



Embargoed until 7am

30 July 2010

Solid first half performance; on track for full year

Results for the Six Months Ended 30 June 2010

Key Results	H1 2010	H1 2009	Change
Revenue	£434.3m	£435.0m	(0.2)%
Adjusted ¹ operating profit	£83.2m	£78.3m	6.3%
Adjusted EPS	24.9p	26.7p	(6.7)%
Dividend per share	6.0p	6.0p	0.0%
Statutory operating profit	£67.0m	£55.2m	21.4%
Statutory profit after tax	£49.6m	£51.3m	(3.3)%
Statutory EPS	18.7p	19.9p	(6.0)%
Statutory EPS (diluted)	18.6p	19.6p	(5.1)%

Financial Highlights

- Solid first half performance - adjusted operating profit up 6.3% on revenues unchanged year on year
- EBITDA up 7.3% to £91.1m (H1 2009 - £84.9m)
- Balance sheet remains strong - debt / LTM EBITDA 1.6 times (H1 2009 - 1.3 times); cash & undrawn facilities of £395.0m (H1 2009 - £267.6m)
- Strong operating cash flow generation in H1 - £76.9m (H1 2009 - £74.5m)
- 12 businesses acquired for £43.5m (H1 2009 - 0 acquisitions) - £28.2m invested in tradeshow, £27.2m in emerging markets
- Interim dividend maintained at 6.0p

Operating Highlights

Robust performance in Events: 48.9% of H1 adjusted operating profits (H1 2009 - 48.3%)

- Revenues up 1.5%, adjusted operating profit up 7.7%, margins up 1.6 points to 29.2%
- Robust Events performance in positive biennial half: strong in Asia; stable in Europe; late cycle effects on stand revenues in US and UK
- H1 attendee revenues up 6.0%, reflecting recovery at US technology shows
- Forward bookings for exhibition stand space at Top 20 events running in next 12 months up 12%

Overall, solid performance in Data, Services & Online: 23.8% of H1 adjusted operating profits (H1 2009 - 20.4%)

- Revenues up 2.3%, adjusted operating profit up 23.8%, margins up 2.7 points to 15.3%
- Data & Services revenues down by 1.2% to £98.6m (H1 2009 - £99.8m), reflecting late cycle effects on subscriptions and softer service revenues
- Online revenues up 15.3% to £30.9m (H1 2009 - £26.8m) driven by strong online advertising growth

Ongoing Print - magazine portfolio management: 4.4% of H1 adjusted operating profits (H1 2009 - 4.2%)

- Revenues down 13.9%, adjusted operating profit up 12.1%, margins up 1.2 points to 5.0%
- Continued action to address impact of shift from print - four titles closed in H1 (H1 2009 - 15 titles)

Resilient Targeting, Distribution & Monitoring performance: 28.1% of H1 adjusted operating profits (H1 2009 - 29.4%)

- Revenues up 7.4%, adjusted operating profit up 1.7%, margins down 1.4 points to 25.7%
- News distribution revenues up 2.7%, US volumes up 5.1%; good China revenue growth 14.6%
- Targeting, Monitoring and multimedia product revenues up 15.9% to £35.0m
- Margins constrained by continued investment in product development and IT infrastructure

Outlook

- Overall, UBM is on track to meet our expectations for the full year.²

Note 1: We provide a number of adjusted financial measures to facilitate performance comparisons across periods. Definitions of these measures are provided in Section 1.

Note 2: A more detailed Outlook statement for each of UBM's business segments is given in the Business review, section 2.3.

David Levin, Chief Executive Officer of UBM said:

“UBM has delivered a solid performance in the first half of the year, achieving a 6% improvement in operating profit on revenues unchanged on last year’s first half. The progressive reshaping of UBM over the last five years has built a resilient business which is on track to meet our expectations for 2010 and is increasingly well placed for profitable growth. While we see evidence of improved trading conditions in many of the markets and geographies in which we operate, we remain cautious regarding the pace, depth and sustainability of the wider macro-economic recovery.”

“We have continued to invest in our people and in key organic business developments, such as taking our successful event brands into new, fast-growing economies and transitioning our leading print and data products into the digital environment. We are also developing the products and IT infrastructure to enable our Targeting, Distribution & Monitoring business to offer a broader set of web-based communications service solutions. We also drive UBM’s evolution with targeted acquisitions, focusing on events and data businesses operating in high growth sectors and economies. During the first half we made 12 acquisitions for a total of £43.5m (including performance-based contingent consideration of £20.2m), investing £28.2m in tradeshows and £27.2m in emerging markets. China now contributes more than 16% of our profit (H1 2009 - 14.2%) and we have today announced the acquisition of the Hangzhou-based Children-Baby-Maternity Expo for £9.9m (see separate announcement), further leveraging our business infrastructure in China. We aim to make further acquisitions in line with our established strategy through the second half of the year.”

“Our Events business is performing well, particularly our shows in Asia and our large tradeshows worldwide. Attendee revenues, notably at our US technology tradeshows, recovered well during the first half of the year and the outlook for tradeshows is improving. Forward bookings for exhibition stand space at our top 20 tradeshows scheduled to run in the next 12 months are 17% ahead of the same point last year although this figure is 12% when adjusted for differences in booking cycle phasing between 2009 and 2010. We believe this latter figure is a more accurate reflection of our forward bookings.”

“The positive overall revenue and profit result from our Data, Services and Online segment masks contrasting performances in the business’s Online and Data & Services components. Strong website advertising sales drove Online revenues 15.3% higher while, by contrast, Data & Services revenues fell by 1.2%, reflecting late cycle effects on subscriptions and softer demand for some services.”

“In the first half we launched one new print title and closed four others. In line with our established strategy, we continue to take advantage of opportunities for print products in fast-growing economies and sectors, while also managing our print magazine portfolio towards a smaller, more profitable and commercially sustainable set of leading titles. We anticipate that each of our titles will become a component of an integrated, cross-media product portfolio which serves a specific commercial or professional community.”

“Targeting, Distribution & Monitoring’s US news distribution volumes and revenues grew modestly during the first half while international revenues and revenues generated from non-wire products and services such as filing services and MultiVu grew strongly. The on-going investment in IT infrastructure and in developing a wider set of web-based communications products and services will continue to constrain margins.”

“Assuming the improvement in wider economic conditions is sustained, we anticipate our solid first half performance will continue, allowing UBM to deliver full year results in line with our expectations.”²

David Levin
Chief Executive Officer, UBM
30 July 2010

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A live webcast of the results presentation will be made available from UBM's website from around 9.00am, 30 July 2010. To access the webcast please go to www.ubm.com.

A recording of the webcast will also be available on demand 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 5,900 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.



Interim results for the six months to 30 June 2010

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1 Summary group income statement

The table 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.

	Period ended		%
	H1 2010 £m	H1 2009 £m	
Revenue	434.3	435.0	(0.2)
Group operating profit	67.0	55.2	
<i>Add back:</i>			
- Amortisation of intangible assets arising on acquisition	12.2	15.0	
- Depreciation	7.9	6.6	
- Share of tax on profit in JVs and associates	0.2	0.2	
	87.3	77.0	13.4
<i>Add back:</i> - Exceptional Items	3.8	7.9	
EBITDA ³	91.1	84.9	7.3
Depreciation	(7.9)	(6.6)	
Adjusted operating profit ⁴	83.2	78.3	6.3
Net interest expense	(8.6)	(6.3)	
Financing income:			
- Pension schemes	1.4	1.0	
- Foreign exchange gain on forward contracts	0.1	6.8	
Adjusted profit before tax ⁵	76.1	79.8	(4.6)
Financing income - other	1.9	3.1	
Financing expense - other	(3.7)	(0.3)	
Amortisation of intangible assets	(12.2)	(15.0)	
Exceptional items:			
- Reorganisation and restructuring	(3.1)	(7.9)	
- Relating to acquisitions	(0.7)	-	
Profit before tax	58.3	59.7	(2.3)
Taxation	(8.7)	(8.4)	
Profit after tax	49.6	51.3	(3.3)
Non-controlling interest	(4.1)	(3.3)	
Attributable profit	45.5	48.0	(5.2)
Dividend (pence)	6.0	6.0	-
Adjusted EPS (pence) ⁴	24.9	26.7	(6.7)
Adjusted EPS (diluted) - (pence) ⁴	24.7	26.4	(6.4)
EPS (pence)	18.7	19.9	(6.0)
EPS (diluted) - (pence)	18.6	19.6	(5.1)

Note 3: EBITDA is defined as group operating profit excluding amortisation of intangible assets arising on acquisitions, exceptional items, share of taxation on profit from joint ventures and associates and depreciation.

Note 4: 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. Adjusted EPS is based on adjusted operating profit before deferred tax on intangible assets and tax relating to exceptional items and net financing expense - other. Adjusted diluted EPS is adjusted EPS after adjusting for the impact of share options.

Note 5: Adjusted profit before tax is based on adjusted operating profit after net interest and financing expense.

2 Review of H1 2010

2.1. Summary of operating results for H1 2010

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				
	H1 2010 £m	H1 2009 £m	Change %	Constant currency change %	Underlying change ⁶ %
Events	139.3	137.2	1.5	3.3	(1.5)
Data, Services & Online	129.5	126.6	2.3	4.6	2.6
Print - magazines	74.3	86.3	(13.9)	(11.9)	(4.0)
Targeting, Distribution & Monitoring	91.2	84.9	7.4	6.6	3.6
Total	434.3	435.0	(0.2)	(0.0)	0.4

	Adjusted operating profit ⁴				
	H1 2010 £m	H1 2009 £m	Change %	Constant currency change %	Underlying change ⁶ %
Events	40.7	37.8	7.7	9.8	(4.8)
Data, Services & Online	19.8	16.0	23.8	27.8	19.1
Print - magazines	3.7	3.3	12.1	14.0	(5.5)
Targeting, Distribution & Monitoring	23.4	23.0	1.7	0.5	(1.0)
Corporate operations ⁷	(4.4)	(1.8)	n/a	n/a	n/a
Total	83.2	78.3	6.3	5.3	0.8

Note 6: Underlying: adjusted for the effects of acquisitions, discontinued products, foreign exchange and biennial events.

Note 7: Corporate operations comprise net central operating costs, together with those equity accounted investments not allocated to the group's business segments.

2.2. Strategy summary

We continue to implement a clearly defined strategy to drive UBM's profitable growth. 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 gained the deep market insight which enables them to develop the best possible products and services. We deploy our core skills across and between markets, transferring best practice and innovation across communities, geographies and different types of product.

Our strategy for profitable growth targets products and markets which will prosper in the emerging digital age and which provide us with worldwide growth opportunities. Our focus is on developing our live events (particularly 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 invest in acquiring businesses which help accelerate our growth in our chosen markets, communities and geographies. We actively manage our remaining print magazines in a challenging structural context but we continue to see a long term role for leading print titles within the overall marketing services mix.

2.3. H1 2010 business review

2.3.1. Events

	H1 2010 £m	H1 2009 £m	Reported change %	Underlying growth %
Turnover	139.3	137.2	1.5	(1.5)
Operating Profit	40.7	37.8	7.7	(4.8)

In H1 2010 our Events business generated 32.1% of UBM's total revenue (H1 2009 - 31.5%) and 48.9% of total adjusted operating profit (H1 2009 - 48.3%).

As anticipated in our May Interim Management Statement, our Events business traded in line with expectations during the first half of the year. During the period we ran more than 100 tradeshows, 35 conferences and 10 award events in 15 countries around the world. These events generated revenues up 1.5% to £139.3m (H1 2009 - £137.2m), with margins improving to 29.2% (H1 2009 - 27.6%), generating adjusted operating profit 7.7% higher at £40.7m (H1 2009 - £37.8m). On a constant currency basis revenues and adjusted operating profit were up 3.3% and 9.8% respectively. On an underlying basis (adjusting for the effects of acquisitions, discontinued products, foreign exchange and biennial events), revenues were down 1.5%, with operating profit down by 4.8%.

Year on year comparisons for the first half benefited from the scheduling pattern of our biennial tradeshows. Our 'even' year biennial shows (which generated £18.0m in revenue in 2008) take place principally in the first half of the year. By contrast our 'odd' year biennial shows (which generated £29.7m in 2009) are weighted towards the second half of the year. Biennial shows in the first half of 2010 contributed £2.6m of revenue and £1.6m of profit. In 2009, second half biennial revenues and profits exceeded those of 2008 by £15.8m and £9.5m.

Stand revenues, accounting for around 70% of overall Events revenues, were up by 1.6% to £96.7m (H1 2009 - £95.2m). This modest growth reflects the impact of difficult economic conditions in 2009 in some markets (notably the US) which affected rebookings for 2010 events. However the outlook for stand space bookings is improving with forward bookings for our top 20 events taking

place in the next twelve months 17% ahead of the same point last year (see the Events outlook below for further information).

The first half stand revenue performance varied by geography: the majority of our top 20 annual events taking place in the UK and US during the first half recorded declines in stand revenue. By contrast, all but one of our top 20 events taking place in Asia grew, with strong growth at the June edition of the Hong Kong Jewellery & Gem Show (stand revenues up 16%) and Hotelex Shanghai (stand revenues up 9%).

The performance of the seven biennial shows which ran in the first half - whose revenues are largely exhibition stand-related - also reflected the impact of difficult trading conditions during their key rebooking periods in 2008 and 2009. In constant currency terms, aggregate revenues were down by 21.3% on the prior H1 2008 events.

As anticipated in our May Interim Management Statement first half attendee revenues grew 6.0% to £17.8m (H1 2009 - £16.8m), accounting for 12.8% of overall Events revenue in H1 2010.

Reflecting the more positive economic outlook, we have seen particularly strong growth in attendee revenues at our US technology events such as Game Developers Conference, Interop Las Vegas (corporate IT) and most recently Black Hat (IT Security). Sponsorship and other revenues - accounting for 17.8% of overall Events revenue in H1 2010 - fell by 1.6% to £24.8m in the half (H1 2009 - £25.2m).

The performance of our UK events during the first half of the year was mixed. Tradeshows such as Interiors (UK furniture & interior design), IFSEC (UK fire & security) and our biennial KBB (UK kitchens and bathrooms) reflected the uncertain recovery in the UK economy and, in particular, the depressed levels of activity in the building and construction industries. However aggregate rebooking trends for our UK events in the remainder of 2010 and into 2011 are reassuring. Almost all of our continental European events run during the second half of the year and bookings for these events have been encouraging.

We continue to geoclone our successful event brands into new markets with FI Indonesia (food ingredients), Black Hat Abu Dhabi (IT security) and Technology for Marketing China scheduled to take place during the second half of 2010. We have also announced the launch of fire and security shows IFSEC West Africa and IFSEC South India for 2011.

In addition we are investing in the development of new events. In the first half we launched a total of four new tradeshows and eight new conferences and award events, of which four were launched in India, the remainder being launched in the USA and Canada.

During the first half we invested a total of £28.2m in acquiring outright or a majority interest in five event businesses, of which two were in Brazil (Navalshore, the Concrete Show), and one each in China (Sign China), the UK (E-Commerce Expo) and the USA (DesignCon). In July we also acquired the Children Baby Maternity Expo for £9.9m (see separate announcement for details).

Events Outlook

We expect the robust performance of our Events business to continue, particularly in Asia and in high growth emerging markets. Rebooking rates for exhibition space at our tradeshows are improving, with indications that the recovery in attendee and sponsorship revenues which we noted in our May Interim Management Statement is also continuing.

As at 30 June, forward bookings for exhibition space at our top twenty tradeshows (excluding biennial shows) taking place in the next twelve months - these events contributed around half of our total events revenue and over two thirds of total events adjusted operating profits in 2009 - are 17% ahead of the same point last year. When adjusted for differences in booking cycle phasing between 2009 and 2010, this figure is 12%. We believe this latter figure is a more accurate reflection of our forward bookings.

We anticipate that events which serve markets and geographies that are expected to be slower to recover from the downturn, such as the UK furniture and construction industries and our events in Japan, will stabilise during the second half of 2010. Forward bookings for events in these markets in 2011 are encouraging. For example, revenues at our UK furniture show Interiors, which ran in January 2010, were lower by 7.3% but forward bookings for exhibition space at the January 2011 event are 12.6% up on the same point in the booking cycle for the 2010 event.

As noted above, the positive biennial effect on year on year first half comparisons is reversed for the second half of the year, making second half revenue and profit comparisons harder. Biennial events in the second half of 2009 contributed £20.3m and £10.6m to revenues and profits respectively. The corresponding figures for the second half of 2008 were £4.0m and £1.0m.

We believe our Events business is well placed to generate medium term growth in excess of GDP. Given our focus on emerging markets, we continue to anticipate that the Events business will generate aggregate annual growth of around GDP plus 3-5% over the course of a full economic cycle.

2.3.2. Data, Services & Online

Turnover	H1 2010	H1 2009	Reported	Underlying
	£m	£m	change	growth
			%	%
Data and Services	98.6	99.8	(1.2)	(1.3)
Online	30.9	26.8	15.3	17.7
Total	129.5	126.6	2.3	2.6
<hr/>				
Operating profit	H1 2010	H1 2009	Reported	Underlying
	£m	£m	change	growth
			%	%
Data and Services	20.3	19.1	6.3	5.4
Online	(0.5)	(3.1)	n/a	n/a
Total	19.8	16.0	23.8	19.1

Our Data, Services and Online business traded in line with expectations in the first half, generating 29.8% of UBM's total revenue (H1 2009 - 29.1%) and 23.8% of total adjusted operating profit (H1 2009 - 20.4%).

First half revenues rose by 2.3% to £129.5m (H1 2009 - £126.6m) with margins growing by 2.7 percentage points to 15.3% (H1 2009 - 12.6%), taking adjusted operating profit to £19.8m (H1 2009 - £16.0m), up 23.8% on prior year. On a constant currency basis, revenues and adjusted operating profit were up 4.6% and 27.8% respectively. Revenues and adjusted operating profit were up by 2.6% and 19.1% on an underlying basis.

The positive overall revenue and profit performance from our Data, Services and Online segment masks contrasting performances in its Online and Data & Services components. Data & Services revenues - representing 76.1% of overall revenues of this segment - fell by 1.2% to £98.6m (H1

2009 - £99.8m). This performance reflects varying economic conditions in the different markets we serve. UBM TechInsights - which provides data, analysis and consultancy services to the consumer electronics and semiconductor industries - benefited both from much improved market conditions and from its leading innovative online data products to drive revenue growth of more than 19% in the first half.

Our businesses serving markets which remain under economic pressure - for example, the UK construction sector, the global trade and aviation industries - continue to experience difficult trading conditions. Revenues have been affected by late cycle effects on subscriptions and softer demand for consultancy and analytical services. Reflecting the continuing cautious environment for discretionary corporate spending, demand during the first half has also been subdued in areas such as training and membership services, affecting our IPED (professional development), HDI (help desk) and ICMI (call centre management) businesses.

Our Online activities saw a strong first half recovery in online marketing revenues, with headline revenues growing 15.3% to £30.9m (H1 2009 - £26.8m). This growth, particularly in online advertising, reflected a more positive economic environment in the information technology and semiconductor industries, our largest online product markets which we serve with leading brands such as InformationWeek (www.informationweek.com) and EE Times (www.eetimes.com).

Custom products which can demonstrate audience and customer engagement as well as return on investment continue to perform well. Our virtual events business continued to expand during the first half of the year. UBM Studios aims to develop a portfolio of innovative virtual products to service the growing demand for this new medium. In the first half of the year we provided 29 events (H1 2009 - 15 events) on behalf of both internal UBM divisional clients as well as a number of external third party customers.

We are running virtual events for an increasingly wide range of purposes, markets and geographies. In the first half our virtual events included recruitment fairs (e.g. Psychiatric Times Careers Fair for UBM Medica in April, MBA Wired in June in Asia) and virtual tradeshows running simultaneously with, and as a complement to, an 'in person' tradeshow (e.g. Interop). We expect the number of UBM virtual events this year to be more than double the 38 events run in 2009.

We continue to invest to support the development of internal systems and to drive organic product development. For example UBM Global Trade completed key infrastructure improvements to support its new Trade Intelligence and iPIERS products, as well as to update the PIERS Enterprise System. Following investment in the development of our healthcare business's global Drug Information System capabilities, we are progressing the transition of our print data products such as Vidal to digital service products. Revenues from Vidal-based digital products grew 10.9% in the first half.

During the first half we acquired three businesses for a total of £9.1m: Game Advertising Online as a bolt-on complement to our Game Developer franchise; SharedVue to support the development of Everything Channel's marketing solutions business; and, CenTradeX to improve UBM Global Trade's salesforce capability.

Outlook for Data, Services & Online

Overall we continue to anticipate modest revenue growth in our Data, Services and Online segment. As noted in May's Interim Management Statement, full year margins will reflect continuing investment.

2.3.3. Print - magazines

	H1 2010 £m	H1 2009 £m	Reported change %	Underlying growth %
Turnover	74.3	86.3	(13.9)	(4.0)
Operating Profit	3.7	3.3	12.1	(5.5)

Our Print - magazines business traded broadly at the levels experienced at the end of 2009. The business generated 17.1% of UBM's total revenue (H1 2009 - 19.8%) and 4.4% of total adjusted operating profit (H1 2009 - 4.2%).

Revenues fell by 13.9% to £74.3m (H1 2009 - £86.3m) but margins improved to 5.0%, increasing adjusted operating profit by 12.1% to £3.7m (H1 2009 - £3.3m). On an underlying basis, revenues and operating profit fell by 4.0% and 5.5% respectively. On a constant currency basis revenues were down 11.9% and adjusted operating profit was up 14.0%.

The business's improved profitability in the first half of the year resulted in part from a cyclical improvement in print advertising revenues, but more significantly from our strategy to mitigate the impact of long term structural shift away from print by closing, merging and reducing the publication frequency of weaker titles. We continued to implement this strategy, closing four titles and reducing the publication frequency of two other titles during the first half of 2010.

We believe there will continue to be sufficient demand in mature markets to support one or two leading print titles, a position which each market will reach by means of a "last man standing" process. We are managing our print portfolio towards a smaller, more commercially sustainable and more profitable set of leading titles. We anticipate that each of these titles will operate as a complementary component of an integrated, cross-media product portfolio which serves a specific commercial or professional community.

As noted in previous statements, our strategy is also to take advantage of opportunities for print products in fast-growing sectors and economies. In the first half of the year we launched a print title targeting the Indian luxury travel market.

Outlook for Print - magazines

We will continue to implement our portfolio management strategy during the second half of 2010. We expect the proportion of UBM's revenues generated by print magazine products to continue to decline.

2.3.4. Targeting, Distribution & Monitoring

	H1 2010 £m	H1 2009 £m	Reported change %	Underlying growth %
Turnover	91.2	84.9	7.4	3.6
Operating Profit	23.4	23.0	1.7	(1.0)

Our Targeting, Distribution & Monitoring business generated 21.0% of UBM's total revenue (H1 2009 - 19.5%) and 28.1% of total adjusted operating profit (H1 2009 - 29.4%).

The business showed headline revenue growth of 7.4% to £91.2m (H1 2009 - £84.9m). In underlying terms revenue growth was 3.6% and 6.6% on a constant currency basis. Margins fell 1.4 percentage points to 25.7%, resulting in headline adjusted operating profit growth of 1.7% at £23.4m (H1 2009 - £23.0m), down 1.0% on an underlying basis.

Newswire distribution revenues - which account for 61.6% of Targeting, Distribution & Monitoring revenues (H1 2009 - 64.4%) - rose 2.7% in the first half, reflecting generally higher levels of corporate and market activity. US wire volumes and revenues rose by 5.1% and 0.9% respectively.

Outside North America, wire revenues grew strongly by 14.4% to £6.1m during the half to account for 10.9% of overall wire revenues (H1 2009 - 9.8%). Revenue growth was modest in the UK and the rest of Europe but revenues grew faster, albeit from a small base, in newer emerging markets such as the Middle East, India, Russia and Latin America. We also saw good revenue growth in Asia, particularly in China. During the first half we broadened the range of corporate communications solutions we are able to offer our Asian customers with the acquisition of Hong Kong-based Corporate360 for £0.9m. We also acquired the remaining equity interest in our PR Newswire businesses in Argentina and Brazil for a total of £0.8m.

Revenues generated by products and services other than traditional newswire distribution rose 15.9% to £35.0m or 38.4% of overall revenues (H1 2009 - £30.2m, 35.6%). In particular revenues at our multimedia unit MultiVu (including worldwide Multimedia News Release distribution), grew strongly by 18.3% to £10.4m (H1 2009 - £8.8m). MultiVu is well positioned to benefit from the growing volume of MNRs as well as more from the increasingly widespread use of multimedia content as part of standard corporate communications practice. Our financial printing and filing services also showed strong growth in the half, a reflection of rising activity in financial markets.

In the first half we continued our investment in the new product and service development in order to provide a broader web-based corporate communication product and service offering. We are also investing in the business's IT infrastructure to support the business's online service delivery capability. As previously highlighted, this continuing investment is reflected in the business's margins, which fell from 27.1% in H1 2009 to 25.7% in H1 2010.

Targeting, Distribution & Monitoring outlook

As noted in our Interim Management Statement in May, we expect that the performance of our Targeting, Distribution & Monitoring business will be closely aligned to the pace and extent of economic recovery, particularly in the United States. We anticipate continued competitive pressure in the US news distribution market, particularly in lower value text-only releases. We also anticipate continued growth in international revenues and in non-wire, multimedia and online products and services. However the continuing levels of investment in new product development and IT infrastructure will constrain margins in the second half and into 2011.

3 Acquisitions

In the first half of 2010 we invested £43.5m in 12 acquisitions. These acquisitions were closely aligned to our strategic priorities, with the most significant investment being made in China and Brazil. In terms of type of business, five of the acquisitions, totalling £28.2m, were of Events, four were of businesses relating to Targeting, Distribution & Monitoring (£6.2m) and the remaining three were Data, Service & Online businesses (£9.1m).

We continue to seek to use our strong balance sheet to take advantage of the growing availability of attractive acquisition opportunities, particularly tradeshows and other events, and businesses in higher growth sectors and economies.

Our investment comprised cash of £23.3m (net of cash acquired) and deferred contingent consideration of £20.2m. We also made payments totalling £4.3m in respect of earnouts relating to acquisitions made in prior years.

H1 2010 Acquisitions	Initial consideration net of cash acquired* £m	Estimated contingent consideration £m	Estimated total consideration £m
Game Advertising Online	0.6	3.0	3.6
E Commerce Expo	0.6	1.2	1.8
Sign China	7.1	4.0	11.1
DesignCon	0.9	0.0	0.9
SharedVue	0.2	4.9	5.1
DNA-13	4.0	0.5	4.5
CenTradeX	0.3	0.1	0.4
The Concrete Show / Restaubar	7.6	5.7	13.3
Navalshore	1.1	0.0	1.1
PR Newswire Brazil	0.7	0.1	0.8
PR Newswire Argentina	0.0	0.0	0.0
Corporate 360	0.2	0.7	0.9
	23.3	20.2	43.5

* Excluding working capital adjustments and acquisition costs.

Contingent and deferred consideration

**Total
£m**

At 1 January 2010	25.1
Change in estimate	2.6
Contingent consideration on acquisitions	20.2
Deferred consideration on acquisitions	0.1
Contingent consideration paid	(3.8)
Deferred consideration paid	(0.5)
Foreign exchange gain	1.7
At 30 June 2010	45.4

Acquisition performance

**Consideration
£m**

Pre-tax return on investment

	£m	2008	2009	2010
2008 acquisitions	51.2	12.4%	6.5%	8.9%
2009 acquisitions	27.7	-	14.8%	12.9%
2010 acquisitions*	43.5	-	-	10.0%
Total	122.4**			10.0%

* 2010 Return on Investment has been calculated on a proforma basis and consideration includes contingent consideration of £20.2m.

** Consideration is net of cash acquired and includes contingent consideration of £37.8m.

2010 acquisitions contributed adjusted operating profit of £2.5m since their acquisition and are expected to achieve a pre-tax return of 10.0% on a pro forma basis.

4 Dividend

The Board has declared an interim dividend of 6.00 pence per share, maintaining the dividend at the level set this time last year. The interim dividend on ordinary shares will be paid on 14 October 2010 to shareholders on the register on 27 August 2010.

5 Cash flow and cash conversion

Cash generated from operations rose to £76.9m from £74.5m in H1 2009, reflecting continued tight discipline in cost control and working capital generation.

Cash conversion was 100.1% of adjusted operating profits (H1 2009 - 113.8%). Free cash flow was £6.1m, compared with £53.6m in H1 2009, principally reflecting the £46.5m tax settlement paid in H1 2010.

During the first half of 2010, we paid £27.3m for acquisitions (net of cash acquired) and earnout payments in relation to acquisitions made in prior years. Following the payment of £44.3m of dividends to shareholders and a foreign exchange movement of £5.6m, consolidated net debt at 30 June 2010 stood at £302.8m, up from £226.4m at the end of 2009.

6 Financing and interest expense

Our £325m multi-currency revolving credit facility matures in July 2012. At 30 June 2010 UBM had drawn £63.2m from the facility, leaving £261.8m available. Cash and equivalents totalled £133.2m at 30 June 2010.

Our balance sheet remains strong, with net debt at 30 June 2010 of £302.8m, representing 1.59 times the last twelve months' EBITDA.

Net finance expense for the six months to 30 June 2010 was £8.9m. The composition of the net expense was as follows:

	H1 2010 £m	H1 2010 £m	H1 2009 £m	H1 2009 £m
Interest income - cash and cash equivalents		0.2		1.3
Interest expense		(8.8)		(7.6)
Financing income:		1.5		7.8
Pension schemes	1.4		1.0	
Foreign exchange gain on forward contracts	0.1		6.8	
Financing income - other		1.9		3.1
Financing expense - other		(3.7)		(0.3)
Net finance (expense) / income		(8.9)		4.3

7 Currency

Our revenue and adjusted operating profit in H1 2010 were generated principally in currencies other than Sterling, as follows:

	H1 2010 Revenue %	H1 2010 Adjusted operating profit %
US Dollar	50.1	58.7
Euro	16.7	18.4
UK Pound Sterling	17.4	7.2
Canadian Dollar	3.7	-
Japanese Yen	2.6	6.1
Renminbi	5.0	8.4
Indian Rupee	0.8	-
Brazilian Real	0.8	0.9
Other	<u>2.9</u>	<u>0.3</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 for the balance of the year:

	Average exchange rate in H1 2010	Exchange rate varies by	Effect on revenue +/-	Effect on adjusted operating profit +/-
US Dollar	1.52	1 cent	£1.9m	£0.3m
Euro	1.15	1 cent	£1.0m	£0.2m

8 Tax

UBM's effective rate of tax in the first half of 2010 was 15.0% (31 December 2009 - 15.0%).

As previously disclosed, in March 2010 UBM made a payment of £46.5m to HMRC in settlement of historic tax issues. Subsequent to this payment, on 30 June 2010 UBM's tax creditor stood at £68.1m (31 December 2009 - £109.0m).

9 Pensions

At 30 June 2010, the aggregate deficit under IAS 19 was £42.4m, an increase of £15.8m on the deficit of £26.6m at 31 December 2009.

The IAS 19 interest credit was £1.4m, representing the excess expected asset growth over the interest accretion on the scheme liabilities during the first half of the year.

10 Exceptional items

10.1. Restructuring and business reorganisation costs

During the first half of 2010 we closed four print magazine titles and reduced the frequency of two further titles. We also made further progress in the restructuring of a number of our businesses, particularly at UBM Aviation where the migration away from traditional print data products continues.

The exceptional charge of £3.1m (H1 2009 - £7.9m) includes £1.0m redundancy costs for 28 staff and £0.4m relating to the restructuring and business reorganisation costs. Of the charge, £0.7m has been incurred in H1 and the balance is expected to be incurred in H2 2010. The charge also includes costs in respect of vacant property which will be incurred over the remainder of the respective lease terms.

10.2. Exceptional items relating to acquisitions

Following the adoption of IFRS 3 (revised) from 1 January 2010, acquisition costs of £0.7m have been expensed, rather than included in the calculation of goodwill on acquisition. Details of acquisitions made in the six months ended 30 June 2010 are given in Note 12 of the Interim Financial Report.

11 Risks and uncertainties

The principal risks and uncertainties affecting the business activities were detailed on pages 28 to 31 of the 31 December 2009 Annual report and accounts. These remain unchanged since the Annual report was published, a copy of which is available on the Company's website www.ubm.com.

UBM has a business-wide risk management process, monitored by the Board, to ensure a consistent and coherent approach to the principal risk factors and to those other risk factors that may arise or which may become material in the future. The following list is a summary of the risks and uncertainties that were included in the 2009 Annual report and accounts:

- UBM operates in a highly competitive environment that is subject to rapid change and must continue to invest and adapt to remain competitive;
- making acquisitions is a key component of UBM's strategy, consequently exposing us to risks associated with acquisitions;
- UBM's continued expansion into new geographic regions subjects our businesses to specific risks of operating in these regions;
- attracting and retaining key management personnel across all of our businesses;
- structural market change and the economic downturn may affect our results;
- as UBM moves away from print advertising towards online and digital products, risks around IT security increase significantly;
- several of UBM's businesses have a strategy which is dependent upon the successful execution of major projects;
- our businesses are required to comply with tightening and increasingly high profile legislation on data protection issues;
- decentralisation and de-layering of UBM's organisational structure increases pressure on control resources, systems and capabilities;
- fluctuations in exchange rates may affect our reported results;
- future tax payments may exceed recorded liabilities;
- the cost of providing pension benefits to existing and former employees is subject to change in pension fund values and changing mortality; and
- our exhibitions business may be adversely affected by incidents which curtail travel, such as major terrorist attacks or outbreaks of disease, such as Swine Flu, Avian Flu or Severe Acute Respiratory Syndrome.

The narrative review contained in this half-yearly financial report includes a commentary on the outlook for the business for the remaining six months of the year. The Board expects the risks and uncertainties listed above to continue to affect UBM for the remaining six months of the year.

Interim consolidated income statement
for the six months ended 30 June 2010

Notes		Before	Exceptional	Total	Before	Exceptional	Total
		exceptional	items		exceptional	items	
		30 June	30 June	30 June	30 June	30 June	30 June
		2010	2010	2010	2009	2009	2009
		£m	£m	£m	£m	£m	£m
4	Revenue	434.3	-	434.3	435.0	-	435.0
	Other operating income	2.1	-	2.1	2.9	-	2.9
	Operating expenses	(355.0)	-	(355.0)	(360.7)	-	(360.7)
	Amortisation of intangible assets arising on acquisitions	(12.2)	-	(12.2)	(15.0)	-	(15.0)
5	Exceptional reorganisation and restructuring costs	-	(3.1)	(3.1)	-	(7.9)	(7.9)
5	Exceptional items relating to acquisitions	-	(0.7)	(0.7)	-	-	-
	Share of profit in joint ventures and associates (after tax)	1.6	-	1.6	0.9	-	0.9
	Group operating profit	70.8	(3.8)	67.0	63.1	(7.9)	55.2
	Finance income/(expense)						
6	Interest income	0.2	-	0.2	1.3	-	1.3
6	Interest expense	(8.8)	-	(8.8)	(7.6)	-	(7.6)
6	Financing income	1.5	-	1.5	7.8	-	7.8
6	Financing income – other	1.9	-	1.9	3.1	-	3.1
6	Financing expense – other	(3.7)	-	(3.7)	(0.3)	-	(0.3)
	Profit before tax	61.9	(3.8)	58.1	67.4	(7.9)	59.5
	Taxation	(8.5)	-	(8.5)	(8.2)	-	(8.2)
	Profit for the period	53.4	(3.8)	49.6	59.2	(7.9)	51.3
	Attributable to:						
	Equity holders of the parent entity – ordinary shares			45.5			48.0
	Non-controlling interests			4.1			3.3
				49.6			51.3
	Earnings per share (pence)						
7	Basic			18.7p			19.9p
7	Diluted			18.6p			19.6p
				£m			£m
4	Adjusted Group operating profit*			83.2			78.3
	Amortisation of intangible assets arising on acquisitions			(12.2)			(15.0)
5	Exceptional reorganisation and restructuring costs			(3.1)			(7.9)
5	Exceptional items relating to acquisitions			(0.7)			-
	Share of taxation on profit in joint ventures and associates			(0.2)			(0.2)
4	Group operating profit			67.0			55.2
				£m			£m
	Dividends						
8	Second interim dividend of 18.20p (2009: 18.20p)			44.3			44.0
8	Proposed interim dividend of 6.00p (2009: 6.00p)			14.6			14.6

*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 income statement for the year ended 31 December 2009

Notes	Before exceptional items 31 December 2009 £m	Exceptional items 31 December 2009 £m	Total 31 December 2009 £m
4	847.6	-	847.6
	9.7	-	9.7
	(688.8)	-	(688.8)
	(26.8)	-	(26.8)
5	-	(16.5)	(16.5)
5	-	(153.0)	(153.0)
	2.0	-	2.0
	143.7	(169.5)	(25.8)
	Finance income/(expense)		
6	1.8	-	1.8
6	(14.8)	-	(14.8)
6	6.9	-	6.9
6	2.9	-	2.9
6	-	(6.7)	(6.7)
	140.5	(176.2)	(35.7)
	(17.7)	-	(17.7)
5	-	135.2	135.2
	(17.7)	135.2	117.5
	122.8	(41.0)	81.8
	Attributable to:		
			75.2
			6.6
			81.8
	Earnings per share (pence)		
7			30.9p
7			30.5p
4	Adjusted Group operating profit*		£m
			171.2
			(26.8)
5			(153.0)
5			(16.5)
			(0.7)
4			(25.8)
	Dividends		
8			£m
			14.6
8			44.3

*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.

Interim consolidated statement of comprehensive income
for the six months ended 30 June 2010

Notes	Six months ended 30 June 2010 £m	Six months ended 30 June 2009 £m	Year ended 31 December 2009 £m
Profit for the period	49.6	51.3	81.8
Other comprehensive losses:			
Currency translation differences on foreign operations – Group	(4.1)	(54.7)	(50.3)
Cash flow hedges:			
Gains on cash flow hedges arising during the period	-	2.5	0.2
Add reclassification adjustments for losses included in profit or loss	-	-	7.7
	-	2.5	7.9
Actuarial losses recognised in the pension schemes	(19.3)	(26.6)	(63.9)
Irrecoverable element of pension surplus	1.2	9.9	13.8
Share of other comprehensive income/(expense) of joint ventures and associates:			
Currency translation differences on foreign operations	0.8	(1.4)	(1.5)
Actuarial losses recognised in the pension schemes of associates	-	(3.9)	(3.9)
	0.8	(5.3)	(5.4)
Income tax relating to components of other comprehensive income	-	-	-
Other comprehensive losses for the period net of tax	(21.4)	(74.2)	(97.9)
11 Total comprehensive income/(losses) for the period net of tax	28.2	(22.9)	(16.1)
Attributable to:			
Equity holders of the parent entity – ordinary shares	23.3	(25.1)	(22.6)
Non-controlling interests	4.9	2.2	6.5
	28.2	(22.9)	(16.1)

Interim consolidated statement of financial position
at 30 June 2010

Notes	30 June 2010 £m	30 June 2009 £m	As restated 31 December 2009 £m
Assets			
Non-current assets			
	877.5	935.8	820.5
	115.7	115.1	110.6
	41.6	35.0	38.2
	18.7	19.2	17.0
14	-	12.0	-
	0.6	1.8	0.6
	1,054.1	1,118.9	986.9
Current assets			
	4.2	4.3	7.7
	199.6	179.3	169.9
	6.9	7.4	0.3
	133.2	188.6	158.9
	343.9	379.6	336.8
	1,398.0	1,498.5	1,323.7
Liabilities			
Current liabilities			
10	1.3	18.4	0.3
	362.7	324.6	315.5
	30.5	5.2	10.9
	11.1	26.7	23.4
	68.1	240.4	109.0
	473.7	615.3	459.1
Non-current liabilities			
10	434.7	399.0	385.0
14	42.4	11.7	26.6
	17.2	9.5	12.9
	30.5	33.9	26.6
	28.3	28.8	27.7
	553.1	482.9	478.8
	1,026.8	1,098.2	937.9
Equity attributable to owners of the parent entity			
	24.4	24.4	24.4
	1.3	1.2	1.2
11	(605.0)	(608.0)	(597.7)
11	929.9	975.4	948.4
	350.6	393.0	376.3
11	20.6	7.3	9.5
	371.2	400.3	385.8
	1,398.0	1,498.5	1,323.7

Interim consolidated statement of changes in equity
for the six months ended 30 June 2010

Notes	Share capital £m	Share premium £m	Other reserves £m	Retained earnings £m	Non- controlling interests £m	Total equity £m
At 1 January 2010	24.4	1.2	(597.7)	948.4	9.5	385.8
Profit for the period	-	-	-	45.5	4.1	49.6
Other comprehensive (losses)/income	-	-	(4.1)	(18.1)	0.8	(21.4)
Total comprehensive (losses)/income for the period	-	-	(4.1)	27.4	4.9	28.2
Issued in respect of share option schemes and other entitlements	-	0.1	-	-	-	0.1
Share-based payments	-	-	-	1.5	-	1.5
8 Equity dividends	-	-	-	(44.3)	-	(44.3)
11 Non-controlling interest dividends	-	-	-	-	(3.1)	(3.1)
12 Non-controlling interest arising on business combinations	-	-	-	-	9.3	9.3
11 Shares awarded by ESOP	-	-	3.1	(3.1)	-	-
Own shares purchased by the company	-	-	(6.3)	-	-	(6.3)
At 30 June 2010	24.4	1.3	(605.0)	929.9	20.6	371.2
At 1 January 2009	24.4	1.0	(567.5)	1,005.7	7.6	471.2
Profit for the period	-	-	-	48.0	3.3	51.3
Other comprehensive losses	-	-	(52.5)	(20.6)	(1.1)	(74.2)
Total comprehensive (losses)/income for the period	-	-	(52.5)	27.4	2.2	(22.9)
Issued in respect of share option schemes and other entitlements	-	0.2	-	-	-	0.2
Share-based payments	-	-	-	(1.7)	-	(1.7)
8 Equity dividends	-	-	-	(44.0)	-	(44.0)
Non-controlling interest dividends	-	-	-	-	(2.5)	(2.5)
Shares awarded by ESOP	-	-	12.0	(12.0)	-	-
At 30 June 2009	24.4	1.2	(608.0)	975.4	7.3	400.3
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)
Total comprehensive (losses)/income for the year	-	-	(43.8)	21.2	6.5	(16.1)
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)
Non-controlling interest dividends	-	-	-	-	(4.4)	(4.4)
Acquisition of non-controlling interests	-	-	-	(8.5)	(0.2)	(8.7)
Shares awarded by ESOP	-	-	13.6	(13.6)	-	-
At 31 December 2009	24.4	1.2	(597.7)	948.4	9.5	385.8

Interim consolidated statement of cash flows
for the six months ended 30 June 2010

Notes	Six months ended 30 June 2010 £m	Six months ended 30 June 2009 £m	Year ended 31 December 2009 £m
Cash flows from operating activities			
<i>Reconciliation of profit to operating cash flows</i>			
	49.6	51.3	81.8
	<i>Add back:</i>		
	8.5	8.2	(117.5)
	7.5	6.2	12.3
	0.4	0.4	0.9
	12.2	15.0	26.8
6	(0.2)	(1.3)	(1.8)
6	8.8	7.6	14.8
6	(1.5)	(7.8)	(6.9)
6	(1.9)	(3.1)	(2.9)
6	3.7	0.3	6.7
	(1.6)	(0.9)	(2.0)
5	3.8	7.9	169.5
	1.7	(1.4)	2.9
	91.0	82.4	184.6
	(13.9)	(21.2)	(41.3)
	(1.6)	-	(3.7)
	3.2	4.2	0.9
	(20.6)	5.8	25.5
	18.8	3.3	(23.3)
	76.9	74.5	142.7
	0.4	2.2	7.8
	(8.5)	(7.9)	(22.3)
	(52.1)	(8.6)	(16.5)
	0.4	0.1	1.5
	17.1	60.3	113.2
Cash flows from investing activities			
12	(27.3)	(9.8)	(25.6)
	(11.0)	(6.7)	(14.5)
	-	-	3.4
	(38.3)	(16.5)	(36.7)
Cash flows from financing activities			
	0.1	0.2	0.2
	-	-	(8.7)
8	(44.3)	(44.0)	(58.8)
	(3.1)	(2.5)	(4.4)
	(6.3)	-	-
10	43.5	31.1	(254.5)
	-	-	247.1
	(10.1)	(15.2)	(79.1)
	(31.3)	28.6	(2.6)
	4.6	(9.1)	(7.3)
	158.8	168.7	168.7
	132.1	188.2	158.8
	72.1	173.2	61.9
	61.1	15.4	97.0
	(1.1)	(0.4)	(0.1)
	132.1	188.2	158.8

Notes to the interim consolidated financial statements for the six months ended 30 June 2010

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 detailed in Note 4.

The interim condensed consolidated financial statements of the Group for the six months ended 30 June 2010 were authorised for issue in accordance with a resolution of the directors on 30 July 2010. The interim condensed consolidated financial statements are unaudited but have been reviewed by the auditors as set out in their report.

The comparative information for 31 December 2009 has been restated for acquisition accounting adjustments which have been finalised in relation to certain acquisitions made in 2009. The comparative information has been restated in accordance with IFRS 3 'Business Combinations' (revised 2008). The impact of this restatement is to reduce goodwill and accruals and deferred income by £0.4m and £0.3m respectively, with a corresponding increase in trade receivables of £0.1m.

2. Basis of preparation

The interim condensed consolidated financial statements for the six months ended 30 June 2010 have been prepared in accordance with IAS 34 'Interim financial reporting' and with the Disclosure and Transparency Rules of the Financial Services Authority.

The interim condensed consolidated financial statements do not constitute the Group's statutory financial statements. The Group's most recent statutory financial statements, which comprise the annual report and audited financial statements for the year ended 31 December 2009, were approved by the directors on 5 March 2010 and have been filed with the Jersey Registrar of Companies. The auditors have reported on those financial statements and have given an unqualified report which does not contain a statement under Article 113B(3) or Article 113B(6) of the Companies (Amendment No 4) (Jersey) Regulations 2009. The interim condensed consolidated financial statements should be read in conjunction with the Annual Report and Accounts for the year ended 31 December 2009, which have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The directors of UBML, having made appropriate enquiries, consider that adequate resources exist for the business to continue in operational existence for the foreseeable future and that, therefore, it is appropriate to adopt the going concern basis in preparing the financial information for the six months ended 30 June 2010.

3. Accounting policies and estimates

The accounting policies, significant judgments made by management and key sources of estimation adopted in the preparation of the interim condensed consolidated financial statements are consistent with those applied in the preparation of the Group's annual financial statements for the year ended 31 December 2009, except for the adoption of new standards and interpretations, noted below:

IFRS 3 'Business Combinations' (revised 2008) – which makes significant changes to the treatment of acquisition costs and performance-related consideration and other contingent consideration relating to an acquisition and provides an option (the 'full goodwill method') to recognise 100% of the goodwill of an acquired entity, rather than just the entity's acquired portion of goodwill, with corresponding increases to goodwill and non-controlling interests. The revised standard has been adopted prospectively to business combinations for which the acquisition date is on or after 1 January 2010. The adoption of this revised standard has resulted in acquisition costs on such business combinations being expensed in the income statement and classified as cash flows from operations in the statement of cash flows. Contingent consideration relating to acquisitions made in the six months ended 30 June 2010 has been estimated at the date of acquisition; any subsequent revisions to these estimates will be recorded in the income statement. The Group policy is to present acquisition costs and changes in contingent consideration as acquisition exceptional items as they do not relate to underlying business operations. Further details of business combinations made in the six months ended 30 June 2010 are given in Note 12.

IAS 27 'Consolidated and Separate Financial Statements' (revised 2008) – which requires non-controlling interests (formerly minority interests) to be presented within equity which has been Group policy for several years. It also no longer restricts the allocation to non-controlling interests of losses incurred by a subsidiary to the amount of the non-controlling equity investment in the subsidiary. As a result, a partial acquisition or disposal of equity interest in a subsidiary that does not result in a gain or loss of control will be accounted for as an equity transaction and will not impact goodwill or give rise to any gain or loss. When there is loss of control of a subsidiary, any retained interest will have to be remeasured to fair value, which will impact the gain or loss recognised on disposal. The revised standard has been adopted prospectively from 1 January 2010. It has had no effect on the financial position or performance of the Group, but it may lead to changes in accounting for subsidiaries in the future.

Improvements to IFRSs 2009 – none of the improvements have resulted in changes to the financial position or performance of the Group. The improvement to IAS 7 'Statement of Cash Flows' states that only expenditure that results in the recognition of an asset can be classified as a cash flow from investing activities. As a result of this change and the adoption of IFRS 3 'Business Combinations' (revised 2008), acquisition costs and payments of changes in contingent consideration on business combinations for which the date of acquisition is on or after 1 January 2010 will be classified as operating cash flows. These transactions are detailed in Note 12.

The following standards and interpretations have also been adopted in the interim condensed consolidated financial statements, but have had no impact on the financial position or performance of the Group or presentation of the financial statements:

- IAS 39 'Financial Instruments: Recognition and Measurement' – Eligible hedged items (amendment), adopted from 1 July 2009
- IFRS 2 'Share based payments' – Group Cash-settled Share Based Payment Transactions (amendment), adopted from 1 January 2010
- IFRIC 17 'Distribution of Non-cash Assets to Owners', adopted from 1 July 2009
- IFRIC 18 'Transfer of Assets from Customers', adopted from 1 July 2009

Notes to the interim consolidated financial statements

for the six months ended 30 June 2010

4. Operating 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. Consistent with the last annual report and audited financial statements for the year ended 31 December 2009, 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 same accounting policies as those referred to in Note 3.

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, as defined in the footnote to the income statement. Adjusted operating profit 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 and is consistent with the measure used in the annual report and audited financial statements for the year ended 31 December 2009.

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

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 2009), 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.

Six months ended 30 June 2010

	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	139.3	0.1	139.4	(2.0)	0.5	40.7
Data, Services and Online	129.5	-	129.5	(1.9)	0.1	19.8
Print – Magazines	74.3	-	74.3	(1.1)	0.3	3.7
Targeting, Distribution and Monitoring	91.2	0.2	91.4	(2.6)	0.6	23.4
Total segments	434.3	0.3	434.6	(7.6)	1.5	87.6
Other corporate	-	-	-	(0.3)	0.3	(4.4)
Eliminations	-	(0.3)	(0.3)	-	-	-
	434.3	-	434.3	(7.9)	1.8	83.2
Amortisation of intangibles arising on acquisitions						(12.2)
Exceptional reorganisation and restructuring costs						(3.8)
Share of taxation on profit in joint ventures and associates						(0.2)
Group operating profit						67.0
Interest income						0.2
Interest expense						(8.8)
Financing income						1.5
Financing income – other						1.9
Financing expense – other						(3.7)
Profit before tax						58.1

Notes to the interim consolidated financial statements for the six months ended 30 June 2010

4. Operating segment information (continued)

Total corporate costs for the period ended 30 June 2010 were £8.2m (30 June 2009: £7.2m; 31 December 2009: £15.5m). 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.

Six months ended 30 June 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	137.2	0.1	137.3	(1.7)	0.4	37.8
Data, Services and Online	126.6	-	126.6	(1.6)	0.1	16.0
Print – Magazines	86.3	-	86.3	(1.1)	0.1	3.3
Targeting, Distribution and Monitoring	84.9	0.3	85.2	(2.0)	0.6	23.0
Total segments	435.0	0.4	435.4	(6.4)	1.2	80.1
Other corporate	-	-	-	(0.2)	(0.1)	(1.8)
Eliminations	-	(0.4)	(0.4)	-	-	-
	435.0	-	435.0	(6.6)	1.1	78.3
Amortisation of intangibles arising on acquisitions						(15.0)
Exceptional reorganisation and restructuring costs						(7.9)
Share of taxation on profit in joint ventures and associates						(0.2)
Group operating profit						55.2
Interest income						1.3
Interest expense						(7.6)
Financing income						7.8
Financing income – other						3.1
Financing expense – other						(0.3)
Profit before tax						59.5

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)

Notes to the interim consolidated financial statements for the six months ended 30 June 2010

4. Operating segment information (continued)

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	Six months ended 30 June 2010 £m	Six months ended 30 June 2009 £m	Year ended 31 December 2009 £m
United Kingdom	69.5	74.3	129.6
Foreign countries			
United States and Canada	207.7	211.6	386.6
Other Americas	6.1	2.8	6.1
Europe, Middle East and Africa	77.7	80.4	163.8
China	44.6	39.4	101.4
Japan	8.7	10.0	18.5
Other Asia/Pacific	20.0	16.5	41.6
	364.8	360.7	718.0
Total revenue	434.3	435.0	847.6

Non-current assets	30 June 2010 £m	30 June 2009 £m	As restated 31 December 2009 £m
United Kingdom	252.1	244.3	236.6
Foreign countries			
United States and Canada	474.3	511.2	425.7
Other Americas	41.5	33.8	33.9
Europe, Middle East and Africa	227.0	277.0	248.8
China	18.2	7.1	7.2
Japan	6.7	7.1	6.1
Other Asia/Pacific	34.3	26.4	28.6
	802.0	862.6	750.3
Total non-current assets	1,054.1	1,106.9	986.9

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

Notes to the interim consolidated financial statements

for the six months ended 30 June 2010

5. Exceptional items

	Six months ended 30 June 2010 £m	Six months ended 30 June 2009 £m	Year ended 31 December 2009 £m
Charged to operating profit			
Redundancy	(1.0)	(5.6)	(10.5)
Restructuring and business reorganisation costs	(0.4)	(0.8)	(2.1)
Vacant property costs	(1.7)	(1.5)	(3.9)
Exceptional reorganisation and restructuring costs	(3.1)	(7.9)	(16.5)
Acquisition costs on business combinations (Note 12)	(0.7)	-	-
Exceptional items relating to acquisitions	(0.7)	-	-
Impairment of goodwill	-	-	(149.8)
Impairment of joint ventures and associates	-	-	(1.9)
Impairment of other investments	-	-	(1.3)
Impairment charge	-	-	(153.0)
Total charged to operating profit	(3.8)	(7.9)	(169.5)
Charged to profit/(loss) before tax			
Fair value adjustment – early settlement of interest rate swaps contracts (Note 6)	-	-	(6.7)
Credited to profit after tax			
Exceptional taxation credit	-	-	135.2
Total charged to profit for the period	(3.8)	(7.9)	(41.0)

Charged to operating profit

Six months ended 30 June 2010

Management of the UBM product portfolio has continued during 2010 in order to mitigate the effects of the difficult economic climate. This involved a headcount reduction of approximately 28 people. Of the £1.4m redundancy and restructuring costs charged, £0.6m has been incurred in the six months ended 30 June 2010 and the balance is expected to be incurred in the second half of 2010. The property costs of £1.7m relate to vacant property and other property costs, which will be incurred over the remainder of the lease term as well as the expected relocation costs of certain offices.

Following the adoption of IFRS 3 (revised 2008), acquisition costs of £0.7m on business combinations for which the acquisition date is on or after 1 January 2010 have been expensed, rather than included in the total consideration and, hence, the calculation of goodwill arising on acquisition. Details of the acquisitions made in the six months ended 30 June 2010 are given in Note 12.

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 were recognised during the year ended 31 December 2009 of which £149.8m related to goodwill. The carrying value of investments in joint ventures and associates and other investments were impaired by £1.9m and £1.3m respectively. Full details are given in the Annual Report and Accounts for the year ended 31 December 2009.

Charged to profit/(loss) before tax

Year ended 31 December 2009

The fair value adjustment of £6.7m related 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 6.

Credited to profit after tax

Year ended 31 December 2009

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 2009 the Group resolved a large number of outstanding items in various jurisdictions. This included:

- The dispute in relation to the sale of the Regional Newspapers business, for which a payment (including interest) of £36.4m has been paid in March 2010;
- Other UK issues for accounting periods up to 31 December 2007 for which a payment (including interest) of £10.1m has been paid in March 2010, and
- Non-UK issues for which a payment of £3.0m was made during 2009.

The £46.5m paid in March 2010 was 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, were therefore released in 2009. As a consequence there was a net exceptional tax credit of £135.2m.

Notes to the interim consolidated financial statements for the six months ended 30 June 2010

6. Finance income/(expense)

	Six months ended 30 June 2010 £m	Six months ended 30 June 2009 £m	Year ended 31 December 2009 £m
Interest			
Interest income	0.2	1.3	1.8
Interest expense	(8.8)	(7.6)	(14.8)
	(8.6)	(6.3)	(13.0)
Financing income			
Pension schemes	1.4	1.0	2.2
Foreign exchange gain on forward contracts	0.1	6.8	4.7
	1.5	7.8	6.9
Financing income – other			
Foreign exchange gain on forward contracts	-	1.4	1.0
Ineffective portion of net investment hedges	-	1.4	1.3
Ineffective portion of cash flow hedges	-	0.3	0.1
Ineffective portion of fair value hedges	1.9	-	0.2
Net foreign exchange gain	-	-	0.3
	1.9	3.1	2.9
Financing expense – other			
Fair value adjustments – early settlement of interest rate swap contracts	-	-	(6.7)
Ineffective portion of net investment hedges	(2.1)	-	-
Net foreign exchange loss	(1.6)	-	-
Other fair value adjustments	-	(0.3)	-
	(3.7)	(0.3)	(6.7)
Net finance (expense)/income	(8.9)	4.3	(9.9)

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

The ineffective portion of fair value hedges is the difference between the fair value movement of the interest rate swaps designated as the hedge and the fair value movement of the hedged portion of the fixed rate sterling bonds (see Note 10).

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 totalling \$150m were due to mature in January 2011 with the other three contracts totalling \$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.

7. Earnings per share

Basic earnings per share amounts are calculated by dividing net profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.

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

The net profit for the period attributable to ordinary equity holders of the parent is £45.5m (period ended 30 June 2009: £48.0m; year ended 31 December 2009: £75.2m).

The weighted average number of ordinary shares for the period was 243,516,180 (30 June 2009: 241,910,442; 31 December 2009: 243,077,889). The weighted average number of shares excludes ordinary shares held by the Employee Share Ownership Plan (ESOP) and the Quality Employee Share Ownership Trust (QUEST).

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 period. The impact of dilutive securities in the six months to 30 June 2010 would be to increase weighted average shares by 1.5 million shares (30 June 2009: 2.6 million shares; year to 31 December 2009: 3.4 million shares) for employee share options.

Adjusted earnings per share is calculated on the net profit for the period attributable to ordinary equity shareholders before 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 income/(expense) – other, divided by the weighted average number of ordinary shares outstanding during the period. Certain exceptional items, net financing income/(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 period, so as to facilitate comparison with prior periods and to assess better the trends of financial performance.

Notes to the interim consolidated financial statements for the six months ended 30 June 2010

7. Earnings per share (continued)

The following reflects the income and share data used in basic and diluted earnings per share computations (all operations are continuing):

	Six months ended 30 June 2010		Six months ended 30 June 2009		Year ended 31 December 2009	
	Earnings £m	Earnings per share p	Earnings £m	Earnings per share p	Earnings £m	Earnings per share p
From operations						
Adjusted Group operating profit	83.2		78.3		171.2	
Net interest expense	(8.6)		(6.3)		(13.0)	
Financing income	1.5		7.8		6.9	
Adjusted profit before tax	76.1		79.8		165.1	
Taxation	(11.4)		(12.0)		(24.8)	
Non-controlling interests	(4.1)		(3.3)		(6.6)	
Adjusted earnings per share	60.6	24.9	64.5	26.7	133.7	55.1
Adjustments						
Amortisation of intangible assets	(12.2)	(5.0)	(15.0)	(6.2)	(26.8)	(11.0)
Deferred tax on amortisation of intangible assets	2.7	1.1	3.6	1.5	6.4	2.6
Non-tax exceptional items	(3.8)	(1.6)	(7.9)	(3.3)	(169.5)	(69.8)
Tax exceptional item	-	-	-	-	135.2	55.6
Net financing (expense)/income – other	(1.8)	(0.7)	2.8	1.2	(3.8)	(1.6)
Basic earnings per share	45.5	18.7	48.0	19.9	75.2	30.9
Dilution – Options	-	(0.1)	-	(0.3)	-	(0.4)
Diluted earnings per share	45.5	18.6	48.0	19.6	75.2	30.5
Adjusted earnings per share (as above)	60.6	24.9	64.5	26.7	133.7	55.1
Options	-	(0.2)	-	(0.3)	-	(0.9)
Diluted adjusted earnings per share	60.6	24.7	64.5	26.4	133.7	54.2

8. Dividends

	Six months ended 30 June 2010 £m	Six months ended 30 June 2009 £m	Year ended 31 December 2009 £m
Declared and paid during the period			
Equity dividends on ordinary shares			
Second interim dividend for 2008 of 18.20p	-	44.0	44.2
Interim dividend for 2009 of 6.00p	-	-	14.6
Second interim dividend for 2009 of 18.20p	44.3	-	-
Dividends	44.3	44.0	58.8
Proposed (not recognised as a liability at the end of the period)			
Equity dividends on ordinary shares			
Interim dividend for 2009 of 6.00p	-	14.6	-
Second interim dividend for 2009 of 18.20p	-	-	44.3
Interim dividend for 2010 of 6.00p	14.6	-	-

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.

9. Tangible and intangible assets

During the six months ended 30 June 2010, the movements on tangible and intangible assets were:

	Six months ended 30 June 2010 £m	Six months ended 30 June 2009 £m	Year ended 31 December 2009 £m
Net book value at 1 January	148.8	183.5	183.5
Acquired with subsidiaries	15.1	-	6.4
Additions	11.0	6.7	14.5
Disposals	(2.5)	(0.9)	(1.6)
Depreciation and amortisation	(20.1)	(21.6)	(40.0)
Foreign exchange	5.0	(17.4)	(14.0)
Net book value at 30 June/ 31 December	157.3	150.1	148.8

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for the six months ended 30 June 2010

10. Borrowings

	30 June 2010 £m	30 June 2009 £m	31 December 2009 £m
Non-current	434.7	399.0	385.0
Current	1.3	18.4	0.3
	436.0	417.4	385.3

Movements in borrowings are analysed as follows:

Six months ended 30 June 2010	£m
At 1 January 2010	385.3
Increase in borrowings	43.5
Increase in overdraft	1.0
Fair value adjustment on £250m fixed rate sterling bonds 2016	7.2
Foreign exchange	(1.0)
At 30 June 2010	436.0

Six months ended 30 June 2009	£m
At 1 January 2009	432.8
Increase in borrowings	31.1
Decrease in overdraft	(3.2)
Foreign exchange	(43.3)
At 30 June 2009	417.4

Year ended 31 December 2009	£m
At 1 January 2009	432.8
Decrease in borrowings	(254.5)
Decrease in overdraft	(3.6)
Issue of £250m fixed rate sterling bonds 2016	247.1
Fair value adjustment on £250m fixed rate sterling bonds 2016	(1.3)
Foreign exchange	(35.2)
At 31 December 2009	385.3

During the period ended 30 June 2010, a fair value adjustment on the £250m fixed rate sterling bonds of £7.2m was recognised (period ended 30 June 2009: nil; year ended 31 December 2009: £(1.3m)). £150m of the fixed rate sterling bonds is subject to a fair value hedge with interest rate swaps, under which the Group receives 6.50% to match the bond coupon and pays six month sterling LIBOR plus 2.90%. The fair value movement on the bond is partially offset against the fair value movement of the swaps and the ineffective element is recognised in the income statement within "Financing income – other" as "Ineffective portion of fair value hedges" (see Note 6).

11. Reserves

	Merger reserve £m	Foreign currency translation reserve £m	ESOP reserve £m	Other reserve £m	Total other reserves £m	Retained earnings £m	Non- controlling interests £m
Balance at 1 January 2010	(732.2)	15.1	(5.9)	125.3	(597.7)	948.4	9.5
Profit for the period	-	-	-	-	-	45.5	4.1
Other comprehensive (losses)/income	-	(4.1)	-	-	(4.1)	(18.1)	0.8
Total comprehensive (losses)/income for the period	-	(4.1)	-	-	(4.1)	27.4	4.9
Share-based payment	-	-	-	-	-	1.5	-
Equity dividends	-	-	-	-	-	(44.3)	-
Non-controlling interest dividends	-	-	-	-	-	-	(3.1)
Non-controlling interest arising on business combinations (Note 12)	-	-	-	-	-	-	9.3
Shares awarded by ESOP	-	-	3.1	-	3.1	(3.1)	-
Own shares purchased by the company	-	-	(6.3)	-	(6.3)	-	-
Balance at 30 June 2010	(732.2)	11.0	(9.1)	125.3	(605.0)	929.9	20.6

Merger reserve

The merger reserve is used to record entries in relation to certain reorganisations that took place in previous accounting periods. The majority of the balance on the reserve relates to the capital reorganisation that took place in 2008 which created a new holding company which is UK-listed, incorporated in Jersey and with its tax residence in the Republic of Ireland.

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.

ESOP reserve

The ESOP reserve records ordinary shares held by the ESOP to satisfy future share awards. The shares are recorded at cost. During the six months ended 30 June 2010, 1,200,000 shares were purchased by the ESOP (period ended 30 June 2009: nil; year ended 31 December 2009: nil).

Other reserve

This reserve includes the unrealised gains and losses reserve which records the portion of the gain or loss on a hedging instrument in a cash flow hedge that is determined to be an effective hedge.

Notes to the interim consolidated financial statements for the six months ended 30 June 2010

12. Acquisitions

The Group has completed 12 acquisitions in the six months ended 30 June 2010.

23 February 2010, the Group acquired Game Advertising Online ('GAO'), a banner advertising agency working for publishers in the online video game industry, for an initial cash consideration of \$0.9m (£0.6m), deferred consideration of \$0.1m (£0.1m) and a further performance-related consideration of up to \$7.0m (£4.4m) payable over the next year. GAO will diversify the games industry revenue stream within the Data, Services and Online segment and extend the business relationships to online game publishers and to consumer-orientated games websites.

5 March 2010, the Group acquired 70% of Sign China, a fast growing and international tradeshow in the Chinese sign industry, for an initial cash consideration of \$10.7m (£7.1m) with a further performance-related consideration of up to \$3.9m (£2.6m) payable over the next three years. The acquisition of Sign China will add another industry leading event to the Group's portfolio, as well as provide a springboard for expansion into South China for the Events segment.

5 March 2010, the Group also acquired E Commerce Expo Limited for an initial cash consideration of £0.6m with a further performance-related consideration of up to £1.2m payable after the October 2010 event. E Commerce Expo is a two day exhibition with an associated conference and awards ceremony, dedicated to e-commerce and online retailing. The acquisition advances the presence of the Events segment in the e-commerce, internet retailing and digital marketing sectors, which are identified as offering sustainable long-term growth potential.

12 April 2010, the Group acquired DesignCon, an exhibition and conference serving the electronic design and semiconductor industry, for total cash consideration of \$1.4m (£0.9m). DesignCon will strengthen international presence of the Events segment in the electronic design and semiconductor industry.

21 April 2010, the Group acquired SharedVue, a web-based marketing business, for an initial cash consideration of \$0.4m (£0.2m), with a further performance-related consideration of up to \$30.0m (£19.5m) payable over the next three years. The acquisition within the Data, Services and Online segment is consistent with the Group strategy to enhance and expand presence in the fast growing web-based marketing space.

29 April 2010, a Group subsidiary, CNW Group Limited, acquired dna13 for an initial cash consideration of \$6.1m (£4.0m) and a further performance related consideration of up to \$0.9m (£0.5m). dna13 owns unique software allowing public relations practitioners to manage, monitor and measure the success of their communications campaigns. The acquisition is part of the Targeting, Distribution and Monitoring segment.

6 May 2010, the Group acquired selected assets of CenTradeX Inc., a provider of market intelligence tools, for an initial cash consideration of \$0.5m (£0.3m) with further performance-related consideration of up to \$0.1m (£0.1m) payable over the next two years. The acquisition will enable the Data, Services and Online segment to enhance the user interface and analytical tools for its market leading PIERS Global Intelligence product portfolio.

14 June 2010, the Group announced the following acquisitions:

- the Group acquired a 60% interest in Navalshore, a Brazilian shipbuilding industry tradeshow and conference for a total cash consideration of R\$2.9m (£1.1m). The acquisition of a majority stake in Navalshore within the Events segment gives UBM greater exposure to the Brazilian maritime industry, one of the fastest growing markets in the world.
- the Group acquired a 75% interest in Sienna Interlink, a Brazilian exhibition company based in Sao Paulo for an initial cash consideration of R\$19.8m (£7.6m) with a further performance-related consideration of up to R\$20.2m (£7.7m) payable over the next year. In addition to contributing profitable revenue growth and expanding the Events segment's presence in Brazil, the acquisition provides exposure to the fast-growing South American concrete market which is benefiting from significant construction activity taking place ahead of the 2014 FIFA World Cup in Brazil and the 2016 Rio de Janeiro Olympics.
- the Group acquired the remaining 62.03% equity interest in PR Newswire do Brasil for an initial cash consideration of \$1.0m (£0.7m) with a further performance-related consideration of up to \$0.2m (£0.1m), payable over the next two years. PR Newswire do Brasil was previously accounted for as an associate. The acquisition is part of the Targeting, Distribution and Monitoring segment.
- the Group acquired the remaining 10% equity interest in PR Newswire Argentina for a total cash consideration of \$40,000 (£27,000). The acquisition is part of the Targeting, Distribution and Monitoring segment.

28 June 2010, the Group acquired Corporate360, a Hong Kong based corporate communications solution provider, for an initial cash consideration of \$0.4m (£0.2m) with a further performance-based consideration of up to \$1.0m (£0.7m) payable over the next three years. The acquisition of Corporate360 will allow expansion of the Targeting, Distribution and Monitoring segment in Asia, by expanding service delivery capability and by offering a more sophisticated and engaging set of communication tools.

The sterling figures quoted above are derived from the month end exchange rates for the month of acquisition. All acquisitions have been accounted for using the acquisition method under IFRS 3 'Business Combinations' (revised 2008) with the exception of PR Newswire Argentina which has been accounted for as an equity transaction in accordance with IAS 27 'Consolidated and Separate Financial Statements' (revised 2008) since control was held by the Group prior to the acquisition of the remaining 10% interest.

The Group has acquired 100% of the voting rights in all cases where acquisitions involved the purchase of companies unless otherwise stated above. All acquisitions listed above where less than 100% of the voting rights of a company were purchased have been accounted for using the full goodwill method, as permitted by IFRS 3 (revised 2008). The fair value of the non-controlling interest for each acquisition has been estimated using a multiples approach with assumed adjustments for the lack of control that market participants would have by reference to the purchase price paid by the Group.

The acquisition accounting for dna13, Navalshore, Sienna Interlink, PR Newswire do Brasil and Corporate360 have been determined on a preliminary basis as the valuation exercise at the date of publishing the interim financial statements is ongoing.

Notes to the interim consolidated financial statements for the six months ended 30 June 2010

12. Acquisitions (continued)

The following table sets out the carrying amounts of the identifiable assets and liabilities acquired and their fair value to the Group in respect of the acquisition of businesses during the period (excluding PR Newswire Argentina):

	2010 Fair value to Group £m	2010 Acquiree's carrying amount £m
Intangible assets	15.1	-
Current assets	5.0	4.9
	20.1	4.9
Creditors and other current liabilities	(3.0)	(2.4)
Deferred tax liability	(3.3)	-
	(6.3)	(2.4)
Fair value of net assets	13.8	
Goodwill arising on acquisition	41.7	
Fair value of previously held interests	(0.3)	
Non-controlling interests	(9.3)	
	45.9	

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

	30 June 2010 £m
Consideration:	
Cash paid to acquire subsidiaries	23.0
Contingent consideration on acquisitions	20.2
Deferred consideration on acquisitions	0.1
Contingent consideration adjustments on prior year acquisitions	2.6
Total consideration	45.9

The potential undiscounted amount for all future payments that the Group could be required to make under the contingent consideration arrangements are between nil and the maximum amounts disclosed on the previous page; £36.9m in aggregate. The contingent consideration for each acquisition made during the period is based on the terms set out in the relevant purchase agreements. The amounts recognised above as the fair value of contingent consideration have been determined by reference to the projected financial performance in relation to the specific contingent consideration criteria for each acquisition.

The goodwill of £41.7m recognised above relates to certain intangible assets that cannot be individually separated and reliably measured. These items include customer loyalty, skilled workforce and synergies expected to arise after the acquisition completion. The movement in goodwill during the period was:

	Six months ended 30 June 2010 £m
Cost	
At 1 January 2010	970.3
Acquisitions	39.1
Contingent consideration adjustments on prior year acquisitions	2.6
Currency translation	15.3
At 30 June 2010	1,027.3
Impairment	
At 1 January 2010 and 30 June 2010	149.8
Carrying value	
At 1 January 2010	820.5
At 30 June 2010	877.5

From their respective dates of acquisition to 30 June 2010, the acquisitions made have contributed £2.5m to the operating profit and £5.2m to revenue of the Group. If the acquisitions had taken place at the beginning of the period, they would have contributed £2.1m to the operating profit of the Group and £8.1m to revenue for the six months ended 30 June 2010.

Acquisition costs of £0.7m on business combinations have been expensed as exceptional items in the income statement (see Note 5) and are included in operating cash flows in the statement of cash flows.

Notes to the interim consolidated financial statements for the six months ended 30 June 2010

12. Acquisitions (continued)

The aggregate cash flow effect of the acquisitions was as follows:

	30 June 2010 £m
Net cash acquired with subsidiaries	(0.6)
Cash paid to acquire subsidiaries	23.6
Net cash outflow on 2010 acquisitions	23.0
Payment of contingent consideration on prior year acquisitions	3.8
Payment of deferred consideration on prior year acquisitions	0.5
Total cash outflow on acquisitions	27.3

Contingent and deferred consideration

The movement in the contingent and deferred consideration payable during the period was:

	Contingent consideration £m	Deferred consideration £m	Total £m
Balance at 1 January 2010	24.6	0.5	25.1
Acquisitions	20.2	0.1	20.3
Consideration paid	(3.8)	(0.5)	(4.3)
Changes in estimates	2.6	-	2.6
Currency translation	1.7	-	1.7
Balance at 30 June 2010	45.3	0.1	45.4

The Group paid £3.8m of contingent consideration during the six months ended 30 June 2010 in relation to the 2006 acquisition of MediReach Healthcare Communications, the 2007 acquisition of Energy Solutions Expo and the 2008 acquisitions of Aerostrategy's aviation business and Global Games Media. None of the contingent consideration balances are individually material. The Group also paid £0.5m of deferred consideration during the six months ended 30 June 2010 in relation to the 2008 acquisition of Sanguine Microelectronics.

13. Share-based payments

The Group's management awards share options to directors and employees, from time to time, on a discretionary basis. During the six months ended 30 June 2010, the Group awarded 3,335,516 (six months ended 30 June 2009: 3,673,359; year ended 31 December 2009: 5,049,133) shares under the Group's share incentive plans.

14. Retirement benefit obligations

The Group operates a number of defined benefit and defined contribution pension schemes in the UK and overseas. The most recent actuarial valuations were carried out at various dates in 2008 and updated to 30 June 2010 by independent qualified actuaries using the projected unit method.

The amounts recognised in the income statement were as follows:

	Six months ended 30 June 2010 £m	Six months ended 30 June 2009 £m	Year ended 31 December 2009 £m
Current service cost	0.6	0.6	1.0
Past service cost	-	-	-
Curtailements	-	-	-
Interest cost	12.9	12.0	23.7
Expected return on plan assets	(14.3)	(13.0)	(25.9)
Total pension credit	(0.8)	(0.4)	(1.2)

The amounts recognised in the balance sheet were as follows:

	30 June 2009 £m	30 June 2009 £m	31 December 2009 £m
Fair value of plan assets	429.2	387.6	439.2
Present value of defined benefit obligations	(470.3)	(380.9)	(463.3)
Irrecoverable element of pension surplus	(1.3)	(6.4)	(2.5)
Net (deficit)/surplus in the balance sheet	(42.4)	0.3	(26.6)

Notes to the interim consolidated financial statements

for the six months ended 30 June 2010

15. Commitments and contingencies

Capital expenditure contracted for but not provided in the financial statements amounts to £2.8m (30 June 2009: £2.0m; 31 December 2009: £6.8m).

16. Related party transactions

The Group entered into the following transactions with related parties during the period:

Transactions with related parties	Nature of relationship	Nature of transactions	Balances (owed by)/ due to the Group at 30 June 2010 £m	Value of transactions 2010 £m	Balances (owed by)/ due to the Group at 30 June 2009 £m	Value of transactions 2009 £m
CMP Weka Verlag GmbH	Joint venture	Distribution sales	0.1	0.1	0.7	0.1
PR Newswire do Brasil	Associate*	Newswire service	-	(0.2)	(0.2)	(0.1)
Guangzhou Beauty Fair	Joint Venture	Commission and management fees	0.1	-	0.1	-
GML Exhibitions (Thailand) Co Limited	Joint Venture	Commission and management fees	0.1	-	-	-

Transactions with related parties	Nature of relationship	Nature of transactions	Balances (owed by)/ due to the Group at 31 December 2009 £m	Value of transactions 2009 £m
CMP Weka Verlag GmbH	Joint Venture	Distribution sales	0.2	0.2
PR Newswire do Brasil	Associate*	Newswire service	(0.2)	(0.3)
Guangzhou Beauty Fair	Joint Venture	Commission and management fees	-	0.1

* PR Newswire do Brasil was an associate until 14 June 2010, when it became a subsidiary as the remaining 62.03% equity interest was purchased by the Group (see Note 12). The related party disclosures above relate to transactions whilst PR Newswire do Brasil was an associate.

Leaders Quest, a non-profit organisation, organised various management conferences for the Group during the period ended 30 June 2010 for a fee of £15,000 (period ended 30 June 2009: nil; year ended 31 December 2009: £7,000). Lindsay Levin, wife of David Levin, Chief Executive Officer of the Group, is a partner of Leaders Quest.

The Group has provided services to Oxford University Press, a university publisher, during the period ended 30 June 2010 for fees of \$4,600 (period ended 30 June 2009: \$4,600; year ended 31 December 2009: \$4,795). David Levin was a member of the Oxford University Press Finance Committee until 30 September 2009.

Convera Inc., an IT consultancy specialising in search technologies, is party to a five year contract with the Group under which it is entitled to receive a share of revenues from certain related products. Payments under this contract in the period were £15,393 (period ended 30 June 2009: £190,501; year ended 31 December 2009: £39,204). The Group also provided services to Convera Inc. during the period for fees of \$2,595 (period ended 30 June 2009: \$1,790; year ended 31 December 2009: \$3,285). John Botts, non-executive director of the Group, is a director of Convera Inc.

The Group has provided services to Euromoney Institutional Investor Plc, an international publishing, events and electronic information group, during the period for fees of \$3,916 (period ended 30 June 2009: nil; year ended 31 December 2009: \$3,858). John Botts is a director of Euromoney Institutional Investor Plc.

The Group has provided service to SpinVox Limited, a voice-to-text conversation application company during the period for fees of nil (period ended 30 June 2009: \$195; year ended 31 December 2009: \$195). Additionally, SpinVox Limited has provided services to the Group during the period at a cost of £150 (period ended 30 June 2009: £175; year ended 31 December 2009: £300). John Botts was a director of SpinVox Limited until 31 December 2009.

Microland, an IT infrastructure management outsourcing services provider, has provided services to the Group during the period for fees of £64,170 (period ended 30 June 2009: £77,149; year ended 31 December 2009: £162,048). During the period, the Group provided advertising services and event sponsorship to Microland for nil (period ended 30 June 2009: nil; year ended 31 December 2009: £14,936). At 30 June 2010, the Group had a trade payable with Microland of nil (period ended 30 June 2009: \$127,056; year ended 31 December 2009: \$63,528). Pradeep Kar, a non-executive director of the Group, is founder, chairman and managing director of Microland.

IQ Resource, a strategic outsourcing company specialising in business media and information services, provides services to the Group for which the Group paid fees of nil (period ended 30 June 2009: \$190,171; year ended 31 December 2009: \$216,066). At 30 June 2010, the Group had a trade payable with IQ Resource of nil (period ended 30 June 2009: \$138,619; year ended 31 December 2009: \$3,804). Jonathan Newcomb, a non-executive director of the Group, holds an option over equity shares in IQ Resource.

The Group has provided services to the Bank of Ireland, a financial services provider, during the period for fees of nil (period ended 30 June 2009: nil; year ended 31 December 2009: £12,000). Terry Neill, a non-executive director of the Group, is a non-executive director of the Bank of Ireland.

Notes to the interim consolidated financial statements for the six months ended 30 June 2010

16. Related party transactions (continued)

Computacenter plc, a provider of IT infrastructure services, provided services to the Group during the period for fees of £139,021 (period ended 30 June 2009: nil; year ended 31 December 2009: nil). Greg Lock, a non-executive director of the Group, is the chairman of Computacenter plc.

Nigel Wilson, Chief Financial Officer of the Group until 7 May 2009, was the Senior Independent Director of Halfords Group Plc. During the period ended 30 June 2009, the Group participated in the Cycle to Work scheme operated by Halfords Group Plc, with total transactions of £18,574. Transactions were made on behalf of employees and recharged in full to employees through monthly payroll.

Transactions with related parties are made at arm's length. Outstanding balances at year-end are unsecured and settlement occurs in cash. There are no bad debt provisions for related party balances as at 30 June 2010, and no related party transactions have been written off during the period. Unless otherwise stated above, there are no amounts owed by or due to related parties by the Group at 30 June 2010.

17. Events after the balance sheet date

On 22 June 2010 the UK government announced that legislation will be introduced to bring a phased decrease in the UK rate of corporation tax commencing with a reduction to 27% on 1 April 2011 and further reducing it by 1% per annum until it reaches 24% on 1 April 2014. As the rate changes were not substantively enacted at 30 June 2010, no effect has been recorded in the interim figures presented. The Group is currently assessing the impact of the changes, although they are not expected to have a significant impact on the deferred tax assets and liabilities recognised.

On 30 July 2010, the Group announced the acquisition of the Shanghai International Children-Baby-Maternity Products Expo and related businesses for an initial cash consideration of \$9.7m and a further performance-related consideration of up to \$6.4m payable over the next two years. This market represents an attractive sector for UBM with strong growth potential underpinned by current economic and demographic trends. The acquisition is part of the Events segment.

Statement of directors' responsibilities

The directors confirm that the interim condensed consolidated financial statements for the period ended 30 June 2010 have been prepared in accordance with IAS 34 as issued by the International Accounting Standards Board, and that the interim management report herein includes a fair review of the information required by Rules 4.2.7 and 4.2.8 of the Disclosure and Transparency Rules of the United Kingdom Financial Services Authority.

The directors of United Business Media Limited are listed on the United Business Media Limited website: www.ubm.com.

By order of the Board

David Levin
Group Chief Executive

30 July 2010

Independent review report to United Business Media Limited

Introduction

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2010 which comprises the Interim consolidated income statement, Interim consolidated statement of comprehensive income, Interim consolidated statement of financial position, Interim consolidated statement of changes in equity, Interim consolidated statement of cashflows and the related explanatory notes 1 to 17 that have been reviewed. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the Company in accordance with guidance contained in International Standard on Review Engagements (UK and Ireland) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our work, for this report, or for the conclusions we have formed.

Directors' Responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

As disclosed in note 2, the annual financial statements of the Group are prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting'.

Our Responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2010 is not prepared, in all material respects, in accordance with International Accounting Standard 34 and the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

Ernst & Young LLP
London
30 July 2010