU's weighted average cost of capital.

The key assumptions used by management in the value in use calculation for the above mentioned CGU's which are considered to be most sensitive were:

Forecast EBITA

Forecast EBITA is based upon the financial projections approved by management covering a five year period. The projections have been determined by using a combination of past experience, long term trends, industry forecasts and management estimates.

Management's estimates and long term trends reflect the following factors:

- The continued rebalancing of the product portfolio, away from print to digital and face-to-face media.
- Margin improvements due to restructuring and business reorganisation plans, that have taken place during 2008 and 2009 within each CGU. Each restructuring programme aims to either rebalance the product portfolios to better meet the future needs of customers and audiences, or to ensure the support platforms and divisional structures are cost efficient. This was undertaken by a combination of cost reductions and investment in organic product development and acquisitions. The EBITA projections take into account these margin improvements and do not include any cash flows relating to restructuring not provided at the time of the annual impairment test.

Management has considered industry specific growth rates in their calculation of the five year EBITA forecast, together with exceptions specific to the healthcare, trade and transportation and technology industries.

Discount rate

The discount rate for each CGU is based on the risk-free rate for 20 year government bonds in the respective market, adjusted for a risk premium to reflect the increased risk of investing in equities, the systematic risk of the specific CGU and taking into account the relative size of the CGU and the specific territories in which it operates. The increased risk of investing in equities is assessed using an equity market risk premium which reflects the increased return required over and above a risk free rate by an investor who is investing in the whole market. Management has used an equity market risk premium based on studies by independent economists and historic equity market risk premiums.

The risk adjustment for the systematic risk, beta, of each CGU reflects the specific risk relating to that CGU relative to the market as a whole. This has been determined by management using an average of the betas of comparable companies within respective sectors.

Perpetuity growth rates

The cash flows subsequent to the approved budget period are based upon the weighted average projected real gross domestic product growth rate in 2013 of each of the territories in which the CGU's operate. Growth rates for each territory have been weighted based on contribution to 2010 budgeted revenue.

Notes to the consolidated financial statements

at 31 December 2009

9. Goodwill (continued)

The key assumptions for discount rate and perpetuity growth rate used in the most recent value in use calculation in the year ended 31 December 2009 are as follows:

	2009		2008	
	Pre-tax discount rate	Perpetuity growth rate	Pre-tax discount rate	Perpetuity growth rate
UBM Technology	12.0%	2.5%	n/a*	n/a*
CMPMedica	12.6%	2.6%	12.6%	2.3%
Commonwealth Business Media	13.3%	2.3%	n/a*	n/a*

* Value in use calculation not performed in 2008

Following the charge for impairment, the estimated recoverable amount of the UBM Technology, CMPMedica and Commonwealth Business Media CGU's are equal to their carrying value at 31 December 2009. Consequently, any adverse change in key assumption would, in isolation, cause a further impairment loss to be recognised.

The table below shows the (increase)/decrease in the aggregate impairment loss of a reasonably possible change in each assumption:

	UBM Technology £m	CMP Medica £m	Commonwealth Business Media £m
EBITA forecasts			
Decrease by 10%	(19.0)	(22.9)	(7.5)
Increase by 10%	19.0	22.9	7.5
Pre-tax discount rate			
Increase by 20 basis points	(3.8)	(4.1)	(1.3)
Decrease by 20 basis points	3.9	4.3	1.3
Perpetuity growth rate			
Increase by 0.5 percentage point	7.0	7.5	2.2
Decrease by 0.5 percentage point	(6.3)	(6.8)	(2.0)

Fair value less costs to sell impairment test

The recoverable amount of the UBM Information CGU has been determined using fair value less costs to sell. The estimate of fair value less costs to sell is based on the best information available and refers to the amount at which the CGU could be sold in a current transaction between willing parties. The valuation method is based on an earnings multiple approach using transaction revenue and EBITA multiples obtained from comparable businesses and transactions in comparable businesses in the professional media sector. A discount to the multiples from the peer group has been applied due to the smaller size of UBM Information compared to the peer group. The multiples range from 1.6 to 2.2 (2008: 1.3 to 1.9) for revenue and 7.5 to 9.5 (2008: 6.5 to 8.5) for EBITA.

The calculation uses actual sales and EBITA results for 2009 and forecast sales and EBITA for 2010, based upon financial budgets approved by management. Costs to sell are estimated to be 3% of the value of a CGU, based on experience of prior disposals by the Group.

In the determination of fair value less costs to sell, the calculation of fair value is most sensitive to the precedent transaction multiples used. Based on the conditions at the balance sheet date, management determined that a reasonably possible change in any of the key assumptions would not cause an impairment to be recognised in respect of UBM Information.

In 2008, impairment tests for UBM Technology and Commonwealth Business Media were also performed under the fair value less costs to sell methodology, as described above. The multiples ranged from 1.0 to 1.8 for revenue and 8.0 to 11.0 for EBITA. The calculation used actual sales and EBITA results for 2008 and forecast sales and EBITA for 2009, based upon financial budgets approved by management.

In the determination of fair value less costs to sell in 2008, the calculation of fair value is most sensitive to the precedent transaction multiples used. During the year ended 31 December 2008, the deterioration in the economic climate and fall in equity markets has resulted in lower sales and EBITA multiples across the group. Management conducted a sensitivity analysis in relation to multiples used in the impairment test. For UBM Technology, if there was a further reasonably possible decline in multiples of companies in the professional media sector of 20% to 25%, the sensitivity analysis shows that the recoverable amount would continue to exceed the carrying value of the CGU. The fair value for Commonwealth Business Media, which was acquired in 2006, exceeded its carrying value by approximately £15m. A reasonably possible decline in multiples could reduce the fair value less costs to sell of the Commonwealth Business Media CGU to a level comparable with its carrying value.

Notes to the consolidated financial statements

at 31 December 2009

10. Cash and cash equivalents

	2009 £m	As restated 2008 £m
Cash at bank and in hand	61.9	33.5
Short term deposits	97.0	138.9
	158.9	172.4

Cash at bank earns interest at floating rates based on daily bank deposit rates. Short term deposits are made for varying periods of between one day and three months and earn interest at the respective short-term deposit rates.

The fair value of cash and cash equivalents at 31 December 2009 is £158.9m (2008: £172.4m).

The Group only deposits surplus cash with major banks of high quality credit standing.

The Group classifies all its cash and short term deposits as loans and receivables.

The amounts shown for the year ended 31 December 2008 have been restated to reflect the finalisation of acquisition accounting adjustments relating to certain acquisitions made in 2008.

For the purposes of the consolidated statement of cash flows, cash and cash equivalents comprise the following at 31 December:

	2009 £m	2008 £m
Cash at bank and in hand	61.9	33.5
Short term deposits	97.0	138.9
	158.9	172.4
Bank overdrafts (see Note 11)	(0.1)	(3.7)
	158.8	168.7

11. Borrowings

	2009 £m	2008 £m
Current		
Bank overdrafts	0.1	3.7
Current instalments due on bank loans	0.2	50.9
7.75% US bonds	-	3.9
	0.3	58.5
Non-current		
Non-current instalments due on bank loans	64.2	299.3
£250m fixed rate sterling bonds 2016	245.8	-
£75m floating rate reset bonds	75.0	75.0
	385.0	374.3

The Group classifies all its derivative financial instruments at fair value through profit and loss and its bank overdrafts, bank loans, fixed rate bonds, floating rate reset bonds and 7.75% US bonds as financial liabilities at amortised cost.

Bonds

£250m fixed rate sterling bonds due 2016

On 23 November 2009 the Group issued £250m fixed rate sterling bonds at 99.384% of par. The bonds pay an annual interest coupon of 6.5% on 23 November until maturity in 2016. The coupon of 6.5% would be increased by 1.25% in the event the Group's long term credit rating were to be reduced below investment grade by either Standard and Poors (below BBB-) or Moodys (below Baa3). The proceeds were used to repay outstanding bank debt. The Group entered into currency and interest rate swaps so that approximately £150m has been swapped into floating rate US Dollars, at a rate of LIBOR plus 3.14%. The group also entered into currency swaps so that approximately £100m has been swapped into fixed rate US Dollars, at a rate of 6.34%.

£75m Floating rate reset bonds

In 2008, the Group raised £75.0m through the issue of 20 year floating rate reset bonds. The bonds bear interest at six month LIBOR plus 0.68% until 26 September 2011. Thereafter the interest rate will be 4.70% plus a credit spread which will be reset every three years by auction. Bondholders may put the bonds back to the issuer, at par, on 26 September 2011 and on each triennial interest reset date thereafter. The Group may call the bonds at fair market value on interest payment dates from September 2011. If not put or called, the bonds will mature in 2028.

Notes to the consolidated financial statements

at 31 December 2009

11. Borrowings (continued)

Bank loans	2009 £m	2008 £m
€53.1m floating rate reset loan 2012	47.2	-
€53.1m variable rates loan 2009	-	50.9
CAD26.0m variable rates loan 2010	-	14.7
CAD6.0m variable rate multi-option facility 2010	-	0.8
£325m variable rate multi option facility 2012	16.8	283.3
Other	0.4	0.5
	64.4	350.2

31 December 2009

€53.1m floating rate reset loan due 2012

During 2008, the Group borrowed €53.1m under floating rate reset loans. These loans bear interest at six month LIBOR plus 1.80% until 16 March 2012. Thereafter the interest rate will be 4.16% plus a credit spread which will be reset every three years by auction. Lenders may put the loans back to the Group, at par, on 16 March 2012 and on each triennial interest reset date thereafter. The Group may call the loans at fair market value on interest payment dates from March 2012. If not put or called, the loans will mature in 2024.

CAD26.0m variable rates loan due 2010

This loan was repaid and the facility cancelled in 2009

CAD6.0m variable rate multi option facility due 2010

This loan was repaid and the facility cancelled in 2009

£325m variable rate multi option facility due 2012

This £325m multicurrency unsecured revolving facility is repayable on 27 July 2012 and bears interest at LIBOR plus 0.325%. Drawings under the facility are as follows:

Currency of borrowing	m	£m
Japanese Yen	2,530.0	16.8
		16.8

The undrawn portion of this facility is £308.2m.

31 December 2008

€53.1m variable rates loan due 2009

This unsecured loan was repayable on 16 March 2009 and bears interest at LIBOR plus 0.75%. This loan was refinanced through the issuance of €53.1m floating rate reset loan due 2012.

CAD26.0m variable rates loan due 2010

This unsecured loan is repayable on 27 May 2010 and bears interest at LIBOR plus 0.3%

CAD6.0m variable rate multi option facility due 2010

This unsecured revolving facility is repayable on 27 May 2010 and bears interest at LIBOR plus 0.3%. At 31 December 2008, CAD1.5m of this loan was drawn leaving CAD4.5m undrawn.

£325m variable rate multi option facility due 2012

This £325m multicurrency unsecured revolving facility is repayable on 27 July 2012 and bears interest at LIBOR plus 0.325%. Drawings from the facility are as follows:

Currency of borrowing	m	£m
US dollar	380.0	261.3
Japanese Yen	2,900.0	22.0
		283.3

The undrawn portion of this facility is £41.7m.

Notes to the consolidated financial statements

at 31 December 2009

12. Retirement benefit obligation

The Group operates a number of funded defined benefit and defined contribution pension schemes in the UK and overseas. The charge for the year in relation to defined contribution schemes was £6.0m (2008: £4.7m).

The defined benefit pension schemes included in the following disclosures are (i) UK schemes: the United Pension Plan, the United Magazines Final Salary Scheme, the defined benefit section of the United Group Pension Scheme ('UGPS'), The Builder Group Pension Scheme (which was transferred to the UGPS during 2008), the United Newspapers Executive Pension Scheme, the OAG Pension Scheme, (ii) US schemes, being the CMP Media LLC Cash Balance Retirement Plan and the CMP Post Retirement Medical Plan, and (iii) Retirement Indemnity Plans in France.

The most recent actuarial funding valuations for the majority of the UK scheme liabilities were carried out in 2008 and updated to 31 December 2009 by independent qualified actuaries using the projected unit credit method.

The amounts recognised in the statement of financial position are determined as follows:

	UK Schemes 2009 £m	Other Schemes 2009 £m	Total 2009 £m	UK Schemes 2008 £m	Other Schemes 2008 £m	Total 2008 £m
Fair value of plan assets	415.6	23.6	439.2	382.1	23.2	405.3
Benefit obligation	(431.1)	(32.2)	(463.3)	(335.6)	(38.8)	(374.4)
Irrecoverable element of pension surplus	(2.5)	-	(2.5)	(16.3)	-	(16.3)
(Liability)/asset in the statement of financial position	(18.0)	(8.6)	(26.6)	30.2	(15.6)	14.6

Any surplus on the UK schemes ultimately repaid by the Trustees would currently be subject to a 35% tax charge prior to being repaid. Two of the UK schemes are in surplus at 31 December 2009. The application of IFRIC 14 is such that this tax is shown as irrecoverable surplus.

The amounts recognised in the income statement are as follows:

	UK Schemes 2009 £m	Other Schemes 2009 £m	Total 2009 £m	UK Schemes 2008 £m	Other Schemes 2008 £m	Total 2008 £m
Current service cost	0.7	0.3	1.0	1.2	2.0	3.2
Past service cost	-	-	-	0.5	-	0.5
Curtailements	-	-	-	-	(2.1)	(2.1)
	0.7	0.3	1.0	1.7	(0.1)	1.6
Interest cost	21.9	1.8	23.7	23.5	1.8	25.3
Expected return on plan assets	(24.4)	(1.5)	(25.9)	(27.8)	(1.9)	(29.7)
	(2.5)	0.3	(2.2)	(4.3)	(0.1)	(4.4)
Total pension (credit)/charge	(1.8)	0.6	(1.2)	(2.6)	(0.2)	(2.8)

Of the total pension (credit)/charge, a £1.0m charge and a £2.2m credit (2008: £1.6m charge and £4.4m credit) were included in 'Operating expenses' and 'Financing income' respectively. The total pension credit for 2010 is currently expected to be £2.1m (2009: £1.5m).

The main UK schemes are closed to new members, hence under the projected unit credit method, the current service cost (expressed as a percentage of the salaries of the remaining members) will increase as the members of the scheme approach retirement.

Following finalisation of the 2008 funding valuations in 2009, the Group agreed to make special contributions to the UK pension schemes over the next five years of £3.1m per annum plus a one-off contribution in 2009 of £1.3m and to arrange letters of credit to be issued to the scheme trustees from one or more of the Company's bankers to make up the difference between the valuation and 100% while this funding takes effect. The value of the letters of credit issued to the scheme trustees in 2009 is £13.0m (2008: £26.0m). The main conditions under which these letters of credit could be drawn relate to events which would imperil the interests of the scheme, such as insolvency, or the Group failing to make agreed payments.

Pension deficit contributions of £3.7m (2008: £1.7m) were made to the UK schemes during the year and £nil (2008: £nil) were made to other schemes during the year.

The Group expects to contribute £3.1m to its defined benefit pension plans in 2010.

Notes to the consolidated financial statements

at 31 December 2009

12. Retirement benefit obligation (continued)

The movement in the (liability)/asset recognised in the statement of financial position is as follows:

	UK Schemes 2009 £m	Other Schemes 2009 £m	Total 2009 £m	UK Schemes 2008 £m	Other Schemes 2008 £m	Total 2008 £m
At 1 January	30.2	(15.6)	14.6	26.2	(4.1)	22.1
Total income/(expenses) recognised in the income statement	1.8	(0.6)	1.2	2.6	0.2	2.8
Net actuarial (losses)/gains recognised in the year	(67.8)	3.9	(63.9)	1.5	(10.8)	(9.3)
Irrecoverable element of pension surplus	13.8	-	13.8	(2.2)	-	(2.2)
Contributions paid by UBM	4.0	2.5	6.5	2.1	2.0	4.1
Currency translation	-	1.2	1.2	-	(2.9)	(2.9)
At 31 December	(18.0)	(8.6)	(26.6)	30.2	(15.6)	14.6

The principal actuarial assumptions used in determining pension obligations for the Group's schemes are shown below:

	UK Schemes 2009 %	Other schemes 2009 %	UK Schemes 2008 %	Other schemes 2008 %
Discount rate	5.70	5.39	6.70	5.55
Future salary increases	3.75	2.00	3.75	3.41
Weighted average pension increases	2.96	n/a	2.50	n/a
Inflation assumption	3.30	2.45	2.50	2.47
Expected return on scheme assets:				
Equities	8.90	9.50	9.30	9.50
Bonds	5.70	5.50	6.70	5.50
Gilts	4.40	n/a	3.80	n/a
Other	0.50	3.00	2.00	2.0

The mortality assumptions used at 31 December 2009 for UK schemes are consistent with those applied at 31 December 2008. The death rates used are 130% of the "2000 series" standard tables based on the year of birth of scheme members, which is currently on average 1939 for pensioners (2008: 1935) and 1956 for non-pensioners (2008: 1957). Allowances for future reductions in death rates were assumed to be in line with the "medium cohort" standard actuarial projection. These projections allow for life expectancy to improve over time due to improvements in medical treatments and other lifestyle factors such that younger members who have not yet reached pensionable age are expected to live longer than current pensioner members.

The assumed average life expectancy of current pensioner members when they were aged 65 is 19.4 years for males and 21.8 years for females (2008: 19.0 years and 21.4 years respectively). For current non-pensioner members who have not yet reached pensionable age, the assumed average life expectancy when they reach age 65 is 20.6 years for males and 22.9 years for females (2008: 20.6 years and 22.9 years respectively). The average rate of improvement underlying the standard tables is an increase of approximately 0.7 years' life expectancy in every 10 years.

For the valuation of US scheme liabilities, RP 2000 tables are used in both years for all members. The life expectancy for a 65-year-old male is 18.8 years (2008: 18.8 years) and a 65-year-old female is 20.8 years (2008: 20.8 years).

Additional assumptions used for valuing the UK scheme liabilities are an allowance for between 60-80% (2008: 66-80%) of non-pensioners to exchange 32% (2008: 32%) of pension for tax-free cash on retirement.

Plan assets mainly consist of equity instruments and fixed income investments. The expected rate of return on equities at 31 December 2009 is based on an expected long-term out-performance of equities over government bonds of 4.5% p.a. (2008: 5.5%).

Management has used judgment to determine the assumptions used in calculating the pension obligations. The assumed discount rate, salary increases and mortality all have a significant effect on the IAS 19 accounting valuation. The following table shows the sensitivity of the valuation to changes in these assumptions.

	Impact on deficit increase £m
0.25 percentage point decrease to discount rate	16.0
0.25 percentage point increase to inflation (including pension increases linked to inflation)	8.0
Additional one year increase to life expectancy	15.0

Notes to the consolidated financial statements

at 31 December 2009

12. Retirement benefit obligation (continued)

The reconciliation of the defined benefit obligation is as follows:

	UK Schemes 2009 £m	Other Schemes 2009 £m	Total 2009 £m	UK Schemes 2008 £m	Other Schemes 2008 £m	Total 2008 £m
Defined benefit obligation at 1 January	335.6	38.8	374.4	415.6	29.0	444.6
Service cost	0.7	0.3	1.0	1.2	2.0	3.2
Interest cost	21.9	1.8	23.7	23.5	1.8	25.3
Employee contributions	0.3	-	0.3	0.4	-	0.4
Curtailement gain	-	-	-	-	(2.1)	(2.1)
Benefit payments	(20.2)	(5.4)	(25.6)	(20.6)	(3.8)	(24.4)
Past service cost	-	-	-	0.5	-	0.5
Actuarial loss/(gain) on liabilities	92.8	0.1	92.9	(85.0)	0.7	(84.3)
Exchange rate (gain)/loss	-	(3.4)	(3.4)	-	11.2	11.2
Defined benefit obligation at 31 December	431.1	32.2	463.3	335.6	38.8	374.4

The reconciliation of the plan assets is as follows:

	UK Schemes 2009 £m	Other Schemes 2009 £m	Total 2009 £m	UK Schemes 2008 £m	Other Schemes 2008 £m	Total 2008 £m
Assets at 1 January	382.1	23.2	405.3	455.9	24.9	480.8
Employer contributions	4.0	2.5	6.5	2.1	2.0	4.1
Employee contributions	0.3	-	0.3	0.4	-	0.4
Benefit payments	(20.2)	(5.4)	(25.6)	(20.6)	(3.8)	(24.4)
Actual return on assets	49.4	5.5	54.9	(55.7)	(8.2)	(63.9)
Exchange rate (loss)/gain	-	(2.2)	(2.2)	-	8.3	8.3
Assets at 31 December	415.6	23.6	439.2	382.1	23.2	405.3

The assets held in the schemes are as follows, split by asset category:

	UK Schemes 2009 %	Other Schemes 2009 %	Total 2009 %	UK Schemes 2008 %	Other Schemes 2008 %	Total 2008 %
Equity	55.0	44.0	55.0	48.0	55.0	48.0
Bonds	42.0	49.0	42.0	49.0	40.0	49.0
Cash	1.0	7.0	1.0	1.0	5.0	1.0
Annuity contracts	2.0	-	2.0	2.0	-	2.0
	100.0	100.0	100.0	100.0	100.0	100.0

The plan assets do not include any shares in UBM or any property occupied by the Group.

Actuarial gains and losses recognised in the consolidated statement of comprehensive income:

	UK Schemes 2009 £m	Other Schemes 2009 £m	Total 2009 £m	UK Schemes 2008 £m	Other Schemes 2008 £m	Total 2008 £m
Experience losses/(gains) on plan liabilities	3.3	(0.3)	3.0	(11.5)	0.5	(11.0)
Actuarial losses/(gains) on plan liabilities due to assumptions	89.5	0.4	89.9	(73.5)	0.2	(73.3)
Experience (gains)/losses on plan assets	(25.0)	(4.0)	(29.0)	83.5	10.1	93.6
Effect of irrecoverable element of pension surplus	(13.8)	-	(13.8)	-	-	-
Total loss/(gain)	54.0	(3.9)	50.1	(1.5)	10.8	9.3

The cumulative amount of actuarial gains recognised in the consolidated statement of comprehensive income is £21.1m (2008: £71.2m).

	UK Schemes 2009 %	Other Schemes 2009 %	Total 2009 %	UK Schemes 2008 %	Other Schemes 2008 %	Total 2008 %
Experience losses/(gains) on plan liabilities	0.8	(0.9)	0.6	(3.4)	1.3	(2.9)
Experience (gains)/losses on plan assets	(6.0)	(16.9)	(6.6)	21.9	43.5	23.1

Notes to the consolidated financial statements

at 31 December 2009

12. Retirement benefit obligation (continued)

History of experience gains and losses:

	UK Schemes 2009 £m	UK Schemes 2008 £m	UK Schemes 2007 £m	UK Schemes 2006 £m	UK Schemes 2005 £m
Defined benefit obligation	(431.1)	(335.6)	(415.6)	(445.2)	(453.2)
Plan assets	415.6	382.1	455.9	445.0	411.2
Irrecoverable element of pension surplus	(2.5)	(16.3)	(14.1)	-	-
(Deficit)/surplus in statement of financial position	(18.0)	30.2	26.2	(0.2)	(42.0)
Experience (losses)/gains on plan liabilities	(3.3)	11.5	(4.2)	(2.2)	22.8
Experience gains/(losses) on plan assets	25.0	(83.5)	1.5	7.9	37.0

	Other Schemes 2009 £m	Other Schemes 2008 £m	Other Schemes 2007 £m	Other Schemes 2006 £m	Other Schemes 2005 £m
Defined benefit obligation	(32.2)	(38.8)	(29.0)	(31.9)	(32.2)
Plan assets	23.6	23.2	24.9	28.3	27.4
Irrecoverable element of pension surplus	-	-	-	-	-
(Deficit)/surplus in statement of financial position	(8.6)	(15.6)	(4.1)	(3.6)	(4.8)
Experience gains/(losses) on plan liabilities	0.3	(0.5)	0.7	(2.0)	0.2
Experience gains/(losses) on plan assets	4.0	(10.1)	(0.4)	1.1	0.1

Experience gains/(losses) on plan assets:

	UK Schemes 2009 £m	Other Schemes 2009 £m	Total 2009 £m	UK Schemes 2008 £m	Other Schemes 2008 £m	Total 2008 £m
Expected return on assets	(24.4)	(1.5)	(25.9)	(27.8)	(1.9)	(29.7)
Actual return on assets	49.4	5.5	54.9	(55.7)	(8.2)	(63.9)
	25.0	4.0	29.0	(83.5)	(10.1)	(93.6)

13. Share capital

	2009 £m	2008 £m
Authorised		
1,217,124,740 (2008: 1,217,124,740) ordinary shares of 10 pence each	121.7	121.7
Nil (2008: Nil) B shares of 8 and ²³ / ₄₄ pence each	-	-
	121.7	121.7

	Ordinary shares Number	Ordinary Shares £m	B Shares Number	B Shares £m	Total £m
Issued and fully paid					
At 1 January 2008	243,542,509	82.4	3,809,932	0.3	82.7
Issued in respect of share option schemes and other entitlements	279,246	0.1	-	-	0.1
At 30 June 2008 (pre capital reorganisation)	243,821,755	82.5	3,809,932	0.3	82.8
Capital reorganisation	-	(58.1)	-	-	(58.1)
Capital reorganisation – repurchase of B shares	-	-	(3,809,932)	(0.3)	(0.3)
Issued in respect of share option schemes and other entitlements	260,617	-	-	-	-
At 31 December 2008	244,082,372	24.4	-	-	24.4
Issued in respect of share option schemes and other entitlements	92,116	-	-	-	-
At 31 December 2009	244,174,488	24.4	-	-	24.4

Notes to the consolidated financial statements

at 31 December 2009

13. Share capital (continued)

Capital reorganisation and new holding company

On 1 July 2008, as part of a reorganisation of the corporate structure of the Group, United Business Media Limited ('UBML') was created as a new holding company and parent company of the Group. UBML is UK-listed, incorporated in Jersey and with its tax residence in the Republic of Ireland. United Business Media plc ('UBM plc') became a subsidiary of UBML. The former UBM plc shareholders were issued new shares in UBML on a one-for-one basis following a Scheme of Arrangement ('the Scheme') under Part 26 of the Companies Act 2006 which was approved by UBM plc shareholders. Immediately following the Scheme, the former shareholders of UBM plc held the same economic interest in United Business Media Limited as they held in UBM plc immediately prior to its implementation.

The effect of the Scheme was to increase share premium by £885.4m from £362.2m at the date immediately preceding the scheme, eliminate UBM plc's capital redemption reserve of £52.1m and create a merger reserve with a negative/debit balance of £833.3m.

Also on 1 July 2008, UBM plc reduced and repaid its entire issued B share capital for total consideration of £9.4m (being 245p per share plus the relevant proportion of dividends outstanding). The effect of the reduction and repayment of UBM plc's B share capital of £9.4m was to reduce share capital by £0.3m, increase the capital redemption reserve by £0.3m, reduce retained earnings by £9.3m in relation to the redemption of the B shares and to record the £0.1m B share dividend for the period to the redemption date.

On 4 July 2008, the Jersey Court approved the reduction of capital of UBML, whereby the nominal value of each ordinary share was reduced from 33 ⁷¹/₆₈p to 10p and the balance of UBML's share premium account was transferred to the profit and loss reserve. The effect of the reduction of capital was to reduce share capital by £58.1m, reduce share premium by £1,247.6m and increase the profit and loss reserve by £1,305.7m.

Share repurchases

The Group did not repurchase and cancel any of its own ordinary shares during the year (2008: nil). The total amount paid to acquire the ordinary shares was £nil and, as described above, £nil was paid to acquire B shares (2008: £nil for ordinary shares and £9.4m for B shares).

B shares

The return of capital to shareholders undertaken in 2001 took the form of a subdivision and consolidation of the existing Company ordinary shares. On 23 April 2001, each of the existing 507,901,885 ordinary shares of 25p then in issue were sub-divided into one share of 8 ²³/₄₄p (B Shares) and one share of 16 ²¹/₄₄p and immediately following such sub-division every issued share of 16 ²¹/₄₄p was sub-divided into 29 shares of ²⁵/₄₄p. Every 44 shares of ²⁵/₄₄p each resulting from such sub-division were then consolidated into one ordinary share of 25p. The subdivision created a class of B shares with a total value of approximately £1.25bn. UK shareholders had the option to sell these shares back to the Company for 245p per share, to receive a single dividend of 245p per share, or to retain the B shares and receive a continuing dividend linked to LIBOR. During the year ended 31 December 2008, as described above, 3,809,932 shares were purchased by the Company for consideration of £9.4m. Cumulatively to 1 July 2008, 375,417,690 B shares had been purchased by United Business Media plc for consideration of £919.8m. At 31 December 2009, no B shares remain in issue (31 December 2008: no B shares).

B shareholders were entitled to a non-cumulative preference dividend. On winding up, the B shareholders were entitled to 245p per share and the relevant proportion of the dividends outstanding. B shareholders did not have any voting entitlements except in a resolution relating to a winding up of the company or if the B share dividend has been outstanding for more than six months.

Company share schemes

The ESOP Trust and QUEST Trust own 0.27% (2008: 0.91%) of the issued share capital of the company in trust for the benefit of employees of the group and their dependents. The voting rights in relation to these shares are exercised by the trustees.

14. Share premium

	2009 £m	2008 £m
In issue at 1 January	1.0	361.3
Premium on shares issued, net of costs	0.2	1.9
Capital reorganisation (see Note 13)	-	(362.2)
In issue at 31 December	1.2	1.0

The Company received £0.2m (2008: £2.0m) on the issue of shares in respect of the exercise of options awarded under various share option plans.

Notes to the consolidated financial statements

at 31 December 2009

15. Other reserves

	Merger reserve £m	Capital redemption reserve £m	Foreign currency translation reserve £m	ESOP reserve £m	Other reserve £m	Total other reserves £m	Retained earnings £m	Minority interests £m	Total £m
Balance at 1 January 2008	101.1	51.8	(40.3)	(24.0)	129.1	217.7	(301.3)	5.7	(77.9)
Total comprehensive income for the year ¹	-	-	107.1	-	(11.7)	95.4	61.6	9.0	166.0
Capital reorganisation	(833.3)	(52.1)	-	-	-	(885.4)	1,305.7	-	420.3
Capital reorganisation – repurchase of B shares	-	0.3	-	-	-	0.3	(9.3)	-	(9.0)
Share-based payment	-	-	-	-	-	-	7.9	-	7.9
Equity dividends	-	-	-	-	-	-	(54.4)	-	(54.4)
Minority interest dividends	-	-	-	-	-	-	-	(7.1)	(7.1)
Shares awarded by ESOP	-	-	-	4.5	-	4.5	(4.5)	-	-
Balance at 31 December 2008	(732.2)	-	66.8	(19.5)	117.4	(567.5)	1,005.7	7.6	445.8
Total comprehensive losses for the year ²	-	-	(51.7)	-	7.9	(43.8)	21.2	6.5	(16.1)
Share-based payment	-	-	-	-	-	-	2.4	-	2.4
Equity dividends	-	-	-	-	-	-	(58.8)	-	(58.8)
Minority interest dividends	-	-	-	-	-	-	-	(4.4)	(4.4)
Acquisition of minority interests (see Note 16)	-	-	-	-	-	-	(8.5)	(0.2)	(8.7)
Shares awarded by ESOP	-	-	-	13.6	-	13.6	(13.6)	-	-
Balance at 31 December 2009	(732.2)	-	15.1	(5.9)	125.3	(597.7)	948.4	9.5	360.2

¹ The amount included in the foreign currency translation reserve for 2008 represents the currency translation difference on foreign operations on Group subsidiaries of £190.5m, on net debt of £(87.7m) and on joint ventures and associates of £4.3m. The amount recognised in the other reserve represents the losses on cash flow hedges arising during the year of £8.3m and reclassification adjustments for amounts included in profit or loss of £3.4m. The amount included in retained earnings represents profit attributable to ordinary equity shareholders of £75.9m and B share equity shareholders of £0.5m, less actuarial losses recognised in the Group's pension schemes of £9.3m and the pension schemes of associates of £3.3m, less the movement in the irrecoverable element of the pension surplus of £2.2m. The amount included in the minority interest represents the profit attributable to minority interests of £6.3m plus currency translation difference on foreign operations of £2.7m.

² The amount included in the foreign currency translation reserve for 2009 represents the currency translation difference on foreign operations on Group subsidiaries of £(78.1m), on net debt of £27.9m and on joint ventures and associates of £(1.5m). The amount recognised in the other reserve represents the gains on cash flow hedges arising during the year of £0.2m and reclassification adjustments for amounts included in profit or loss of £7.7m. The amount included in retained earnings represents profit attributable to equity shareholders of £75.2m, less actuarial losses recognised in the Group's pension schemes of £63.9m and the pension schemes of associates of £3.9m, plus the movement in the irrecoverable element of the pension surplus of £13.8m. The amount included in the minority interest represents the profit attributable to minority interests of £6.6m less currency translation difference on foreign operations of £0.1m.

Merger reserve

During 2008 a reorganisation of the corporate structure of the Group took place to create a new holding company which is UK-listed, incorporated in Jersey and with its tax residence in the Republic of Ireland. This capital reorganisation that took place involved a Scheme of Arrangement and subsequent capital reduction and details relating to these transactions as well as an explanation of the impact on the financial statements is included in Note 13.

Capital redemption reserve

Entries were made to the capital redemption reserve during 2008 to ensure there was no reduction in capital when the former parent company repurchased its own shares in accordance with the Companies Act 1985. Under the Companies (Jersey) Law 1991 no entries will be required to the capital redemption reserve in relation to any future transactions whereby the Company repurchases its own shares.

Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries. It is also used to record the effect of hedging net investments of foreign operations.

Other reserve

This reserve includes unrealised gains and losses on hedging instruments for which cash flow hedge accounting is used.

ESOP reserve

The ESOP reserve records ordinary shares held by the ESOP to satisfy future share awards. The shares are recorded at cost.

Notes to the consolidated financial statements

at 31 December 2009

16. Acquisitions

The Group completed five acquisitions during 2009.

On 3 July 2009, the Group acquired Iasist S.A. for a total cash consideration of €6.4m. Iasist S.A. is a provider of benchmarking data and software to regional health authorities, hospitals and other health service providers, principally in Spain and Portugal. Iasist S.A. is reported within the Data, Services and Online segment.

On 3 July 2009, the Group acquired the remaining 48% of the voting rights of RISI Inc. for a total cash consideration of \$14.3m. This equity purchase brings UBM's total shareholding in RISI Inc. to 79% (2008: 52%), although 100% of the voting rights are now owned (2008: 52%). RISI Inc. provides online and printed market, pricing, news and analysis and benchmarking products and services on the forest product industry. RISI Inc. is reported within the Data, Services and Online segment.

On 31 July 2009, the Group acquired The Fuel Team for an initial cash consideration of \$2.5m, with a further performance-related consideration of up to \$4.5m payable over the next three years. The Fuel Team builds and hosts specialist website modules (or, microsites) for communications professional working in businesses, healthcare and not-for-profit organisations. The Fuel Team is reported within the Targeting, Distribution and Monitoring segment.

On 27 August 2009, the Group acquired a 70% interest in the China International Optoelectronic Expo ('CIOE') for a total cash consideration of \$5m. CIOE is the world's largest optoelectronics event held annually in Shenzhen. The event covers all aspects of the market, including laser and infrared applications, precision optics, optical communications and LEDs. CIOE was allocated to the Events segment and was subsequently transferred at cost to the joint venture eMedia Asia Limited on 30 December 2009.

On 14 December 2009, the Group acquired Virtual Press Office for an initial cash consideration of \$6.5m, with a further performance-related consideration of up to \$3.5m payable over the next three years. Virtual Press Office is the market-leading provider of communications and marketing services to live event organizers, exhibitors and attendees. Virtual Press Office is reported within the Targeting, Distribution and Monitoring segment.

The Group acquired 100% of the voting rights in all cases where acquisitions involved the purchase of companies unless where otherwise stated. The acquisition accounting for Virtual Press Office has been determined on a provisional basis as the valuation exercise at the date of acquisition is ongoing.

The following table sets out the carrying amounts of the identifiable assets and liabilities acquired and their fair value in respect of the acquisition of businesses (excluding RISI Inc.) during 2009:

	2009 Fair value to Group £m	2009 Acquiree's carrying amount £m
Intangible assets	6.3	0.1
Property, plant and equipment	0.1	0.1
Cash and cash equivalents	2.8	2.8
Trade receivables and other current assets	4.5	4.5
	13.7	7.5
Trade payables and other current liabilities	(3.5)	(4.1)
Deferred tax liability	(1.3)	-
	(4.8)	(4.1)
Fair value of net assets	8.9	
Goodwill arising on acquisition (net of changes in estimates of deferred consideration of £5.7m)	8.6	
	17.5	

The total consideration paid and payable on acquisitions is shown below:

	2009 £m
Consideration:	
Cash paid	18.3
Deferred consideration	(0.8)
Total consideration	17.5

The acquisition of RISI Inc. has been accounted for using the entity concept method as control was already held by the Group on the date of the acquisition.

	2009 £m
Cash paid	8.7
Carrying amount of minority interest on acquisition date	(0.4)
Remaining minority interest after 3 July 2009	0.2
Recognised in equity (see Note 15)	8.5

Notes to the consolidated financial statements

at 31 December 2009

16. Acquisitions (continued)

The Group completed 14 acquisitions during 2008.

2 January 2008, the Group acquired certain assets from Mass Event Labs, Inc for an initial cash consideration of \$1.2m, with a further performance-related consideration of up to \$3.8m payable over the next four years.

22 January 2008, the Group acquired Think Service, Inc for an initial cash consideration of \$24.5m, with a further performance-related consideration of up to \$5.0m payable over the next year.

8 February 2008, the Group acquired Exposure Events UK Limited, for an initial cash consideration of £0.6m, with a further performance-related consideration of up to £1.9m payable over the next two years.

25 February 2008, the Group acquired AeroStrategy's aviation data business for an initial cash consideration of \$0.9m, with a further performance-related consideration of up to \$1.2m payable over the next three years.

29 February 2008, the Group acquired Vision Events for a total cash consideration of \$11.4m.

30 May 2008, the Group acquired the Embedded Systems Show for a total cash consideration of £0.1m.

30 May 2008, the Group acquired Next Level for an initial cash consideration of \$5.0m, with a further performance-related consideration of up to \$6.5m payable over the next three years.

22 July 2008, the Group acquired the International Direct Marketing Fair for a total cash consideration of £0.3m.

25 July 2008, the Group acquired the Sleep Event and the Arc Show for an initial cash consideration of £3.6m, with a further performance-related consideration of £0.4m payable over the next year.

22 August 2008, the Group acquired certain assets from Pyramid Research, LLC for a total cash consideration of \$8.0m.

8 October 2008, the Group completed the acquisition of a 50% stake in Securex for total cash consideration of ZAR6.8m. The Group accounts for Securex as a joint venture.

14 November 2008, the Group acquired full control of Xinhua PR Newswire for a total cash consideration of \$6m.

20 November 2008, the Group acquired Global Games Media for an initial cash consideration of €0.1m, with a further performance-related consideration of €1.4m payable over the next three years.

9 December 2008, the Group acquired Sanguine Microelectronics for an initial cash consideration of \$8m, with a further performance-related consideration of \$9.5m payable over the next three years.

The Group acquired 100% of the voting rights in all cases where acquisitions involved the purchase of companies unless where otherwise stated.

The following table sets out the carrying amounts of the identifiable assets and liabilities acquired and their fair value in respect of the acquisition of businesses during 2008:

	2008 Fair value to Group £m	2008 Acquiree's carrying amount £m
Intangible assets	18.7	0.7
Property, plant and equipment	1.0	0.5
Cash and cash equivalents	3.1	2.9
Trade receivables and other current assets	5.3	5.3
Associates and joint ventures	0.4	-
	28.5	9.4
Trade payables and other current liabilities	(12.5)	(9.5)
Deferred tax liability	(3.0)	-
	(15.5)	(9.5)
Fair value of net assets	13.0	
Goodwill arising on acquisition (including changes in estimates of deferred consideration of £0.8m)	44.9	
	57.9	

Notes to the consolidated financial statements

at 31 December 2009

16. Acquisitions (continued)

The total consideration paid and payable on acquisitions is shown below:

	2008 £m
Consideration:	
Cash paid	38.4
Deferred consideration	19.5
Total consideration	57.9

As disclosed in Note 1, the acquisition accounting adjustments have been finalised in relation to certain acquisitions which were made in 2008. The amounts disclosed above have been restated in accordance with IFRS 3 'Business Combinations'.

From the date of acquisition to 31 December 2009, the acquisitions made in 2009 have contributed £2.6m of profit to operating loss and £4.8m to revenue of the Group. If the acquisitions had taken place at the beginning of the year, the acquisitions would have contributed £2.8m of profit to operating loss and £9.6m to revenue of the Group.

Acquisitions made in 2008 contributed £5.1m to operating profit and £22.5m to revenue of the Group from the date of acquisition to 31 December 2008. If the acquisitions had taken place at the beginning of that year, the acquisitions would have contributed £6.9m to operating profit and £31.4m to revenue of the Group.

The goodwill of £9.3m (2008: £44.9m) recognised above relates to certain intangible assets that cannot be individually separated and reliably measured. These include items such as customer loyalty, market share and a skilled workforce.

The aggregate cash flow effect of acquisitions was as follows:

	2009 £m	2008 £m
Net cash acquired with the subsidiaries	(2.8)	(2.9)
Cash paid to acquire subsidiaries	18.3	38.0
Cash paid to acquire interests in associates and joint ventures	-	0.4
Deferred consideration on 2005 acquisitions	-	2.1
Deferred consideration on 2006 acquisitions	1.7	1.4
Deferred consideration on 2007 acquisitions	1.2	9.1
Deferred consideration on 2008 acquisitions	7.2	-
Net cash outflow on acquisitions	25.6	48.1

The movement in the deferred consideration payable during the year was:

	2009 £m	2008 £m
Balance at 1 January 2009	38.6	23.1
Acquisitions	5.0	18.9
Deferred consideration paid	(10.1)	(12.6)
Changes in estimates	(5.7)	0.8
Currency translation	(2.7)	8.4
Balance at 31 December 2009	25.1	38.6

The Group paid £10.1m of deferred consideration during 2009 in relation to the 2006 acquisitions of Aviation Industry Group, Thames Gateway Forum and MediReach Healthcare Communication, the 2007 acquisitions of Energy Solutions Expo, Semiconductor Insights Inc, How Machines Work Corporation and Portelligent Inc and the 2008 acquisitions of Mass Event Labs, Exposure Events UK Limited, Aerostrategy's aviation data business, Next Level, Sanguine Microelectronics, the Sleep Event and the Arc Show. Under the terms of the relevant sale and purchase agreements, additional consideration was payable if certain revenue and profit targets were met. None of the deferred consideration balances are individually material.

The Group paid £12.6m of deferred consideration during 2008 in relation to the 2005 acquisitions of ICMI and Black Hat, the 2006 acquisitions of the Software conference, Thames Gateway Forum, Aviation Industry Group and MediReach Healthcare Communications and the 2007 acquisitions of Semiconductor Insights Inc, Notilog, Energy Solutions Expo, Intermodal South America trade show and Vintage Filings LLC. Under terms of the relevant sale and purchase agreements, additional consideration was payable if certain revenue and profit targets were met. None of the deferred consideration balances are individually material.

The intangible assets acquired as part of the acquisitions are as follows:

	2009 £m	As restated 2008 £m
Brands	2.8	7.9
Customer contracts and relationships	1.3	6.9
Databases	0.7	2.2
Subscription lists	0.3	-
Software	1.2	1.7
Total	6.3	18.7

Notes to the consolidated financial statements

at 31 December 2009

17. Events after the reporting period

On 12 February 2010, the Group completed the acquisition of a 70% interest in Sign China for an initial cash consideration of \$10.7m, with a further performance-related consideration of up to \$3.9m payable over two years.

On 23 February 2010, the Group announced the acquisition of Game Advertising Online for an initial cash consideration of \$1.0m, with a further performance-related consideration of up to \$7.0m payable within 12 months of completion.

On 3 March 2010, the Group completed the acquisition of E-Commerce Expo for an initial cash consideration of £0.6m, with a further performance-related consideration of up to £1.2m payable over the next year.