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Moderator: **Richard Menzies-Gow**

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Operator: Good day ladies and gentlemen, and welcome to the Informa Q3 IMS Conference Call. For your information, today's conference is being recorded. At this time, I will turn the call over to your host Mr Richard Menzies-Gow, Director of Investor Relations at Informa. Please go ahead, sir.

Richard Menzies-Gow: Thanks very much, and good morning everybody. Thanks for joining us on a Monday morning. We will crack straight on with it. I have got Gareth Wright, our Finance Director, here. He is going to do the normal thing and just give you a quick overview for a few minutes, and then I think we will jump straight to Q&A. Over to you, Gareth.

Gareth Wright: Great, thanks Richard and good morning everyone. Thank you for dialling in to the call. We're today reporting the nine-month trading update for Informa, which includes divisional organic revenue growth figures for that period. The three headlines that we would pick out of the announcement are, firstly, we remain on track to deliver full-year financial results in line with market expectations. Secondly, we continue to make progress with our wider operational and financial objectives through the 2014 to 2017 Growth Acceleration Plan, including a £90 million investment programme which remains on schedule. And thirdly, last week we completed the addition of Penton Information Services to the Group following strong shareholder support, bringing greater balance and breadth to the Group, and scale to our Global Exhibitions and Business Intelligence divisions.

Focusing on trading: as you would expect, there are variances across verticals and across geographies. But the principal dynamics seen in Q3 are consistent with those you saw in the half year results, with real strength in Global Exhibitions and a continued improvement in Business Intelligence, both of which divisions have increased weighting in the Group going forward. We also saw consistent and manageable growth in Academic Publishing, and improving trends in Knowledge & Networking.

In Global Exhibitions, the business continues to perform strongly in Q3, producing revenue growth of 10.6% year to date. Q4 is a quieter period for the business, so we would expect some moderation of this growth rate across the full year in line with consensus expectations. But advanced booking trends for 2017 are progressing well, and are consistent with our growth expectations.

In Business Intelligence, this division very much remains on plan with continued momentum on subscriptions giving us increasing visibility in the business. Further progressive improvement in this organic growth rate in Q3 produced a flat organic revenue performance for the nine-month period, giving us real confidence of delivering positive revenue growth for the full year for the first time in six years.

In Academic Publishing, we've reached solid performance overall, with consistent growth in journals balanced by continued modest declines in books similar to the pattern we reported at the half year. This produced 0.7% organic growth across the nine months, ahead of the increasingly important fourth quarter period. Given what we can see into this key trading period, we still think organic growth across the year should be pretty similar to last year, but possibly a touch lower given where we are at the nine-month stage. But any slight moderation is more than offset by FX movements at a reported level.

The other news within Academic Publishing is the formal announcement of Roger Horton's retirement in 2017. Roger has been the CEO of this division for over a decade, and his contribution has been truly significant. But this transition has been planned for some time, and there will be a managed handover to whoever his successor is through the first half of next year.

In Knowledge & Networking, we continue with the restructuring to improve its focus and customer relationships. This helped improve the revenue trends to a 2.2% decline over nine months, compared to the 4.7% decline reported at the half year. This past year reflects the reversal of the phasing variances we noted in the half year, but also a good performance in some of its bigger events in the period. We continue to target a flat revenue performance for the full year, with a number of the division's largest events to come in Q4.

So in summary, Informa remains on track to achieve the market expectations for 2016, including another year of growth in revenue, profits and earnings. We remain on track with the growth acceleration plan in terms of capital deployment and delivery in a peak year for investments. And we'll continue to make good operational progress, with the recent Penton addition increasing balance and breadth across the Group and increasing our US scale further. We would now be happy to take any questions that you have. Thank you.

Operator: Thank you, sir. Ladies and gentlemen, if you would like to ask an audio question, please press the star or asterisk key followed by digit 1 on your telephone keypad. Please also ensure the mute function on your telephone is switched off to allow your signal to reach our equipment. So once again, if you want to ask a question, please press *1.

Today's first question from Ms Katherine Tait from Goldman Sachs. Please go ahead ma'am. Your line is open.

Katherine Tait: Morning everyone. Just a couple of questions from me. Firstly, within Academic, and the modest declines you are seeing in books; I am just curious if this is broad-based, or if you're seeing it more in STM versus humanities and social sciences. A bit more colour there would be really interesting.

Secondly, you talked about the uncertainty created by Brexit in your delegate-based businesses. Is this just happening in your UK-based conferences, or is it more broad-based than that? And are you seeing this impacting any particular verticals, or is it just a sort of point on overall sentiment?

And then finally, you mentioned that the BI metrics like renewal rates are improving. I wonder if you could just give us some numbers around that. Thank you very much.

Gareth Wright: Okay, thanks. So, I will take those in reverse order. In terms of BI, what we're seeing is kind of a steady improvement across the middle of the year, across Q2, Q3. The key renewal season is December and January, so we're kind of building up to that now with some of the launches in our new products that are coming through in the Growth Acceleration Plan. So overall, the business continues to be on track and its performance is improving.

In terms of actual metrics, we haven't really given specific metrics on renewals, but we talked about our retention rates being in the low 70%s when the business began the turnaround, and we're heading into the high 80%s now, and looking to see if we can get to the 90%s in the renewal season. That's the general target. So overall, the key thing is continued improvement and continued delivery, which is what the division is doing well at.

In terms of the Brexit point: that's really a balance, because clearly when you look at Brexit, the key benefit you can see for the Group is the stronger dollar versus the pound, and therefore the benefit on our reported earnings. So, the benefits of it or the upside of it is clearly apparent. And we just wanted to balance that off slightly by pointing out that in our most consumer-facing business, which is what Knowledge & Networking is, we are seeing a little bit of uncertainty in terms of delegate booking. So, this isn't delegates necessarily not coming, but it's more a bit of uncertainty and a bit of a delay in finalising arrangements about coming to the Q4 shows. So just a bit of hesitancy there, partly reflecting the uncertainty that Brexit has left in the business market generally around how things are going forward. So it's not a big point, but it's more of a sentiment and flavour point we wanted to make sure was in the statement, so that people understood it.

Richard Menzies-Gow: I think the other thing on that is just to put it in context: I mean, clearly as a business we've been moving increasingly towards the US, and the Penton addition moves that further; I think around 50% of revenue, and slightly more in terms of dollar-based revenue, will come from the US or be US dollar-denominated going forward. So in reality, Europe and the Brexit issue is not a huge thing for us to think about. And then if you look at the businesses: I mean, K&N going forward will be sub-10% profit. And then within that, delegate revenues probably roughly half of that. So, when you drill down into it, it's not a big issue for us. But it was something, as Gareth says, worth raising. I know others have been talking about it. And we're just hearing that noise a little bit. Whether it truly is Brexit or it's just what we're being told, and actually people talking about it will turn it into a Brexit issue, I don't know. We're not the experts on that, but it's just something that we have been hearing from customers in that space.

I think coming onto your books question on Academic Publishing: I think we said to you before that there's not one single thing that's driving a little bit of softness in books. I don't think it's particularly an STM issue versus an HSS issue. I think if you look our sub-niche subject categories, we have some subject areas growing very strongly and others less so. We have many, many different subject categories we look at. Clearly the budget environment is pretty flat. You know, clearly Amazon goes from strength to strength, and that has implications into the supply chain and puts pressure generally on when you negotiate with them. At the edges, book rentals is a factor, but for us not so much. I mean, typically we sell 1,000 copies of books, so the model doesn't really stack up, but where we have higher-volume stuff it's a bit more of a factor.

I think one issue is that, if you look at books over the last 18 months, actually as much of a driver as the growth rate just easing a bit has been e-book growth slowing a bit, as it has been the trend in physical books. And some of that is just – we have a lot of dual purchasing going on, and there is less of that now. And so, that's just of sort of feeding in to the market a little bit. And then are regional variances, where I think we talked about before, the Middle East has eased a bit following the oil price reduction. At some point, that will improve.

So, there are lots of factors at play. I don't think anything quarter to quarter has changed particularly much. It's eased a little bit. As Gareth said, if we look to Q4: I think generally in the business, Q4 is becoming more important. And so, as we look into that, we can see quite a lot of activity. We had a pretty good Frankfurt Book Fair, hence Gareth's comment that the full-year rate should be slightly better than the nine-month rate. I think we feel pretty confident about that.

Katherine Tait: Great. Thanks very much.

Operator: Thank you, Ms Tait. We'll now go to William Packer of Exane BNP Paribas. Please go ahead sir.

William Packer: Hi, it's Will Packer from Exane here. Thanks for taking my questions. Three for me please. Firstly, could you comment on the improvement of BI by vertical, so we could have some kind of view as to which parts are doing better? Is it pharma outperforming financial, etcetera?

Secondly, if we rewind back to the nine-month trading update last year, there was a lot of noise around the impact of phasing on the underlying numbers. Now there's phasing impact for the first half as well. Could we just have a number for the underlying performance of the shows that have taken place versus how they performed last year? Kind of an underlying, underlying number for the Knowledge & Networking division.

And then finally, just a follow-up on the last question: is there any discrete difference in performance between your type of books? So are textbooks really underperforming versus monographs and reference materials? In the context of some of your comments there, just to get a view would be really helpful, thanks.

Gareth Wright: Let me sort of go on books straight away, just because we were talking about them a minute ago. I think if you delve in – and again, I think we've talked about this before: if you look at areas of portfolio where it's slightly softer than others, it's where we touch on the lower level. We don't do much of it, but in certain areas we have a few more textbooks which are slightly higher volume and slightly more geared to the lower level. And where we touch on that, there's definitely more pressure. And that makes sense, because it's less specialist, there's more competition, the content is a little bit more generic. Although even in that space, we try to stay as specialist as possible. The bulk of our stuff, which is much more upper level, post-grad professional focused – where, as I say, typically you are selling a thousand units or something like that and it's much more sort of specialist – it's not that all the issues in the market are irrelevant, but you are much more protected and you are not feeling it as much. So, it shouldn't surprise you that you see more pressure in that where we touch the lower level and are less specialist.

Richard Menzies-Gow: And in terms of the other two questions: on the phasing point in K&N, this is something we talked about at the half-year, things going from H1 2015 to H2 2016; that has largely now reversed. So we think the 2.2% figure that we're reporting today is a kind of real underlying number. Obviously, that division is now going into the fourth quarter trading period which is a key one for the division; a number of the top ten shows are in the fourth quarter, and a lot of the revenue is generated in the fourth quarter. So we think the 2.2% is a real underlying number, and we're still targeting getting back to flat for the full year. And I think the consensus might be varying from flat to a touch under, but overall, we think we can get back broadly to flat overall.

In terms of BI by vertical, I think the key thing we would say just to open that point is that we're seeing an overall improvement in all five of the verticals that we focus on, and therefore we feel that the key driver of the underlying performance is the improvements that we're making to the business and the changes that we are driving through. And as we're doing those across 2015/16, we're seeing improvements in metrics and revenue etcetera, and that therefore is giving us confidence that we're going in the right direction with it, and we've got the right approach to managing an improved performance from that business.

In terms of your specific question: yeah, I think we would say pharma has been good in 2016. It's the largest vertical by revenue for the business, and therefore that going well has helped. We're seeing good subscription renewal rates there, and we like the way the product development is coming together in that space. So, pharma has been a positive for us. I wouldn't say there are any real negatives in there, but certainly a vertical that's probably more challenging than the others has been finance. And that's partly about the ongoing changes and pressures in the end vertical, in terms of the industry and the changes you are seeing there. And also, the fact that we need to do a bit of product refresh which is coming online next year, in terms of the Growth Acceleration Plan refreshes to help that vertical. I would say no particular problems, but if you have to pick one out that's been harder than others, you would choose finance.

William Packer: That's really helpful, thanks. Just to come back on one particular question. You talked about a portion of your revenue being the lower level of books, lower level of textbooks: could you quantify what proportion of books revenue that is?

Gareth Wright: You always want another number! I mean, it's difficult to be entirely sort of accurate, because some would straddle and be slightly debatable. But I think across the books business, maybe 10 to 15%, something like that, might be touching that sort of area.

William Packer: Great, that's helpful. Thanks.

Operator: Thanks, Mr Packer. And we'll now go to Nick Dempsey of Barclays. Please go ahead. Your line is open.

Nick Dempsey: Yeah, good morning, three questions please. So, first of all: in BI last year at this point, you were pretty concerned about one-off revenues in Q4 which can be volatile; you focused less on those than subscriptions. This year, we're not really hearing about that: you sound pretty confident about it in Q4. So, what's changed? Or do you just have more confidence about those one-offs as well?

And the second question: maybe you can just help us out by giving us a rough ballpark for year-end net debt this year? Given that we've got to factor in FX and the deal, I think there is probably a fair bit of variation in the consensus there.

And point three, Penton: can you just give us a rough idea of what percentage of the year it's going to contribute in the last two months of the year? Which may sound like a trick question, but I just wanted to check about the weightings.

Gareth Wright: Okay. In terms of the BI question, I think the key thing that we were focusing on at the end of 2015, and perhaps even concerned about, was that we were having a bit of a reset in the way the business thought about Q4. So previously, the business had used Q4 as the time to really focus on one-off sales in the run-up to year end. And what that meant was that you started the new year with a slightly weaker position on subscriptions than you possibly should have done. And what we wanted to do in 2015 was tell the business: look, don't forget about one-off sales, but we want you to focus on subscriptions; that's the core of the business. And you don't leave the renewals to the start of the following year: focus on renewing them as quickly as you can do. And as we kind of made that shift in culture, you are always kind of looking for the unintended consequences of these changes, and that's why we were a bit vary about this time last year. But actually, what came to pass was that the one-offs performed reasonably well and held up reasonably well despite the extra focus on subscriptions.

So, I guess we're not making an extra point about it this year because we kind of feel we're going to do the same thing again. And as it kind of worked okay last year and came through okay in the numbers, we're forecasting that it's going to come through okay again this year. But it is, as we've said previously, the key quarter for one-off sales, and that's still the dynamic in the business. I just think we have a bit more confidence about our ability to deliver it, having seen what we saw in Q4 2015.

Richard Menzies-Gow: I think the only other thing I'd add to that is relationship with our customers, and our customer management, is just much better than it was. So, I suspect going into this period we've got a much better sense of who has got budget, because a lot of this is budget chasing. People have budget left over; you know, you offer some bespoke work for them, do something for them because they want to use up their budget. I think we probably have a much better sense now of where the budget is, where to go after conversations that have already been going on around focus and work and some consulting, or one-off stuff you might be able to do. So, I think it just reflects overall the improvement in the management of the business too.

I think on the net debt side: I mean, you are right, it depends a little bit on your FX assumptions and so on and so forth, and where we end up at year end. I think in the sort of 1.3–1.4 territory is sort of where consensus is sitting for those who have updated numbers, and that seems pretty sensible to us, that sort of the territory.

Gareth Wright: And then in terms of the Penton point, which is the last one: yeah in terms of Penton, if you remember in the announcement we talked about sort of $140 million of OP. But we also talked about the fact that Exhibitions were round about half – let's just keep the numbers simple; I think we said 55% of EBITDA, but let's keep it simple and say about half. And the key point is none of the major exhibitions operate in November-December, which will be our period of ownership in 2016. So, in terms of the stub period of ownership, if you look at 2/12ths of the performance, which might be what you'd expect from a calendar, the reality will be more like sort of 1/12th because of the fact that 50% of the profits are in exhibitions, and there won't really be any major exhibitions in that period. So, if you kind of do that maths on 2/12ths of a half, if you like, you get to about a 12th of $140 million. And that's a good place to start in terms of your logic around what to include in the stub period in US dollars.

Nick Dempsey: Thank you, that's great.

Gareth Wright: Thanks, Nick.

Operator: Thanks, Mr Dempsey. We'll now go to Mr Ian Whittaker of Liberum. Please go ahead.

Ian Whittaker: Thanks very much. Just two questions. First of all, just looking back to your statement last year in terms of the nine-month trading update then: you made a comment that Academic Publishing would continue to be in line with the market. I haven't seen that statement in here. I mean, could we assume that basically you are still in line with the market, or do you think that you are slightly underperforming?

And then the second thing, just in terms of events on the organic revenue growth. Your nine months this year seems to be consistent pretty much with the organic revenue growth last year, and then it looks as though the fourth quarter last year was pretty much similar to the nine months then. I mean, in terms of Q4 for this year, should we expect a noticeable slowdown in the organic revenue growth rate compared to the nine months?

Gareth Wright: I will start with the second one. I think when talking about events, you've got to look at Exhibitions and Knowledge & Networking separately. Because in Knowledge & Networking, it's a big quarter, there is a lot of our product coming to market, a number of the major events are coming to market, two of the top three for the year are in the last quarter. So, it's a big quarter for the division. Whereas if you look at Exhibitions, it's probably the quietest quarter for the division. There's only one or two of the major events in that quarter. So, the business has largely traded out. So, I think in terms of consensus, what we would say is from where you are at the Q3, Exhibitions you would probably expect to just weaken a touch from the Q3 number, simply because of the amount of product coming to market in Q4. Whereas Knowledge & Networking, we'd be looking for a slight improvement in the number in Q4; again, because of the strength of the product coming to market. So, I think that's how I'd think about the two divisions in terms of their Q4 performance.

And in terms of the Academic market, I think that's a much harder market to call at the moment. Our business we think is performing reasonably consistently. But the wider market is seeing other concerns and other variables in it. I am not going to comment on peers, but that's why I think we're probably less open about what we think the market performance is at the moment.

Richard Menzies-Gow: I mean, it's difficult to compare apples with apples, but as Gareth said, our journal business is very consistent. The books have been a bit softer in the last 18 months. I think if you look at other companies in the market reporting figures on books, they are a lot worse. Now, a lot of that is because they're much more exposed to lower level and school areas and so on, where we just don't really play. The sense would be on the upper level academic side, if you could extract their data, we'd be tracking pretty close to where the market is. So, I don't think there's a massive divergence.

Ian Whittaker: Can I just follow up on the answer to the second question? Without pushing the point too much, it was a call that you were quite confident in making last year, that you were in line with the market, but you are saying that you are less confident about making that call now. I mean, is that just because the dynamics of the market have changed? And if that is the case, what exactly has changed within that market to make you less confident that you can give a call on the entire market?

Richard Menzies-Gow: I think we're nit-picking really; I mean, you are reading a bit too much into the statement. I mean, there is no reason not to put in a market comment this year. I suspect we are tracking pretty close to the market. It's just not that defined a market. So, I guess last year we had slightly more confidence we'd be at least in line if not ahead; given the growth rate's eased a bit, I guess we're just being a little bit more conservative in what we say publicly. But we don't think there is a massive divergence. The market has clearly eased a bit over the last year, which has been driven a bit more softness on boos for all the sorts of reasons we talked about. But I don't think there is a huge divergence between us and the market at all.

Gareth Wright: I think, as Richard said, you are possibly reading slightly too much into it. We don't have a problem with confidence about our business; I think we can see reasonably clearly how our business is trading. The market on a wider basis might be a bit different, but our business is pretty consistent and hasn't changed in terms of its dynamics over the last couple of months.

Richard Menzies-Gow: And I think the other thing to add, just to labour the point earlier: I do think certainly the fourth quarter has become more important in this business over the last few years. And again, we see that this year; there are things in Q3 we felt were pretty much wrapped up that have just ticked into Q4. Frankfurt Book Fair has become a bit more important. We had a good book fair with lots of activity coming out of that. So, there may be that continued shift to be more fourth-quarter weighted, which makes it a little bit harder maybe to read the market. But I wouldn't read too much into it, as Gareth said.

Ian Whittaker: Okay, thank you.

Operator: Thank you, Mr Whittaker. We will now go to Ruchi Malaiya of Merrill Lynch. Please go ahead.

Ruchi Malaiya: Hi, good morning, Richard and Gareth. You talked about the Exhibitions looking well into the first half of 2017. And just to check: is that consistent with an outlook of mid-single-digit growth, high-single-digit growth? How are you thinking about 2017?

Any signs of any Brexit worries on the Exhibitions business? I know you talked about in K&N?

And finally, just to confirm that the slowdown into the fourth quarter in Exhibitions is purely just calendar effect, and not a cyclical slowdown? Those are my three questions on Exhibitions, thank you.

Gareth Wright: Sure, yeah. We're taking the last one first. Yeah, that's right: it's a calendar effect. The Exhibitions business is quite heavily weighted towards H1, and by the time it gets to Q4 there is only really a couple of major events still to run. So, it's very much a calendar effect rather than any sort of cyclical effect. And we think that answer is reinforced by what we can see in terms of the booking rates for 2017, where you are seeing the larger and stronger shows coming back to market in terms of their selling, and their sales patterns are going well and are tracking in line with where we want to be in terms of delivering our overall performance.

Richard Menzies-Gow: Yeah, I think the consensus organic growth for this year is about 8.5–9%. I think next year it's about 6–6.5%, something like that. You know, that seems sensible, given where we're at now. Q4 will grow, but at a lower rate; the mix, therefore, means it will just come down a bit, as Gareth says. And I think going into next year, that's a pretty good assumption at this point: still a pretty consistent and attractive organic growth rate.

Ruchi Malaiya: Excellent, thank you.

Richard Menzies-Gow: Thanks.

Operator: Thank you, ma'am. We'll now go to Chris Collett of Deutsche Bank. Please go ahead.

Chris Collett: Good morning. I just had two questions. One was actually just a follow-up on Ruchi's question to just ask about the forward bookings by geography: are you seeing anything different if you look into next year? Just in particular wondering about any signs of slowdown in the Middle East, or conversely any signs of improvement in Brazil?

And then the second question was just about within BI and the 35 product releases that you've got coming up over the next 12 months. Are they spread over the course of the year, or they are particularly weighted to the beginning of the year? Just wondering how you are expecting the annual contract value within BI to build as we go through the next 12 months?

Gareth Wright: Okay, well on the first one there, in terms of the geography there: no, no specific geographical patterns. As I say, the key thing we've been looking at over the last month or so has been the booking patterns for the events that run in the first half. Because, as you are getting to the stage, you are beginning to see a reasonable amount of momentum there; well, you would be hoping to see a reasonable amount of momentum, and we are. So, the first half of the year is when you get the visibility at this stage, and therefore those shows are in the US and in Dubai, and they are booking up well.

To your specific point about Brazil: Brazil is much more weighted towards June, July, so it's a bit early to tell how those events are performing. As I say, the Q1 and ones into April, May, you can get a bit of visibility. They are performing well. And that is a good sign for us.

Richard Menzies-Gow: Yeah. It is worth saying that Brazil has been pretty horrible for two or three years, so any improvement would certainly be helpful. Although you haven't really seen it in our numbers, which comes back to the portfolio effect and just that increase in balance and breadth, and how well that serves you in that type of business.

I think on BI: I mean, we're getting micro-detailed talking about the spread of new releases. The reality is that I think it's pretty steady through the year, though. Progressive is the way we described it, and I think that's probably helpful to the business so they can really focus on making the most of them as they roll them out.

Really, the new product is about existing customers and renewals and cementing that, but it's also about driving pipeline and new customers. We've driven the value renewal rate up, but we've done less in terms of driving our audience and customer numbers up. And I think the sales team are really excited about – this is the sort of thing that really gives them some ammunition to do that, with just better products, much more modern interfaces and flexibility around the data and content. So, I think it's important to the next leg really for BI, to have these platform and product refreshes coming through.

Chris Collett: Okay, thank you.

Operator: Thank you. We'll now go to Johnathan Barrett at N+1 Singer. Please go ahead. Your line is open.

Johnathan Barrett: Good morning, chaps. I have got a few questions for you. Just following up on Academic, and looking at the trends in the market and what you have said about your business this year: should we be assuming that there will be some further moderation in growth going into 2017, or do you think there are some reasons to be more optimistic than that?

And then the second question: have you seen any effects across the business from the US election? Is there anything that you are having to do to change the timing of anything, and have there been any one-off effects in any large US jurisdictions at all? Thank you.

Gareth Wright: Sure, yeah. On the second one: no, we're not really seeing any effect at this stage. In the Exhibitions businesses they are, as you said, weighted towards the first half. There has been one major exhibition in Q4 in the US for that, or a larger exhibition that ran in October, so that's done and out the way. And in terms of subscription renewals in BI or in Academic, it's a bit early to comment really. That will come through more in December and January. So, overall at the moment not seeing any effects; kind of 'steady as she goes.' And touch wood, that's how we think it will continue, because we all know it's a large-scale robust economy, and what happens in terms of the political situation over the next couple of days, we think it will still remain a large, robust economy. And therefore, we're pretty about how it will perform over the next year or so. But yeah, at the moment we're not seeing any particular concerns or issues in that market.

In terms of Academic growth in 2017: no, we're not calling any further declines. We talked about trying to get back to 1.5% for this year, and we don't see any particular reason to think next year will get worse. So, at the moment we think it's a pretty consistent level of performance from our business at those levels. And as I say, we're not calling at this stage any particular reason why we think it will get worse.

Johnathan Barrett: Okay, thanks very much.

Operator: Thank you, sir. We now go to Jonathan Helliwell at Panmure Gordon. Please go ahead. Your line is open.

Jonathan Helliwell: Yeah, morning. I just wanted to give you a chance actually, and apologies if I missed this at the start of the call, but to firm up in terms of the overall guidance you are giving us in terms of being on track on revenues, profits and earnings. Because there is obviously a huge range out there at the moment, lots of different FX assumptions. Some people have got Penton in and some haven't. So, while there are consensus numbers out there, there is nearly a 10p range or something in that consensus. So, I wondered what you thought the updated consensus range is, i.e., adjusted for Penton, adjusted for FX, and I guess particularly for the 2017 number, because that's the kind of pro forma number going forwards?

Gareth Wright: Yeah, no problem Jonathan, thanks. I think if you look at 2016/17: I mean, if you look at analysts who've updated their numbers for Penton, and in 2016 it's worth stating a couple of people have got the number of shares wrong, given the weighted average with the new shares and the bonus-adjusted old shares. I would expect the number of shares this year to end up at about 720 million, something like that. And then next year it will be around 825 million, which is the number of shares now in the market. And on that basis, I think the range for this year, for those who have updated, is sort of 40–43p, something like that, with the average around sort of 42p. And then I think next year the range is a bit wider, because of different FX assumptions, but it's sort of 45–50p. And the average I think is just around 48p, something like that. But the FX range in there is anywhere from about 122 to 130, something like that. So, that gives you a rough sense of where consensus post-Penton sits. But a lot of people haven't yet fully put numbers through.

Jonathan Helliwell: That was really helpful. And then actually, one another confusion in that, potentially, is: these £95 million tax losses in Penton; just to confirm, that will be excluded from adjusted EPS for next year. So, these numbers would all have been adjusted for that, i.e. they are not benefiting from the low tax rate?

Gareth Wright: No, I mean those tax credits will benefit the cash tax line, not the P&L tax line. Actually, the P&L tax rate goes up a bit, given we've got more US profits. So yeah, you are correct, that will benefit the cash tax line.

Jonathan Helliwell: Okay lovely, thanks very much.

Gareth Wright: Thank you.

Operator: Thank you, sir. We'll now go to Mr Nick Dempsey of Barclays. Please go ahead.

Nick Dempsey: Yeah, sorry guys, just one more. I saw that the University of Ottawa in Canada had a cut in budget recently, and it's planning to cancel some subscriptions that are I guess for next year; a bit of a fuss there. When you look at it, the ones they are going to cut are Taylor & Francis and Springer; not a whiff of Elsevier getting anything cut. To what extent, where you see budget pressures, do you find that their big deal completely insulates them, and therefore you guys and Springer feel a bit more of an effect?

Gareth Wright: I don't – I think it really depends on university by university. I'm not the expert on the University of Ottawa, but it will depend more than anything on their subject focus and where they are investing. Because if they have got academics in a certain area and they are selling themselves as a university for particular subject areas, there's no way they are not going to have access to the latest content in those areas. So, that will be the driver more than anything. I mean, a big deal might lock you in for a little bit, and we do some of them. But ultimately, it's about the usage of your content and the quality of your content. So, when you come to renew, if your content is not being used you are much more likely to see some churn on it than not. So, it's much more about the subject I think, rather than big deals excluding you from a customer.

Nick Dempsey: Great, thank you.

Gareth Wright: Thanks.

Operator: Thank you Mr Dempsey. Ladies and gentlemen, once again if you wish to ask any questions, please press *1 on your telephone keypad.

We'll now go to Patrick Wellington of Morgan Stanley. Please go ahead, sir.

Patrick Wellington: Yeah, morning. Amazingly, at this stage I have four. The first one is: can you confirm what the nine-month organic revenue growth rate was? Because it doesn't seem to appear in the statement, for the Group.

Gareth Wright: Sorry Patrick, sorry for interrupting, excuse that one. So, the nine-month rate is basically unchanged from the half year. You are seeing two of the divisions strengthen a touch, and you are seeing two of the divisions weaken a touch. So overall, we reported 2.5% at the half year and we're basically the same for the nine-month period.

Patrick Wellington: Okay. Secondly, on Exhibitions. If I look at the press releases around Greenbuild, which is your big show in this quarter, it seems to have grown its space by about 3% and yet exhibitor numbers seem to have gone down. So, does that tell us anything about Greenbuild? Does it tell us anything about the outlook for your building and construction shows in the US?

Richard Menzies-Gow: No; I mean, you are right – I mean, Greenbuild had a good show. It didn't grow at the rate of the Group, which is one reason why you would expect the Q4 rate to be lower. But as you say, it's the only real sort of big one. Actually, it moves around, Greenbuild, so it was in LA this year. I mean I was there, actually, and it was a great event, but what exhibitors were saying to you was that the heart of that industry is much more East Coast focused. And so quite a lot of people didn't travel, and so that had a small impact I think in terms of the number of exhibitors. Next year it's in Boston, and I think the feeling was much more that you should see it back in force next year when it's back on the East Coast. So, I don't think there is any specific in it, but I think the location probably had a bit of an impact.

Patrick Wellington: Okay. The third one is on Academics. So, Roger Horton is going; I think Stephen made some comments at the half year about possibly wishing he had spent a bit more of the GAP money on the Academic business. Are we going to be see a rejigging of the Academic business over the next year or so?

Gareth Wright: Certainly, in terms of your GAP-specific question, I would say no. The GAP projects are, I think, complete in terms of what's required in Academic. I can't remember the exact comment from Stephen, but I suspect what he might have said is that when we started, we were spending a bit less on Academic, and as we've gone through looking at the projects being proposed for the Growth Acceleration Plan, we probably increased the amount being spent on Academic as a number of the projects kind of came into focus and crystallised as being good projects with good returns and things that we wanted to do. So, the weighting towards Academic has been increased slightly over the course of the investment period. And that's probably what I think Stephen was referring to overall.

I think in terms of the overall position on Academic: as we said, Roger has done a fantastic job running the business over time. And he has continued to change the business right up to this year, where he reorganised the books business and combined them into one books business globally; there were previously two businesses, one in the UK and one in the US. So, that business has continued to change over time and continued to evolve under Roger's leadership. And I think going forward, whoever takes over will likewise continue to want to make changes in it. But Roger's move is not code for, 'there is a going to be a massive amount of change going forward.'

Patrick Wellington: Okay. And then the final question, just in the context of the GAP plan. I mean, it's been running for about 18 months now. At the moment, you've got a business where one division grows quite fast, probably slowing into next year which is Exhibitions, and the other three businesses are kind of plus or minus zero. I mean, how does that look in the context of where you want to be in 2017/18?

Gareth Wright: Well, as you said, we've got an Exhibition business that is growing very well and is a very strong engine for growth for the Group, and that's kind of our starting point. I think then next you go to Business Intelligence, and whilst I accept it's flat in the nine months, I think what we would look at is the trajectory that it's travelling down. So, you know, this is a business that was in an 8.5% decline only two years ago. And to be back to flat from there shows a pretty impressive trajectory, and we think the business is set to continue that trajectory into 2017. So, we think therefore you will start to see two businesses solidly in growth going forward. And with the Penton deal, those are the two businesses that we are increasing the scale of at the moment.

Academic Publishing is consistent, and I agree it's slightly weaker than where it was a couple of years ago, but it's consistent in terms of its overall growth. It's got very high cash generation, so it's a good, core part of the business. And that just leaves Knowledge & Networking, which as Richard alluded to earlier in the call is now a smaller part of the portfolio than the other three parts of the business. If we can get that back to flat for this year, I think that would be where we would look to position the business, and then try and get it back into growth next year. But if it's showing low levels of growth in 2017, in terms of its overall size in the portfolio, I don't think that's something that's specifically going to concern us.

Patrick Wellington: Okay, thanks very much.

Gareth Wright: Thanks, Patrick.

Operator: Thank you, sir. Ladies and gentlemen, once again if you have any questions, please press *1 on your telephone keypad.

As we do not appear to have any further questions, I will turn the call back over to the organisers for any additional or closing remarks. Thank you.

Richard Menzies-Gow: Thanks very much. Thanks so much to everyone for dialling in. Thank you for your questions. We're around all day if you want to follow up on anything, but with that we'll close the call. Thank you.

Gareth Wright: Thank you very much.

Operator: Ladies and gentlemen, that will conclude today's presentation. We thank you for your participation. You may now disconnect. Thank you.