



Acquisition of Canon Communications LLC

September 2010



Canon acquisition

A leading portfolio of events, print and online assets serving the highly attractive and growing medical device design & manufacturing (MD&M) market and associated advanced manufacturing sectors, for \$287m (£185m)

- Summary of transaction:
 - Represents a multiple of 7.8x pro forma LTM EBITDA¹
 - Acquired on a debt / cash free basis
 - All cash consideration funded from existing committed debt facilities
 - Completion is subject to Hart Scott Rodino approval

¹ Based on 12 months to June 2010. All financial information is based on unaudited financial statements. Canon's revenues and EBITDA have been adjusted to exclude divested and discontinued operations, and to include the effect of acquisitions made by Canon in the 12 months to 30 June 2010 as if the acquired assets had been held for the full year. Income statement items have been converted from US dollars to Sterling at prevailing monthly historic average exchange rates. Pro forma adjustments also reflect cost reductions to be effected upon closing.



Acquisition rationale

- Long-standing acquisition target, well-known to UBM
- Clear rationale
 - Worldwide market leadership in attractive segments - MD&M and related advanced manufacturing
 - Fragmented
 - Structural growth
 - Increasing internationalisation
 - Geo-cloning opportunity using UBM global infrastructure
 - Expands UBM's existing electronics franchise
 - Reinforces UBM event capabilities
- Financially compelling
 - High margin, cash generative business
 - Exceeds investment return criteria
 - 9% accretive to EPS
 - ROI in excess of WACC



Canon overview

- Serves the structurally attractive and growing medical device design & manufacturing sector and related advanced manufacturing areas
- Founded in 1979 and headquartered in Los Angeles with 343 employees (including 65 outside the US)
- Highly regarded and experienced operating management team
- Leading portfolio of marketing services assets:
 - 7 key co-located event series
 - 41 events in total
 - 120,000 sqm of exhibition space
 - 24 print titles; leading market positions
 - 45 websites, including Qmed platform
 - Industry database of 1.3m records
- Straightforward and complementary fit into the UBM structure – a large “bolt-on”

Key industries	Key brands
Medical Device Design and Manufacturing (42% of Revenue)	<ul style="list-style-type: none"> ■ MD&M (4 events) ■ MEDTEC (6 events) ■ BIOMEDevice (2 events) ■ Orthotec (2 events) ■ MDDI ■ Qmed
Electronic Engineering (24% of Revenue)	<ul style="list-style-type: none"> ■ EDN magazine ■ Design News ■ Test & Measurement World
Manufacturing Process and Packaging (22% of Revenue)	<ul style="list-style-type: none"> ■ MidPak, WestPack, SouthPack, EastPack ■ Assembly & Automation Technology Expo ■ ATX South (2 events) ■ Process Technology Expo (3 events) ■ International Powder & Bulk Solids
Pharmaceuticals (7% of Revenue)	<ul style="list-style-type: none"> ■ Drug Development Summit ■ PharmaMed Marketing & Media ■ Pharmapack ■ PharmaLive
General Design and Manufacturing (5% of Revenue)	<ul style="list-style-type: none"> ■ Design & Manufacturing (4 events) ■ Aerotec West ■ SudTec

Colour key (business segment):
 Events Publishing Online

Medical device design & manufacturing



Examples of medical devices

- Artificial hips
- Knee replacements
- Anesthesia units
- Anesthesia ventilators
- Apnea monitors
- Aspirators
- Auto transfusion units
- Cardiac defibrillators
- Coagulation units
- Electrosurgical units
- External pacemakers
- Fetal monitors
- Incubators
- Infusion pumps
- Invasive blood pressure units
- Pulse oximeters
- Radiation-therapy machines
- Heart Lung Machines
- Ventilators
- Electronic thermometers
- Breast pumps
- Surgical microscopes
- Ultrasonic nebulizers
- Sphygmomanometers
- Surgical tables
- Surgical lights
- Temperature monitors
- X-ray diagnostic equipment

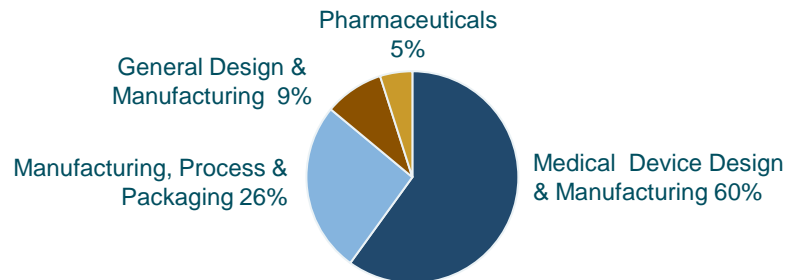


Events

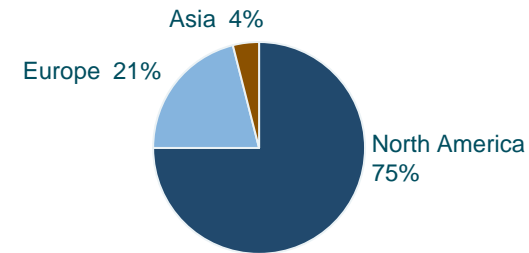


Events revenue \$51m (48% of Canon revenue) LTM to 30 June 2010

Breakdown by sector (%)



Breakdown by geography (%)



- Leading position in medical devices market – which Canon leverages into adjacent advanced manufacturing segments
- Regionally based co-location strategy is key to Canon's market position:
 - 7 key co-located “event series”
 - 41 events across four industry verticals
- 120,000 sqm of exhibition space, 115,000 qualified attendees and 9,400 exhibitors
- UBM will accelerate growth by geo-cloning events globally, building on existing positions in Germany and Singapore
- Modest biennial impact of approximately \$1m in H1 of even years
- Forward booking for Canon's events +3% on prior year as at 7 September 2010

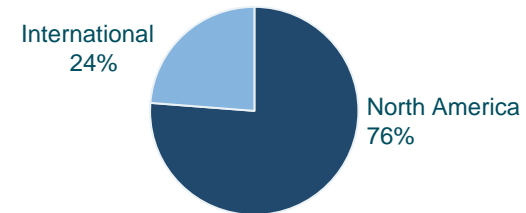
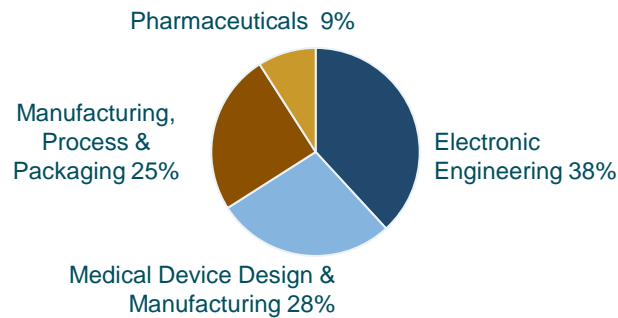
Print



Print revenue \$37m (35% of Canon revenue) LTM to 30 June 2010

Breakdown by sector (%)

Breakdown by geography (%)



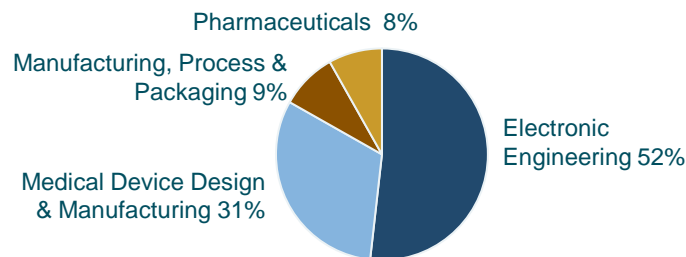
- 24 titles across four industry verticals
- Leading titles in key markets
 - Medical device design & manufacturing
 - Electronics engineering
- Online transition in progress and set to continue

Online



Online revenue \$18m (17% of Canon revenue) LTM to 30 June 2010

Breakdown by sector (%)



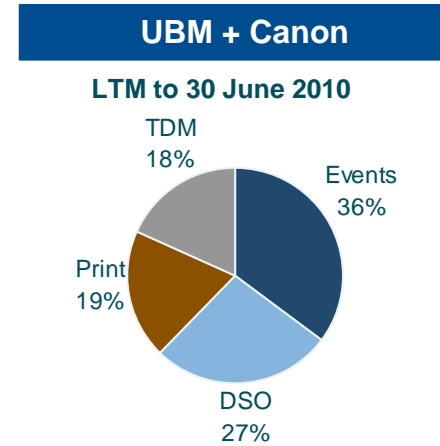
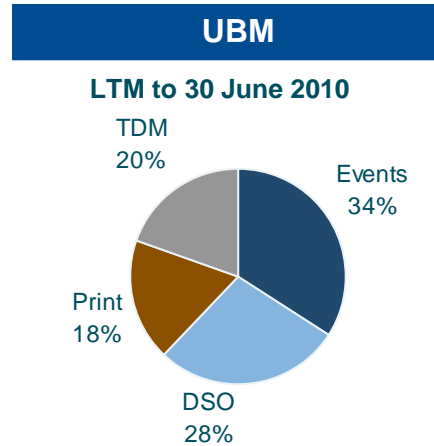
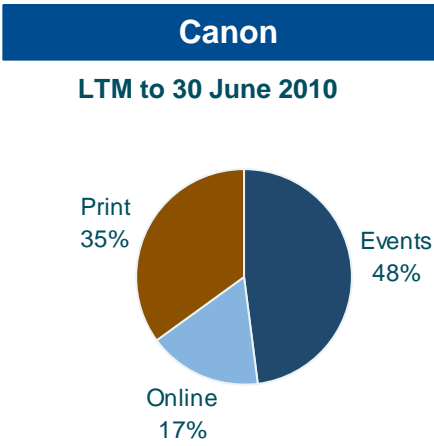
Breakdown by product (%)



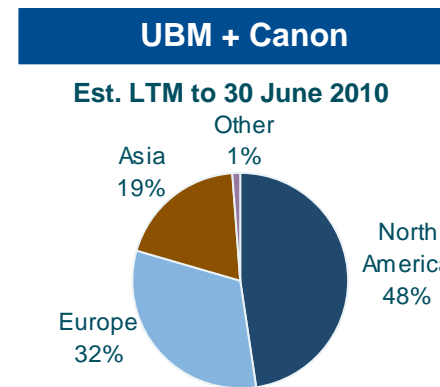
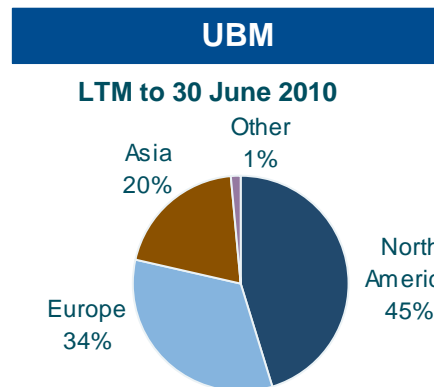
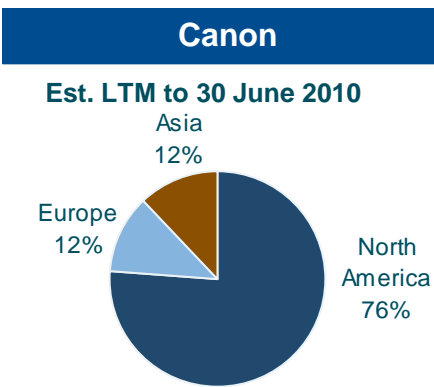
- 45 websites and 110 email newsletters in addition to 55 webcasts and online video production
- Predominantly marketing-based business model
- Proprietary Qmed lead-generation platform
 - Leading online directory of qualified MD&M manufacturers and suppliers
 - Subscription/membership model with >\$4m bookings in FY10 and 70,000 monthly unique visitors
- Database of approximately 1.3m unique audience records

Business mix by revenue

Breakdown by media



Breakdown by geography





Financial highlights

- Cash consideration of \$287 million (£185 million)
 - Canon acquired on a cash/debt free basis
 - Represents a multiple of 7.8x pro forma LTM EBITDA¹
- Transaction expected to be EPS accretive to UBM and generate returns in excess of UBM's cost of capital
 - Approximately 9% accretive to FY11 EPS
 - ROI projected to exceed WACC in FY11
- Merger of UBM and Canon businesses expected to deliver additional synergy benefits
- Acquisition to be funded from existing committed debt facilities
 - Pro forma 30 June 2010 UBM net debt of approximately £489m on completion of the transaction; approximately 2.3x pro forma LTM EBITDA
 - Subject to market conditions, bank borrowings will be refinanced in the long-term debt capital markets in the near future

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Canon pro forma financial information



Canon: P&L Summary (\$m) ¹			Canon: P&L Summary (£m) ¹		
	6m to Jun-10	12m to Jun-10		6m to Jun-10	12m to Jun-10
<u>Revenue</u>			<u>Revenue</u>		
Events	38.8	50.6	Events	25.9	33.1
Print	17.8	37.1	Print	11.8	23.7
Online	9.7	17.9	Online	6.4	11.5
Total	66.4	105.6	Total	44.1	68.3
EBITDA	27.1	37.0	EBITDA	18.0	24.2
<i>Margin</i>	41%	35%	<i>Margin</i>	41%	35%
EBITA	26.7	36.3	EBITA	17.8	23.7
<i>Margin</i>	40%	34%	<i>Margin</i>	40%	35%

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Summary



- Great transaction for UBM
 - Builds on track record of value-enhancing acquisitions
 - Our 80th transaction since April 2005
- Strong strategic fit
 - Complementary portfolio of market-leading events and related products in attractive markets that are growing internationally
- Scope to leverage Canon brands over UBM global infrastructure
- Financially compelling combination