



United Business Media

INTELLIGENT MEDIA

INTERIM REPORT 2004

GROUP AT A GLANCE



PROFESSIONAL MEDIA

Publications and Exhibitions

CMP Media

- > US publishing, events, on-line, training
- > Technology & healthcare

CMP Asia

- > Exhibitions & publications
- > Jewellery, leather, beauty

CMP Information

- > Publishing & exhibitions
- > Property & building, entertainment, healthcare

UAP

- > UK advertising publications
- > On-line marketplaces
- > Auto, business, leisure, property

CMPMedica*

- > Drug information in Europe and Asia
- > Trade press in Germany, Benelux and Asia Pacific
- > Pharma marketing solutions, patient education



PR Newswire
United Business Media

NEWS DISTRIBUTION

PR Newswire

PR Newswire Americas

- > Distribution, targeting & evaluation

Canada Newswire JV

- > Distribution, targeting & evaluation

PR Newswire RoW

- > Subsidiaries and affiliates in UK, Europe, Asia, Latin America and Middle East
- > Bureaux in Asia, France, Germany and Israel
- > Xinhua PR Newswire venture in China



NOP World
United Business Media

MARKET RESEARCH

NOP World

Healthcare

- > Syndicated and custom
- > Strategic Marketing Corporation
- > Market Measures/Cozint

Automotive

- > US and Europe
- > Allison-Fisher
- > NOP Automotive

Media

- > US syndicated print readership
- > Mediamark Research

Business-to-business and IT

- > NOP Research

Consumer trends worldwide

- > Roper Reports

Financial

- > Syndicated in Europe
- > NOP Research

* New name for businesses in the UBM healthcare acquisition which completed on 30 July 2004.

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United Business Media

Interim Results for the Six Months ended 30 June 2004
as announced on 29 July 2004

CONTINUING STRONG GROWTH

Financial Highlights** for the Six Months ended 30 June 2004

- TURNOVER UP 10.6 PER CENT TO £380.5M (£344.0M)
- OPERATING PROFIT* UP 51.9 PER CENT TO £63.8M (£42.0M)
- OPERATING MARGIN* UP TO 16.8 PER CENT (12.2 PER CENT)
- PROFIT BEFORE TAX* UP 42.9 PER CENT TO £65.0M (£45.5M)
- EPS* UP 40.6 PER CENT TO 14.9P (10.6P)
- DIVIDEND UP 10.0 PER CENT TO 3.63P (3.30P)

* Before amortisation of goodwill and intangible assets

** The full statutory results are shown in the attached summary financial statements

Clive Hollick, Chief Executive of United Business Media, said:

“Good underlying revenue growth in all of our businesses lifted operating profit by 52 per cent. This revenue growth and the continuing drive for operating efficiencies has boosted margins to 16.8 per cent – ahead of our 15 per cent medium term margin target.

“Our strategy of investing in, and acquiring, new products to build the quality and range of products and the geographic coverage of our key industry sectors, such as technology, healthcare, media, automotive and property is paying off. Through our understanding and knowledge of these sectors we are able to deliver an increasing range of products including publications, trade shows, conferences, on line information and research services.

“Market shares, volumes and yields are up. The performance of businesses acquired over the last year is ahead of plan and organic investment is generating top line and profit growth. The recently announced acquisition of MediMedia healthcare publishing assets, which operate in over 20 countries, brings healthcare revenues to nearly a quarter of overall group revenues.

Outlook

“Looking ahead, the steady improvement in our revenues is expected to continue into the second half of 2004. We plan progressively to increase the level of investment in new products and, with a strong balance sheet and cash flow, are well placed to continue to acquire businesses that are strategically compelling and meet our exacting financial criteria. The combination of increasing revenues and operating efficiencies leaves United well placed to continue to deliver strong profit growth.”

INTERIM STATEMENT

Summary Group Profit & Loss Statement

The profit and loss statement set out below re-presents the group's full profit and loss account (which is included in the attached financial information) in order to show more clearly the results from operations excluding amortisation.

	Six months ended 30 June		%
	2004 £m	2003 £m	
Group turnover**	380.5	344.0	10.6
Operating profit*	63.8	42.0	51.9
Net interest income	3.2	6.2	(49.1)
Other financial expense (FRS17)	(2.0)	(2.7)	(27.8)
Profit before tax*	65.0	45.5	42.9
Amortisation of goodwill	(59.2)	(53.3)	11.0
Profit/(loss) before tax	5.8	(7.8)	–
Taxation	(14.2)	(10.0)	42.0
Loss on ordinary activities after tax	(8.4)	(17.8)	(52.8)
Equity minority interest	(0.9)	0.3	–
Loss for the period	(9.3)	(17.5)	(47.1)
Dividends – equity	(12.1)	(11.0)	10.0
– non-equity	(0.2)	(0.3)	(33.3)
Dividends	(12.3)	(11.3)	9.0
Retained loss for the period	(21.6)	(28.8)	(25.1)
EPS* (pence)	14.9	10.6	
Basic EPS (pence)	(2.8)	(5.4)	
Dividends per share (pence)	3.63	3.30	

* Before amortisation of goodwill and intangible assets

** Excluding JVs and associates



TECHNOLOGY



HEALTHCARE

SUMMARY OF RESULTS

	Group Turnover Six months to 30 June				Group Operating Profit Six months to 30 June			
	2004 £m	2003 £m	Change (%)	Underlying #(%)	2004 £m	2003 £m	Change (%)	Underlying #(%)
CMP Media	98.3	101.8	(3.4)	2.1	11.9	4.9	142.9	316.1
CMP Asia	22.6	14.0	61.4	1.8	6.3	(0.7)	–	7.9
CMPi	82.6	58.7	40.7	5.0	16.8	10.7	57.0	1.9
UAP	29.9	29.5	1.4	0.2	6.7	8.9	(24.7)	(9.9)
Professional Media	233.4	204.0	14.4	2.6	41.7	23.8	75.2	34.7
News Distribution	47.7	48.0	(0.6)	10.9	11.6	8.0	45.0	88.6
Market Research	99.4	92.0	8.0	4.5	10.5	10.2	2.9	6.0
Total	380.5	344.0	10.6	4.2	63.8	42.0	51.9	36.8

Underlying:

– adjusted for the estimated effects of acquisitions, foreign exchange, SARS and biennial events

Underlying revenue was up 4.2 per cent – after adjusting for the effects of acquisitions, foreign exchange, SARS and biennials. Group revenue in the first half of 2004 was increased by £39.0m of acquisition revenue. The weakness of the US dollar has a direct translation impact upon consolidation – with two thirds of UBM revenue reported locally in US dollars, consolidated turnover was reduced by £27.8m as a result of foreign exchange.

The average rate of \$:£ exchange in H1 2004 was 1.82 (H1 2003: 1.61), reducing operating profit in H1 2004 by £5m. A 1 cent movement in the US dollar against sterling is approximately equivalent to a move in profit of around £400,000 over the full year.

DIVISIONAL REVIEW

Professional Media

	Turnover Six months to 30 June			Operating Profit Six months to 30 June		
	2004 £m	2003 £m	Change %	2004 £m	2003 £m	Change %
CMP Media	98.3	101.8	(3.4)	11.9	4.9	142.9
CMP Asia	22.6	14.0	61.4	6.3	(0.7)	–
CMPi	82.6	58.7	40.7	16.8	10.7	57.0
UAP	29.9	29.5	1.4	6.7	8.9	(24.7)
Total	233.4	204.0	14.4	41.7	23.8	75.2

Profitability at CMP Media has improved significantly. An underlying 2 per cent growth in revenue and more than a doubling in operating margins has resulted in operating profits increasing to £11.9m (£4.9m). Underlying technology revenues (over 80 per cent of CMP Media revenues) were up 2 per cent, all media channels achieved positive revenue growth with on line revenues particularly strong with over 30 per cent growth. Five out of the six industry sub-sectors achieved positive growth. Technology publishing yields were up by 3.4 per cent.

INTERIM STATEMENT

Last year's healthcare acquisition (The Oncology Group and Cliggott Publishing) is fully integrated and delivered a good performance. Total healthcare revenues were up over 70 per cent. Underlying revenues were down 3 per cent as publishing again achieved strong growth but revenue from the medical education business (which represents under a quarter of CMP Media's healthcare business) was reduced as the healthcare companies adapt to new industry regulations.

Further operating efficiencies were achieved across CMP Media. In addition, organic investment projects delivered £5.3m of revenue and £1.7m of operating profit.

CMP Asia has continued its strong recovery from the negative effects of SARS. Profits of £6.3m reflected improved strength in the established business and growth from products launched in recent years. This active launch programme has continued into 2004.

CMP Information has delivered another robust performance. The 2003 acquisitions (including The Builder Group and Barbour Index) are performing well, with significant cost synergies having been achieved. The success of the acquisitions helped drive CMPi's margins up again – to 20.3 per cent (18.2 per cent). CMPi's continuing businesses also grew – with underlying revenue up 5.0 per cent. Continuing businesses increased exhibition space, grew yields and – boosted by new product launches – gained market share.

UAP's overall revenue performance was in line with H1'03, with a strong performance from Daltons Weekly and DaltonsBusiness.com, revenue declines from the Exchange & Mart publication and a strong performance from the Auto Exchange titles. Margins were down due to the costs of restructuring, new product investment and promotions.

UBM's acquisition of MediMedia's drug information businesses in continental Europe and Asia is expected to complete on 30 July 2004.

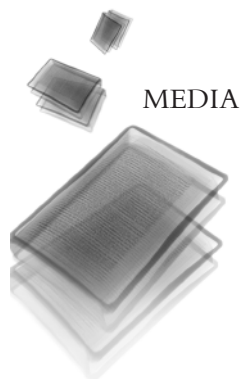
PR Newswire – News Distribution

	Turnover Six months to 30 June			Operating Profit Six months to 30 June		
	2004 £m	2003 £m	Change %	2004 £m	2003 £m	Change %
PR Newswire	47.7	48.0	(0.6)	11.6	8.0	45.0

PR Newswire delivered a strong performance with an 88.6 per cent increase in underlying operating profit coming from an operating margin of 24.3 per cent (16.7 per cent) and an underlying 10.9 per cent increase in revenue.

There were three main factors behind PR Newswire's recent achievements: improvements in core US wire revenues, the increased success of organic product launches and significant improvements in the profitability of operations outside of the Americas.

US wire volumes increased by 5.4 per cent with yields up 5.5 per cent. The two largest US organic products – video news release and contacts database products, both grew revenue by over a third. Operations outside the Americas lost £2.7m in the second half of 2003 – improvements in operating efficiencies contributed to an H1'04 Rest of the World operating loss of only £0.3m.



INTERIM STATEMENT

NOP World – Market Research

	Turnover Six months to 30 June			Operating Profit Six months to 30 June		
	2004 £m	2003 £m	Change %	2004 £m	2003 £m	Change %
NOP World	99.4	92.0	8.0	10.5	10.2	2.9

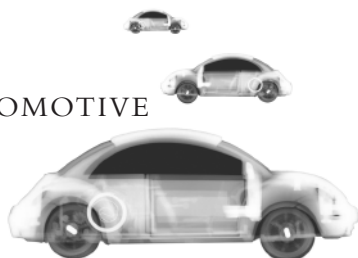
Overall NOP World delivered an underlying 4.5 per cent growth in revenue, in line with the market research industry. The syndicated and continuous businesses have again grown strongly – with Mediamark Research and Allison-Fisher both delivering significant increases in revenue. Generally the ad hoc and custom businesses are making progress. The healthcare businesses achieved revenue growth in the first half, however going into the second half of the year the environment in this sector is challenging and competitive. The recently acquired Italian business Eurisko is performing well.

DIVIDEND

An interim dividend of 3.63 pence (3.30 pence) per share for 2004 will be paid. This represents a 10.0 per cent increase and is consistent with the 10.0 per cent increase at the interim results stage in 2003. A decision on the dividend for the full year will be taken in line with our progressive dividend policy.

The interim dividend will be paid on 21 October to shareholders on the register on 13 August. The ex-dividend date will be 11 August.

AUTOMOTIVE



BALANCE SHEET AND CASH CONVERSION

Net cash balances at the end of the period were £51.6m, up £5.1m on the year end. Operating cash conversion was 67.1 per cent of operating profit – lower than H1 2003 due to the higher working capital requirements associated with higher levels of revenue and increased seasonality following the acquisitions in 2003. Our target in the current year is to achieve cash conversion of 90 to 100 per cent over the full year.

FIXED ASSET INVESTMENTS

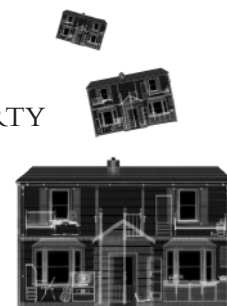
UBM holds investments in five, ITN, SIS, SDN, Paperloop and the Press Association. Five revenue grew by 11 per cent to £133.6m (£121.8m) and achieved a significantly increased operating profit of £6.2m (£0.7m). Its audience share increased to 6.9 per cent (6.6 per cent) and its share of advertising revenue increased from 7.8 per cent to 8.0 per cent.

Income from investments of £3.0m includes dividends received from the Press Association and ITN.

TAX

The effective tax rate in H1 2004 was 21.8 per cent (21.9 per cent).

PROPERTY



GROUP PROFIT AND LOSS ACCOUNT

for the six months ended 30 June 2004

	Notes	Six months ended 30 June 2004 £m	Six months ended 30 June 2003 £m	Year ended 31 December 2003 £m
Turnover – group and share of joint ventures				
Continuing operations		392.1	355.7	770.3
Less: share of joint ventures' turnover		(11.6)	(11.7)	(23.6)
Group turnover		380.5	344.0	746.7
Group operating profit/(loss)				
Share of operating profit in joint ventures and associates	2	1.6	1.0	2.9
Income from other fixed asset investments		3.0	3.2	3.9
Profit/(loss) on ordinary activities before interest		4.6	(11.3)	(22.3)
Net interest income	3	3.2	6.2	9.4
Other finance expense		(2.0)	(2.7)	(5.5)
Profit/(loss) on ordinary activities before tax		5.8	(7.8)	(18.4)
Tax on profit/(loss) on ordinary activities		(14.2)	(10.0)	(22.7)
Loss on ordinary activities after tax		(8.4)	(17.8)	(41.1)
Equity minority interests		(0.9)	0.3	(0.3)
Loss for the period		(9.3)	(17.5)	(41.4)
Dividends – equity	6	(12.1)	(11.0)	(30.2)
– non-equity	6	(0.2)	(0.3)	(0.4)
	6	(12.3)	(11.3)	(30.6)
Retained loss for the period		(21.6)	(28.8)	(72.0)
Earnings/(loss) per share				
– before amortisation of intangible assets	4	14.9p	10.6p	23.9p
– basic	4	(2.8)p	(5.4)p	(12.5)p
– diluted	4	(2.8)p	(5.4)p	(12.5)p

ANALYSIS OF TURNOVER

for the six months ended 30 June 2004

	Six months ended 30 June 2004		Six months ended 30 June 2003		Year ended 31 December 2003	
	Group £m	Group share of joint ventures £m	Group £m	Group share of joint ventures £m	Group £m	Group share of joint ventures £m
Turnover by division						
Continuing operations:						
CMP Media	98.3	4.3	101.8	4.2	210.5	8.2
CMP Asia	22.6	1.9	14.0	1.6	44.4	3.5
CMP Information	82.6	–	58.7	1.2	135.0	1.6
United Advertising Publications	29.9	–	29.5	–	58.1	–
Professional media	233.4	6.2	204.0	7.0	448.0	13.3
News distribution	47.7	5.4	48.0	4.7	94.8	10.3
Market research	99.4	–	92.0	–	203.9	–
Turnover	380.5	11.6	344.0	11.7	746.7	23.6
by geographic market						
United Kingdom	132.8	–	110.8	1.2	225.7	1.6
North America	208.1	9.2	217.9	8.5	450.1	17.7
Europe and Middle East	18.9	0.5	4.4	0.4	31.5	0.8
Asia Pacific	20.7	1.9	10.9	1.6	39.4	3.5
Turnover	380.5	11.6	344.0	11.7	746.7	23.6

ANALYSIS OF ACTIVITIES

for the six months ended 30 June 2004

	Six months ended 30 June 2004		
	Group £m	Group share of joint ventures £m	Total £m
Operating profit/(loss) before amortisation of intangible assets by division*			
Continuing operations:			
CMP Media	11.3	0.6	11.9
CMP Asia	6.2	0.1	6.3
CMP Information	16.8	–	16.8
United Advertising Publications	6.7	–	6.7
Professional media	41.0	0.7	41.7
News distribution	9.9	1.7	11.6
Market research	10.5	–	10.5
Operating profit before amortisation of intangible assets*	61.4	2.4	63.8
Amortisation of intangible assets	(58.4)	(0.8)	(59.2)
Operating profit/(loss) by division*			
Continuing operations:			
CMP Media	(19.2)	0.3	(18.9)
CMP Asia	4.4	0.1	4.5
CMP Information	(1.8)	–	(1.8)
United Advertising Publications	6.2	–	6.2
Professional media	(10.4)	0.4	(10.0)
News distribution	9.1	1.2	10.3
Market research	4.3	–	4.3
Operating profit/(loss)*	3.0	1.6	4.6
Net interest and other financial income			1.2
Profit/(loss) on ordinary activities before tax			5.8
by geographic market			
United Kingdom	3.1	0.2	3.3
North America	(3.5)	1.6	(1.9)
Europe and Middle East	(1.1)	(0.3)	(1.4)
Asia Pacific	4.5	0.1	4.6
Operating profit/(loss)*	3.0	1.6	4.6
Net interest and other financial income			1.2
Profit/(loss) on ordinary activities before tax			5.8

* Includes income from other fixed asset investments

Six months ended 30 June 2003			Year ended 31 December 2003		
Group £m	Group share of joint ventures £m	Total £m	Group £m	Group share of joint ventures £m	Total £m
4.8	0.1	4.9	14.1	0.7	14.8
(0.9)	0.2	(0.7)	12.1	0.5	12.6
10.7	–	10.7	25.2	0.1	25.3
8.9	–	8.9	14.0	–	14.0
23.5	0.3	23.8	65.4	1.3	66.7
6.5	1.5	8.0	10.2	3.2	13.4
10.2	–	10.2	19.3	–	19.3
40.2	1.8	42.0	94.9	4.5	99.4
(52.5)	(0.8)	(53.3)	(120.1)	(1.6)	(121.7)
(17.8)	(0.2)	(18.0)	(38.4)	0.1	(38.3)
(7.7)	0.2	(7.5)	(1.4)	0.5	(0.9)
(3.9)	–	(3.9)	(4.3)	0.1	(4.2)
8.5	–	8.5	13.3	–	13.3
(20.9)	–	(20.9)	(30.8)	0.7	(30.1)
4.1	1.0	5.1	0.7	2.2	2.9
4.5	–	4.5	4.9	–	4.9
(12.3)	1.0	(11.3)	(25.2)	2.9	(22.3)
		3.5			3.9
		(7.8)			(18.4)
8.4	–	8.4	(6.1)	0.6	(5.5)
(9.0)	1.1	(7.9)	(25.7)	2.8	(22.9)
(2.8)	(0.3)	(3.1)	9.8	(0.9)	8.9
(8.9)	0.2	(8.7)	(3.2)	0.4	(2.8)
(12.3)	1.0	(11.3)	(25.2)	2.9	(22.3)
		3.5			3.9
		(7.8)			(18.4)

GROUP BALANCE SHEET

at 30 June 2004

	30 June 2004 £m	As restated 30 June 2003 £m	As restated 31 December 2003 £m
Fixed assets			
Intangible assets	373.1	385.6	430.8
Tangible assets	51.4	60.7	54.5
Investments in joint ventures:			
– share of gross assets	14.5	18.9	16.7
– share of gross liabilities	(5.5)	(7.2)	(5.5)
	9.0	11.7	11.2
Investments in associated undertakings	0.1	0.2	0.2
Other investments	169.4	168.0	168.9
	603.0	626.2	665.6
Current assets			
Stocks	26.7	24.1	20.4
Debtors	160.3	163.8	158.5
Short term liquid funds	208.3	521.3	425.2
Cash at bank and in hand	364.6	177.3	185.9
	759.9	886.5	790.0
Creditors: amounts falling due within one year	(1,022.2)	(604.9)	(1,076.6)
Net current (liabilities)/assets	(262.3)	281.6	(286.6)
Total assets less current liabilities	340.7	907.8	379.0
Creditors: amounts falling due after more than one year			
Bank and other loans	(101.4)	(327.5)	(101.9)
Other creditors	(6.4)	(8.2)	(5.4)
Convertible debt	–	(237.1)	–
	(107.8)	(572.8)	(107.3)
Provisions for liabilities and charges	(56.3)	(70.4)	(63.1)
Net assets excluding pension liability	176.6	264.6	208.6
Pension liability	(79.3)	(90.9)	(83.9)
Net assets	97.3	173.7	124.7
Capital and reserves			
Called up share capital	84.5	84.5	84.5
Share premium account	310.1	308.6	309.4
Merger reserve	31.3	31.3	31.3
Other reserves	159.7	163.6	163.8
Profit and loss account	(490.0)	(414.9)	(465.3)
Shareholders' funds (including non-equity interests)	95.6	173.1	123.7
Equity minority interests	1.7	0.6	1.0
Capital employed	97.3	173.7	124.7
Equity shareholders' funds	95.1	172.6	123.2
Non-equity shareholders' funds	0.5	0.5	0.5
Shareholders' funds	95.6	173.1	123.7

GROUP CASH FLOW STATEMENT

for the six months ended 30 June 2004

	Six months ended 30 June 2004 £m	Six months ended 30 June 2003 £m	Year ended 31 December 2003 £m
Net cash inflow from operating activities	27.0	30.2	84.6
Dividends received from joint ventures and associates	2.3	0.4	2.1
Returns on investments and servicing of finance	1.6	4.9	5.8
Taxation	(4.9)	7.6	8.4
Capital expenditure and financial investments			
Purchase of tangible fixed assets	(2.9)	(3.3)	(6.9)
Other	(1.2)	0.1	4.9
Acquisitions and disposals	–	(4.3)	(129.9)
Equity dividends paid to shareholders	(19.1)	(13.4)	(24.4)
Net cash inflow/(outflow) before use of liquid resources and financing	2.8	22.2	(55.4)
Management of liquid resources	43.3	(26.6)	31.6
Net cash inflow/(outflow) before financing	46.1	(4.4)	(23.8)
Financing			
Issue of ordinary share capital	0.7	–	1.0
Return of capital to shareholders	–	(0.3)	(3.6)
(Decrease)/increase in bank loans	(21.1)	–	21.1
Repayment of loan stock	(10.7)	(0.7)	(1.2)
Financing	(31.1)	(1.0)	17.3
Increase/(decrease) in cash in the period	15.0	(5.4)	(6.5)
Reconciliation of net cash flow to movement in net cash			
Increase/(decrease) in cash in the period	15.0	(5.4)	(6.5)
Cash inflow/(outflow) from decrease in debt and financing	31.8	0.7	(19.9)
Cash (outflow)/inflow from decrease/(increase) in liquid resources	(43.3)	26.6	(31.6)
Changes in net cash resulting from cash flows	3.5	21.9	(58.0)
Other non cash movements	(0.7)	(0.8)	(2.0)
Translation difference	2.3	4.3	13.0
Movement in net cash in the period	5.1	25.4	(47.0)
Opening net cash	46.5	93.5	93.5
Closing net cash	51.6	118.9	46.5
Reconciliation of operating profit/(loss) to net cash inflow from operating activities			
Operating profit/(loss)	4.6	(11.3)	(22.3)
Depreciation charges	6.4	9.5	25.3
Amortisation of intangible assets – group	58.5	52.5	120.1
Share of results of joint ventures	(1.7)	(1.0)	(2.9)
Income from other fixed asset investments	(3.0)	(3.2)	(3.9)
Profit on sale of fixed asset investments	–	–	(4.3)
Other finance expenses	–	(2.7)	–
Loss on sale of tangible fixed assets	0.1	–	0.3
Payments against provisions	(6.8)	(9.8)	(23.1)
Net increase in working capital:			
– payments against restructuring and other exceptional costs	–	(1.3)	–
– additional pension contributions	(6.6)	(2.5)	(3.2)
– other movements in working capital	(24.4)	(0.2)	2.2
Other non-cash items including movements on provisions	(0.1)	0.2	(3.6)
Cash inflow from operating activities	27.0	30.2	84.6

STATEMENT OF GROUP TOTAL RECOGNISED GAINS AND LOSSES

for the six months ended 30 June 2004

	Six months ended 30 June 2004 £m	Six months ended 30 June 2003 £m	Year ended 31 December 2003 £m
Loss for the financial period	(9.3)	(17.5)	(41.4)
Currency translation differences on foreign currency investments:			
Group	(2.8)	(4.9)	(20.4)
Joint ventures	(0.3)	(0.1)	(0.1)
Actuarial gain recognised in the pension schemes	–	–	11.6
Other recognised losses for the period	(3.1)	(5.0)	(8.9)
Total recognised losses relating to the period	(12.4)	(22.5)	(50.3)

The historical cost loss for the financial period is not materially different from the reported loss.

RECONCILIATION OF MOVEMENTS IN GROUP SHAREHOLDERS' FUNDS

for the six months ended 30 June 2004

	Six months ended 30 June 2004 £m	Restated Six months ended 30 June 2003 £m	Restated Year ended 31 December 2003 £m
Opening shareholders' funds	123.7	207.2	207.2
Loss for the financial period	(9.3)	(17.5)	(41.4)
Equity dividends	(12.1)	(11.0)	(30.2)
Non-equity dividends on 'B' shares – see below	(0.2)	(0.3)	(0.4)
	102.1	178.4	135.2
Other recognised losses relating to the period	(3.1)	(5.0)	(8.9)
New share capital subscribed	0.7	–	1.0
Credit in respect of employee share schemes	(4.1)	–	–
Return of capital to shareholders	–	(0.3)	(3.6)
Closing shareholders' funds	95.6	173.1	123.7

At 30 June 2004, the company had 6,212,819 B shares outstanding (30 June 2003: 7,546,387; 31 December 2003: 6,212,819). These arose from the return of capital to shareholders in April 2001. B shares receive a continuing dividend linked to LIBOR. The company has indicated that it will periodically offer to repurchase B shares at 245p per share.

NOTES

1. Basis of preparation

The interim report for the six months ended 30 June 2004 has been prepared on the basis of accounting policies set out in the 2003 Annual Report and Accounts.

The group has adopted UITF 38 (Accounting for ESOP trusts) in these interim financial statements. This Abstract requires that any investment in own shares through an ESOP trust is deducted from shareholders' funds. As required by the Abstract, the comparative information at 30 June 2003 and 31 December 2003 has been restated, with the amounts shown as 'Other investments' and 'Shareholders' funds' both being reduced by £4.1 million at each of these dates.

2. Share of operating profit in joint ventures and associates

	Six months ended 30 June 2004 £m	Six months ended 30 June 2003 £m	Year ended 31 December 2003 £m
Joint ventures and associates – continuing	2.4	1.8	4.5
Amortisation of intangible assets	(0.8)	(0.8)	(1.6)
	1.6	1.0	2.9

3. Net interest income

	Six months ended 30 June 2004 £m	Six months ended 30 June 2003 £m	Year ended 31 December 2003 £m
Group	3.2	6.2	9.4
Joint ventures and associates	–	–	–
	3.2	6.2	9.4

Interest receivable includes £4.7 million (six months ended 30 June 2003: £4.5 million; year ended 31 December 2003: £8.9 million) of interest receivable from Channel 5 Television Group in respect of shareholder loans.

NOTES

4. Earnings/(loss) per share

	Six months ended 30 June 2004		Six months ended 30 June 2003		Year ended 31 December 2003	
	Earnings/ (loss) £m	Earnings/ (loss) per share pence	Earnings/ (loss) £m	Earnings/ (loss) per share pence	Earnings/ (loss) £m	Earnings/ (loss) per share pence
Profits before amortisation of intangible assets	49.9	14.9	35.8	10.7	80.3	24.0
Adjustment in respect of B share dividends	(0.2)	(0.0)	(0.3)	(0.1)	(0.4)	(0.1)
	49.7	14.9	35.5	10.6	79.9	23.9
Adjustment in respect of amortisation of intangible assets	(59.2)	(17.7)	(53.3)	(16.0)	(121.7)	(36.4)
Basic	(9.5)	(2.8)	(17.8)	(5.4)	(41.8)	(12.5)
Diluted	(9.5)	(2.8)	(17.8)	(5.4)	(41.8)	(12.5)

Basic loss per share is calculated on the loss attributable to shareholders of £9.5 million (June 2003: loss of £17.8 million; December 2003: loss of £41.8 million) and on 334,297,844 shares (June 2003: 335,515,353; December 2003: 334,225,648) being the weighted average number of shares in issue during the period.

For diluted earnings per share, the weighted average number of shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares. The group has two categories of dilutive potential ordinary shares: those share options granted to employees where the exercise price is less than the average market price of the company's ordinary shares during the year, and shares attributable to convertible debt. No adjustment has been made for the dilutive impact, as this would reduce the reported loss per share.

5. Foreign exchange

The trading results of overseas subsidiaries, joint ventures and associated companies were translated into sterling at an average of the exchange rates ruling for the period. This resulted in a weighted average rate of exchange in respect of the US dollar for the period of \$1.82:£1 (six months ended 30 June 2003: \$1.61:£1; year ended 31 December 2003: \$1.64:£1). The balance sheets of overseas subsidiaries, joint ventures and associated companies were translated into sterling at the period end rate of exchange in respect of the US dollar of \$1.82:£1 (six months ended 30 June 2003: \$1.67: £1; year ended 31 December 2003: \$1.79: £1).

NOTES

6. Dividends

	Six months ended 30 June 2004 £m	Six months ended 30 June 2003 £m	Year ended 31 December 2003 £m
Equity dividends	(12.1)	(11.0)	(30.2)
Non-equity dividends – B shares	(0.2)	(0.3)	(0.4)
Dividends	(12.3)	(11.3)	(30.6)

An interim dividend of 3.63 pence per ordinary share (2003: 3.30 pence) will be payable on 21 October 2004 to shareholders on the register at close of business on 13 August 2004.

The non-equity dividends relate to the LIBOR linked dividend on B shares.

7. Acquisitions and disposals

On 1 June 2004, UBM announced the proposed acquisition of certain businesses from MediMedia for €282.5 million in cash. These comprise MediMedia's drug information businesses in continental Europe and Asia, and all of its trade press, patient education and pharma-marketing solutions businesses in Germany, Benelux and Asia-Pacific. All necessary regulatory consents have now been received and the transaction is expected to complete on 30 July 2004.

8. Status of financial information

The figures for the year ended 31 December 2003 (which do not constitute statutory accounts within the meaning of Section 240 of the Companies Act 1985) have been extracted from the Annual Report and Accounts which have been filed with the Registrar of Companies; the auditors' opinion on those accounts was unqualified and did not contain a statement under section 237 of the Companies Act 1985.

The interim financial information was approved by a duly appointed and authorised committee of the board of directors on 29 July 2004. It is unaudited but has been reviewed by the auditors as set out in their report.

INDEPENDENT REVIEW REPORT TO UNITED BUSINESS MEDIA PLC

Introduction

We have been instructed by the company to review the financial information set out on pages 1 to 7 and we have read the other information contained in the interim report and considered whether it contains any apparent misstatements or material inconsistencies with the financial information.

Directors' responsibilities

The interim report, including the financial information contained therein, is the responsibility of, and has been approved by, the directors. The Listing Rules of the London Stock Exchange require that the accounting policies and presentation applied to the interim figures should be consistent with those applied in preparing the preceding annual accounts except where any changes, and the reasons for them, are disclosed.

Review work performed

We conducted our review in accordance with guidance contained in Bulletin 1999/4 issued by the Auditing Practices Board. A review consists principally of making enquiries of group management and applying analytical procedures to the financial information and underlying financial data, and based thereon, assessing whether the accounting policies and presentation have been consistently applied, unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit performed in accordance with Auditing Standards and therefore provides a lower level of assurance than an audit. Accordingly we do not express an audit opinion on the financial information.

Review conclusion

On the basis of our review we are not aware of any material modifications that should be made to the financial information as presented for the six months ended 30 June 2004.



Ernst & Young LLP

London

29 July 2004



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