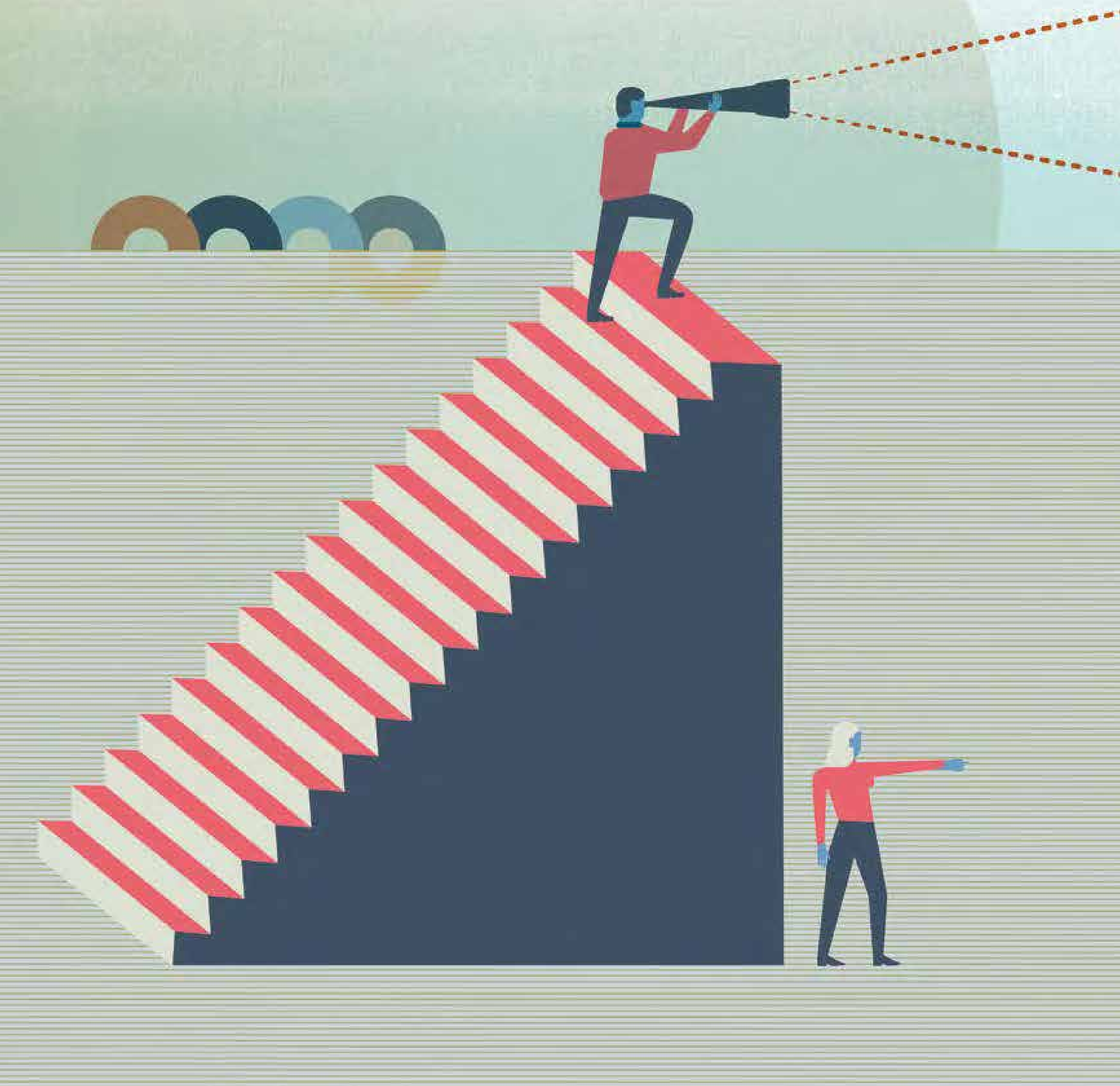
informa

ANNUAL REPORT AND
FINANCIAL STATEMENTS 2017

PERFORMANCE AND POSSIBILITIES



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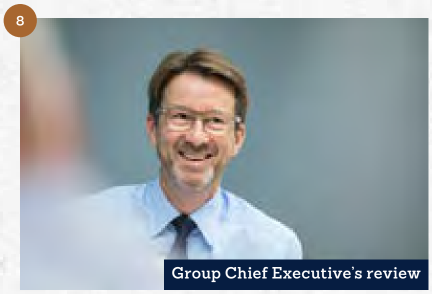

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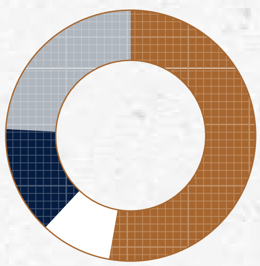
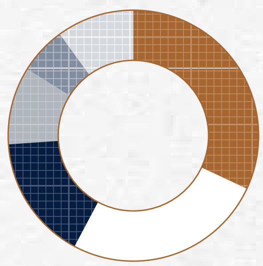
2017 INFORMA GROUP HIGHLIGHTS

WHERE WE GENERATE REVENUE (%)



North America	53
UK	9
Continental Europe	14
Rest of World	24

TYPE OF REVENUE (%)



Subscriptions	32
Exhibition space	26
Unit sales	16
Attendee packages	10
Sponsorship	6
Marketing services and advertising	10

WHO WE ARE

Informa is a leading Business Intelligence, Academic Publishing, Knowledge and Events business, operating in the Knowledge and Information Economy.

WHAT WE DO

The Group serves commercial, professional and academic communities by helping them connect and learn, and by creating and providing access to content and intelligence that help people and businesses work smarter and make better decisions faster.

REVENUE (£m) £1,757.6m

2014	1,137.0
2015	1,212.2
2016	1,344.8
2017	1,757.6

UNDERLYING REVENUE GROWTH (%) 3.4%

2014	0.7*
2015	1.0*
2016	1.6*
2017	3.4*

* 2014-2016 figures reflect previous measure of organic growth.

OPERATING PROFIT (£m) £345.3m

2014	(2.8)
2015	236.5
2016	198.6
2017	345.3

ADJUSTED OPERATING PROFIT (£m) £545.5m

2014	334.0
2015	365.6
2016	415.6
2017	545.5

FREE CASH FLOW (£m) £400.9m

2014	237.2
2015	303.4
2016	305.7
2017	400.9

DIVIDEND PER SHARE (p) 20.45p

2014	17.80
2015	18.50
2016	19.30
2017	20.45

See the Financial Review on page 62 for full 2017 financials and definitions for adjusted results, and Key Performance Indicators on page 22

A LEADING, INTERNATIONAL BUSINESS-TO-BUSINESS INFORMATION SERVICES GROUP

WORKING IN ATTRACTIVE INDUSTRY VERTICALS

- Life Sciences
- Technology
- Health & Nutrition
- Transportation
- Humanities & Social Sciences
- Finance
- Agriculture
- Telecoms
- Pharma & Biotech
- Maritime
- Infrastructure
- Science, Technical & Medical
- Real Estate
- Waste Management
- Medical Equipment
- Commodities
- Beauty & Aesthetics
- Yachting
- Pop Culture

SPECIALISING IN VALUABLE B2B INFORMATION SERVICES

- Critical data
- Peer-reviewed research
- Targeted lead generation
- Trusted market and competitor intelligence
- Data analytics
- Actionable industry insight
- High quality content
- Expanded business and professional networks
- Face-to-face platforms for sales and product promotion
- Specialist data and marketing solutions
- Accredited professional training
- Consultancy services
- Sales enablement tools

DELIVERING INSIGHT, INTELLIGENCE, NETWORKS AND CONNECTIONS

3.9m+
scholarly research articles available for download

1.8m sq. m
exhibition space provided to businesses annually

7,100
new scholarly books published in 2017

165+
products and services sold to customers in over 165 countries

2m+
our events and exhibitions welcome over 2m people annually

38,000
data and intelligence products used by around 38,000 subscribers

14
exhibitions in top 250 US trade shows by size

1.5m
US agricultural professionals engage with our brands

115,000
the majority of our book titles, 115,000 are available as ebooks

ORGANISED INTO FOUR OPERATING DIVISIONS

ACADEMIC PUBLISHING

Publishes high quality scholarly research and reference-led content for academic communities

Read more on pages 42–45

BUSINESS INTELLIGENCE

Provides specialist data-driven insight and intelligence, plus consultancy and marketing services

Read more on pages 46–49

GLOBAL EXHIBITIONS

Organises major, branded, transaction-oriented exhibitions for international communities

Read more on pages 50–53

KNOWLEDGE & NETWORKING

Creates and connects communities through content-driven events, training and digital platforms

Read more on pages 54–57

GLOBAL SUPPORT

Provides business services to the Operating Divisions and leadership for the Group

Read more on pages 58–61

STRATEGIC REPORT
GOVERNANCE
FINANCIAL STATEMENTS

A FURTHER PERIOD OF PROGRESS AND PERFORMANCE

Derek Mapp
Chairman

I am pleased to have the opportunity to address Informa Shareholders, as the Group comes to the end of a year of operational progress and improved performance that included the integration of Penton Information Services, as well as the successful completion of our programme of measured change and improved performance, the 2014-2017 *Growth Acceleration Plan* (*GAP*).

COMPLETION OF GROWTH ACCELERATION PLAN

In 2017, Informa delivered a fourth consecutive year of growth in revenue, adjusted earnings, cash flow and dividends. The year also saw the Group fulfil its ambition to return all four Operating Divisions to positive underlying revenue growth.

These results are built on the foundations of the previous four years, and the measures taken under *GAP* to increase the Group's focus on customers and vertical industries, build market positions and strengthen overall operational capabilities.

This started with talent and experience, including appointing new Divisional CEOs and a dedicated CTO in each Division. It continued through proactive portfolio management, exiting businesses and markets that were not core or where we were sub-scale, and expanding in geographies and verticals where the growth opportunities were most attractive, particularly in the US.

INVESTMENT, EXPANSION AND THE INTEGRATION OF PENTON INFORMATION SERVICES

Significant capital has also been invested inside and outside the Group. Internally, this has included around £80m on improving systems and technology capabilities, enhancing customer platforms and supporting innovation to bring new products to life.

Externally, the Group has pursued a targeted and disciplined acquisition strategy, building scale in the US and a leading position in B2B events, most significantly through adding Penton in late 2016. The effective integration of Penton has been a major focus for management in 2017 to ensure the Group makes the most of future opportunities created by the combination.

REACH AND DEPTH IN INTERNATIONAL VERTICALS

Through these measures and more, the Group has positioned itself to take advantage of growth in its end markets. Within the broad and global market for knowledge and information, Informa has chosen to focus on verticals that are international, with high levels of growth, innovation or development, where supply chains tend to be fragmented and where specialist intelligence and the ability to connect with business partners and peers is therefore highly valued. Examples of these industry verticals can be found throughout this report.

Informa is an international Group, with an increasing weighting to the US, and your Board remains alert to economic and regulatory developments in all key jurisdictions in which the business operates. Most recently, this has included the likely effect of changes to US tax legislation through the 2017 Tax Cut and Jobs Act and the potential impact of Britain's exit from the European Union, the latter of which is not considered material due to Informa's relatively low exposure to the region.

DELIVERING PERFORMANCE FOR SHAREHOLDERS

The combination of operational capability and increased international reach and depth in vertical markets has delivered a steady improvement in Informa's performance in recent years, culminating in underlying revenue growth of more than 3% in 2017. More importantly, it has created a platform for continued growth and scale in the future, and your Board firmly believes this Group and its management team has the potential for more.

The approach for 2018 and beyond is led by this ambition, and this is why the Directors fully support the Group's recommended offer for UBM plc, formally announced on 30 January 2018, to create a leading B2B information services group.

It is a unique opportunity to combine the strengths of both companies, build on the success of Informa's *Growth Acceleration Plan* and UBM's *Events First* strategy, and create an enlarged Group with the scale and specialist capabilities to capture this market's long-term growth potential.

These decisions and actions have been taken with a view to creating value for Shareholders and our wider stakeholders. From higher growth and greater professional opportunities to a continued positive impact on our communities, the ambition is to build a robust and high performing business that benefits all.

For Shareholders, this is in part reflected through a commitment to dividend returns. In 2014, the initial target was to increase dividends by at least 2% per annum. This commitment has steadily been increased, reflecting confidence in the Group's improving performance. In 2017, the Board approved a final dividend per share of 13.80p, taking total divdends for the year to 20.45p, an increase of 6%.

GOVERNING THE GROUP'S PERFORMANCE AND GROWTH

Your Board will continue to oversee, support and challenge, where appropriate, management's plans for 2018.

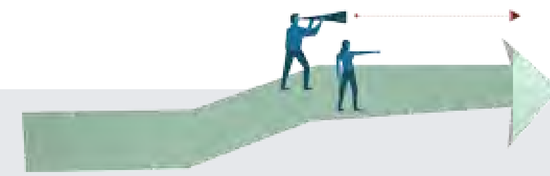
We are pleased to recognise our responsibilities to ensure the Group grows and operates in a way that benefits wider stakeholders. During 2017, Informa's colleagues were a particular focus. The Board received the views of colleagues through formal feedback channels and first hand, conducting a number of enjoyable and insightful town halls in the US and UK.

It has been a particular pleasure to meet new colleagues and businesses who joined through the acquisition of Penton, and who have embraced Informa's culture with enthusiasm.

Culture remains a matter of regular Board discussion and we fully support management's ongoing commitment to maintaining a working environment based on respect and openness, which enables all colleagues to fully participate in the life of the Group and is an important contributor to the Group's ongoing success.

Thanks to all Informa colleagues for their hard work and valuable contributions to 2017's performance, to the management team, and to Shareholders for their continued support.

Derek Mapp
Chairman
27 February 2018



VIEW FROM THE BOARD: THE *GROWTH ACCELERATION PLAN*

What was the thinking behind *GAP*?
In 2014, the Board believed Informa had an opportunity to do more in its markets. The market for knowledge and information was growing but also specialising. This meant making some changes to how the Group operated, to the portfolio mix and how capital was allocated. It meant scaling in some areas and streamlining in others, and making additional investments. *GAP* was conceived as a four-year programme to improve growth in all the Group's businesses and build a platform for future growth and scale.

What changes have you seen?
The change has been measured, but when you compare the Group of 2013 with the Group of today, a lot has been achieved in reshaping and strengthening the Group. What was a quite fragmented business is now organised through four clear Operating Divisions, with real focus around customers and end market verticals. Operational capabilities and talent have been strengthened, particularly in technology, and culturally there is greater alignment between the Group's success and individual actions and contributions.

What role has the Board played in *GAP*?
The Board has overseen and closely monitored the progress of each *GAP* objective, through regular engagement with senior managers from across the business, encouraged and supported executive management, and provided feedback and challenge where required.

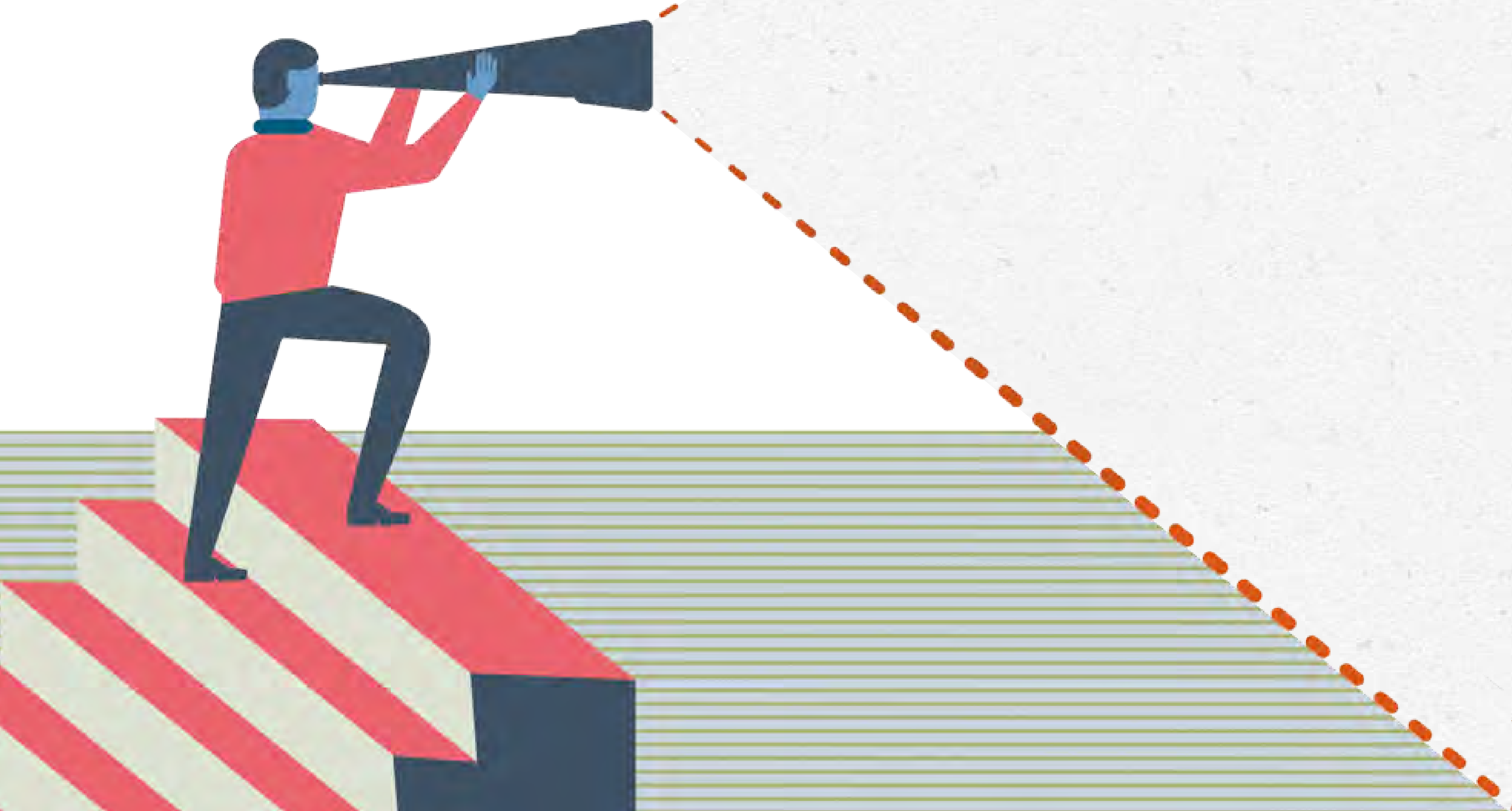
We have also taken the opportunity to bring new skills onto the Board over this period as Directors have retired, appointing new colleagues with particular technology, international and/or FTSE 100 experience to provide support in areas specifically relevant to Informa's development.

How does this carry over to 2018 and beyond?
Informa enters 2018 a better business; more robust, predictable, with an improved growth trajectory and, as intended, a platform for future growth and further scale. Informa's recommended offer for UBM builds on this platform, bringing benefits of scale and future opportunity. *GAP* is what has made this possible, installing the capabilities to help ensure the combination generates value and rewards Shareholders long into the future.

THE 2014-2017 *GROWTH ACCELERATION PLAN*

STRATEGY

To progressively return every part of Informa to growth, and simultaneously build the capabilities and platforms needed for future scale and consistent performance



1. Build and buy a scale position in exhibitions

Expand activities in the growth market of B2B exhibitions, through expanding existing brands and adding complementary businesses

- Appointed Charlie McCurdy as **Global Exhibitions** CEO in 2015
- Added brands in key verticals: Health & Nutrition (Natural Products Expo) Life Sciences (FIME), Sustainability & Waste (WWETT)
- Extended brands into new geographies: World of Concrete to China, Vitafoods to Asia
- Invested in digital and marketing services as further growth areas
- ***GAP* results: Global Exhibitions** 32% of Group revenues and top three global exhibitions organiser

2. Repair and return Business Intelligence to growth

Address revenue declines in **Business Intelligence** Division and return to growth

- Appointed new leadership including Divisional CEO Patrick Martell in 2014
- Restructured Division to focus on key vertical markets
- Renewed focus on customer engagement and subscription renewals through sales discipline
- New investment in product development and platform enhancements
- ***GAP* results: Business Intelligence** growth at 2.2% (2014: -8.5%)

3. Simplify and focus Knowledge & Networking

Focus and streamline conference businesses to improve operational fitness and return to growth

- **Knowledge & Networking** Division created with single management team and new Divisional CEO Andrew Mullins
- Exited operations in non-core markets and geographies, including conference businesses in Sweden and Denmark (2014), Russia (Adam Smith, 2016), Germany and Switzerland (Euroforum, 2017)
- Simplified Division to focus on three core verticals, and major Brands in growing vertical markets
- ***GAP* results:** streamlined number of events to 1,200 (2014: 12,000), growth improved to 0.1%% (2014: -3.2%)

4. Increase scale and capabilities in the US

Expand Informa's footprint, management and operational fitness in the US, the largest market for many of the Group's products and services

- Acquired Virgo Publishing and Hanley Wood Exhibitions in 2014, adding brands in complementary verticals and experienced teams
- Added further scale in **Academic Publishing** US Journals business through Maney Publishing in 2015
- Combined with Penton Information Services in 2016, significantly expanding reach and colleague base
- ***GAP* results:** US today represents 50% of revenues and 40% of colleague base

5. Invest in people, products and platforms

Direct new investment towards people, technology, infrastructure and product initiatives to build capabilities for future growth and scale

- Created governance structure to screen, deploy and monitor new and increased investment spend
- Appointed CTOs to each Division to lead digital and technology projects
- Launched ShareMatch colleague Share Incentive Plan to incentivise and enable widespread participation by colleagues in equity performance
- ***GAP* results:** around £80m spent on business initiatives and innovation

2018 onwards

Build on platform created through *GAP* to deliver consistent growth and scale

- Continuous reinvestment for growth, with capex at 3-5% of Group revenue annually
- Retain focus on free cash flow and predictable revenue streams, to fund organic and inorganic initiatives and Shareholder dividends
- Focus expansion on growing, attractive vertical markets
- Leverage stronger international positions and enhanced platforms to improve growth in each division
- Achieve higher, sustainable levels of Group revenue growth

DELIVERING PERFORMANCE, CREATING FUTURE POSSIBILITIES

//The *Growth Acceleration Plan* has contributed to an improved financial and operational performance across the Group//

This year's report marks the completion of another positive financial period for the Informa Group, and the conclusion of the Group's four-year programme of measured change, strengthened capabilities and performance improvement through the 2014-2017 *Growth Acceleration Plan* (*GAP*).

It is a significant moment for the Group, and a natural time to look back at the past four years, as well as to look forward to the future possibilities created by *GAP*.

This includes the recommended offer made by Informa for UBM plc in January 2018 that is currently progressing through the necessary approval process: an exciting opportunity to create a leading B2B information services group, with all the benefits of operating scale and industry specialisation this brings.

In the first instance, I would like to thank Shareholders for their support over each of the last four years, as well as the Informa Board for its input, direction, encouragement and challenge over this period.

The participation and engagement of all colleagues across the Group has been pivotal to *GAP* and the improving performance, and everyone's considerable contributions, are appreciated and hopefully recognised in real time, at all levels.

GROWTH ACCELERATION, GROWTH IMPROVEMENT

The *Growth Acceleration Plan* was designed with a simple goal: to progressively return every part of the Group to growth, while simultaneously building the capabilities and platforms for future scale and consistent performance.

It was based on a conviction shared by the Board and the management team, that Informa had many of the elements necessary for higher levels of sustainable growth and consistent performance: valuable brands, strong customer relationships, market knowledge, talent, a culture of commercial ideas and creativity.

It was also built on the belief that the Knowledge and Information market was expanding at pace, and, along with many of the industry verticals in which our customers operate, offered the potential for long-term growth.

From this starting point, we identified five key *GAP* objectives, as set out on page 7: to repair and grow our **Business Intelligence** Division, to streamline, focus and grow our **Knowledge & Networking** Division, to build a scale position in exhibitions, to expand our presence in the US, and to invest in our products, platforms and talent to strengthen the core capabilities across the Group.

As Shareholders may remember, these headline objectives were underpinned by a six-part action plan: to simplify our operating structure, enhance the management model, be more proactive on portfolio management, pursue a focused and disciplined acquisition strategy, increase investment in organic growth initiatives and improve our funding discipline.

PERFORMANCE DELIVERY

GAP has led to a considerable amount of change at Informa, producing a simplified Group structure, greater focus on end markets and customers, and improved levels of operational fitness. It has also led to much needed investment in technology, investing in the capability we will need in building for future scoping and scale, with more to come.

This has been matched by significant external investment through the targeted addition of businesses, helping Informa to expand internationally, strengthen its position in key industry verticals and broaden its range of B2B capabilities.

All of this has contributed to an improving financial and operational performance through the period of *GAP*, including in 2017, which marked the fourth consecutive year of growth in revenue, earnings, cash flow and dividends.

Group revenues stood at £1,758m, an increase of almost 31% at a headline level, including the benefit of adding Penton Information Services in late 2016, and 3.4% at an underlying level.

This has been achieved while fully integrating Penton into the Group and I would like to thank colleagues old and new for their hard work in making this a success. It has been fantastic to see the enthusiasm of our new Penton colleagues and their eagerness to explore the opportunities available from being part of a more international business.

It has been equally encouraging to see colleagues keen to learn from our new colleagues, tapping into their depth of knowledge, experience in key verticals and significant expertise in the US.

Profitability and cash flow remain key metrics for our business and saw continued improvement in 2017, alongside the progress made on revenue. Adjusted operating profits were £546m, +31% year-on-year, and adjusted earnings per share grew 9.5% to 46.1p.

On free cash flow, the Group reached the stated target of £400m, a reflection of our attractive, cash generative business and the focus and commitment of our finance teams.

DIVISIONAL PERFORMANCE HIGHLIGHTS

2017's underlying revenue growth of 3.4% included positive growth in all four Operating Divisions for the first time since *GAP* was launched. This reflects steady operational progress across the business, with further strong growth at **Global Exhibitions** supported by improving growth at **Business Intelligence** and **Academic Publishing**, and a return to positive growth at **Knowledge & Networking**.

The combination of consistently strong underlying growth and our targeted *GAP* expansion strategy has propelled **Global Exhibitions** to become the largest contributor to Group revenues, at 32%.

The Division reported underlying revenue growth of 7.6% for 2017. This is in spite of operating as a much larger business, following the addition of brands from Penton including exhibitions in the Health & Nutrition and Agriculture verticals (Natural Products Expo, Farm Progress) and YPI, the portfolio of US-based events in the international yachting vertical acquired in March 2017.

Business Intelligence continued to steadily improve its growth profile, building on its return to positive growth in 2016 to deliver underlying growth of 2.2% in 2017. The improving performance

COMBINING AND INTEGRATING NEW BUSINESSES

Having acquired Penton Information Services, at the end of 2016, 2017 saw a multi-faceted integration programme to combine Penton's 1,000 colleagues, exhibitions, intelligence brands and print and digital B2B insight and data products with Informa's business structure, culture and commercial operations.

DELIVER – DISCOVER – COMBINE

Planning for the integration started well in advance of the deal completing, but the initial focus for all the Informa and Penton teams remained on meeting year-end targets. At the same time, management teams prioritised discovering more about Penton and testing assumptions made around where and how each part of Penton's business might best fit within Informa's portfolio.

The project moved into its Combine phase in early 2017, when the formal integration of businesses, people, culture and systems got underway.

COLLABORATION AND GOVERNANCE

A steering committee was established to oversee and monitor the programme, led by Chief Integration Officer and Business Intelligence CEO Patrick Martell and comprising the CEOs of Global Exhibitions and Knowledge & Networking, the Director of Strategy & Planning, Director of Talent & Transformation and the Business Intelligence HR Director. The committee was supported by a dedicated project manager and met bi-weekly to discuss progress reports, agree key integration actions and collaborate on cross-business matters.

Each Division established workstreams to manage decisions and activity around commercial, marketing and financial integration, with sponsors and leads accountable for reporting progress and escalating issues. HR, technology and brand integration were managed at a cross-Group level by Global Support functional experts, to ensure a common approach was adopted in areas affecting all Divisions.

PACE AND PROGRESS

The speed of combination varied by workstream, with priority given to the integration of key brands into vertical portfolios to allow commercial teams to quickly identify and seize revenue opportunities.

To ensure minimal disruption to working practices and enable a more detailed period of discovery, Technology and HR changes were phased over the year. In HR, the integration provided an opportunity to rethink US payroll and benefits systems across Informa, and we took a number of steps to standardise and consolidate our processes in areas like time recording, holiday practices and benefit contributions for all US colleagues starting 2018.

£1,757.6m
Group revenues in 2017

20.45p
Dividend per share

Helena Redshaw

In technology, colleagues from Penton were gradually incorporated into Informa's environment, including onboarding to the Group's digital workspace Portal in July 2017. While we complete the rollout of our new Group-wide ERP, certain legacy Penton platforms remain in place to support their operations.

Project Manager Helena Redshaw (above) said: "The integration project started from a positive place, as cultural fit was an important part of the rationale for combining our businesses, and there was a strong appetite amongst colleagues to come together as one business and community.

"There were lots of learnings along the way that we have fed back into our change management processes, including building in the flexibility to allow different workstreams to move quicker where they can, and ensuring colleagues are kept up to date on progress throughout the programme."

74%
measure of colleague engagement from 2017 Inside Informa Pulse, a 3% increase on 2016

+11 points
improvement in Group's Dow Jones Sustainability Index score in 2017

of this Division over the last four years is one of *GAP*'s major successes, and much praise goes to the management team and all Divisional colleagues for this achievement.

This business is now more focused on customers and markets, with strength in subscriptions supported by a revitalised Consulting business and an exciting marketing services capability through Informa Engage. It has all the tools and talent to continue to steadily improve its growth profile in the coming years.

The Academic Publishing Division, under the leadership of new Divisional CEO Annie Callanan, also reported improved underlying revenue growth at +2.0%, with revenues of £530m and adjusted operating profit of £154m.

This included another robust performance by our scholarly journals business, with high subscription renewals reflecting continued strong demand for our content. In our specialist Books business, a number of operational initiatives to improve publication efficiency and customer service supported performance, and, combined with a more stable market backdrop, led to positive growth over 2017.

Towards the end of the year, we further reduced our exposure to the more volatile end of the Books market through the sale of lower level textbook publisher Garland, which should help further stabilise the Books business in 2018.

We continued to invest in new growth opportunities through 2017, particularly in digital, data and open access (OA). In May, we invested in colwiz, a business developing research management software using artificial intelligence and machine learning technology. In September, we announced the addition of Dove Medical Press, a leading independent OA publisher, strengthening our position in Health Sciences and adding a valuable portfolio of established OA journals, and a platform for future expansion in this attractive and growing market.

The Knowledge & Networking Division returned to positive growth in 2017, with an underlying growth rate of 0.1%, reversing a decline of -4.1% in 2016. This follows four years of significant change designed to simplify the portfolio and focus the business on large, branded, international confexes and events in three key vertical markets, Life Sciences, Global Finance and TMT. In November, we completed the sale of a majority stake in Euroforum, our German and Swiss conference business, further increasing the focus on our major brands in core verticals.

Knowledge & Networking's investment in digital communities, and in connecting audiences year round through networks and specialist content, continued to gather pace through the year and this is one of the areas where we expect to see more growth in 2018 and beyond.

A common feature across all the Operating Divisions is the continuous reassessment of business mix and proactive management of the portfolio to improve growth prospects, profitability and earnings quality. Much has been achieved to reshape the Group through *GAP* and this is reflected in its improving performance. We will maintain this focus in the future, continuing to reassess select non-core businesses to test whether we remain their best long-term owner.

INVESTING FOR GROWTH AND SCALE

The improving performance of the Group and Operating Divisions is in no small part due to the programme of investment and portfolio improvement undertaken as part of *GAP*.

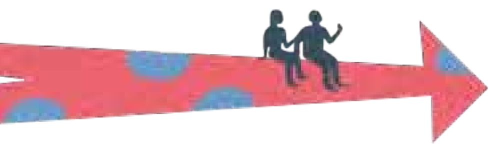
Over the last four years, around £80m has been invested in a range of projects in all four Operating Divisions, as well as centrally in Global Support. These have focused on technology that enhances Informa's core platforms, ranging from customer management systems and marketing automation tools to front-end delivery platforms. This has strengthened the Group's capabilities, supporting the steady improvement in underlying performance and the delivery of consistent future growth and further scale.

In 2017, this *GAP* investment started to reap dividends, with a range of new products and platform enhancements launched. This was particularly evident in Business Intelligence, with upgrades and launches including improved data collection, new API functionality and full platform launches.

These included a new platform for EPFR Global, our fund flow and asset allocation data business, the launch of Ovum Forecaster, a new product combining forecasts on broadband, cellular and TV services and technologies, and a new platform for Citeline, our clinical trials intelligence business, with a new web interface providing full access to data on more than 265,000 trials and 400,000 investigators.

Elsewhere, in Academic Publishing, a single, enhanced platform for scholarly books content was introduced. In Global Exhibitions, the development and rollout of our MarkitMakr digital lead generation platform continued, as did the core digital platform in Knowledge & Networking. More details can be found in the Divisional review section.

> //As the Group enters 2018, *GAP* may be complete, but its principles will continue to underpin how the business is managed and operated//



During 2017, as in every year, I have been fortunate to spend time meeting customers and key business partners to hear their needs and experiences first hand. This helps to understand the direction and growth opportunities for their businesses and how we might be able to support this progress by enhancing and extending the specialist intelligence, content, connections and sales opportunities we provide.

Highlights included meeting exhibitors at World of Concrete in the Construction & Real Estate vertical, touring the vast and impressive Fort Lauderdale Boat Show, hosting a reception with the government-sponsored Egyptian Knowledge Bank to promote our scholarly research and other activities in the region, and leading a panel of experts at the LeadersIn Tech Summit as part of London Tech Week.

It was also encouraging to strengthen and extend our relationship with one of our key partners, the Principality of Monaco, during 2017. This saw us expand our existing partnership on the Monaco Yacht Show to our full international yachting portfolio, including the US-based events acquired with YPI in March.

AN ENTERPRISE RESOURCE PLATFORM FOR GROWTH AND SCALE

Another area of investment and platform improvement in 2017 has been the upgrade to our Group-wide financial reporting system, creating a common, more robust platform with the capabilities to provide efficient and effective shared services at scale.

Like all large-scale technology deployments, this has been complex to manage, with some implementation challenges as legacy systems have been retired. However, the vast majority of the Group is now live on the platform and there is a target to achieve a business as usual state on the platform by the end of May, ahead of the half-year reporting period and before the anticipated completion of the offer for UBM plc.

INVESTING IN COLLEAGUES AND INCLUSION

The energy, ideas and contribution of colleagues across the world remain the lifeblood of our business and so the Group's investment in people, and the support and opportunities available to them, remains critical.

This is reflected in the range of benefits available to all colleagues, which includes our colleague equity/share incentive plan ShareMatch. Participation continues to grow, with close to 20% of colleagues now members, boosted by an improved one-for-one share matching offer introduced in 2017.

I particularly enjoyed spending extended periods of time in the US during the second half of 2017, meeting colleagues in small and large groups to hear personal experiences from around Informa, answering questions and having great discussions on our business and its future direction.

Alongside such informal discussions, the Group has a more formal colleague engagement platform, Inside Informa. This enables colleagues to have their say on everything at Informa, providing valuable feedback that drives change and action, as well as being a useful measure of overall engagement levels. For example, following the Inside Informa conversation in 2016, new learning and development programmes were launched in several Divisions to provide greater opportunities for professional and personal advancement.

To supplement this, a shorter, topic-focused Inside Informa Pulse was introduced in 2017, in this case giving colleagues the chance to have their say on *GAP*. Encouragingly, 75% who expressed an opinion believed their business was now better placed to succeed, and the most commonly cited benefits of *GAP* were new and upgraded technology and opportunities to progress and develop personally.

Informa continues to invest in the balance of talent at all levels across the Group, and our twin areas of focus are international diversity and gender mix. As the Group becomes increasingly international in reach, it is important colleagues around the world feel they have equal opportunities to succeed and progress.

Similarly, we have launched new initiatives to promote gender balance, including enhanced recommended recruitment practices. 2018 will see the launch of AllInforma Balance, a network to support the skills and development of all colleagues, with certain elements specifically tailored to women.

Informa has a balanced workforce overall, but female representation is lower in more senior roles. We will continue to strive to provide the right support and encouragement for female colleagues to ensure they have every opportunity to progress through the Group.

GROWTH CONTINUATION AND FUTURE POSSIBILITIES

The completion of the GAP leaves the Group more robust, customer-focused and better equipped to deliver sustainable growth and performance. Informa has delivered on key *GAP* objectives:

- We have built a scale position in B2B events and will, if the offer for UBM is successful, become one of the largest B2B events groups globally
- We have expanded our presence and built a strong position in the important US market
- We have repaired our **Business Intelligence** Division and returned it to positive organic growth from its starting point of close to a 10% decline
- We have streamlined and focused our **Knowledge & Networking** Division, returning it to positive growth in 2017
- We have built depth in a range of attractive vertical markets
- We have strengthened core capabilities across the Group, investing in enhanced platforms and infrastructure, and the talent and expertise to innovate and serve customers

This provides a strong foundation for the future, and it is our belief there is much more for the Group to achieve. Our markets are attractive and growing, often fragmented and international: the ingredients for continued growth and scale in the future.

As the Group enters 2018, *GAP* may be complete, but its principles will continue to underpin how the business is managed and operated. We will continue to invest in the business, encouraging innovation and expansion, and remain focused on our customers and the verticals in which they operate. We will retain our eagerness for growth, not at any cost, but growth that delivers value, creates opportunities and drives returns for our Shareholders.

This is why, in January 2018, the Board of Informa agreed a recommended offer for UBM plc, an opportunity to build on the foundations of *GAP* and create a leading B2B information services group, with the operating scale, industry specialisation and operational capabilities to deliver long-term growth and value.

It is an exciting prospect for the future, one that offers major benefits for customers, new opportunities for colleagues and the potential to create significant value for Shareholders. I look forward to keeping everyone updated and informed on progress through the year ahead.

My thanks to the Board and all my Informa colleagues who have put such energy and commitment into delivering on our *GAP* ambitions and for putting the Group in such a strong and exciting position for the future.

Stephen A. Carter
Group Chief Executive

WORKING IN GROWTH MARKETS

Informa serves customers who operate in one of a range of industry verticals, through brands, businesses and teams that are specialist and deeply embedded in their vertical communities. We typically focus on verticals that are international and dynamic, with long-term growth prospects, and where specialist intelligence and the ability to connect with customers are highly valued.

Read on for examples of Informa's verticals and the trends in these markets that create opportunities for the Group.

PHARMA: COMPETITION AND INNOVATION

It is a time of change, and both challenge and opportunity, for major Western pharmaceutical companies. Competition and innovation are emerging from China, and many non-traditional players, revolutionary cell and gene therapies are starting to gain approval, and the industry is exploring the potential of artificial intelligence and data analytics.

The world is wrestling with the increasing costs of keeping people well, and companies face the commercial challenge of ensuring research and development efforts provide sustainable returns on investment.

Strategies to keep healthcare budgets under control include demanding that pharma companies demonstrate how their medicines deliver value, renegotiating existing prices downward and boosting the uptake of less expensive alternatives such as generics and biosimilars.

At the same time, more Chinese capital is being put to work in Western businesses, and the influence of innovative home grown companies with global ambitions is on the rise. The number of reviewers for new drug approvals in China is now 600 from just 60 a few years ago, with plans to have 1,600 within a year. China's Food and Drug Administration has ambitions to be as significant as its US, European and Japanese counterparts.

While the pharma industry is global, companies have to maintain intelligence on what is happening locally to ensure optimal market access and tailor their approaches by country and indication. This is particularly acute in the fast-growing biosimilars space, which has seen growing influence from companies based in India, South Korea and China.

Currently, the best selling drugs are monoclonal antibody-based biologics – Humira, the top selling drug, posts sales of more than $18bn – but many are about to go off patent, opening the door to less expensive biosimilar alternatives.

Some leading pharma companies are putting in place defensive strategies to protect their franchises, while others see opportunities to build out their own offerings, and indeed the pharmaceutical industry has many reasons to be optimistic.

In 2017 there was an upswing in regulatory approvals, particularly for innovative new medicines and revolutionary cell and gene therapies, which some believe signals the dawn of a new pharmaceutical age. The US Food and Drug Administration approved 46 new molecular entities, while the European Medicines Agency gave the green light to 28 new products containing 29 new active substances. Regulators are taking a more pragmatic view around approvals to get help to patients as quickly as possible.

Informa brands:

★ Insight & intelligence:
In Vivo, Scrip, Sitetrove, Trialtrove, Biomedtracker

See pharmaintelligence.informa.com for more detail

★ Exhibitions & events:
Arab Health, MEDLAB, FIME, Biotech Showcase, Biotech Week Boston, Partnerships in Clinical Trials

★ Other Information Services:
Pharma Consulting, Care/Scrip Awards

With the new tax proposals in the US, and estimates that the largest 10 US pharma companies may be sitting on as much as $160bn, a surge in merger and acquisition activity is expected for 2018. Indeed, in January alone, Sanofi and Celgene announced deals worth nearly $28bn.

Beyond marquee acquisitions, an upswing in bolt-on acquisitions and product in-licensing is likely to boost pharma pipelines. Many of these assets reside in emerging small to medium-sized biopharmaceutical companies, who often have less than a handful of assets in their pipeline and are reliant on capital market support. In 2017, the global biotech industry secured more than $70bn from the capital markets. Companies will need access to databases identifying the most promising emerging companies and unpartnered assets while stepping up their own biopartnering capabilities.

Pharma is also beginning to wrestle with the potential of artificial intelligence to handle the terabytes of data associated with human healthcare globally. This may mean pharma companies look beyond their usual partners to develop relationships with businesses familiar with handling such data sets. With data likely to be a key differentiator in future healthcare provision, do not be surprised to see an increasing presence of IOT giants such as Google, Microsoft and Amazon in the sector in the coming years.

Mike Ward
Head of Pharma Content, Business Intelligence

TMT: TELECOMS AT THE TIPPING POINT

The future of telecoms and TV is fast emerging, with TV reaching a long-awaited tipping point and the rapid adoption of mobile broadband leading to innovation in services. Technology, Media and Telecoms (TMT) companies in the US and around the world are closely watching, responding to consumer trends and targeting their investments accordingly.

Few trends will be bigger in 2018 and the coming years than the transformation of TV and video by the delivery of services "over the top" of the Internet. Netflix, Amazon Video, YouTube and other online-only services will account for 18% of total paid and ad-supported TV and video revenues next year and 60% of growth. In the world's most advanced TV and video market, the US, these over the top services will take an astonishing 89% of revenue growth.

Understandably, telecoms and media companies worldwide are watching the US closely. A meaningful number of households in the country are cutting the cord by cancelling their pay TV contracts, tired of paying for bundles including hundreds of TV channels they never watch. Ovum data shows that pay TV subscription numbers began to decline from a high of 100.8 million at the end of 2013 and will fall to 95.8 million by 2022. The creation of new households uninterested in subscribing in the first place, known as cord-nevers, means pay TV's penetration of households will fall nearly 10 percentage points to 71.9% in 2022.

A growing number of consumers will opt to use lower-priced, online-only services instead. We forecast the number of subscriptions to online video services in the US will rise to 213.1 million in 2022, more than double the total for pay TV, split between 130.4 million Netflix-like subscription-based video-on-demand-only services, and 82.7 million subscription-based linear online video services such as AT&T's DirecTV Now, Amazon Channels and YouTube TV.

The rise of over the top video will impact one of the strategies for growing broadband and TV subscription numbers and revenues: the multi-play bundle. Traditional dual-play bundles of fixed broadband and fixed telephony will see the greatest decline in numbers.

But US operators are innovating with bundling in other ways, looking to hitch their next-generation video services to rapid adoption of mobile broadband. Uptake of quad-play offerings that include mobile will continue to grow, and mobile broadband subscriptions in the US are due to exceed 555 million in 2022 – including 104 million to 5G services.

In other markets, outcomes will be different. Why? It is easier to say what is singular about the US than to generalise about the rest of the world. At over 90% penetration of TV households, the US pay TV market has been saturated for a very long time. Operators have focused on increasing subscription fees to grow revenue, which has led average triple-play prices to reach as high as $145 per month.

Globally, subscriptions to fixed-broadband bundles that do not include pay TV will begin to decline from 2017, while those that do will grow strongly over the forecast period. But outlooks differ greatly by market.

Looking at the 10 largest countries by number of households at the end of 2021 – China, India, the US, Brazil, Indonesia, Russia, Japan, Nigeria, Germany and Mexico – fixed broadband will dominate in some, and pay TV in others.

Varying take-up of subscription online video reveals just how much of an outlier the US will be, with more subscriptions than homes as services proliferate and some households sign up to two or more.

One factor will remain constant: mobile broadband will be adopted widely, presenting new opportunities and challenges to TV the world over.

Rob Gallagher
Research Director, Consumer & Electronic Services, Ovum

Informa brands:

- ★ Insight & intelligence:
  Ovum, Light Reading, FinTech Futures
- ★ Exhibitions & events:
  AfricaCom, London Tech Week, Broadband World Forum, 5G World, Internet of Things World
- ⊕ See tmt.knect365.com for more detail
- ★ Other Information Services:
  Ovum Consulting

HEALTH & NUTRITION: CLEAN CHOICES

In the US, consumers are increasingly paying attention to what they put in and on their bodies. They are reading product labels, scrutinising chemical-sounding or perceived unnatural ingredients, and seeking out healthier, less processed offerings that their grandparents would recognise.

Consumers are also increasingly demanding greater transparency in the foods and packaged goods products they purchase: what is in the products they buy, where the ingredients came from and how they were made. Shoppers, particularly millennials, want to know the stories behind products and use those stories to determine how much they trust a brand and how much they will pay for it. According to New Hope 2017 consumer research, 65% of millennials would pay more for responsibly produced food compared with 25% of baby boomers.

As US consumers put more dollars towards healthy, clean and sustainable nutrition, their expectations are putting pressure on traditional food and beverage consumer packaged goods companies. But as the big food companies struggle in the age of the new consumer, other companies are finding market opportunity.

Growing at 6-10% each year over the last decade, US consumer sales of natural, organic and functional foods and beverages are far outpacing total US food industry sales, which grew less than 1% in 2016 according to Nutrition Business Journal (NBJ). Although still small in comparison to the total industry, natural, organic and functional food and beverages are forecast to reach $196 billion by 2020.

Other consumer packaged goods product categories are also being impacted by the new consumer. The US dietary supplement market grew 6% to $41bn in 2016, as consumers continued to increasingly spend their dollars on natural nutrition and wellness products. Combined sales of natural and organic personal care, household and pet products increased nearly 7% to $18.6bn in 2016.

The entire US natural and organic products industry, which includes foods and beverages, dietary supplements and personal care, household and pet products, surpassed the $200 billion mark in 2017 and has more than doubled in size since 2007, when industry sales were less than $100bn.

By 2020, NBJ is forecasting nearly $300bn in annual consumer sales, impressive for a business sector that was once considered a fad and supported only by yoga moms and tree-hugging hippies.

Shifting market dynamics, coupled with the increased and new kinds of investment dollars available to emerging brands, is motivating a growing number of companies to launch each year with product innovations that provide healthier, cleaner options; greater product transparency; and mission-driven business models that address societal and planetary problems like global warming, food security/access, nutritional poverty and more.

At our own Natural Products Expo West and East, more than 1,000 new finished product brands launch each year.

The food choices prioritised in Dubai look different to those in Dallas, and yet these same macro forces rocking the food and beverage landscape in the US are causing ripples elsewhere throughout the globe, as evidenced by worldwide growth of everything from organic food to dietary supplements.

In the last 10 years in the supplements market, for instance, China's share of the market has grown faster than any other country, up to 14.3% of the world's industry in 2016 from 9.6% in 2006. The Chinese market has gained the attention of many supplements companies as consumers are increasingly spending on health products and e-commerce continues to grow exponentially in the country.

And in vitamins and minerals, the strongest growth is coming from Eastern Europe and Russia, with increasing health concerns, rising obesity rates and disposable income spurring sales of supplements for overall health.

Carlotta Mast
Senior Vice President, Content & Insights, New Hope Network

Informa brands:

- ★ Insight & intelligence:
  New Hope Network, Nutrition Business Journal, Delicious Living
- ⊕ See newhope.com for more detail
- ★ Exhibitions & events:
  Natural Products Expo West/East, SupplySide West/China, Vitafoods Europe/Asia, Engredea
- ★ Other Information Services:
  NEXT, specialist marketing services through Informa Engage

AVIATION: FROM DEFENCE SPEND TO SPACE START-UPS

Informa brands:

- Insight & intelligence:
  Aviation Week & Space Technology, Aviation Week Intelligence Network, Air Transport World

See aviationweek.com for more detail

- Exhibitions & events:
  MRO Americas/Latin America/East Asia/Europe, SpeedNews conferences
- Other Information Services:
  Specialist marketing services through Informa Engage

The global aerospace and defence industry enters 2018 with the wind at its back. In commercial aviation, the large jetliner market continues to grow, fuelled by new demand for air travel and more efficient aircraft. In the Western defence industry, government spending is rising again, while the space market is being transformed by entrepreneurial start-ups.

The large commercial jetliner market dominated by Airbus and Boeing is heading into an unprecedented 15th year of growth. History would suggest the market is overdue a downturn, but there are few signs of weakness. Global economic growth, rising numbers of middle-class travellers in emerging markets and low interest rates are underpinning strong demand for new airplanes.

Boeing delivered a record 763 aircraft in 2017 and took orders for another 912. The two airframers' massive backlogs would take seven to nine years to deliver at current production rates and both companies are bolstering output. China's Comac is emerging as a third player but is not expected to pose a significant challenge to either company for some time.

In addition to new sales, the Aviation Week Intelligence Network (AWIN) forecasts the maintenance, repair and overhaul (MRO) market for commercial aircraft will generate $88.3bn in demand in 2018, with another $8.3bn for business aircraft and $6.5bn for civil helicopters. But the civil MRO market is experiencing some churn as large aerospace contractors, most notably Boeing, aim to grab a larger share of those lucrative revenues.

The air cargo market grew 9% in 2017, according to the International Air Transport Association, with e-commerce underpinning new demand. Further growth is expected in 2018. Two pockets of the aviation market that continue to struggle are business jets, which is still climbing out of a brutal downturn that began in 2008, and civil rotorcraft, which was hit hard by a slump in demand from oil and gas companies.

Longer term, the nascent market for urban air transport bears watching. Uber is aiming to begin experimental flights in Dubai and Dallas in 2020, which could lead to commercial operations by 2025. Multiple urban air taxi concepts are in development.

After several years of decline, Defense Department funding in the US, by far the world's biggest spender, is growing again. The Trump administration has requested $686bn for the Pentagon in fiscal 2019, a nearly 18% increase since the budget bottomed out in fiscal 2015. Missile defence programmes should see hefty increases as Washington seeks to counter strategic threats from a nuclear-armed North Korea, with additional money going to modernise forces and aircraft used during conflicts in the Middle East and Afghanistan.

The Pentagon is also under pressure to reach for more advanced technologies such as efficient engines that can power combat aircraft and hypersonic missiles, as well as upgrades to artificial intelligence, automation and big-data analysis, which appear to be lagging behind investments in China.

European defence budgets have risen as NATO prepares to counter an increasingly aggressive Russia, and alliance members come under pressure to meet a commitment to spend at least 2% of GDP on defence. But political turmoil and the UK's impending exit from the EU have created uncertainties. Germany and France are strengthening their defence ties and have declared an ambition to jointly build a European answer to the F-35 fighter jet, while a decline in the value of the British pound has hit the UK since it invests heavily in US-made equipment, most notably the F-35. Nothing will do more to transform the military aircraft market than the F-35, which AWIN projects will see nearly $73bn worth of deliveries in the next five years.

Space is an industry characterised by disruption, with companies such as SpaceX and Blue Origin progressing toward their goal of radically reducing the cost of access to orbit. Investors pumped $2.8bn into 43 US space start-ups in 2016, many of them communications satellite ventures, according to the consultancy Bryce Space and Technology. New commercial space start-ups are also popping up in China and Japan.

Joe Anselmo
Editor in Chief, Aviation Week

SPECIALISM AND THE RISE OF THE EXPERT

In the last few years, a sense of distrust has seeped into the global zeitgeist. Due to the proliferation of fake news spread through websites and social media, as well as the failures of the establishment to adequately respond during times of crisis, people are wary of government, corporations and the media, unsure if they have honest intentions or if they are motivated by a desire to promote self-interests.

However, futurists who track global trends believe this mistrust has also given rise to a countermovement. While people are still sceptical of the perceived establishment, they are eager to embrace and bring attention to the good work of individuals with whom they directly relate.

In this environment, there is potential for experts to cultivate even greater influence within their industries by complementing their vertical-specific expertise with deeper audience engagement, particularly through online and social media channels.

Recent data from the Edelman Trust Barometer, an annual global survey of trust and perceptions of credibility, points to the validity of this approach. Their 2017 study found most participants considered peers to be just as trustworthy as those categorised as experts. However, in 2018, technical and academic experts once again landed in the top spots, as they had in previous years. These two groups were deemed most trustworthy of all those tracked in the 2018 edition, with 63% and 61% respectively believing technical and academic experts were very or extremely credible, while trust in peers decreased to 54%.

Why? One theory is that the global political and policy instability of 2017 made people more trusting in only those with access, deep knowledge and understanding of specific subjects, giving experts a leg up. Even though peers saw declines in their trust ranking, they were still the third most trustworthy group out of a field of 11, staying influential partly due to the power of human connection.

But it is clearly not about blindly believing and following anyone who is friendly or claims to be an expert. Expertise is often in the eye of the beholder, after an evaluation of a person's qualifications, demonstrated knowledge, and public perception of their integrity and credibility.

Where authors and experts can demonstrate they have a genuine intention to inform and help the reader as a fellow member of the community – be that a local, or personal interest, or professional vertical community – they are more likely to be believed and trusted.

61%
believe technical and academic experts are extremely credible

33%
of those between 18 and 24 listed social media as their main source of news

Technology has a major role to play in building connections with audiences and communities, and is now essential to deepening trust with an audience.

In addition to the fact that social media is increasingly where people find news and information (a Reuters Institute 2017 Digital News Report found that 33% of those between 18 and 24 listed social media as their main source of news), it has also made it possible for savvy influencers to take parasocial relationships – a one-way relationship with someone you do not know in real life – to the next level by using online interaction with fans and followers to supplement real life interactions.

There is a good chance that for each of us, technology has aided in creating or preserving a relationship that would have otherwise been difficult to grow or maintain. Having met someone at a networking event, an exhibition, a party or someone's house, you connect online afterwards, and follow and interact with them, often over the course of years. Indeed, some researchers believe that online and offline relationships are often indistinguishable and offline relationships are not somehow more real than online ones.

So what matters? Trends and data show that audiences and communities are looking for experts, first and foremost: people who are credible, creating and providing original content and unique insights and intelligence, and connected to their world (and more often than not, actual people and individuals, and sometimes brands, rather than institutions). They expect that engagement to be online as well as offline and to use multiple formats – video, audio, images, long reports and short form content.

Connecting with audiences in these ways is essential to the growth and future of many information services products, and particularly intelligence-based services. Without these, brands may one day find their readers have abandoned them and gone elsewhere.

Informa's response to these trends, and the initiatives underway to cultivate communities, are covered elsewhere in this report. This includes the ongoing focus on being specialist in chosen, international vertical markets and investing in our data, intelligence and connection credentials. It includes broadening in-person formats at exhibitions and conferences to year-round interactions and community building online. It includes supporting the authors we publish so that they can also extend their position as experts in their communities.

Richard Stanton
Chief Digital and Innovation Officer, Business Intelligence

HOW INFORMA OPERATES

WHAT MAKES INFORMA DIFFERENT?

- A focus on serving specialist international vertical markets (see pages 14 to 19 for some of our key verticals)
- The strength and specialism of our brands. Many are among the must-attend events for a particular market or must-have sources of insight
- Unique content, trusted insight and high quality data sets, delivered in ways that can be easily used and integrated
- A culture where authority is close to the business, and ideas and implementation are valued
- Discipline in capital allocation and financial management

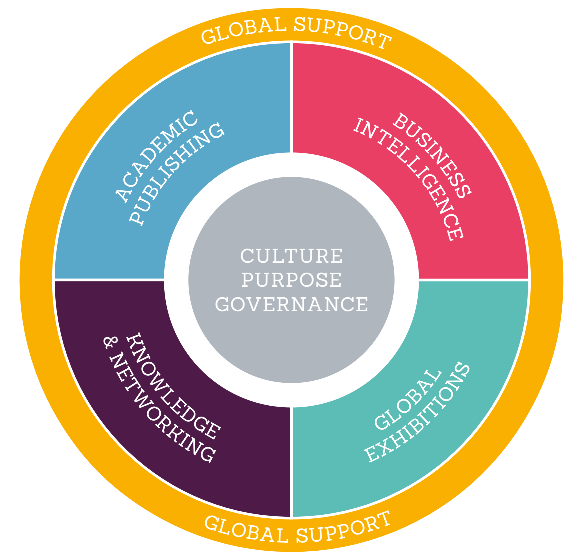
* Financial key performance indicator (see page 23)

** Non-Financial key performance indicator (see page 22)

What the Group draws on	What makes our assets powerful
1 TALENT The knowledge, ideas and contribution of 7,500 colleagues worldwide to create and commission content, produce events and deliver data	• Colleagues are experts in their function and market, using experience and specialism to create valuable content, data and events • Our culture encourages participation and ideas, supporting innovation and professional development • Authority is close to the business and incentives aligned to business objectives
2 BRANDS & INTELLECTUAL PROPERTY 200+ market facing brands that customers engage with and buy, plus the content and data we create and source	• Brands are protected and actively promoted amongst target markets • We follow codes and standards around the quality, trustworthiness and independence of content and data
3 TECHNOLOGY Platforms and capabilities that serve customers online and at events, manage sales and operations and deliver content	• We invest in platforms and technology to improve how content is assembled and delivered, for brand promotion, to safeguard the customer experience and maintain resilient business operations
4 RELATIONSHIPS & PARTNERSHIPS Relationships formed with customers in specialist vertical communities plus key business partners	• We engage closely with customers to understand and serve their needs, and form long-term relationships with partners such as venues and societies
5 FINANCING Strength of the balance sheet and access to external sources of equity and debt capital	• We cultivate relationships with Shareholders and debt partners to maintain access to flexible, competitive finance • Disciplined approach taken to capital allocation and investment decisions, including acquisition identification and funding

Using a Divisional operating structure and common culture to organise activities

- Four Operating Divisions, each with a distinct focus and management team



- Central support teams that bring efficiency and scale benefits through common business services
- A common culture of opportunity, engagement and support
- A shared purpose to help customers and vertical communities progress and succeed
- Overarching guiding principles of acting commercially, working responsibly, striving for excellence and having the freedom to succeed

To create benefits and returns for Shareholders and other stakeholders

- Long-term capital growth for Shareholders
- Capture revenue from the sale of subscriptions, exhibition space, units of content, sponsorship, marketing and advertising opportunities to drive earnings
  - £1,757.6m revenues*
  - 20.45p total dividend per share*
- Generate free cash flow to pay dividends and to reinvest for future growth possibilities*
  - £400.9m free cash flow in 2017*
  - Circa £80m reinvested in product, platform and people initiatives over 2014-2017 *GAP* period
- Fund tax contributions to benefit local communities and national infrastructure
  - £208.4m worldwide, £89.5m UK
- Deliver information and connections that allow customers to work smarter and benefit their businesses and markets
- Create rewarding work and ongoing professional opportunities for colleagues**
- Make positive contribution to local communities through employment opportunities, charitable skills and financial support

MEASURING GROWTH AND PERFORMANCE

Informa's management team and Directors use a range of financial and non-financial measures to track the performance of the Group. Other metrics, specific to each business, are used to assess performance at a product and Divisional level.

Delivery against several of these measures is included in executive remuneration plans as well as long-term incentive plans.

For 2017, the new measure of underlying revenue growth refines and replaces the previous measure of organic revenue that is reported for 2014–2016. We have also added scoring in the Dow Jones Sustainability Index (DJSI) as a new non-financial performance measure. This index assesses companies on multiple economic, environmental and social performance factors to understand a business's sustainability, and aligns with the Group's focus on creating a business that is resilient, successful and in growth over the long term.

As part of Informa's recommended offer for UBM, we provided an update on current trading including a target for Group underlying revenue growth of more than 3.5% for 2018. Other 2018 targets will be updated based on the enlarged Group should this offer complete.

NON-FINANCIAL KPIs

GREENHOUSE GAS EMISSIONS

	2017	2016[2]	2015[2]	2014[2]
Scope 1: Gas & heating (tonnes CO_2e)	**1,333**	1,136	1,287	1,497
Scope 1: Refrigerant gases (tonnes CO_2e)[1]	**612**	520	534	539
Scope 1: Vehicle & generator fuel (tonnes CO_2e)[1]	**1,672**	62	62	95
Scope 2: Electricity & steam (tonnes CO_2e)	**7,181**	6,268	7,373	7,190
Total Scope 1 & 2 (tonnes CO_2e)	**10,797**	7,986	9,256	9,320
Scope 1 & 2 – Intensity per colleague	**1.43**	1.25	1.41	1.41

1. Newly introduced elements of our carbon footprint in 2017 due to change in material usage in these areas
2. Data for years restated due to property changes, new data and new elements of footprint

About:
We recognise the importance of understanding and controlling our environmental impacts and in this area stakeholders most frequently request carbon footprint data. The Group follows reporting guidelines from the GHG Protocol and Defra. With the additions of Penton and YPI, the profile of our carbon footprint has shifted significantly with fugitive emissions and fuel consumption by vehicles and generators now material sources of emissions. These are therefore added to our reported scope.

2017 performance:
Although our buildings continue to cause fewer emissions per head after investment and a move to green power in much of our UK estate, the addition of YPI has significantly increased our use of vehicle and generator fuel, affecting overall carbon intensity.

Target:
By 2020, cutting our carbon footprint by another 10% per colleague, with at least five of our top 10 offices having invested in energy efficiency measures.

COLLEAGUE ENGAGEMENT LEVEL

74% +3%

About:
Our colleagues and their skills, ambition and contribution are one of Informa's most important assets and therefore a key factor in growth. Engagement levels measure colleague support for business objectives, attitudes to the company and levels of participation in work life at the Group.

2017 performance:
Engagement levels are established through the biennial Inside Informa initiative, with the next edition due in 2018. In 2017, we conducted a shortened Pulse survey and when comparable questions were asked, engagement increased from 71% to 74% driven by specific improvements in Divisional engagement.

Target:
To enhance engagement levels by focusing on particular gaps and opportunities. We intend to introduce a new index for 2018 based on a wider set of questions that reflect additional factors determining colleague satisfaction and support. By this new method, engagement in 2017 stood at 78%.

PERFORMANCE IN DOW JONES SUSTAINABILITY INDEX

88th
Percentile ranking

67
Absolute score

About:
This index measures listed businesses against a range of economic, social and environmental factors through a detailed and rigorous questionnaire and evidence gathering. Companies participating are graded into percentiles, with the top 10% joining the DJSI World Index.

2017 performance:
Informa has participated in the index since 2013 and this is a new KPI for 2017. The score of 67 is an increase of 11 points on 2016, when Informa ranked in the 73rd percentile with a score of 56. Performance was driven by the results of *GAP* initiatives in areas like brand, training and customer relationship management, and the increased sustainability expertise introduced in 2016. Informa was awarded RobecoSAM Industry Mover status for the largest improvement in the media sector.

Target:
Enhance our absolute score by focusing on opportunities to progress in constituent parts of the index, and work towards DJSI World inclusion by 2020.

FINANCIAL KPIs

UNDERLYING REVENUE GROWTH (%) +1.8%

2014	0.7
2015	1.0
2016	1.6
2017	3.4

* 2014-2016 figures reflect previous measure of organic growth

About:
One view of the Group's financial performance and growth. It measures change in revenue that includes year-on-year growth from material acquisitions, as if they had been owned in the corresponding period the year before. It also strips out the impact of event phasing, disposals and currency movements. One of the factors considered in executive remuneration plans.

2017 performance:
Underlying revenue growth of 3.4% met the target for a further year of improved Group revenue growth.

ADJUSTED DILUTED EARNINGS PER SHARE (p) +9.5%

2014	37.8
2015	39.5
2016	42.1
2017	46.1

About:
Measures the underlying performance of earnings attributable to Shareholders, excluding adjusting items that the Directors believe would distort underlying results. It is one measure of the value created for Shareholders, a central aim of the Group, and one of the factors considered in executive remuneration plans.

2017 performance:
Adjusted diluted earnings per share of 46.1p met the target of a further year of improvement in earnings.

FREE CASH FLOW (£m) +31 %

2014	237.2
2015	303.4
2016	305.7
2017	400.9

About:
Free cash flow is important as a measure of financial discipline. It indicates the availability of capital for reinvestment, which remains key to the Group's growth strategy, for the payment of Shareholder dividends and for reducing debt. This measures the cash flow generated by the business before cash flows relating to acquisitions, disposals and their costs, dividends and any new equity issuance or purchase.

2017 performance:
Free cash flow of £400.9m met ambition for a further year of growth and target of achieving around £400m.

GEARING RATIO

2014	2.2
2015	2.2
2016	2.6
2017	2.5

About:
A measure of the Group's financial leverage, and therefore an indicator of financial discipline, a specific part of the GAP. The ratio is a calculation of earnings before interest, tax, depreciation and amortisation compared with net debt. See the Financial Review on page 62 for further detail.

2017 performance:
The Group's year-end gearing of 2.5x was in line with our target range of 2-2.5x.

ADJUSTED OPERATING PROFIT (£m) +31%

2014	334.0
2015	365.6
2016	415.6
2017	545.5

About:
Adjusted operating profit is an alternative measure of the Group's operating performance. It represents profit before tax, interest and adjusting items in a way that is comparable to prior year and peers. Consistent profitability enables the reinvestment in the Group needed under Informa's growth strategy and facilitates Shareholder returns.

2017 performance:
Adjusted operating profit of £545.5m met the target of a further year of improvement in profit growth at a Group level.

DIVIDEND PER SHARE (p) +6%

2014	17.80
2015	18.50
2016	19.30
2017	20.45

About:
Represents distributions paid to Shareholders annually, and therefore a measure of the value created for Shareholders, a priority for the Group.

2017 performance:
Another year of progress in the growth of dividends per share, meeting the Group's commitment of at least 6% growth in 2017.

RESPONSIBLE RISK TAKING

Growth has been central to Informa's strategy since 2014, and the continuation of growth remains a key principle for 2018 and onwards.

The Group recognises that continuing to deliver growth requires taking commercial risks. To enable the business to pursue opportunities at all levels in an agile away, Informa's approach is one of responsible risk taking, where risks are transparently identified, monitored, reported and actively managed.

The Board believes risk and reward should be balanced, and that no risks or rewards should be taken that are outside of Informa's approved strategy, guiding principles and financial objectives. Through its risk appetite and tolerance statement, the Board directs the Group to assess risks when considering opportunities and mandates an actively managed and adequately resourced management of risk.

Informa's culture plays an important part in risk management. The Board encourages a culture of transparency, integrity and doing the right thing, in which identifying risk is encouraged, and actions are taken to ensure any necessary controls or resources are in place to manage that risk and ensure business objectives are delivered efficiently.

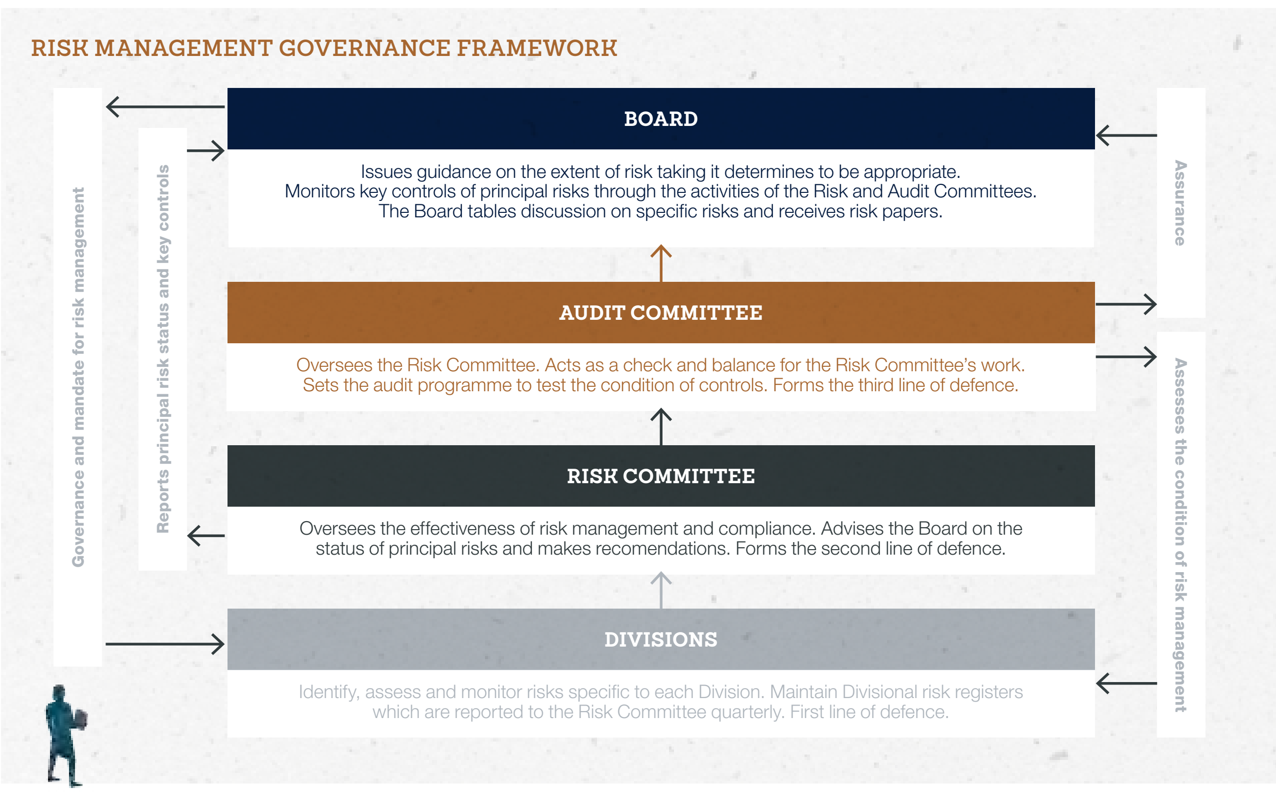
During 2017, there was a considerable focus on culture, behaviour and ethics with enhanced training, updated policies and new, accessible reporting facilities introduced. For 2018, the focus is on continuing to support a culture that enables responsible risk taking, and maintaining the ongoing improvement in risk management rigour, including a more holistic oversight of our principal risks and the identification and monitoring of key risk indicators.

RISK GOVERNANCE

Informa's Risk Management Governance Framework is designed to provide the Board with oversight of, and insight into, the most significant risks the Group faces.

The Group's Divisions form the first line of defence against risks and are required to identify and report risks in their business and markets to the Risk Committee. The Group risk function provides specialist support to each Division in risk identification and analysis.

The Risk Committee gives the Board informed direction and guidance on acceptable levels of risk and advises on any necessary changes to compliance and operational controls.



It meets quarterly on a formal basis, and colleagues regularly work together outside of these meetings as is required to manage risk. Financial controls are monitored, checked and assured through the Audit Committee. Internal Audit reports to the Audit Committee and has the remit to test all controls.

The Audit Committee oversees the work of the Risk Committee and challenges its activities, ensuring its work, and that of the Divisions, is fairly assessed and reported. The Risk Committee and Audit Committee provide independent reports to the Board. Steering committees for major projects report directly to the Board.

Through the governance channels and reporting process, the Board monitors and reviews the effectiveness of the Group's internal control systems, issues guidance for the management of risk and approves risk management initiatives.

PRINCIPAL RISKS AND UNCERTAINTIES

Principal risks are those with the potential to most significantly impact Informa if they materialise or are managed ineffectively.

The Risk Committee ensures the Group's principal risks are identified from each Division's risk register. These Divisional risk registers are reviewed quarterly along with an update on emerging risks, and the most significant risks based on impact, likelihood and frequency are assessed for inclusion in the Group risk register, from which principal risks are identified.

A risk taxonomy is used to conduct analysis across Divisional risk registers, and risks are rated using a prescribed method according to their quantitative and qualitative impact and their likelihood. Each risk has a colleague or oversight body accountable for its management, and where mitigating actions are required, the colleague responsible and relevant deadlines are recorded to ensure oversight and monitoring. At a minimum, this information is reviewed quarterly in formal Risk Committee meetings.

The Risk Committee runs a rolling programme of analysis on how principal risks are managed, and reports their status to the Audit Committee or Board. Material controls for each principal risk were mapped and monitored during 2017, including identifying the person or body responsible for overseeing each control. Verification was also sought to ensure material controls had been reviewed by the appropriate oversight bodies during the year. After reviewing the effectiveness of material controls, a number of specific principal risks were prioritised for enhanced controls including those relating to health and safety, technology, data and cyber. Audit Committee visibility over the Risk Committee's forward planning was enhanced and a status update was provided to the Audit Committee and Board throughout the year.

This overall approach enables the Board to form a robust assessment of the principal risks and uncertainties that might impact the company's business model, future performance, solvency and liquidity.

Informa's principal risks map to the Group's strategic growth ambitions. They also reflect the importance of talent, the Group's colleagues and the use of resources, including technology and brands, to the Group's business model. They fall into three categories: growth, people and culture.

Growth	Seven principal risks relate to factors that could impede the Group's growth strategy	1. Economic instability 2. Market risk 3. Acquisition and integration risk 4. Ineffective change management 5. Reliance on key counterparties 6. Technology failure 7. Data loss and cyber breach
People	Three principal risks relate to the colleagues and customers the Group relies on to deliver products and services	8. Inability to attract and retain key talent 9. Health and safety incident 10. Major incident
Culture	Two principal risks relate to how culture, behaviour and ethics contribute to the Group's success	11. Inadequate regulatory compliance 12. Privacy regulation risk

PRINCIPAL RISKS DURING 2017

Removal of failure to deliver *GAP*

After the completion of *GAP* in 2017, failure to deliver the 2014-2017 *Growth Acceleration Plan*, a principal risk in previous years, was removed from the risk register.

Addition of privacy regulation risk

Privacy regulation risk was added to capture the specific risk that tightening privacy law presents to marketing, compliance, technology, operations and resources.

Movements in mitigated risk ratings

Our principal risks are rated according to the potential financial and non-financial impacts they could have, and the likelihood they will materialise in the near or long term, considering the controls currently in place to manage those risks and how effective the Risk Committee believes those controls are.

The net mitigated risk ratings of some principal risks changed during 2017, with changes explained on pages 27 to 32 under the relevant risk. All risks are analysed to determine if they would have a material financial impact, and those that would are modelled for their impact on the Group's financial viability.

CONSIDERATION OF OTHER RISKS

A range of risks are kept under review, and some of those that are not currently considered principal risks to the Group include tax compliance risk, climate change and instability caused by Britain's exit from the European Union.

KEY 2017 ACTIVITY

Acquisition and integration:
- Risks specific to the Penton business and integration process identified by integration and Divisional teams, facilitated by the risk function, and added to the relevant Division's risk register for recording and monitoring
- Additional analysis undertaken on integrating HR administration with findings addressed
- New colleagues introduced to and trained on Informa's policies, embedding culture and meeting regulatory requirements

Market risk
- Market risks and Divisional controls for managing this reviewed by the Risk Committee and Board

Technology and cyber security
- Cyber security controls increased to strengthen resilience against ongoing attempts on infrastructure and systems

Privacy regulation risk (also see page 60)
- Preparation for introduction of the EU's General Data Protection Regulation (GDPR), including data mapping, readiness assessments and identification of outstanding actions required
- Group Data Protection Officer appointed
- Privacy regulation recognised as a standalone principal risk

Health and safety (also see page 60)
- Statement on appetite and tolerance for health and safety risk issued by the Board
- Risk Committee reviewed Health and Safety function, with a restructure and expansion of resources, introducing a central Global Support team
- New security risk assessments and management introduced and new training delivered
- Group travel framework created to better manage risks related to business travel

Major incident
- Management preparedness to respond to emergencies tested

Regulatory compliance (also see pages 37 to 40)
- Code of Conduct refreshed with mandatory training
- Updated Business Partner Code of Conduct published
- New Speak Up whistleblowing line introduced for colleagues and third parties
- Online training introduced on anti-bribery and corruption and modern slavery. In-person anti-bribery and sanctions training conducted for targeted groups of colleagues
- New breach management framework introduced

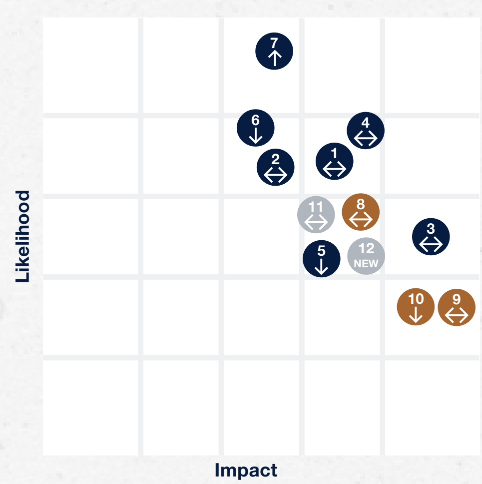
In the area of tax, the Group takes a principled and low-risk approach, which limits the likelihood of disputes with tax authorities and is unlikely to give rise to unexpected tax liabilities.

Informa has a relatively small direct impact on the environment, largely related to carbon emissions and the use of paper in products in the supply chain. Colleagues and customers also travel to attend Informa's exhibitions and events, which generates business opportunities for travel and accommodation providers and host economies, but also consumes natural resources.

Our contribution to climate change from direct and indirect carbon emissions is not viewed as a principal risk because the emissions are small in scale compared with the size of the business, even if legislation were tightened or extended carbon pricing introduced. We recognise extreme weather events as a potential cause of a major incident, one of our existing principal risks, which could increase with changes in climate.

As a UK-listed international Group with 78% of revenues generated outside of the UK and Continental Europe, the impact of Britain's exit from the European Union is not considered material. This will be kept under review as the form of the exit becomes clearer. Currency fluctuation, particularly the relative value of sterling and the US dollar, is one potential impact, where an increase in the value of the dollar would have a positive effect on revenues. The management of currency risk is overseen by the Treasury function and its policies.

RELATIVE RISK RATINGS OF PRINCIPAL RISKS AND MOVEMENT IN NET RISK RATINGS OVER 2017



Key
- Risk related to growth
- Risk related to people
- Risk related to culture

Indicators of change in the year
- ↔ No change
- ↑ Increased during the year
- ↓ Decreased during the year
- NEW Newly recognised principal risk

Indicators of change in the year
- ↔ No change
- ↑ Increased during the year
- ↓ Decreased during the year
- NEW Newly recognised principal risk

Risk ↔

1. Economic instability

Has potential to cause material financial impact
Is modelled for the viability statement
Oversight: Board

Description
The wider economy affects customer budgets for travelling to events and discretionary spend on attending conferences. Downturns in commodity cycles may affect associated verticals. Political factors can also influence economic stability.

Impact
Negative impact on the Group's ability to grow in particular geographies, verticals or overall. Potential to weaken brands and value over time leading to reputational damage and impairing ability to raise funding. Impact from fluctuations in currency exchange rates.

Link to strategy
A global economic downturn could affect the Group's ability to deliver growth in the near term but could also present an opportunity to acquire businesses at more competitive rates and lay the foundation for long-term growth.

Mitigating activities
Informa has an international customer base, selling into over 165 countries, which dilutes the effect of downturns in specific geographies. The breadth of the Group portfolio by verticals, products and customer types also mitigates the impact of downturns in particular markets and builds resilience. There is a particular weighting to the US, one of the largest markets for information services like exhibitions.

Conferences that rely on domestic delegates can be vulnerable to economic downturns, and the Knowledge & Networking Division's streamlining under *GAP* and focus on major branded and international events manages this exposure. Many content and data products are subscription based, making revenue more predictable. Exhibition revenue is often contracted well in advance of the event and credit exposure is minimised through advance payments, particularly exhibition stands, and through credit control activities.

Economic risk and opportunity is considered in the three-year planning process overseen by the Group Finance Director. The annual budgets that result from the planning process are a control against which results are monitored through the monthly reporting process, surfacing any effects of economic instability and informing commercial decision making. Movements in currency can have positive and negative impacts on the Group's reported earnings. This is managed through hedging currency fluctuations so that our net debt profile is proportionate to our exposure to currency fluctuations in EBITDA.

Risk ↔

2. Market risk

Has potential to cause material financial impact
Is modelled for the viability statement
Oversight: Executive Management Team

Description
Customer demand for the Group's products and services is influenced by competition. The business may not be able to innovate at a pace that ensures that our products, services and brands remain relevant to customers.

Impact
If market risk is not addressed through strategy, development and innovation, products and services could be perceived as less valuable, with revenues and margins eroded and some products or services becoming obsolete.

Link to strategy
Group strategy is informed by customer demand, and wider market and strategic decisions are made with due consideration of market risk.

Mitigating activities
The Group's business model, including the Divisional operating structure and, beneath this, vertical team structures in many places, enables flexibility in product development and in response to customer demand and market developments.

In 2017, the Risk Committee reviewed how each Division manages market risk and found that the management of market risk is ingrained throughout the business and in each Division as a standard practice. Market developments and risks are widely considered in decision making and addressed at strategic levels and through market research into peers and comparable products.

The Executive Management Team oversees market risk through holding regular people, planning and product-focused meetings with each Division. Market risk is also regularly addressed by the Board and addressed formally as part of Informa's three-year planning cycle, with these plans presented to the Board.

Risk

3. Acquisition and integration risk

Has potential to cause material financial impact
Is modelled for the viability statement
Oversight: Board

Description
Acquisitions are sub optimal if they fail to deliver the expected benefits defined in the business case. This could arise if potential acquisitions are not evaluated accurately, there is a significant due diligence failure or acquisitions are integrated ineffectively.

Impact
Sub-optimal acquisitions could result in lower return on investment, diminished returns and growth, weaker acquired brand assets and inconsistent corporate culture. Sub-optimal acquisitions may lead to impairment charges and the inability to obtain future funding.

Link to strategy
Informa's growth strategy includes acquiring businesses in target verticals and markets as well as achieving underlying growth. The Group is prepared to take measured risks to acquire new assets, talent, brands and innovation.

Mitigating activities
Informa proactively monitors the market to identify suitable acquisition targets, which are tested to ensure they are a good strategic and cultural fit. Investment decisions are made according to fixed financial parameters and capital is allocated to the markets and Divisions with the best value-creation potential. This process is led by the Director of Strategy & Business Planning.

Capital allocation for acquisitions is determined at a Group level. Targets are analysed by the corporate development team and a cross-functional team of experts from finance, legal, risk, tax, treasury and communications meets weekly to review and assess the risks and considerations posed by acquisitions. These parties also support the commercial leads through due diligence prior to acquisition.

Integration plans are developed in Divisions and reviewed and challenged at a Group level. This is supported by detailed technology and finance integration plans. Significant acquisitions have formal leadership and project management to deliver integration. An annual acquisition performance review is presented to the Board to test post-acquisition performance, including any assessment of variation to expected return on investment.

Risk

4. Ineffective change management

Financial impact considered low
Not modelled for the viability statement
Oversight: Executive Management Team

Description
As the Group grows through innovation and acquisition, it is necessary to adjust to change and assimilate new business cultures. The breadth and pace of change can present strategic and operational challenges.

Impact
Change not managed effectively could result in unrealised opportunities, poor project delivery, colleague turnover, erosion of value and failure to deliver growth.

Link to strategy
The Group's culture is based on support and inclusion, but if an inconsistent corporate culture develops through poor change management, the Group culture could weaken and result in behaviours that undermine and degrade performance and strategic direction.

Mitigating activities
The most significant changes result from large acquisitions and projects, and these have well-defined governance and reporting structures in place. Project management teams co-ordinate and control change projects and monitor implementation plans and the associated risks. Significant changes in 2017 included the introduction of a new enterprise resource platform. Risks were identified and dealt with on a rolling basis during the project, such as the need to grant wider access to systems during implementation than ordinarily, with access controls re-tightened post launch.

Global Support is responsible for delivering large-scale changes that affect the whole Group, and has a dedicated change delivery team that provides change and project management expertise. The risk function assists with risk analysis and identifying controls and action plans for managing change risk, and Group and Divisional communications teams are attached to large projects to ensure effective information, engagement and feedback flow to support cultural change. The Executive Management Team oversees change management risks through regular people, planning and products meetings.

Risk

5. Reliance on key counterparties

Financial impact considered low
Not modelled for the viability statement
Oversight: Risk Committee

Description
The Group has key strategic partners who enable the delivery of its business objectives. The Group's aim is to not rely on individual partners, but in certain conditions, markets and geographies this can be unavoidable.

Impact
If key counterparties fail, there could be serious disruption to certain business activities, lower levels of trading and revenues, and customer satisfaction could decline.

Link to strategy
This risk relates to key relationships that could influence the Group's ability to generate and preserve value. Key counterparties are identified and monitored in relation to strategic aims.

Mitigating activities
The Group diversifies its reliance on key counterparties wherever possible. For example, the treasury policy ensures the company is not over-reliant on a particular financing partner.

Divisions are required to identify key counterparties, explain the nature and extent of their exposure to them and report on activities in place to mitigate specific exposures to the Risk Committee when requested.

Mitigations include requiring counterparties to have robust and tested business continuity plans in place, service level agreements, contracts, proactive relationship management and working with suppliers to ensure that invoices are paid on time so that services are not suspended.

Following deeper analysis and understanding of our exposure to key counterparties in each Division, the assessment of the potential impact of this risk was reduced.

Risk

6. Technology failure

Financial impact considered low
Not modelled for the viability statement
Oversight: Risk Committee

Description
The Group relies on technology to deliver products and services, engage with customers and pay suppliers, without which it would experience severe disruption. This dependency is recognised in the risk of a major technology failure.

Impact
The prolonged loss of critical systems networks or similar services could inhibit the ability to deliver events, products and services, increase costs and negatively impact the Group's reputation.

Link to strategy
Technology underpins all the Group's business activity and enables future scale and innovation.

Mitigating activities
The Group's technology strategy, including the controls set around technology, is led by a technology leadership forum comprising the CTOs of each Division and the Group CIO. The forum provides quarterly reports to the Risk Committee.

The Group operates a cloud-first approach and is moving to a cloud-only strategy, which requires all new hosting platforms to be from cloud providers rather than in-house. This minimises the risk of failure as platforms are run by specialist companies with a sole focus on platform provision and governed by agreed standards of service. Technology standards, including policies and IT controls, which are aligned with industry standards apply across the Group. Security is emphasised through standards including ISO 27001, NIST and COBIT, which also benchmark us against recognised control objectives.

Key systems that are business critical or hold more sensitive data are subject to higher controls and greater scrutiny from assurance assessment and audit work.

In 2017, the Risk Committee lowered this risk rating in view of the controls in place to manage this risk.

Risk

7. Data loss and cyber breach

Financial impact considered low
Not modelled for the viability statement
Oversight: Risk Committee

Description
Major information security breach, loss of sensitive or valuable data, content or intellectual property. As cyber-attacks have become more frequent and sophisticated across the world, the threat of this risk has increased.

Impact
Loss of sensitive data through mismanagement, theft, cyber-crime or security breaches could lead to losses for our stakeholders, damaged reputation, investigations, fines and business interruption.

Link to strategy
The business and delivery of strategic objectives is reliant on data. If a significant loss materialised, this would distract from our strategic goals through excessive demands on management time to respond.

Mitigating activities
Technology security strategy is overseen by the technology leadership forum. There is also an information protection steering committee that oversees data-related security, privacy and compliance matters Group-wide; and a more detailed assessment of direction and response is delivered through the information protection management forum. Quarterly security reports are provided to the Risk Committee.

Multiple preventative and corrective controls are in place to manage this risk. Enterprise technology strategy incorporates a cross-divisional approach to technology selection, integration and security. Security credentials are assessed in the selection process. Technology acquired with new businesses is ring fenced and tested rigorously prior to integration with existing systems.

Vulnerability scanning, testing and actions are carried out on a rolling basis. Information and awareness campaigns continue to be run to help colleagues spot, report and avoid threats such as phishing. There is a facility and process for recording, escalating and reporting incidents.

The risk from criminal cyber activity continues to grow and attempts to attack and disrupt business are more common and widespread. The risk rating was raised during 2017 because of this increased activity and likelihood of impact. In response, the Group is accelerating security improvement programmes related to key risks, while focusing on improving the detection and response to incidents.

Risk

8. Inability to attract and retain key talent

Financial impact considered low
Not modelled for the viability statement
Oversight: Executive Management Team

Description
The inability to attract, recruit and retain colleagues, and inadequate succession planning at senior management levels.

Impact
Increased turnover of colleagues with associated increased costs, loss of knowledge, decreased efficiency, and a demotivated workforce with the associated erosion of corporate value.

Link to strategy
The sum total of contributions by Informa colleagues creates the products and services the Group delivers and the ideas and innovation necessary for future growth. Loss of expertise, engaged resource, corporate knowledge and contacts may impact the Group's future success.

Mitigating activities
Culture, and the value that colleagues bring to the Group, is a matter of significant importance for the management team and the Board. There is investment and focus in maintaining a culture based on inclusion and respect, where colleagues are supported and given opportunities to develop and succeed, in order to retain talent and ensure Informa is a positive and enjoyable place to work.

Colleague engagement levels and attitudes are regularly assessed through the Inside Informa campaign and reported as a key performance indicator, with feedback informing new initiatives designed to improve the experience of working in the Group and retain talent. There is a Graduate Fellowship Scheme and Apprenticeship schemes designed to attract young talent and development programmes in each Division to enhance colleagues' skills and support career development. For more on these activities, see page 37. HR teams engage in talent mapping, to ensure there are succession plans for senior management and that colleagues have access to development opportunities.

Risk

9. Health and safety incident

Financial impact considered low
Not modelled for the viability statement
Oversight: Risk Committee

Description
A serious health and safety incident at or while travelling to an Informa event or office has the potential to cause physical harm to colleagues, customers and business partners.

Impact
A major health and safety incident has the potential to cause life changing injuries and, at worst, fatalities. Mismanagement of health and safety can result in reputational damage, investigations, fines and multiple claims for damages.

Link to strategy
Informa takes the welfare of its colleagues, customers and business partners seriously and expects to operate in safe and healthy conditions. A serious failure in this area could undermine Informa's reputation as a leading and trusted business and organiser of events.

Mitigating activities
Informa's health and safety policies set guidance on health and safety standards in all areas of the Group. To set tone and direction, the Board issued a health and safety risk appetite and tolerance statement in 2017 articulating the primary importance of the welfare of colleagues, customers and business partners and that anyone may raise health and safety concerns without fear of reprisal.

Resource for the health and safety function was restructured, expanded and refocused, installing specialist leadership within Global Support and introducing a regional approach serving all Divisions. Security risk is now managed within this function to bring a more robust treatment to managing and responding to incidents. Security training is being rolled out to events operation teams and will be expanded to senior managers alongside the ongoing health and safety training programme.

There are three main areas of exposure to health and safety risks: events, travel and premises. Health and safety at our premises is monitored monthly with incidents and near misses reported to the Risk Committee. A Group-wide travel management system allows us to book accommodation and travel that meet acceptable safety standards and know where colleagues are in the event of an emergency.

Risk

10. Major incident

Financial impact considered low
Not modelled for the viability statement
Oversight: Risk Committee

Description
A significant accident or event. Major incidents can result from several causes, including natural disasters, extreme weather events, disease, epidemics, civil unrest and terrorism.

Impact
Major incidents have the potential to cause harm and injury to people, venues and premises and severely interrupt business. If the Group's response to a major incident is inadequate, this could result in additional reputational damage.

Link to strategy
The global operation and footprint of the business exposes Informa to extreme weather events, civil unrest and terrorism.

Mitigating activities
Proactive response planning for major incidents was improved in 2017, with schedules for some events adjusted to avoid annual extreme weather such as hurricane season in the southern US.

With changes to the way security risk is assessed and managed, the Group increasingly considers terrorism threats, proximity to other likely terrorist targets, unrest or protests in event planning, so that appropriate additional security measures can be taken to protect customers, colleagues and business partners and proactively deter attacks.

The Group's crisis communications manual was refreshed in 2017 and a desktop exercise conducted with senior management on responding to emergency situations, with learnings being addressed.

In recognition of improved preventative controls, and that major incidents with a Group-wide impact are infrequent, this risk rating was lowered in 2017.

Risk

11. Inadequate regulatory compliance

Financial impact considered low
Not modelled for the viability statement
Oversight: Risk Committee

Description
The risk that the Group may not comply with applicable regulations.

Impact
Failure to comply with applicable regulations could lead to fines, imprisonment, reputational damage and the inability to trade in certain jurisdictions.

Link to strategy
The Group's licence to operate and ability to grow is in part determined by compliance with national and international regulation and the support of stakeholders, including customers, colleagues and Shareholders, who increasingly favour companies that work in an ethical way.

Mitigating activities
Through the Group's compliance programme, Informa aims to conform with all necessary regulations and encourage a culture of transparency, integrity and respect, which ensures individual behaviours support compliance.

In 2017, the Group's Code of Conduct was refreshed and mandatory training was provided to all colleagues and Board members, instilling standards around working with one another, customers, suppliers and third parties, and our communities.

Anti-bribery and corruption training was delivered to all colleagues, with completion and an adequate pass score set as targets. A Group-wide breach management and investigation framework was introduced to standardise how issues are managed, and a Speak Up whistleblowing line launched for confidential reporting. See page 37 for details.

The onboarding process has been improved to ensure new starters receive these training modules promptly and accept core policies, including those on technology use and information security.

Risk
NEW

12. Privacy regulation risk

Financial impact considered low
Not modelled for the viability statement
Oversight: Risk Committee

Description
The inability to comply with diverse tightening and growing global privacy legislation. Privacy regulations are regionally focused which presents further challenge for Informa as an international business.

Impact
The potential impacts include changes to operations to comply with regulations and changes to the way the company can market its products, services and events. Non-compliance can result in significant fines with associated customer dissatisfaction and reputational damage.

Link to strategy
Compliance with privacy regulations will influence marketing strategies and therefore the acquisition of new customers. Over-compliance with privacy regulations, such as applying the strictest rules globally, could result in commercial disadvantage.

Mitigating activities
There is a global trend towards tightening privacy laws, examples of which include the Canadian Anti Spam Law, EU General Data Protection Regulation (GDPR) and ePrivacy laws and cyber security law in China. This trend has a broad impact on the Group, from how the Group addresses privacy compliance to how marketing strategies adapt to ensure successful business operations under new regulation.

The Group is proactively responding. In preparation for GDPR's introduction in 2018, a data discovery and mapping exercise has been completed to understand the gaps between current practice and future requirements. This found we have a good baseline of compliance, with further work to do in specific areas. A new Group data protection officer was appointed and a data protection management forum was established to support and oversee privacy regulation compliance initiatives.

2018 will see the launch of new global cyber security and data privacy training, with Group and Divisional communications to educate and inform colleagues.

INFORMA'S PROSPECTS AND VIABILITY

As part of the Group's strategy and ambition to continue its growth and performance, Informa's Directors at all times maintain a sharp focus on assessing the Group's long-term prospects and the company's viability as a business on a three-year basis.

ASSESSING INFORMA'S PROSPECTS

Informa operates in the market for knowledge and information, and has developed strong positions in many specialist vertical markets that offer the potential for long-term growth. It has many of the elements necessary for greater future business success – valuable brands, strong customer relationships and market knowledge, talent and a culture of ideas with commercial focus.

The Group seeks to build on these strong foundations with continued investment in its products and customer platforms, alongside further expansion.

Through the recommended offer for UBM, Informa will benefit from increased operating scale and industry specialisation, creating a leading B2B information services group with the scale and specialist capabilities to capture the long-term growth potential of this expanding market.

Informa runs a rigorous annual business planning process, involving Divisional and Group management with Board input and oversight. This produces Divisional and Group strategic plans, which in turn generate three-year financial plans that drive the setting of in-year budgets.

This process, and the plans that result from it, are a significant contributor to the assessment of the Group's prospects. Informa's current position, Group level strategy, business model and the risks related to the business model are also used to assess prospects.

//Informa runs a rigorous annual business planning process, involving Divisional and Group management with Board input and oversight//

FACTORS IN ASSESSING LONG-TERM PROSPECTS

Group's current position

- Recurring revenue streams with strong cash dynamics, including positive working capital driving high cash conversion
- Diversified business model by geography of operations and customers
- Diversified business model by products and by the verticals in which Informa operates
- Strong market positions, brands that customers value and a focus on long-term customer relationships
- Flexible cost structure, enabling the business to respond effectively to changes in demand or in markets

See the Financial Review on page 62 for more detail.

Strategy and business model

- Clear growth strategy
- Focus on creating capabilities for future growth and scale under the 2014-2017 *Growth Acceleration Plan*
- Intention to build further operating scale and specialism in vertical industries, and in B2B information services, through the January 2018 recommended offer for UBM
- Business model that draws on talent, brands and intellectual capital, technology, relationships, access to finance and natural resources

See the Business Model on page 20 and Strategy on page 6 for more detail.

Principal risks related to the Group's business model

- Colleague and talent-focused risks around retention and change management
- Market risk related to new entrants and economic instability related to access to finance
- The risk of technology failure, data loss and cyber breach
- Customers and relationships impacted by privacy regulation risk and reliance on key counterparties
- Acquisition and integration-related risk

See pages 27–32 for a description of each principal risk.

STRUCTURED STRATEGIC AND FINANCIAL PLANNING PROCESS

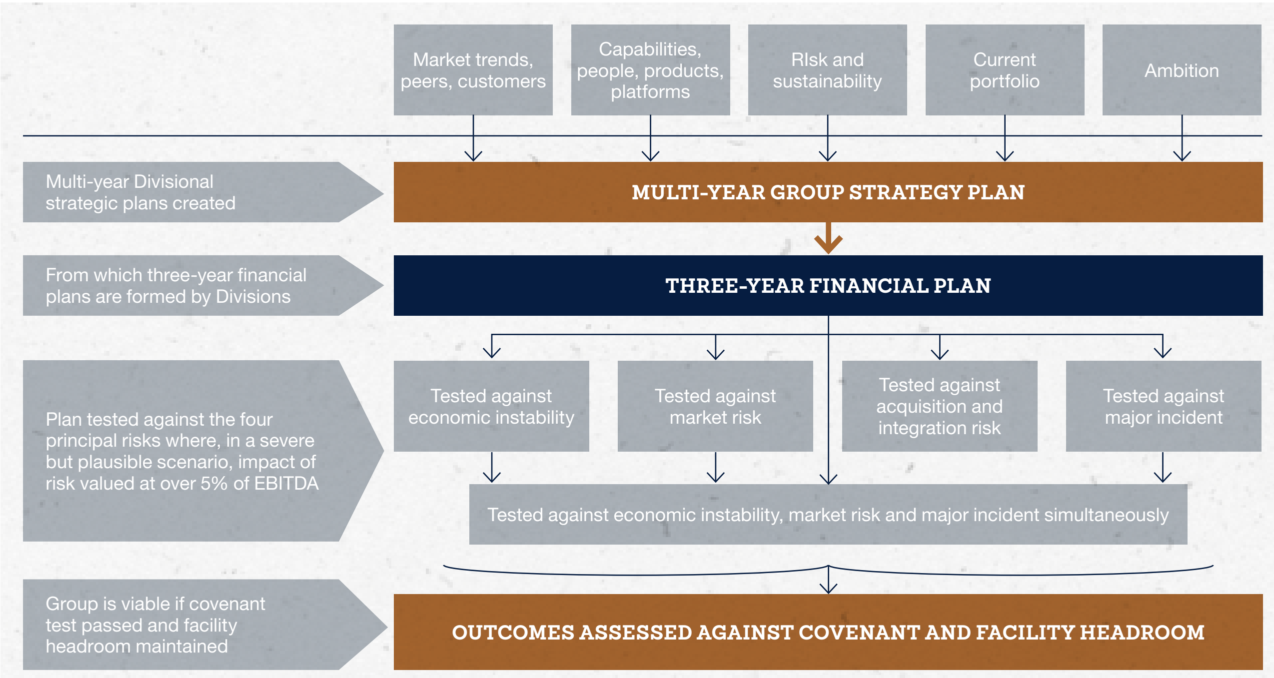
The Group's prospects are assessed primarily through the annual strategic planning process, which involves the creation of business plans by Divisional management that are reviewed in detail by the Group Chief Executive, Group Finance Director and the Director of Strategy & Business Planning.

To create these plans, each Division assesses external factors – such as peers and their activity, broad and specific risks and market trends – and internal factors – including people, products and platforms – that influence the business's approach today.

Objectives are set with consideration for what is known about customer trends and demands, and emerging risks and opportunities over that period, plus an analysis of what each Division needs to do to achieve those objectives, whether that is launching new activities, securing additional capabilities or continuing existing programmes.

What results is a set of objectives and initiatives, from which each Division will derive a three-year financial plan including detailed financial forecasts and a clear explanation of key assumptions and risks. Plans are updated at key dates and for significant events.

At its annual Board strategy meeting, the Board Directors input, scrutinise and test the strategic and financial plans.



The latest set of three-year business plans were reviewed and agreed by the Board in September 2017. The first year of this plan was used to inform the 2018 budget, itself ratified by the Board in December 2017.

These detailed financial forecasts are also used as a basis for the annual impairment review, to inform treasury funding requirements and as an assessment of the liquidity available for reinvestment and for returns to Shareholders through dividends.

Divisional financial plans combine to produce the Group's overall financial forecast, where it is assumed that dividends grow by at least 6%.

ASSESSING THE GROUP'S VIABILITY

For each principal risk, a severe but plausible scenario is created, to analyse how the risk could materialise and to calculate its financial impact.

Scenarios include considerably worse performance from acquired businesses than anticipated, general market downturns and external incidents in regions in which we hold events.

Where a severe but plausible scenario creates a financial impact of over 5% of EBITDA, the principal risk is modelled against the three-year financial plan to test whether it would adversely impact the Group's viability.

Additionally, the three largest risks in terms of their potential financial impact are modelled together as a single scenario, to understand their combined financial impact.

The Group is considered to be viable if gearing and interest cover ratios within its financial covenants are maintained within prescribed limits, and if there is available debt headroom to fund operations.

Viability testing is carried out against Informa's current debt facilities, with an assumption that the Group's present revolving credit facility is renewed in October 2020.

In all cases, including after modelling the largest three scenarios together, no mitigating actions are necessary in order for Informa to remain viable.

VIABILITY OF THE ENLARGED GROUP

The results of the viability modelling show that the company is viable over the three year period to December 2020. To reflect Informa's recommended offer for UBM, and the enlarged B2B information services group that would result from this combination, the Board has also considered a separate business planning model to support the statement by the Directors on the sufficiency of the enlarged Group's working capital.

This model uses a two-year horizon and also demonstrates that the enlarged Group, comprising Informa and UBM, is viable over this period using the committed facilities available in the enlarged Group.

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Principal risks	Risk assessed	Impact above 5% EBITDA	Impact on viability modelled	Multi-scenario test
Economic instability	✓	✓	✓	✓
Market risk	✓	✓	✓	✓
Acquisition and integration risk	✓	✓	✓	
Ineffective change management	✓			
Reliance on key counterparties	✓			
Technology failure	✓			
Data loss and cyber breach	✓			
Inability to attract and retain key talent	✓			
Health and safety incident	✓			
Major incident	✓	✓	✓	✓
Inadequate regulatory compliance	✓			
Privacy regulation risk	✓			

VIABILITY STATEMENT

Based on the results of this analysis, the Directors have a reasonable expectation that the Group, excluding UBM, will be able to continue to operate and meet its liabilities as they fall due over the three-year period to December 2020.

In making this assessment, the Directors have made the key assumption that the revolving credit facility is renewed in October 2020.

The Directors also have a reasonable expectation that the enlarged Group, including UBM, will be able to continue to operate and meet its liabilities as they fall due over the two-year period to December 2019.

In making this assessment, the Directors have made the key assumption that continued access to capital markets to refinance debt will be available to the enlarged Group.

On the assumption that the acquisition of UBM completes as expected during 2018, the Directors expect to follow the planning process outlined on page 33 and therefore the Directors expect to report a viability statement covering a period of three years in the Group's 2018 Annual Report.

GOING CONCERN

Each of Informa's Directors, as noted on pages 74 and 75, confirms that the Group's business activities, together with the principal risk factors likely to affect its future development, performance and position, are set out in the Chairman's Statement and Strategic Report on pages 1 to 71.

As described on pages 27 to 32, a number of principal risk factors could potentially affect the Group's results and financial position. The Group adopts extensive business planning and forecasting processes around trading results and cash flows, and regularly updates these forecasts to reflect current trading.

The Group's net debt and banking covenants are discussed in the Financial Review on pages 62 to 71 and the exposure to liquidity risk is discussed in Note 30 to the Consolidated Financial Statements.

The Directors' statement of working capital supports the reasonable expectation statement about the scenario where Informa's recommended offer for UBM is accepted and the acquisition completes.

Should the offer not take place, projections made as part of the viability assessment support the view that for the period up to 30 June 2019, Informa is expected to be able to operate within the level of its current financing and meet its covenant requirements, for a period of one year from the date of the signing of the Group's financial statements for the year ended 31 December 2017.

After making enquiries, the Directors have a reasonable expectation that there are no material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern. Accordingly, they continue to adopt the going concern basis in preparing this Annual Report and Financial Statements.

OUR TALENT AND PARTNERSHIPS

Working closely and successfully with our colleagues, customers and business partners is fundamental to Informa's long-term growth and success. They are relationships we are proud of, invest in and nurture.

Business Model page 20

Risk Management page 24

Relations with Shareholders page 114

2017 Sustainability Report at www.informa.com

circa 7,500
colleagues

56% : 44%
female : male colleagues

94% : 6%
full : part time colleagues

How we engage with colleagues, customers and business partners, understand their needs and address what matters to them and our business supports the Group's success and we focus on creating and maintaining positive, mutually beneficial and long-term relationships.

Engagement with the investors who provide capital for the Group's operations is discussed in the Relations with Shareholders section on page 114.

ATTRACTING, ENGAGING AND SUPPORTING COLLEAGUES

Informa colleagues are one of the Group's most important assets. We are a people business; the ideas, energy and contribution of colleagues create and deliver our products and services. Investing in and supporting a broad mix of talent is critical to our success and is, we believe, the right way to operate. Our talent programme has three major elements: attract, engage and support.

Attract: The Group sets out to attract and retain a diverse range of skilled colleagues through fair, inclusive and robust recruitment and promotion practices. Our recommended recruitment practices, which were promoted internally during 2017, standardise and enhance how candidates are selected, including using mixed-gender panel interviews where practical. The rollout of unconscious bias training to HR and recruitment teams started, to minimise the potential barriers to recruiting the best talent.

Since 2014, the Group has established formal schemes in the UK to attract, support and invest in younger colleagues: the **Informa Graduate Fellowship Scheme** and the **Informa Apprenticeship Scheme.** We are also trialling the use of diverse job boards in the UK to explore how alternative platforms can assist in capturing a balanced mix of candidates.

Rewards are one factor in attracting and retaining talent, and we invest in flexible benefit programmes tailored to each region, providing colleagues with choice to match their lifestyle. The Group aims to offer salaries that are competitive within each sector and region, and we are accredited by the Living Wage Foundation for ensuring UK colleagues are paid at least the independently calculated UK living wage.

In 2017, the Group further invested in ShareMatch, the equity/share incentive scheme launched at the start of *GAP* to enable colleagues to participate in the Group's financial performance in an efficient way. The matching offer was improved to provide one free share for every share purchased, and participation levels now stand at 18% of qualifying colleagues.

Annie Mickle

Informa's framework of codes and policies, plus the Speak Up whistleblowing service, were enhanced and relaunched to colleagues in 2017. Annie Mickle, Group Head of Compliance, explains why.

"Our Code of Conduct was updated to meet the latest regulation and fully articulate our views and commitments in areas like human rights, dignity and respect in the workplace, modern slavery, and safeguarding personal data and information assets.

"We also put a real focus on making sure our code, and 15 global policies that support it, give colleagues clear, accessible guidance on doing the right thing in an engaging and accessible way."

The code includes a foreword from the Chief Executive and is available in five languages to ensure accessibility. The whistleblowing service, Speak Up, allows colleagues and suppliers to report issues confidentially in multiple languages by phone or online, and there is a strict no-retaliation policy.

To implement the code, mandatory training was successfully rolled out to colleagues including contractors and the Board. Our target is to achieve a 100% completion rate while allowing new joiners a period of 30 days to finish their training. Non-compliance with the code can result in disciplinary action.

One of the 15 global policies is a new standalone Diversity & Inclusion policy, created during the year to provide greater detail on anti-discrimination practices and promote a culture of equality and opportunity.

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Engage: Informa's culture is based on providing personal and professional opportunity, enabling colleagues to contribute at various levels and maintaining a working environment of respect and openness.

Colleague engagement is a key performance indicator for the Group and is measured through the biennial **Inside Informa** conversation. This was last conducted in 2016, with the feedback leading to initiatives including new learning and development programmes.

A short topic-focused edition, Inside Informa Pulse, took place in late 2017 to enable colleagues to comment on the *GAP* programme and provide feedback to inform future strategy. Of those who expressed an opinion, 75% said their team or business was better placed to succeed as a result of *GAP*. Common benefits noted included upgraded technology and opportunities to progress and develop professionally. A desire for continued investment in equipment, tools and learning development will be addressed at a Divisional level in 2018.

Each Division conducts internal communications activities to enable an open and informed culture. Business updates, leadership messages and key information are delivered through monthly Stephen Calling blogs from the CEO, Divisional newsletters and campaign-based activity, with regular physical and online town halls at Group, Division and office levels plus online Yammer-based social forums enabling two-way engagement with senior management and the Board.

In February 2017, a new, common digital workplace, Portal, was introduced, enabling all colleagues to access and work from the same platform for the first time. Portal combines traditional and social intranet elements with easy access to apps and digital tools, helping colleagues work smarter through quick information retrieval and new discussion and collaboration forums. Most popular so far have been interviews with colleagues that showcase the work they do and share career development tips, and information supporting the 2017 **Informa Awards**, which attracted record submissions.

Support: Role-specific training takes place throughout the business, and learning and development was a key area of investment in 2017, giving colleagues new opportunities to grow and enhancing the Group's capabilities.

This included a leadership development programme, **Informa Inspire**, targeted at those reporting to Divisional senior management teams to increase professional leadership skills, provide networking and collaboration opportunities and support succession planning.

Training accredited by the Chartered Management Institute was trialled for UK line managers, and **Global Exhibitions** developed a common training framework that will roll out in 2018 to eight global hubs to support the Division's growth and business strategy. The framework mixes online and classroom learning with a focus on practical, applicable skills and knowledge, enabling colleagues in sales, marketing and operations to expand their capabilities and effectiveness.

After planning and consultation in 2017, 2018 will see the launch of the **AllInforma Balance** network, comprising new personal and professional development opportunities, mentoring programmes and forums to share stories and experience, providing additional support to colleagues of all genders with a specific focus on women.

Providing flexible working is another way colleagues are supported. In the 2016 Inside Informa, 79% agreed our working environment provides a good work–life balance. Flexible working is enacted by policies – including specific parental leave practices per region – and through investing in cloud-based technology and tools that allow colleagues to work from any location.

//The podcast is a real gem… a winning formula for the benefit of generations of researchers to come//

Dr Mark Proctor
Academic Development Officer, University of Sunderland

OUR CUSTOMERS AND THEIR VERTICAL COMMUNITIES

Customers engage with Informa brands to obtain knowledge, intelligence and connections that support their personal and professional progress. Where our academic research, business information and event-based products and services meet those needs, customers progress and our business benefits, generating returns that can be reinvested for future growth and product improvement.

Most areas of the Group are structured around vertical industries, with vertical-specific products and colleagues who are specialist and highly knowledgeable about those markets. This focus makes understanding and responding to customers and spotting trends easier, and enables resources like sales, product development and marketing to be directed and allocated effectively.

In Academic Publishing, we offer a suite of services dedicated to supporting authors at all stages of their research careers. One of the groups we give particular focus to is early-career researchers – those embarking on publication for the first time.

As Mark Robinson, Communications Manager for Authors & Researchers at Taylor & Francis, explains: "The publishing process can seem complex, especially to those just starting out. We aim to make it simple, helping researchers, extending the value we offer and building our brand to strengthen our position as a publisher of choice.

"We offer step by step guidance on how to get published, demystifying processes such as peer review, and give information on how researchers can promote their own work on social media, which is an increasingly important tool, to build their reputations and positions as experts, as well as creating forums where researchers can share career tips. All of this information is online, and we also deliver in-person workshops to groups of researchers throughout the world.

"In 2017, we launched a new podcast series with Vitae for researchers looking to develop their careers and the feedback has been great."

To deliver products that meet the needs of customers, you first have to understand those needs, and this has been a key focus for Knowledge & Networking.

As Director of Research & Insight for Knowledge & Networking Stuart Corke explained: "Over the last 18 months, we've scaled and industrialised an improved and standardised post-event feedback process amongst all customers – delegates, sponsors and speakers. This captures information on key performance indicators such as customer satisfaction, likelihood of return and advocacy through a net promoter measure, with data delivered in real time to over 200 Divisional users through dashboards and automated reports.

"This feedback has given us a much better idea of the areas in which our brands are strong, and the areas where, if we target investment and introduce new features, we'll deliver value for customers and returns for the business," he continued.

"We are now seeing year-on-year customer performance metrics, and in time aim to build trend data across multiple years. This has created benchmarks for our portfolios across several measures and we now better understand the key drivers on our performance versus the events market. The initial trend is positive and we now understand better the key drivers on satisfaction, retention and advocacy."

RESPONSIBILITIES AND RELATIONSHIPS WITH BUSINESS PARTNERS

We aim to develop sustainable and long-term relationships with our business partners, from commercial partners to suppliers, that have a positive impact on all parties and the wider supply chain, by acting in a transparent and equitable manner and expecting partners to share our standards.

Steps were taken in 2017 to strengthen our practices, including the creation and publication of an updated Business Partner Code of Conduct. This articulates our standards in important areas such as employment conditions, including child labour and modern slavery, the handling of information and data, and zero tolerance of bribery and corruption.

Training on this code was delivered to a number of exhibition partners in the Middle East in 2017, with further proactive engagement with partners planned for 2018. To support implementation, clauses are coming into effect in new contracts, requests for proposals and framework agreements to enable the Group to better act on any partner breaches. All third parties also have access to our whistleblowing line Speak Up and are encouraged to report any compliance-related concerns.

To help Informa colleagues understand their responsibilities within the broader business community, mandatory online anti-bribery and corruption refresher training based on our policy was introduced to the Group in October 2017. Completion rates are currently 89% and are on track to meet a target of 100% during the first quarter of 2018. New joiners are required to complete the training within 30 days.

In the specific area of modern slavery, and as part of our programme of activities to ensure the business and supply chain is operated free from modern slavery and human trafficking, training on how to spot and report these issues was delivered to around 900 colleagues, including senior management working in regions or functions deemed higher risk for encountering such issues. Our full approach can be found in our modern slavery statement on the Informa website. Information has also been provided to colleagues about the new offence of failing to prevent facilitation of tax evasion, with targeted training planned for 2018.

The Group engages suppliers on a range of different contract and payment terms depending on the product or service they are involved with and the region. Work is underway to prepare the first report on our payment practices and performance for UK-related contracts by July 2018, as required under new UK legislation.

When it comes to our direct consumption of natural resources, Informa has a relatively small direct impact on the environment, largely related to carbon emissions from buildings and generators at events, and our aim is to minimise these direct impacts. We are also working to consider environmental impact more fully throughout the supply chain, including the impact of flights and waste at events, and working with suppliers to reduce resource consumption.

In the case of paper and timber, the Group has a policy to ensure responsible sourcing from legally harvested and well-managed sources. In 2017, the print brands acquired as part of Penton increased our overall paper usage almost twofold.

Using the knowledge gained from **Academic Publishing**'s work with print supply chains, 100% of the paper consumed within those brands was transitioned to sustainably certified sources by November 2017, without additional business cost. This means around 98% of the Group's combined paper usage will come from responsibly managed forests from 2018.

Organising an exhibition involves working with many partners and areas of the supply chain beyond exhibiting companies and attendees, from venues and general contractors to hotels and local officials.

In March 2017, we acquired YPI, a portfolio of international yachting exhibitions that includes the Fort Lauderdale International Boat Show, FLIBS, the largest event of its kind attracting over 100,000 visitors to see more than 1,200 boats.

A first action was to start detailed engagement with the business partners fundamental to the successful operation of FLIBS, particularly the Marine Industries Association of South Florida, owners of the show, and the Bahia Mar Marina venue. The goal was to understand their objectives and present the value of Informa Exhibitions as a committed long-term partner and a professional organiser with specialist knowledge of international yachting through organising the Monaco Yacht Show.

Common areas of interest to all partners included attracting visitors and their spend to the local area through marketing and promotion, enhancing the onsite visitor experience, and health and safety at the exhibition.

These discussions fed into the planning process for FLIBS 2017, which included investments in new floating docks, tent floorage and electrical equipment, improved signage and additional focus on advertising and marketing. The success of the November 2017 edition has created a base for FLIBS' future growth and development in a way that brings value to the yachting community and exhibitors, economic development to the local area and trading performance for Informa.

LOCAL COMMUNITY SUPPORT

Our support for local communities is promoted across the Group and organised at an office level, with each office encouraged to form long-term charitable partnerships linked to their brands and vertical markets, and support them through a mix of donations, fundraising and volunteering.

Every Informa colleague can take up to two days each year to volunteer with a charitable organisation of their choice. Opportunities where colleagues contribute their professional skills are particularly encouraged, as a way of lending extra capabilities to the organisation while developing personally. Nearly twice as many colleagues spent time volunteering in 2017 than in 2016, with 9% participating.

Walk the World is Informa's key, annual global charity and engagement initiative, when colleagues come together to participate in a common goal – walking in their area – and raise money to support local communities. Fiona Gibson, Communities Senior Associate, said: "For our second year of Walk the World in 2017, we wanted to increase participation in key office hubs and amongst homeworkers.

"To expand the programme and get colleagues excited, we also introduced a new element – Connections – a video competition that awarded seven colleagues a trip to the London walk for explaining how their work makes a difference to colleagues or communities."

//Double the number of walks were organised in 2017 compared with 2016, with more participation, more donations – the London walk alone raised over £32,000 – and 28,700km walked, nearly three-quarters of the world's circumference. It also proved a great way for new colleagues, including those recently joined through acquisition, to network and better understand our culture//

ACADEMIC PUBLISHING

HIGH QUALITY SCHOLARLY RESEARCH AND REFERENCE-LED CONTENT

REVENUE (£m)

2014	408.9
2015	447.4
2016	490.4
2017	530.0

ADJUSTED OPERATING PROFIT (£m)

2014	150.0
2015	164.8
2016	187.2
2017	208.0

Our Academic Publishing Division curates and publishes high quality scholarly research and reference-led content in a range of specialist subjects for academic communities, typically individuals in the later years of undergraduate study, postgraduates, professional researchers, and research bodies and institutions. It operates as the Taylor & Francis Group and is recognised as one of the world's leading upper level academic publishers. Brands and imprints include Routledge, CRC Press, Cogent OA and Taylor & Francis.

2017 FINANCIAL AND OPERATING PERFORMANCE

The Academic Publishing Division delivered another robust and consistent financial performance in 2017, posting underlying revenue growth of 2.0%.

The Division comprises a Global Journals and a Global Books business, both predominantly serving the upper level academic community, but with differing growth drivers and characteristics.

Journals continued to perform strongly over the year, maintaining a high level of subscription renewals and consistent, modest growth. This was supported by the depth of specialist content in its portfolio and the benefits of *GAP* investments made in its online platform, T&F Online, which have made content more discoverable and flexible. All our journals are produced and delivered digitally and are typically purchased individually or in packages by university libraries or departments, research institutions and, occasionally, by individuals. They provide academics and researchers with the latest peer-reviewed developments and research findings in their particular field, providing knowledge on which to build further research and discoveries.

2.0%
underlying revenue growth (2016: 0.3%)

8.1%
reported revenue growth (2016: 9.6%)

30%
of Group revenue (2016: 36%)

7,100
new books published in 2017

The performance of the Books business improved in 2017, following a strong end to the year in specialist upper level books, which account for the vast majority of revenue. Textbooks that address lower level undergraduate study have continued to suffer from broader market headwinds, particularly in the US, where higher education enrolment is down and alternative, cheap, book rental models are becoming more popular. We have limited exposure to this market, which was further reduced at the end of 2017 through the sale of the Garland Science textbooks business.

A series of operational initiatives was launched in the Books business during the year, designed to improve publication efficiency and customer service. These benefited trading, as did the launch of a new single online platform for ebook content in September 2017. Our books are typically purchased as individual units or in bulk orders by distributors, and are produced in a format-agnostic way where customers decide whether to receive an ebook or a printed book. Demand for ebooks remained consistent in 2017 at 26% of Books revenue, compared with 25% in 2016.

We continued to look for opportunities to invest in new areas of growth in 2017. This saw us add Dove Medical Press to the Division, a publisher of high quality, open access medical and health sciences journals.

Open access journals provide an alternative publishing model for authors, allowing them, their funding body or institution to pay a fee for research to be published once it has passed through peer review. That content is made freely available for anyone to access. We have been steadily building our open access content and capabilities in recent years, providing authors with more options and greater flexibility, and ensuring we service this growing market. The addition of Dove adds further capacity and capability in open access, increasing the Division's portfolio of established open access journals to nearly 300.

In May, we invested in colwiz, a digital services business that applies big data analytics and machine learning to global research activities and trends, to create new insights on scientific developments for researchers and institutional funders.

A significant development for the Academic Publishing Division in 2017 was the appointment of Annie Callanan as Divisional Chief Executive Officer. Having most recently been CEO at information and software services group Quantros, Annie has brought a deep understanding of the application of technology to knowledge and information services, something that is increasing relevant in the academic market.

Annie's initial focus has been on engaging with customers, suppliers and distributors as widely as possible in the US, Europe, China, India and Australia, to gain a full understanding of market trends and customer requirements.

ACADEMIC PUBLISHING CONTINUED

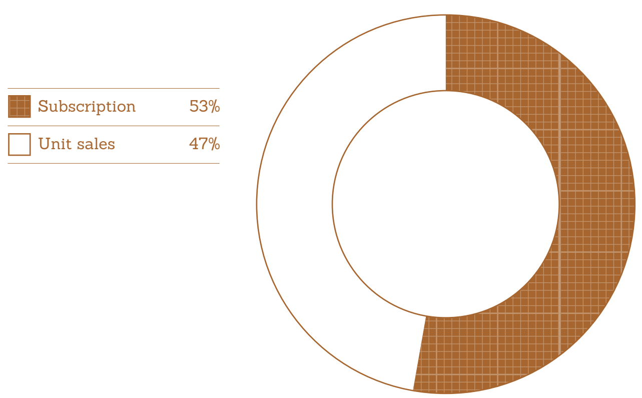
ACADEMIC PUBLISHING MARKET TRENDS

The market for scholarly research and reference-led academic content is global and predominantly based on the English language. Authors, funders, institutions and users are based all over the world, with research developments readily travelling across borders amongst specialist communities.

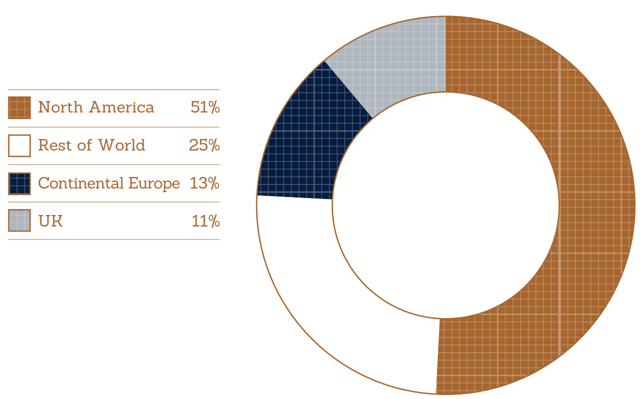
China is becoming an increasingly important hub for research in a number of key disciplines, and Taylor & Francis is commissioning and receiving more submissions from Chinese authors than ever as the country's academic output grows, supported by a team of around 30 colleagues based in Beijing and Shanghai.

In some countries, academic research funding is managed at a national level. For example, in 2017 Taylor & Francis launched an initiative to provide journal content to academics and the wider public in Egypt, as part of an agreement with the Egyptian Knowledge Bank, a government-backed national knowledge archive.

DIVISIONAL REVENUE BY TYPE (%)



DIVISIONAL REVENUE BY GEOGRAPHY (%)



Another key trend is the use of technology and digital platforms, whether for content delivery, customer tracking or search capability. The nature of peer-reviewed research, with its citations and cross references to other research, makes it well suited to a digital format, allowing readers to switch easily between articles and search for other relevant material on the same subject. This has been a driver of journal content usage in recent years.

Book content also has the potential to become more valuable through more granular digitisation, with the ability to identify individual chapters and sections relevant to a particular topic. In a world where electronic search is ubiquitous, the importance of making content discoverable in this way is likely to increase.

Digitisation also creates an opportunity for publishers to better understand customers and anticipate their needs by tracking and analysing usage and consumption. Such analytics can inform commissioning decisions, balancing typically supply-based editorial models with demand-based evidence. At a time when budgets at many institutions and libraries are relatively flat, analytics are also being used to assist customer purchasing decisions and demonstrate value, with annual and multi-year packages tailored to content usage.

2018 FOCUS AND POSSIBILITIES

The focus for the Academic Publishing Division in 2018, in its first full year under the leadership of Annie Callanan, is to maintain a consistent performance in the core Journals and Books businesses, while extending and capitalising on the digital publishing initiatives undertaken through *GAP*.

Investment will continue in end-to-end digital processes and capabilities that respond to the way knowledge is used and shared today, that support increased content use and discoverability, generate new analytics and insight, and allow the business to explore new areas of innovation and growth, such as digital research services.

We will continue to offer a range of flexible publishing models. This will include further expansion in open access, through new journal launches and potentially converting certain subscription journals to this model, leveraging the specialist production capabilities acquired with Dove Medical Press.

Operating an efficient and scalable business will also remain a focus, with further initiatives underway to capture efficiencies in common areas of operational and production processes.

Quality, depth and specialism of content are at the core of what the business provides to customers. Academics and institutions rely on the quality assurance that accompanies new research published in major journals to adopt new thinking and apply it to their own research. Equally, they expect rigorous analysis and challenge for their research output to be recognised, published and associated with our reputed brands or those of society partners such as the Mathematical Association of America, which we will launch a journal with in 2018.

Through curating, publishing and disseminating such knowledge professionally and effectively, we provide value to the academic community that can benefit the wider population.

CONNECTING BOOK CONTENT, CREATING NEW OPPORTUNITIES

In 2016, Taylor & Francis's Journals content moved onto a single online platform – T&F Online – a new, optimised and user-friendly repository for nearly 4m specialist academic articles.

In 2017, it was the turn of the Division's ebooks content – over 100,000 ebooks, 1.4m chapters, countless paragraphs and every subject area we publish on – to migrate to a single digital destination for the first time.

Mark Majurey, Commercial Director & Vice President, Digital, at Taylor & Francis explained: "The project to unify our books content, making the huge amount of knowledge housed in this format more discoverable and usable for customers and better showing the wealth T&F publishes, was the next part in a Division-wide *GAP* investment initiative.

"The challenge was huge – we have one of the largest collections of e-content in book form of any publisher. It took 11 months building and testing, during which we trialled the platform with six institutions from the US, UK and Hong Kong, to make sure it would address how individual researchers and institutions would actually use it and understand where the gaps were."

The Taylor & Francis ebooks platform at www.taylorfrancis.com went live to all customers over September and October. But as Mark explains, this is just the first step.

"The reception has been positive. The platform opens up more possibilities and value for customers now that they can more quickly and accurately find content on their specialist topic that might have been buried before, connect chapters in different books, gain new insights, and make and share new discoveries. With more use being made of the content, author satisfaction is also improved.

"Commercially, increasing usage means that over time, we can build on our current ebook revenue streams and explore new opportunities from additional digital services. We're excited about the possibility of adding extra features that make ebooks behave differently to print books – from animation to additional data sets.

"We can also see exactly what users are interested in and are consuming, target them with related content in a more personalised way, share analytics with institutions and work with them to tailor pricing to the value their users are getting. It also makes it easier to add new content on a continuous basis."

BUSINESS INTELLIGENCE

SPECIALIST INSIGHT AND INTELLIGENCE

REVENUE (£m)

2014	281.7
2015	276.8
2016	302.4
2017	384.2

ADJUSTED OPERATING PROFIT (£m)

2014	75.2
2015	63.2
2016	70.5
2017	92.2

The **Business Intelligence** Division provides specialist data, insight and intelligence for professionals and businesses operating within six international vertical markets: Agribusiness, Finance, Infrastructure, Pharmaceuticals, Transportation, and Technology, Media and Telecoms (TMT). It is a digital subscription business, with additional revenue coming from specialist marketing services and consulting services with these verticals. The Division's more than 200 product brands serve an international customer base, helping them make more informed business decisions and gain competitive advantage.

2017 FINANCIAL AND OPERATIONAL PERFORMANCE

One of the key objectives of the 2014-2017 *Growth Acceleration Plan* was to repair and return the **Business Intelligence** Division to growth.

In 2016, the Division reported positive underlying revenue growth for the first time in six years, and this positive momentum carried into 2017, leading to further steady improvement in underlying revenue growth to 2.2%. This growth was broad-based with all six verticals now in positive growth.

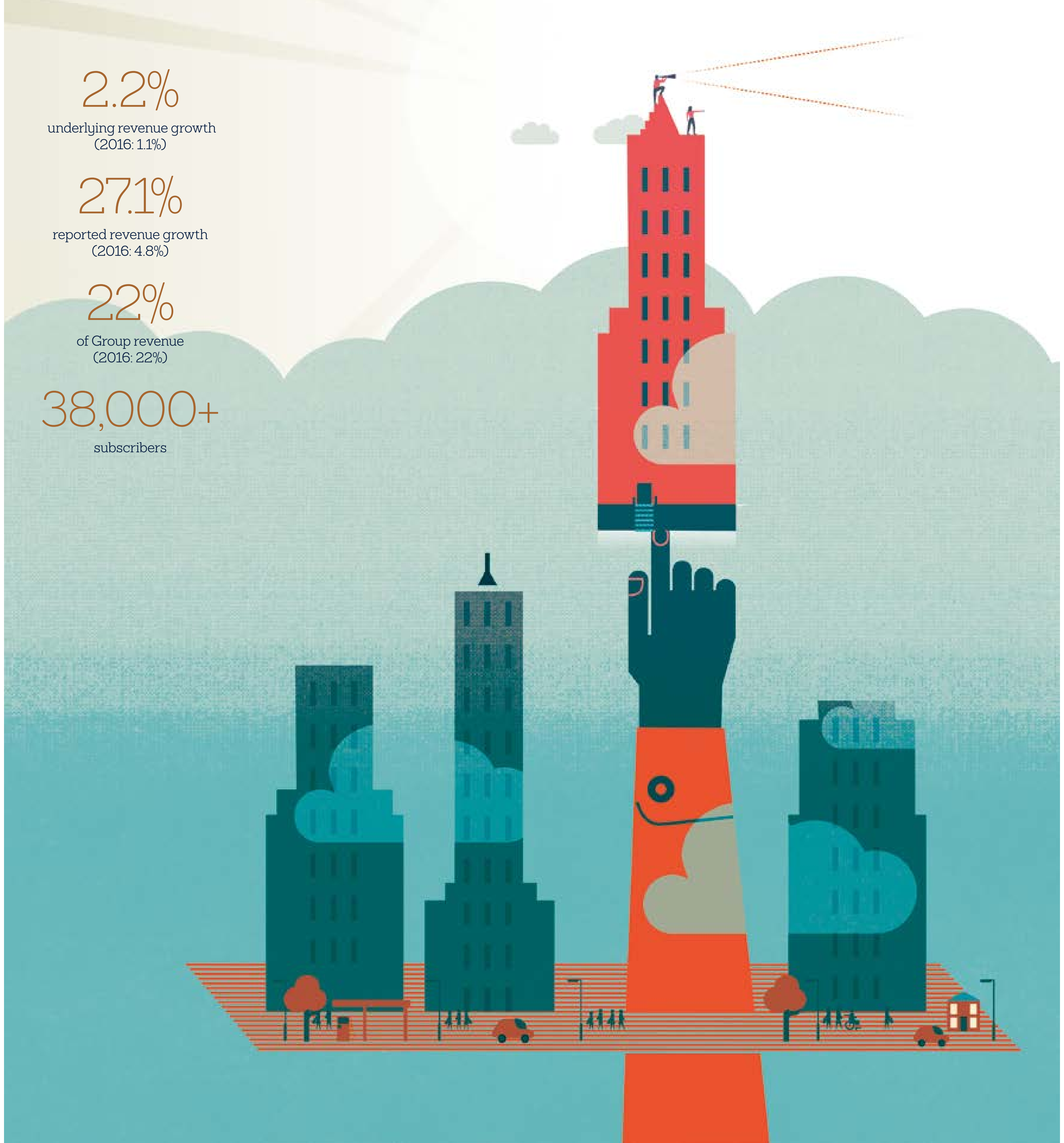
Business Intelligence received the largest portion of *GAP* funding to upgrade its content and platform functionality, develop new offerings and improve its sales and marketing. The continued improvement in its performance reflects the benefit of this investment, with a steady deployment of new product launches and platform enhancements through 2017, boosting subscription renewals, new business pipelines and annualised contract values, as well as helping to drive consulting and specialist marketing services revenue.

2.2%
underlying revenue growth
(2016: 1.1%)

27.1%
reported revenue growth
(2016: 4.8%)

22%
of Group revenue
(2016: 22%)

38,000+
subscribers



Examples of product launches include the new Ovum Forecaster product in the TMT vertical, which responds to greater convergence in the mobile, fixed line and TV services market by delivering integrated data and forecasts across more than 140 metrics. The Finance vertical introduced an upgraded fund flow research and analytics platform for the EPFR brand, and in Agribusiness the Fertecon platform was refreshed, allowing customers to better search, manipulate and export data on global fertiliser markets.

Following the addition of Penton Information Services brands to **Business Intelligence**, it became meaningfully bigger in 2017. Around 30% of the Penton business, including around 100 digital and print-based insight products and 400 colleagues, was combined with **Business Intelligence** in the first half of 2017. This has further expanded its presence in the US, led to the creation of a sixth vertical, Infrastructure, including specialist brands such as IndustryWeek and EquipmentWatch, and broadened the coverage of the Transportation vertical to include automotives and trucking alongside maritime.

Penton also brought new capabilities in specialist B2B marketing services, which provides customers with tools and specialist products to target new sales leads and promote new products. Customers can leverage our deep knowledge of vertical markets, database of segmented professional audiences and expertise in content-led marketing to reach those making purchasing decisions effectively. This business was relaunched as Informa Engage in September and will work more broadly across the Group in 2018.

Business Intelligence is a subscription-led Division, accounting for around 75% of its revenue. Penton has broadened the revenue mix to incorporate specialist marketing services, and the consulting business also continues to grow. Both are contingent on the subscriptions business, building from its customer relationships and specialist expertise.

The Division also has a collection of B2B media brands, many of which are print-based or generate revenue through print and digital advertising. There is a natural shift in spend between the two and this is being managed carefully. Print declines eased since the integration of the Penton businesses into the Division, a reflection of a more commercial approach to this revenue stream.

Another change as part of the Penton integration was to appoint two Divisional managing directors, each responsible for three vertical businesses. The six businesses also became more autonomous by moving previously shared functions such as sales and marketing into each business and streamlining Divisional central support.

This has brought greater market focus, with management teams more directly accountable for performance and able to allocate resources and manage cost accordingly.

BUSINESS INTELLIGENCE CONTINUED

INFORMATION SERVICES MARKET TRENDS

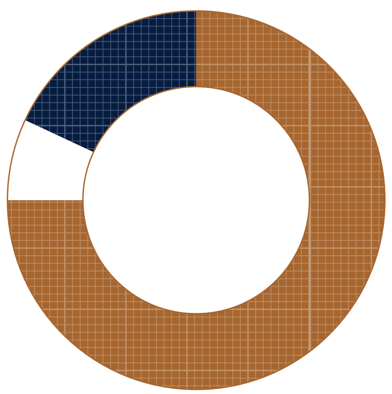
Business Intelligence operates in the growing and international market for B2B information services. Consultants Outsell estimate that the market for B2B media and business information was worth around $40bn in 2016 and grew at 3.1%, part of the wider $1.6tn global information industry, nearly 50% of which is based in the US.

Key trends across this market reflect the explosion of digital media, with a dramatic increase in the consumption of information and data digitally and the innovation and utility that this has brought. In the continuing shift from a push to a pull environment, customers increasingly want to select and combine different pieces of intelligence and data from different sources, integrating them into their own models and workflows for additional proprietary analysis and business application.

Responding to this trend, many product upgrades under *GAP* have focused on making the digital delivery of data more flexible and user-friendly, on our own platforms and through developing APIs that enable customers to take data feeds direct into their own systems.

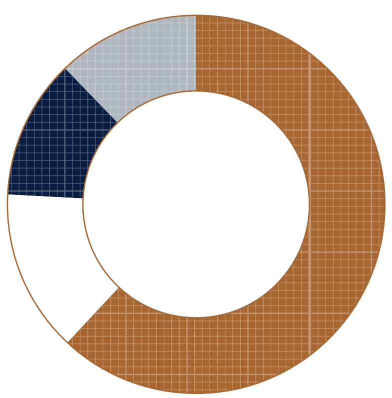
DIVISIONAL REVENUE BY TYPE (%)

Subscriptions	75%
Unit sales	7%
Advertising	18%



DIVISIONAL REVENUE BY GEOGRAPHY (%)

North America	62%
Rest of World	14%
Continental Europe	12%
UK	12%



Over the same period, intelligence – trusted, specialist, action-oriented insight that provides information on what businesses can and should do – has increased in value, as customers seek to gain competitive advantage in the information era, more so than general news reporting or simple industry analysis, which can increasingly be found for free.

The more specialist an information services product is, the more predictive and intelligence focused, and the closer its application is to critical business decisions and investment plans in a given market, the more value the product tends to have and, hence, the stickier it is and more defensible within customer budgets.

Each of our Business Intelligence brands operates in a specific vertical market, and the trends within each vertical influence the business's positioning and prospects. The Division tends to focus on verticals that are international, fast moving and in growth, and in niche markets, which typically mean there are fewer competitors for our brands. Several are showcased on pages 14 to 19, including the markets for Pharma and TMT.

2018 FOCUS AND POSSIBILITIES

In 2018, the focus for Business Intelligence will be to maintain its recent positive momentum, delivering further steady improvement in underlying revenue growth, with a target to at least match wider industry growth levels of around 3%.

To achieve this, we will continue to focus the business around verticals and customers, and invest in strengthening delivery platforms and developing new products. Customer retention will remain key, as will building and converting our new business pipeline to expand the customer base by category and geographically. This will include more focus on international growth, including in markets such as Asia.

We will also continue to build our contingent revenue base, building on the launch of Informa Engage and the relaunch of the consulting business. Informa Engage will seek to apply its specialist skills and marketing capabilities across a broader range of verticals and international customers, partnering not just with businesses in Business Intelligence but also in the other Operating Divisions.

Another constant in the Division will be the commitment to continuous reinvestment in platform innovation and new product development to maintain the quality, value and relevance of our brands. As new and refreshed products deliver a better experience and greater value, this should increase customer loyalty and support continued growth.

The attraction and retention of talent, and the addition of skills in key areas such as product development, data and analytics, also remain critical to the delivery of the Division's growth ambitions. We remain equally committed to investing in colleagues to develop the talent and expertise needed to lead and grow the business.

UPGRADING PRODUCTS FOR CUSTOMER SUCCESS AND VALUE

Fertecon, part of the Agribusiness vertical, provides over 1,500 customers with data and intelligence on the market for global fertilisers. But its historical format – PDF reports delivered by email, with limited online presence – was increasingly preventing the full use of content and data by customers, as well as limiting the ability of sales teams to attract new subscribers and product development teams to create additional services.

Through *GAP*'s investment programme, work started to upgrade Fertecon's entire digital interface and service in early 2017. Michael Dell, President and Managing Director for Agribusiness Intelligence, explained: "This was a wholesale redevelopment project, moving to interactive data delivery and re-engineering workflows and technology to deliver an improved experience and product performance overall. We took six months of product development time, beta testing with customers and incorporating their feedback to ensure the redevelopment would hit the mark.

"In terms of key features, at the heart was fast access to Fertecon's market data, and improved search. If you can't get search right – comprehensive, accurate, quick – customers won't know about, let alone be able to find and utilise, the wealth of insight and data Fertecon produces.

"Learning from other **Business Intelligence** *GAP* projects, improving data download and export features was also critical. Customers want to take data to use in their own market models, files and presentations, and facilitating that provides them with flexibility and better value from their subscriptions."

New elements introduced include interactive cost curves for Fertecon Outlook subscribers, plus Data Explorer, a set of tools that enable Fertecon's global fertiliser price, supply, demand, cost and trade data to be dynamically investigated, compared, charted and exported.

The new site launched in October 2017 with an immediate impact on usage including a 90% increase in unique monthly active users, 160% increase in monthly visits and a more than 200% increase in average page views per visit compared with the previous website.

Michael summarised: "This upgrade has delivered greater value for current customers and improved the ability of our sales teams to achieve renewals and seek new business. On top of this, it gives us a platform for exploring and introducing additional services and enhancements in the future, not just for Fertecon, but also through combining and building on our proprietary market intelligence across the full Agribusiness value chain."

GLOBAL EXHIBITIONS

PLATFORMS FOR INTERNATIONAL TRADE AND COMMERCE

REVENUE (£m)

2014	200.2
2015	262.5
2016	321.1
2017	560.4

ADJUSTED OPERATING PROFIT (£m)

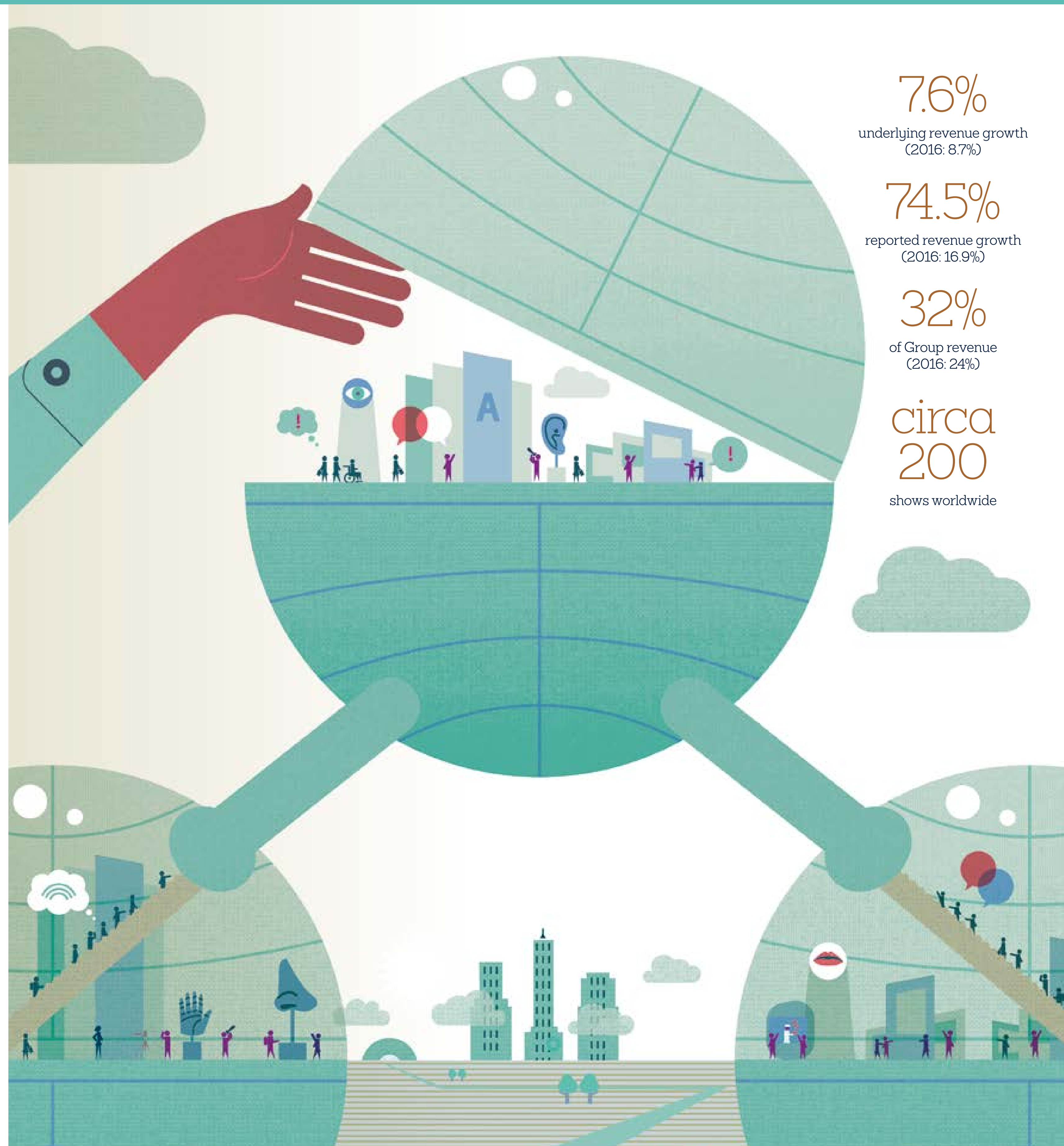
2014	67.4
2015	98.0
2016	119.5
2017	201.4

Global Exhibitions organises transaction-oriented events that allow international buyers and sellers to meet face to face, build relationships, trade and conduct business. The Division is among the top three commercial exhibition organisers in the world, and is focused on building must-attend, B2B exhibition brands in verticals including Agriculture, Beauty & Aesthetics, Construction & Real Estate, Health & Nutrition, International Yachting and Life.

2017 FINANCIAL AND OPERATING PERFORMANCE

A key element of the *Growth Acceleration Plan* has been to expand the Group's position in the growing B2B exhibitions industry, and particularly in its single largest market, the US, through underlying growth and the targeted addition of new businesses.

This focus continued in 2017, producing another year of strong above-market growth alongside continued investment and innovation. The Division delivered underlying revenue growth of 7.6%, and revenues of £560.4m, of which 57% was generated in North America, making Global Exhibitions Informa's single largest Division by revenue.



7.6%
underlying revenue growth (2016: 8.7%)

74.5%
reported revenue growth (2016: 16.9%)

32%
of Group revenue (2016: 24%)

circa 200
shows worldwide

Recent acquisitions have increased its weighting to the US and brought new and expanded positions in key industry verticals. In March, Global Exhibitions added YPI, a portfolio of US yachting shows which includes the Fort Lauderdale International Boat Show, the largest of its kind in the world. YPI's brands complement our existing position in International Yachting through the Monaco Yacht Show, adding further depth and international reach in this vertical.

The acquisition of Penton Information Services in late 2016 materially expanded our portfolio of exhibitions. Around 60% of Penton's businesses were combined with Global Exhibitions. a process completed in the first half of 2017, with each business operating and reporting as a single unit through the second half of the year.

The combination with Penton particularly strengthened our positions in Health & Nutrition, with the New Hope and Natural Products Expo brands joining our Vitafoods range; in Agriculture with the US Farm Progress show joining the Agrishow brand in Brazil; and in Sustainability & Waste with Waste Expo complementing the WWETT show. This has expanded customer relationships, increased our market knowledge and international connections and strengthened the role we play in supporting trade and commerce in these specialist industry sectors.

Our top 30 events were again a key driver of growth, with strong performance across major brands that account for over 60% of Divisional revenues, including Arab Health (Life Sciences), Natural Products Expo West (Health & Nutrition) and China Beauty (Beauty & Aesthetics).

A number of product initiatives also contributed to 2017 growth. In Dubai, we successfully separated MEDLAB from the venue-bound Arab Health – see overleaf for more detail.

The rollout of a customer value initiative to a number of exhibitions took place, after a successful trial of tiered, value-based pricing at The International Surfaces Event. This provides flexibility for exhibitors through a more customer service-oriented approach, with the potential to improve rebooking rates and generate incremental yields. This initiative is being extended to a number of other exhibitions in 2018.

Investment continued in developing our digital and data capabilities, both to strengthen marketing and sales effectiveness, and in relation to our Market Maker strategy. The Division is building a number of vertical-specific platforms under the MarkitMakr brand, to address revenue opportunities outside of exhibitions and leverage customer relationships and industry knowledge to connect buyers and sellers online. The first, Omnia, launched in Life Sciences, to provide customers with rich data on buyer behaviour and targeted, developed sales leads. MarkitMakr platforms in other verticals are in development and due to be rolled out progressively from 2018 onwards.

GLOBAL EXHIBITIONS CONTINUED

EXHIBITIONS TRENDS

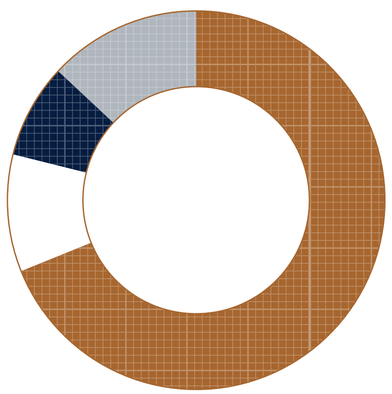
The global exhibitions industry continues to grow at above GDP levels. Consultants AMR International estimate it expanded by 4.3% in 2016 to $30bn, and forecast an annualised growth rate of 4.2% between 2016 and 2021.

The US is by far the largest market for exhibitions, with China second. Building & Construction is the single largest sector. It remains a highly fragmented market – the four largest commercial organisers account for just 9% of the US market – creating a backdrop for continued consolidation.

Industry growth is supported by the enduring value of face-to-face interaction between buyers and sellers, particularly in a world of increasing digital communication. A platform where buyers in an industry vertical can access multiple suppliers efficiently and effectively, learn about and source new products and services, and transact has become part of the annual buying cycle for many businesses. Similarly for sellers, the trade show has become an increasingly important part of the sales cycle as a tool for building customer pipeline for the year and for launching new products.

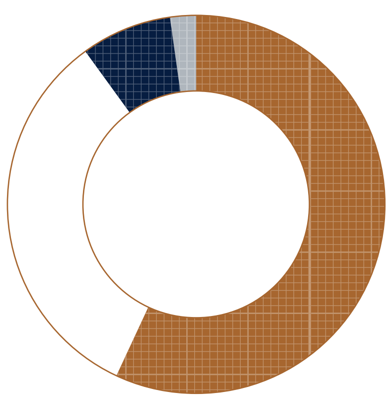
DIVISIONAL REVENUE BY TYPE (%)

Exhibitor	69%
Attendee	10%
Sponsorship	8%
Advertising	13%



DIVISIONAL REVENUE BY GEOGRAPHY (%)

North America	57%
Rest of World	33%
Continental Europe	8%
UK	2%



In this way, major exhibition brands can become fundamental to the commercial health and success of an industry sector, helping to drive investment and growth. As they become established, they become an annual convening place for an industry and many exhibitors will pre-book their space far in advance, providing organisers with high levels of visibility on their own revenue, as well as attractive cash dynamics.

Exhibition organisers rely on a range of resources and stakeholders to deliver events, from trade association partners to venue owners, suppliers of stand services and hotels. For an example of how we work with partners to deliver exhibitions, see page 41. For any individual exhibition, the biggest single risk is anything that disrupts travel to the local area or the venue, such as extreme weather conditions or security-related travel restrictions. The mitigations we put in place for such events are explained in the Risk Management section on page 24.

Each of our Global Exhibitions brands operates in a specific vertical industry sector, and the features and trends within these specialist markets have an influence on the performance of the show. We typically focus on verticals that are international, dynamic and in growth, with a fragmented supply chain where buyers and sellers value opportunities to meet. Several are showcased on pages 14 to 19, including Aviation and Health & Nutrition.

2018 FOCUS AND POSSIBILITIES

Global Exhibitions is targeting a further year of growth ahead of the market in 2018, supported by continued growth in the wider industry and our strong portfolio of major brands in growing, attractive industry verticals.

Following the successful integration of Penton, the Division has greater scale and increased balance and breadth internationally and by sector. This is delivering cost efficiencies in general contracting and marketing, as well as revenue benefits through cross-marketing, international sales and geo-cloning.

The investment in our digital and data capabilities made under *GAP* will continue, further strengthening customer relationships and presence in key verticals. Products like MarkitMakr provide new opportunities to connect with customers throughout the year, and an enriched quality and depth of data can be used to create new products and services. Reflecting this potential for growth, AMR has forecast annual digital revenue growth in the exhibition industry of 9% between 2016 and 2021.

Operationally, 2018 will see the phased introduction of a new, single sales platform across the Division to improve sales effectiveness and enable greater cross-selling, plus the completion of a marketing platform rollout that provides greater flexibility and efficiency in targeting new and existing customers.

There are additional growth possibilities from extending our brands into new geographic markets, notably in Asia. Global Exhibitions has a small but growing presence in China, where our approach has been to partner with local businesses that have connections and capabilities in our target verticals, to bring our brands to a new, largely national, audience.

As the Division grows in reach and scale, further opportunities arise to generate efficiencies in areas such as procurement, as well as incremental revenue opportunities such as sponsorship where we are able to monetise access to specialist audiences.

ADDRESSING EXHIBITION DEMAND, CREATING NEW MARKETS

Arab Health is the largest medical exhibition in the Middle East and the second largest in the world. For the last 43 years, it has been held at the Dubai International Convention and Exhibition Centre, the region's largest events venue.

"Healthcare is a booming industry in the Middle East and we are incredibly proud of our role in helping companies showcase their products and services, share medical innovation and do business in the region," said Arab Health show director Ross Williams.

"The show is a buzzing place – in 2016 there were over 4,100 exhibitors across more than 22 halls, plus many ancillary events and country pavilions. But when we looked at the market's development versus the space available at the event venue, we could see that our growth and ability to meet increasing exhibitor demands would start to be curtailed."

After exploring options for additional space nearby, and consulting with key customers and business partners, the team decided to separate one of the largest sub-areas at Arab Health – MEDLAB – into its own dedicated exhibition focusing on the medical laboratory sector of the healthcare industry.

This addressed market demand, freed up more exhibition floor space at Arab Health and expanded laboratory interest in the region, allowing for more exhibitors and educational tracks.

In 2017, MEDLAB was held immediately after Arab Health at the same venue, to minimise disruption to participants' calendars and to allow them to attend both events successively.

It was a customer and commercial success. "MEDLAB attracted more than 570 international exhibitors and 20,000 attendees, with positive feedback from customers," said Tom Coleman, MEDLAB, Group Exhibition Director.

MEDLAB also immediately ranked amongst the Division's top 30 events, and generated a new business opportunity for the Division. "Splitting out the events helped cement medical laboratory as its own sector and create a true community in this space.

"Thanks to the commercial success our customers had, and our own trading performance, we were able to bring an additional MEDLAB event to the European market in Barcelona in 2017, and are extending the brand into the US in 2018. It has been a successful enterprise in its own right and has created a new market for our exhibitions," Coleman concluded.

KNOWLEDGE & NETWORKING

ENGAGING COMMUNITIES, IN PERSON AND ONLINE

REVENUE (£m)

2014	246.2
2015	225.5
2016	230.9
2017	283.0

ADJUSTED OPERATING PROFIT (£m)

2014	41.5
2015	39.6
2016	38.4
2017	43.9

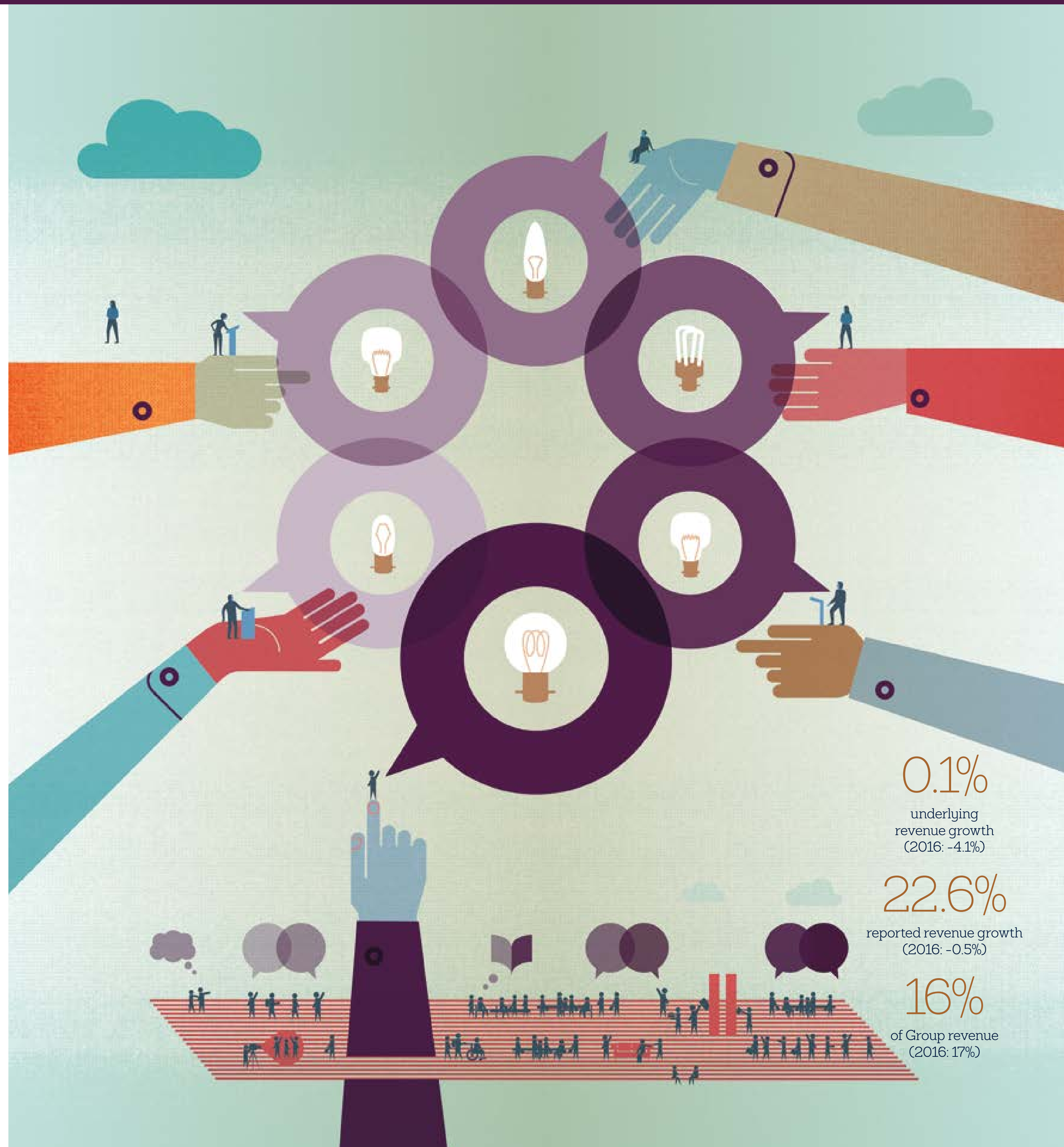
The Knowledge & Networking Division engages specialist vertical communities through content-driven events and increasingly through online platforms, enabling professionals to know more, do more and be more by providing opportunities to meet, network, learn and share knowledge. It operates as KNect365 and focuses on three key international Vertical communities – Life Sciences, TMT and Global Finance – with an additional specialist subject matter events business that works in niche areas of sectors, including Energy, Food and Maritime.

2017 FINANCIAL AND OPERATING PERFORMANCE

One of the key objectives of the *Growth Acceleration Plan* was to streamline and bring greater focus to Knowledge & Networking, shifting it away from smaller conferences and towards branded events and networks within targeted vertical communities.

Following a programme of investment and restructuring designed to stabilise, simplify and strengthen the Division, Knowledge & Networking returned to positive underlying growth in 2017 for the first time since the launch of *GAP*, moving from a revenue decline of -4.1% in 2016 to growth of 0.1%.

This reflected strong trading among the Division's largest 40 events and in all three major verticals, including Global Finance, which celebrated the 20th edition of SuperReturn, our leading private equity event. In Life Sciences, partnering events like Bio-Europe continued to perform well and in TMT, AfricaCom had another successful year, incorporating a dedicated



Technology Arena for the first time in 2017, which helped to boost attendance to a record of nearly 13,000.

While the Division has increased its focus on core verticals and larger, branded events, there have also been investments in strengthening digital capabilities to build and develop communities online as well as face to face. By creating websites for specialist communities that provide relevant content, webinars, videos and white papers, the Division's brands are becoming more deeply embedded in the verticals and communities. This enhances customer relationships, builds loyalty around core branded events and provides new revenue opportunities, particularly in specialist marketing services.

As part of the strategy to simplify the Division, in November we completed the sale of Euroforum, our German and Swiss conference business, to leading German media group Handelsblatt. This follows the prior sale of regional conference businesses in Scandinavia, the Netherlands and Russia amongst others, each of which largely focused on domestic language, one-off spot conferences.

Proactive portfolio management leaves the Division streamlined, with a core of internationally focused events in key verticals and geographic hubs. To support this structure and focus on end markets and customers, the operating model was updated during 2017 to give each vertical business greater autonomy, with dedicated commercial, operational and marketing teams and a more streamlined central Divisional support function.

Following the acquisition of Penton Information Services in late 2016, around 10% of the Penton business was integrated into Knowledge & Networking. This included complementary brands in TMT including TU Automotive and critical communications event IWCE, plus specialist content-focused platforms in the Food and Restaurant and Meetings areas. These businesses have helped increase the Division's presence in North America, which now accounts for 40% of revenue.

EVENTS TRENDS

The content-led confex, conference, community and event sector that Knowledge & Networking serves helps professionals stay up to date on trends and innovation in their specialist areas, gain insight and knowledge from experts and network with peers, supporting personal and business success.

Revenue is generated in a number of ways, including delegate fees from attendees at an event, which are typically paid for by employers with booking taking place up until the first day of the programme. Sponsorship is another major source of revenue, with corporates investing in promotional activities connected to the event, including presenter and demonstration slots. Amongst our confex brands, we also generate revenue through selling exhibition space, where suppliers promote and sell goods and services. This is typically smaller than sponsorship and delegate income but is increasingly significant, particularly at better established and branded events.

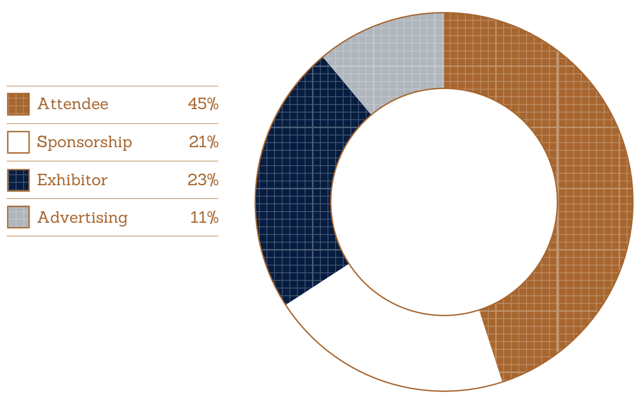
Corporate marketers' spend on events remains strong, with consultants Outsell estimating growth of nearly 3% in event budgets in 2017 as they seek to reach targeted and engaged audiences.

KNOWLEDGE & NETWORKING CONTINUED

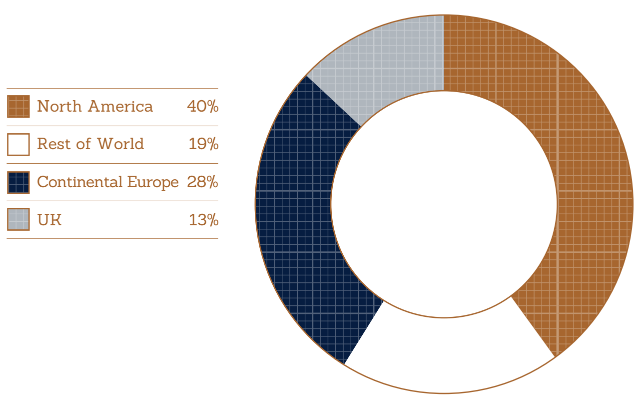
Across the market, the rise of digital connectivity has created opportunities and challenges. Increased digitisation has led to more business and customer interaction happening online, increasing the value of face-to-face platforms that provide access to customers, communities and networks at scale.

The Internet has also provided a powerful platform for free content and information, including video and instantaneous expert opinions and views. This has reduced the value and uniqueness of some conference content. At the same time however, specialist branded content, delivered online, can engage vertical communities year-round and create new revenue possibilities in areas such as specialist marketing services, and in which Knowledge & Networking is investing.

DIVISIONAL REVENUE BY TYPE (%)



DIVISIONAL REVENUE BY GEOGRAPHY (%)



To be successful, event organisers need to invest in their brands and the experiences they offer, demonstrating value and making them must-attend events in their community or sector. This is achieved by bringing together and engaging niche international communities, providing exclusive content and expert insights, as well as creating structured opportunities for networking and partnering, while promoting brands effectively both online and offline.

Knowledge & Networking is now focused on three key verticals, and the trends within each industry sector will ultimately influence its performance. The Division has deliberately focused on building larger-scale, branded positions in verticals that are international and in growth, and where high levels of change and innovation create an ongoing need to keep up to date with developments. Several of these verticals are showcased on pages 14 to 19, including TMT.

2018 FOCUS AND POSSIBILITIES

Following the *Growth Acceleration Plan*, Knowledge & Networking enters 2018 in positive growth, with greater focus around its customers and markets.

The sale of a majority stake in the German and Swiss conference business Euroforum leaves the Division more streamlined, focused on branded confexes and events within the three core verticals of Life Sciences, Finance and TMT.

Combined with our investment in digital capabilities to build audiences online and offline, and increasing traction in specialist marketing services, this leaves Knowledge & Networking well positioned to continue delivering a steady and improving performance. Improved marketing and e-commerce platforms have strengthened the visibility and presence of our brands online, leading to higher inbound enquiries and increased volume of natural search leads. At the same time, investment in the events experience and a more structured process for gathering and interpreting customer feedback is leading to increased levels of satisfaction and higher rebooking rates.

The next phase of investment will focus on strengthening our digital content publishing platform with enhanced social media capabilities. This will build further year-round customer engagement, delivering specialist content and tools to reach engaged online audiences.

The development of our sales processes and capabilities will continue in order to improve customer management and lead conversion rates, including the rollout of a new common sales platform to assist campaign planning and forecasting. This will also help the Division in its work to ensure readiness for new European data privacy regulations that come into effect in 2018 – see page 24 for activities already undertaken. The training available to colleagues in core functions like sales, event production and marketing will continue, ensuring the skills and talent needed for long-term performance and success.

BRINGING FESTIVALS TO PROFESSIONAL COMMUNITIES

2017 marked the first year of KNect365's partnership to deliver London Tech Week, a festival of technology innovation, inspiration, learning, networking and showcases across London.

"The festival concept is a new type of model for B2B events. For London Tech Week, we worked with different partners – most notably, the Mayor's Office through its agency London Partners – and a host of businesses, entrepreneurs and innovators to curate and deliver a multi-day, multi-venue, multi-format and topical experience in one city, all designed to connect and promote the success of the UK and international tech community," said Carolyn Dawson, Managing Director for the TMT vertical.

London Tech Week comprised more than 200 individual events, from seminars and talks to demonstrations, workshops, debates, meet-ups, parties and concerts. More than 55,000 people from over 90 countries attended, making it Europe's largest tech gathering in 2017.

"This festival is something KNect365 would have found much more challenging to deliver effectively before *GAP*," Carolyn continued. "Streamlining the Division helped us focus on building our tech brands, capabilities and relationships, and *GAP* investments brought improvements to our digital estate that allowed us to present and promote London Tech Week as a unified brand."

It also created new opportunities to showcase KNect365's wider Technology portfolio. "As part of the festival, we ran TechXLR8, a portfolio of eight KNect365 events covering augmented and virtual reality to connected cars and 5G broadband. Our LeadersIn Tech Summit was packed out thanks to the calibre of speakers. KNect365 Learning ran an Innovation Academy, which included a mini-MBA for developing tech leaders.

"And I'm particularly proud of the partnership we had with the youth charity The Prince's Trust. We committed that a legacy of the festival would be developing talent in the tech space, and we facilitated with The Prince's Trust a Get Started in Digital Media programme for a group of young people, to help them explore the field and build their skills, with a view to securing further training or employment," said Carolyn.

KNect365 is looking to apply this festival model to other verticals and cities. In September 2017, it launched Biotech Week Boston with a similar approach in the Life Sciences vertical.

GLOBAL SUPPORT

THE TEAM BEHIND THE TEAMS

Global Support provides common, efficient business services to the four Operating Divisions, and the leadership and governance that enables the Group to function effectively and fulfil its growth ambitions.

It has three major hubs – London and Colchester in the UK, Sarasota in the US and Singapore – with around 850 colleagues. The integration of Penton Information Services into the Group in 2017 added around 100 colleagues to Global Support, largely in the US and predominantly in legal, finance and technology.

Global Support is structured into two areas: Group, which comprises specialist functions such as legal, company secretary, brand, investor relations and corporate development, and Global Business Services, which delivers centralised and scalable technology, finance and HR support services that enable the Operating Divisions to focus on implementing their commercial plans.

Since the outset of the *Growth Acceleration Plan*, Global Support has focused on putting in place the infrastructure, the talent and expertise and the capabilities to support the Group's growth plans, particularly the ambition to expand in scale and international reach.

2017 saw a number of developments focused on supporting future growth, including the rollout of a common finance reporting and information platform, and the creation of a centralised health, safety and security function with new investments in security and travel-related support.

The ambition for 2018 is to maintain the responsiveness and effectiveness of our Global Business Services offering, continuously scanning for opportunities to leverage our increased scale to deliver efficiencies, and to strengthen our functional centres of excellence, in part by ensuring Global Support is a stimulating and rewarding place to work for current colleagues and future talent.

ROBUST AND SCALABLE GLOBAL BUSINESS SERVICES

In 2017, Global Business Services continued and extended several initiatives based on implementing robust, efficient and high quality systems and processes, with the long-term aim of leveraging benefits from common, scalable platforms.

In **HR**, Global Business Services led the design and implementation of a new, consistent approach to benefits and HR processes in the US. This included introducing a single payroll system and approach to timekeeping and salary payments, and a common yet flexible benefits offer in time for 2018.

These changes have simplified the HR organisation and brought consistency and equity to what the Group provides to US-based colleagues, incorporating both current Informa colleagues and new joiners from acquired businesses, including Penton and YPI.

In 2018, this standardisation of platforms and processes will be extended through the introduction of a single common applicant tracking system internationally, making it easier to analyse the mix of talent attracted to the Group and how consistently candidate applications are processed. The team is working on a common global online learning platform to make the delivery of compliance and career-development training more efficient.

In **Finance**, after preparatory work in 2016, Global Business Services launched a new Group-wide SAP enterprise resource platform, designed to consolidate, standardise and upgrade our financial operations globally and replace multiple out-of-date systems.

The platform was rolled-out in phases by Division and geography during the year, to allow findings and learnings to be applied iteratively to future releases, and the majority of the Group is now live.

Once the platform is fully in place, it will bring benefits from simplifying our financial processes and generating improved management information, as well as enabling increased volumes of transactions to be processed efficiently as the Group grows, and allowing acquired businesses to be incorporated into processes and reporting infrastructure more easily.

Global Business Services **Technology** also played an extensive part in the implementation of the new enterprise resource platform and retirement of legacy financial technology during 2017. The team also worked on the programme to onboard Penton Information Services into Informa's technology infrastructure and start decommissioning old platforms.

The resilience of our infrastructure remains a priority Group-wide matter, using cloud-based technology to maximise availability, and this is led by Global Support's technology teams in close collaboration with the technology leadership of each Division.

In 2017, we continued to invest in enhanced information security measures, from additional threat detection capabilities to enhanced authentication measures for colleagues.

Our awareness programmes to support colleagues and mitigate risk are being expanded for 2018, including new information security training based on our information security and acceptable use policies and new cyber security solutions designed to address emerging and real-world digital risk.

EXPERT DIRECTION AND SUPPORT FROM GROUP FUNCTIONS

Global Support's Group functions work closely and collaboratively with Divisional teams and senior management with a common purpose: to provide expert advice, direction and support that enables the Divisions and the Group to execute their strategies effectively.

During 2017, the integration of Penton Information Services involved many Group teams, with business planning and change management overseeing the progress and success

GLOBAL SUPPORT CONTINUED

//Particular investments were made in compliance and in health, safety and security over the year, to strengthen the Group's capabilities in significant areas//

of the overall integration programme, risk and compliance introducing new colleagues to our codes, policies and commitments and understanding any change in risk profile resulting from adding a new business, and the brand and communications team advising on retiring the Penton brand with minimal commercial impact.

Particular investments were made in compliance and in health, safety and security over the year, to strengthen the Group's capabilities in significant areas and ensure Informa meets upcoming new regulation.

PROVIDING LEADERSHIP ON DATA AND INFORMATION USE

Alongside the programme to enhance Informa's codes and policies described on page 37, in 2017 the Group compliance team was responsible for leading Informa's data privacy programme, including developments to prepare for new privacy regulations including the introduction of the European General Data Protection Regulation (GDPR) in 2018.

For Informa, a particular impact of GDPR is the way data and information is used in the marketing activities conducted by each Operating Division, and the risk of non-compliance with privacy regulation has now been recognised as a principal risk for the Group.

Over the year, the team conducted data mapping and readiness assessments per Division, revised and updated internal policies and processes around the way personal data is handled and established a data privacy management forum, bringing together stakeholders from across the Group to develop and implement our plans to achieve compliance. **Global Support** has also invested in the new role of Group data protection officer to better co-ordinate and enhance how data is used by the organisation.

STRENGTHENED APPROACH TO HEALTH, SAFETY AND SECURITY

A new Global Support team was created in late 2017 – Group health, safety and security – to centralise and strengthen our capabilities in managing health, safety and security risk, matters that had previously been managed within the Operating Divisions.

The team is divided into three areas: Informa's events, our offices, and colleagues when they travel for business. It is responsible for setting policies in each area, reviewing how each Division operates in each region and reporting to senior management, the Risk Committee and the Board.

It also provides expert guidance to Divisional teams on matters like venue assessment and approval, where local operations teams focus on implementation and working with venues and suppliers.

Security risk management was introduced during the year, in recognition of the growing global threat of terrorism. The team made new and experienced hires, designed security-specific training for event operations teams that will be rolled out globally and widened to include senior managers in 2018, and is introducing security risk assessments.

The team is working towards achieving certification in the new ISO 45001 occupational health and safety standard over an 18-month period.

Investments were also made to improve the infrastructure and support available to colleagues when travelling for work. This included the introduction of a global supplier for booking business travel that brings standardisation and scale benefits, as well reporting capabilities, to the Group.

An additional emergency assistance service came into effect in early 2018, providing real-time intelligence on travel risks and dedicated crisis assistance for colleagues in the event of an emergency.

A detail from our Anatomy of a Sustainable Exhibition

CONTRIBUTING TO COMMUNITIES AND TO COMMERCIAL SUCCESS

Global Support incorporates a dedicated sustainability function, providing leadership and subject matter expertise to all areas of the Group.

The goal is for each part of the Group to recognise and capitalise on the contribution sustainability makes to the communities Informa works with and in, as well as the business opportunity. We believe there are commercial opportunities and competitive advantage from delivering a positive impact through our activities and products.

The sustainability team reports to the Director of Investor Relations to ensure business alignment. The team's strategy has four pillars, with a primary focus on the content we produce and its role in disseminating knowledge to help customers solve challenges. The other three elements are how Informa works with specialist communities, the way colleagues are supported, and our impact on the environment.

Global Support's sustainability team co-ordinates global activities in these areas, and 2017 saw a number of highlights built on 2016's sustainable innovation programme. A greater number of event impact assessments were conducted, which analyse the value of major exhibitions and conferences to local areas and build our relationships with host cities.

In 2018, further work will be conducted to improve Informa's understanding of key stakeholders and the issues that matter to them.

Support will also be provided to vertical teams to identify the commercial opportunities arising from the UN's Sustainable Development Goals, a worldwide set of goals and targets that are directing government and corporate investment into particular areas of society and the economy, as well as to recognise how our products and services help customers and society progress towards those goals.

The team is also working on an internal campaign to showcase the many ways in which sustainability can be incorporated into events to enhance our contribution to customers and host cities.

This includes benchmarking criteria brought to life through a set of 40 ideas that can enhance an event's positive impact. For more information and stories, see the dedicated Sustainability Report.

ATTRACTIVE MARKETS AND SOUND FINANCIAL DISCIPLINE

Gareth Wright
Group Finance Director

In 2017, the final year of the *Growth Acceleration Plan*, Informa delivered further operational progress and an improving financial performance, producing a fourth consecutive year of growth in revenue, adjusted earnings per share, free cash flow and dividends.

This performance, and the Group's broader financial position, continue to be underpinned by our robust business model, the attractive markets in which we operate, sound financial discipline and improving operational momentum from the various *GAP* initiatives implemented over the last four years.

GROUP FINANCIAL CHARACTERISTICS

In 2017, almost two-thirds of Informa's revenue could be classed as recurring and forward booked in nature, being generated through the sale of subscriptions to data intelligence products and scholarly journals, the sale of stand space at exhibitions and through multi-year sponsorship deals at our major confexes. This creates a good level of visibility and predictability, and a balanced mix of products and geographies across the portfolio.

As an increasingly international Group, currency movements impact our reported revenues and profits. With the majority of our revenues and profits generated in US dollars or currencies pegged to the US dollar, there is particular sensitivity to fluctuations in the USD/GBP exchange rate.

Operating internationally also means we make tax contributions in several countries. We continue to recognise the value of taxes to society and our broader stakeholders, and for funding the infrastructure that companies rely on. As a result, we remain committed to paying our taxes in full and on time, in compliance with the laws of the countries in which we operate.

The level of Informa's financial obligations to its pension schemes remains limited and manageable relative to the size of the Group. We continue to meet our commitments to these schemes and their members, and our policy is to provide sufficient funding so that any deficits are addressed over a reasonable period and pension obligations to current and future pensioners are fulfilled.

We have two UK defined benefit pension schemes plus another two US defined benefit schemes that came with the Penton acquisition, all of which are closed to future accrual.

Outside of Informa, we view the market for knowledge, business-to-business events and information services as an attractive one. The Group's focus on specialist vertical markets that are dynamic and growing, such as those set out on pages 14 to 19, provide the potential for continued growth and expansion.

> //We have focused... on maximising the generation of cash while remaining disciplined in our approach to funding and leverage//

2017 HIGHLIGHTS

Throughout the last four years of *GAP*, we have focused our financial management and operations on maximising the generation of cash while remaining disciplined in our approach to funding and leverage.

This provides stability and the flexibility to reinvest for growth, pursue accretive acquisitions and pay a progressive dividend to Shareholders, while meeting the Group's financing commitments.

Our improving financial performance in 2017 reflects the operational progress achieved under *GAP* and described in the Divisional Review, combined with favourable currency movements and strong returns from acquisitions.

Over the year, these included the purchase of US-based international yachting exhibitions group YPI for net cash consideration of £111m, and the acquisition of specialist open access publisher Dove Medical Press for net cash consideration of £43m.

Financial highlights for the year include:

- Underlying revenue growth of +3.4% and reported revenue growth of +30.7%, reflecting the full year effect of the addition of Penton in November 2016.
- Underlying adjusted operating profit growth of +2.3% and reported growth in adjusted operating profit of +31.3%.
- Adjusted diluted EPS growth of +9.5% and reported EPS growth of +60.2%.
- Strong operating cash conversion of 91%, and +31% growth in free cash flow to £400.9m.

The combination of strong cash generation and our balanced approach to funding led to a robust balance sheet at year end, with net debt to EBITDA of 2.5 times, back within our target range of 2.0 to 2.5 times.

2018 FOCUS AND POSSIBILITIES

The operational and financial progress made through 2017 and throughout *GAP* has, we believe, laid the foundation for continued growth and scale in the future.

In January 2018, the Board of Informa announced a recommended offer for UBM plc, to create a leading B2B information services group.

As detailed in the announcement of the offer on 30 January, the enlarged Group will reap the immediate benefits of operating scale, with a target of at least £60m of annual recurring pre-tax cost synergies by the end of 2020.

This is expected to result in attractive earnings accretion and a post-tax return on invested capital in excess of Informa's cost of capital within three full financial years of ownership.

The enlarged Group is expected to generate annual free cash flow of approximately £600m based on pro-forma 2016 figures, with around two-thirds of its revenue forward booked and predictable in nature.

The offer for UBM will be funded through a mixture of cash and equity, with the cash element funded through a new acquisition facility. Leverage is expected to be around three times net debt to adjusted EBITDA on completion, returning below our target ceiling of 2.5 times net debt to EBITDA over time, a level the Board believes is broadly consistent with an investment grade profile.

INCOME STATEMENT

In the final year of the 2014-2017 *Growth Acceleration Plan*, we delivered a +30.7% increase in revenue to £1,758m and a +31.3% increase in adjusted operating profit to £546m.

	Adjusted results 2017 £m	Adjusting items 2017 £m	Statutory results 2017 £m	Adjusted results 2016[1] £m	Adjusting items 2016[1] £m	Statutory results 2016[1] £m
Revenue	1,757.6	–	1,757.6	1,344.8	–	1,344.8
Operating profit/(loss)	545.5	(200.2)	345.3	415.6	(217.0)	198.6
Loss on disposal	–	(17.4)	(17.4)	–	(39.8)	(39.8)
Net finance costs	(59.1)	–	(59.1)	(39.6)	58.9	19.3
Profit/(loss) before tax	486.4	(217.6)	268.8	376.0	(197.9)	178.1
Tax (charge)/credit	(103.1)	148.0	44.9	(67.8)	63.1	(4.7)
Profit/(loss) for the year	383.3	(69.6)	313.7	308.2	(134.8)	173.4
Adjusted operating margin	31.0%			30.9%		
Adjusted diluted EPS	46.1p			42.1p		

1. 2016 restated for finalisation of the fair value of assets acquired and liabilities assumed for the Penton acquisition completed in 2016

MEASUREMENT AND ADJUSTMENTS

In addition to the statutory results, adjusted results are prepared for the income statement, including adjusted operating profit and adjusted diluted earnings per share. The Board considers these non-GAAP measures as the most appropriate way to measure the Group's performance so it is comparable to the prior year. This is in line with similar adjusted measures used by our peers and facilitates comparisons. The adjusting items section provides a reconciliation between statutory operating profit and adjusted operating profit by Division. Adjusting items include recurring and non-recurring items.

Following the combination of Penton with Informa, we have adopted an approach where year-on-year growth from material acquisitions is included in the calculation of underlying growth from the first day of ownership, as if we had owned the business in the corresponding period in the previous year. This measure of underlying growth also strips out the impact of any events phasing during the relevant period, the impact of any disposals and the impact of foreign exchange movements.

Underlying growth in 2017 reconciled to reported growth is as follows:

	2017 Underlying growth	Phasing and other items	Acquisitions and disposals	Currency change	2017 Reported growth
Revenue	3.4%	0.2%	21.4%	5.7%	30.7%
Adjusted operating profit	2.3%	(0.2%)	20.8%	8.4%	31.3%

ADJUSTING ITEMS

The adjusting items below have been excluded from adjusted results. The total charge against operating profit for adjusting items was £200.2m in 2017 (2016: £217.0m) with amortisation of acquired intangible assets being the major element in both years.

	2017 £m	2016[2] £m
Intangible amortisation and impairment:		
Intangible asset amortisation[1]	157.8	116.4
Impairment of goodwill and intangibles	5.6	67.7
Acquisition and integration costs	24.0	33.1
Restructuring and reorganisation costs:		
Redundancy and reorganisation costs	6.7	5.6
Vacant property costs	6.2	1.6
Remeasurement of contingent consideration	(0.1)	(7.4)
Adjusting items in operating profit	200.2	217.0
Loss on disposal of subsidiaries and operations	17.4	39.8
Investment income	–	(58.9)
Adjusting items in profit before tax	217.6	197.9
Tax related to adjusting items	(62.6)	(63.1)
Tax adjusting item for US federal tax reform	(85.4)	–
Adjusting items in profit for the year	69.6	134.8

1. Intangible asset amortisation is in respect of acquired intangibles and excludes amortisation of software and product development
2. 2016 restated for finalisation of the fair value of assets acquired and liabilities assumed for the Penton acquisition completed in 2016

Our proactive and targeted acquisition programme led to an increase in intangible asset amortisation, reflecting a full year of amortisation of Penton acquired intangibles. Amortisation relates to book lists and journal titles, acquired databases and customer and attendee relationships related to exhibitions and conferences. Intangible asset amortisation arising from software assets and product development is not treated as an adjusting item and is included as an ordinary cost within the calculation of adjusted operating profit.

Acquisition and integration costs of £24.0m included costs relating to the integration of Penton Information Services totalling £17.9m.

In 2017, the £17.4m loss on disposal relates primarily to two Business Intelligence businesses: Biotechniques (acquired in 2001, a £19.2m loss) and Lloyd's List Australia (acquired in 1999, a £4.6m loss), as well as the Academic Publishing business, Garland Science US Book List (acquired 2004, a £7.5m loss). These losses were partly offset by the £15.5m profit on disposal of Euroforum, the German and Swiss conference business.

The following table provides a breakdown of revenue, operating profit, adjusting items and adjusted operating profit by Division:

	AP £m	BI £m	GE £m	K&N £m	Total £m
Revenue	530.0	384.2	560.4	283.0	1,757.6
Underlying revenue growth	2.0%	2.2%	7.6%	0.1%	3.4%
Reported revenue growth	8.1%	27.1%	74.5%	22.6%	30.7%
Statutory operating profit	154.1	47.8	126.2	17.2	345.3
Add back:					
Intangible asset amortisation[1]	50.1	24.0	66.7	17.0	157.8
Impairment of goodwill and intangibles	2.0	3.2	0.4	–	5.6
Acquisition and integration costs	1.5	10.2	6.7	5.6	24.0
Restructuring and reorganisation costs	0.3	7.0	1.2	4.4	12.9
Subsequent remeasurement of contingent consideration	–	–	0.2	(0.3)	(0.1)
Adjusted operating profit	208.0	92.2	201.4	43.9	545.5
Underlying adjusted operating profit growth	0.7%	6.2%	6.5%	(13.3%)	2.3%

1. Intangible asset amortisation is in respect of acquired intangibles, and excludes amortisation of software and product development

NET FINANCE COSTS

Adjusted finance costs, consisting principally of interest costs on US private placement loan notes and bank borrowings, increased by £19.5m to £59.1m. This reflects the full year effect of higher average debt levels following the acquisition of Penton in November 2016 and an increase in US LIBOR rates, plus a stronger average USD exchange rate in 2017 than in 2016.

TAXATION

Approach to tax

The taxes we pay are part of the economic benefit created for societies in which the business operates, and a fair and effective tax system is in the interests of taxpayers and society at large. The Group supports the adoption of international best practices and governance standards, and aims to comply with tax laws and regulations everywhere we do business. We have open and constructive working relationships with tax authorities worldwide and our approach balances the interests of stakeholders including Shareholders, governments, colleagues and the communities in which we operate.

Tax contribution

The Group's total tax contribution ("TTC"), which comprises all material taxes paid out of profits and other material taxes generated by our businesses, was £208.4m in 2017 (2016: £183.2m). The UK element of our TTC was £89.5m (2016: £77.2m). The increase in worldwide TTC was due to an increase in corporation tax payments, particularly in the UK, and higher employment taxes paid out of profits and by colleagues. The increase in UK TTC reflects higher UK Corporation Tax payments, including £11.8m of payments related to a gain on a derivative forward contract relating to the acquisition of Penton.

Tax expense

Our effective tax rate (ETR) reflects the blend of tax rates and profits in the Group's various jurisdictions, some with lower corporate tax rates than the UK. In 2017, the adjusted effective IR tax rate was 21.2% (2016: 18.0%).

The increase relates principally to changes to UK tax legislation, introduced from 1 January 2017, which reduced the tax benefit of certain internal financing structures. This new legislation led to approximately £8m of additional tax to pay for 2017. In addition, the mix effect of more profits being generated in the US following the addition of Penton Information Services and YPI, where the headline tax rate is higher, also pushed up the Group's overall ETR.

US tax reform
In December 2017, the Tax Cuts and Jobs Act (US federal tax reform) was enacted in the US. In the 2017 financial accounts, this led to an £85.4m tax credit within the adjusting items in the income statement, taking the Group tax credit on statutory profit before tax ("PBT") to 16.7% (2016: tax charge of 2.6%).

This credit reflects the revaluation of the Group's deferred tax assets (mainly relating to tax losses available in the US) and deferred tax liabilities (mainly relating to Informa's substantial intangible assets in the US) to reflect the future lower federal tax rate enacted by the new legislation. This led to a net deferred tax credit of £101.1m. The balancing item to the £85.4m tax credit within adjusting items is a £15.7m charge to current and deferred tax, representing tax to be paid in respect of undistributed profits of non-US subsidiaries of our US group (repatriation tax).

This tax credit has no impact on 2017 cash taxes. The current element of the repatriation tax, estimated at £9.2m, is expected to be paid in eight instalments commencing in 2018.

Tax payments
During 2017, the Group paid £45.3m (2016: £43.3m) of corporation and similar taxes on profits, including £39.0m (2016: £24.2m) of UK Corporation Tax, which includes £11.8m of tax paid on a gain on a forward contract used to hedge the Penton acquisition. US tax payments were significantly reduced in 2017 largely due to the use of losses acquired with Penton in 2016 and tax deductions available from the write off of loans in 2016. These deductions, as well as further benefits from acquired tax losses, will also reduce cash tax outflows in the US in 2018.

At the end of 2017, the deferred tax asset relating to US tax losses stood at £45.6m (2016: £90.6m), which is expected to be utilised within five years. The recognition of deferred tax assets relating to the acquisitions of Penton and YPI means that cash savings arising from US tax losses do not reduce the adjusted tax rate.

The reconciliation of the adjusted tax charge to cash taxes paid is as follows:

	2017 £m	2016 £m
Tax charge on adjusted PBT per Consolidated Income Statement	103.1	67.8
Deferred tax	(0.5)	(8.0)
Use of US tax losses	(21.6)	–
Current tax deductions in respect of adjusting items	(39.4)	(35.5)
Taxes paid in relation to earlier years less 2017 (2016) taxes payable in later periods	5.2	18.6
Withholding and other tax payments	(1.5)	0.4
Taxes paid per Consolidated Cash Flow Statement	45.3	43.3
Less: tax relating to Penton acquisition forward contract	(11.8)	–
Taxes paid per free cash flow	33.5	43.3

The tax charge on adjusted profits is stated after the benefit of goodwill amortisation for tax purposes in the US and similar amounts elsewhere. There are £27.3m (2016: £19.5m) of current tax deductions which are taken on the amortisation of intangible assets. These are treated as adjusting items and are included in the current tax deductions in respect of adjusting items noted above. The use of tax losses in 2016 was negligible and was included in deferred taxes.

RESTATEMENT OF 2016 RESULTS
Results for the year ended 31 December 2016 have been restated, after finalising the provisional amounts recognised in respect of two 2016 acquisitions and the fair value of the assets acquired and liabilities assumed: Penton Information Services, completed on 2 November 2016 and Light Reading LLC, completed on 13 July 2016. This has resulted in the following changes to the 2016 adjusted income statement:

2016 income statement	Before restatement adjusted results £m	Restatement £m	Restated adjusted results £m
Revenue	1,345.7	(0.9)	1,344.8
Adjusted operating profit	416.1	(0.5)	415.6
Net finance costs	(39.6)	–	(39.6)
Adjusted profit before tax	376.5	(0.5)	376.0
Tax (charge)/credit	(68.0)	0.2	(67.8)
Profit/(loss) for the year	308.5	(0.3)	308.2
Adjusted diluted EPS	42.1p		42.1p

Business segment results for the year ended 31 December 2016 have been restated to reflect the integration and allocation of Penton business units into the business segments of Business Intelligence, Global Exhibitions and Knowledge & Networking in 2017.

EARNINGS PER SHARE
Basic and diluted adjusted earnings per share (EPS) calculated on the adjusted statutory profit for the year for equity Shareholders of £380.9m (2016: £306.3m), resulted in adjusted basic EPS of 46.3p (2016: 42.2p restated).

Adjusted diluted EPS of 46.1p was 9.5% ahead of 2016 (2016: 42.1p restated), principally reflecting the increase in adjusted profit before tax, partly offset by the full year effect of the increased average number of shares. This 13.5% increase reflects the full year effect of the rights issue in November 2016, which partly funded the acquisition of Penton Information Services, with 162.2m of new shares placed with institutional investors and 12.8m of shares issued to the vendors of Penton.

	2017 £m	2016 £m
Adjusted profit for the year	383.3	308.2
Non-controlling interests	(2.4)	(1.9)
Adjusted earnings	380.9	306.3
Weighted average number of shares used in diluted EPS (m)	826.1	727.8
Adjusted diluted EPS	46.1p	42.1p

DIVIDENDS
£164.0m (2016: £134.5m) dividends were paid in 2017, comprising £162.0m of dividends to external Shareholders and £2.0m dividends paid to non-controlling interests.

In its dividend policy the Group aims to achieve a balance between sufficiently rewarding Shareholders and retaining the financial strength and flexibility to allow the Group to consistently invest and pursue growth. The Group made a specific commitment through the period of *GAP* to increase the dividend consistently each year, initially at a minimum of 2% per annum, increasing to a minimum of 4% per annum in February 2016, and to at least 6% for 2017 in July 2017.

As outlined in the Chairman's Introduction, the Board has proposed a final dividend of 13.80p per share (2016: 13.04p per share). Subject to Shareholder approval at the AGM, the final dividend will be paid on 1 June 2018 to ordinary Shareholders registered as at the close of business on 20 April 2018. This will result in total dividends for the year of 20.45p per share (2016: 19.30p) representing a 6.0% year-on-year increase. The growth in earnings in 2017 means dividend cover against adjusted earnings was 2.3 times (2016: 2.2 times).

TRANSLATION IMPACT
The Group's strategy to build its presence in North America has increased its exposure to USD revenues and costs. In 2017, the Group received approximately 65% (2016: 59%) of its revenues and incurred approximately 55% (2016: 48%) of its costs in USD or currencies pegged to USD. Each one cent ($0.01) movement in the USD to GBP exchange rate, based on the 31 December 2017 closing rate, has a circa £8.5m (2016: £6.5m) impact on annual revenue and a circa £3.5m (2016: £2.9m) impact on annual adjusted operating profit and a circa 0.3p (2016: 0.3p) impact on full year adjusted diluted EPS.

The following US dollar rates versus GBP were applied during the year:

	2017		2016	
	Closing rate	Average rate	Closing rate	Average rate
USD	1.35	1.29	1.23	1.36

For debt covenant testing purposes and for calculating Informa's leverage, both profit and net debt are translated using the average rate of exchange throughout the relevant year.

FREE CASH FLOW

Cash flow generation remains one of the Group's priorities, providing the funds and flexibility for future investment. The following table shows the adjusted operating profit and free cash flow reconciled to movements in net debt. Free cash flow is our key financial measure of cash generation and represents the cash flow generated by the business before cash flows relating to acquisitions and disposals and their related costs, dividends and any new equity issuance or purchases.

	2017 £m	2016 £m
Adjusted operating profit	**545.5**	415.6
Depreciation of property and equipment	**9.2**	6.5
Software and product development amortisation	**24.8**	14.2
Share-based payments	**5.4**	3.9
Loss on disposal of other assets	**–**	0.1
Adjusted share of joint venture and associate results	**–**	(0.8)
Adjusted EBITDA	**584.9**	439.5
Net capital expenditure	**(79.0)**	(52.0)
Working capital movement[1]	**(11.1)**	6.3
Operating cash flow	**494.8**	393.8
Restructuring and reorganisation	**(8.6)**	(9.8)
Net interest	**(51.8)**	(35.0)
Taxation[2]	**(33.5)**	(43.3)
Free cash flow	**400.9**	305.7

1. Working capital movement excludes movement on restructuring, reorganisation, acquisition and integration accruals
2. Tax payment for 2017 excludes £11.8m of tax relating to adjusting item for Penton derivative forward contract gain of £58.9m

Our focus on cash generation led to another year of strong cash conversion in 2017, with operating cash flow of £494.8m equating to 91% of adjusted operating profit (2016: 95%). This is calculated by dividing the operating cash flow (£494.8m) by the adjusted operating profit (£545.5m).

In the final year of *GAP*, net capital expenditure was £79.0m (2016: £52.0m) which is equivalent to 4.5% of 2017 revenue. In 2018, net capital expenditure is expected to be in the range of 3% to 5% of revenue.

The working capital outflow of £11.1m in 2017 largely relates to timing differences, partly relating to billings for certain events in the Middle East in **Global Exhibitions** and partly to subscription journal receipts in **Academic Publishing**.

Net interest paid increased by £16.8m principally due to the full year effect of increased borrowings arising from the addition of Penton.

In 2017, the Group paid £33.5m (2016: £43.3m) of corporation and similar taxes on profits, together with £11.8m of tax related to the gain on the derivative forward contract associated with the Penton acquisition.

The following table reconciles net cash inflow from operating activities, as shown in the Consolidated Cash Flow Statement, to free cash flow:

	2017 £m	2016 £m
Net cash inflow from operating activities	**433.9**	336.3
Interest received	**0.2**	0.6
Purchase of property and equipment	**(14.7)**	(4.6)
Proceeds on disposal of property and equipment	**1.0**	0.6
Purchase of intangible software assets	**(52.2)**	(36.5)
Product development cost additions	**(13.1)**	(11.5)
Add back: acquisition and integration costs paid	**34.0**	20.8
Add back: tax paid on Penton acquisition-related derivative forward contract	**11.8**	–
Free cash flow	**400.9**	305.7

The following table reconciles net cash inflow from operating activities, as shown in the Consolidated Cash Flow Statement, to operating cash flow shown in the free cash flow table above:

	2017 £m	2016 £m
Net cash inflow from operating activities	**433.9**	336.3
Add back:		
– Income tax paid before item below	**33.5**	43.3
– Income tax paid related to Penton acquisition-related gain on derivative forward contract	**11.8**	–
– Interest paid	**52.0**	35.6
Cash generated by operations	**531.2**	415.2
Add back:		
– Acquisition and integration costs paid	**34.0**	20.8
– Restructuring and reorganisation costs paid	**8.6**	9.8
– Capex paid	**(79.0)**	(52.0)
Operating cash flow	**494.8**	393.8
Adjusted operating profit	**545.5**	415.6
Operating cash conversion	**90.7%**	94.8%

NET DEBT

We continue to target a ratio of net debt to EBITDA in the range of 2.0 to 2.5 times, with the potential to go up to around 3.0 times in the short term for an acquisition. As at 31 December 2017, net debt had decreased year-on-year by £112.3m to £1,373.1m. This included a foreign exchange benefit of £129.1m, primarily associated with USD weakening by 9.7% against GBP, with a closing rate at 31 December 2017 of 1.35 compared with 1.23 at 31 December 2016.

	2017 £m	2016 £m
Free cash flow	**400.9**	305.7
Acquisitions and disposals	**(250.6)**	(1,313.1)
Equity rights issue net proceeds	**–**	701.5
Dividends paid	**(164.0)**	(134.5)
Shares acquired	**(0.9)**	(1.0)
Net funds flow	**(14.6)**	(441.4)
Non-cash movements	**(2.2)**	(2.7)
Foreign exchange	**129.1**	(146.0)
Net debt at 1 January	**(1,485.4)**	(895.3)
Closing net debt	**(1,373.1)**	(1,485.4)

The *GAP* focus on retaining a robust and flexible financing framework led to a number of developments in our funding structure during 2017. On 25 January 2017, the Group issued USD 500m of private placement loan notes, with a maturity of 6 years (USD 55m), 8 years (USD 80m) and 10 years (USD 365m), at an average interest rate of 3.6%. In March 2017, the Group arranged a new USD 400m term loan facility, with a maturity of up to 12 months, refinancing the acquisition facility that was used to fund the Penton acquisition on more favourable terms. The Group also repaid private placement loan notes of USD 102m, EUR 50m and GBP 40m that matured in December 2017. Finally, in November 2017, the Group agreed to issue USD 400m of new private placement loan notes which were issued on 4 January 2018 with maturities of 7 years (USD 200m) and 10 years (USD 200m) at an average interest rate of 4.0%.

These actions have increased the Group's overall debt capacity and extended the average maturity, providing long-term visibility and flexibility on financing. At 31 December 2017, the Group had £1.9bn of committed facilities (£2.2bn at 31 December 2016), of which £0.6bn was undrawn (2016: £0.7bn).

	31 December 2017 £m	31 December 2016 £m
Cash at bank and in hand	(54.9)	(49.6)
Bank overdraft	6.7	9.4
Loans receivable	–	(0.2)
Private placement loan notes	841.0	682.2
Private placement fees	(1.6)	(1.5)
Bank borrowings – revolving credit facility	287.6	300.2
Bank borrowings – term loan facility	296.3	–
Bank borrowings – acquisition facility	–	548.6
Bank loan fees	(2.0)	(3.7)
Net debt	**1,373.1**	1,485.4
Undrawn portion of revolving credit facility	567.4	599.8
Undrawn term facilities agreement	–	150.0
Unutilised committed facilities	**567.4**	749.8
Total committed facilities	**1,940.5**	2,235.2

The principal financial covenant ratios under the private placement loan notes and revolving credit facility are maximum net debt to EBITDA of 3.5 times and a minimum EBITDA to interest cover of 4.0 times, tested semi-annually. At 31 December 2017, the ratio of net debt to EBITDA was 2.5 times (31 December 2016: 2.6 times), calculated according to our facility agreements (using average exchange rates and including a full year's trading for acquisitions). The ratio of EBITDA to net interest payable was 9.8 times (at 31 December 2016: 11.0 times).

PENSIONS

The Group continues to meet all commitments to its pension schemes, which consist of four defined benefit schemes that are closed to future accrual.

At 31 December 2017, the Group had a net pension liability of £17.8m (2016: £27.6m), net of £5.8m of deferred tax. This remains manageable and relatively immaterial compared with the size of our balance sheet. The reduction in the net deficit during 2017 principally reflects the gain on pension assets through the period more than offsetting an increase in pension labilities relating to the reduction in discount rate, with the rate reducing by 20bps year-on-year to 2.4% for UK schemes and by 40bps to 3.3% for US schemes. There were no employer cash contributions paid in 2017 and, in 2018, we estimate total payments will be approximately £3.3m.

CORPORATE DEVELOPMENT

The Group continued to pursue a disciplined and targeted acquisition strategy during 2017, adding several businesses to the portfolio. Total net expenditure on acquisitions and disposals was £250.6m (2016: £1,313.1m).

As part of our disciplined approach, potential acquisition opportunities are assessed on a case-by-case basis against a broad set of financial and strategic criteria. For bolt-on additions, we target a post-tax return on invested capital in excess of the Group's weighted average cost of capital in the first full year of ownership, as well as immediate earnings accretion. For certain strategic acquisitions, the Group will take a longer-term view on these metrics, to allow time for full integration of the acquired business, coupled with additional investment to maximise long-term returns.

The Group also continually reassesses the mix and focus of the Group, scrutinising if it remains the best owner of businesses or whether better returns could be achieved through a sale. In 2017, this led to the sale of the Euroforum conference businesses in Germany and Switzerland, as well as the sale of lower level textbook publisher, Garland.

The largest acquisition during the year was Yachting Promotions, Inc. (YPI) which was purchased for £111.1m, net of cash acquired of £0.6m. YPI is the operator of some of the largest international yachting and boat events in the US. We acquired 100% of the issued share capital of YPI on 14 March 2017, and the business has been integrated into the Global Exhibitions segment. On 29 December 2017, the Group sold a stake in YPI to the Principality of Monaco, expanding and strengthening its existing partnership on the Monaco Yacht Show.

The other main addition through 2017 was the purchase of 100% of the issued share capital of Dove Medical Press Limited, an open access journals business, on 26 September 2017 for net cash consideration of £43.0m. This business forms part of the Academic Publishing Division.

NEW ACCOUNTING STANDARDS

For a description of the expected impact from adopting new accounting standards which have been issued but are not yet effective, see Note 2 to the financial statements. To briefly review three of these standards:

For IFRS 9 *Financial Instruments*, which is effective for the 2018 financial year, the Group does not expect any material change to the income statement or balance sheet of the Group.

For IFRS 15 *Revenue from Contracts with Customers*, which is effective for the 2018 financial year, the Group does not expect there to be any material change to the income statement or balance sheet of the Group, except for a reclassification in the balance sheet of approximately £70m of deferred income against trade receivables, for amounts that have been invoiced and where services have not yet been provided and amounts are not yet due.

For IFRS 16 *Leases*, effective for the 2019 financial year, the Group is in the process of assessing the full impact of this new standard.

Gareth Wright
Group Finance Director

According to the requirements of the Companies Act 2006, I can confirm that the Strategic Report, which makes up pages 1 to 71 of the Group's Annual Report, has been reviewed and approved by the Board of Directors.

Derek Mapp
Chairman
27 February 2018

Derek Mapp
Chairman

DEAR SHAREHOLDER

Your Board has a clear and simple overarching aim: to encourage and promote Informa's long-term success and the creation of value. Over the last four years, this has been focused on the *Growth Acceleration Plan*, a programme of change and investment to improve growth and build capability, which the Directors have closely overseen and supported.

We believe *GAP* has strengthened Informa's operational capabilities and helped to deliver improving financial results. Furthermore, it has laid the foundations for continued growth and future scale, offering the potential to create long-term value for Shareholders.

In this context, the Board and Executive Management Team have developed proposals focused on the next stage of the Group's development, which includes the recommended offer made for UBM in January 2018 that is, at the time of writing, progressing through the full approval process.

STABLE BOARD COMPOSITION

The Board of Informa is largely unchanged from 2016, with the planned retirement of Brendan O'Neill taking effect at the 2017 Annual General Meeting (AGM), and John Rishton becoming Chairman of the Audit Committee at that time.

The Board currently comprises nine Directors, with seven independent members selected for the relevance and value of their knowledge, experience and skills, and two executive members – the Group Chief Executive and Group Finance Director – contributing operational insight. There are three Committees established to oversee specific remits – Audit, Nomination and Remuneration – plus an additional Risk Committee that reports to the Audit Committee.

The Board and Directors have a set of distinct responsibilities under the 2016 UK Corporate Governance Code (the Code). Shareholders will see that this year, the Governance Report has been structured according to the Code's five principal areas, to provide a clear link between activities and these responsibilities.

As Chairman, I can confirm that Informa complies with the principles of the Code, and that each Director is aware of their duties and discharges them with care and attention. More information on compliance with the Code and the Listing Rules of the Financial Conduct Authority can be found on page 73.

DELIVERING FOR SHAREHOLDERS

The primary consideration for Boards is to create value for Shareholders, and I would like to thank Informa's Shareholders for their continued support in 2017 and over the four-year *GAP* programme.

We appreciate the discussions and the feedback from investors during 2017, both as part of the independent investor perceptions study commissioned in October 2017, and the engagement on financial targets and incentive structures at the time of the 2017 AGM, views that have been reflected in the remuneration proposals due for approval in 2018. There is more on how the Group engages with Shareholders on page 114.

CONTRIBUTING TO COLLEAGUE, CUSTOMER AND BUSINESS PARTNER SUCCESS

As part of section 172 of the Companies Act 2006, your Directors are equally aware and committed to acting in ways that are most likely to promote the success of the Company for the benefit of its members as a whole. These responsibilities include considering the interests of colleagues, the need to foster relationships with suppliers and customers, and the impact of operations on the community and environment.

The interests of the Group's colleagues, and the importance of engagement and a positive culture, are a regular topic of discussion at the Board. In the ordinary course of business, the Directors meet a wide range of colleagues each year, from executive management who attend Board meetings, Divisional leadership teams who provide presentations on specific business matters at Board, to Committee and Strategy meetings, as well as colleagues from many different functions and geographies.

In 2017, the Board held a colleague town hall in Boulder, Colorado, a key US hub for **Global Exhibitions**, an informal lunch discussion with London **Business Intelligence** colleagues, and our Senior Independent Director participated in the Group's Walk the World charity initiative. These have been both enjoyable and insightful for the Directors, contributing to a greater mutual understanding of the business, and the challenges and opportunities that lie ahead.

We are also mindful of the importance of maintaining positive, long-term relationships with customers and business partners, and in particular, the Group's role in delivering content, intelligence and connections that help customers progress and succeed in their businesses. On pages 39 and 40, we have introduced greater detail and examples around Informa's activities in this space.

BOARD OPERATIONS AND CULTURE

As Chairman, I hold a specific responsibility for the Board's performance and its ability to govern the Group effectively.

The composition of the Board is kept under ongoing review, to ensure there is the balance of expertise and experience necessary to oversee a growing, international and increasingly data-focused Group. Should Shareholder and regulatory approval be secured for our recommended offer for UBM plc, it is our intention to welcome three directors from UBM's Board to join the Board of the enlarged Group. The additional knowledge, expertise and relevant experience this will bring will, we believe, be valuable in governing the enlarged Group effectively.

The time commitment of each Director and the effectiveness of individuals and the Board as a whole are regularly assessed as part of the annual Board evaluation process. The Group has a Diversity & Inclusion policy which was introduced in 2017 and is endorsed by the Board, and the Group strives to ensure a balance of skills, experiences and talent at all levels.

We support the findings of both the Hampton-Alexander Review on the representation of women in senior leadership positions and the Parker Review on ethnic diversity on boards. These findings will inform future Board appointments and succession planning. Further information can be found in the Nomination Committee Report on page 83 and in Talent and Partnerships on pages 36 to 41 of the Strategic Report.

How the Board operates and interacts with management is also a factor in performance. We aim to ensure sufficient time for a thorough discussion of key matters at formal Board meetings and during informal exchanges, and ensure each Director actively engages and can contribute. Board decisions are made collectively, with input from each Director.

The aim of all the Directors is to encourage, support and challenge management teams by adopting an open, direct, collaborative and respectful approach. There are clear responsibilities for decision making, a list of which can be found on the Informa website and on page 79 of this Annual Report.

There are also high levels of interaction between the Board and the Executive Management Team. Executive and Divisional management present at Board meetings on topical matters, to ensure the Board maintains a detailed understanding of operations and market trends, and meet informally at Board dinners to encourage discussion on a broader range of issues. New Directors receive thorough and relevant business inductions. Additionally, as Chairman I work closely with the Group Chief Executive, with meetings to plan agendas supplemented by weekly discussions and exchanges to keep abreast of the latest market and Group developments.

The Board also recognises its role in setting high standards of conduct and fostering culture in the Group, through our actions as well as by directing attention to conduct and culture through discussions at the Board table. We are wholly committed to acting with integrity and transparency, and in 2017 participated in the same Code of Conduct, modern slavery and anti-bribery and corruption training as all other Informa colleagues, to demonstrate leadership and ensure a thorough understanding of Informa's core values.

KEY ACTIVITIES AND FORWARD FOCUS

Key activities conducted by the Board in 2017 included monitoring the integration of Penton and reviewing the approach to health, safety and security matters and cyber resilience, with greater resources directed to both areas, and close monitoring of the implementation of the Group's new financial management and reporting system.

In the final year of the *Growth Acceleration Plan*, a key focus has been tracking the direct outputs of *GAP* and how this has translated into performance, as well as evolving plans for the future direction and growth of the Informa Group. The Directors remain closely involved in reviewing and approving major acquisition activity, which most recently has focused on UBM and led to the recommended offer made in January, which is fully supported by the Board.

In all cases, your Board looks forward to continuing to support, oversee and govern the Group as it seeks to build on the growth and platforms established through *GAP* to maintain and improve its reputation, position and relationships with customers and colleagues.

Thank you to colleagues on the Board and within the Group, and also to all of our Shareholders.

Derek Mapp
Chairman

COMPLIANCE STATEMENT

Informa's Board is accountable to the Group's Shareholders for its standards of governance, and is committed to the principles of corporate governance contained in the Code of the Financial Reporting Council ("FRC"). The Code can be viewed online at

https://www.frc.org.uk/getattachment/ca7e94c4-b9a9-49e2-a824-ad76a322873c/UK-Corporate-Governance-Code-April-2016.pdf

The Board is pleased to report that Informa complied with the provisions of the Corporate Governance Code which was published in April 2016 (the Code). The Board monitored the Company's risk management systems and also carried out a review of the effectiveness of the Company's risk management and internal control systems. The Board monitored material controls by exception through the Risk Committee.

The Corporate Governance Report, the Audit Committee, Nomination Committee and Directors' Remuneration Reports explain how Informa applied the principles of good governance set out in the Code.

The Audit Committee has been provided with suitable supporting material to review the Annual Report and Financial Statements and, in accordance with the Code, has provided assurances for the Board to confirm that the Annual Report and Financial Statements, taken as a whole, is fair, balanced and understandable. The Board also confirms that the Annual Report contains sufficient information for Shareholders to assess the Company's performance, business model and strategy.

Derek Mapp
Non-Executive Chairman

Derek is an experienced Chairman and entrepreneur who brings a wealth of commercial and governance experience within various sectors to the Group. He promotes robust debate and has fostered an open and engaged culture in the boardroom. He founded and was Managing Director of Tom Cobleigh PLC, Leapfrog Day Nurseries and Imagesound Plc.

He joined Taylor & Francis Group in 1998 as a Non-Executive Director before becoming Non-Executive Director and Senior Independent Director at Informa plc in 2005.

He has a keen interest in sports and supporting the local community and served as Chairman of the British Amateur Boxing Association for five years.

He is Non-Executive Director and Chairman at Mitie Group plc and Non-Executive Chairman at Salmon Developments Limited and 3aaa Limited (Aspire Achieve Advance). He is Founder and Chairman at Imagesound Limited.

He is currently also Non-Executive Chairman at Huntsworth plc but it has been announced that he will step down from its board in 2018 once a successor has been appointed.

Derek was appointed in March 2008 and is independent.

Stephen A. Carter CBE (Lord Carter)
Group Chief Executive

Stephen became Group Chief Executive in 2013, after serving as a Non-Executive Director. He has focused the Group on growth, on building technology and data capability, on International and US expansion, on building a leadership position in Global Exhibitions and B2B events, whilst investing for performance in the Group's Information and Academic businesses.

He is committed to nurturing a positive professional working culture and delivering a consistently positive operating performance with an approach based on openness, debate, agility and pace.

He has previously held senior leadership positions in a range of Media and Technology businesses, including serving as President & Managing Director EMEA at Alcatel Lucent Inc, Managing Director and COO of ntl (now Virgin Media) and CEO and Managing Director of JWT UK & Ireland.

He was the founding CEO of Ofcom, the UK's Media and Communications Regulator. He served as Chief of Strategy to Prime Minister, The Rt Hon. Gordon Brown and was Minister for the Media and Telecommunications industry, where he wrote and published the Digital Britain Report.

He has served on a number of company boards, including Travis Perkins plc, 2Wire Inc. and Royal Mail plc, and is currently a Non-Executive Director of United Utilities Group PLC and a Board member at the Department for Business, Energy & Industrial Strategy ("BEIS") and Chairman of the Henley Festival Charitable Trust.

Stephen was appointed in September 2013.

Gareth Bullock
Senior Independent Non-Executive Director

Gareth joined the Board in 2014. He has extensive international Non-Executive and Executive experience in the banking industry and with FTSE 100 companies.

His previous roles include Group Executive Director at Standard Chartered plc where he was responsible for Africa, the Middle East, Europe and the Americas. He also has extensive risk experience.

His other Non-Executive directorships included Spirax-Sarco Engineering plc, Tesco plc and Fleming Family & Partners. He was a member of the Board and Audit Committee of the British Bankers Association between 2008 and 2010. He is currently Chairman of Development Bank of Wales PLC (formerly Finance Wales PLC) and a trustee of the British Council.

He has an MA in Modern Languages from St Catharine's College, Cambridge.

Gareth was appointed in January 2014 and is independent.

Gareth Wright
Group Finance Director

Gareth has extensive senior executive experience in finance roles. He has held various roles within Informa including Deputy Finance Director and Acting Group Finance Director having joined the Company in 2009.

Prior to joining Informa, he held a range of positions at National Express plc, including Head of Group Finance and Acting Group Finance Director.

He trained with Coopers & Lybrand (now part of PwC), working in the audit function from 1994 to 2001.

Gareth was appointed in July 2014.

David Flaschen
Non-Executive Director

David has 20 years of senior executive and leadership experience in the Information Services industry, particularly in the US, including roles at Thomson Financial and Dun & Bradstreet.

He has also served as Non-Executive Director of online companies such as TripAdvisor Inc., BuyerZone.com, Maptuit, Affinity Express, OnExchange, Inc, LeadKarma, Affinnova, Survey Sampling and e-Dialog, Inc. He is currently Director and Chairman of the Audit Committee at Paychex, Inc, and has various private company board and advisory roles.

As a professional football player, he was a founding member of the Executive Committee of the North American Soccer League Players Association.

He has an MBA in Entrepreneurial Management from the Wharton School, University of Pennsylvania and a BA in Psychology from Brown University.

David was appointed in September 2015 and is independent.

Helen Owers
Non-Executive Director

Helen has extensive international senior executive experience within the Media sector, particularly in business information from her role as President of Global Businesses and Chief Development Officer with Thomson Reuters.

She previously worked as a media and telecoms strategy consultant at Gemini Consulting and in publishing at Prentice Hall.

She is Non-Executive Director of PZ Cussons plc and Eden Project International Limited.

She has an MBA from IMD Business School and a BA in Geography from the University of Liverpool.

Helen was appointed in January 2014 and is independent.

Cindy Rose
Non-Executive Director

Cindy brings present-day operational experience to the Board as well as expertise in the TMT and digital sectors.

She is currently Chief Executive Officer of Microsoft UK, having spent nearly three years as the Managing Director of Vodafone's UK Consumer Division. Prior to this, Cindy was an Executive Director of Digital Entertainment at Virgin Media and held various senior executive roles at The Walt Disney Company.

She has a BA in Political Science from Columbia University and trained at the New York Law School before working as an attorney in the US and the UK.

Cindy was appointed in March 2013 and is independent.

Stephen Davidson
Non-Executive Director

Stephen brings extensive media, telecommunications, corporate and financial market experience to Informa having acted as Chief Financial Officer and Chief Executive of Telewest, Executive Chairman of Mecom Group plc and Vice-Chairman of Investment Banking at WestLB.

Over the past 15 years he has held a number of Chairman and Non-Executive positions on the boards of media, telecoms and technology companies. He is currently Chairman of Datatec Limited, Actual Experience Plc and PRS for Music Ltd, and is Non-Executive Director at Restore plc.

He achieved a first class honours MA in Mathematics and Statistics from the University of Aberdeen.

Stephen was appointed in September 2015 and is independent.

John Rishton
Non-Executive Director

John joined the Board in September 2016 and brings further significant international experience to Informa. He is Chairman of the Audit Committee.

He was Chief Executive of Rolls Royce Group plc between 2011 and 2015, having previously been Chief Executive and President of the Dutch international retailer, Royal Ahold NV and, prior to that, its Chief Financial Officer. He was formerly Chief Financial Officer of British Airways plc.

He is a Non-Executive Director and Chairman of the Audit Committee at Unilever plc and Serco Group plc, and a Director of Associated British Ports Holdings Ltd and Associated British Ports (Jersey) Ltd.

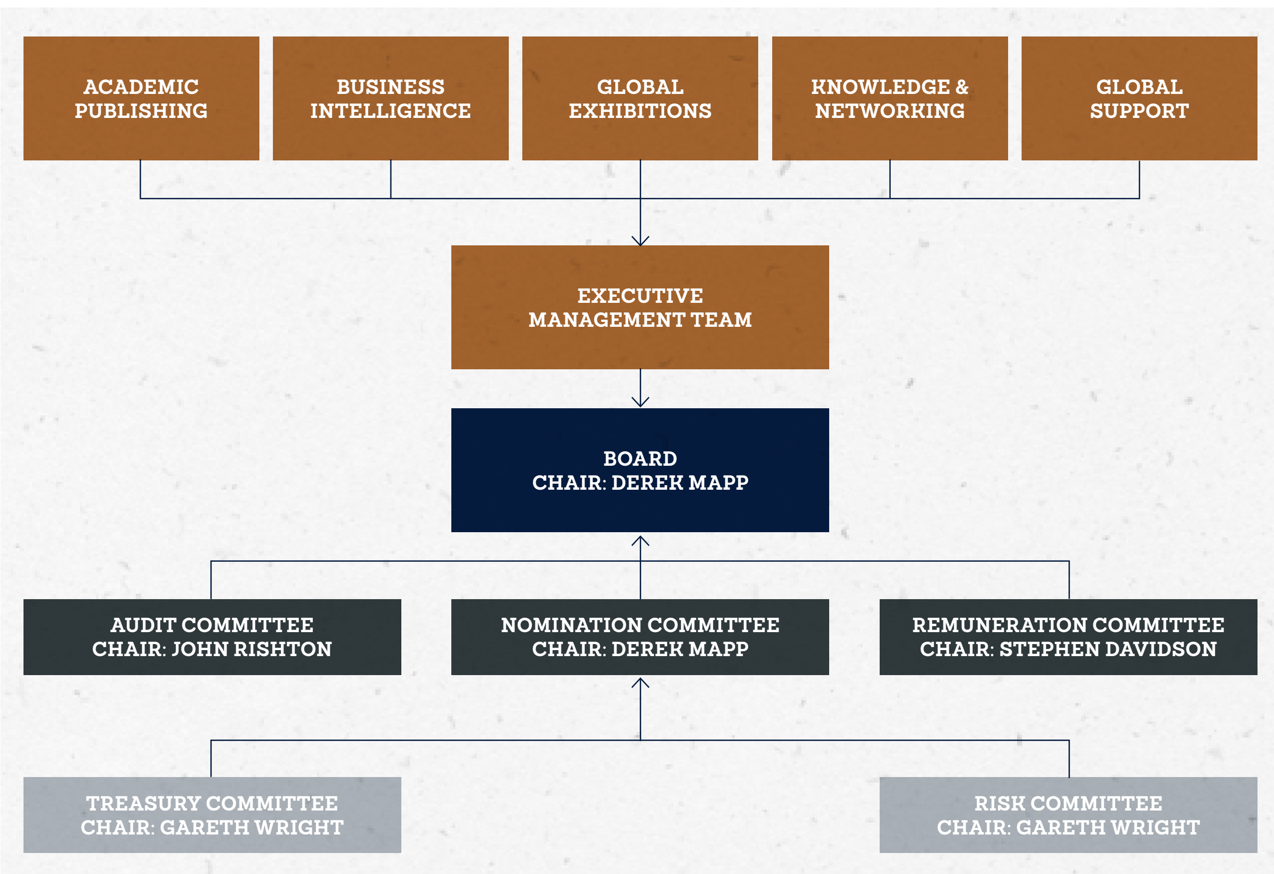
John was appointed in September 2016 and is independent.

CORPORATE GOVERNANCE

Informa PLC is the ultimate holding company of the Group and is controlled by its Board of Directors. This report has been prepared in accordance with the UK Corporate Governance Code of April 2016 ("the Code") and the Company's statement of compliance with the Code is on page 73.

CORPORATE GOVERNANCE FRAMEWORK AND REPORTING STRUCTURE

This report explains the role and function of the Board. The responsibilities and activities of the Audit Committee can be found on pages 87 to 93, of the Nomination Committee on pages 83 to 85, of the Remuneration Committee on pages 94 to 113, and of the Risk Committee on page 90 of this report and also pages 24 to 32. The responsibility of the Treasury Committee is to put in place policies to identify and analyse the financial risks faced by the Group, set appropriate limits and controls, and review compliance. These policies provide written principles on funding investments, credit risk, foreign exchange and interest rate risk.



SECTION A:

LEADERSHIP

A.1 THE ROLE OF THE BOARD

The Board's priorities are to create value for Shareholders, with consideration for the interests of other stakeholders, including the Group's colleagues, customers and business partners, and an understanding of the impact of activities and strategic decisions on these groups. More on Informa's stakeholders can be found on pages 37 to 41.

The Board has overall responsibility for the management and oversight of the Group and its activities and provides entrepreneurial leadership for Informa. It is responsible for approving the Group's strategic objectives and ensuring that the necessary financial and human resources are made available to meet those objectives. The Board also reviews, through the Audit and Risk Committees, risk management and internal control systems on an ongoing basis.

The Board maintains a schedule of matters on the decisions that are reserved for the Board including:

- approval of the Company's long-term strategy and objectives;
- setting the Company's risk management strategy;
- approval of major contracts and significant investments/divestments;
- setting the dividend policy and the approval of interim and final dividends;
- approval of the Company's Annual Report and Accounts;
- appointment, reappointment and removal of the Company's external auditor (subject to Shareholder approval); and
- integration following completion of the combination with UBM.

The schedule of matters reserved for the Board is reviewed annually and was last approved in December 2017. It is available on Informa's website.

Directors' indemnities

The Company has agreed to indemnify the Directors, to the extent permitted by English law and the Articles of Association of the Company ("the Articles"), in respect of any liability arising from or in connection with the execution of their powers, duties and responsibilities as a Director of the Company, any of its subsidiaries or trustee of an occupational pension scheme for colleagues. The indemnity would not provide coverage where the Director is proved to have acted fraudulently or dishonestly. The Company purchases and maintains Directors' and Officers' insurance cover against certain legal liabilities and costs for claims in connection with any act or omission by its Directors and officers in the execution of their duties.

Board activity in 2017

Throughout the year, the Board considered a range of matters including:

Strategy
- Group strategy and the portfolio mix
- Divisional strategy including Global Exhibitions' growth in the US and investment in digital operations
- Acquisition opportunities
- The impact of new technology and investments in enhanced digital platforms
- The competitive landscape
- The management of external risks including geopolitical issues and weather-related disruption to events

Finance
- Approach to refinancing, including the cash pooling arrangements
- Dividend payments and the dividend policy
- Appropriate leverage targets and levels
- Revisions to the audit approach and connected fees
- Systems for cash collection and invoicing after the introduction of the Group's new enterprise resource platform
- The impact of US tax reforms

Operational performance
- The introduction of a new Group-wide enterprise resource platform
- Progress on the integration of Penton Information Services
- The performance of *GAP* in its final year

People and culture
- Informa culture and initiatives to support a positive and productive working environment, including Walk the World charity activity and investment in talent and skills development
- Succession planning in Academic Publishing and the appointment of Annie Callanan as Divisional CEO
- Strategy, results and outcome of Inside Informa all-colleague conversation
- Informa's brand position and the articulation of purpose

Shareholder relations
- Feedback from ongoing Shareholder meetings and results of investor perception study
- Consideration and approval of 2016 Annual Report and Accounts feedback following annual results presentation
- Proxy agent reports

Governance

- Requirements from new and forthcoming reporting regulation and impact of legislation changes, including modern slavery reporting and the Non-Financial Reporting Directive
- Board Directors' skills, ongoing training needs and any conflicts
- The Board evaluation process and outcomes
- Approving matters reserved for the Board

Risk management and compliance

- Revisions to Group policies including Code of Conduct, Gifts & Entertainment and whistleblowing and compliance-related training
- Impact of data protection legislation and GDPR
- Renewal of insurance cover
- Informa's Group Authority Framework
- Principal risks and material controls, including around health, safety and security, technology and cyber, and the Board's risk appetite and tolerance statement

Board priorities for 2018

The end of 2017 marked the completion of the *Growth Acceleration Plan* and its programme of measured change and capability building. For 2018, the Board's focus will continue to be on initiatives that support Informa's ongoing performance and growth, using the platforms built through *GAP*, with specific priorities including:

- maintaining oversight of Divisional performance and the strategic direction and ambitions of each Division;
- keeping under review the Group's organisational structure, to ensure it remains effective as Informa grows in scale and internationally;
- the approach to risk management, including risk tolerance and resources allocated to this area;
- the Group's culture, talent management and succession planning, and the support and opportunities provided to colleagues;
- Informa's digital strategy, from customer facing platforms to operational resilience and measures to manage technology risk and cyber security; and
- integration if the combination with UBM completes.

A.2 DIVISION OF RESPONSIBILITIES

There is a clear division of responsibilities between the Chairman of the Board, the Group Chief Executive, the Senior Independent Director and the Non-Executive Directors. This complies with guidance from the UK Institute of Chartered Secretaries and Administrators and is summarised here, and viewable in full on Informa's website.

A.3 THE CHAIRMAN

The Company's Chairman, Derek Mapp, is considered to be independent. He has never been CEO of the Company and the Company has always had separate Chairman and CEO roles. Further details on Derek's qualifications and experience can be found in the Directors' biographies on page 74.

A.4 NON-EXECUTIVE DIRECTORS

The Board includes independent Non-Executive Directors who help develop and constructively challenge proposals on strategy. They bring strong, independent judgement, knowledge and experience to the Board's deliberations and have been selected for expertise, ensuring their views carry significant weight in the Board's decision-making process.

As Senior Independent Director, Gareth Bullock is available to the Chairman and all Board members to discuss any concerns they have. He is also available to speak to Shareholders where it is not possible to speak to the Chairman or other communication channels are not sufficient or appropriate.

The Chairman frequently speaks to the Non-Executive Directors, informally and individually without Executives present. At least one meeting is held annually with just the Non-Executive Directors and the Chairman in attendance. Similarly, the Non-Executive Directors meet without the Chairman once a year and a full review of the Chairman's performance is carried out.

The Directors' contracts are available for inspection at the registered office during normal business hours and will be available for inspection at the AGM.

NON-EXECUTIVE DIRECTORS

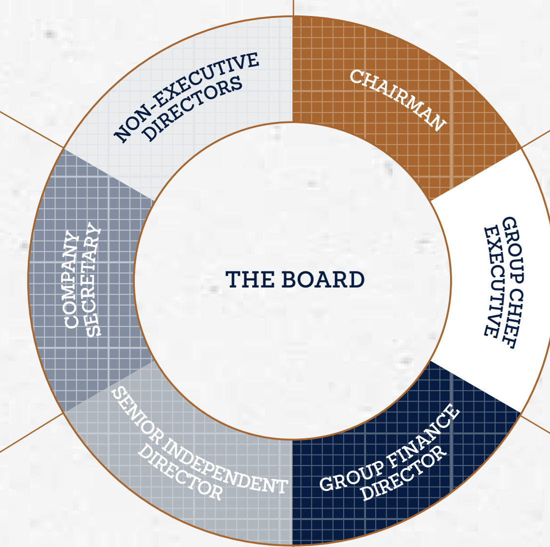
- Constructively challenge and help develop proposals on strategy
- Scrutinise the performance of management in meeting agreed goals and objectives
- Monitor the reporting of performance
- Satisfy themselves on the integrity of financial information
- Ensure that financial controls and systems of risk management are robust and defensible
- Determine appropriate levels of remuneration of Executive Directors
- Play a primary role in succession planning, appointing and, where necessary, removing Executive Directors
- Meet without the Executive Directors present
- Attend meetings with major Shareholders to discuss governance and strategy

CHAIRMAN

- Leads the Board and sets the tone and agenda, promoting a culture of openness and debate
- Ensures the effectiveness of the Board and that Directors receive accurate, timely and clear information
- Ensures effective communication with Shareholders
- Acts on the results of the Board performance evaluation and leads on the implementation of any required changes
- Proposes new Directors and accepts resignation of Directors
- Holds periodic meetings with Non-Executive Directors without the Executives present

COMPANY SECRETARY

- Responsible for advising the Board, through the Chairman, on all governance matters
- All Directors have access to the Company Secretary's advice and services



GROUP CHIEF EXECUTIVE

- Runs the Company and is in direct charge of the Group day-to-day
- Accountable to the Board for its operational and financial performance
- Responsible for implementing the Company's strategy, including driving performance and optimising the Group's resources
- Primary responsibility for managing the Group's risk profile, identifying and executing new business opportunities, and for management development and remuneration

SENIOR INDEPENDENT DIRECTOR

- Available to meet Shareholders on request
- Ensures that the Board is aware of any Shareholder concerns
- Assists where Shareholder issues are not resolved through existing mechanisms for investor communications
- Acts as a sounding board for the Chairman and, if and when appropriate, serves as an intermediary for the other Directors

GROUP FINANCE DIRECTOR

- Responsible for raising the finance required to fund the Group's strategy, servicing the Group's financing and maintaining compliance with its covenants
- Maintains a financial control environment capable of delivering robust financial reporting information, to indicate the Group's financial position
- Leads the Finance functions and has day-to-day responsibility for Finance, Tax, Treasury, Shared Services and Internal Audit
- Chairs key internal committees such as the Risk Committee and the Treasury Committee

SECTION B:

EFFECTIVENESS

B.1 THE COMPOSITION OF THE BOARD

Informa's Board consists of two Executive Directors and seven Non-Executive Directors. Their biographies, including skills and qualifications, experience and external commitments, are set out on pages 74 and 75. As part of its ongoing review on Board effectiveness the Nomination Committee looks at whether each Director is sufficiently independent. No Non-Executive Director had a prior connection with the Company on appointment and the Directors continue to appropriately challenge the Executives and each other in the boardroom. The Board therefore considers all of its Non-Executive Directors to be independent in character and judgement.

Directors' conflicts of interest

The Articles include provisions covering Directors' conflicts of interest. They allow the Board to authorise any matter that would otherwise result in a Director breaching his or her duty to avoid conflicts of interest. The Company has procedures in place to deal with a situation where a Director has a conflict of interest. As part of this process, the Board will endeavour to:

- consider each conflict situation separately on its particular facts;
- consider the conflict situation in conjunction with the Articles;
- keep records and Board minutes on authorisations granted by Directors and the scope of any approvals given; and
- regularly review conflict authorisations.

In 2017, no Director had any unauthorised conflicts of interests. The Board noted the following:

- Derek Mapp is Chairman of 3aaa, which provided training to some UK Informa colleagues;
- John Rishton is a director of Majid Al Futtaim, a company that takes part in Global Exhibitions' Cityscape Global event;
- David Flaschen previously worked with adviser Bruce Fador, who now acts as a consultant to an Informa-owned finance business in the US;
- Cindy Rose is Chief Executive Officer at Microsoft UK, a key Informa supplier; and
- each of the Directors has a small shareholding in the Company, which is not considered significant.

B.2 APPOINTMENTS TO THE BOARD

The Nomination Committee takes the lead on appointments to the Board. The Nomination Committee Report follows this section on page 83.

The Non-Executive Directors are appointed for a term of one year, following which they are asked to resign and seek re-election at the AGM. With the exception of the Chairman, each Non-Executive Director has served on the Board for no more than five consecutive years.

B.3 COMMITMENT

The Code states that directors should allocate sufficient time to discharge their responsibility effectively and this was reviewed by the Nomination Committee in 2017 as in previous years.

Derek Mapp was appointed to the Board of Mitie Group plc in May 2017 and was elected Chairman from July 2017. Prior to this appointment, the Chairman consulted with all Board members, who were satisfied that he could continue to commit the necessary time, attention and dedication to his role at the Group.

The Company's Non-Executive Directors are expected to commit 12–15 days a year to Board meetings and other work for the Company. Specific terms of their appointments, including time commitment, are contained in their letters of appointment, which are available for inspection at the Company's registered office during normal business hours. Copies of the letters of appointment will also be available to view at the AGM.

All Directors are required to disclose their additional appointments and other significant commitments, and details can be found in the biographies on pages 74 and 75. Stephen A. Carter CBE has been a Non-Executive Director on the board of United Utilities Group PLC since September 2014, which the Informa Board approved and believes is a valuable complement to his Group role. Stephen was also appointed as a Non-Executive board member for the Department for Business, Energy & Industrial Strategy ("BEIS") during the year.

Attendance at 2017 Board and Committee meetings

The Chairman, Group Chief Executive and Group Finance Director attended each Audit Committee meeting by invitation.

	Scheduled Board meetings (of 7)[1]	Unscheduled Board Meetings (of 5)[1]	Audit Committee meetings (of 4)	Remuneration Committee meetings (of 8)	Nomination Committee meetings (of 2)
Derek Mapp	7	5	–	–	2
Stephen A. Carter CBE	7	5	–	–	2
Gareth Wright	7	5	–	–	–
Gareth Bullock	7	5	4	8	2
Cindy Rose	6	4	3	–	1
Helen Owers	6	5	–	7	–
Stephen Davidson	7	5	–	8	–
David Flaschen	7	5	4	–	–
John Rishton[2]	7	4	4	–	–
Dr Brendan O'Neill[3]	2	0	1	3	–

1. In addition to the Board meetings, a Committee of the Board met in January, July and November to approve certain financing arrangements. The five unscheduled Board meetings related to strategy and acquisitions.
2. John Rishton was appointed as Chairman of the Audit Committee on 26 May 2017 following Dr Brendan O'Neill's resignation from the Board.
3. Dr Brendan O'Neill stepped down from the Board and the Audit, Nomination and Remuneration Committees on 26 May 2017.

B.4. DEVELOPMENT

On joining the Board all Directors receive a formal induction to the Group, designed to enable them to understand the Divisions and the markets Informa operates in so they can be effective Board members from the outset. This includes visits to various Informa offices and forums to meet colleagues and management team members. Informa's newest Board member, John Rishton, completed a formal induction in 2016 and as a final part of the process was involved in a risk management induction in March 2017 prior to his appointment as Chairman of the Audit Committee.

The Company Secretary regularly discusses training and development needs with the Chairman, who also uses Board evaluations to further assess the Board's requirements. Discussions between the Chairman and the Directors also take place regularly to ensure all Board members are confident in their ability to add valuable contribution to Board and Committee meetings.

B.5. INFORMATION AND SUPPORT

The Directors are regularly updated on the Group's business and the environment in which it operates by written briefings and by meetings with Senior Executives. Nearly every Board meeting includes a presentation from Group Senior Executives on a matter of topical interest. Non-Executive Directors receive management reports prior to each Board meeting from the Group Chief Executive and the Group Finance Director, which enable them to scrutinise the Group's and management's performance.

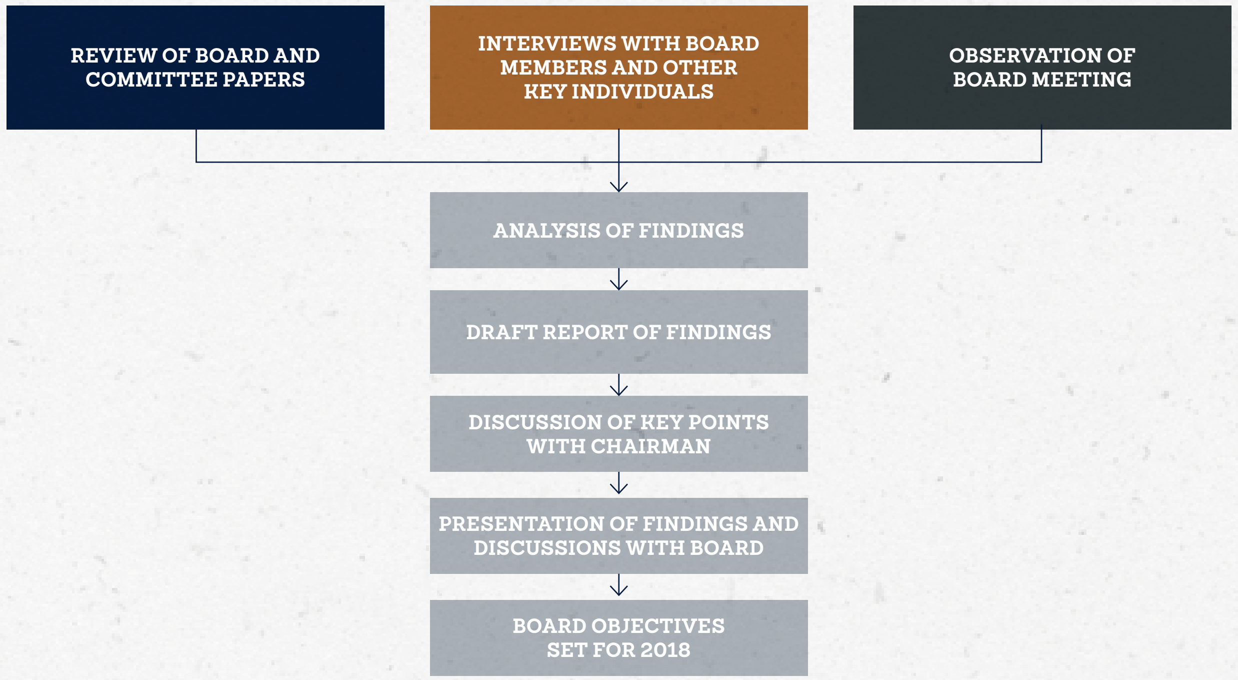
Directors are also updated on any changes to the Group's legal and governance requirements and those which affect their duties as Directors. Regular reports and papers are circulated to the Directors ahead of time in preparation for Board and Committee meetings. These papers are supplemented by any information specifically requested by the Directors.

Training is available at the Group's expense, to ensure that Directors are kept up to date on relevant new legislation and changing commercial risks. Should any Director wish to seek professional advice on any matters relating to the Company's affairs, this is available at the Company's expense. Additionally, the Company Secretary is available for the Directors and liaises frequently with all Board members. The Board as a whole is responsible for the appointment and removal of the Company Secretary.

B.6 PERFORMANCE EVALUATION OF THE BOARD AND ITS COMMITTEES

The Directors undergo an annual performance evaluation, both individually and collectively as a Board and Committee. An external evaluation is carried out every three years with the last one undertaken in 2017 by Independent Audit Limited, selected by the Chairman due to its specialism in governance matters and experience. The next external evaluation is expected to be carried out in 2020.

THE BOARD EVALUATION PROCESS IN 2017



The review took place over June and July and feedback was provided to the Chairman. A formal report was presented and discussion took place at the December Board meeting. The report covered a broad spectrum of issues including the Board size and balance; the role of the Chairman, the Senior Independent Director, the Non-Executive Directors, the Executive Directors and the senior management; the dynamics at the Board; the Board's role in strategy, mergers and acquisitions, innovation, digital strategy and risk management; the oversight of financial and operational performance, along with people, behaviour and culture; the organisational structure; the Shareholder focus; and the roles of the Committees and the support they receive.

It was observed that the Board exercised strong oversight and provided good support, input and challenge as the Executive Directors have tackled a very busy agenda as outlined elsewhere. Many examples were cited of where the Board and individual Non-Executive Directors have added value or influenced the thinking of the Executives. It was noted that the Board has evolved and become more effective since the last external review undertaken in 2014. In addition, it has been refreshed and now benefits from:

- fresh thinking and perspectives;
- increased diversity, with a US resident Non-Executive Director; and
- stronger recent FTSE 100 CEO and previous CFO experience.

The evaluation gave suggestions and recommendations for 2018, including considering the appointment of an additional Non-Executive Director to ensure the Board has the skills and experience to meet the Group's future strategic needs; ensuring succession planning for all levels, including the Board, is discussed; encouraging the evolution of management's approach to risk management; ensuring sufficient time is made available to discuss innovation, the digital strategy and people matters; ensuring the organisational structure evolves at an appropriate pace to meet the needs of a Group that is growing in size and complexity; broadening the focus beyond financial KPIs to strategic and non-financial KPIs; and agreeing the level of detail the Board needs to receive for operational and strategic discussions.

B.7 RE-ELECTION

The Articles prescribe that all Directors are subject to annual re-election at the AGM. The performance evaluation of the Board concluded that each Director remains effective, committed and is able to devote the required time to their role. In addition, as a result of the evaluation, the Board is satisfied that each Non-Executive Director remains independent. Therefore, all Directors will stand for re-election at the 2018 AGM.

NOMINATION COMMITTEE REPORT

RESPONSIBILITIES

- Ensuring a formal, rigorous and transparent procedure for appointing and inducting new Directors to the Board and its Committees
- Reviewing the size, structure and composition of the Board, including skills, knowledge, experience and diversity
- Reviewing succession plans for Directors and Senior Executives
- Reviewing colleague engagement activities in line with legal requirements such as gender pay gap reporting, and monitoring diversity, ethnicity and talent mapping
- Implementing the annual Board evaluation process, which includes external evaluation every three years
- Reviewing Non-Executive Director time commitments

The Committee's full terms of reference are on Informa's website and were last reviewed and approved in November 2017.

MEMBERSHIP AND MEETING ATTENDANCE

Members	Committee member since	Attendance during 2017 (of 2 meetings)
Derek Mapp (Chairman of the Committee)	10 March 2008	2
Dr Brendan O'Neill[1]	1 January 2015	–
Stephen A. Carter CBE[2]	1 January 2015	2
Gareth Bullock	24 July 2014	2
Cindy Rose	24 July 2014	1

1. Dr Brendan O'Neill stepped down from the Committee on 26 May 2017.
2. Stephen A. Carter CBE stepped down from the Committee with effect from 27 February 2018. He attended that meeting and will attend future meetings by invitation only.

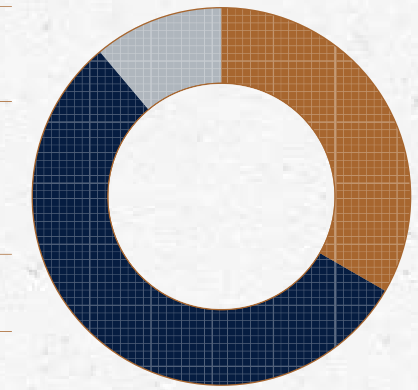
The Company Secretary, the Head of Talent & Transformation and external search agencies attend by invitation, when appropriate.

BOARD TENURE

0-2 years
John Rishton
Stephen Davidson
David Flaschen

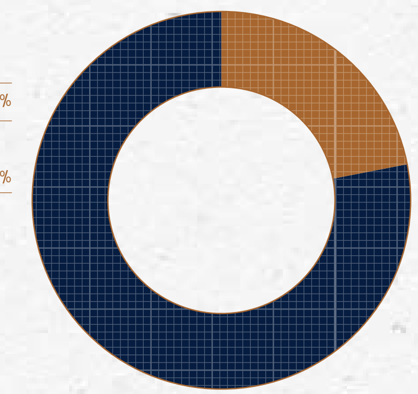
2-5 years
Gareth Wright
Gareth Bullock
Helen Owers
Stephen A. Carter CBE (CEO)
Cindy Rose

5-10 years
Derek Mapp (Chairman)



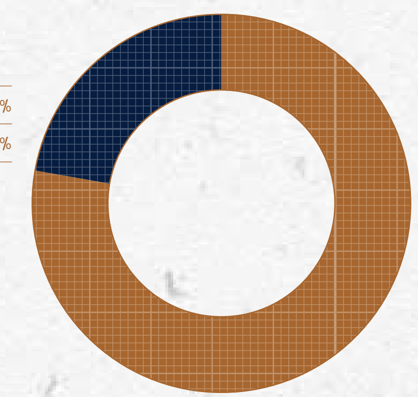
BOARD BALANCE BY INDEPENDENCE

Executive Directors	22%
Independent Non-Executive Directors	78%



BOARD BALANCE BY GENDER

Male	78%
Female	22%



BOARD BALANCE BY EXPERIENCE AND SKILLS

Experience and skills	
Media and Technology sector	○○○○○○○
Business-to-business operations	○○○○○○○○○
US market experience	○○○○○○
Digital and technology	○○○○○○
Financial management	○○○○○
Governance and risk control	○○○○○○○○
Marketing engagement	○○○○
M&A	○○○○○○○○○
International experience	○○○○○○○○○
PLC expertise	○○○○○○○○○

COLLEAGUE BALANCE BY GENDER

	Average over 2017		Average over 2016	
Colleagues	F 4,220 M 3,305	F 56% M 44%	F 3,662 M 2,879	F 56% M 44%
Senior Leadership Group[1]	F 46 M 123	F 27% M 73%	F 34 M 113	F 23% M 77%
Directors	F 2 M 7	F 22% M 78%	F 2 M 7	F 22% M 78%

1. Figures for 2016 have been restated due to the standardisation of the criteria under which colleagues are part of the Senior Leadership Group.

DEAR SHAREHOLDER

The Nomination Committee ("the Committee") is responsible for continuously assessing and reviewing how the Board is structured now and how it might be in the future, as well as for monitoring how Informa's colleagues are engaged and how talent is retained across the Group, and for ensuring legal reporting requirements are met.

Informa recognises that colleagues are amongst its most important assets and places value on difference and diversity. There is a focus throughout the business on attracting, supporting and engaging colleagues wherever they work, and maintaining a culture of openness and respect. The Committee focuses on ensuring there is a balanced mix of skills, experience and backgrounds at Board and senior management level, to fuel future growth and opportunity and deliver value for stakeholders including Shareholders, and receives updates and monitors the application of talent and colleague-focused policies to the wider Group.

The Committee met twice in 2017 to discharge its duties, and there were no unanticipated Director changes in 2017. Dr Brendan O'Neill's retirement from the Board and as Audit Committee Chairman after nine years of service took effect on 26 May 2017, and John Rishton, appointed in September 2016, became Chairman of the Audit Committee on Brendan's retirement.

Board composition under *GAP*

As Informa's operations have developed under *GAP*, becoming more weighted to the US and to exhibitions and data and information services, for example, the Committee has reassessed the skills and knowledge necessary at a Board level to oversee the Group's strategic direction effectively.

When Directors have retired or stood down, we have taken the opportunity to look for specific additional expertise. This has included Directors with greater international experience, such as David Flaschen (appointed in 2015); with listed company and financial management experience, such as John Rishton (appointed in 2016); and with expertise in technology and digital information delivery, such as Cindy Rose (appointed in 2014).

Details of each Director's professional experience can be found on pages 74 and 75, and an overview of the range of skills available to the Board is shown above. This focus on composition, as well as the size of the Board overall, will continue as the Group exits the *GAP*.

Director evaluation and Board performance

The Committee is responsible for reviewing and implementing any feedback from the annual Board performance evaluation relating to Board composition. Feedback from the 2017 external Board evaluation can be found on pages 81 and 82 of the Corporate Governance Report.

This includes reviewing the time Non-Executive Directors are required to give to their roles at Informa. We were satisfied that each Director is able to contribute the time, as well as the focus, care and quality of attention, to fulfilling their duties to the Company and Shareholders.

Succession planning

The Committee keeps succession planning for the Board and the Executive Management Team ("EMT") under ongoing review. It specifically discusses and reviews succession plans for the Chairman and Group Chief Executive as part of its overall responsibilities, and monitors talent management and performance management across the Divisions for Senior Executives.

When appointing new Directors, the Group uses specialist executive search consultants to identify candidates that meet the criteria the Committee sets, after which all candidates, internal and external, are interviewed by the Committee and proposed to the Board for approval.

To support the recommended offer for UBM plc, the Committee looked at the current mix of Directors' skills, experience and background and those that may be needed to lead the enlarged Group. Having considered the Board's future needs and reviewed suitable candidates on the UBM plc board, the Committee recommended that Greg Lock be appointed as Deputy Chairman, and that Mary McDowell and David Wei be invited to join the Board, conditional on the deal completing.

Diversity and balance

The Group and the Board's belief that diversity, and maintaining a balanced mix of talent at all levels, brings competitive advantage remains unchanged.

Informa aims to recognise diversity in its broadest sense, including but not limited to gender, nationality, ethnicity, professional and personal experience and age, and to uphold a working environment that is welcoming, stimulating and based on respect.

When considering succession planning for Executive and Non-Executive Directors, the Committee considers candidates from a wide range of backgrounds. The Board notes and fully supports the findings of the Hampton-Alexander Review on women's representation in senior leadership positions, and the Parker Review on the ethnic diversity of boards. Their recommendations will be actively considered when it comes to new Board appointments and succession planning. The Group Chief Executive, who now attends the Committee meetings by invitation, is a member of the 30% Club, an international organisation that works to increase the representation of women and diverse talent at all levels.

During 2017, the Committee received regular updates on AllInforma, Informa's Group-wide approach to Diversity and Inclusion. Activities included the introduction of a standalone Diversity & Inclusion policy, to bring more specific focus to the Group's commitment to maintaining a culture of equality, dignity and respect free from unlawful or unfair discrimination. See pages 37 and 73 for more detail.

Informa operates several apprenticeship schemes and the Informa Graduate Fellowship Scheme as an additional way of attracting younger talent, and the Committee received updates on the Group's contribution to and use of the UK's Apprenticeship Levy. Informa is accredited to the UK Living Wage Foundation and UK colleagues are paid at least the independently calculated Living Wage, above the government's National Minimum Wage, which is regularly audited.

Gender balance

Informa's principal measure of gender at Executive level is based on balance within the Senior Leadership Group, a group of approximately 160 colleagues based around the world with the highest levels of responsibility and accountability in the business.

This is a slightly enlarged group compared with the definition used by the Hampton-Alexander Review, which considers colleagues who report directly to the EMT only. We believe the Senior Leadership Group is a better representation of senior talent for Informa, because of the Divisional structure of our Group and the nature of reporting lines across functions.

It is also the best equivalent to the calculation of senior managers, as defined by section 414C(9) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013.

Having standardised the criteria under which colleagues are part of the Senior Leadership Group, the numbers and proportions for the prior year have been restated. The criteria now in place are intended as the new measure for future years.

Over 2017, the Committee has overseen submissions to the Hampton-Alexander review, and received regular updates on the work to report Informa's gender pay position, a new obligation for UK companies. The Group's gender pay figures are currently under review and will be published in line with the UK regulatory requirements.

Approved by the Board and signed on its behalf by

Derek Mapp
Chairman of the Nomination Committee
27 February 2018

SECTION C:

ACCOUNTABILITY

C.1 FINANCIAL AND BUSINESS REPORTING

The Directors are responsible for preparing the Annual Report and Financial Statements. The Directors' Responsibilities Statement can be found on page 119, which includes an explanation of how the Directors ensured that the accounts prepared are fair, balanced and understandable. Pages 20 and 21 of the Strategic Report explain the business model and how the Company generates value for stakeholders.

C.2 RISK MANAGEMENT AND INTERNAL CONTROL

The Board is responsible for Informa's system of internal controls and reviewing its effectiveness. It recognises that risks must be taken to achieve the Company's business objectives and has mandated a responsible and balanced approach to managing risk through its risk appetite and tolerance statement.

Informa's system of internal controls is designed to manage risks to address causes and reduce their potential impact. It can only provide reasonable rather than absolute assurance against material misstatement or loss, a concept that recognises that the cost of control procedures should not exceed its expected benefits.

Responsibility for the day-to-day management of the Group rests with the Group Chief Executive, supported by the EMT. The EMT includes the CEO of each of the four Divisions, the Group Finance Director, the Director of Strategy & Business Planning, the Director of Investor Relations, Brand & Communications, the Director of Talent & Transformation and the General Counsel & Company Secretary, who met bi-weekly by call and bi-monthly in person in 2017 to consider the implementation of Group strategies, plans and policies, to monitor operational and financial performance and to manage risks. Each Division is given operational autonomy, as far as possible, within an internal control framework. The Strategic Report on pages 1 to 71 details the activities of the Operating Divisions.

As illustrated in the Risk Management section on page 24, the Board has a risk management framework for identifying, evaluating and managing the significant risks faced by the Group which is overseen by the Risk Committee. Oversight of risk management continued to be strengthened and enhanced in 2017 and was in place throughout the year, up to the date of approval of the Annual Report and Financial Statements, and is in accordance with the Code.

Informa's internal control and risk management systems and procedures around financial reporting include:

- **Business planning** – each Operating Division produces and agrees an annual business plan against which the performance of the business is regularly monitored. This function and process was strengthened in 2017.
- **Financial analysis** – each Division's operating profitability and capital expenditure are closely monitored. Management incentives are tied to in year and longer-term financial results. These results include explanations of variance between forecast and budgeted performance, and are reviewed in detail by Executive Management on a monthly basis. Key financial information is regularly reported to the Board.
- **Group Authority Framework** – the framework provides clear guidelines on approval limits for capital and operating expenditure and other key business decisions for all Divisions. The Group Authority Framework was reviewed and updated during 2017.
- **Risk assessment** – risk assessment is embedded into the operations of the Group and is reported on to the EMT, Risk Committee, Audit Committee and the Board.
- **Compliance** – Compliance controls have been strengthened in 2017 and are based on the US Federal Sentencing Guidelines.

The Board regularly reviews the effectiveness of the Group's system of internal controls, including financial, operational and compliance controls, risk management and the Group's high level internal control arrangements.

The Audit Committee has been charged by the Board with oversight of the above controls and has considered the following factors in determining the overall effectiveness of the Group's risks and associated control environment:

- The Risk Committee, a sub-committee of the Audit Committee, reports on the effectiveness of risk management, governance and compliance activity within the Group.
- The Audit Committee has approved a schedule of work to be undertaken by the Group's Internal Audit team during the period. It receives reports on any issues identified around the Group's business processes and control activities over the Group's key risk areas, including following up on the implementation of management action plans to address any identified control weaknesses, and reporting any overdue actions to the Audit Committee.

KPMG LLP is engaged to provide the Group with internal audit services and acts as Head of Internal Audit.

C.3 AUDIT COMMITTEE AND AUDITORS

AUDIT COMMITTEE REPORT

Key responsibilities

- Review the integrity of the Group's financial statements and reporting
- Review and monitor the effectiveness of the Group's risk management programme and internal control procedures
- Oversee the relationship with the external auditor including appointments, qualifications, independence, fees and performance
- Review the effectiveness of the internal audit function and the annual Internal Audit plan

The Committee's full terms of reference are on Informa's website and were last reviewed and approved in November 2017.

Membership and attendance

Members	Committee member since	Attendance during 2017 (of 4 meetings)
John Rishton[1] (Chairman of the Committee)	1 September 2016	4
Dr Brendan O'Neill[2]	1 January 2008	1
David Flaschen	1 October 2015	4
Gareth Bullock	1 January 2015	4
Cindy Rose	1 August 2013	3

1. John Rishton became Chairman of the Audit Committee on 26 May 2017.
2. Dr Brendan O'Neill retired from the Board and as Chairman of the Audit Committee on 26 May 2017.

See Risk Management and Principal Risks, pages 24 to32
See Board biographies, pages 74 and 75

DEAR SHAREHOLDER

I am pleased to present this year's Audit Committee report, having taken over as Chairman of the Audit Committee ("the Committee") in May 2017 on Dr Brendan O'Neill's retirement from the Board. The Committee's thanks and appreciation go to Brendan for his expert chairmanship and contribution.

Fair, balanced and understandable reporting

As in previous years, the Committee has given significant time and attention to ensuring that this Annual Report and the incorporated financial statements provide a fair, balanced and understandable assessment of the Group's financial reporting.

The Committee also continued to oversee the work of the Risk Committee, and its responsibility for the effectiveness of the Group's internal control policies and the procedures for identifying, assessing, managing, and reporting risk.

To fulfil these duties, the Committee received sufficient, reliable and timely information from the Group's senior managers.

Membership and attendance

The Committee consists of independent Non-Executive Directors, and their full biographies are on pages 74 and 75. Members are independent in their judgement and mindset. The Board and Committee are satisfied that members have the broad commercial knowledge, competence in the business-to-business information services market and vertical industries in which Informa operates, mix of business and financial experience and the resource to effectively discuss, challenge and oversee key financial matters and fulfil their responsibilities.

In terms of specific expertise, the Committee's Chairman for the first five months of 2017, Dr Brendan O'Neill, was a qualified management accountant with extensive experience of Audit Committee procedures. John Rishton, who became Chairman in May 2017, is also a qualified accountant and is currently chairman of the Audit Committee of Unilever plc and Serco Group plc. He has previously been Audit Committee chairman of Allied Domecq plc and Rolls-Royce plc. Further information on John Rishton can be found in the biographies on page 75. A summary of the Committee's performance, as part of the broader performance evaluation conducted in 2017, can be found on pages 81 and 82.

There were four meetings in 2017, structured to allow a full, open and robust investigation into key accounting, audit and risk issues relevant to the Group.

The whole Board is invited to and has attended Committee meetings this year save for one Director who missed one meeting due to prior commitments. Certain colleagues from the business are also invited to attend to facilitate information gathering and sharing, specifically the Head of Group Finance, Head of Internal Audit and, when appropriate, the Head of Group Tax, Head of Risk, Head of Compliance and the Group Treasurer. Twice a year, Committee meetings conclude with private meetings with the external and internal auditors. Outside this meeting cycle, the Committee Chairman is in regular contact with the Board Chairman, the Group Chief Executive, the Group Finance Director, the External Audit Partner and the Head of Internal Audit.

Training and external advice

As noted in the Corporate Governance Report on page 81, all new members of the Board and the Committee follow a formal induction programme on appointment when they are provided with detailed information on the Group. Directors are provided with updated information on legal and governance requirements on an ongoing and timely basis. Members of the Committee are able to obtain training at the Company's expense on any legal or accounting requirements required to carry out their roles.

The Committee's terms of reference mean it can obtain independent external advice at the Company's expense. No such advice was obtained during 2017.

The Committee also has access to the services of the Company Secretary on all Audit Committee matters and he provides necessary practical support.

External audit partner

The external audit partner is William Touche from Deloitte LLP. He is a qualified accountant, a senior audit partner in the London audit practice and a Vice-Chairman of the UK firm. He first acted as the Group's external audit partner for the year ended 31 December 2015 and has, therefore, served three of a maximum of five years.

Interactions with the Financial Reporting Council

In 2017, the Company received a letter from the Conduct Committee of the FRC with regard to the FRC's thematic review of the Alternative Performance Measures disclosure in the 2016 Annual Report. The purpose of this monitoring activity was to drive continuous improvement in the quality of corporate reporting. The FRC review only covered the specific disclosures relating to the thematic review and provides no assurance that the 2016 Annual Report was correct in all material aspects.

The FRC stated they had no substantive issues to raise with the Company and noted some minor points of disclosure where improvement could be made. These disclosure points were agreed by the Committee in November for inclusion in the 2017 Annual Report.

ACTIVITIES DURING THE YEAR

MARCH 2017

Financial statements
- The Group's draft 2016 full year results statements and the Annual Report and Financial Statements prior to the Board's approval, as well as the external auditor's detailed reports. This included a review of the opinions of management and the external auditor on the carrying values of the Group's assets
- Critical accounting judgements
- Principal risks review including material controls
- Viability statement and going concern assessment
- Taxation risks review
- Ensuring the financial statements were fair, balanced and understandable
- Alternative Performance Measures and non-financial KPIs relevant to the Group

External audit
- External auditor's review of the Group's full year financial results
- Review and approval of non-audit services and related fees payable to the Group's external auditor
- Confirmation of auditor independence

Internal audit
- Review and approval of the annual Internal Audit plan
- Review of the work done by Internal Audit and monitoring of the subsequent actions

Group policies
- Review of the appropriateness of the Group's tax and treasury policies

Risk management
- Review of the management of treasury and tax risks
- Discussions on the material controls in place to mitigate principal risks
- Review of the Group's system of controls and its effectiveness, and approval of the compliance with the Code requirements

Fraud reporting
- Review of fraud and fraud reporting across the Group

MAY 2017

External audit
- The external auditor's preliminary audit plan for auditing the Group's financial statements, including the scope of work and key risks on the financial statements
- Preliminary audit fee schedule
- Approval of the external auditor's preliminary audit plan for 2017

Internal audit
- Reviewing the work done by Internal Audit and monitoring of the subsequent actions

Group policies
- Review of the appropriateness of the Group's tax and treasury policies

Risk management
- Review of the management of treasury and tax risks
- Review of IT risk and critical systems and controls

JULY 2017

Financial statements
- The Group's draft 2017 half-year results statements prior to the Board's approval, as well as the external auditor's detailed reports. This included a review of the opinions of management and the external auditor on the carrying values of the Group's assets
- Critical accounting judgements
- Viability statement and going concern assessment

External audit
- Review of the external auditor's plan for auditing the Group's financial statements
- Review and approval of the updated audit fee schedule
- Review and approval of non-audit services and related fees payable to the Group's external auditor
- Confirmation of auditor independence
- Review of external auditor's interim review report on the Group's half-year financial statements

Internal audit
- Status of the Internal Audit plan
- Review of the work done by Internal Audit and monitoring of subsequent actions

Risk management
- Oversight of the operations of the Group's Risk Committee and its roadmap for 2017
- Review of IT risk and critical systems and controls
- Overview of work carried out by the Risk Committee on principal risks

Fraud reporting
- Review of fraud and fraud reporting across the Group

Group-wide enterprise resourcing platform
- Review of the introduction and phased go-live dates for the Group's new platform

NOVEMBER 2017

IT internal controls
- Cyber security deep dive
- Group-wide enterprise resourcing platform update and discussion of issues
- Discussion of Penton financial controls

External audit
- Review of the external auditor's report for auditing the Group's 2017 full year financial statements, including the scope of work and key risks on the financial statements
- Review and approval of non-audit services and related fees payable to the Group's external auditor

Internal audit
- Status of the Internal Audit plan
- Review of the work done by Internal Audit and monitoring of subsequent actions

Risk management
- Review of IT risk and critical systems and controls including audit risk following migration to new reporting systems
- Update on the work carried out by the Risk Committee

Financial statements
- Review of non-financial KPIs relevant to the Group
- Audit standards update
- FRC thematic review of Alternative Performance Measures
- Update on accounting standards

Treasury committee
- Update on the work carried out by the Treasury Committee

Corporate governance
- Corporate governance update including review and approval of Committee terms of reference

FEBRUARY 2018

Financial statements
- The Group's draft 2017 full year results statements and the Annual Report and Financial Statements
- The external auditor's report on the 2017 full year results
- Key accounting matters
- Viability statement and going concern assessment
- "Fair, balanced, and understandable" assessment of the 2017 full year results statements and the Annual Report and Financial Statements

External audit
- Review and approval of non-audit services and related fees payable to the Group's external auditor
- Auditor effectiveness

Internal audit
- 2018 Internal Audit plan
- Review of the work done by Internal Audit and monitoring of the subsequent actions

Group policies
- Review of the appropriateness of the Group's tax and treasury policies

Risk management
- 2018 Risk Committee planning
- Financial controls and their effectiveness
- Review of management of treasury and tax risks
- The material controls in place to mitigate principal risks
- Cyber security and technology

Fraud reporting
- Review of fraud and fraud reporting across the Group

Systems, security and data capabilities
As part of its Audit remit, the Committee regularly monitors the Group's investment and approach in areas that are critical to performance, the protection of its intellectual property and the integrity of its data and financial reporting.

In 2017, the Committee focused on a number of key areas, including:

Cyber security: The growing threat of cyber security is a key issue for all companies today and one which constantly evolves with technology. As part of its regular assessment, the Committee asked the Internal Audit function to conduct an in-depth review of Informa's IT security, the results of which were presented in the last quarter.

While some defences were robust, it was clear that more could be done. This has led to a number of initiatives, including establishing a Cyber Security Capability Roadmap, increasing the frequency and effectiveness of patching across the Group, introducing Multi-Factor Authentication as a new security measure and implementing a next-generation threat solution called Crowdstrike.

In addition, the Group is raising awareness amongst colleagues of the risks and the IT security protocols in place to protect the Group, including, through the launch of new Global Cyber and Data Security training modules and colleague communications in 2018.

Data management: A related area of focus is that of the effective management and use of data across the Group. This is particularly relevant in light of the upcoming GDPR, which comes into effect at the end of May 2018, and the Committee has been reviewing the Group's preparation for this deadline.

Progress has been made following the appointment of a Group Data Protection Officer to lead the programme. There remain some challenges, particularly related to securing relevant and experienced talent to support implementation and lead training and awareness.

Global Data Privacy training and communications will be launched alongside Cyber and Data Security training in 2018, and will provide a good opportunity to raise awareness of GDPR internally and the measures and practices being put in place to meet the new requirements.

Enterprise resource platform: The Committee has also been provided with regular updates on the progress of the Group's implementation of its upgraded enterprise resource platform, Globe. As with many large-scale IT deployments, this has been complex to manage, with implementation challenges leading to delays. However, the majority of the Group is now live on the platform.

RISK COMMITTEE
Another of the Committee's responsibilities is to oversee the work of the Risk Committee. The Risk Committee reports to the Committee and the Group Finance Director, Gareth Wright, is the Chairman. It comprises the CFO of each Division, the Group CIO, General Counsel & Company Secretary, Director of Talent & Transformation, Head of Group Finance, Head of Risk and Head of Compliance, and meets quarterly. Its principal duties include:

- providing guidance to the Board and the Committee regarding the Group's overall risk appetite, tolerance and strategy;
- overseeing and advising the Board and the Committee on the Group's current risk exposures and recommending a risk strategy;
- reviewing the Group's overall risk assessment processes, the parameters of the qualitative and quantitative metrics used to review the Group's risks, and confirming the actions taken to mitigate them;
- overseeing processes to ensure the Group's adherence to the approved risk policies;
- reviewing reports on any material breaches of Group policies and the adequacy of proposed actions;
- reviewing the effectiveness of the Group's internal controls and risk management systems, including all material financial, operational and compliance controls;
- reviewing the Group's approach to and management of health and safety risks, including the Health and Safety risk appetite statement;
- reviewing the adequacy and security of the Company's arrangements for its colleagues and contractors to raise concerns in confidence about possible wrongdoing in financial reporting or other matters;
- reviewing the Group's instances of fraud and of fraud reporting to the Committee; and
- reviewing the Group's insurance arrangements.

FINANCIAL REPORTING AND SIGNIFICANT JUDGEMENT AREAS
As part of evaluating the appropriateness of Informa's financial statements, the Committee assesses whether suitable accounting policies have been adopted and whether management has made appropriate estimates and judgements. The Committee reviews accounting papers prepared by management that provide details on the main financial reporting judgements. The Committee also reviews reports by the external auditor on the full year and half-yearly results, which highlight any issues identified in their audit process. During the year-end process, the Committee concentrated on the following critical accounting judgements and key accounting matters:

Valuation of separately identifiable intangible assets (Notes 17 and 18 to the Consolidated Financial Statements)
To determine the value of separately identifiable intangible assets on a business combination, and deferred tax on these intangibles, the Group is required to make judgements when utilising valuation methodologies. These methodologies include the use of discounted cash flows, revenue forecasts and the estimates for the useful economic lives of intangible assets.

There are significant judgements involved in assessing what amounts are recognised as the estimated fair value of assets and liabilities acquired through business combinations, particularly the amounts attributed to separate intangible assets such as titles, brands, acquired customer lists and associated customer relationships. These judgements impact the amount of goodwill recognised on acquisitions. Any provisional amounts are subsequently finalised within the 12-month measurement period, as permitted by IFRS 3.

The Group has built considerable knowledge of these valuation techniques, and for major acquisitions, defined as when consideration is £75.0m or above, the Group also considers the advice of third party independent valuers to identify and calculate the valuation of intangible assets arising on acquisition. Details of acquisitions in the year are set out in Note 18.

Impairment of assets (Note 16 to the Consolidated Financial Statements)
Identifying indicators of asset impairment involves estimating future cash flows based on a good understanding of the drivers of value behind the asset. At each reporting period, an assessment is performed to determine whether there are any such indicators of impairment, which involves considering the performance of our businesses, any significant changes to the markets in which we operate and future forecasts. For impairment testing purposes, goodwill is allocated to the specific cash generating units ("CGUs") that are expected to benefit from the goodwill. When there are changes in business structure, judgement is required to identify any changes to CGUs, taking account of the lowest level of independent cash inflows being generated, amongst other factors.

The Group has considered a number of assumptions in performing impairment reviews of assets, which can be found in Note 16. The determination of whether assets are impaired requires an estimation of the value in use of the CGUs to which assets have been allocated, except where a fair value less costs to sell methodology is applied. The value in use calculation requires the Group to estimate the future cash flows expected to arise from each CGU, using five-year projections and determining a suitable discount rate to calculate present value and the long-term growth rate. The Directors are satisfied that the Group's CGUs have a value in use in excess of their balance sheet carrying value. The sensitivities considered by the Directors for CGUs that have less headroom are described in Note 16.

Contingent consideration (Notes 18 and 26 to the Consolidated Financial Statements)
The calculation of contingent consideration involves estimating the future performance of an acquired asset, generally based on a multiple of revenue or profit in a specified future year. When the consideration transferred by the Group in a business combination includes assets or liabilities from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value, and included as part of the consideration transferred in business combination.

Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. These adjustments will result in a restatement to previous reported results if the changes relate to amounts arising in previously reported periods. Measurement period adjustments are adjustments that arise from additional information obtained during the measurement period, which cannot exceed one year from the acquisition date, about facts and circumstances that existed at the acquisition date.

Subsequent accounting for changes in the fair value of the contingent consideration, which do not qualify as measurement period adjustments, depends on how the contingent consideration is classified. Contingent consideration classified as equity is not remeasured at subsequent reporting dates, and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or a liability is remeasured at subsequent reporting dates at fair value, with the corresponding gain or loss recognised in the income statement.

EXTERNAL AUDITOR
The Committee takes seriously its responsibility for the development, implementation and monitoring of the Group's policy on external audit. This policy assigns oversight responsibility for monitoring independence, objectivity and compliance with ethical and regulatory requirements to the Committee, and day-to-day responsibility to the Group Finance Director. It states that the external auditor is jointly responsible to the Board and the Committee, with the Committee as primary contact. The policy also sets out which categories of non-audit services the external auditor will and will not be allowed to provide to the Group, subject to de minimis levels.

To fulfil its responsibility regarding the independence of the external auditor, the Committee reviewed:

- the external auditor's plan for the 2017 year-end audit, noting the role of the senior statutory audit partner who signs the audit report and who, in accordance with professional rules, has held office for three of a maximum permissible five years, plus any changes in the key audit staff;
- the arrangements for day-to-day management of the audit relationship;
- a report from the external auditor describing its arrangements to identify, report and manage any conflicts of interest; and
- the overall extent of non-audit services provided by the external auditor, in addition to its approval of the provision of non-audit services by the external auditor that exceed the pre-approval threshold.

Audit review
As part of best practice, management reviews the performance of the external auditor once a year to assess the delivery of the external audit service and identify areas for improvement. In 2017, Deloitte's performance was therefore assessed according to whether it exceeded, met or was below expectations against a variety of factors, with a questionnaire completed by Group and Divisional colleagues in different geographies to gather a full set of opinions. The results of this assessment process are reviewed by the Committee.

To assess the effectiveness of the external auditor, the Committee reviewed:

- the arrangements for ensuring the external auditor's independence and objectivity;
- the external auditor's fulfilment of the agreed audit plan and any variations from the plan;
- the robustness and perceptiveness of the auditor in its handling of the key accounting and audit judgements; and
- the content of the external auditor's reporting on internal control.

Audit tender
Deloitte LLP ("Deloitte") was reappointed as the Group's external auditor following a tender process carried out in 2016 and Shareholder approval at the AGM on 26 May 2017. Deloitte was first appointed as the Group's external auditor in 2004. The 2016 Annual Report provides details of the tender process undertaken during that year.

Compliance with the CMA Order
The Committee confirms compliance with the provisions of the Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014. It will keep its external auditor under review on an annual basis. Deloitte's last eligible year to serve as the Group's auditor is the year ending 31 December 2023.

NON-AUDIT SERVICES, FEES AND POLICY

The Committee considers that certain non-audit services should be provided by the external auditor, because its existing knowledge of the business makes this the most efficient and effective way for non-audit services to be carried out.

In 2017 the non-audit fees paid to Deloitte totalled £0.3m (2016: £5.1m) and were 14% (2016: 364%) of the 2017 audit fee. The majority of non-audit fees in 2017 were incurred for work on the half-year review and training services provided to Knowledge & Networking. Deloitte acquired a training business during 2017 that previously provided trainers and course materials for participants in a limited number of Knowledge & Networking events. The Committee approved the continuation of these services in 2017, which are for the benefit of course participants, with fees in the year amounting to £0.1m (of the total non-audit fee of £0.3m).

2018 policy
Following the approval of a new policy on 2 March 2017, the Group kept under review the provision of non-audit related services by the external auditor. This policy seeks to safeguard the ongoing independence of the external auditor and ensure the Group complies with new regulatory guidance in this area.

To safeguard the independence of the external auditor, the updated policy defines and describes:

- those services the auditor is not permitted to provide;
- those services acceptable for the auditor to provide, where provision has been pre-approved by the Committee;
- those services where the specific approval of the Committee is required before the auditor provides the service;
- the fee arrangements appropriate for external auditor engagements;
- the internal approval mechanisms, governance and Committee oversight required for engaging the external auditor; and
- the external reporting on the non-audit fee policy required as part of the Committee report in the Annual Report and Financial Statements.

The policy is designed to ensure that as a public interest entity ("PIE"), the Group complies with both the Financial Reporting Council Ethical Standard for Auditors and other EU audit regulations, which require that:

- from 2020 the Group will comply with a 70% cap on non-audit fees for services provided by the external auditor to European Economic Area ("EEA") PIEs and their EEA subsidiaries. The cap is based on the ratio of the average of three consecutive years of statutory audit fees to the non-audit fees for services paid to the external auditor in the fourth year; and
- certain non-audit services are permitted and prohibited as of 1 January 2017.

The policy is also designed to ensure that protocols are in place before the 70% cap comes into force, to ensure that the Committee has adequate opportunity to consider whether it should pre-approve non-audit spend with the external auditor that would exceed this cap.

This policy is supervised by the Committee, which has delegated day-to-day management to the Head of Group Finance and who ensures that compliance with the policy is kept under constant review.

The following non-audit services are approved and prohibited under the policy, subject to certain pre-approvals governed by fee limits and nature of service by the Group Finance Director and the Committee:

Permitted non-audit services, subject to governance and pre-approvals under the policy

- Audit-related services
- Reporting accountant services
- Assurance services in relation to financial statements within an M&A transaction e.g. providing comfort letters in connection with any prospectus that Informa may issue
- Tax advisory and compliance work for non-EEA subsidiaries
- Expatriate tax work
- Other non-audit services not covered in the list of prohibited and permitted services, where the threat to the auditor's independence and objectivity is considered trivial and safeguards are applied to reduce threat to an acceptable level

Prohibited non-audit services

- Bookkeeping and preparing accounting records or financial statements
- Services that involve playing any part in management or decision making
- Payroll services
- Design and implementation of internal control or risk management procedures related to the preparation and/or control of financial information, or the design and implementation of financial information technology systems
- Certain valuation services including valuations performed in connection with actuarial services or litigation support services
- Services linked to the financial, capital structure and allocation and investment strategy
- Promoting, dealing in or underwriting shares
- Internal audit services
- Certain HR services
- Certain legal services
- Services provided on a contingent fee basis

INTERNAL AUDIT

The Internal Audit team is outsourced to KPMG. It provides independent assurance through planned audit activities that identify controls on a sample and rotational basis and whether they are adequately designed and implemented, making recommendations for improving controls.

At the beginning of each year the Committee approves a schedule of work to be undertaken by the Group's Internal Audit team, with an emphasis on work covering the Group's key risk areas and certain key financial controls. Internal Audit attends each Committee and Risk Committee meeting, tabling reports on:

- any issues identified around the Group's business processes and control activities during the course of its work;
- the implementation of management action plans to address any identified control weaknesses; and
- any management action plans where resolution is overdue.

Internal Audit also attended the Enterprise Resource Platform Steering Committee from go-live until the end of 2017, assessing the governance process around monitoring the SAP implementation and reporting on this to the Committee.

An Internal Audit effectiveness review is carried out each year to assess the delivery of the function and areas for improvement, where senior internal stakeholders are consulted and provide their feedback. Any areas for improvement are discussed at a Committee meeting and Internal Audit discusses any identified weaknesses directly with senior management.

Approved by the Board and signed on its behalf by

John Rishton
Chairman of the Audit Committee
27 February 2018

SECTION D:

DIRECTORS' REMUNERATION REPORT

DEAR SHAREHOLDER

On behalf of the Remuneration Committee ("the Committee"), I am pleased to present the Directors' Remuneration Report for 2017. This report is split into two sections: the Remuneration Policy and the Annual Report on Remuneration. As part of our regular three-year cycle, we will be asking Shareholders to approve an updated Remuneration Policy at the 2018 AGM.

The Committee's primary focus is to align Directors' remuneration to the Group's strategic priorities, the needs of the business and the creation of long-term value for Shareholders. Performance measures and targets are designed to be suitably challenging, and are based on a range of factors including internal budgets, strategic ambitions, analysts' views and investor expectations.

While our existing Remuneration Policy has served the Group and its Shareholders well, we are proposing a number of changes in the updated Policy (set out on pages 97 to 104) that are designed to reflect market best practice.

In addition, we will be consulting with major Shareholders in March on how best to motivate and incentivise our Executive Directors going forward, in a way that aligns closely to Shareholder interests whilst reflecting the evolution of the Group. Even before the proposed addition of UBM plc, Informa is a far larger, more international and complex business today than it was when the framework for the current Policy was first introduced in 2013.

Should the recommended offer for UBM plc be successful, the Committee also believes the success of that acquisition and the returns it generates for Shareholders through the Accelerated Integration Plan should be another key component of management's incentive structure and targets over the next few years.

The recommended offer for UBM plc is subject to a Shareholder vote in April and also requires regulatory consent in a number of jurisdictions. Consequently, the Committee intends to engage with major Shareholders on the updated Remuneration Policy ahead of this vote and provide full and final details of all changes to the Policy before the 2018 AGM. These will be sent to Shareholders after the vote in regard to UBM plc but in advance of the AGM.

As it is currently drafted:

- The Remuneration Policy can be found on pages 98 to 104 of this Report. Shareholders will vote on the updated Remuneration Policy at the 2018 AGM, in accordance with regulatory requirements.
- Changes made to the Remuneration Policy since Shareholders last approved it at the 2015 AGM are set out on page 97.
- While the updated Remuneration Policy may stay in place for up to three years without a further Shareholder vote, the Committee will keep it under regular review.

The Committee also considers environmental, social and governance issues, and is specifically mindful that the Remuneration Policy does not inadvertently create risks in these areas or promote irresponsible behaviours.

As in 2016, the reward structure for all Informa colleagues is set out on page 110 and a comparison of CEO to average colleague pay is also included in this report. The Group operates in highly competitive markets for talent across the world and the majority of Informa colleagues are employed outside of the United Kingdom. In each market the Group operates an approach to remuneration that is both market relevant and competitive. Our statement on reward structure contains more details about the progressive terms used for most colleagues and how, through ShareMatch, the Committee is encouraging and incentivising all colleagues to own shares in the Group.

2017 PERFORMANCE AND INCENTIVE OUTCOMES

As detailed in the Strategic Report, 2017 was another year of improving operational and financial performance. The Group completed the *Growth Acceleration Plan* with all four divisions in growth, with the Group's underlying revenue growth over 3% and with strengthened platforms and capabilities for future scale and performance.

The two measures for the Executive Directors' 2017 Short-Term Incentive Plan ("STIP") were adjusted diluted earnings per share ("EPS") and underlying revenue growth ("URG"). The reported adjusted diluted EPS of 46.1p reflected 100.6% of the target and combined with URG of 3.4% led to a total annual bonus of 82.4% of the maximum potential, or 123.6% of base salary, being awarded to both Executive Directors. Of this award, bonus equal to 100% of base salary will be paid in cash and 23.6% will be deferred for three years under the terms of the Deferred Share Bonus Plan ("DSBP").

The 2015 Long-Term Incentive Plan ("LTIP") performance period ended on 31 December 2017. The measures within this plan cycle were total shareholder return ("TSR") compared to the FTSE 51–150 peer group excluding financial services and natural resources companies, and the compound annual growth rate ("CAGR") in adjusted EPS. The Group's performance against these measures resulted in an overall vesting outcome of 82.98% of the original award for both Executive Directors.

COMMITTEE ACTIVITIES IN 2017

The Committee met eight times in 2017, with full attendance at each meeting except on one occasion when one member was absent due to exceptional circumstances. Informa's Chairman, Derek Mapp, attends meetings by invitation only and he is not present when matters relating to his remuneration are discussed. None of the members who served on the Committee during the year had any personal financial interest, other than as a Shareholder of the Group, or conflicts of interests arising from cross-directorships or day-to-day involvement in running the business.

The Committee reviewed its remuneration advisers in early 2017 and following a tender process, approved the appointment of Mercer Kepler, taking over from Willis Towers Watson, which served the Committee up to the AGM on 26 May 2017.

Summary of Remuneration Policy proposals

The Committee has continued to actively engage with major Shareholders through the year, including on its evolving thinking on proposed changes to the Policy. Initial thoughts were communicated through a series of letters from the Remuneration Committee Chairman during 2017 and the Committee intends to meet with major Shareholders in March 2018 to further understand views and expectations prior to the 2018 AGM.

The Committee's own review of its Remuneration Policy concluded that the overall approach and structure, which has served the Company well through the last three years, in substance continues to remain appropriate as Informa moves into the next stage of its evolution. However, the framework for the current Remuneration Policy was originally introduced in 2013 when Informa was a very different company. It is now a far larger, more international and complex business, even ahead of the proposed addition of UBM plc, and so the Committee feels this needs to be reflected in the structure, range and targets within the updated Remuneration Policy.

Furthermore, should the recommended offer for UBM plc be successful, the Committee believes that in order to closely align with Shareholder interests, the success of that acquisition and the returns it generates through the Accelerated Integration Plan should be another key component of management incentives over the next few years.

	Performance measures	Weighting on performance measure (% of maximum)	Performance outcomes	Percentage of maximum
STIP 2017	Adjusted diluted EPS	80%	EPS of 45.12p, which was 100.6% of target	62.4%
	URG	20%	URG of 3.4%, which was above the maximum target	20.0%
Total STIP				82.4%
LTIP 2015 award	TSR relative to FTSE 51–150 constituents excluding financial services and natural resources companies	50%	67.2nd percentile vs. peer group	32.98%
	EPS CAGR	50%	EPS CAGR of 6.9%, which was above the maximum target	50.00%
Total LTIP				82.98%

The Committee is also conscious that market thinking and best practice on remuneration continue to evolve and it is keen to reflect this. In this respect, it intends to propose a number of changes to update the Remuneration Policy, including an increase in the level of equity investment and holding required by Executive Directors, the introduction of a two-year post-vesting holding period for LTIP awards following the three-year performance period, strengthened malus and clawback provisions, and minor changes to the structure of good/bad leavers and change of control provisions.

More detailed information is contained in the Policy Table on pages 98 to 110.

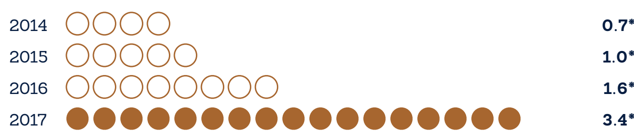
The Group actively encourages colleagues to participate in ShareMatch and as part of the Group's ongoing investment in opportunities for colleagues, the matching element of ShareMatch was increased to a one for one match at the start of the plan year in April 2017. Participation was immediately extended to colleagues who joined the Group from Penton and 18% of colleagues in countries where ShareMatch is offered were members in 2017. To make it easier and more efficient for US colleagues to invest in the Group's shares, we plan to launch a US Employee Stock Purchase Plan in early 2019. The Group is committed to growing colleague participation in share-based incentive plans in order to align as many colleagues as possible with Shareholders and provide colleagues throughout the Group with the opportunity to participate in the Group's success.

As the Group continues to grow and expand internationally, we will monitor and review incentive plans accordingly to ensure we maintain a strong link between pay and performance. As part of this process we will continue to regularly engage with Executive Directors and Shareholders, particularly if any changes are proposed. As always, we welcome comments and feedback on our executive remuneration arrangements from all our Shareholders.

Stephen Davidson
Committee Chairman
27 February 2018

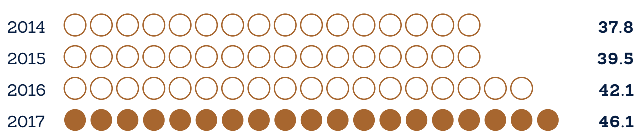
2017 PERFORMANCE SUMMARY

UNDERLYING REVENUE GROWTH (%) 3.4%



* 2014-2016 figures reflect previous measure of organic growth

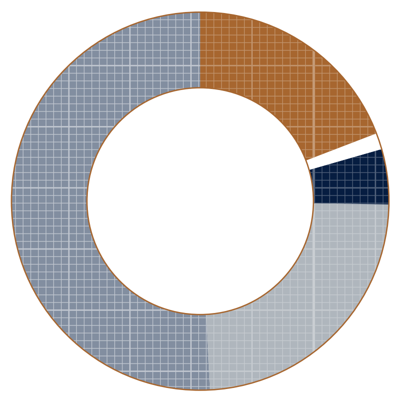
ADJUSTED DILUTED EARNINGS PER SHARE (p) +9.5%



Executive Directors reward in 2017

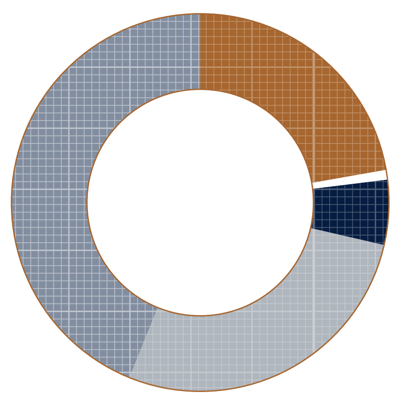
STEPHEN A. CARTER CBE

Base salary	£825,271
Taxable benefits	£57,574
Pension	£206,316
STIP	£1,020,035
LTIP	£2,169,729
Total fixed and variable pay	£4,278,925



GARETH WRIGHT

Base salary	£470,559
Taxable benefits	£16,475
Pension	£117,636
STIP	£581,611
LTIP	£923,273
Total fixed and variable pay	£2,109,554



REMUNERATION POLICY

Shareholder approval for the updated Remuneration Policy will be sought at the 2018 AGM, as is required every three years under the Companies Act 2006. Pages 98 to 104 of this document set out the Remuneration Policy, which is subject to further Shareholder consultation through March and April. The final proposed form of the updated Remuneration Policy will be published to Shareholders prior to the AGM and will also be displayed on our website at www.informa.com. If approved by Shareholders it will take effect from the end of the AGM on 25 May 2018.

Following consultation with major Shareholders and advisory groups during 2017, the changes outlined below are being proposed by the Committee, bringing the Group in line with current market best practice and the latest developments in corporate governance. Additional changes to the Remuneration Policy will likely be introduced following the planned further consultation and these will be clearly documented in the 2018 AGM notice under the appropriate resolution, which will be sent to Shareholders in advance of the AGM. Shareholder approval will be sought at the AGM on 25 May, and the updated Remuneration Policy will be included in next year's Directors' Remuneration Report.

Incentive structure

An increase in the level of Executive Director equity investment and holding

In order to align with the latest market best practice, the Committee is proposing that the percentage of salary Executive Directors are required to hold in shares should increase from a minimum of 150% of salary to 200% of salary.

An increase in post-vesting holding periods for LTIP awards to two years

In order to align with the best market best practice, the Committee is proposing that future LTIP awards made to the Executive Directors (including in 2018) will be subject to a two-year post-vesting holding period following the three-year performance period, other than any disposals made to meet income tax, National Insurance contributions or other regulatory obligations.

Malus and clawback provisions

In order to better align with the latest market best practice, the Committee is proposing an additional malus and clawback event referring to mathematical errors in calculating the incentive outcomes. This is noted on page 101.

Leaver and change of control provisions

In order to better align with the latest market best practice, the Committee is proposing some minor changes to the incentive plan structure and wording of the good/bad leaver and change of control provisions. These changes are:

- *Leaver categories:* Leavers are categorised into 'good' leavers (defined as death, retirement, ill-health, disability, redundancy, or any other reason at the Committee's discretion) and all other leavers.
- *Good leaver treatment:* STIP: Good leavers will normally receive a time pro-rated bonus subject to performance measured at the normal time, with Committee discretion to dis-apply time pro-rating and/or accelerate testing of performance. Default treatment was previously to forfeit any bonus if under notice prior to bonus payment date, with Committee discretion to override.
- *Good leaver treatment:* DSBP: Awards will normally vest on the normal vesting date, with Committee discretion to accelerate. No Committee discretion was included in the previous Remuneration Policy, and good leavers received their deferred awards earlier, at the end of the notice period.
- *Good leaver treatment:* LTIP: Awards will normally be pro-rated for time and vest on the normal vesting date subject to performance, with Committee discretion to accelerate performance-testing and vesting. Default treatment was previously to test performance early and allow early vesting, with no Committee discretion to override.
- *Change of control:* The treatment of incentives on a change of control was not included in the previous Remuneration Policy. The new change of control provisions are set out on page 103, and are aligned to market practice.

The following tables summarise the six key elements of Executive Director remuneration packages and the fees paid to the Chairman and Non-Executive Directors.

STRATEGIC REPORT
GOVERNANCE
FINANCIAL STATEMENTS

EXECUTIVE DIRECTORS

Overview and link to strategy	Operation	Performance framework	Maximum
Base Salary			
Executive Directors receive an annual salary, which is targeted to be broadly market competitive.	Reviewed by the Committee prior to the beginning of each year and upon a change of position or scope of responsibility. In deciding appropriate levels, the Committee considers pay practices in the Group as a whole and makes reference to objective external data that gives current information on remuneration practices in appropriate comparator companies of a similar size to Informa. If, in the Committee's judgement, it is appropriate to appoint an individual on a salary below market norms, the Committee may exceed the normal rate of increase set out in the Policy Table in the following two to three years based on performance in role.	Not subject to performance measures. However, an individual's experience, development and performance in the role will be taken into account when setting and reviewing salary levels.	There are no prescribed maximum increases for base salary. In usual circumstances, increases will be broadly in line with those awarded to Group colleagues taking into account performance and geography. In exceptional circumstances, such as following a significant increase in the size and/or complexity of the Group or an individual's role and scope, the Committee can exceed the normal level of increase. The Committee will provide the rationale for any such higher increases in the Annual Report on Remuneration following the increase.
Benefits			
The arrangements offer Executive Directors market competitive benefits to retain and attract high calibre individuals.	Ongoing benefits may include but are not limited to company car, car allowance, death-in-service insurance coverage, family private health insurance, family dental insurance, accident insurance and permanent health insurance cover. In the event of an international relocation additional benefits may include but are not limited to relocation, housing and schooling costs, financial advice and repatriation. It is the intention that any such arrangements ensure that an individual is not adversely impacted should the Group require them to relocate.	Not subject to performance measurement.	The maximum car allowance is £20,000 per annum. Other benefits are provided through third parties and therefore the cost to the Company and value to the Executive Directors may vary. However, the nature of the provision will remain unchanged. There is no prescribed maximum for benefits related to an international relocation given the nature of the provision and the amounts will vary based on factors such as an individual's circumstances and the countries involved.
Retirement and life assurance benefits			
The arrangements offer Executive Directors a retirement plan contribution which is motivating and in line with previous plans at the point of recruitment as well as in line with the market.	Retirement benefits will be paid in part or in full into a Group Personal Pension or Personal Pension vehicle. The pension allowance may also be taken in part or in full as a gross cash payment. Any cash payment will be paid monthly. Life assurance is payable in a lump sum, in the event of the insured individual's death-in-service.	Not subject to performance measurement.	Retirement benefits: 25% of base salary. Life assurance: Four times base salary.

Overview and link to strategy	Operation	Performance framework	Maximum
Short-Term Incentive Plan ("STIP")			
The STIP rewards Executive Directors for delivery of excellent levels of annual performance. Performance metrics are selected to ensure a focus on improvements in short-term performance that will help drive the sustainable long-term success of the Group.	Bonus can be delivered entirely in cash, or in a combination of cash and shares. Any bonus up to 100% of base salary is paid in cash and any above 100% of base salary is deferred in shares for a period of three years under the Deferred Share Bonus Plan ("DSBP"). Participants will receive a dividend equivalent payment in the form of cash or shares in respect of DSBP awards that vest. In certain circumstances the Committee will have the discretion to reduce the size of or cancel an unvested award ("malus") under the DSBP or require the repayment of the cash bonus or shares received (or an equivalent cash amount) ("clawback") once awards have been received by the Executive Director.	The performance measures, weightings and targets are set annually by the Committee. Bonus opportunity will be linked to the achievement of challenging financial and, when appropriate, non-financial performance targets. Details of the measures and their weightings will be disclosed annually in the Annual Report on Remuneration, with the targets disclosed retrospectively in the following year provided they are not deemed to be commercially sensitive at that time.	**Below threshold:** performance results in a zero bonus. **Threshold:** performance results in a bonus of up to 25% of maximum of the award. **On-target:** performance results in a bonus of up to 67% of maximum of the award. **Maximum bonus payout:** will be confirmed following the major Shareholder consultation. The Committee reserves the right to adjust the targets if events occur (e.g. material acquisition and/or divestment of a Group business) which cause it to determine that they are no longer appropriate.
Long-Term Incentive Plan ("LTIP")			
The LTIP rewards Executive Directors for delivery of strong, sustained performance over a period of three years.	Executive Directors can receive an annual award of shares (or share-based equivalent) subject to the achievement of specified performance conditions over a three-year performance period. Awards may vest after three years, and a two-year holding period applies for vested awards, during which time Executive Directors may not sell shares, save to cover tax or to meet other regulatory requirements. Participants will receive a dividend equivalent payment in the form of cash or shares in respect of awards that vest. In certain circumstances, the Committee will have the discretion to reduce the size of or cancel an unvested award ("malus") under any share plan or bonus plan operated by the Company or require the repayment of the shares received (or an equivalent cash amount) ("clawback") once shares have been received or options exercised by the Executive Director.	The performance measures, weightings and targets are set annually by the Committee. LTIP awards will be linked to the achievement of challenging financial and, when appropriate, non-financial performance targets. Details of the measures and their weightings will be disclosed annually in the Annual Report on Remuneration, with the targets disclosed, at the start of the performance period, provided they are not deemed to be commercially sensitive. At the end of the performance period, the Committee will assess performance against the targets set and review any other relevant events during the period in reaching a judgement with respect to the overall level of vesting under the award.	**Below threshold:** performance results in a zero vesting. **Threshold:** results in vesting of up to 25% of maximum of the award. **On target:** results in vesting of up to 67% of maximum of the award. **Maximum award:** will be confirmed following the major Shareholder consultation.

Overview and link to strategy	Operation	Performance framework	Maximum
Share Incentive Plans ("SIPs")			
To encourage share ownership in Informa in those markets where SIPs are operated.	SIPs may be operated in markets that Informa operates in. These SIPs will be informed by relevant tax and share legislation. For example, in the UK, the Company operates a SIP which qualifies for tax benefits. The Committee retains the discretion to allow Executive Directors to participate in SIPs that operate in their home market, where the terms of participation are consistent for all eligible colleagues. The Board has Shareholder authority to match colleague subscriptions up to a maximum two for one basis.	Not subject to performance measurement.	Limits vary according to local market practice. In the UK, the default limits set out in the UK tax legislation will serve as a maximum, although lower levels may be operated in practice.

CHAIRMAN AND NON-EXECUTIVE DIRECTORS

Overview and link to strategy	Operation	Performance framework	Maximum
Fees			
The fees are set to attract and retain high calibre individuals by offering market competitive fees, considering the time that is required to fulfil the relevant role.	Fees are reviewed annually. The Chairman of the Board is paid a consolidated fee to reflect all the duties associated with the position. The Non-Executive Directors receive a base fee reflecting their duties on the Board and memberships of any Committees. The Senior Independent Director and chairs of Board Committees are eligible for an additional fee, reflecting the additional time and expertise required. The Chairman and Non-Executive Directors are covered under the Group accident and travel policy as it relates to work on behalf of Informa. Expenses in line with Informa policy will be reimbursed.	Not subject to performance measurement.	There is no prescribed individual maximum but the fee levels will reflect prevailing market practice and salary increases across the Group. The maximum annual aggregate fee for all Non-Executive Directors is as set out in the Company's Articles, but may increase or decrease if the Articles are amended to reflect such a change. An increase in the aggregate from £1,000,000 to £1,250,000 is proposed to be put to Shareholders for approval at the 2018 AGM.

The Committee is satisfied that the Remuneration Policy is in the best interests of Shareholders and does not promote excessive risk taking. The Committee retains discretion to make non-significant changes to the Remuneration Policy without reverting to Shareholders.

SHAREHOLDING REQUIREMENTS

The percentage of salary the Executive Directors are required to hold in shares or in exercisable options over shares is equivalent to 200% of salary. They are expected to meet the guideline within five years of appointment and maintain this throughout their term. The increased shareholding requirements will take effect from the 2018 AGM and the Executive Directors will be expected to meet the increased requirement within five years from that date.

MALUS AND CLAWBACK

Malus and clawback powers in the STIP, DSBP and LTIP may be applied over a three-year period in the case of:

- material misstatement of the Group's financial results;
- a mathematical error in the calculation in the number of shares or the amount of cash payment under an award;
- as a result of a regulatory investigation or a breach of any material legislation, rule or code of conduct; and
- if, after the Executive Director has left employment with the Group, facts emerge which, if known at the time, would have resulted in either the share award lapsing or discretion being applied by the Board.

LEGACY ARRANGEMENTS

Executive Directors are eligible to receive payment from any award or other remuneration arrangements made prior to the approval of the current Remuneration Policy (such as the vesting of LTIP awards made under a previous Remuneration Policy, or made prior to appointment to the Board). Details of any such payments will be set out in the relevant year's Annual Report on Remuneration as they arise.

PERFORMANCE MEASURES AND THE TARGET SETTING PROCESS

The performance measures that apply to the STIP and LTIP awards are selected by the Committee to align with the Group's strategic priorities and contribute to the creation of long-term value. The Committee judges that the performance measures for both Executive Directors and senior management do not raise environmental, social, governance or operational risks by inadvertently motivating irresponsible behaviours.

The Committee will consult with Shareholders on setting the EPS targets for the LTIP, and when setting these targets, the Committee considers a range of factors including internal budgets, strategic ambitions, analysts' consensus views and investor expectations, as well as performance on environmental, social and governance issues. Depending on the nature of the measure, some factors play a greater role than others but all targets are set to ensure they are suitably challenging.

PAY FOR PERFORMANCE SCENARIOS

A clear majority of the maximum potential remuneration of the Executive Directors should be performance related. For each of the Executive Directors, the bar charts below illustrate the composition of remuneration for the 2018 financial year under three performance scenarios:

- Minimum, which assumes no variable elements of pay are awarded or vest;
- On target, which assumes target bonus of 67% of maximum, and threshold vesting under the LTIP of 25% of maximum; and
- Maximum, which assumes the variable elements of pay are awarded or vest in full.

The projected remuneration outcomes are based on the existing maximum opportunities under the STIP in 2018 (being 150% of base salary) and the existing maximum opportunities under the LTIP (being 200% of base salary for the Group Chief Executive and 150% of base salary for the Group Finance Director). Any changes to these thresholds following consultation will be reflected in updated charts included in next year's report.

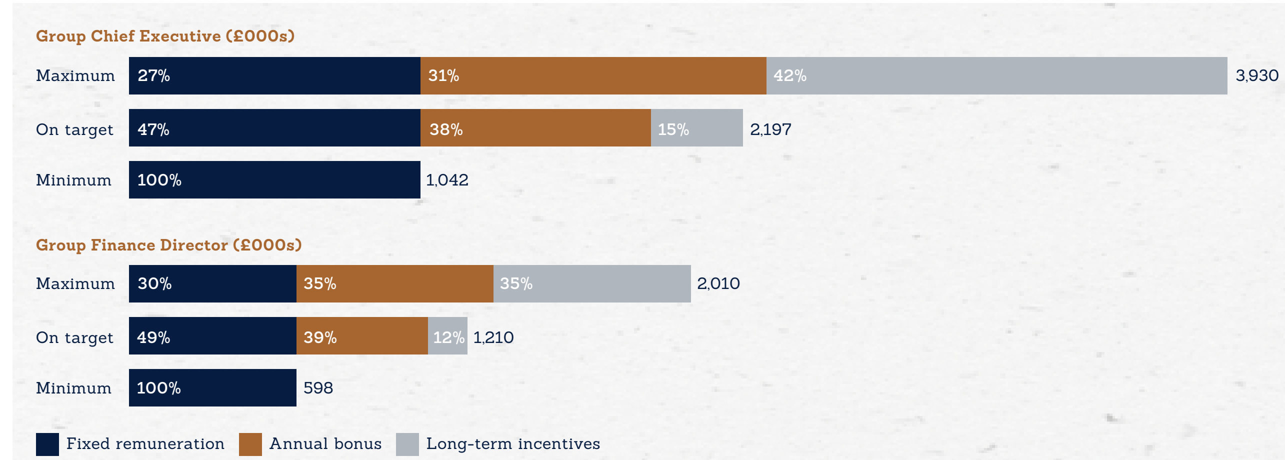
The projected values exclude the impact of any share price movements and dividend equivalents.

OTHER REMUNERATION POLICIES

Appointments to the Board

The Committee will take a number of factors into account when making a Board appointment, depending on whether it is an external hire or internal promotion.

The intention is that elements of pay will be consistent with the Remuneration Policy Table on pages 98 to 100. To allow for the



uncertainties associated with making appointments, particularly when recruiting externally, the following guiding principles also form part of the appointments policy for Executive Directors:

- Salary levels will be informed by the factors set out in the Policy Table and by the individual's prior experience. If the Committee judges it appropriate to appoint an individual on a salary below market norms, it may exceed the normal rate of increase set out in the Policy Table in the two to three years following, based on performance in role.
- Benefits will be in line with the elements set out in the Policy Table, but may vary if a non-UK national is appointed or if a role is to be based outside the UK.
- Subject to the bullet point below, the aggregate incentive awards that can be received in one year will not exceed the maxima in the Policy Table. In the year of appointment, an off-cycle award under the LTIP may be made by the Committee to ensure an immediate alignment of interests. Performance measures and targets will be reviewed and may be changed to ensure they are appropriate depending on the timing and nature of the appointment.
- In the event of an external appointment, the Committee may buy out incentive awards (both annual and long term) that the individual has forfeited on departure. In determining the nature of any award, the Committee will take account of the likelihood of vesting, the applicability of performance requirements, the time horizons, the anticipated value of any awards and the vehicle of the awards. The fair value of the buy-out award would be no greater than the awards being replaced. In order to facilitate like-for-like buy-out awards on recruitment, the Committee may avail itself of Listing Rule 9.4.2 to apply an alternative incentive structure, if required.
- In the event of an internal appointment to the Board, pre-existing obligations can be honoured by the Committee and so payment will be permitted under this Remuneration Policy.

Fees for any new Non-Executive Director will be set in accordance with the prevailing level for other Non-Executive Directors at the time of the appointment. In the event of a new Chairman being appointed, the consolidated fee will be informed by the individual's experience and profile, as well as the anticipated time commitment and market rates. The Group may pay expenses and additional benefits related to travel and relocation depending on the nationality and home market of the incumbent.

SERVICE CONTRACTS

The Committee's policy with respect to Executive Director service contracts is summarised below. The Chairman and Non-Executive Directors have letters of appointment that can be terminated by either party on three months' notice. The service contracts are available for inspection at the registered office and will be available for inspection at the 2018 AGM.

Notice period	Up to 12 months' prior notice by either party
Payment in lieu of notice ("PILON")	Payment on immediate termination by the Company of salary, benefits allowance and pensions allowance covering the Executive Director's notice period. Such payments are to be made in equal monthly instalments in arrears and the Group is entitled to reduce such payments by the amount of any earnings received or receivable by the Executive Director from any other employment, engagement, office or appointment in respect of the same period.
Change of control provisions	The Executive Director will have no claim against the Group or against the undertaking arising out of or connected with a change of control of the Company.
Entitlements on termination	No automatic entitlement to compensation for the loss of any rights or benefits under any share option, bonus, LTIP or other profit sharing or benefit scheme operated by the Company. No payment of salary, benefits allowance, pensions allowance or bonus except for that described above in PILON.

DIRECTORS' CONTRACTS

Each of the Non-Executive Directors has specific terms of appointment.

The dates of the Directors' original contracts are shown in the table below. The current contracts, which include details of remuneration, are available for inspection at the Company's registered office and will be available for inspection at the AGM. The Executive Directors' contracts have a 12-month notice period by either party and the Non-Executive Directors' letters of appointment are terminable by either party on three months' notice.

Executive Directors	Date of original contract
Stephen A. Carter CBE[1]	9 July 2013
Gareth Wright	9 July 2014

Non-Executive Directors	Date of original contract
Derek Mapp	17 March 2008
Cindy Rose	1 March 2013
Gareth Bullock	1 January 2014
Helen Owers	1 January 2014
Stephen Davidson	1 September 2015
David Flaschen	1 September 2015
John Rishton	1 September 2016

1. Stephen A. Carter CBE was appointed as CEO-Designate on 1 September 2013 and became Group Chief Executive on 1 December 2013.

LOSS OF OFFICE

The Committee's principle around loss of office is that no payments for failure will be made. Loss of office payments will be made in accordance with the relevant contractual employment or settlement obligations and provisions under the plan rules:

Plan	Scenario	Timing and calculation of payment/vesting
STIP	Retirement, injury, disability, ill-health, redundancy, sale of employer or business out of Group, or negotiated termination not for cause, or any other reason at the Committee's discretion	Performance is typically assessed at the end of the year in the normal way, and any resulting bonus is pro-rated for time served during the year and paid on the normal payment date. The Committee retains discretion to dis-apply time pro-rating or accelerate testing of performance.
	Death	The Committee may make a payment subject to performance. Any resulting bonus is typically pro-rated for time, and paid as soon as possible after the date of death.
	Change of control	The Committee will assess the most appropriate treatment for the outstanding bonus period according to the circumstances.
	All other reasons	No bonus is paid.
DSBP	Retirement, injury, disability, ill-health, redundancy, sale of employer or business out of Group, or any other reason at the Committee's discretion	Awards vest at the end of the vesting period with Committee discretion to accelerate vesting.
	Death	Awards vest immediately.
	Change of control	Awards normally vest immediately; alternatively, awards may be exchanged for new equivalent awards in the acquirer where appropriate.
	All other reasons	Awards lapse.
LTIP	Retirement, injury, disability, ill-health, redundancy, sale of employer or business out of Group, or any other reason at the Committee's discretion	Any unvested awards normally vest on the normal vesting date, subject to performance, and will be pro-rated for time (based on the proportion of the vesting period elapsed). The Committee retains discretion to accelerate testing of performance and vesting and dis-apply time pro-rating.
	Death	Any unvested awards vest immediately, subject to performance and time pro-rating (which the Committee retains the discretion to dis-apply).
	Change of control	Any unvested awards normally vest immediately, subject to performance, and will be pro-rated for time (based on the proportion of the vesting period elapsed). Alternatively, awards may be exchanged for new equivalent awards in the acquirer where appropriate. The Committee retains discretion to dis-apply time pro-rating.
	All other reasons	Awards lapse.

In respect of vested LTIP awards that are still subject to a holding period, awards will normally be released at the end of the holding period, though the Committee has discretion to determine otherwise, taking into account the circumstances at the time.

The Group may terminate an Executive Director's service contract with immediate effect, by giving written notice of its intention to make a payment in lieu of notice to the Executive Director, that is equal to the salary, benefits allowance and pensions allowance that they would be entitled to receive during the unexpired part of the notice period, less any required deductions.

Letters of appointment of the Chairman and Non-Executive Directors provide for payment of accrued fees up to the date of termination, as well as the reimbursement of any expenses properly incurred prior to the date of termination. Termination may be for any reason, including resignation, non-re-election by Shareholders, gross misconduct or termination for cause.

CONSIDERATIONS TAKEN INTO ACCOUNT WHEN SETTING THE DIRECTORS' REMUNERATION POLICY

In determining the Remuneration Policy, the Committee's primary focus is on the needs of the business, its alignment with Group strategy, and the best interests of Shareholders. Market practice more generally, feedback from Shareholders and aspects of practices across the Group are taken into account.

PRACTICES ACROSS THE GROUP

The Group is diverse, operating in many different countries and vertical markets, and with several different lines of business. Where businesses join the Group through acquisition, this can also create a level of difference in remuneration practices.

As a result of this diversity, the level and structure of remuneration for different groups of colleagues differ from the Remuneration Policy for Executive Directors. The intention is that all remuneration agreements consider all reasonable factors, and the Committee takes into account certain aspects of Group-wide remuneration, such as base pay increases, when setting the Remuneration Policy. Other aspects are less relevant because of the operational differences influenced by geography, line of business and in some instances legacy plans from acquired businesses.

The Committee has not sought the views of colleagues in formulating the Remuneration Policy because of the operational challenges and cost associated with undertaking such an exercise, and no comparison metrics are used.

For the senior management team, base salary is reviewed annually and takes into account factors consistent with those applied to Executive Director pay. Incentive pay varies significantly with greater focus placed on the annual performance of the relevant Division or business unit.

The Group's remuneration policy for colleagues as a whole is based on principles that are broadly consistent with those applied to Executive Directors. Annual salary reviews for colleagues are conducted at the same time as the annual salary review for Executive Directors, and take into account personal performance, the performance of the Group and salary levels for similar roles in comparable companies.

Colleagues below Executive level are eligible to participate in annual bonus schemes and receive benefits and retirement benefits. They are also entitled to participate in ShareMatch on the same terms as the Executive Directors.

FEEDBACK FROM SHAREHOLDERS

As noted on page 94, the Committee has been in consultation with its major Shareholders during 2017 and will consult in early 2018 on the proposed changes to the Remuneration Policy (outlined on pages 97 to 104) and the setting of targets (outlined on page 101).

The Committee considers all feedback from Shareholders, including feedback received at the AGM each year and guidance from Shareholder representative bodies.

The Committee maintains an open and transparent dialogue with Shareholders and takes an active interest in voting outcomes. The Committee engages with Shareholders when appropriate on specific matters.

EXTERNAL DIRECTORSHIPS

The Executive Directors are entitled to accept appointments outside of the Company, provided that the Chairman determines that it is appropriate. The Executive Director will be entitled to retain any fees in relation to such outside appointments.

ANNUAL REPORT ON REMUNERATION

This section of the report provides details of how Informa's existing Remuneration Policy was implemented during the financial year ended 31 December 2017, and how the Committee intends to implement the proposed Remuneration Policy in 2018. Any information contained in this section of the report that is subject to audit is highlighted.

Key responsiblities of the Remuneration Committee

- Designing the Remuneration Policy
- Determining the total remuneration package of the Executive Directors within the scope of the Remuneration Policy
- Determining the Chairman's fees
- Approving the design and implementation of all colleague share plans and pension arrangements
- Reporting on the implementation of the Remuneration Policy
- Approving the design of and determining targets for any bonus or other performance-related plans
- Approving the appointment of remuneration advisers

The Committee's full terms of reference can be found on the Company's website and were reviewed in December 2017.

Committee membership and meetings

The Committee comprised three independent Non-Executive Directors during the year. The Committee held eight meetings during the year, and attendance at meetings is set out in the table below.

Members	Committee member since	Attendance during 2017 (of 8 meetings)
Stephen Davidson (Committee Chairman)	1 September 2015	8
Gareth Bullock	30 March 2015	8
Helen Owers	1 January 2014	7
Dr Brendan O'Neill[1]	1 January 2008	3

1. Dr Brendan O'Neill stepped down from the Board and the Committee on 26 May 2017.

In determining the Executive Directors' remuneration, the Committee consulted the Chairman about its proposals and no Executive Director played a part in any decision about his own remuneration. The Chairman, CEO, Director of Talent & Transformation and the Company's remuneration advisers attended meetings held during the year by invitation. The Director of Talent & Transformation and the Company Secretary also provided assistance to the Committee during the year.

The Committee initiated a review of its remuneration advisers in late 2016, following the review of our external auditor. The process was completed in February 2017 and Mercer Kepler was appointed as the Group's new remuneration adviser. Willis Towers Watson ("WTW") had been the Committee's adviser since 2010 and continued to provide advice during the first half of the year up to the AGM on 26 May 2017 when Mercer Kepler took over. The Committee has satisfied itself that both WTW and Mercer Kepler's advice is independent and objective and both are members of the Remuneration Consultants Group, follow its voluntary code of conduct and do not provide any other material services or have any other connection to the Group.

Dr Brendan O'Neill, who served as a member of the Committee in early 2017 and retired from the Board on 26 May 2017, is a member of the WTW board and did not and has never taken part in any discussions on the selection of WTW or Mercer Kepler, or their contracts. Fees paid to WTW in respect of services during the financial year ended 31 December 2017 amount to £27,830 and are primarily related to advice to the Committee (prior to 26 May 2017) and incentive plan monitoring reports. Fees paid to Mercer Kepler during the year ended 31 December 2017 amount to £81,010 and relate to attendance at Committee meetings, Remuneration Policy review and advice to the Committee. The Committee has not requested advice from any other external remuneration advisory firms apart from WTW and Mercer Kepler during the year ended 31 December 2017. Legal advice has been taken from Clifford Chance LLP.

AGM results

The following tables summarise the details of votes cast in respect of the resolutions:

To approve the 2016 Annual Report on Remuneration at the 2017 AGM:

Of issued share capital	Votes for	Votes against	Total votes cast	Votes withheld (abstentions)
Annual Report on Remuneration	453,108,346	187,128,291	640,236,637	12,498,147
	70.77%	29.23%		

We engage regularly with our Shareholders, and are aware of the variety of views expressed around executive remuneration, both publicly and in recent discussions. The Committee has a clear commitment to governance, best practice and listening to Shareholder views. Over the last year, the Committee has reviewed its executive remuneration framework and Remuneration Policy, including its approach to target setting, and consulted in 2017 and will consult in March 2018 with major Shareholders on remuneration matters. The Committee continues to welcome open dialogue with our Shareholders.

To approve the Directors' Remuneration Policy at the 2015 AGM:

Of issued share capital	Votes for	Votes against	Total votes cast	Votes withheld (abstentions)
Remuneration Policy	480,481,003	6,733,339	487,214,342	7,176
	98.62%	1.38%		

The following information has been subject to audit.

Executive Director single figure table for 2017

(£)		Base salary	Taxable benefits[1]	Pension	Total fixed pay	STIP[2]	LTIP[3]	Total variable pay	Total fixed and variable pay
Stephen A. Carter CBE	**2017**	**825,271**	**57,574**	**206,316**	**1,089,161**	**1,020,035**	**2,169,729**	**3,189,764**	**4,278,925**
	2016	817,100	32,243	204,275	1,053,618	490,260	1,863,773	2,345,033	3,407,650
Gareth Wright	**2017**	**470,559**	**16,475**	**117,636**	**604,670**	**581,611**	**923,273**	**1,504,884**	**2,109,554**
	2016	465,900	11,374	116,475	593,749	279,540	795,092	1,074,632	1,668,381

1. Taxable benefits include company car allowance, expenses incurred for accompanied attendance at certain corporate events, professional advice, family private health insurance, family dental insurance, accident insurance and permanent health insurance cover.
2. STIP awards are deferred in line with the Company's bonus deferral policy.
3. The 2015 LTIP award is valued based on the average share price taken over a three-month period from 1 October 2017 to 31 December 2017 and the quantum of shares vesting (82.98% of the original award). Performance period covered the financial years 2015, 2016 and 2017 and the performance outcomes for the 2015 LTIP award are explained on page 107. The 2014 LTIP award values noted in 2016 have been restated using the share price on vesting (27 March 2017) of 645.0p. Both the 2014 and 2015 award values include dividends accrued to 31 December 2017.

Components of Executive Director remuneration

Base salary

Executive Directors' salaries were reviewed at the beginning of 2017. The Committee determined that Stephen A. Carter CBE and Gareth Wright's base salaries would increase by 1.0%.

	Previous salary	Effective date	2017 salary	Effective date
Stephen A. Carter CBE	£817,100	1 January 2016	£825,271	1 January 2017
Gareth Wright	£465,900	1 January 2016	£470,559	1 January 2017

Pension

The Group makes a cash payment of 25% of basic salary to the Executive Directors in lieu of pension contributions. Neither Executive Director is a member of the defined benefit schemes provided by the Group or any of its subsidiaries, and accordingly they have not accrued entitlements under these schemes.

STIP

In 2017, the STIP was linked to the achievement of budgeted adjusted diluted EPS (weighted 80% of total) and URG (weighted 20%). The maximum STIP opportunity was 150% of salary for both Executive Directors. The EPS measure is based on budgeted exchange rates, in line with market practice, and therefore the targets and outturn shown below have been adjusted for the impact of exchange rates to enable constant currency comparison.

Measure	Weighting (% of maximum)	Performance targets: Threshold	Target	Maximum	Actual outturn	Payout (% of maximum)
EPS	80%	42.61p	44.85p	47.10p	45.12p	62.4%
URG	20%	1.0%	1.5%	3.0%	3.4%	20%
Total	100%					82.4%

EPS outturn was between target and maximum, resulting in a payout of 62.4% out of 80% of the maximum award. URG for the year was 3.4%, resulting in a full payout of 20%, being the maximum award. Consequently, the overall STIP outcome for 2017 was 82.4% of maximum, equal to 123.6% of salary for each Executive Director, which the Committee approved, having determined that the general financial underpin had been satisfied.

In line with the Remuneration Policy in effect during 2017, any bonus above 100% of salary is deferred in shares under the DSBP for three years, and is subject to malus and clawback provisions.

Vesting of 2015 LTIP awards

On 13 February 2015, Stephen A. Carter CBE and Gareth Wright received LTIP awards as set out in the table below:

	Date of award	Number of shares awarded	Price at date of award	Value as a percentage of base salary	Value at date of award (£)
Stephen A. Carter CBE	13 February 2015	306,425	528.00p	200%	1,617,924
Gareth Wright	13 February 2015	130,397	528.00p	150%	688,496

Vesting of the awards was based on relative TSR vs. the FTSE 51–150 (excluding financial services and commodities companies) (50% of the award) and EPS growth (50% of the award), measured over the three years to 31 December 2017.

Under the TSR element, if Informa ranks at median, 20% of the award subject to this measure will vest. This increases on a straight-line basis to full vesting for ranking at or above the 80th percentile. A ranking below median will result in the lapsing of the TSR element. Under the EPS element, 2% p.a. growth will result in 20% of the award subject to this measure vesting, 4% p.a. growth will result in 50% vesting, and 6% p.a. growth or higher will result in full vesting; vesting occurs on a straight line basis between these points. Growth below 2% p.a. will result in the lapsing of the EPS element.

In respect of the TSR element, Informa's TSR over the period was ranked at the 67.2nd percentile vs. the peer group, resulting in a vesting outcome of 32.98% (out of 50%) for that element. In respect of the EPS element, compound annualised growth rate over the period was 6.9%, resulting in a vesting outcome of 50% (out of 50%) for that element. The total amount that vested in February 2018 was 82.98% of the total award.

The performance outcomes above have resulted in the following LTIP vesting levels:

Executive Director	Number of shares granted[1]	Number of shares to vest[2]	Number of shares to lapse	Estimated value[3] (£)
Stephen A. Carter CBE	332,832	302,570	56,649	2,169,729
Gareth Wright	141,634	128,751	24,107	923,273

1. Figures adjusted for the rights issue on 26 October 2016.
2. Accrued dividends are included to 31 December 2017.
3. Based on the three-month average share price to 31 December 2017 of 717.10p.

LTIP awards granted in 2017

	Date of award	Number of shares awarded	Price at date of award[1]	Value as a percentage of base salary	Value at date of award (£)	End of performance period
Stephen A. Carter CBE	15 March 2017	253,345	651.50p	200%	1,650,542	31 December 2019
Gareth Wright	15 March 2017	108,341	651.50p	150%	705,841	31 December 2019

1. The share price used to calculate the value of each award is the closing share price on the date immediately prior to the date of grant of the award.

Vesting of the awards will be based on relative TSR vs. the FTSE 51–150 excluding financial services and natural resources (50% of the award) and EPS growth (50% of the award), measured over the three years to 31 December 2019.

Under the TSR element, if Informa ranks at median, 20% of the award subject to this measure will vest. This increases on a straight line basis to full vesting for ranking at or above the 80th percentile. A ranking below median will result in the lapsing of the TSR element. Under the EPS element, 2% p.a. growth will result in 20% of the award subject to this measure vesting, 4% p.a. growth will result in 50% vesting, and 6% p.a. growth or higher will result in full vesting; vesting occurs on a straight line basis between these points. Growth below 2% p.a. will result in the lapsing of the EPS element.

The Committee will disclose details of its assessment of performance following the conclusion of the performance period.

ShareMatch

ShareMatch, a global share incentive plan (which qualifies for tax benefits in the UK), has been offered to virtually all Informa colleagues since 2014. Colleagues are able to invest up to £1,800 per annum in the Company's shares through monthly contributions or a one-off lump sum.

In 2017, the Group improved the matching element from a one for two, to a one for one match, further rewarding colleagues who participate in the Group as Shareholders. Participation in 2017 reached nearly 1,200 colleagues across the world. Stephen A. Carter CBE and Gareth Wright, as well as all of the Executive Management Team, are members of ShareMatch.

Payments for loss of office

No payments for loss of office were made during the year ended 31 December 2017.

Payments to past Directors

No payments were made during the year ended 31 December 2017 to past Directors.

Chairman and Non-Executive Director single figure table

	2017		2016
	Total fees (£)	Taxable benefits[3] (£)	Total fees (£)
Derek Mapp	269,256	4,855	266,590
Gareth Bullock	74,325	2,935	73,589
Helen Owers	64,009	5,238	63,375
Cindy Rose	64,009	–	63,375
Stephen Davidson	74,325	1,717	73,589
David Flaschen	64,009	8,210	63,375
John Rishton[1]	72,205	1,630	21,125
Dr Brendan O'Neill[2]	31,876	–	76,928

1. John Rishton became Chairman of the Audit Committee on 26 May 2017.
2. Brendan O'Neill stepped down from the Board and as Chairman of the Audit Committee on 26 May 2017.
3. Taxable benefits disclosed relate to the reimbursement of taxable relevant travel and accommodation expenses for attending Board meetings and includes tax which is settled by the Company.

Chairman and Non-Executive Directors' remuneration in 2017

The remuneration of the Chairman is determined by the Committee in consultation with the Group Chief Executive. The remuneration of the Non-Executive Directors is determined by the Chairman and the Executive Directors within the limits set by the Articles. With effect from 1 January 2017 the Chairman's fee and the Non-Executive Director fees were increased by 1%.

	2017 fee (£)	Effective date	2016 fee (£)	Effective date
Chairman	269,256	1 January 2017	266,590	1 January 2016
Non-Executive Directors	64,009	1 January 2017	63,375	1 January 2016
Audit Committee Chairman	13,689	1 January 2017	13,553	1 January 2016
Remuneration Committee Chairman	10,316	1 January 2017	10,214	1 January 2016
Senior Independent Director	10,316	1 January 2017	10,214	1 January 2016

Non-Executive Directors are not eligible to participate in any of the Company's colleague share plans or join any Group pension scheme.

The following information has not been subject to audit.

IMPLEMENTATION OF THE DIRECTORS' REMUNERATION POLICY IN 2018

A summary of how the proposed Remuneration Policy will be applied for the year ending 31 December 2018 (if approved by Shareholders) is set out in the section below.

Base salary and fees

The Chairman and Non-Executive Directors' fees have not changed since 5 March 2017 but will be kept under review, particularly if the combination with UBM completes.

Pension

The Group will continue to make a cash payment of 25% of basic salary to the Executive Directors in lieu of pension contributions.

STIP

We will consult with major Shareholders in March 2018 about the STIP but it is intended that:

- the performance measures will be EPS and underlying revenue growth ("URG"), weighted 120% and 30% of base salary, respectively;
- performance below threshold will result in no EPS-related bonus. Threshold and on-target performance will result in payout of 25% and 75% of the maximum EPS element, respectively; and
- a below-threshold performance for URG will result in no URG-related bonus. Threshold and on-target performance will result in payout of 0% and 33.3% of the URG element, respectively.

Full details of performance targets and outturn for 2018 will be disclosed in next year's Annual Report on Remuneration.

LTIP

The Committee will consult with major Shareholders on the revised Remuneration Policy and potential LTIP awards to the Executive Directors.

It is currently intended that the performance measures will be relative TSR vs. the FTSE 51–150 excluding financial services and natural resources (weighted 50% of the total award) and compound EPS growth (weighted 50%).

Under the TSR element, if Informa ranks at median, 20% of the award subject to this measure will vest. This increases on a straight line basis to full vesting for ranking at or above the 80th percentile. A ranking below median will result in the lapsing of the TSR element.

The EPS growth performance range will be determined after the Committee has taken into account a variety of factors, including the internal and external projections for the Group's performance, and has consulted with major Shareholders. The range will be disclosed at the earliest opportunity.

Details of the award opportunities, performance measures and targets, and time horizon will be discussed with major Shareholders and will be disclosed in the 2018 AGM notice, and these details will then be included in full in the LTIP section of the Remuneration Policy in next year's Directors' Remuneration Report.

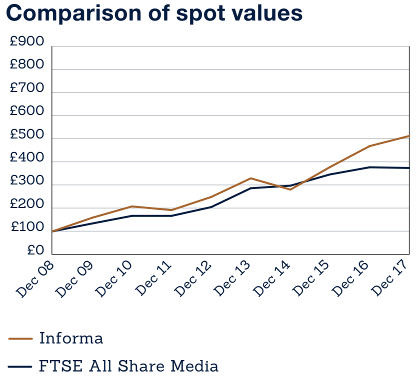
HISTORICAL TSR AND GROUP CHIEF EXECUTIVE PAY

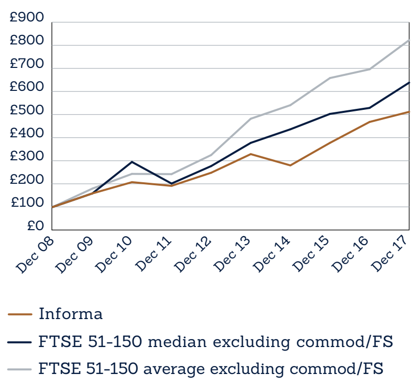
The graphs below illustrate the Group's TSR performance compared with the performance of the FTSE All Share Media Index, the FTSE 350 Index excluding Investment Trusts and the FTSE 51–150 peer group (excluding financial services and natural resources), in the nine-year period ended 31 December 2017. These indices and peer group have been selected for this comparison because the Group is a constituent company of all three.

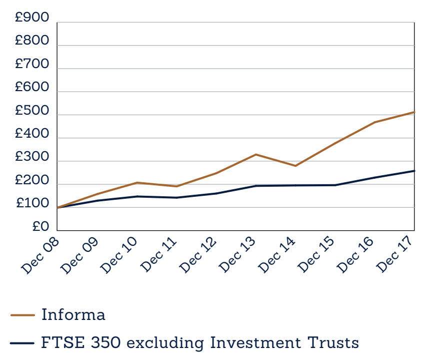
Historical TSR performance

Growth in the value of a hypothetical £100 holding invested in Informa over nine years.

Comparison of spot values







Over the same period, total remuneration of the individual holding the role of Group Chief Executive has been as follows:

Year	2009	2010	2011	2012	2013	2013	2014	2015	2016	2017
CEO	Peter Rigby	Peter Rigby	Peter Rigby	Peter Rigby	Peter Rigby	Stephen A. Carter CBE	Stephen A. Carter CBE	Stephen A. Carter CBE	Stephen A. Carter CBE	Stephen A. Carter CBE
CEO single figure of remuneration	£1,651,200	CHF 3,067,504	CHF 5,231,269	CHF 3,987,897	CHF 3,718,566	£588,365[1]	£1,794,152	£2,083,275	£3,407,650	£4,278,925
STIP payout (% of maximum)	83.6%	86.3%	75.7%	65.9%	n/a	59.0%	66.7%	69.8%	40.0%	82.4%
LTIP vesting (% of maximum)	40.2%	0%	74.0%	42.5%	–	n/a	n/a	34.6%	79.3%	83.0%

1. Group Chief Executive remuneration for Stephen A. Carter CBE for 2013 covers the period from 1 September 2013 to 31 December 2013. The LTIP award was made in 2013 and was pro-rated to reflect his time as CEO-Designate during that year.

CEO AND COLLEAGUE REMUNERATION CHANGES AND RATIOS

An analysis of the average base salary for the senior leadership team, which represents a group of around 160 colleagues around the world, has been carried out and results in a ratio of 12.9x as compared with the CEO.

The key annual remuneration averages in the Group and CEO multiples are:

- Senior leadership team – £317k (12.9x multiple)
- Group-wide – £60k (68.2x multiple)

Comparing the 2017 single pay figure of the CEO with the average pay for UK colleagues results in a ratio of 75.9x, where the average UK colleague pay is £53,917.

All above figures include salary, bonus payments and benefits package, with the CEO's figure including full LTIP earnings.

The following table shows the percentage change in salary, benefits and bonus from 2016 to 2017 for the Group Chief Executive and the average percentage change from 2016 to 2017 for all colleagues of the Group.

	Salary %	Benefits %	Bonus %
Group Chief Executive	1.0	78.5	108.0
All colleagues	3.9	3.0	6.9

RELATIVE IMPORTANCE OF SPEND ON PAY

The Group believes in the importance of investing in colleagues, and offering market competitive salaries as well as flexible benefits and further opportunities such as ShareMatch. The table below shows the aggregate colleague remuneration, dividends paid in the year, revenue and operating profit as stated in the financial statements, for the years ended 31 December 2017 and 31 December 2016:

	2017	2016	Percentage change
Total number of colleagues[1]	**7,539**	6,559	14.9
Aggregate colleague remuneration (£m)	**416.0**	336.9	23.5
Remuneration per colleague (£)	**55,176**	51,367	7.4
Dividends paid in the year[2] (£m)	**162.2**	131.9	23.0

1. Figures taken from Note 9 to the Consolidated Financial Statements.
2. Figures taken from Note 14 to the Consolidated Financial Statements.

SHARE OWNERSHIP GUIDELINES

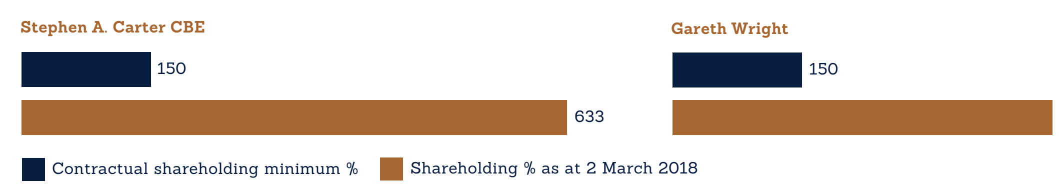
Both Stephen A. Carter CBE and Gareth Wright meet the Group's current share ownership guidelines as noted below. Our current guidelines require Executive Directors to build up, over a five-year period from their date of appointment to the Board, a holding in the Company's shares equal to at least 150% of annual basic salary. Conditional upon the new Remuneration Policy being approved at the 2018 AGM, this requirement will rise to 200% of base salary.

DIRECTORS' SHARE INTERESTS (AUDITED)

The beneficial interest of each Executive Director in the Company's shares (including those held by connected persons) and their share plan interests as at 31 December 2017 and 2 March 2018 are set out in the table below:

	Beneficial holding[1]	LTIP – 2014 award[2]	DSBP[3]	ShareMatch and Informa Invest[4]	Total interests as at 31 December 2017[5]	Shareholding as % of salary as at 31 December 2017[6]	LTIP – 2015 award[7]	DSBP 2018 award[8]	Total interests as at 2 March 2018[5]	Shareholding as % of salary as at 2 March 2018[6]
Stephen A. Carter CBE	100,973	288,957	6,373	2,193	398,496	346.26%	302,570	28,039	729,105	633.54%
Gareth Wright	14,493	123,270	3,615	3,744	145,122	221.16%	128,751	15,987	289,860	441.73%

1. Stephen A. Carter's beneficial shareholding receives shares, rather than cash, dividends through the Dividend Reinvestment Plan ("DRIP"), which is open to all Shareholders.
2. The 2014 LTIP became exercisable on 8 September 2014. 79.3% of Stephen A. Carter's 2014 LTIP is exercisable: 263,755 shares from an original grant of 332,605 shares, and 79.5% of Gareth Wright's 2014 LTIP is exercisable: 112,521 shares from an original grant of 141,537 shares. Accrued dividends are payable on these exercisable amounts and are included in the table to 31 December 2017.
3. DSBP shares have been restated due an administrative error in the 2016 Annual Report and include accrued dividends to 31 December 2017.
4. Shares held under ShareMatch are made up of shares purchased by the Executive Director, shares "matched" by the Group and dividend shares.
5. Total interests are shares held legally or beneficially and those held by connected persons, and exercisable shares held in the LTIP, shares held in Informa Invest and ShareMatch, in accordance with the Company's Executive Shareholding Guidelines.
6. The average share price for the three months from 1 October 2017 to 31 December 2017 has been taken for the purpose of calculating the current shareholding as a percentage of salary.
7. The 2015 LTIP is exercisable from 12 February 2018. 82.98% of both Stephen A. Carter and Gareth Wright's 2015 LTIP is exercisable: Stephen A. Carter: 276,183 shares from an original grant of 332,832 shares; and Gareth Wright: 117,527 shares from an original grant of 141,634 shares. Accrued dividends are included to 31 December 2017.
8. The DSBP award was made on 2 March 2018 following the outcome of the 2017 STIP of 123.6% as noted on page 107.



There have been no changes in the Executive Directors' shareholdings between 31 December 2017 and the date of this report.

Non-Executive Directors are not subject to a shareholding requirement. Details of their interests in shares (including those held by connected persons) as at 31 December 2017 are set out below and have not changed up to the date of this report:

Non-Executive Director	Shareholdings as at 31 December 2017
Derek Mapp	128,594
Gareth Bullock	12,859
Cindy Rose	4,375
Helen Owers	3,767
Stephen Davidson	3,350
David Flaschen[1]	7,000
John Rishton	8,681

1. David Flaschen holds 3,500 American Depository Receipts ("ADRs"). One ADR is equivalent to two Ordinary Shares.

None of the Directors had any beneficial interests in the shares of other Group companies.

OUTSIDE APPOINTMENTS

Executive Directors are permitted to accept appointments outside of the Group provided that the Chairman determines that it is appropriate. Stephen A. Carter CBE has been a Non-Executive Director of United Utilities Group PLC since September 2014 and retained fees of £74,866 with respect to this role in the financial year 2017. He is also a Non-Executive board member of the Department for Business, Energy & Industrial Strategy ("BEIS") and chooses not to receive remuneration for this role. Gareth Wright has no external appointments.

The following information has been subject to audit.

DIRECTORS' PARTICIPATION IN THE LTIP

The Executive Directors have been granted awards over shares in the Group under the LTIP as detailed in the Remuneration Policy.

The subsisting LTIP awards for the Executive Directors as at 31 December 2017 were as follows:

			Nil-cost options								
	Award date	At 31 December 2016	Exercisable	Exercised	Lapsed	Granted[1]	Dividend accrued[2]	At 31 December 2017	End of performance period	Date option exercisable	End of exercise period
Stephen A. Carter CBE	08.09.2014	332,605	263,755	–	68,850	_	25,202	288,957	31.12.2016	08.09.2017	07.09.2024
	12.02.2015	332,832	–	_	_	–	31,804	364,636	31.12.2017	12.02.2018	11.02.2025
	17.03.2016	255,400	–	–	–	–	15,267	270,667	31.12.2018	17.03.2019	16.03.2026
	15.03.2017	–	–	–	–	253,345	7,336	260,681	31.12.2019	15.03.2020	14.03.2027
		920,837	263,755	-	68,850	253,345	79,609	1,184,941			
Gareth Wright	08.09.2014	141,537	112,521	–	29,016	_	10,749	123,270	31.12.2016	08.09.2017	07.09.2024
	12.02.2015	141,634	–	–	–	–	13,532	155,166	31.12.2017	12.02.2018	11.02.2025
	17.03.2016	109,218	–	–	–	–	6,528	115,746	31.12.2018	17.03.2019	16.03.2026
	15.03.2017	–	–	–	–	108,341	3,136	111,477	31.12.2019	15.03.2020	14.03.2027
		392,389	112,521	–	29,016	108,341	33,945	505,659			

1. The market price of the Company's shares on the grant date was 636.50p per share.
2. Dividends accrue on an award from the date of grant to the date of exercise. Indicative number of accrued dividend shares are shown as at 31 December 2017. In accordance with the rules of the LTIP, accrued dividends can be paid in cash or shares.

Subject to achievement of the relevant performance conditions and continued employment, these awards will become exercisable following a three-year performance period, commencing on 1 January of the year of grant.

DIRECTORS' PARTICIPATION IN THE DEFERRED SHARE BONUS PLAN

The Executive Directors were granted options over shares under the DSBP as detailed in the Remuneration Policy.

	Date of grant[1]	At 31 December 2016[2]	Exercised	Lapsed	Granted	Dividend accrued[3]	At 31 December 2017	Date option exercisable	End of exercise period
Stephen A. Carter CBE	17.03.2016	6,016	–	–	–	357	6,373	17.03.2019	16.03.2026
Gareth Wright	17.03.2016	3,413	–	–	–	202	3,615	17.03.2019	16.03.2026

1. The market price of the Company's shares on the grant date was 695.0p per share.
2. Options were adjusted for the rights issue on 26 October 2016. The number of options have been amended due to an administrative error on page 105 of the 2016 Annual Report.
3. Dividends accrue on an award from the date of grant to the date of exercise. Indicative number of accrued dividend shares are shown as at 31 December 2017. In accordance with the rules of the DSBP, accrued dividends can be paid in cash or shares.

Options under the DSBP have a total option price of £1 payable on exercise of each grant, are subject to continued employment and can be exercised between three and ten years from the date of grant.

The market price of the Company's shares at 31 December 2017 was 722.00p and the range during the year was between 629.50p and 761.00p. The daily average market price during the year was 681.32p.

APPROVAL

This report was approved by the Board of Directors and signed on its behalf by

Stephen Davidson
Chairman of the Remuneration Committee
27 February 2018

SECTION E:

RELATIONS WITH SHAREHOLDERS

E.1 DIALOGUE WITH SHAREHOLDERS

Shareholders are among the most important stakeholder groups for Informa, as their support and financial capital enable the Group to fund ongoing operations, reinvestment and the addition of new businesses.

To maintain positive and constructive relations with Shareholders, the Group runs a proactive engagement programme throughout the year, with the aim of providing clear, timely and material corporate and financial information, creating forums for discussion between management and Shareholders and meeting all necessary standards for public company disclosure.

We operate a Level I sponsored American Depository Receipts ("ADR") programme through BNY Mellon to facilitate investment from US-based Shareholders, with ADR ownership accounting for 1.7% of Informa's share capital at the end of December 2017.

Informa's Shareholder engagement programme

The programme is led by the Director of Investor Relations, Corporate Communications & Brand who is a member of the EMT and attends all main Board meetings. The Group Chief Executive and Group Finance Director are also heavily involved in institutional investor and analyst engagement, and Informa's Divisional CEOs take part where practical and where Shareholders have a particular interest in meeting with them.

Informa holds ad hoc individual meetings and pre-planned roadshows to meet current and potential Shareholders and analysts. The Group organises wider meetings around financial results and major corporate announcements and typically holds an annual Investor Day to provide more detailed insight into businesses and access to management teams.

The Group also engages with the proxy agencies that advise certain Shareholders on governance and voting matters. This activity is conducted collaboratively between the Company Secretarial and Investor Relations teams.

The Investor Relations and Communications team puts substantial focus on the availability of high quality digital and online materials, to ensure that useful information about the Group is as accessible as possible to anyone no matter their location, size of holding or communication preference. Results calls and webcasts are streamed live through the website, with audio, video, written transcripts and presentation materials made available promptly online.

Shareholders are encouraged to use the website to receive and access corporate materials as a way of reducing the cost and resources involved with printed materials, and to ensure information is received in a timely way. Colleagues who are Shareholders through ShareMatch or other personal investment plans are also encouraged to use these facilities, alongside regular internal communications, to stay up to date on developments and performance.

Board oversight

The Board oversees activity through detailed reporting at each Board meeting. This includes data on changes to shareholdings and share price movements, information on market sentiment and sector news flow, and feedback from analysts and institutional investor meetings along with the latest analyst reports on the Group. There are often detailed discussions at Board meetings and during informal Board exchanges on Shareholder sentiment and engagement. At times of major corporate activity, the Board is provided with more regular updates and analysis.

In October 2017, the Board commissioned an independent study of investor perceptions to gather detailed independent feedback from Shareholders as the Group approached the end of the *Growth Acceleration Plan* period. This provided valuable insight into Shareholders' views on the progress made through *GAP* and the future opportunities for the Group.

Informa's Chairman Derek Mapp and Senior Independent Director Gareth Bullock make themselves available for meetings with Shareholders if requested and provide the Board with feedback on any issues raised. The Chairmen of the Remuneration and Audit Committees are also available to discuss any relevant matters with Shareholders.

2017 engagement highlights

Formal Shareholder engagement takes place to coincide with Informa's financial reporting calendar.

In 2017, an in-person presentation and webcast on the Group's 2016 full year results took place on 6 March and on 25 July for 2017 half-year results. Informa held its AGM on 26 May and published a trading update on that day. To accompany the nine-month trading update on 9 November, a conference call was also held for investors and analysts.

After postponing the annual investor day in 2016 due to the process of seeking Shareholder approval to acquire Penton Information Services, the 2017 Investor Day was held in London on 15 June 2017. This featured presentations from the Group Chief Executive and Group Finance Director, and several members of the management teams of Business Intelligence, Global Exhibitions and Knowledge & Networking. The newly appointed CEO of Academic Publishing also attended.

Informa also attended a number of investor conferences through the year as an efficient way to meet with large numbers of institutional investors, both current Shareholders and non-holders. In addition, the Group organised a series of investor roadshows in cities, including Edinburgh, New York, Boston, Paris, Barcelona and Frankfurt, as well as hosting numerous meetings with investors in London.

Informa was shortlisted for Best Investor Communications (FTSE 100 category) at the Investor Relations Society Awards in 2017 and was also shortlisted for the Best Investor Communication at the 2017 PLC Awards.

RELATIONS WITH DEBT HOLDERS

Informa runs an active programme of engagement with debt holders. While the Group currently has no public bonds in issue, as at the end of December 2017 we had more than £840m of US private placement loan notes held by more than 15 institutions.

The Group regularly holds conference calls and face-to-face meetings with debt investors to keep them updated with developments and the latest financial results. There is close liaison between the Treasury and Investor Relations teams, with a common commitment to clear and open engagement.

E.2 CONSTRUCTIVE USE OF THE ANNUAL GENERAL MEETING

At the AGM, the Board reports to the Shareholders on the Company's performance and welcomes questions and feedback from Shareholders.

We value the AGM as one forum for engaging with investors and all Directors attend each year. Shareholders are encouraged to ask questions of individual Directors and the Chairmen of the Board Committees are available for specific questions relating to Nomination, Remuneration and Audit.

The Directors are also available to meet with Shareholders on an individual basis before and after the AGM.

THE 2017 ANNUAL GENERAL MEETING

The last AGM was held in London on 24 May 2017. All Directors attended and were pleased to meet with the Conpany's investors. All resolutions were passed and the results were posted on the Company's website following the meeting. The Board acknowledged the number of votes received for the 2016 Annual Directors' Remuneration Report at the 2016 AGM and has consulted with Shareholders during 2017 to address feedback and questions. Further information on the consultation can be found on pages 94 and 97 of the Remuneration Report.

ANNUAL GENERAL MEETING 2018

This year's AGM will be held on Friday 25 May 2018, in the Heritage Room, Number Twenty, Grosvenor Street, Mayfair, London W1K 4QJ, at 11.00 am. The notice is being dispatched as a separate document to all Shareholders and is also available on the Company's website. The notice sets out the resolutions to be proposed at the AGM and an explanation of each resolution. Each resolution proposed relates to a substantially different issue.

All members are invited to attend the AGM and as required by the Articles, a minimum of 20 days' notice is given to allow members to make arrangements to attend. If unable to attend, members can appoint a proxy. Details on proxy appointments and the voting process can be found in the notice.

Rupert Hopley
Company Secretary
27 February 2018

Informa PLC is a public company limited by shares and incorporated in England and Wales. It has a premium listing on the London Stock Exchange and is the holding company of the Informa Group of companies. The Directors present their Annual Report and Financial Statements on the affairs of Informa PLC and its subsidiaries and the Consolidated Financial Statements and Auditor's Report, for the year ended 31 December 2017.

STRATEGIC REPORT REGULATIONS AND EU NON-FINANCIAL REPORTING DIRECTIVE

This Directors' Report forms part of the Strategic Report of the Company contained on pages 1 to 71, as required by the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013. The Strategic Report also forms the management report for the purposes of the UK Financial Conduct Authority's Disclosure and Transparency Rules ("DTRs") and includes the reporting requirements of the EU Non-Financial Reporting Directive ("NFRD").

The Strategic Report describes the strategy, business model, the Company's performance during the year, principal risk factors and sustainability activities. As required by the NFRD, the Strategic Report, pages 36 to 41, includes environmental, employee, social, respect for human rights and anti-corruption and anti-bribery information. The Nomination Committee Report on pages 83 to 85, contains information on gender and the Group's Diversity & Inclusion policy. As a whole the Annual Report and Financial Statements provides information about the Group's businesses, its financial performance during the year and likely future developments.

CORPORATE GOVERNANCE

A report on the Company's compliance with the provisions of the UK Corporate Governance Code as published in April 2016 is set out on page 73, and forms part of this report by reference.

The notice concerning forward-looking statements is set out on page 200. References to the Company may also include references to the Group.

DIVIDENDS

The Directors recommend the payment of a final dividend of 13.80p per Ordinary Share. Subject to Shareholders' approval at the 2018 AGM, the final dividend is expected to be paid on 1 June 2018 to Ordinary Shareholders registered as at the close of business on 20 April 2018. Together with the interim dividend of 6.65p per Ordinary Share paid on 15 September 2017, this makes a total for the year of 20.45p per Ordinary Share (2016: 19.30p). Shareholders may elect to receive shares instead of cash from their dividend allocation through the Dividend Reinvestment Plan ("DRIP"). More information on joining the DRIP can be found in the Shareholder Information section on page 198.

DIRECTORS AND DIRECTORS' INTERESTS

The names, roles, skills, experience and external commitments of Directors of the Company as at the date of this report are set out on pages 74 and 75. John Rishton was appointed to the Board in September 2016 as a Non-Executive Director and Chairman-Elect of the Audit Committee. He became Chairman of the Audit Committee following Dr Brendan O'Neill's retirement from the Board on 26 May 2017 after having served on the Board for nine years. All Directors who served on the Board during the financial year will seek re-election at the 2018 AGM.

The remuneration and share interests of the Directors who held office as at 31 December 2017 are set out in the Remuneration Report on pages 94 to 113. Details of the contracts of the Executive and Non-Executive Directors with the Company can be found on page 102. There are no agreements in place between the Company and its Directors and employees providing for compensation for loss of office or employment (whether through resignation, purported redundancy or otherwise) that occurs because of a takeover bid. Further information on payments to Directors can be found in the Remuneration Report on pages 94 to 113. No Director was materially interested in any contract of significance.

DIRECTORS' INDEMNITIES

Indemnities are in force with each Director and more information on these can be found on page 77.

APPOINTMENT AND REPLACEMENT OF DIRECTORS

The rules for appointment and replacement of the Directors are set out in the Articles. Directors can be appointed by the Company by ordinary resolution or by the Board. The Company can remove a Director from office, including by passing an ordinary resolution or by notice being given by all the other Directors.

POWERS OF THE DIRECTORS

The powers of the Directors are set out in the Articles and provide that the Board may exercise all the powers of the Company, including to borrow money up to an aggregate of three times the adjusted capital and reserves. The Company may by ordinary resolution authorise the Board to issue shares, and increase, consolidate, sub-divide and cancel shares in accordance with its Articles and English law.

CHANGES TO THE COMPANY'S ARTICLES

The Company may only amend its Articles by special resolution passed at a general meeting ("GM").

GREENHOUSE GAS EMISSIONS

The Company is required to disclose the Group's greenhouse gas ("GHG") emissions as required by the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013. Details of the Group's GHG emissions are contained in the Strategic Report on page 22 and form part of the Directors' Report disclosures.

POLITICAL DONATIONS

The Group made no political donations during the year.

FINANCIAL INSTRUMENTS

In relation to the use of financial instruments by the Group, a review is included within Note 30 to the Consolidated Financial Statements. Financial risk management objectives and policies and the Group's exposure to capital risk management, market risk, credit risk and liquidity risk are also explained in Note 30 to the Consolidated Financial Statements.

OVERSEAS BRANCHES

The Company operates branches in Australia, Singapore, Switzerland, Hong Kong, China, South Korea, Malaysia, Netherlands, South Africa, Taiwan, Vietnam, the UAE and the US.

SHARE INFORMATION

Substantial shareholdings

As at 31 December 2017, the Company had received notice in accordance with the FCA's Disclosure and Transparency Rules (DTR 5), of the following notifiable interests in the Company's issued share capital. The information provided below was correct at the date of notification to the Company and it should be noted that the holdings are likely to have changed since the Company received the notification.

	As at 31 December 2017		As at 27 February 2018	
	Number of shares	Percentage held	Number of shares	Percentage held
Newton Investment Management Limited	**42,533,245**	**5.16%**	42,533,245	5.16%

Share capital

As at 31 December 2017, the Company's issued share capital comprised 824,005,051 Ordinary Shares with a nominal value of 0.1p each.

Rights and obligations attaching to shares

The rights attaching to the Company's Ordinary Shares, being the only share class of the Company, are set out in the Articles, which can be found on the Company's website. Subject to relevant legislation, any share may be issued with or have attached to it such preferred, deferred or other special rights and restrictions as the Company may by ordinary resolution decide or, if no such resolution is in effect, or so far as the resolution does not make specific provision, as the Board may decide. No such resolution is currently in effect.

The Company may pass an ordinary resolution to declare a dividend to be paid to holders of Ordinary Shares subject to the recommendation of the Board as to the amount. On liquidation, holders of Ordinary Shares may share in the assets of the Company. Holders of Ordinary Shares are also entitled to receive the Company's Annual Report and Financial Statements and, subject to certain thresholds being met, may requisition the Board to convene a GM or the proposal of resolutions at AGMs. None of the Ordinary Shares carry any special rights with regard to control of the Company.

Voting rights

Holders of Ordinary Shares are entitled to attend and speak at GMs of the Company and to appoint one or more proxies or, if the holder of shares is a corporation, a corporate representative. On a show of hands, each holder of Ordinary Shares who (being an individual) is present in person or (being a corporation) is present by a duly appointed corporate representative, not being himself/herself a member, shall have one vote and on a poll, every holder of Ordinary Shares present in person or by proxy shall have one vote for every share of which he/she is the holder. Electronic and paper proxy appointments and voting instructions must be received not later than 48 hours before a GM. A holder of Ordinary Shares can lose the entitlement to vote at GMs where that holder has been served with a disclosure notice and has failed to provide the Company with information concerning interests held in those shares. Except as set out above and as permitted under applicable statutes, there are no limitations on voting rights of holders of a given percentage, number of votes or deadlines for exercising voting rights.

Restrictions on transfer of securities in the Company

There are no restrictions on the transfer of securities in the Company except that:

- the Directors may from time to time refuse to register a transfer of a certificated share which is not fully paid, provided it meets the requirements given under the Articles;
- transfers of uncertificated shares must be carried out using CREST and the Directors can refuse to register a transfer of an uncertificated share in accordance with the regulations governing the operation of CREST;
- legal and regulatory restrictions may be put in place from time to time, for example insider trading laws;
- in accordance with the Listing Rules of the FCA the Directors and certain employees of the Company require approval to deal in the Company's shares;
- where a Shareholder with at least a 0.25% interest in the Company's certificated shares has been served with a disclosure notice and has failed to provide the Company with information concerning interests in those shares; or
- the Directors may decide to suspend the registration of transfers, for up to 30 days a year, by closing the register of Shareholders. The Directors cannot suspend the registration of transfers of any uncertificated shares without obtaining consent from CREST.

There are no agreements between holders of Ordinary Shares that are known to the Company which may result in restrictions on the transfer of securities or on voting rights.

Shares held on trust

Shares are from time to time held by a trustee in order to satisfy entitlements of employees to shares under the Group's share schemes. Usually the shares held on trust are no more than sufficient to satisfy the requirements of the Group's share schemes for one year. The shares held by these trusts do not have any special rights with regard to control of the Company. While these shares are held on trust their rights are not exercisable directly by the relevant employees. The current arrangements concerning these trusts and their shareholdings are set out on page 178.

Purchase of own shares

At the end of the year, the Directors had authority, under a Shareholders' resolution passed on 26 May 2017, to purchase through the market up to 10% of the Company's issued Ordinary Shares. This authority expires at the conclusion of the AGM of the Company to be held on 25 May 2018.

CHANGE OF CONTROL

There are no significant agreements to which the Company is a party that take effect, alter or terminate upon a change of control following a takeover bid (nor any agreements between the Company and its Directors or employees providing for compensation for loss of office or employment that occurs because of a takeover bid) except for the Group's private placement loan notes and facilities described in Note 29 to the Consolidated Financial Statements.

COLLEAGUE ENGAGEMENT

Informa has a continuous and proactive programme of internal communications and colleague engagement activities, designed to support and inform colleagues and foster a discursive and engaged working culture throughout the Group.

Further details can be found in the Talent and Partnerships section on pages 36 to 41. Colleagues are kept informed on Group and Divisional developments by various digital, physical and in-person channels, including written and video blogs from the Group Chief Executive, Divisional newsletters, email campaigns, stories and discussions on the Group's Portal digital workspace and in-person and online town halls and meetings

Colleagues are provided with regular updates on the Company's performance and the Group Chief Executive holds an online town hall to coincide with half-year and full year results, as well as at other times, where colleagues can ask questions directly.

The Group actively seeks feedback from colleagues on their experience of working within the Company, taking that feedback into account when prioritising investment in talent and workplaces amongst other matters. In 2017 this included a specific Inside Informa Pulse conversation to gather colleague perspectives on the *Growth Acceleration Plan*. Informa was again accredited a UK Top Employer for 2017 by the Top Employers Institute.

EQUAL OPPORTUNITIES

Informa aims to attract and retain a diverse range of talent. Having a breadth of skills and experiences is both an essential business need and, the Group believes, the only right way to operate.

We recognise the value that differences bring, including but not limited to difference of gender, age, race, nationality, social background, professional and personal experiences and preferences. We comply fully with all national equal opportunities legislation, and make recruitment and promotion decisions based solely on the ability to perform each role. No individual colleague or potential colleague will receive less favourable treatment on the grounds of age, gender, sexual orientation, disability, colour, race, religion, nationality or ethnicity. The Committee's role on diversity can be found in the Nomination Committee Report on page 85, and the Talent and Partnerships section on pages 36 to 41 contains more information on the Group's approach to developing and supporting colleagues.

Where a colleague's circumstances change, it is the Company's policy to do everything reasonably possible to ensure that a successful return to work is facilitated, be it in the same job or a different role.

AUDITOR

Each person who is a Director at the date of approval of this Annual Report and Financial Statements confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Director has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Deloitte LLP has expressed willingness to continue in office as auditor and a resolution to reappoint Deloitte will be proposed at the forthcoming AGM.

During 2016, the Company conducted an audit tender in accordance with the UK Corporate Governance Code. The Audit Committee recommended Deloitte LLP as the best candidate and the Board adopted the resolution in June 2017 to appoint Deloitte LLP as the Company's auditor.

GOING CONCERN BASIS

The going concern and viability statements can be found on pages 33 to 35.

POST BALANCE SHEET EVENTS

Details of post balance sheet events are set out in Note 40 to the Consolidated Financial Statements.

Approved by the Board and signed on its behalf by

Rupert Hopley
Company Secretary
27 February 2018

The Directors, whose names are set out on pages 74 and 75, are responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and regulations. Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union and issued by the International Accounting Standards Board.

International Accounting Standard ("IAS") 1 requires that financial statements present fairly the Company's financial position, financial performance and cash flows for each financial year. This requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the International Accounting Standards Board's "Framework for the preparation and presentation of financial statements".

In virtually all circumstances, a fair presentation will be achieved by compliance with all applicable IFRS. However, the Directors are also required to:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRS are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

The Directors are responsible for:

- keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the Consolidated Financial Statements comply with the Companies Act 2006 and Article 4 of the IAS Regulation;
- safeguarding the assets of the Company and taking reasonable steps for the prevention and detection of fraud and other irregularities; and
- the maintenance and integrity of the corporate and financial information included on the Company's website.

Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In accordance with DTR 4.1.12R, the Directors whose names and roles appear on pages 74 and 75, confirm that, to the best of their knowledge:

- the Consolidated Financial Statements have been prepared in accordance with the applicable set of accounting standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and
- the management report, which is incorporated into the Strategic Report, includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

In addition, each of the Directors as at the date of this report considers the Annual Report and Financial Statements, taken as a whole, is fair, balanced and understandable and provides the information for Shareholders to assess the Company's position, performance, business model and strategy.

Approved by the Board and signed on its behalf by

Derek Mapp
Chairman
27 February 2018

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2017 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006 and, as regards the group financial statements, Article 4 of the IAS Regulation.

We have audited the financial statements of Informa PLC (the 'parent company') and its subsidiaries (the 'group') which comprise:

- the Consolidated Income Statement;
- the Consolidated Statement of Comprehensive Income;
- the Consolidated and Parent Company Balance Sheets;
- the Consolidated Cash Flow Statement;
- the Consolidated Statement of Changes in Equity;
- the related notes 1 to 40 to the Consolidated Financial Statements; and
- the related notes 1 to 11 to the Parent Company Financial Statements.

The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and IFRSs as adopted by the European Union. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We confirm that the non-audit services prohibited by the FRC's Ethical Standard were not provided to the group or the parent company.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

SUMMARY OF OUR AUDIT APPROACH

Key audit matters

The key audit matters that we identified in the current and prior year were:

- The timing of revenue recognition;
- The recoverability of the carrying value of goodwill and intangible assets; and
- The identification and valuation of intangible assets and associated goodwill in business combinations.

In addition to those listed above we introduced a new key audit matter, namely the phased implementation of the group's new SAP system during 2017.

Materiality

The audit materiality that we agreed with the Audit Committee for the current year was £22.0 million. This represents 5% of statutory pre-tax profit adjusted for impairment charges and amortisation of intangible assets acquired in business combinations.

The increase in materiality over the prior year materiality figure (£16.5 million) reflects the inclusion of a full year's results of Penton, acquired on 2 November 2016.

Scoping

We performed full scope and specified audit procedures at the principal business units within the shared services centres in the UK, USA and Singapore, and also performed full scope audit procedures on Penton in the USA. These in-scope locations represent the principal business units within the group's operating divisions and account for 72% (2016: 74%) of the group's revenue and 74% (2016: 78%) of the group's adjusted operating profit.

Significant changes in our approach

Our planned audit approach was discussed with the Audit Committee in May 2017.

During the year, the group commenced the phased deployment of a new SAP system across its shared services centres to replace a legacy general ledger system. We originally planned to take a controls reliance approach to our audits in the UK shared services centre, with fully substantive audits being undertaken by other component teams. However, as described further below, the findings of our general IT controls audit work on the new SAP system led us to change our approach in the UK also to a substantive approach. These findings led us to elevate the deployment of SAP to a significant audit risk and hence a key audit matter.

There were no other significant changes to our planned audit approach, which was reviewed again and finalised with the Audit Committee in November 2017.

CONCLUSIONS RELATING TO GOING CONCERN, PRINCIPAL RISKS AND VIABILITY STATEMENT

Going concern

We have reviewed the directors' statement in Note 2 to the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them and their identification of any material uncertainties to the group's and company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements.

We are required to state whether we have anything material to add or draw attention to in relation to that statement required by Listing Rule 9.8.6R(3) and report if the statement is materially inconsistent with our knowledge obtained in the audit.

We confirm that we have nothing material to report, add or draw attention to in respect of these matters.

Principal risks and viability statement

Based solely on reading the directors' statements and considering whether they were consistent with the knowledge we obtained in the course of the audit, including the knowledge obtained in the evaluation of the directors' assessment of the group's and the company's ability to continue as a going concern, we are required to state whether we have anything material to add or draw attention to in relation to:

- the disclosures on pages 27 to 32 that describe the principal risks and explain how they are being managed or mitigated;
- the directors' confirmation on page 34 that they have carried out a robust assessment of the principal risks facing the group, including those that would threaten its business model, future performance, solvency or liquidity;
- the directors' explanation on pages 33 to 34 as to how they have assessed the longer term prospects of the group,
- and also on pages 33 to 34 the directors' assessment of the group's viability, including their description of appropriateness of the period selected, and their statement as to whether they have a reasonable expectation that the group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

We are also required to report whether the directors' statement relating to the prospects of the company required by Listing Rule 9.8.6R(3) is materially inconsistent with our knowledge obtained in the audit.

We confirm that we have nothing material to report, add or draw attention to in respect of these matters.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and represent those risks we assessed to be the most significant risks of material misstatement (whether or not due to fraud). These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The timing of revenue recognition (2016 and 2017)

Key audit matter description

The specific nature of the risk of material misstatement in revenue recognition varies across the group's operating divisions. The group's revenue recognition accounting policies are disclosed in Note 2 to the Consolidated Financial Statements with an analysis by revenue stream and by segment in Notes 5 and 6 respectively.

In respect of the Global Exhibitions and Knowledge & Networking divisions customers are generally billed in advance and a key risk in revenue recognition is that revenue from events and conferences might be recognised in the wrong period, particularly if events are held close to year end.

In respect of both the Academic Publishing and Business Intelligence divisions we identified a risk that the deferral and release of subscription revenues does not appropriately match the subscription period in customer contracts.

In Academic Publishing we also identified a key risk relating to sales cut-off, being the recording of revenue from physical book and e-book sales in the period around the year end.

In addition, auditing standards identify revenue recognition as a presumed area of potentially fraudulent management manipulation.

How the scope of our audit responded to the key audit matter
We confirmed our understanding of each of the divisions' business models and our understanding of the principles set out in customer contracts and the sales process. We then confirmed our understanding of the design and implementation of controls by performing sample transaction walkthroughs of the revenue recording process, from order processing to invoice production through to cash collection. These procedures enabled us to design and perform substantive audit procedures to respond to each of the specific risks of material misstatement we identified.

The substantive audit procedures we performed across the entities within our audit scope included:

- for Global Exhibitions and Knowledge & Networking, for a sample of transactions, obtaining invoices, payments, exhibitor contracts and evidence of event occurrence to determine whether revenue was recognised at the appropriate time;
- for Global Exhibitions and Knowledge & Networking, performing a trend analysis of revenue over the course of the year, plotting revenue against the calendar of events and verifying whether these events had occurred to third party sources;
- for a sample of transactions relating to print or e-book sales and exhibitions or conferences occurring close to the year end, examining supporting documentation to determine whether revenue recognition criteria had been met and whether the revenue had been appropriately recognised in the period or deferred at the period end; for a sample of subscription transactions, obtaining and reviewing the relevant order confirmations and contracts to validate whether revenue was properly allocated across the term of the contract in the correct accounting period; and
- in the UK shared service centre, employing data analytics techniques to recalculate deferred revenue in relation to subscriptions.

Key observations
We reported to the Audit Committee that the audit response procedures were performed satisfactorily and we did not identify any material exceptions as a result of performing our audit procedures.

The recoverability of the carrying value of goodwill and intangible assets (2016 and 2017)
Key audit matter description
As the group has expanded by acquisition it has recognised goodwill and intangible assets as required by accounting standards. At 31 December 2017, total goodwill and intangible assets were stated a £2,608.2 million and £1,701.4 million respectively (2016:£2,699.5 million and £1,802.1 million respectively).

Where goodwill exists, accounting standards require that management performs an annual impairment test, computing the "recoverable amount" normally based on a "value in use" approach (an accounting term for the estimated net present value to the current owner) and comparing this with the balance sheet carrying value of each cash generating unit ("CGU"). This same impairment test is required for individual intangible assets where indicators of potential impairment have been identified.

To perform its impairment review, management prepares forecasts for three years, using the budget for year one and the strategic plan for years two and three, and then applies a terminal value beyond year three using growth factors and discount rates applicable for each cash generating unit. The selection of the growth rates and the discount rate assumptions requires judgement and is fundamental to this audit risk. Management engages independent expert valuation advisers to assist in deriving appropriate discount rates.

During 2017, there have been changes to the composition of the CGUs within the group resulting from the integration of the Penton business into the group's existing divisions, and further changes to CGUs arising from restructuring within the Knowledge and Networking division.

Management discusses the policies and processes followed in Notes 2 and 16 to the Consolidated Financial Statements, and impairment of assets is identified as a key source of estimation uncertainty in Note 3. This significant judgement area is also referred to within the Audit Committee report.

In 2017, based on the methodology applied, impairment charges of £5.6 million have been recognised (2016: £67.7 million) (see Note 8 to the Consolidated Financial Statements), primarily relating to the TMT and I&I CGUs within Business Intelligence. Management also discloses a sensitivity analysis in note 16 showing the impact on the impairment charge of changes to the key assumptions arising from reasonably possible future scenarios, and the CGUs which could show impairment under these scenarios.

How the scope of our audit responded to the key audit matter
We audited management's impairment testing of goodwill and other intangible assets using the following audit procedures:

Assessing management's methodology:

- assessing the design and implementation of controls relating to the impairment review process undertaken by management;
- considering the process by which management identified each CGU, to ensure that they were appropriately aligned with the management and reporting structure, and how the assets generate cash inflows, and consistent with our understanding of the integration of Penton and the reorganisation of the Knowledge & Networking division;
- considering how management prepared its forecasts, and assessing recent forecasting accuracy against actual performance; and
- involving our internal valuation specialists to assess the appropriateness of the key components of the discount rate calculation prepared by management's expert valuation adviser.

Reviewing the cashflow forecasts:

- determining whether the 2018 budgets for each CGU were consistent with the budgets adopted by management and approved by the Board of Directors; and
- determining whether the projections for 2019 and 2020 were in line with our understanding of trends in the business and how they compared to analyst forecasts;

Performing detailed analysis of CGUs with headroom less than 15%:

- determining whether the growth rates selected by management were in line with the requirements of accounting standards, which require consideration of long-term economic growth rates for relevant territories, and with industry trends;
- considering the reasonableness of sensitivities applied by management and performing further sensitivity analyses on the impairment models.

Key observations
We reported to the Audit Committee that the audit response procedures were performed satisfactorily, that management had applied considered assumptions and that the disclosures behind the two impaired CGUs (with a year-end value for goodwill and intangible assets of £303.3 million) were appropriate.

The identification and valuation of intangible assets and associated goodwill acquired in business combinations (2016 and 2017)
Key audit matter description
The group acquired a number of businesses during the year, the most significant of which was Yachting Promotions, Inc. (YPI), which was acquired on 14 March 2017 for a total consideration of £111.7 million.

During 2017, the group also completed 13 further business combinations for a consideration of approximately £113.2 million (see Note 18) and 16 asset acquisitions resulting in intangible additions of £32.2 million (see Note 17).

Accounting for business combinations and asset acquisitions can be complex and requires judgements to be applied and assumptions to be used when assessing the fair value of the consideration paid, the fair value of assets and liabilities acquired, the identification and valuation of acquired intangible assets and any associated goodwill that arises.

For this reason management commissions independent valuation experts for significant acquisitions, which management determines to be those with a total consideration in excess of £75 million (2016: £50 million).

During the year management finalised the provisional values used in accounting for the acquisition of Penton in November 2016, and has now adjusted the provisional amounts recognised within the 2016 financial statements, as shown in Note 4.

Management discusses the policies and processes followed in Note 2, and discloses business combinations in Note 18 to the Consolidated Financial Statements. In Note 3 the valuation of intangible assets acquired in business combinations is identified by management as a critical accounting judgement.

This judgement area is also referred to within the Audit Committee report.

How the scope of our audit responded to the key audit matter
We tested the design and implementation of controls relating to business combinations. For each business combination where the total consideration exceeded audit materiality, we audited the acquisition accounting applied by management, including:

- review of the sale and purchase agreement;
- assessing the fair values recorded at acquisition;
- engaging Deloitte internal valuations specialists to review and challenge the identification and valuation of intangible assets, the basis for their valuation, and benchmarking the reasonableness of the key valuation assumptions, such as discount rates, useful economic lives and growth rates; and
- evaluating the business assumptions applied by management in determining the fair values of acquired intangible assets, in particular in relation to operating forecasts.

We audited the finalisation of the provisional values used in accounting for the acquisition of Penton and the restatement.

Key observations
We reported to the Audit Committee that the audit response procedures were performed satisfactorily and we did not identify any material exceptions as a result of performing our audit procedures.

In particular we commented on the finalisation of the fair values of Penton acquisition accounting and management's considered assessment of the useful lives of the Penton assets acquired and the related restatement to the provisional values recorded in the prior period.

We note that management has elected to show the fair value amounts within Note 18 for acquisitions made in 2017 as provisional as permitted by IFRS 3 Business Combinations for finalisation within 12 months of the respective acquisition dates.

The implementation of the new global ERP system (new in 2017)

Key audit matter description

In 2017 the group commenced the phased deployment of a new SAP system across its shared services centres to replace the legacy general ledger system, CODA.

The risk in relation to the deployment of this new finance system has two elements: first, that the data migration to the new SAP system might not be complete or accurate, and, second, that both the IT and business process controls implemented might not be designed, implemented or operating in a manner conducive to the effective processing and reporting of financial information.

We originally planned to take a controls reliance approach in the UK shared services centre, with fully substantive audits being undertaken by other component teams. However, the findings of our general IT controls audit work on the new SAP system led us to change our approach in the UK also to a substantive approach and to elevate the change in systems to a significant risk and a key audit matter. The findings included significant deficiencies in internal controls in relation to the provisioning of privileged user access rights within the new SAP system. During the implementation phase, user access rights for certain individuals had been extended beyond that designed, which increased the risk of inappropriate financial transactions being posted, either through fraud or error, thus potentially affecting our ability to rely on the data contained within the SAP system.

How the scope of our audit responded to the key audit matter

The procedures performed under our original audit plan, which we conducted alongside our IT audit specialists, included:

Programme governance

- considering the company's governance and controls around the phased data migrations; and
- considering the programme assurance activities of internal audit.

Data migration

- reviewing presentations to the Steering Committee before and after each data migration and associated minutes;
- testing the design and implementation of relevant controls to ensure that the completeness and accuracy of the data migrated was validated and approved by an appropriately senior member of IT and/or finance management; and
- sampling reconciliations of migrated data to compare data within ledgers before and after migration to ensure all data was transferred appropriately, and is complete and accurate.

Conduciveness to effective processing and reporting of financial information

- testing the General IT Controls (GITCs) over access security, change management and IT operations, using our proprietary GITC auditing tools; and
- testing automated business process controls embedded within the SAP system, to confirm that controls were implemented as designed within the project plans and risk and control matrices, using our proprietary SAP control tools.

The findings of our general IT controls audit work on the new SAP system led us to adopt a substantive audit approach also in the UK. We communicated the findings and our revised risk assessment to our US and Singapore component audit teams, who had previously planned to take a substantive audit approach, to ensure the findings could be taken into account in their component audits.

We performed additional procedures in order to investigate and assess the potential exposure from the control deficiencies identified, working alongside the group's technology team, including:

- investigating whether inappropriate activities to undermine data integrity had in fact been performed from the two highest-risk privileged access assigned to end users. This was performed via a reconciliation of system logs showing all activities of this nature performed, to supporting documentation provided by management and/or an audit trail of management approval of these privilege rights.
- performing additional sample tests on reports produced from the SAP system to ensure that the information included in those reports was complete and accurate.

This exposure testing provided assurance to reduce the risk that the integrity of the data in the SAP system had been undermined, and that we could therefore use financial data and reports from the system for our substantive audit testing. Nevertheless, since we noted significant IT controls weaknesses, auditing standards obliged us to re-plan our audit, and re-assess the risks of material misstatement for account balances and classes of transaction, which we performed in consultation with our technical specialists, such activities including:

- reconsidering and revising the risk classifications we attached to specific account balances and classes of transactions;
- performing additional substantive audit procedures, where we had initially planned to rely upon the operating effectiveness of controls;
- extending the scope of our procedures in relation to review scope entities contributing more than £10 million of revenue to include detailed analytical reviews of the income statement and balance sheet for these entities, through detailed discussions with management in order to identify any significant unexplained items;
- extending the use of data analytics techniques within our audit procedures; and
- performing additional tests of journal entries to ensure appropriate segregation of duties, that journals have been appropriately approved, and that they have valid business rationale.

Key observations

We reported to the Audit Committee that the additional response procedures were performed satisfactorily and that whilst for audit purposes the additional procedures had achieved the audit objectives, management has further SAP stabilisation activities to perform.

OUR APPLICATION OF MATERIALITY

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Group financial statements	Parent company financial statements
Materiality	£22.0 million (2016: £16.5 million)	£11.0 million (2016: £8.25 million)
Basis for determining materiality	Our planning materiality is based on a percentage of statutory pre-tax profit adjusted for impairment charges and amortisation of intangible assets acquired in business combinations. £22.0 million represents 5% of this measure (2016: £16.5 million, 5%). £22.0 million represents 8.3% of statutory profit before tax (2016: 9.3%).	The basis for determining materiality is consistent with the prior year and is capped at 50% of group materiality, which is lower than materiality calculated as 3% of net assets.
Rationale for the benchmark applied	We adjust for goodwill impairment charges and amortisation of intangible assets acquired in business combinations to use a profit measure also used by analysts, and because profits adjusted for these items more closely aligns with current cash flows.	Net assets is normally considered an approriate benchmark for materiality as the parent company is a holding company, but in this case this benchmark produces a higher result than 50% of group materiality.
Misstatement reporting threshold	We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £1.1 million (2016: £750,000), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee material disclosure matters that we identified when assessing the overall presentation of the financial statements.	

AN OVERVIEW OF THE SCOPE OF OUR AUDIT

Our Group audit was scoped by obtaining an understanding of the Group and its environment, including Group-wide controls, and assessing the risks of material misstatement at the Group level. Based on that assessment, we performed full scope and specified audit procedures at the principal business units within the shared services centres in the UK, USA and Singapore. We also performed full scope audit procedures on Penton in the USA. The parent company is located in the UK and audited directly by the group audit team.

The scope of our audit for 2017 changed on the prior year with the removal of BTS (Brazil) and Virgo (US) from our group audit scope, and the inclusion of Penton (USA) within full scope audit procedures, reflecting the inclusion of Penton in the results for a full year.

The in-scope locations (those at which a full scope audit or specified audit procedures were performed) represent the principal business units within the Group's operating divisions and account for 72% (2016: 74%) of the Group's revenue and 74% (2016: 78%) of the Group's adjusted operating profit. We audit the entirety of the Group's goodwill and acquired intangible assets. Our audit work at all the locations in the group audit scope was executed to a materiality of up to £11.0 million, and therefore not exceeding 50% of Group materiality of £22.0 million.

At the Group level we also tested the consolidation process and carried out analytical procedures to confirm our conclusion that there were no significant risks of material misstatement in the aggregated financial information of the remaining components not subject to audit.

	Revenue	Adjusted operating profit
Full audit scope	68%	69%
Specified audit procedures	4%	5%
Review at group level	28%	26%
	100%	100%

The Group audit team continued to follow a programme of planned visits that has been designed so that the Senior Statutory Auditor or a designate visits each of the locations in the Group audit scope at least once every two years and the most significant of them at least once a year. In the course of the 2017 audit, visits were undertaken to the shared service centres in Colchester, UK and Sarasota and Cleveland, USA. In the prior year, visits were also made to Singapore and Brazil. In years when we do not visit a significant component we include the component audit team in our team briefings, discuss their risk assessment, support and direct their audit approach, dial into local audit close meetings, perform remote reviews of their working papers, and review their reporting to us of the findings from their work.

OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

In this context, matters that we are specifically required to report to you as uncorrected material misstatements of the other information include where we conclude that:

- *Fair, balanced and understandable* – the statement given by the directors that they consider the annual report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the group's performance, business model and strategy, is materially inconsistent with our knowledge obtained in the audit; or
- *Audit committee reporting* – the section describing the work of the audit committee does not appropriately address matters communicated by us to the audit committee; or
- *Directors' statement of compliance with the UK Corporate Governance Code* – the parts of the directors' statement required under the Listing Rules relating to the company's compliance with the UK Corporate Governance Code containing provisions specified for review by the auditor in accordance with Listing Rule 9.8.10R(2) do not properly disclose a departure from a relevant provision of the UK Corporate Governance Code.

We have nothing to report in respect of these matters.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinions on other matters prescribed by the Companies Act 2006

In our opinion the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the group and of the parent company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Adequacy of explanations received and accounting records

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

Directors' remuneration

Under the Companies Act 2006 we are also required to report if in our opinion certain disclosures of directors' remuneration have not been made or the part of the directors' remuneration report to be audited is not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

OTHER MATTERS

Auditor tenure

Following the recommendation of the Audit Committee, we were reappointed by the Board on 26 May 2017 to audit the financial statements for the year ending 31 December 2017. The period of total uninterrupted engagement including previous renewals and reappointments of the firm is 14 years, covering the years ending 2004 to 2017. The most recent external audit tender was finalised in June 2016.

Consistency of the audit report with the additional report to the Audit Committee

Our audit opinion is consistent with the additional report to the Audit Committee we are required to provide in accordance with ISAs (UK).

William Touche
(Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, UK
27 February 2018

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	Adjusted results 2017 £m	Adjusting items 2017 £m	Statutory results 2017 £m	Adjusted results 2016 (restated)[1] £m	Adjusting items 2016 (restated)[1] £m	Statutory results 2016 (restated)[1] £m
Continuing operations							
Revenue	5	**1,757.6**	**–**	**1,757.6**	1,344.8	–	1,344.8
Net operating expenses	7	**(1,212.1)**	**(200.2)**	**(1,412.3)**	(930.0)	(217.0)	(1,147.0)
Operating profit/(loss) before joint ventures and associates		**545.5**	**(200.2)**	**345.3**	414.8	(217.0)	197.8
Share of results of joint ventures and associates	19	**–**	**–**	**–**	0.8	–	0.8
Operating profit/(loss)		**545.5**	**(200.2)**	**345.3**	415.6	(217.0)	198.6
Loss on disposal of subsidiaries and operations	20	**–**	**(17.4)**	**(17.4)**	–	(39.8)	(39.8)
Investment income	11	**0.2**	**–**	**0.2**	0.6	58.9	59.5
Finance costs	12	**(59.3)**	**–**	**(59.3)**	(40.2)	–	(40.2)
Profit/(loss) before tax		**486.4**	**(217.6)**	**268.8**	376.0	(197.9)	178.1
Tax (charge)/credit	13	**(103.1)**	**148.0**	**44.9**	(67.8)	63.1	(4.7)
Profit/(loss) for the year		**383.3**	**(69.6)**	**313.7**	308.2	(134.8)	173.4
Attributable to:							
– Equity holders of the Company		**380.9**	**(69.6)**	**311.3**	306.3	(134.8)	171.5
– Non-controlling interests	33	**2.4**	**–**	**2.4**	1.9	–	1.9
Earnings per share							
– Basic (p)	15	**46.3**		**37.8**	42.2		23.6
– Diluted (p)	15	**46.1**		**37.7**	42.1		23.6

1. 2016 restated for finalisation of the fair value of assets acquired and liabilities assumed for the Penton acquisition completed in 2016 (see Note 4).

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 £m	2016 (restated)[1] £m
Profit for the year		**313.7**	173.4
Items that will not be reclassified subsequently to profit or loss:			
Actuarial gain/(loss) on defined benefit pension schemes	36	**14.2**	(14.3)
Tax relating to items that will not be reclassified to profit or loss	27	**(4.2)**	2.0
Total items that will not be reclassified subsequently to profit or loss		**10.0**	(12.3)
Items that may be reclassified subsequently to profit or loss:			
Recycling of exchange gains arising on disposal of foreign operations	20	**(3.7)**	–
Exchange (loss)/gain on translation of foreign operations		**(183.5)**	270.2
Exchange gain/(loss) on net investment hedge debt		**56.7**	(162.2)
Total items that may be reclassified subsequently to profit or loss		**(130.5)**	108.0
Other comprehensive (expense)/income for the year		**(120.5)**	95.7
Total comprehensive income for the year		**193.2**	269.1
Total comprehensive income attributable to:			
– Equity holders of the Company		**190.8**	267.4
– Non-controlling interests	33	**2.4**	1.7

1. 2016 restated for finalisation of the fair value of assets acquired and liabilities assumed for the Penton acquisition completed in 2016 (see Note 4).

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2017

	Share capital £m	Share premium account £m	Translation reserve £m	Other reserves £m	Retained earnings[1] £m	Total £m	Non–controlling interests £m	Total equity[1] £m
At 1 January 2016	0.6	204.0	(34.2)	(1,652.8)	2,748.4	1,266.0	2.1	1,268.1
Profit for the year	–	–	–	–	171.5	171.5	1.9	173.4
Exchange gain on translation of foreign operations	–	–	270.4	–	–	270.4	(0.2)	270.2
Exchange loss on net investment hedge debt	–	–	(162.2)	–	–	(162.2)	–	(162.2)
Actuarial loss on defined benefit pension schemes (Note 36)	–	–	–	–	(14.3)	(14.3)	–	(14.3)
Tax relating to components of other comprehensive income (Note 27)	–	–	–	–	2.0	2.0	–	2.0
Total comprehensive income for the year	–	–	108.2	–	159.2	267.4	1.7	269.1
Dividends to Shareholders (Note 14)	–	–	–	–	(131.9)	(131.9)	–	(131.9)
Dividends to non-controlling interests	–	–	–	–	–	–	(2.6)	(2.6)
Shares issued	0.2	701.3	–	82.2	–	783.7	–	783.7
Share award expense (Note 10)	–	–	–	3.9	–	3.9	–	3.9
Own shares purchased	–	–	–	(1.0)	–	(1.0)	–	(1.0)
Transfer of vested LTIPs	–	–	–	(1.6)	1.6	–	–	–
Put option on acquisition of non-controlling interests ("NCI")	–	–	–	(1.5)	–	(1.5)	–	(1.5)
At 1 January 2017	0.8	905.3	74.0	(1,570.8)	2,777.3	2,186.6	1.2	2,187.8
Profit for the year	–	–	–	–	**311.3**	**311.3**	**2.4**	**313.7**
Recycling of exchange gains arising on disposal of foreign operations (Note 20)	–	–	**(3.7)**	–	–	**(3.7)**	–	**(3.7)**
Exchange loss on translation of foreign operations	–	–	**(183.5)**	–	–	**(183.5)**	–	**(183.5)**
Exchange gain on net investment hedge debt	–	–	**56.7**	–	–	**56.7**	–	**56.7**
Actuarial gain on defined benefit pension schemes (Note 36)	–	–	–	–	**14.2**	**14.2**	–	**14.2**
Tax relating to components of other comprehensive income (Note 27)	–	–	–	–	**(4.2)**	**(4.2)**	–	**(4.2)**
Total comprehensive income for the year	–	–	**(130.5)**	–	**321.3**	**190.8**	**2.4**	**193.2**
Dividends to Shareholders (Note 14)	–	–	–	–	**(162.2)**	**(162.2)**	–	**(162.2)**
Dividends to non-controlling interests	–	–	–	–	–	–	**(2.0)**	**(2.0)**
Share award expense (Note 10)	–	–	–	**5.4**	–	**5.4**	–	**5.4**
Own shares purchased	–	–	–	**(0.9)**	–	**(0.9)**	–	**(0.9)**
Transfer of vested LTIPs	–	–	–	**(2.1)**	**2.1**	–	–	–
NCI arising from purchase of subsidiary	–	–	–	–	–	–	**(1.1)**	**(1.1)**
Adjustment to NCI arising from exercise of put option	–	–	–	**0.1**	–	**0.1**	–	**0.1**
NCI adjustment arising from disposal (Note 20)	–	–	–	**(0.4)**	–	**(0.4)**	**10.8**	**10.4**
At 31 December 2017	**0.8**	**905.3**	**(56.5)**	**(1,568.7)**	**2,938.5**	**2,219.4**	**11.3**	**2,230.7**

1. 2016 restated for finalisation of the fair value of assets acquired and liabilities assumed for certain acquisitions completed in 2016 (see Note 4).

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2017

	Notes	2017 £m	2016 (restated)[1] £m
Non-current assets			
Goodwill	16	**2,608.2**	2,699.5
Other intangible assets	17	**1,701.4**	1,802.1
Property and equipment	21	**31.8**	24.1
Investments in joint ventures and associates	19	**1.5**	1.5
Other investments	19	**4.6**	1.6
Deferred tax assets	27	**9.0**	13.0
Other receivables	23	**0.1**	0.5
		4,356.6	4,542.3
Current assets			
Inventory	22	**54.1**	52.4
Trade and other receivables	23	**401.1**	356.2
Current tax asset		**25.4**	31.1
Cash at bank and on hand	24	**54.9**	49.6
		535.5	489.3
Total assets		**4,892.1**	5,031.6
Current liabilities			
Borrowings	29	**(303.0)**	(174.9)
Current tax liabilities		**(30.5)**	(30.0)
Provisions	26	**(25.1)**	(34.4)
Trade and other payables	25	**(297.2)**	(246.5)
Deferred income		**(534.6)**	(563.0)
		(1,190.4)	(1,048.8)
Non-current liabilities			
Borrowings	29	**(1,125.0)**	(1,360.3)
Deferred tax liabilities	27	**(251.6)**	(349.0)
Retirement benefit obligation	36	**(23.6)**	(38.0)
Provisions	26	**(33.0)**	(11.8)
Non current tax liabilities	28	**(11.1)**	(8.3)
Trade and other payables	25	**(26.7)**	(27.6)
		(1,471.0)	(1,795.0)
Total liabilities		**(2,661.4)**	(2,843.8)
Net assets		**2,230.7**	2,187.8
Equity			
Share capital	31	**0.8**	0.8
Share premium account	31	**905.3**	905.3
Translation reserve		**(56.5)**	74.0
Other reserves	32	**(1,568.7)**	(1,570.8)
Retained earnings		**2,938.5**	2,777.3
Equity attributable to equity holders of the parent		**2,219.4**	2,186.6
Non-controlling interest	33	**11.3**	1.2
Total equity		**2,230.7**	2,187.8

1. 2016 restated for finalisation of the fair value of assets acquired and liabilities assumed for certain acquisitions completed in 2016 (see Note 4).

These financial statements were approved by the Board of Directors on 27 February 2018 and were signed on its behalf by

Stephen A. Carter CBE
Group Chief Executive

Gareth Wright
Group Finance Director

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 £m	2016 £m
Operating activities			
Cash generated by operations	35	**531.2**	415.2
Income taxes paid		**(45.3)**	(43.3)
Interest paid		**(52.0)**	(35.6)
Net cash inflow from operating activities		**433.9**	336.3
Investing activities			
Interest received		**0.2**	0.6
Purchase of property and equipment	21	**(14.7)**	(4.6)
Proceeds on disposal of property and equipment		**1.0**	0.6
Purchase of intangible software assets	17	**(52.2)**	(36.5)
Product development costs additions	17	**(13.1)**	(11.5)
Purchase of intangibles related to titles, brands and customer relationships	17	**(30.7)**	(54.5)
Proceeds on disposal of other intangible assets		**5.2**	1.6
Acquisition of subsidiaries and operations, net of cash acquired	18	**(193.2)**	(1,294.2)
Acquisition of investment		**(0.5)**	–
Cash inflow/(outflow) on disposal of subsidiaries and operations		**14.4**	(4.1)
Net cash outflow from investing activities		**(283.6)**	(1,402.6)
Financing activities			
Dividends paid to Shareholders	14	**(162.0)**	(131.9)
Dividends paid to non-controlling interests		**(2.0)**	(2.6)
Proceeds from acquisition-related derivative forward contract		**–**	58.9
Repayment of loans		**(1,292.1)**	(1,455.9)
New loan advances		**1,070.8**	1,888.9
Repayment of private placement borrowings		**(159.7)**	–
New private placement borrowings		**406.4**	–
Borrowing fees paid	35	**(0.7)**	(2.1)
Cash inflow on other loans	35	**0.2**	0.2
Rights issue net proceeds		**–**	701.5
Cash outflow from the purchase of own share capital		**(0.9)**	(1.0)
Net cash (outflow)/inflow from financing activities		**(140.0)**	1,056.0
Net increase/(decrease) in cash and cash equivalents		**10.3**	(10.3)
Effect of foreign exchange rate changes		**(2.3)**	18.2
Cash and cash equivalents at beginning of the year	24	**40.2**	32.3
Cash and cash equivalents at end of the year	24	**48.2**	40.2

RECONCILIATION OF MOVEMENT IN NET DEBT FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 £m	2016 £m
Increase/(decrease) in cash and cash equivalents in the year	35	**10.3**	(10.3)
Cash flows from net drawdown of borrowings	35	**(24.9)**	(431.1)
Increase in net debt resulting from cash flows		**(14.6)**	(441.4)
Other non-cash movements including foreign exchange	35	**126.9**	(148.7)
Decrease/(increase) in net debt in the year		**112.3**	(590.1)
Net debt at beginning of the year	35	**(1,485.4)**	(895.3)
Net debt at end of the year	35	**(1,373.1)**	(1,485.4)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1 GENERAL INFORMATION

Informa PLC ("the Company") is a company incorporated in the United Kingdom under the Companies Act 2006 and is listed on the London Stock Exchange. The Company is a public company limited by shares and is registered in England and Wales with registration number 08860726. The address of the registered office is 5 Howick Place, London SW1P 1WG. The nature of the Group's operations and its principal activities are set out in the Strategic Report.

The Consolidated Financial Statements as at 31 December 2017 and for the year then ended comprise those of the Company and its subsidiaries and its interests in joint ventures and associates (together referred to as "the Group").

These financial statements are presented in pounds sterling ("GBP"), the functional currency of the Parent Company, Informa PLC. Foreign operations are included in accordance with the policies set out in Note 2.

2 SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

The Financial Statements have been prepared in accordance with IFRS adopted by the European Union and therefore comply with Article 4 of the EU IAS Regulations.

The Directors have, at the time of approving the Consolidated Financial Statements, a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the Consolidated Financial Statements. Further detail is contained in the Strategic Report on page 35.

The Consolidated Financial Statements have been prepared on the historical cost basis, except for derivative financial instruments and hedged items which are measured at fair value. The principal accounting policies adopted are set out below, all of which have been consistently applied to all periods presented in the Consolidated Financial Statements.

Basis of consolidation

The Consolidated Financial Statements incorporate the accounts of the Company and all its subsidiaries. Control is achieved where the Company has the power to govern the financial and operating policies of an investee entity, has the rights to variable returns from its involvement with the investee and has the ability to use its power to affect its returns. The results of subsidiaries acquired or sold are included in the Consolidated Financial Statements from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the results of acquired subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-Group transactions, balances, income and expense are eliminated on consolidation.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity and consist of the amount of those interests at the date of the original business combination plus their share of changes in equity since that date.

Joint ventures are joint arrangements in which the Group has the rights to the net assets through joint control with a third party. Joint operations arise where there is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control, and where the joint operators have rights to the assets and obligations for the liabilities relating to the arrangement. Associates are undertakings over which the Group exercises significant influence, usually from 20%–50% of the equity voting rights, in respect of the financial and operating policies.

The Group accounts for its interests in joint ventures and associates using the equity method. Under the equity method, the investment in the joint venture or associate is initially measured at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture or associate since the acquisition date. The income statement reflects the Group's share of the results of operations of the entity. The statement of comprehensive income includes the Group's share of any other comprehensive income recognised by the joint venture or associate. Dividend income is recognised when the right to receive the payment is established. Where an associate or joint venture has net liabilities, full provision is made for the Group's share of liabilities where there is a constructive or legal obligation to provide additional funding to the associate or joint venture.

Foreign currencies

Transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated at the rates ruling at that date. These translation differences are included in net operating expenses in the Consolidated Income Statement.

Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

The balance sheet of foreign subsidiaries is translated into pounds sterling at the closing rates of exchange. The income statement results are translated at an average exchange rate, recalculated for each month between that month's closing rate and the equivalent for the preceding month.

2 SIGNIFICANT ACCOUNTING POLICIES CONTINUED

Foreign exchange differences arising from the translation of opening net investments in foreign subsidiaries at the closing rate are taken directly to the translation reserve. In addition, foreign exchange differences arising from retranslation of the foreign subsidiaries' results from monthly average rate to closing rate are also taken directly to the Group's translation reserve. Such translation differences are recognised in the Consolidated Income Statement in the financial year in which the operations are disposed of. The translation movement on matched long-term foreign currency borrowings, qualifying as hedging instruments under IAS 39 *Financial Instruments: Recognition and Measurement*, are also taken directly to the translation reserve.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the acquisition closing rate.

Business combinations

The acquisition of subsidiaries and other asset purchases that are assessed as meeting the definition of a business under the rules of IFRS 3 *Business Combinations* are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of fair values of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. If the accounting for business combinations involves provisional amounts, which are finalised in a subsequent reporting period during the 12-month measurement period as permitted under IFRS 3, restatement of these provisional amounts may be required in the subsequent reporting period. In the year ended 31 December 2017, the 12-month measurement period ended for the Penton acquisition, which was acquired on 2 November 2016. This resulted in a restatement of the provisional amounts previously reported in the year ended 31 December 2016. Full details of the restatement are provided in Note 4. Acquisition and integration costs incurred are expensed and included in adjusting items in the Consolidated Income Statement.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is classified as a financial liability that is within the scope of IAS 39 will be recognised in profit or loss.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss. On an acquisition by acquisition basis, the Group recognises any non-controlling interest either at fair value (under the full goodwill method) or at the proportionate share of the acquiree's identifiable net assets.

Disposal

At the date of a disposal, or loss of control, joint control or significant influence over a subsidiary, joint venture or associate, the Group derecognises the assets (including goodwill) and liabilities of the entity, with the carrying amount of any non-controlling interest and any cumulative translation differences recorded in equity. The fair value of consideration including the fair value of any investment retained is recognised. The consequent profit or loss on disposal that is not disclosed as a discontinued operation is recognised in profit and loss within "profit or loss on disposal of subsidiaries and operations".

Equity transactions

Where there is a change of ownership of a subsidiary without a change of control, the difference between the consideration and the relevant share of the carrying amount of net assets acquired or disposed of the subsidiary is recorded in equity. The carrying amounts of the controlling and non-controlling interests are adjusted to reflect changes in their relative interests in the subsidiary. Any difference between the amount at which the non-controlling interests are adjusted and the fair value of the consideration is recognised directly in equity.

Revenue

Revenue is measured at the fair value of consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales-related taxes, and provisions for returns and cancellations.

Subscription income for online services, information and journals is normally received in advance and is therefore deferred and recognised evenly over the term of the subscription. Revenue from exhibitions, trade shows, conferences and learning events, together with attendee fees and event sponsorship, is recognised when the event is held, with advance receipts recognised as deferred income in the balance sheet.

Unit sales revenue is recognised on the sale of books and related publications when title passes, depending on the terms of the sales agreement.

Marketing and advertising services revenues are recognised on issue of the related publication or over the period of the advertising subscription or over the period when the marketing service is provided.

Revenue relating to barter transactions is recorded at fair value and recognised in accordance with the Group's revenue recognition policies. Expenses from barter transactions are recorded at fair value and recognised as incurred. Barter transactions typically involve the trading of advertisements and trade show space in exchange for services provided at events.

Pension costs and pension scheme arrangements

Certain Group companies operate defined contribution pension schemes for colleagues. The assets of the schemes are held separately from the individual companies. The pension cost charge associated with these schemes represents contributions payable and is charged as an expense when incurred.

The Group also operates funded defined benefit schemes for colleagues. The cost of providing these benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at regular intervals. There is no service cost due to the fact that these schemes are closed to future accrual. Net interest is calculated by applying a discount rate to the opening net defined benefit liability or asset and shown in finance costs, and the administration costs are shown as a component of operating expenses. Actuarial gains and losses are recognised in full in the period in which they occur, outside of the Consolidated Income Statement and in the Consolidated Statement of Comprehensive Income.

The retirement benefit obligation recognised in the Consolidated Balance Sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Share-based payments

The Group issues equity-settled share-based payments to certain colleagues. These are measured at fair value at date of grant. An expense is recognised to spread the fair value of each award over the vesting period on a straight line basis, after allowing for an estimate of the share awards that will actually vest. At each balance sheet date, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate.

For awards under the Long-Term Incentive Plan ("LTIP"), where the proportion of the award is dependent on the level of total shareholder return, the fair value is measured using a Monte Carlo model of valuation, which is considered to be the most appropriate valuation technique. The valuation takes into account factors such as non-transferability, exercise restrictions and behavioural considerations. Where the proportion of the award is dependent on earnings per share performance conditions, which are non-market based measures, the fair value is remeasured at each reporting date to reflect updates for expected or actual performance. For awards issued under ShareMatch, the fair value is expensed on a straight line basis over the vesting period, based on the Group's estimate of shares that will eventually vest. For cash-settled share-based payments, a liability is recognised over the vesting period, with the fair value remeasured at each reporting date and any changes recognised in the Consolidated Income Statement.

Own shares are deducted in arriving at total equity and represent the cost of the Company's Ordinary Shares acquired by the Employee Share Trust ("EST") and ShareMatch in connection with certain of the Group's colleague share schemes.

Interest income

Interest income is recognised on an accrual basis, by reference to the principal outstanding and at the effective interest rate applicable.

Taxation

The tax expense represents the sum of the current tax payable and deferred tax. Current tax is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Consolidated Income Statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

A current tax provision is recognised when the Group has a present obligation as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. The provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax nor accounting profit.

2 SIGNIFICANT ACCOUNTING POLICIES CONTINUED

Deferred tax is calculated for all business combinations in respect of intangible assets and properties. A deferred tax liability is recognised to the extent that the fair value of the assets for accounting purposes exceeds the value of those assets for tax purposes and will form part of the associated goodwill on acquisition. Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the Consolidated Income Statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Goodwill

Goodwill arising on the acquisition of subsidiary companies and businesses is calculated as the excess of the fair value of purchase consideration over the fair value of identifiable assets and liabilities acquired at the date of acquisition. It is recognised as an asset at cost, assessed for impairment at least annually and subsequently measured at cost less accumulated impairment losses. Any impairment is recognised immediately in the Consolidated Income Statement and is not subsequently reversed. Fair value measurements are based on provisional estimates and may be subject to amendment within one year of the acquisition in line with IFRS 3 *Business Combinations*, resulting in an adjustment to goodwill.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash generating units ("CGUs"), as determined by the Executive Directors, which are expected to benefit from the combination. Goodwill is tested for impairment annually or more frequently when there is an indication that it may be impaired. Where an impairment test is performed, the carrying value is compared to the recoverable amount which is the higher of the value in use and the fair value less cost of disposal. Value in use is the present value of future cash flows and is calculated using a discounted cash flow analysis based on the cash flows of the CGU compared with the carrying value of that CGU, including goodwill. The Group estimates the discount rates as the risk-adjusted cost of capital for the particular CGUs. If the recoverable amount of the CGU is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. At each reporting date, the Group reviews the composition of its CGUs to reflect the impact of changes to cash inflows associated with reorganisations of its reporting structure.

On disposal of a business which includes all or part of a CGU, any attributable goodwill is included in the calculation of the profit or loss on disposal.

Intangible assets

Intangible assets are initially measured at cost. For intangible assets acquired in business combinations, cost is calculated based on the Group's valuation methodologies (Note 17). These assets are amortised over their estimated useful lives on a straight line basis, as follows:

Book lists	20 years[1]
Journal titles	20 years[1]
Brands and trademarks	10–30 years
Customer relationship database and intellectual property	10–30 years
Non-compete agreements	1–3 years
Software	3–10 years
Product development	3–5 years

1. Or licence period if shorter.

Software which is not integral to a related item of hardware is included in intangible assets. Capitalised internal-use software costs include external direct costs of materials and services consumed in developing or obtaining the software, and payroll and other direct costs for employees who devote substantial time to the project. Capitalisation of these costs ceases when the project is substantially complete and available for use. These costs are amortised on a straight line basis over their expected useful lives.

Product development expenditure is capitalised as an intangible asset only if all of certain conditions are met, with all research costs and other development expenditure being expensed when incurred. The capitalisation criteria are as follows:

- an asset is created that can be separately identified, and which the Group intends to use or sell;
- it is technically feasible to complete the development of the asset for use or sale;
- it is probable that the asset will generate future economic benefit; and
- the development cost of the asset can be measured reliably.

The expected useful lives of intangible assets are reviewed annually. The Group does not have any intangible assets with indefinite lives (excluding goodwill).

Property and equipment

Property and equipment is recorded at cost less accumulated depreciation and provision for impairment. Depreciation is provided to write off the cost less the estimated residual value of property and equipment on a straight line basis over the estimated useful lives of the assets. Freehold land is not depreciated. The rates of depreciation on other assets are as follows:

Freehold buildings	50 years
Leasehold land and buildings	Over life of the lease
Equipment, fixtures and fittings	3–15 years

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the net sale proceeds and the carrying amount of the asset and is recognised in the Consolidated Income Statement.

Impairment of tangible and intangible assets

At each reporting date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the CGU to which the asset belongs.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset, for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Investments in joint ventures, associates and joint operations

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. The results and assets and liabilities of associates and joint ventures are accounted for under the equity method and stated in the balance sheet at cost adjusted for post-acquisition changes in the Group's share of net assets, less any impairments in value.

Joint operations arise where there is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control, and where the joint operators have rights to the assets and obligations for the liabilities relating to the arrangement. These are accounted for by recognising the assets, liabilities, revenues and expenses relating to the interest in the joint operation in accordance with the IFRS relevant to particular revenues, assets, liabilities and expenses.

Other investments

Other investments are entities over which the Group does not have significant influence, where the Group holds less than 20% interest in the voting interests of the entity. Other investments are classified as assets held at fair value through profit and loss, with changes in fair value reported in the income statement.

Inventory

Inventory is stated at the lower of cost and net realisable value. Cost comprises direct materials and expenses incurred in bringing the inventory to its present location and condition. Net realisable value represents the estimated selling price less marketing and distribution costs expected to be incurred. Pre-publication costs are included in inventory, representing costs incurred in the origination of content prior to publication. These are expensed systematically, reflecting the expected sales profile over the estimated economic lives of the related products (typically over one to five years).

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2 SIGNIFICANT ACCOUNTING POLICIES CONTINUED

Leases
Leases would be classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases and hire-purchase contracts would be capitalised at their fair value on the inception of the lease and depreciated over the shorter of the period of the lease and the estimated useful economic lives of the assets. The corresponding liability to the lessor is included in the Consolidated Balance Sheet as a finance lease obligation. Finance charges are allocated over the period of the lease in proportion to the capital amount outstanding and are charged to the Consolidated Income Statement.

Operating lease rentals are charged to the Consolidated Income Statement in equal annual amounts on a straight line basis over the lease term. Lease incentives where these are received from the lessor, such as rent-free periods and contributions to leasehold improvements, are treated as a reduction in lease rental expense and spread over the term of the lease.

Rental income from sub-leasing property space is recognised on a straight line basis over the term of the relevant lease.

Financial assets
Financial assets are recognised in the Group's Consolidated Balance Sheet when the Group becomes a party to the contractual provisions of the instrument.

Financial assets are classified into the following categories: trade and other receivables, and cash at bank and on hand.

Trade and other receivables
Trade receivables and other receivables are measured on initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method, less any impairment.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and balances with banks and similar institutions, which are readily convertible to known amounts of cash and with a maturity of three months or less and are subject to an insignificant risk of changes in value. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the Consolidated Cash Flow Statement.

Impairment of financial assets
Financial assets are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been negatively impacted.

For unlisted shares classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- a probability that the borrower will enter bankruptcy or financial reorganisation.

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 30 days, as well as observable changes in national or local economic conditions that correlate with increased default risk on receivables. A specific provision will also be raised for trade receivables when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 90 days overdue) are considered indicators that the trade receivable is impaired.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of a provision account. When a trade receivable is considered uncollectible, it is written off against the provision account. Subsequent recoveries of amounts previously written off are credited against the provision account. Changes in the carrying amount of the provision are recognised in the Consolidated Income Statement.

Financial liabilities and equity instruments issued by the Group
Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

Borrowings
Interest-bearing loans and overdrafts are recorded at the proceeds received, net of direct issue costs and stated at amortised cost using the effective interest rate method.

Net debt
Net debt consists of cash and cash equivalents and includes bank overdrafts, borrowings and other loan receivables where these are interest bearing and do not relate to deferred consideration arrangements and finance leases.

Debt issue costs
Debt issue costs, including premium payable on settlement or redemption, are accounted for on an accrual basis in the Consolidated Income Statement using the effective interest rate method and added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

Trade payables
Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Other financial liabilities
Other financial liabilities are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest rate method, as set out above, with interest expense recognised on an effective yield basis.

Derivative financial instruments and hedge accounting
The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The derivative instruments utilised by the Group to hedge these exposures are primarily interest rate swaps and cross currency swaps. The Group does not use derivative contracts for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged. The Group designates certain derivatives as either:

- hedges of a change of fair value of recognised assets and liabilities or firm commitments (fair value hedge);
- hedges of a particular risk associated with a recognised asset or liability or a highly probable forecast transaction (cash flow hedge); or
- hedges of a net investment in a foreign operation (net investment hedge).

The Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item.

Fair value hedge
Changes in the fair value of derivative financial instruments that are designated and qualify as fair value hedges are recorded in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that is attributable to the hedged risk. The change in the fair value of the hedging instrument and the change in the hedged item attributable to the hedged risk are recognised in the line of the Consolidated Income Statement relating to the hedged item.

Hedges of net investment in foreign operations
Hedges of net investment in foreign operations are accounted for similarly to cash flow hedges. Any gain or loss on the hedging instrument in relation to the effective portion of the hedge is recognised in other comprehensive income and accumulated in the foreign currency translation reserve. The gain or loss relating to the ineffective portion is recognised immediately in the Consolidated Income Statement. Gains and losses on the hedging instrument relating to the effective portion of the hedge accumulated in the foreign currency translation reserve are reclassified to profit or loss when the hedged item is disposed of.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in the Consolidated Income Statement as they arise.

2 SIGNIFICANT ACCOUNTING POLICIES CONTINUED

Hedge accounting is discontinued when the hedge instrument expires or is sold, terminated or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecast transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to the Consolidated Income Statement in the period.

A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Further details of derivative financial instruments are disclosed in Note 30.

Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation. Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.

Restructuring provisions are recognised when the Group has a detailed formal plan for the restructuring that has been communicated to the affected parties or implementation has commenced.

Adoption of new and revised International Financial Reporting Standards ("IFRS")

Standards and interpretations adopted in the current year

The following new standards, amendments and interpretations have been adopted in the current year:

- Amendments to IAS 12: *Recognition of Deferred Tax Assets for Unrealised Losses* – effective from 1 January 2017;
- Amendments to IAS 7: *Disclosure Initiative* – effective from 1 January 2017; and
- Annual improvements to IFRS: 2014-2016 Cycle – specific items effective from 1 January 2017.

The adoption of these standards and interpretations has not led to any changes to the Group's accounting policies or had any other material impact on the financial position or performance of the Group. Other amendments to IFRS effective for the year ended 31 December 2017 have had no impact on the Group.

Standards and interpretations in issue, but not yet effective

At the date of authorisation of these financial statements, the following standards and interpretations which have not been applied in these financial statements were in issue but have not yet come into effect:

Effective from 1 January 2018:

- IFRS 9 *Financial Instruments* – EU endorsed;
- IFRS 15 *Revenue from Contracts with Customers* – EU endorsed;
- Amendments to IFRS 4: *Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts* – EU endorsed;
- Interpretation IFRIC 22: *Foreign Currency Transactions and Advance Consideration* – not yet EU endorsed.
- Amendments to IFRS 2: *Classification and Measurement of Share-based Payment Transactions* – not yet EU endorsed;
- Annual improvements to IFRS Standards 2014-2016 Cycle (certain items effective from 1 January 2017) – not yet EU endorsed;
- Amendments to IAS 40: *Transfer of Investment Property* – not yet EU endorsed.

Other items applicable in subsequent periods:

- IFRS 16 *Leases* (effective from 1 January 2019) – EU endorsed;
- Interpretation IFRIC 23: *Uncertainty over Income Tax Treatments* – not yet EU endorsed;
- Amendments to IFRS 9: *Prepayment Features with Negative Compensation* – not yet EU endorsed;
- Amendments to IAS 28: *Long-term Interests in Associates and Joint Ventures* – not yet EU endorsed;
- Annual improvements to IFRS Standards 2015-2017 Cycle – not yet EU endorsed;
- IFRS 17 *Insurance Contracts* – not yet EU endorsed.

The Directors anticipate that the adoption of these standards and interpretations in future periods will not have a material impact on the financial statements of the Group, except as described in relation to IFRS 16 *Leases* and IFRS 15 *Revenue from Contracts with Customers*:

- IFRS 9 *Financial Instruments* (effective for the 2018 financial year) replaces IAS 39 *Financial Instruments: Recognition and Measurement*. The new standard introduces new requirements for classifying and measuring financial assets and liabilities in the Consolidated Financial Statements. The Group has conducted an assessment of the impact of this standard and concluded there is not expected to be any significant adjustment required on the measurement, presentation or disclosure of financial assets and liabilities in the Consolidated Financial Statements when the standard is adopted.
- IFRS 15 *Revenue from Contracts with Customers* (effective for the 2018 financial year) is a new standard providing a single point of reference for revenue recognition, based on a five-step model framework, which replaces all existing revenue accounting standards, interpretations and guidance. The major change is the requirement to identify and assess the satisfaction of delivery of each performance obligation in contracts in order to recognise revenue.

  Following an assessment of the financial impact of the changes required from the forthcoming adoption of this new standard, the Group does not expect there to be any material change to the Consolidated Income Statement of the Group. The Consolidated Balance Sheet will be adjusted by the requirement to net-down deferred income against trade receivables for amounts that have been invoiced but are not yet due. This balance sheet adjustment will not affect the net assets of the Group and will involve the reduction of approximately £70m of both the accounts receivable balance and deferred income as at 31 December 2017.
- IFRS 16 *Leases* (effective for the 2019 financial year) will replace the existing leasing standard, IAS 17 *Leases*. It will treat all leases in a consistent way, eliminating the distinction between operating and finance leases, and require lessees to recognise all leases, with a term of greater than 12 months, on the balance sheet. The most significant effect of the new requirements will be an increase in lease assets and lease liabilities for leases currently categorised as operating leases. The new standard changes the nature of expenses related to those leases, replacing the straight line operating lease expense with a depreciation charge for the lease asset (included within operating costs) and an interest expense on the lease liability (included within finance costs). The Group is in the process of assessing the impact of this new standard and will provide a further update in the half-year results for the six months to 30 June 2018 and a full impact assessment in the Annual Report and Financial Statements for the year ending 31 December 2018. Note 34 provides further information on the Group's operating lease obligations.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 2, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Critical accounting judgements

In addition to the judgement taken by the Group in selecting and applying the accounting policies set out above, the Directors have made the following judgements concerning the amounts recognised in the Consolidated Financial Statements.

Valuation of separately identifiable intangible assets (Notes 17 and 18)

To determine the value of separately identifiable intangible assets on a business combination, and deferred tax on these intangibles, the Group is required to make judgements when utilising valuation methodologies. These methodologies include the use of discounted cash flows, revenue forecasts and the estimates for the useful economic lives of intangible assets.

There are significant judgements involved in assessing what amounts are recognised as the estimated fair value of assets and liabilities acquired through business combinations, particularly the amounts attributed to separate intangible assets such as titles, brands, acquired customer lists and associated customer relationships. These judgements impact the amount of goodwill recognised on acquisitions. Any provisional amounts are subsequently finalised within the 12-month measurement period, as permitted by IFRS 3.

The Group has built considerable knowledge of these valuation techniques, and for major acquisitions, defined as when consideration is £75.0m or above, the Group also considers the advice of third party independent valuers to identify and calculate the valuation of intangible assets arising on acquisition. Details of acquisitions in the year are set out in Note 18.

Key sources of estimation uncertainty

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

Impairment of assets (Note 16)

Identifying indicators of asset impairment involves estimating future cash flows based on a good understanding of the drivers of value behind the asset. At each reporting period, an assessment is performed to determine whether there are any such indicators of impairment, which involves considering the performance of our businesses, any significant changes to the markets in which we operate and future forecasts. For impairment testing purposes, goodwill is allocated to the specific cash generating units ("CGUs") that are expected to benefit from the goodwill. When there are changes in business structure, judgement is required to identify any changes to CGUs, taking account of the lowest level of independent cash inflows being generated, amongst other factors.

The Group has considered a number of assumptions in performing impairment reviews of assets, which can be found in Note 16. The determination of whether assets are impaired requires an estimation of the value in use of the CGUs to which assets have been allocated, except where a fair value less costs to sell methodology is applied. The value in use calculation requires the Group to estimate the future cash flows expected to arise from each CGU, using five-year projections and determining a suitable discount rate to calculate present value and the long-term growth rate. The Directors are satisfied that the majority of the Group's CGUs have a value in excess of their balance sheet carrying value. The sensitivities considered by the Directors for CGUs that have less headroom are described in Note 16.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY CONTINUED

Contingent consideration (Notes 18 and 26)

When the consideration transferred by the Group in a business combination includes assets or liabilities from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. The contingent consideration is based on future business valuations and profit multiples (both Level 3 fair value measurements) and has been estimated on an acquisition by acquisition basis using available profit forecasts (a significant unobservable input). The higher the profit forecast, the higher the fair value of any contingent consideration (subject to any maximum payout clauses). Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. These adjustments will result in a restatement to previous reported results if the changes relate to amounts arising in previously reported periods. Measurement period adjustments are adjustments that arise from additional information obtained during the measurement period, which cannot exceed one year from the acquisition date, about facts and circumstances that existed at the acquisition date.

Subsequent accounting for changes in the fair value of the contingent consideration, which do not qualify as measurement period adjustments, depends on how the contingent consideration is classified. Contingent consideration classified as equity is not remeasured at subsequent reporting dates, and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or a liability is remeasured at subsequent reporting dates at fair value, with the corresponding gain or loss recognised in profit or loss.

Use of non-GAAP measures

In addition to the statutory results, adjusted results are prepared for the income statement, including adjusted operating profit and adjusted diluted earnings per share, as the Board considers these non-GAAP measures to be the most appropriate way to measure the Group's performance in a way that is comparable to the prior year.

Adjusted results (Notes 8 and 15)

The Group presents adjusted results (Note 8) and adjusted diluted earnings per share (Note 15) to provide additional useful information on business performance trends to Shareholders. These results are used for performance analysis and incentive compensation arrangements for employees. Adjusted results exclude items that are commonly excluded across the media sector: amortisation and impairment of goodwill and intangible assets relating to businesses acquired and other intangible asset purchases of titles and exhibitions, acquisition and integration costs, profit or loss on disposal of businesses, restructuring costs and other items that in the opinion of the Directors would distort underlying results. The term "adjusted" is not a defined term under IFRS and may not therefore be comparable with similarly titled profit measurements reported by other companies. It is not intended to be a substitute for, or superior to, IFRS measurements of profit. Refer to Note 8 for details of adjusting items recorded for the year and reconciled to statutory operating profit.

4 RESTATEMENT

Restatement of balance sheet as at 31 December 2016 and income statement for the year ended 31 December 2016

The results for the year ended 31 December 2016 have been restated for the finalisation of provisional amounts recognised in respect of the fair value of assets acquired and liabilities assumed related to the Penton Information Services acquisition that completed on 2 November 2016 and finalisation of fair values related to the Light Reading LLC acquisition that completed on 13 July 2016. Details are set out in Note 4.

The Penton adjustments to the Consolidated Income Statement for the year ended 31 December 2016 resulted in the following adjustments to adjusted results: a reduction in revenue of £0.9m, a reduction in net operating expenses of £0.4m and a related reduction in the adjusted tax charge of £0.2m. Adjusting items were restated to reflect reduced amortisation of intangible assets of £0.3m and increased tax on adjusting items of £0.1m.

The Penton adjustments to the Consolidated Balance Sheet at 31 December 2016 reflected the balance sheet impact of the above income statement adjustments, together with finalisation of the fair value of the acquisition balance sheet and foreign exchange movements on these adjustments from acquisition date on 2 November 2016 to 31 December 2016. The adjustments include a £25.1m reduction to goodwill, a £47.1m increase in intangibles arising from a £49.9m increase in acquisition intangibles and a £2.8m reduction in other intangibles. There was also a £19.1m increase in the deferred tax liability mainly associated with the increase in the value of acquisition intangibles.

The Light Reading fair value finalisation resulted in the Consolidated Balance Sheet at 31 December 2016 being adjusted for the recognition of an additional £0.2m accounts receivable and a corresponding increase of £0.2m in goodwill.

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2016 – RESTATEMENT

	As previously reported (audited) £m	Penton adjustments £m	Light Reading adjustments £m	As restated £m
Non-current assets				
Goodwill	2,724.4	(25.1)	0.2	2,699.5
Other intangible assets	1,755.0	47.1	–	1,802.1
Property and equipment	24.1	–	–	24.1
Investments in joint ventures and associates	1.5	–	–	1.5
Other investments	1.8	(0.2)	–	1.6
Deferred tax assets	13.0	–	–	13.0
Other receivables	0.5	–	–	0.5
	4,520.3	21.8	0.2	4,542.3
Current assets				
Inventory	52.4	–	–	52.4
Trade and other receivables	358.1	(1.7)	(0.2)	356.2
Current tax asset	31.1	–	–	31.1
Cash at bank and on hand	49.6	–	–	49.6
	491.2	(1.7)	(0.2)	489.3
Total assets	5,011.5	20.1	–	5,031.6
Current liabilities				
Borrowings	(174.9)	–	–	(174.9)
Current tax liabilities	(30.3)	0.3	–	(30.0)
Provisions	(34.4)	–	–	(34.4)
Trade and other payables	(246.5)	–	–	(246.5)
Deferred income	(561.5)	(1.5)	–	(563.0)
	(1,047.6)	(1.2)	–	(1,048.8)
Non-current liabilities				
Borrowings	(1,360.3)	–	–	(1,360.3)
Deferred tax liabilities	(329.9)	(19.1)	–	(349.0)
Retirement benefit obligation	(38.0)	–	–	(38.0)
Provisions	(11.8)	–	–	(11.8)
Non-current tax liabilities	(8.3)	–	–	(8.3)
Trade and other payables	(27.6)	–	–	(27.6)
	(1,775.9)	(19.1)	–	(1,795.0)
Total liabilities	(2,823.5)	(20.3)	–	(2,843.8)
Net assets	2,188.0	(0.2)	–	2,187.8
Equity				
Share capital	0.8	–	–	0.8
Share premium account	905.3	–	–	905.3
Translation reserve	74.1	(0.1)	–	74.0
Other reserves	(1,570.8)	–	–	(1,570.8)
Retained earnings	2,777.4	(0.1)	–	2,777.3
Equity attributable to equity holders of the parent	2,186.8	(0.2)	–	2,186.6
Non-controlling interest	1.2	–	–	1.2
Total equity	2,188.0	(0.2)	–	2,187.8

4 RESTATEMENT CONTINUED
CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2016 – RESTATEMENT

	Previously reported				Restated		
	Adjusted results 2016 £m	Adjusting items 2016 £m	Statutory results 2016 £m	Penton adjustments 2016 £m	Adjusted results 2016 £m	Adjusting items 2016 £m	Statutory results 2016 £m
Revenue	1,345.7	–	1,345.7	(0.9)	1,344.8	–	1,344.8
Net operating expenses	(930.4)	(217.3)	(1,147.7)	0.7	(930.0)	(217.0)	(1,147.0)
Operating profit/(loss) before joint ventures and associates	415.3	(217.3)	198.0	(0.2)	414.8	(217.0)	197.8
Share of results of joint ventures and associates	0.8	–	0.8	–	0.8	–	0.8
Operating profit/(loss)	416.1	(217.3)	198.8	(0.2)	415.6	(217.0)	198.6
Loss on disposal of subsidiaries and operations	–	(39.8)	(39.8)	–	–	(39.8)	(39.8)
Investment income	0.6	58.9	59.5	–	0.6	58.9	59.5
Finance costs	(40.2)	–	(40.2)	–	(40.2)	–	(40.2)
Profit/(loss) before tax	376.5	(198.2)	178.3	(0.2)	376.0	(197.9)	178.1
Tax (charge)/credit	(68.0)	63.2	(4.8)	0.1	(67.8)	63.1	(4.7)
Profit/(loss) for the period	308.5	(135.0)	173.5	(0.1)	308.2	(134.8)	173.4
Earnings per share							
– Basic (p)	42.2		23.6		42.2		23.6
– Diluted (p)	42.1		23.6		42.1		23.6

SEGMENT REVENUE AND RESULTS RESTATEMENT OF 2016

The Annual Report for the year ended 31 December 2016 presented Penton as a separate segment. In 2017 the Penton business was integrated into the business segments of **Business Intelligence**, **Global Exhibitions** and **Knowledge & Networking**. The tables below set out the previously reported amounts and restated amounts for each segment for the year ended 31 December 2016:

	Academic Publishing £m	Business Intelligence £m	Global Exhibitions £m	Knowledge & Networking £m	Penton £m	Unallocated £m	Total £m
Revenue							
Previously reported	490.4	290.0	306.9	224.4	34.0	–	1,345.7
Penton restatement	–	12.4	14.2	6.5	(34.0)	–	(0.9)
Restated	490.4	302.4	321.1	230.9	–	–	1,344.8
Operating profit/(loss)							
Previously reported	135.0	45.8	53.3	(6.7)	(28.6)	–	198.8
Penton restatement	–	(3.5)	(23.5)	(1.8)	28.6	–	(0.2)
Restated	135.0	42.3	29.8	(8.5)	–	–	198.6
Adjusted operating profit							
Previously reported	187.2	65.7	119.0	37.4	6.8	–	416.1
Penton restatement	–	4.8	0.5	1.0	(6.8)	–	(0.5)
Restated	187.2	70.5	119.5	38.4	–	–	415.6
Intangible asset amortisation[1]							
Previously reported	(48.2)	(18.0)	(33.9)	(9.8)	(6.8)	–	(116.7)
Penton restatement	–	(1.6)	(4.1)	(0.8)	6.8	–	0.3
Restated	(48.2)	(19.6)	(38.0)	(10.6)	–	–	(116.4)

1. Excludes software and product development amortisation.

	Academic Publishing £m	Business Intelligence £m	Global Exhibitions £m	Knowledge & Networking £m	Penton £m	Unallocated £m	Total £m
Acquisition and integration costs							
Previously reported	(0.4)	(0.1)	(3.0)	(1.0)	(28.6)	–	(33.1)
Penton restatement	–	(6.7)	(19.9)	(2.0)	28.6	–	–
Restated	(0.4)	(6.8)	(22.9)	(3.0)	–	–	(33.1)
Segment assets							
Previously reported	1,201.2	835.1	872.8	458.1	1,509.7	134.6	5,011.5
Penton and Light Reading restatement of goodwill	–	188.7	588.0	32.2	(833.8)	–	(24.9)
Penton restatement of intangibles	–	167.5	412.3	84.0	(616.7)	–	47.1
Penton and Light Reading restatement of other assets	–	13.5	39.1	4.5	(59.2)	–	(2.1)
Restated	1,201.2	1,204.8	1,912.2	578.8	–	134.6	5,031.6

5 REVENUE

An analysis of the Group's revenue is as follows:

	2017 £m	2016 (restated)[1] £m
Subscriptions	567.5	507.4
Exhibitor	451.3	275.4
Unit sales	278.0	269.9
Attendee	182.8	151.9
Sponsorship	105.7	92.6
Marketing and advertising services	172.3	47.6
Total revenue	1,757.6	1,344.8

1. 2016 restated for finalisation of the fair value of assets acquired and liabilities assumed for the Penton acquisition completed in 2016 (see Note 4).

6 BUSINESS SEGMENTS

Business segments

The Group has identified reportable segments based on financial information used by the Executive Directors in allocating resources and making strategic decisions. We consider the chief operating decision maker to be the two Executive Directors.

The Group's four (2016 restated: four) identified reporting segments under IFRS 8 *Operating Segments* are as described in the Strategic Report. The operating segments for the year ended 31 December 2016 have been restated to integrate the results of the previously reported Penton segment into the relevant Global Exhibitions, Business Intelligence and Knowledge & Networking segments (see Note 4).

Segment revenue and results

The Group's primary internal income statement performance measures for business segments are revenue and adjusted operating profit. A reconciliation of adjusted operating profit to statutory operating profit and profit before tax is provided below:

Year ended 31 December 2017	Academic Publishing £m	Business Intelligence £m	Global Exhibitions £m	Knowledge & Networking £m	Total £m
Revenue (Note 5)	530.0	384.2	560.4	283.0	1,757.6
Adjusted operating profit before joint ventures and associates	208.0	92.2	201.4	43.9	545.5
Share of adjusted results of joint ventures and associates	–	–	–	–	–
Adjusted operating profit	208.0	92.2	201.4	43.9	545.5
Intangible asset amortisation (Note 17)[1]	(50.1)	(24.0)	(66.7)	(17.0)	(157.8)
Impairment (Note 8)	(2.0)	(3.2)	(0.4)	–	(5.6)
Acquisition and integration costs (Note 8)	(1.5)	(10.2)	(6.7)	(5.6)	(24.0)
Restructuring and reorganisation costs (Note 8)	(0.3)	(7.0)	(1.2)	(4.4)	(12.9)
Subsequent remeasurement of contingent consideration (Note 8)	–	–	(0.2)	0.3	0.1
Operating profit/(loss)	154.1	47.8	126.2	17.2	345.3
Loss on disposal of businesses (Note 20)					(17.4)
Investment income (Note 11)					0.2
Finance costs (Note 12)					(59.3)
Profit before tax					268.8

1. Excludes acquired intangible product development and software amortisation.

Year ended 31 December 2016 (restated)[2]	Academic Publishing £m	Business Intelligence £m	Global Exhibitions £m	Knowledge & Networking £m	Total £m
Revenue (Note 5)	490.4	302.4	321.1	230.9	1,344.8
Adjusted operating profit before joint ventures	187.2	70.5	118.7	38.4	414.8
Share of adjusted results of joint ventures	–	–	0.8	–	0.8
Adjusted operating profit	187.2	70.5	119.5	38.4	415.6
Intangible asset amortisation (Note 17)[1]	(48.2)	(19.6)	(38.0)	(10.6)	(116.4)
Impairment (Note 8)	–	–	(31.1)	(36.6)	(67.7)
Acquisition and integration costs (Note 8)	(0.4)	(6.8)	(22.9)	(3.0)	(33.1)
Restructuring and reorganisation costs (Note 8)	(3.6)	(1.8)	(0.1)	(1.7)	(7.2)
Subsequent remeasurement of contingent consideration (Note 8)	–	–	2.4	5.0	7.4
Operating profit	135.0	42.3	29.8	(8.5)	198.6
Loss on disposal of businesses (Note 20)					(39.8)
Investment income (Note 11)					59.5
Finance costs (Note 12)					(40.2)
Profit before tax					178.1

1. Excludes acquired intangible product development and software amortisation.
2. 2016 results restated to integrate results of the previously reported Penton segment (see Note 4).

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 2. Adjusted operating result by operating segment is the measure reported to the Executive Directors for the purpose of resource allocation and assessment of segment performance. Finance costs and investment income are not allocated to segments, as this type of activity is driven by the central Treasury function, which manages the cash positions of the Group.

Segment assets

	2017 £m	2016 (restated)[1] £m
Academic Publishing	1,157.9	1,201.2
Business Intelligence	1,144.5	1,204.8
Global Exhibitions	1,898.7	1,912.2
Knowledge & Networking	558.2	578.8
Total segment assets	4,759.3	4,897.0
Unallocated assets	132.8	134.6
Total assets	4,892.1	5,031.6

1. 2016 results restated to integrate results of the previously reported Penton segment (see Note 4).

For the purpose of monitoring segment performance and allocating resources between segments, the Group monitors the tangible, intangible and financial assets attributable to each segment. All assets are allocated to reportable segments except for certain centrally held balances, including some intangible software assets relating to Group infrastructure, balances receivable from businesses sold and taxation (current and deferred). Assets used jointly by reportable segments are allocated on the basis of the revenues earned by individual reportable segments.

6 BUSINESS SEGMENTS CONTINUED

Segment revenue by type

The Group's revenues from its major products and services were as follows:

	2017 £m	2016 (restated)[1] £m
Academic Publishing		
Subscriptions	279.1	243.1
Unit sales	250.9	247.3
Total Academic Publishing	530.0	490.4
Business Intelligence		
Subscriptions	288.4	264.3
Unit sales	27.1	22.6
Marketing and advertising services	68.7	15.5
Total Business Intelligence	384.2	302.4
Global Exhibitions		
Exhibitor	385.9	233.9
Attendee	57.5	37.9
Sponsorship	45.7	29.5
Marketing and advertising services	71.3	19.8
Total Global Exhibitions	560.4	321.1
Knowledge & Networking		
Exhibitor	65.4	41.5
Attendee	125.3	114.0
Sponsorship	60.0	63.1
Marketing and advertising services	32.3	12.3
Total Knowledge & Networking	283.0	230.9
Total revenue	1,757.6	1,344.8

1. 2016 results restated to integrate results of the previously reported Penton segment.

Geographic information

The Group's revenue by location of customer and information about its segment assets by geographic location are detailed below:

	Revenue		Segment assets	
	2017 £m	2016 (restated)[1] £m	2017 £m	2016 (restated)[1] £m
UK	153.9	145.8	1,410.1	1,296.9
Continental Europe	236.7	213.5	71.4	79.0
North America	939.1	623.8	3,113.4	3,360.1
Rest of World	427.9	361.7	297.2	295.6
	1,757.6	1,344.8	4,892.1	5,031.6

1. 2016 results restated to integrate results of the previously reported Penton segment.

No individual customer contributed more than 10% of the Group's revenue in either 2017 or 2016.

7 OPERATING PROFIT

Operating profit has been arrived at after charging/(crediting):

	Notes	Adjusted results 2017 £m	Adjusting items 2017 £m	Statutory results 2017 £m	Adjusted results (restated)[2] 2016	Adjusting items 2016 (restated)[2] £m	Statutory results 2016 (restated)[2] £m
Cost of sales[1]		537.4	–	537.4	415.3	–	415.3
Staff costs (excluding redundancy costs)	9	467.8	–	467.8	372.5	–	372.5
Amortisation of other intangible assets[2]	17	24.8	157.8	182.6	14.2	116.4	130.6
Impairment – goodwill	8	–	3.4	3.4	–	65.8	65.8
Impairment – intangibles	8	–	2.2	2.2	–	1.9	1.9
Depreciation	21	9.2	–	9.2	6.5	–	6.5
Acquisition and integration-related costs	8	–	24.0	24.0	–	33.1	33.1
Restructuring and reorganisation costs	8	–	12.9	12.9	–	7.2	7.2
Subsequent remeasurement of contingent consideration	8	–	(0.1)	(0.1)	–	(7.4)	(7.4)
Operating lease expense							
– Land and buildings	34	26.7	–	26.7	22.9	–	22.9
– Other	34	1.1	–	1.1	1.0	–	1.0
Net foreign exchange loss		4.9	–	4.9	1.3	–	1.3
Auditor's remuneration for audit services (see below)		2.1	–	2.1	1.4	–	1.4
Other operating expenses		138.1	–	138.1	94.9	–	94.9
Total net operating expenses before joint ventures and associates		1,212.1	200.2	1,412.3	930.0	217.0	1,147.0

1. Cost of sales includes £42.8m (2016: £47.6m) for inventory recognised as an expense including pre-publication amortisation.
2. 2016 restated for finalisation of the fair value of assets acquired and liabilities assumed for the Penton acquisition completed in 2016 (see Note 4).

Amounts payable to the auditor, Deloitte LLP, and its associates by the Company and its subsidiary undertakings is provided below:

	2017 £m	2016 £m
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	1.7	0.8
Fees payable to the Company's auditor and its associates for other services to the Group:		
Audit of the Company's subsidiaries	0.4	0.6
Total audit fees	2.1	1.4
Fees payable to the Company's auditor for non-audit services comprises:		
Transaction support services	–	4.9
Half-year review	0.1	0.1
Taxation services	0.1	0.1
Other services	0.1	–
Total non-audit fees	0.3	5.1

Fees payable to Deloitte LLP and its associates for non-audit services to the Company are included in the consolidated disclosures above.

The Audit Committee approves all non-audit services within the Company's policy. In the prior year, the auditor provided transaction support services principally in relation to the reporting requirements associated with the size of the Penton acquisition, the Audit Committee having concluded that the auditor was best placed to perform these services due to its knowledge of the Company. The other services in 2017 relate to services provided by Market Gravity Limited, a training organisation which was acquired by Deloitte on 31 May 2017. Market Gravity Limited was contracted by Informa, prior to the acquisition by Deloitte, to support in delivering the London Tech Week Innovation Mini MBA from 12–16 June. K&N engaged Market Gravity Limited for a further three events in 2017. There are no contingent fees involved and the fees are payable to Market Gravity Limited on completion of the events.

The ratio of non-audit services to audit services was 0.1x (2016: 3.6x, 0.1x excluding transaction support services).

7 OPERATING PROFIT CONTINUED

The Audit Committee has approved the use of the auditor for transaction support services in relation to the reporting requirements associated with the Company's proposed acquisition of UBM plc, having concluded that the auditor was best placed to perform these services due to its knowledge of the Company and the timescales involved. These services are all provided in 2018.

A description of the work of the Audit Committee is set out in the Corporate Governance Statement on pages 87 to 93 and includes an explanation of how auditor objectivity and independence is safeguarded when non-audit services are provided by the auditor. No services were provided under contingent fee arrangements.

8 ADJUSTING ITEMS

The following charges/(credits) are presented as adjusting items:

	Notes	2017 £m	2016 (restated)[1] £m
Intangible amortisation and impairment			
Intangible asset amortisation	17	157.8	116.4
Impairment – goodwill	16	3.4	65.8
Impairment – other intangible assets	17	2.2	1.9
Acquisition and integration costs	7	24.0	33.1
Restructuring and reorganisation costs			
Redundancy costs		5.7	6.0
Reorganisation costs		1.0	(0.4)
Vacant property costs		6.2	1.6
Subsequent remeasurement of contingent consideration	7	(0.1)	(7.4)
Adjusting items in operating profit		200.2	217.0
Loss on disposal of subsidiaries and operations	20	17.4	39.8
Investment income	11	–	(58.9)
Adjusting items in profit before tax		217.6	197.9
Tax related to adjusting items	13	(62.6)	(63.1)
Tax adjusting item for US federal tax reform	13	(85.4)	–
Adjusting items in profit for the year		69.6	134.8

1. 2016 restated for finalisation of the fair value of assets acquired and liabilities assumed for the Penton acquisition completed in 2016 (see Note 4).

The principal adjustments made are in respect of:

- intangible asset amortisation – the amortisation charges in respect of intangible assets acquired through business combinations or the acquisition of trade and assets are excluded from adjusted results as they do not relate to underlying trading;
- impairment – the Group tests for impairment on an annual basis or more frequently when an indicator exists. Impairment charges are individually disclosed and are excluded from adjusted results as they do not relate to underlying trading (See Note 16 for further details);
- acquisition and integration costs – the costs incurred by the Group in acquiring and integrating share and asset acquisitions. Acquisition costs totalled £4.4m and integration costs totalled £19.6m;
- restructuring and reorganisation costs – these costs are incurred by the Group in business restructuring and changing the operating model to align with the Group's *Growth Acceleration Plan*. These include vacant property costs arising from restructuring activities;
- subsequent remeasurement of contingent consideration is recognised in the year as a charge or credit to the Consolidated Income Statement unless qualifying as a measurement period adjustment arising within one year from the acquisition date. Subsequent remeasurements are excluded from adjusted results as they do not relate to underlying trading;
- loss on disposal of subsidiaries and operations – loss or profit on the disposal of individual businesses; these are excluded from adjusted results as they do not relate to underlying trading;
- investment income in the prior year of £58.9m related to the gain on a deal contingent forward contract associated with the Penton acquisition; and
- the tax items relate to the tax effect on the items above and tax adjustments related to rate changes. US federal tax reform relates to the Tax Cuts and Jobs Act enacted in December 2017.

9 STAFF NUMBERS AND COSTS

The monthly average number of persons employed by the Group (including Directors) during the year, analysed by segment, was as follows:

	Number of employees 2017	Number of employees 2016 (restated)[1]
Academic Publishing	2,137	2,079
Business Intelligence	2,549	2,111
Global Exhibitions	1,519	1,016
Knowledge & Networking	1,334	1,353
	7,539	6,559

1. 2016 restated to align to the new segment structure following the incorporation of Penton into the legacy reporting segments.

Their aggregate remuneration comprised:

	2017 £m	2016 £m
Wages and salaries	413.3	327.6
Social security costs	37.0	30.1
Pension costs charged to operating profit (Note 36)	10.6	9.9
Share-based payments (Note 10)	6.9	4.9
Staff costs (excluding redundancy costs)	467.8	372.5
Redundancy costs	5.7	6.0
	473.5	378.5

The remuneration of Directors, who are the key management personnel of the Group, is set out below in aggregate for each of the categories specified in IAS 24 *Related Party Disclosures* (Note 37). Further information about the remuneration of individual Directors is provided in the audited part of the Remuneration Report on pages 106 to 113.

	2017 £m	2016 £m
Short-term employee benefits	3.7	2.8
Post-employment benefits	0.3	0.3
Share-based payment expense	1.7	1.9
	5.7	5.0

10 SHARE-BASED PAYMENTS

The Group recognised total expenses of £6.9m (2016: £4.9m) related to share-based payment transactions in the year ended 31 December 2017 with £4.8m (2016: £3.6m) relating to equity-settled LTIPs, £0.6m (2016: £0.3m) relating to equity-settled ShareMatch and £1.5m (2016: £1.0m) relating to cash-settled awards.

The Group's Long-Term Incentive Plans ("LTIPs") provide for nil-cost options and have a grant price used in the valuation of the awards equal to the closing share price from the day prior to the grant date. The performance period is three years starting with the year in which the grant is made. LTIP awards are conditional share awards with specific performance conditions. To the extent that they are met or satisfied then awards will be exercisable following the end of the relevant performance period. LTIP allocations are equity settled and will lapse if the colleague leaves the Group before an LTIP grant is exercisable, unless the employee meets certain eligibility criteria.

10 SHARE-BASED PAYMENTS CONTINUED

Long-Term Incentive Plan

The 2017 LTIP award was granted on 15 March 2017, with the 2016 LTIP award granted on 17 March 2016 and the 2015 LTIP award granted on 13 February 2015. The performance conditions for each of these awards to Executive Directors are relative total shareholder return (TSR for FTSE 51–150 constituents, excluding financial services and commodities) and earnings per share ("EPS") compound annual growth rate ("CAGR").

The movement during the year is as follows:

	2017 Number of options	2016 Number of options
Outstanding at 1 January	2,897,323	2,311,469
Adjustment to reflect bonus element of rights issue	–	229,874
LTIPs exercised in the year	(279,035)	(232,847)
LTIPs lapsed in the year	(909,537)	(462,362)
LTIPs granted in the year	1,223,006	1,051,189
Outstanding at 31 December	2,931,757	2,897,323
Exercisable included in outstanding number at 31 December	414,227	–

The TSR award components of the LTIPs were valued using a Monte Carlo simulation model. The inputs into the Monte Carlo simulation model for the LTIP performance conditions are:

	Share price at grant date[1]	Expected volatility	Expected life (years)[2]	Risk free rate	Expected annual dividend yield
8 September 2014	£4.77	20.0%	3	0.9%	3.7%
13 February 2015	£4.86	21.0%	3	0.8%	3.4%
17 March 2016	£6.37	20.4%	3	0.6%	3.2%
15 March 2017	£6.52	20.0%	3	0.1%	3.1%

1. Share price at grant restated for bonus element of 2016 rights issue.
2. From 1 January of year in which grant made.

In order to satisfy share awards granted under the LTIP, the share capital would need to be increased by up to 2,543,639 shares (2016: 2,545,976 shares) taking account of the 388,118 shares held in the Employee Share Trust (Note 32). The Company will satisfy the awards either through the issue of additional share capital or the purchase of shares as needed on the open market. The weighted average share price during the year was £6.81 (2016: £6.78).

Expected volatility was determined by calculating the historical volatility of the Group's share price over one, two and three years back from the date of grant. The expected life used in the model has been adjusted, based on the Group's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

ShareMatch (Share Incentive Plan)

In June 2014, the Company launched ShareMatch, a global Share Incentive Plan (tax qualifying in the UK), under which eligible colleagues can invest up to the limit of £1,800 per annum in the Company's shares. The scheme includes a matching element, whereby for every one share purchased by the colleague, the Company will award the participant one matching share. The matching element was increased to one new share for every one purchased from March 2017 (previously one share matched for every two shares purchased). Matching shares are subject to forfeiture if the purchased shares are withdrawn from the scheme within three years of purchase or if the colleague leaves the Group, unless the reason for leaving is due to restructuring or retirement. In addition, both the purchased and matching shares are eligible to receive any dividends payable by the Company, which are reinvested in more shares. Employee subscriptions can be made on a monthly or one-off lump sum basis and matching shares are purchased on a monthly basis, through a UK Trust. Further details are set out in the remuneration section of the financial statements.

	2017 ShareMatch Number of share awards	2016 ShareMatch Number of share awards
Outstanding at 1 January	141,814	109,729
Adjustment to reflect rights issue	–	8,216
Exercised in the year	(16,039)	(17,445)
Lapsed in the year	(15,121)	(11,434)
Granted in the year	162,906	52,748
Outstanding at 31 December	273,560	141,814

11 INVESTMENT INCOME

	2017 £m	2016 £m
Loans and receivables:		
Interest income on bank deposits	0.2	0.6
Fair value gain on financial instruments through the income statement	–	58.9
	0.2	59.5

12 FINANCE COSTS

	Note	2017 £m	2016 £m
Interest expense on financial liabilities measured at amortised cost		58.1	39.5
Interest cost on pension scheme net liabilities	36	1.1	0.2
Total interest expense		59.2	39.7
Fair value loss on financial instruments through the income statement		0.1	0.5
		59.3	40.2

Included in interest expense above is the amortisation of debt issue costs of £2.2m (2016: £1.5m).

13 TAXATION

The tax (credit)/charge comprises:

	Note	2017 £m	2016 (restated)[1] £m
Current tax:			
UK		30.7	34.1
US – excluding US federal tax reform		3.4	(20.0)
US – charge arising from US federal tax reform		9.2	–
UAE and Monaco		0.5	–
China		3.9	2.7
Rest of World		3.2	7.5
Current year		50.9	24.3
Deferred tax:			
Current year		(0.8)	(15.4)
Credit arising from US federal tax reform	27	(94.6)	–
Credit arising from UK Corporation Tax rate change	27	(0.4)	(4.2)
Total tax (credit)/charge on profit on ordinary activities		(44.9)	4.7

1. 2016 restated for finalisation of the fair value of assets acquired and liabilities assumed for certain acquisitions completed in 2016 (see Note 4).

The tax adjusting items within the Consolidated Income Statement relates to the following:

	Notes	Gross 2017 £m	Tax 2017 £m	Gross 2016 (restated)[1] £m	Tax 2016 (restated)[1] £m
Amortisation of other intangible assets[1]	8	(157.8)	58.6	(116.4)	41.2
Deferred tax (charge)/credit arising from revised treatment of certain non-UK intangible assets		–	(3.1)	–	12.1
Benefit of US goodwill amortisation for tax purposes only		–	(12.7)	–	(10.0)
Impairment	8	(5.6)	–	(67.7)	–
Restructuring and reorganisation costs	8	(12.9)	3.8	(7.2)	1.9
Acquisition and integration-related costs	8	(24.0)	9.3	(33.1)	4.5
Subsequent remeasurement of contingent consideration	8	0.1	–	7.4	(0.6)
Loss on disposal of subsidiaries and operations	20	(17.4)	6.3	(39.8)	21.5
Deferred tax credit on intangible assets arising from UK Corporation Tax rate change	27	–	0.4	–	4.3
Investment income	8	–	–	58.9	(11.8)
Tax on adjusting items		(217.6)	62.6	(197.9)	63.1
Tax adjusting item for US federal tax reform		–	85.4	–	–
Total tax adjusting items		(217.6)	148.0	(197.9)	63.1

1. 2016 restated for finalisation of the fair value of assets acquired and liabilities assumed for certain acquisitions completed in 2016 (see Note 4).

The current and deferred tax are calculated on the estimated assessable profit for the year. Taxation is calculated in each jurisdiction based on the prevailing rates of that jurisdiction. US federal tax reform refers to the Tax Cuts and Jobs Act enacted in December 2017.

The total tax charge/(credit) for the year can be reconciled to the accounting profit as follows:

	2017 £m	2017 %	2016 (restated)[1] £m	2016 (restated)[1] %
Profit before tax	268.8		178.1	
Tax charge at effective UK statutory rate of 19.25% (2016: 20%)	51.7	19.3	35.6	20.0
Non-deductible impairments	1.1	0.4	16.3	9.1
Other non-deductible expenses and similar items	2.0	0.7	2.1	1.1
Profits taxed at different rates	(3.5)	(1.3)	(17.5)	(9.8)
Adjustments for prior years	(3.0)	(1.1)	(4.7)	(2.6)
Adjustments to deferred tax on intangible assets	(0.8)	(0.3)	(18.4)	(10.3)
Acquisitions and disposals related	(0.7)	(0.3)	(1.7)	(1.0)
Benefits from financing structures	(1.4)	(0.5)	(9.1)	(5.1)
Tax incentives and foreign tax credits	(4.6)	(1.7)	(4.0)	(2.2)
Losses in certain jurisdictions that have not been recognised	0.1	–	5.5	3.1
Deferred tax credit arising from UK Corporation Tax rate change	(0.4)	(0.1)	0.6	0.3
Net tax credit arising from US federal tax reform	(85.4)	(31.8)	–	–
Tax (credit)/charge and effective rate for the year	(44.9)	(16.7)	4.7	2.6

1. 2016 restated for finalisation of the fair value of assets acquired and liabilities assumed for the Penton acquisition completed in 2016 (see Note 4).

In addition to the income tax charge to the Consolidated Income Statement, a tax charge of £4.2m (2016: credit of £2.0m) has been recognised directly in the Consolidated Statement of Comprehensive Income during the year.

14 DIVIDENDS

	2017 Per share Pence	2017 £m	2016 Per share Pence	2016 £m
Amounts recognised as distributions to equity holders in the year:				
Final dividend for the year ended 31 December 2015	–	–	12.47	87.8
Interim dividend for the year ended 31 December 2016	–	–	6.26	44.1
Final dividend for the year ended 31 December 2016	13.04	107.4	–	–
Interim dividend for the year ended 31 December 2017	6.65	54.8	–	–
	19.69	162.2	18.73	131.9
Proposed final dividend for the year ended 31 December 2017 and actual dividend for the year ended 31 December 2016	13.80	113.7	13.04	107.4

As at 31 December 2017 £0.2m (2016: £0.1m) of dividends are still to be paid. The proposed final dividend is subject to approval by Shareholders at the Annual General Meeting and has not been included as a liability in these financial statements. The proposed final dividend to be paid is 13.80p (2016: 13.04p) per share. The payment of this dividend will not have any tax consequences for the Group.

15 EARNINGS PER SHARE

Basic

The basic earnings per share calculation is based on profit attributable to equity Shareholders of the parent of £311.3m (2016: £171.5m profit, restated amount). This profit on ordinary activities after taxation is divided by the weighted average number of shares in issue (less those shares held by the EST and ShareMatch), which is 823,352,304 (2016: 725,629,255).

Diluted

The diluted earnings per share calculation is based on the basic EPS calculation above except that the weighted average number of shares includes all potentially dilutive options granted by the reporting date as if those options had been exercised on the first day of the accounting period or the date of the grant, if later, giving a weighted average of 826,146,627 (2016: 727,826,695).

The table below sets out the adjustment in respect of dilutive potential Ordinary Shares:

	2017	2016
Weighted average number of shares used in basic earnings per share	823,352,304	725,629,255
Potentially dilutive Ordinary Shares	2,794,323	2,197,440
Weighted average number of shares used in diluted earnings per share	826,146,627	727,826,695

Earnings per share

In addition to basic EPS, adjusted diluted EPS calculations have been provided as this is useful additional information on underlying performance. Earnings are based on profits attributable to equity Shareholders and adjusted to exclude items that, in the opinion of the Directors, would distort underlying results with the items detailed in Note 8.

Earnings per share	Earnings 2017 £m	Per share amount 2017 Pence	Earnings 2016 (restated)[1] £m	Per share amount 2016 Pence
Profit for the year	313.7		173.4	
Non-controlling interests	(2.4)		(1.9)	
Earnings for the purpose of statutory basic EPS/statutory basic EPS (p)	311.3	37.8	171.5	23.6
Effect of dilutive potential Ordinary Shares	–	(0.1)	–	–
Earnings for the purpose of statutory diluted EPS/statutory diluted EPS (p)	311.3	37.7	171.5	23.6

1. 2016 restated for finalisation of the fair value of assets acquired and liabilities assumed for certain acquisitions completed in 2016 (see Note 4).

Adjusted earnings per share	Earnings 2017 £m	Per share amount 2017 Pence	Earnings 2016 (restated)[1] £m	Per share amount 2016 Pence
Earnings for the purpose of statutory basic EPS/statutory basic EPS (p)	311.3	37.8	171.5	23.6
Adjusting items:				
Intangible amortisation and impairment (Note 8)	163.4	19.8	184.1	25.4
Acquisition and integration costs (Note 8)	24.0	2.9	33.1	4.6
Redundancy and restructuring costs (Note 8)	12.9	1.6	7.2	1.0
Subsequent remeasurement of contingent consideration (Note 8)	(0.1)	–	(7.4)	(1.0)
Loss on disposal of subsidiaries and operations (Note 8)	17.4	2.2	39.8	5.4
Investment income (Note 8)	–	–	(58.9)	(8.1)
Tax related to adjusting items (Note 8)	(62.6)	(7.6)	(63.1)	(8.7)
Tax adjusting items for US federal tax reform (Note 8)	(85.4)	(10.4)	–	–
Earnings for the purpose of adjusted basic EPS/adjusted basic EPS (p)	380.9	46.3	306.3	42.2
Effect of dilutive potential Ordinary Shares		(0.2)		(0.1)
Earnings for the purpose of adjusted diluted EPS/adjusted diluted EPS (p)	380.9	46.1	306.3	42.1

1. 2016 restated for finalisation of the fair value of assets acquired and liabilities assumed for the Penton acquisition completed in 2016 (see Note 4).

16 GOODWILL

	£m
Cost	
At 1 January 2016	1,822.8
Additions in the year (restated)[1]	852.4
Disposals	(0.1)
Exchange differences	217.0
At 1 January 2017 (restated)	2,892.1
Additions in the year (Note 18)	114.6
Disposals	(101.4)
Exchange differences	(173.0)
At 31 December 2017	2,732.3
Accumulated impairment losses	
At 1 January 2016	(114.7)
Impairment losses for the year (Note 8)	(65.8)
Disposals	–
Exchange differences	(12.1)
At 1 January 2017	(192.6)
Impairment losses for the year (Note 8)	(3.4)
Disposals	67.8
Exchange differences	4.1
At 31 December 2017	(124.1)
Carrying amount	
At 31 December 2017	2,608.2
At 31 December 2016 (restated)[1]	2,699.5

1. 2016 restated for finalisation of the fair value of assets acquired and liabilities assumed for certain acquisitions completed in 2016 (see Note 4).

Impairment review

As goodwill is not amortised, it is tested for impairment annually, or more frequently if there are indicators of impairment. The testing involves comparing the carrying value of assets in each cash generating unit ("CGU") with value in use calculations or assessments of fair value less cost-to-sell, derived from the latest Group cash flow projections.

In 2017 there was impairment of goodwill totalling £3.4m (2016: £65.8m), with a charge of £2.0m in Business Intelligence relating to the Telecoms, Media & Technology ("TMT") CGU and Industry & Infrastructure CGU.

In 2017 the number of CGUs was 26 (2016: 24). For reporting purposes, the CGUs are aggregated into the four reportable segments which each has its own Managing Director and Finance Director. The carrying amount of goodwill recorded in the major groups of CGUs is set out below:

CGU groups	2017 Number of CGUs	2016 Number of CGUs	2017 £m	2016 (restated)[1] £m
Academic Publishing	1	1	527.4	519.8
Business Intelligence	6	5	766.1	819.9
Global Exhibitions	12	11	983.4	1,008.0
Knowledge & Networking	7	7	331.3	351.8
	26	24	2,608.2	2,699.5

1. 2016 restated for finalisation of the fair value of assets acquired and liabilities assumed for certain acquisitions completed in 2016, and to align to the new segment structure following the incorporation of Penton into the legacy reporting segments.

16 GOODWILL CONTINUED

The movements in the carrying amount relate primarily to acquisitions, disposals, exchange movements and adjustments arising from reclassifications arising when acquisition intangible valuations are completed.

The recoverable amounts of the CGUs are determined as the greater of the value in use calculations or fair value less costs to sell, which are based on the cash flow projections for each CGU. The key assumptions are those regarding the revenue and operating margin growth rates together with the long-term growth rate and the discount rate applied to the forecast cash flows. The recoverable amount measurement is categorised as Level 3 in the fair value hierarchy based on the inputs to the valuation techniques used.

Estimated future cash flows are determined by reference to the budget for the year following the balance sheet date and forecasts for the following two years, after which a long-term perpetuity growth rate is applied. The most recent financial budget approved by the Board of Directors has been prepared after considering the current economic environment in each of our markets.

	Long-term market growth rates		Pre-tax discount rates	
Key assumptions	**2017**	2016	**2017**	2016
Academic Publishing	**2.5%**	2.2%	**9.9%**	10.5%
Business Intelligence	**2.0–2.5%**	2.0–2.4%	**10.2–10.5%**	9.8–10.7%
Global Exhibitions	**1.7–3.9%**	1.9–3.9%	**7.2–12.9%**	8.9–14.9%
Knowledge & Networking	**1.7–2.5%**	1.9–2.4%	**9.2–11.8%**	9.8–11.0%

The pre-tax discount rates used in the value in use calculations reflect the Group's assessment of the current market and other risks specific to the CGUs. Long-term growth rates are applied after the forecast period. Long-term growth rates are based on external reports on long-term CPI inflation rates for the geographic market in which each CGU operate and therefore do not exceed the long-term average growth prospects for the individual markets.

The Group has undertaken a sensitivity analysis across all CGUs, taking into consideration the impact on key impairment test assumptions arising from a range of possible future trading and economic scenarios, summarised as follows:

- an increase in the pre-tax discount rate by 1.0%; and
- a decrease in the terminal growth rate by 0.5%.

The sensitivity analysis shows that, when applying the 1.0% increase in pre-tax discount, there would be a £29.9m increase in the total impairment charge, which reflects an increase in impairment charge of £6.1m in the TMT CGU and £23.8m in the Industry & Infrastructure CGU, which both sit within the Business Intelligence Division.

When applying the 0.5% decrease in terminal growth rate sensitivity there would be a £13.2m increase in the total impairment charge, which reflects an increase in impairment charge of £2.7m in the TMT CGU and £10.5m in the Industry & Infrastructure CGU, which both sit within the Business Intelligence Division.

When applying the above criteria combined, there would be a £40.2m increase giving a total impairment charge of £45.7m, which reflects an impairment of £8.2m in the TMT CGU, and £32.0m in the Industry & Infrastructure CGU, both of which sit within the Business Intelligence Division, as well as other impairments of £3.5m.

17 OTHER INTANGIBLE ASSETS

	Publishing Book lists and journal titles £m	Database and intellectual property, brand and customer relationships £m	Exhibitions and conferences, brand and customer relationships[1] £m	Sub-total £m	Intangible software assets £m	Product development[1,2] £m	Total[1] £m
Cost							
At 1 January 2016	813.4	491.9	535.1	1,840.4	104.4	22.2	1,967.0
Arising on acquisition of subsidiaries and operations (restated)[1]	3.9	7.0	721.5	732.4	0.9	13.9	747.2
Additions[3]	7.8	–	46.7	54.5	43.4	12.1	110.0
Disposals (Note 20)	(2.0)	–	–	(2.0)	(2.1)	(0.3)	(4.4)
Disposal of subsidiaries	–	–	–	–	(0.1)	–	(0.1)
Exchange differences (restated)[1]	88.3	68.4	81.7	238.4	9.6	3.0	251.0
At 1 January 2017 (restated)[1]	**911.4**	**567.3**	**1,385.0**	**2,863.7**	**156.1**	**50.9**	**3,070.7**
Disposals following review of register	**–**	**(1.7)**	**(13.0)**	**(14.7)**	**–**	**–**	**(14.7)**
Arising on acquisition of subsidiaries and operations	**14.4**	**14.9**	**90.1**	**119.4**	**0.1**	**0.8**	**120.3**
Additions[3]	**7.8**	**6.3**	**18.1**	**32.2**	**49.6**	**12.7**	**94.5**
Reclassification	**–**	**(3.0)**	**3.0**	**–**	**(2.4)**	**2.4**	**–**
Disposals (Note 20)	**–**	**(0.2)**	**(0.6)**	**(0.8)**	**(0.4)**	**(0.1)**	**(1.3)**
Disposal of subsidiaries	**(19.0)**	**(10.8)**	**(3.8)**	**(33.6)**	**(0.7)**	**–**	**(34.3)**
Exchange differences	**(46.2)**	**(34.7)**	**(111.0)**	**(191.9)**	**(5.5)**	**(3.2)**	**(200.6)**
At 31 December 2017	**868.4**	**538.1**	**1,367.8**	**2,774.3**	**196.8**	**63.5**	**3,034.6**
Amortisation							
At 1 January 2016	(322.5)	(399.6)	(211.6)	(933.7)	(55.4)	(9.7)	(998.8)
Charge for the year (restated)[1]	(49.5)	(17.9)	(49.0)	(116.4)	(10.6)	(3.6)	(130.6)
Impairment losses (Note 8)	–	–	(1.9)	(1.9)	–	–	(1.9)
Disposals (Note 20)	0.3	–	–	0.3	2.0	–	2.3
Disposal of subsidiaries	–	–	–	–	–	–	–
Exchange differences (restated)[1]	(38.8)	(56.7)	(37.5)	(133.0)	(4.7)	(1.9)	(139.6)
At 1 January 2017 (restated)[1]	**(410.5)**	**(474.2)**	**(300.0)**	**(1,184.7)**	**(68.7)**	**(15.2)**	**(1,268.6)**
Disposals following review of register	**–**	**1.7**	**13.0**	**14.7**	**–**	**–**	**14.7**
Charge for the year	**(51.3)**	**(15.5)**	**(91.0)**	**(157.8)**	**(16.0)**	**(8.8)**	**(182.6)**
Impairment losses (Note 8)	**(2.0)**	**(0.1)**	**(0.1)**	**(2.2)**	**–**	**–**	**(2.2)**
Reclassification	**–**	**0.1**	**(0.1)**	**–**	**–**	**–**	**–**
Disposals (Note 20)	**–**	**0.1**	**0.5**	**0.6**	**0.3**	**–**	**0.9**
Disposal of subsidiaries	**14.7**	**10.8**	**2.6**	**28.1**	**0.7**	**–**	**28.8**
Exchange differences	**22.5**	**29.1**	**19.9**	**71.5**	**2.9**	**1.4**	**75.8**
At 31 December 2017	**(426.6)**	**(448.0)**	**(355.2)**	**(1,229.8)**	**(80.8)**	**(22.6)**	**(1,333.2)**
Carrying amount							
At 31 December 2017	**441.8**	**90.1**	**1,012.6**	**1,544.5**	**116.0**	**40.9**	**1,701.4**
At 31 December 2016 (restated)	500.9	93.1	1,085.0	1,679.0	87.4	35.7	1,802.1

1. 2016 restated for finalisation of the fair value of assets acquired and liabilities assumed for certain acquisitions completed in 2016 (see Note 4).
2. All product development in 2017 and 2016 is internally generated.
3. Additions includes business asset additions and product development. Of the £94.5m total additions, the cash flow statement shows £96.0m for these items with £52.2m intangible software assets, £13.1m for product development and £30.7m for titles, brands and customer relationships.

Intangible software assets include a gross carrying amount of £171.0m (2016: £136.8m) and accumulated amortisation of £68.0m (2016: £57.4m) which relates to software that has been internally generated. The Group does not have any of its intangible assets pledged as security over bank loans.

18 BUSINESS COMBINATIONS

Cash paid on acquisition net of cash acquired	Segment	2017 £m	2016 £m
Current period acquisitions			
Yachting Promotions, Inc. ("YPI")	Global Exhibitions	111.1	–
Dove Medical Press Limited	Academic Publishing	43.0	–
Futurum Media Limited	Knowledge & Networking	1.6	–
Skipta, LLC	Business Intelligence	4.6	–
Guangzhou Informa Yi Fan Exhibitions Co., Limited	Global Exhibitions	4.2	–
Karnac Books Limited	Academic Publishing	3.9	–
New AG International Sarl	Knowledge & Networking	5.5	–
Mapa International Limited	Business Intelligence	2.0	–
TrimTabs Investment Research, Inc.	Business Intelligence	0.6	–
Spotlight Financial, Inc.	Business Intelligence	0.4	–
Informa Tianyi Exhibitions (Chengdu) Co., Limited	Global Exhibitions	1.3	–
Colwiz UK Limited	Academic Publishing	0.9	–
Emily Expo Events, Inc.	Global Exhibitions	0.9	–
OTC Publications Limited	Business Intelligence	1.6	–
		181.6	–
Prior period acquisitions			
2016 acquisitions:			
Penton Information Services	Global Exhibitions, Knowledge & Networking, Business Intelligence	(4.5)	1,218.8
Light Reading LLC	Knowledge & Networking	3.4	44.3
Finovate Group, Inc.	Knowledge & Networking	3.2	13.8
Other		5.2	12.6
2010-2015 acquisitions:			
Other		4.3	4.7
		11.6	1,294.2
Total cash paid in year		193.2	1,294.2

Acquisitions

The provisional amounts recognised in respect of the estimated fair value of identifiable assets and liabilities in respect of acquisitions made in 2017 and payments made in 2017 relating to prior year acquisitions was:

	YPI £m	Dove £m	Other acquisitions £m	Payments in relation to acquisitions completed in prior years £m	Total £m
Intangibles	60.9	10.2	47.8	1.4	120.3
Property and equipment	3.3	0.1	0.3	–	3.7
Inventory	–	–	0.1	–	0.1
Investments	–	–	–	–	–
Deferred tax assets	–	–	0.3	–	0.3
Trade and other receivables	2.0	4.0	3.2	–	9.2
Cash and cash equivalents	0.6	5.2	5.5	–	11.3
Deferred costs	–	(0.1)	0.9	–	0.8
Trade, other payables and provisions	(4.2)	(0.9)	(2.2)	–	(7.3)
Deferred income	(3.5)	–	(6.8)	–	(10.3)
Current tax liabilities	–	(0.7)	(0.4)	–	(1.1)
Deferred tax liabilities	(10.6)	(1.8)	(4.1)	–	(16.5)
Identifiable net assets acquired	48.5	16.0	44.6	1.4	110.5
Non-controlling interest	–	–	1.2	–	1.2
Goodwill	63.2	33.8	17.6	–	114.6
Total consideration	111.7	49.8	63.4	1.4	226.3
Satisfied by:					
Cash consideration	111.7	48.2	33.0	0.7	193.6
Deferred and contingent consideration paid	–	–	–	–	–
Deferred closing price adjustment	–	–	–	–	–
Deferred consideration	–	1.6	1.7	–	3.3
Contingent consideration	–	–	28.7	0.7	29.4
Share consideration	–	–	–	–	–
Total consideration	111.7	49.8	63.4	1.4	226.3
Net cash outflow arising on acquisitions:					
Cash consideration	111.7	48.2	33.0	0.7	193.6
Deferred and contingent consideration paid	–	–	–	10.9	10.9
Less: net cash acquired	(0.6)	(5.2)	(5.5)	–	(11.3)
Net cash outflow arising on acquisitions	111.1	43.0	27.5	11.6	193.2

18 BUSINESS COMBINATIONS CONTINUED

Business combinations made in 2017

Yachting Promotions, Inc.

On 14 March 2017, the Group acquired 100% of the issued share capital of Yachting Promotions, Inc. ("YPI") the operator of some of the largest yachting and boat shows in the US. The Company forms part of the Global Exhibitions Division.

Total consideration, including payment for working capital, was £111.7m ($138.8m), of which £111.1m ($138.0m) was paid in cash, net of cash acquired of £0.6m ($0.7m).

The disclosure below provides the fair value of acquired identifiable assets and liabilities assumed of YPI which are provisional pending receipt of final valuations.

	Book value £m	Fair value adjustments £m	Fair value £m
Intangible assets	–	60.9	60.9
Property and equipment	3.3	–	3.3
Trade and other receivables	2.0	–	2.0
Cash at bank and on hand	0.6	–	0.6
Trade and other payables	(4.2)	–	(4.2)
Deferred income	(3.5)	–	(3.5)
Deferred tax asset/(liabilities)	12.3	(22.9)	(10.6)
Identifiable net assets acquired	10.5	38.0	48.5
Provisional goodwill	–	63.2	63.2
Total consideration	10.5	101.2	111.7

The business contributed £4.1m of profit after tax and £31.0m of revenue for the period between the date of acquisition and 31 December 2017. If the acquisition had completed on the first day of the financial period, it would have contributed £5.5m of profit after tax and £39.1m to the revenue of the Group for the year ended 31 December 2017. Acquisition costs (included in adjusting items in the Consolidated Income Statement) amounted to £0.8m.

The goodwill of £63.2m arising from the acquisition relates to the following factors:

- providing Informa with increased scale in the growing international yachting vertical;
- complementing the existing Group's ownership of the Monaco Yacht Show; and
- adding to the Global Exhibitions Division's scale in the US.

On 29 December 2017, the Group sold a 10% share of the YPI business to the government of the Principality of Monaco; see Note 20 for further details.

Dove Medical Press Limited

On 26 September 2017, the Group acquired 100% of the issued share capital of Dove Medical Press Limited ("Dove"), an open access ("OA") journal publisher operating in the UK, US and New Zealand, producing a range of OA journals mainly in Health Sciences with additional content in Science & Technology. The Company forms part of the Academic Publishing Division.

Total consideration, including payment for working capital, was £49.8m, of which £43.0m was paid in cash, net of cash acquired of £5.2m and there was deferred consideration of £1.6m.

The disclosure below provides the fair value of acquired identifiable assets and liabilities assumed of Dove which are provisional pending receipt of final valuations.

	Book value £m	Fair value adjustments £m	Fair value £m
Intangible assets	0.1	10.1	10.2
Property and equipment	0.1	–	0.1
Trade and other receivables	4.0	–	4.0
Cash at bank and on hand	5.2	–	5.2
Deferred costs	(0.1)	–	(0.1)
Trade and other payables	(0.9)	–	(0.9)
Current tax liabilities	(0.7)	–	(0.7)
Deferred tax liabilities	(1.8)	–	(1.8)
Identifiable net assets acquired	5.9	10.1	16.0
Provisional goodwill	–	33.8	33.8
Total consideration	5.9	43.9	49.8

The business contributed £0.9m of profit after tax and £2.6m of revenue for the period between the date of acquisition and 31 December 2017. If the acquisition had completed on the first day of the financial period, it would have contributed £2.5m of profit after tax and £9.4m to the revenue of the Group for the year ended 31 December 2017. Acquisition costs (included in adjusting items in the Consolidated Income Statement) amounted to £0.4m.

The goodwill of £33.8m arising from the acquisition relates to the following factors:

- providing Informa with greater presence in the growing open access market;
- providing sales synergy opportunities by complementing the Group's existing open access operations; and
- bringing a strong operational and management team to the Group.

Finalisation of the 2016 acquisition fair value of Penton Information Services

On 2 November 2016, the Group acquired 100% of the issued share capital of Penton Information Services, a leading independent US-based exhibitions and professional information services business. The provisional amounts recognised in respect of the estimated fair value of the identifiable assets acquired and liabilities assumed were disclosed in the 2016 Annual Report. Finalisation of the provisional amounts as at 31 December 2017 is as follows:

	Previously reported £m	Fair value adjustments £m	Updated fair value £m
Intangible assets	648.2	47.0	695.2
Property and equipment	7.9	–	7.9
Investments	0.2	(0.2)	–
Trade and other receivables	41.2	–	41.2
Cash at bank and on hand	21.4	–	21.4
Trade, other payables and provisions	(24.9)	–	(24.9)
Deferred income	(59.5)	(0.6)	(60.1)
Deferred tax liabilities	(114.7)	(19.1)	(133.8)
Retirement benefit obligation	(19.6)	–	(19.6)
Identifiable net assets acquired	500.2	27.1	527.3
Goodwill	833.8	(25.4)	808.4
Total consideration	1,334.0	1.7	1,335.7

The finalised fair value adjustment amounts relate principally to revisions to the assets lives of acquired intangible assets and related deferred tax adjustments and a £1.7m increase to consideration for the finalisation of working capital. Consideration for the acquisition includes deferred consideration that is payable in October 2018 for anticipated future tax benefits. The estimated fair value is £16.7m ($22.6m) at 31 December 2017; however, the amount is under dispute with the sellers; see Note 39 for further details.

18 BUSINESS COMBINATIONS CONTINUED

Other business combinations made in 2017

There were 12 other acquisitions completed in the year ended 31 December 2017 for a total consideration of £63.4m, of which £27.5m was paid in cash, net of cash acquired of £5.5m and there was £1.7m of deferred consideration and £28.7m of contingent consideration.

Update on deferred and contingent consideration paid in 2017 relating to business combinations completed in prior years

In the year ended 31 December 2017 there were contingent and deferred net cash payments of £11.6m relating to acquisitions completed in prior years.

19 OTHER INVESTMENTS AND INVESTMENTS IN JOINT VENTURES AND ASSOCIATES

Investments in joint ventures, joint operations and associates

The Group's investments in joint ventures and associates at 31 December 2017 are as follows:

Company	Division	Country of incorporation and operation	Class of shares held	Share holding or share of operation	Accounting year end
Lloyd's Maritime Information Services Limited	Business Intelligence	UK	Ordinary	50%	31 December
Independent Materials Handling Exhibitions Limited	Global Exhibitions	UK	Ordinary	50%	31 December
Informa Tharawat LLC	Global Exhibitions	State of Qatar	Ordinary	49%	31 December
Pestana Management Limited	Knowledge & Networking	Cyprus[1]	Ordinary	49%	31 December
Pharmaconex[2]	Global Exhibitions	Egypt	n/a	50%	n/a
Mediconex[2]	Global Exhibitions	Egypt	n/a	50%	n/a
Afro Packaging & Food[2]	Global Exhibitions	Egypt	n/a	50%	n/a
Egytec[2]	Global Exhibitions	Egypt	n/a	50%	n/a
Automech Formula[2]	Global Exhibitions	Egypt	n/a	50%	n/a

1. Pestana Management Limited is incorporated in Cyprus and operates in Russia.
2. Joint operations operating through contractual arrangements.

The carrying value of investments in joint ventures and associates is set out below:

	2017 £m	2016 £m
At 1 January	1.5	0.1
Share of results of joint ventures and associates	–	0.8
Shares received in consideration for disposal of Consumer Information businesses	–	0.6
At 31 December	1.5	1.5

The following represent the aggregate (100%) and Group share of assets, liabilities, income and expenses of the Group's joint ventures and associates:

	100% of results 2017 £m	Group share 2017 £m	100% of results 2016 £m	Group share 2016 £m
Non-current assets	–	–	–	–
Current assets	2.8	1.4	1.9	0.9
	2.8	1.4	1.9	0.9
Non-current liabilities	–	–	–	–
Current liabilities	(0.9)	(0.5)	–	–
Net assets	1.9	0.9	1.9	0.9
Operating profit	0.1	–	1.7	0.9
Finance costs	–	–	–	–
Profit before tax	0.1	–	1.7	0.9
Tax charge	–	–	(0.2)	(0.1)
Profit after tax	0.1	–	1.5	0.8

Other investments

The Group's other investments at 31 December 2017 are as follows:

	2017 £m	2016 (restated)[1] £m
At 1 January	1.6	1.4
Additions in year	3.0	0.2
At 31 December	4.6	1.6

1. 2016 restated for finalisation of the fair value of assets acquired and liabilities assumed for certain acquisitions completed in 2016 (see Note 4).

Other investments include investments in unlisted equity securities and convertible loan notes which are redeemable through the issue of equity. These investments relate to a convertible loan note investment in science.ai, a 19% equity investment in the German-based Euroforum conference business and a 17% equity investment in Real Endpoints LLC.

20 DISPOSAL OF SUBSIDIARIES AND OPERATIONS

During the year, the Group generated the following net (loss)/profit on disposal of subsidiaries and operations:

	2017 £m	2016 £m
Compendium Contech	(1.6)	–
Garland Science	(7.5)	–
Biotechniques	(19.2)	–
Euroforum conference business in Germany and Switzerland	15.5	–
Lloyd's List Australia	(4.6)	–
Australia Bulk Handling Review	(0.7)	–
Corporate Training businesses loan recovery/(impairment)	0.6	(39.9)
Robbins Gioia loan recovery	–	4.0
Other operations gain/(loss) on disposal	0.1	(2.6)
Corporate Communications International Limited loss on disposal	–	(1.3)
Loss for the year from disposal of subsidiaries and operations	**(17.4)**	**(39.8)**

Disposals made in 2017

On 29 December 2017, the Group disposed of a 10% interest in its Yachting Promotions, Inc. ("YPI") business to the government of the Principality of Monaco. The consideration of £10.4m (US $14.0m) is to be received in 2018 and the Group retained a 90% equity holding after the sale.

On 22 December 2017, the Group disposed of its Compendium Contech event business. The loss on disposal was £1.6m and there was cash consideration of £0.4m (CA $0.7m).

On 15 December 2017, the Group disposed of its Garland Science US book business. The loss on disposal was £7.5m and there was cash consideration of £4.8m ($6.5m).

On 15 December 2017, the Group disposed of its Biotechniques US journals. The loss on disposal was £19.2m and there was cash consideration of £0.1m ($0.1m).

On 1 November 2017, the Group disposed of the majority ownership of Euroforum, the Knowledge & Networking Division's domestic conference business in Germany and Switzerland. The consideration was £10.6m (€12.0m) and resulted in a profit on disposal of £15.5m, of which £3.7m relates to recycling of exchange gains in the translation reserve at the date of disposal, and there was 19% holding retained after the sale.

On 13 June 2017, the Group disposed of its Lloyd's List Australia business. The loss on disposal was £4.6m and there were £nil cash proceeds.

21 PROPERTY AND EQUIPMENT

	Freehold land and buildings £m	Leasehold land and buildings £m	Equipment fixtures and fittings £m	Total £m
Cost				
At 1 January 2016	2.4	12.3	35.9	50.6
Additions[1]	–	1.0	3.6	4.6
Acquisition of subsidiaries	1.0	3.6	3.3	7.9
Disposals	(0.3)	(0.5)	(3.4)	(4.2)
Disposal of subsidiaries	–	–	–	–
Exchange differences	–	1.2	5.3	6.5
At 1 January 2017	3.1	17.6	44.7	65.4
Additions[1]	–	6.0	10.3	16.3
Acquisition of subsidiaries	–	–	3.7	3.7
Disposals	–	(1.0)	(2.5)	(3.5)
Disposal of subsidiaries	–	(0.5)	(0.9)	(1.4)
Exchange differences	(0.1)	(1.0)	(2.9)	(4.0)
At 31 December 2017	3.0	21.1	52.4	76.5
Depreciation				
At 1 January 2016	(0.4)	(5.3)	(27.6)	(33.3)
Charge for the year	–	(1.8)	(4.7)	(6.5)
Disposals	0.1	0.4	2.8	3.3
Disposal of subsidiaries	–	–	–	–
Exchange differences	–	(0.8)	(4.0)	(4.8)
At 1 January 2017	(0.3)	(7.5)	(33.5)	(41.3)
Charge for the year	(0.1)	(2.5)	(6.6)	(9.2)
Disposals	–	0.7	1.7	2.4
Disposal of subsidiaries	–	0.3	0.8	1.1
Exchange differences	–	0.4	1.9	2.3
At 31 December 2017	(0.4)	(8.6)	(35.7)	(44.7)
Carrying amount				
At 31 December 2017	2.6	12.5	16.7	31.8
At 31 December 2016	2.8	10.1	11.2	24.1

1. Of the £16.3m additions, £14.7m (2016: £4.6m) additions represents cash paid.

The Group does not have any of its property and equipment pledged as security over bank loans.

22 INVENTORY

	2017 £m	2016 £m
Work in progress	11.3	7.9
Finished goods and goods for resale	42.8	44.5
	54.1	52.4

Write down of inventory during the year amounted to £3.0m (2016: £2.1m).

23 TRADE AND OTHER RECEIVABLES

	2017 £m	2016 (restated)[1] £m
Current		
Trade receivables	303.7	273.1
Less: provision	(27.2)	(31.3)
Trade receivables net	276.5	241.8
Other receivables	22.6	23.8
Prepayments and accrued income	102.0	90.6
Total current	401.1	356.2
Non-current		
Other receivables	0.1	0.5
	401.2	356.7

1. 2016 restated for finalisation of the fair value of assets acquired and liabilities assumed for certain acquisitions completed in 2016 (see Note 4).

The average credit period taken on sales of goods is 52 days (2016: 54 days). The Group has provision policies for its various Divisions which have been determined by reference to past default experience. Under the normal course of business, the Group does not charge interest on its overdue receivables.

Included in other receivables is an amount of £10.4m relating to the proceeds of the disposal of 10% of the YPI business (see Note 20 for further details). The Group's exposures to credit risk and impairment losses related to trade and other receivables are disclosed in Note 30. The Directors consider that the carrying amount of trade and other receivables approximates to their fair value.

24 CASH AND CASH EQUIVALENTS

	Note	2017 £m	2016 £m
Cash at bank and on hand		54.9	49.6
Bank overdrafts	29	(6.7)	(9.4)
Cash and cash equivalents in the Consolidated Cash Flow Statement		48.2	40.2

The cash at bank and on hand is presented net of the Group's legal right to offset overdrafts. The Group's exposure to interest rate risks and a sensitivity analysis for financial assets and liabilities is disclosed in Note 30.

25 TRADE AND OTHER PAYABLES

	2017 £m	2016 £m
Current		
Deferred consideration	2.0	8.8
Trade payables	69.2	48.7
Accruals	200.4	164.9
Other payables	25.6	24.1
Total current	297.2	246.5
Non-current		
Deferred consideration	17.0	18.4
Other payables	9.7	9.2
Total non-current	26.7	27.6
	323.9	274.1

Trade payables and accruals principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 49 days (2016: 37 days). There are no suppliers who represent more than 10% of the total balance of trade payables in either 2017 or 2016. The Group has financial risk management policies in place to ensure that all payables are paid within the credit time frame. Therefore, under the normal course of business, the Group is not charged interest on overdue payables. The Directors consider that the carrying amount of trade payables approximates to their fair value.

26 PROVISIONS

	Contingent consideration £m	Acquisition & integration £m	Property leases £m	Restructuring provision £m	Other provision £m	Total £m
At 1 January 2016	29.9	–	7.4	7.7	–	45.0
Increase in year	18.1	24.8	3.1	9.5	–	55.5
Utilisation	(19.4)	(12.5)	(0.6)	(10.3)	–	(42.8)
Release	(7.4)	–	(1.5)	(2.6)	–	(11.5)
At 1 January 2017	**21.2**	**12.3**	**8.4**	**4.3**	**–**	**46.2**
Increase in year	**33.9**	**5.0**	**7.9**	**7.9**	**2.4**	**57.1**
Utilisation	**(15.7)**	**(14.7)**	**(3.1)**	**(9.4)**	**–**	**(42.9)**
Release	**0.1**	**(0.4)**	**(1.9)**	**(0.1)**	**–**	**(2.3)**
At 31 December 2017	**39.5**	**2.2**	**11.3**	**2.7**	**2.4**	**58.1**
2017						
Current liabilities	**15.5**	**2.2**	**3.3**	**2.7**	**1.4**	**25.1**
Non-current liabilities	**24.0**	**–**	**8.0**	**–**	**1.0**	**33.0**
2016						
Current liabilities	16.9	12.3	1.0	4.2	–	34.4
Non-current liabilities	4.3	–	7.4	0.1	–	11.8

The contingent consideration will be paid primarily in one to two years. The contingent consideration is based on future business valuations and profit multiples (both Level 3 fair value measurements) and has been estimated on an acquisition by acquisition basis using available profit forecasts (a significant unobservable input). The higher the profit forecast, the higher the fair value of any contingent consideration (subject to any maximum payout clauses), and if all future business valuations and profit multiples were achieved, the maximum undiscounted amounts payable for contingent consideration would be £221.1m.

The acquisition and integration provision of £2.2m at 31 December 2017 relates to amounts incurred but not yet settled associated with acquisitions. See Note 18 for further details.

The property lease provision represents a provision for vacant property. This is calculated as the estimated excess of rent payable on surplus property leases, plus dilapidation provisions, less rent receivable via sub-leases. The property lease provisions will be fully utilised between one and five years.

See Note 8 for details of items included in restructuring provisions and details of the remeasurement of contingent consideration. Amounts included within restructuring provisions are expected to be utilised in 2018.

27 DEFERRED TAX

	Accelerated tax depreciation £m	Intangibles £m	Pensions (Note 36) £m	Losses £m	Other £m	Total £m
At 1 January 2016	(3.5)	210.8	(0.9)	(0.7)	(23.0)	182.7
Credit to other comprehensive income for the year	–	–	(2.0)	–	–	(2.0)
Acquisitions (restated)[1]	5.5	232.9	(7.5)	(86.5)	(6.0)	138.4
Charge/(credit) to profit or loss for the year excluding UK Corporation Tax rate change	0.8	(11.9)	–	(2.9)	10.7	(3.3)
Charge/(credit) to profit or loss for the year arising from UK Corporation Tax rate change	0.1	(4.3)	–	–	–	(4.2)
Deferred tax credit arising from revised treatment of certain non-UK intangible assets	–	(12.1)	–	–	–	(12.1)
Foreign exchange movements	–	40.3	–	(0.5)	(3.3)	36.5
At 1 January 2017 (restated)[1]	**2.9**	**455.7**	**(10.4)**	**(90.6)**	**(21.6)**	**336.0**
Charge to other comprehensive income for the year	**–**	**–**	**4.2**	**–**	**–**	**4.2**
Acquisitions and additions	**0.6**	**38.1**	**–**	**(9.3)**	**(3.0)**	**26.4**
Charge/(credit) to profit or loss for the year excluding US federal tax reform	**2.0**	**(21.9)**	**(0.1)**	**19.8**	**(4.0)**	**(4.2)**
Charge/(credit) to profit or loss for the year arising from US federal tax reform	**(2.2)**	**(127.3)**	**–**	**26.5**	**8.4**	**(94.6)**
Credit to profit or loss for the year arising from UK Corporation Tax rate change	**–**	**(0.4)**	**–**	**–**	**–**	**(0.4)**
Other rate change movements	**–**	**(0.7)**	**–**	**–**	**–**	**(0.7)**
Foreign exchange movements	**(0.6)**	**(36.9)**	**0.5**	**8.0**	**4.9**	**(24.1)**
At 31 December 2017	**2.7**	**306.6**	**(5.8)**	**(45.6)**	**(15.3)**	**242.6**

1. 2016 restated for finalisation of the fair value of assets acquired and liabilities assumed for certain acquisitions completed in 2016 (see Note 4).

Certain deferred tax assets and liabilities have been offset. The following is the analysis of deferred tax balances for the Consolidated Balance Sheet.

	2017 £m	2016 (restated)[1] £m
Deferred tax liability	**251.6**	349.0
Deferred tax asset	**(9.0)**	(13.0)
	242.6	336.0

1. 2016 restated for finalisation of the fair value of assets acquired and liabilities assumed for certain acquisitions completed in 2016 (see Note 4).

Deferred tax assets have been recognised on the basis that, from the current forecast of the Group's entities, it is probable that there will be taxable profits against which these assets can be utilised, offset for reporting purposes jurisdiction by jurisdiction.

Deferred tax has been provided on UK intangible assets in respect of temporary timing differences at the UK rate at which they are expected to reverse. Deferred tax has been provided at the rate of 19% on all other UK temporary differences.

The Finance Act 2016 enacted reductions to the UK main Corporation Tax rate to 17% from 1 April 2020, as follows:

Year to 31 March	2018	2019	2020	2021	2022
Corporation Tax rate	19%	19%	19%	17%	17%

At 31 December 2017, the Group had unused tax losses of approximately £232.0m (2016: £289.7m) available for offset against future profits of which a deferred tax asset of £45.6m relating to the US has been recognised. The Directors have concluded that it is probable that there will be sufficient future taxable profits against which these losses can be utilised, taking into account the Group's latest available forecast. A deferred tax asset of £23.0m (2016: £22.8m) has not been recognised due to the unpredictability of future taxable profit streams.

At 31 December 2017, the Group had unused capital losses of approximately £38m (2016: £46m) available for offset against future qualifying gains. No deferred tax asset has been recognised due to the unpredictability of future qualifying capital gains.

27 DEFERRED TAX CONTINUED

At the reporting date, the aggregate amount of withholding tax on post-acquisition undistributed earnings for which deferred tax liabilities have not been recognised was £1.2m (2016: £13.7m). No liability has been recognised because the Group, being in a position to control the timing of the distribution of intra-Group dividends, has no intention to distribute intra-Group dividends in the foreseeable future that would trigger withholding tax.

28 NON-CURRENT TAX LIABILITIES

The Group has a number of ongoing tax disputes around the world, and has taken some tax positions where the legislative position is not clear, but are not currently the subject of disputes. In total, the Group has accrued £14.3m (2016: £13.3m) for potential tax liabilities arising from such matters; no more than £3.2m (2016: £5.0m) is expected to become payable in the next 12 months, and the balance is held as a non-current liability.

29 BORROWINGS

	Notes	2017 £m	2016 £m
Current			
Bank overdraft	24	6.7	9.4
Bank borrowings ($400.0m) – due March 2018		296.3	–
Bank borrowings – current	35	303.0	9.4
Private placement loan note ($102.0m)		–	82.9
Private placement loan note (€50.0m)		–	42.8
Private placement loan note (£40.0m)		–	40.0
Private placement fees		–	(0.2)
Private placement – current	35	–	165.5
Total current borrowings		303.0	174.9
Non-current			
Bank borrowings – revolving credit facility – due October 2020		287.6	300.2
Acquisition facility		–	548.6
Bank debt issue costs		(2.0)	(3.7)
Bank borrowings – non-current	35	285.6	845.1
Private placement loan note ($385.5m) – due December 2020		285.5	313.3
Private placement loan note ($120.0m) – due October 2022		88.9	97.5
Private placement loan note ($55.0m) – due January 2023		40.7	–
Private placement loan note ($80.0m) – due January 2025		59.2	–
Private placement loan note ($130.0m) – due October 2025		96.3	105.7
Private placement loan note ($365.0m) – due January 2027		270.4	–
Private debt issue costs		(1.6)	(1.3)
Private placement – non-current	35	839.4	515.2
Total non-current borrowings		1,125.0	1,360.3
		1,428.0	1,535.2

There have been no breaches of covenants under the Group's bank facilities and private placement loan notes during the year. The bank and private placement borrowings are guaranteed by material subsidiaries of the Group. The Group does not have any of its property and equipment and other intangible assets pledged as security over loans.

The Group has issued private placement loan notes amounting to USD 1,135.5m (2016: USD 737.5m), GBP nil (2016: GBP 40.0m) and EUR nil (2016: EUR 50.0m). As at 31 December 2017, the note maturities ranged between three and ten years (2016: one and nine years), with an average duration of 6.1 years (2016: 4.2 years), at a weighted average interest rate of 4.1% (2016: 4.3%).

The Group maintains the following lines of credit:

- £855.0m (2016: £900.0m) revolving credit facility, of which £287.6m (2016: £300.2m) was drawn down at 31 December 2017. Interest is payable at the rate of LIBOR plus a margin based on the ratio of net debt to EBITDA;
- £296.3m (USD 400m) bank term loan facility with a maturity of up to March 2018 and issued by Bank of America Merrill Lynch;
- £134.0m (2016: £51.2m) comprising a number of bilateral bank uncommitted facilities that can be drawn down to meet short-term financing needs. These facilities consist of GBP 81.0m (2016: GBP 16.0m), USD 15.0m (2016: USD 13.0m), EUR 43.0m (2016: EUR 18.0m), AUD 1.0m (2016: AUD 2.0m), and CAD 2.0m (2016: CAD 2.0m), SGD 2.3m (2016: SGD nil) and CNY 50.0m (2016: CNY nil). Interest is payable at the local base rate plus a margin; and
- the Group has three bank guarantee facilities comprising in aggregate up to USD 10.0m (2016: USD 10.0m), EUR 7.0m (2016: EUR 7.0m), and AUD 1.5m (2016: AUD 1.5m).

The effective interest rate for the year ended 31 December 2017 was 3.8% (year ended 31 December 2016: 3.7%).

The Group had total committed undrawn borrowing facilities at 31 December 2017 relating to the undrawn amount of the revolving credit facility of £567.4m (2016: £599.9m). In addition, at 31 December 2017, there was a commitment to issue $400m of private placement loan notes and these were issued on 4 January 2018.

The Group's exposure to liquidity risk is disclosed in Note 30(g).

30 FINANCIAL INSTRUMENTS

(a) Financial risk management

The Group has exposure to the following risks from its use of financial instruments:

- Capital risk management
- Market risk
- Credit risk
- Liquidity risk

This note presents information about the Group's exposure to each of the above risks, the Group's management of capital, and the Group's objectives, policies and procedures for measuring and managing risk.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board has established a Treasury Committee which is responsible for developing and monitoring the Group's financial risk management policies. The Treasury Committee meets regularly and reports to the Audit Committee on its activities.

The Group Treasury function provides services to the Group's businesses, co-ordinates access to domestic and international financial markets and monitors and manages the financial risks relating to the operations of the Group. These risks include market risk (including currency risk and price risk), credit risk, liquidity risk and interest rate risk.

The Treasury Committee has put in place policies to identify and analyse the financial risks faced by the Group and has set appropriate limits and controls. These policies provide written principles on funding investments, credit risk, foreign exchange and interest rate risk. Compliance with policies and exposure limits are reviewed by the Treasury Committee. This Committee is assisted in its oversight role by Internal Audit, which undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders as well as sustaining the future development of the business. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to Shareholders, return capital to Shareholders, issue new shares or sell assets to reduce debt.

The capital structure of the Group consists of net debt, which includes borrowings (Note 29), cash and cash equivalents (Note 24), and equity attributable to equity holders of the parent, comprising issued capital (Note 31), reserves and retained earnings.

Cost of capital

The Group's Treasury Committee reviews the Group's capital structure on a regular basis and, as part of this review, the Committee considers the weighted average cost of capital and the risks associated with each class of capital.

Gearing ratio

The principal financial covenant ratios under the Group's borrowing facilities are maximum net debt to EBITDA of 3.5 times and minimum EBITDA interest cover of 4.0 times, tested semi-annually. At 31 December 2017 both financial covenants were achieved, with the ratio of net debt (using average exchange rates) to EBITDA being 2.5 times (2.6 times at 31 December 2016). The ratio of EBITDA to net interest payable in the year ended 31 December 2017 was 9.8 times (2016: 11.0 times). EBITDA is calculated from earnings before interest, tax, depreciation and amortisation, with earnings stated before adjusting items.

30 FINANCIAL INSTRUMENTS CONTINUED

(b) Categories of financial instruments

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2.

	Notes	2017 £m	2016 (restated)[1] £m
Financial assets			
Trade receivables	23	276.5	241.8
Other receivables	23	22.7	24.3
Cash at bank and on hand	24	54.9	49.6
Equity investments in unquoted companies	19	4.6	1.6
Total financial assets		358.7	317.3
Financial liabilities			
Bank overdraft	29	6.7	9.4
Bank borrowings	29	583.9	848.8
Private placement loan notes	29	841.0	682.2
Trade payables	25	69.2	48.7
Accruals	25	200.4	164.9
Other payables	25	35.3	33.3
Deferred consideration	25	19.0	27.2
Contingent consideration	26	39.5	21.2
Total financial liabilities		1,795.0	1,835.7

1. 2016 restated for finalisation of the fair value of assets acquired and liabilities assumed for certain acquisitions completed in 2016 (see Note 4).

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange and interest rates, will affect the Group's income or the value of its holdings of financial instruments.

The Group manages these risks by maintaining a mix of fixed and floating rate debt and currency borrowings using derivatives where necessary. The Group does not use derivative contracts for speculative purposes.

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise adverse effects on the Group's financial performance. Risk management is carried out by a central treasury department under policies approved by the Board of Directors.

(d) Interest rate risk

The Group has no significant interest-bearing assets at floating rates but is exposed to interest rate risk as entities in the Group borrow funds at both fixed and floating interest rates. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at or converted to fixed rates expose the Group to fair value interest rate risk.

The interest rate risk is managed by maintaining an appropriate mix of fixed and floating rate borrowings and by the use of interest rate swap contracts. The Group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk section of this note.

The following table details financial liabilities by interest category:

	2017				2016			
	Fixed rate £m	Floating rate £m	Non-interest bearing £m	Total £m	Fixed rate £m	Floating rate £m	Non-interest bearing £m	Total £m
Bank overdraft	–	6.7	–	6.7	–	9.4	–	9.4
Bank borrowings	–	583.9	–	583.9	–	848.8	–	848.8
Private placement loan notes	841.0	–	–	841.0	682.2	–	–	682.2
Trade payables	–	–	69.2	69.2	–	–	48.7	48.7
Accruals	–	–	200.4	200.4	–	–	164.9	164.9
Other payables	–	–	35.3	35.3	–	–	33.3	33.3
Deferred consideration	–	–	19.0	19.0	–	–	27.2	27.2
Contingent consideration	–	–	39.5	39.5	–	–	21.2	21.2
	841.0	590.6	363.4	1,795.0	682.2	858.2	295.3	1,835.7

Interest rate sensitivity analysis

A high percentage of loans are at fixed interest rates; hence the Group's interest rate sensitivity would only be affected by the exposure to variable rate debt.

If interest rates had been 100 basis points higher or lower and all other variables were held constant, the Group's profit for the year would have decreased or increased by £5.9m (2016: £8.5m).

(e) Foreign currency risk

The Group is a business with significant net US dollar ("USD") transactions; hence exposures to exchange rate fluctuations arise.

Allied to the Group's policy on the hedging of surplus foreign currency cash inflows, the Group will usually seek to finance its net investment in its principal overseas subsidiaries by borrowing in those subsidiaries' functional currencies, primarily USD. This policy has the effect of partially protecting the Group's Consolidated Balance Sheet from movements in those currencies to the extent that the associated net assets are hedged by the net foreign currency borrowings.

The carrying amounts of the Group's foreign currency denominated monetary assets and liabilities at the reporting date are as follows:

	Assets		Liabilities	
	2017 £m	2016 (restated)[1] £m	2017 £m	2016 £m
USD	208.4	344.7	(1,791.3)	(1,841.9)
EUR	23.2	30.4	(25.9)	(82.2)
Other	259.1	136.2	(310.8)	(455.6)
	490.7	511.3	(2,128.0)	(2,379.7)

1. 2016 restated for finalisation of the fair value of assets acquired and liabilities assumed for certain acquisitions completed in 2016 (see Note 4).

The foreign currency borrowings of £1,292.3m (2016: £1,323.1m) are used to hedge the Group's net investments in foreign subsidiaries.

	Average rate		Closing rate	
	2017	2016	2017	2016
USD	1.29	1.36	1.35	1.23

Foreign currency sensitivity analysis

In 2017, the Group earned approximately 65% (2016: 59%) of its revenues and incurred approximately 55% (2016: 48%) of its costs in USD or currencies pegged to USD. The Group is therefore sensitive to movements in USD against GBP. In 2017, each $0.01 movement in the USD to GBP exchange rate has a circa £8.5m (2016: £6.5m) impact on revenue and a circa £3.5m (2016: £2.9m) impact on adjusted operating profit. Offsetting this are reductions to the value of USD borrowings, interest and tax liabilities. This analysis assumes all other variables, including interest rates, remain constant.

30 FINANCIAL INSTRUMENTS CONTINUED

(f) Credit risk

The Group's principal financial assets are trade and other receivables (Note 23) and cash and cash equivalents (Note 24), which represent the Group's maximum exposure to credit risk in relation to financial assets.

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of assessing creditworthiness of counterparties as a means of mitigating the risk of financial loss from defaults.

The Group's exposure and the creditworthiness of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved financial institutions. Credit exposure is controlled by counterparty limits that are reviewed and approved as part of the Group's treasury policies.

The carrying amount of financial assets recorded in the financial statements, which is net of impairment losses, represents the Group's maximum exposure to credit risk.

Trade receivables

The Group's credit risk is primarily attributable to its trade and other receivables. The amounts presented in the Consolidated Balance Sheet are net of allowances for doubtful receivables, estimated by the Group based on prior experience and its assessment of the current economic environment.

Trade receivables consist of a large number of customers, spread across diverse industries and geographic areas and the Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer.

The Group does not have significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The Group defines counterparties as having similar characteristics if they are related entities. Concentration of credit risk did not exceed 5% of gross monetary assets at any time during the year.

The Group establishes a provision that represents its estimate of incurred losses in respect of trade and other receivables and the investments when there is objective evidence that the asset is impaired. The main components of this provision are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. The collective loss provision is determined by reference to past default experience.

All customers have credit limits set by credit managers and are subject to the standard terms of payment of each Division. As Global Exhibitions, Knowledge & Networking and the journals part of the Academic Publishing Division work predominantly on a prepaid basis they are not subject to the same credit controls and they have a low bad debt history. The Group is exposed to normal credit risk and potential losses are mitigated as the Group does not have significant exposure to any single customer.

The Directors consider that the carrying amount of trade and other receivables approximates their fair value.

Non-current other receivables

Non-current other receivables arose from disposals made in the current and prior years as disclosed in Note 23. The Risk Committee reviews these receivables and the credit quality of the counterparties on a regular basis.

Ageing of trade receivables	Gross 2017 £m	Provision 2017 £m	Gross 2016 £m	Provision 2016 £m
Not past due	126.3	–	111.0	(0.7)
Past due 0–30 days	89.9	–	79.2	–
Past due over 31 days	87.5	(10.2)	82.9	(12.8)
Books provision (see below)	–	(17.0)	–	(17.8)
	303.7	(27.2)	273.1	(31.3)

Trade receivables that are less than three months past due for payment are generally not considered impaired. For trade receivables that are more than three months past due for payment, there are debtors with a carrying amount of £24.4m (2016: £20.4m) which the Group has not provided for, as there has not been a significant change in the credit quality and the amounts are considered recoverable. The Group does not hold any collateral over these balances.

A provision relating to returns on books of £17.0m (2016: £17.8m) has been disclosed separately in the table above. This is based on the Group's best estimate of previous returns trends, and the amount is included as part of the overall provision balance of £27.2m (2016: £31.3m).

Movement in the provision:

	2017 £m	2016 £m
1 January	31.3	23.2
Provision recognised	5.7	12.5
Receivables written off as uncollectible	(2.8)	(1.9)
Amounts recovered during the year	(7.0)	(2.5)
31 December	27.2	31.3

There are no customers who represent more than 10% of the total gross balance of trade receivables in either 2017 or 2016.

(g) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. Ultimate responsibility for liquidity risk management rests with the Board of Directors, though operationally it is managed by Group Treasury with oversight by the Treasury Committee. Group Treasury has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding. The Group manages liquidity risk by maintaining adequate reserves and debt facilities, together with continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Included in Note 29 is a summary of additional undrawn facilities that the Group has at its disposal.

Historically and for the foreseeable future the Group has been, and is expected to continue to be, in a net borrowing position. The Group's policy is to fulfil its borrowing requirements by borrowing in the currencies in which it operates, principally GBP and USD; thereby providing a natural hedge against projected future surplus USD cash inflows.

(h) Liquidity and interest risk tables

The following tables detail the Group's remaining contractual maturity for its financial assets and liabilities.

The table below has been drawn up based on the contractual maturities of the financial assets including interest that will be earned on those assets except where the Group anticipates that the cash flow will occur in a different period.

	Carrying amount £m	Contractual cash flows[1] £m	Less than 1 year £m	1-2 years £m	2-5 years £m	Greater than 5 years £m
31 December 2017						
Non-derivative financial assets						
Non-interest bearing	358.7	358.7	358.6	0.1	–	–
Variable interest rate instruments	–	–	–	–	–	–
	358.7	358.7	358.6	0.1	–	–
31 December 2016 (restated)[2]						
Non-derivative financial assets						
Non-interest bearing	317.3	317.3	316.9	0.2	0.2	–
Variable interest rate instruments	–	–	–	–	–	–
	317.3	317.3	316.9	0.2	0.2	–

1. Under IFRS 7 contractual cash flows are undiscounted and therefore may not agree with the carrying amounts in the Consolidated Balance Sheet.
2. 2016 restated for finalisation of the fair value of assets acquired and liabilities assumed for certain acquisitions completed in 2016 (see Note 4).

30 FINANCIAL INSTRUMENTS CONTINUED

The following tables have been drawn up based on the earliest date on which the Group can settle its financial liabilities. The table includes both interest and principal cash flows.

	Carrying amount £m	Contractual cash flows[1] £m	Less than 1 year £m	1-2 years £m	2-5 years £m	Greater than 5 years £m
31 December 2017						
Non-derivative financial liabilities						
Variable interest rate instruments	590.6	590.6	303.0	287.6	–	–
Fixed interest rate instruments	841.0	1,054.3	34.1	34.1	450.1	536.0
Trade and other payables	304.9	304.9	295.2	9.7	–	–
Deferred consideration	19.0	19.0	2.0	17.0	–	–
Contingent consideration	39.5	39.5	15.5	24.0	–	–
	1,795.0	2,008.3	649.8	372.4	450.1	536.0
31 December 2016						
Non-derivative financial liabilities						
Variable interest rate instruments	858.2	858.2	9.4	848.8	–	–
Fixed interest rate instruments	682.2	839.5	29.6	195.4	381.8	232.7
Trade and other payables	246.9	246.9	237.7	9.2	–	–
Deferred consideration	27.2	27.2	8.8	18.4	–	–
Contingent consideration	21.2	21.2	16.8	4.4	–	–
	1,835.7	1,993.0	302.3	1,076.2	381.8	232.7

1. Under IFRS 7 contractual cash flows are undiscounted and therefore may not agree with the carrying amounts in the Consolidated Balance Sheet.

(i) Fair value of financial instruments

Financial assets and financial liabilities measured at fair value in the statement of financial position:

	Carrying amount 2017 £m	Estimated fair value 2017 £m	Carrying amount 2016 £m	Estimated fair value 2016 £m
Financial assets				
Derivative financial instruments in designated hedge accounting relationships	–	–	–	–
Equity investments in unquoted companies	4.6	4.6	1.6	1.6
	4.6	4.6	1.6	1.6
Financial liabilities				
Derivative financial instruments in designated hedge accounting relationships	–	–	–	–
Contingent and deferred consideration on acquisitions	58.5	58.5	48.4	48.4
	58.5	58.5	48.4	48.4

All other financial instruments are held at amortised cost and the carrying value is equal to the market value.

(j) Fair values and fair value hierarchy

Financial instruments that are measured subsequently to initial recognition at fair value are grouped into Levels 1 to 3, based on the degree to which the fair value is observable, as follows:

Level 1 fair value measurements are those derived from unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financial assets and liabilities measured at fair value in the statement of financial position and their categorisation in the fair value hierarchy:

	Level 1 2017 £m	Level 2 2017 £m	Level 3 2017 £m	Total 2017 £m
Financial assets				
Derivative financial instruments in designated hedge accounting relationships	–	–	–	–
Equity investments in unquoted companies	–	4.6	–	4.6
	–	4.6	–	4.6
Financial liabilities				
Derivative financial instruments in designated hedge accounting relationships	–	–	–	–
Contingent and deferred consideration on acquisitions	–	–	58.5	58.5
	–	–	58.5	58.5

	Level 1 2016 £m	Level 2 2016 £m	Level 3 2016 £m	Total 2016 £m
Financial assets				
Derivative financial instruments in designated hedge accounting relationships	–	–	–	–
Equity investments in unquoted companies	–	1.6	–	1.6
	–	1.6	–	1.6
Financial liabilities				
Derivative financial instruments in designated hedge accounting relationships	–	–	–	–
Contingent and deferred consideration on acquisitions	–	–	48.4	48.4
	–	–	48.4	48.4

31 SHARE CAPITAL AND SHARE PREMIUM

Share capital

Share capital as at 31 December 2017 amounted to £0.8m (2016: £0.8m).

For details of options issued over the Company's shares see Note 10.

	2017 £m	2016 £m
Issued and fully paid		
824,005,051 Ordinary Shares of 0.1p each (2016: 824,005,051 Ordinary Shares of 0.1p each)	0.8	0.8

	2017 Number of shares	2016 Number of shares
At 1 January	824,005,051	648,941,249
Issue of new shares related to the rights issue	–	162,234,656
Issue of new shares related to consideration for the Penton acquisition	–	12,829,146
At 31 December	824,005,051	824,005,051

Share premium

	2017 £m	2016 £m
At 1 January and 31 December	905.3	905.3

32 OTHER RESERVES

This note provides further explanation for the "Other reserves" listed in the Consolidated Statement of Changes in Equity.

	Reserves for shares to be issued £m	Merger reserve £m	Other reserve £m	Employee Share Trust and ShareMatch shares £m	Total £m
At 1 January 2016	4.3	496.4	(2,152.8)	(0.7)	(1,652.8)
Shares issued	–	82.2	–	–	82.2
Share award expense	3.9	–	–	–	3.9
Own shares purchased	–	–	–	(1.0)	(1.0)
Transfer of vested LTIPs	(1.7)	–	–	0.1	(1.6)
Put option on acquisition of non-controlling interests	–	–	(1.5)	–	(1.5)
At 1 January 2017	**6.5**	**578.6**	**(2,154.3)**	**(1.6)**	**(1,570.8)**
Share award expense	**5.4**	**–**	**–**	**–**	**5.4**
Own shares purchased	**–**	**–**	**–**	**(0.9)**	**(0.9)**
Transfer of vested LTIPs	**(2.1)**	**–**	**–**	**–**	**(2.1)**
Adjustment to non-controlling interests arising from put option	**–**	**–**	**0.1**	**–**	**0.1**
Non-controlling interests adjustment arising from disposal	**–**	**–**	**(0.4)**	**–**	**(0.4)**
At 31 December 2017	**9.8**	**578.6**	**(2,154.6)**	**(2.5)**	**(1,568.7)**

Reserve for shares to be issued

This reserve relates to LTIPs granted to colleagues reduced by the transferred and vested awards. Further information is set out in Note 10.

Merger reserve

The merger reserve was created in 2004 when the merger of Informa plc and Taylor & Francis Group plc resulted in a merger reserve amount of £496.4m being recorded. On 2 November 2016, the Group acquired Penton Information Services and the £82.2m share premium on the shares issued to the vendors was recorded as an increase in the merger reserve in accordance with the merger relief rules of the Companies Act 2006.

Other reserve

The other reserve includes the inversion accounting reserve of £2,189.9m which was created from an issue of shares under a scheme of arrangement in May 2014.

Employee Share Trust and ShareMatch shares

As at 31 December 2017, the Informa Employee Share Trust ("EST") held 388,118 (2016: 616,187) Ordinary Shares in the Company at a cost of £388 and a market value of £2.8m (2016: £4.2m). As at 31 December 2017, the ShareMatch scheme held 273,560 (2016: 141,814) matching Ordinary Shares in the Company at a market value of £2.0m (2016: £1.0m). At 31 December 2017 the Group held 0.1% (2016: 0.1%) of its own called up share capital.

33 NON-CONTROLLING INTERESTS

The Group has subsidiary undertakings where there are non-controlling interests. At 31 December 2017, these non-controlling interests were composed entirely of equity interests and represented the following holding of minority shares by non-controlling interests:

- Brazil Design Show (45%, 2016: 45%);
- Chengdu Wiener Meibo Exhibitions Co., Ltd (40%, 2016: 40%);
- Shanghai Yingye Exhibitions Co., Ltd (40%, 2016: 40%);
- Agra CEAS Consulting Limited (18.2%, 2016: 18.2%);
- Bureau Européen de Recherches SA (18.2%, 2016: 18.2%);
- Shanghai Baiwen Exhibitions Co., Ltd (15%, 2016: 15%);
- Shanghai Meisheng Culture Broadcasting Co., Ltd (15%, 2016: 15%);
- Informa Tianyi Exhibitions (Chengdu) Co., Ltd (40%, 2016: 0%);
- Guangzhou Informa Yi Fan Exhibitions Co., Ltd (40%, 2016: 0%);
- Design Junction Limited (10%, 2016: 10%);
- Monaco Yacht Show SAM (10%, 2016: 10%); and
- Yachting Promotions, Inc. (10%, 2016: 0%).

34 OPERATING LEASE ARRANGEMENTS

	2017 £m	2016 £m
Minimum lease payments under operating leases recognised in Consolidated Income Statement for the year	**27.8**	23. 9

At the reporting date, the Group had outstanding commitments for total future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2017 Land and buildings £m	2017 Other £m	2016 Land and buildings £m	2016 Other £m
Within one year	**27.6**	**0.7**	24.2	0.7
Within two to five years	**71.7**	**1.3**	61.5	1.0
After five years	**30.7**	**–**	11.4	–
	130.0	**2.0**	97.1	1.7

Operating lease payments on land and buildings represent rentals payable by the Group for certain of its properties.

35 NOTES TO THE CASH FLOW STATEMENT

	Notes	2017 £m	2016 (restated)[1] £m
Profit before tax		**268.8**	178.1
Adjustments for:			
Depreciation of property and equipment	21	**9.2**	6.5
Amortisation of other intangible assets	17	**182.6**	130.6
Impairment – goodwill	8	**3.4**	65.8
Impairment – other intangible assets	8	**2.2**	1.9
Share-based payments	10	**5.4**	3.9
Subsequent remeasurement of contingent consideration	8	**(0.1)**	(7.4)
Loss on disposal of businesses	20	**17.4**	39.8
Investment income	11	**(0.2)**	(59.5)
Finance costs	12	**59.3**	40.2
Share of adjusted results of joint ventures and associates	19	**–**	(0.8)
Operating cash inflow before movements in working capital		**548.0**	399.1
(Increase)/decrease in inventories		**(2.2)**	(6.8)
Increase in receivables		**(40.5)**	(64.2)
Increase in payables		**25.9**	87.1
Movements in working capital		**(16.8)**	16.1
Cash generated by operations		**531.2**	415.2

1. 2016 restated for finalisation of the fair value of assets acquired and liabilities assumed for certain acquisitions completed in 2016 (see Note 4).

35 NOTES TO THE CASH FLOW STATEMENT CONTINUED

Analysis of net debt

	At 1 January 2017 £m	Non-cash movements £m	Cash flow £m	Exchange difference £m	At 31 December 2017 £m
Cash at bank and in hand	49.6		7.8	(2.5)	54.9
Overdrafts	(9.4)	–	2.5	0.2	(6.7)
Cash and cash equivalents	40.2	–	10.3	(2.3)	48.2
Other loan receivables	0.2	–	(0.2)	–	–
Private placement loan notes due in less than one year	(165.7)	–	159.7	6.0	–
Bank loans due in less than one year	–	–	(321.6)	25.3	(296.3)
Bank loans due in more than one year	(848.8)	–	542.9	18.3	(287.6)
Private placement loan notes due in more than one year	(516.5)	–	(406.4)	81.9	(841.0)
Bank loan fees	3.7	(1.6)	–	(0.1)	2.0
Private placement fees	1.5	(0.6)	0.7	–	1.6
Net debt	(1,485.4)	(2.2)	(14.6)	129.1	(1,373.1)

Included within the cash outflow of £14.6m (2016: outflow of £441.4m) is £1,292.1m (2016: £1,455.9m) of loan repayments, £1,070.8m (2016: £1,888.9m) of facility loan drawdowns, £159.7m of private placement repayments (2016: £nil) and £406.4m of private placement drawdowns (2016: none).

Net debt consists of cash and cash equivalents and includes bank overdrafts, borrowings and other loan note receivables where these are interest bearing and do not relate to deferred contingent arrangements.

36 RETIREMENT BENEFIT SCHEMES

(a) Charge to operating profit

The charge to operating profit for the year in respect of pensions, including both defined benefit and defined contribution schemes, was £11.1m (2016: £10.3m). This consisted of a £0.5m (2016: £0.4m) charge to operating profit related to administration costs for the defined benefit schemes and a £10.6m charge to operating profit relating to defined contribution schemes (2016: £9.9m).

(b) Defined benefit schemes – strategy

The Group operates two defined benefit pension schemes in the UK, the Informa Final Salary Scheme and the Taylor & Francis Group Pension and Life Assurance Scheme ("the Group UK Schemes") for all qualifying UK colleagues, providing benefits based on final pensionable pay. Additionally, as a result of the Penton acquisition, the Group has two defined benefit schemes in the US: the Penton Media, Inc. Retirement Plan and the Penton Media, Inc. Supplemental Executive Retirement Plan ("the Penton Schemes"). All schemes ("the Group Schemes") are closed to future accrual. Contributions to the Group UK Schemes are determined following triennial valuations undertaken by a qualified actuary using the Projected Unit Credit Method. Contributions to the Penton Schemes are assessed annually following valuations undertaken by a qualified actuary.

For the Group UK Schemes, the defined benefit schemes are administered by a separate fund that is legally separated from the Company. The Trustees are responsible for running the Group UK Schemes in accordance with the Group Schemes' Trust Deed and Rules, which sets out their powers. The Trustees of the Group UK Schemes are required to act in the best interests of the beneficiaries of the Group Schemes. There is a requirement that one-third of the Trustees are nominated by the members of the Group UK Schemes. The Trustees of the pension fund are responsible for the investment policy with regard to the assets of the fund. Neither of the Schemes has any reimbursement rights.

The Group's pension funding policy is to provide sufficient funding, as agreed with the Trustees, to ensure any pension deficit will be addressed to ensure pension payments made to current and future pensioners will be met.

For the Penton Schemes, the defined benefit scheme is administered by Penton Media, Inc. and is subject to the provisions of the Retirement Income Security Act 1974. The Company is responsible for the investment policy with regard to the assets of the fund. The Scheme has no reimbursement rights.

The investment strategies adopted by the Trustees of the Group UK Schemes include some exposure to index-linked gilts and corporate bonds. The investment objectives of the Penton Schemes are to maximise plan assets within designated risk and return profiles. The current asset allocation consists primarily of listed stocks and corporate bonds. All assets are managed by a third party investment manager according to guidelines established by the Company.

(c) Defined benefit schemes – risk

Through the Group Schemes the Company is exposed to a number of potential risks as described below:

- **Asset volatility:** the Group Schemes' defined benefit obligation is calculated using a discount rate set with reference to corporate bond yields; however, the Group Schemes invest significantly in equities. These assets are expected to outperform corporate bonds in the long term, but provide volatility and risk in the short term.
- **Changes in bond yields:** a decrease in corporate bond yields would increase the Group Schemes' defined benefit obligation; however, this would be partially offset by an increase in the value of the Schemes' bond holdings.
- **Inflation risk:** a significant proportion of the Group Schemes' defined benefit obligation is linked to inflation, therefore higher inflation will result in a higher defined benefit obligation (subject to a cap of no more than 5% p.a. for UK Schemes). The majority of the Group UK Schemes' assets are either unaffected by inflation, or only loosely correlated with inflation, therefore an increase in inflation would also increase the deficit.
- **Life expectancy:** if the Group Schemes' members live longer than expected, the Group Schemes' benefits will need to be paid for longer, increasing the Group Schemes' defined benefit obligations.

The Trustees and the Company manage risks in the Group Schemes through the following strategies:

- **Diversification:** investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.
- **Investment strategy:** the Trustees are required to review their investment strategy on a regular basis.

There are three categories of pension Scheme members:

- employed deferred members: currently employed by the Company;
- deferred members: former colleagues of the Company; and
- pensioner members: in receipt of pension.

The defined benefit obligation is valued by projecting the best estimate of future benefit payments (allowing for future salary increases for UK employed deferred members, revaluation to retirement for deferred members and annual pension increases for UK members) and then discounting to the balance sheet date. UK members receive increases to their benefits linked to inflation (subject to a cap of no more than 5% p.a. for UK Schemes). There are no caps on benefits in the Penton Schemes. The valuation method used for all schemes is known as the Projected Unit Credit Method.

The approximate overall duration of the Group Schemes' defined benefit obligation as at 31 December 2017 was as follows:

	2017			2016		
	Penton Retirement Plan	Penton Executive Retirement Plan	UK Schemes	Penton Retirement Plan	Penton Executive Retirement Plan	UK Schemes
Overall duration (years)	15	14	20	15	14	20
Sub-divided into:						
– Deferred members	17	–	23	17	–	23
– Retired members	9	14	13	9	14	13

Benefits are not linked to inflation in the Penton Schemes.

36 RETIREMENT BENEFIT SCHEMES CONTINUED

The assumptions which have the most significant effect on the results of the IAS 19 valuation for the Schemes are those relating to the discount rate, the rates of increase in price inflation, salaries, and pensions and life expectancy. The main assumptions adopted are:

	2017		2016	
	Penton Schemes	UK Schemes	Penton Schemes	UK Schemes
Discount rate	3.3%	2.4%	3.7%	2.6%
Rate of price inflation	n/a	2.1% (CPI) and 3.1% (RPI)	n/a	2.4% (CPI) and 3.4% (RPI)
Rate of salary increase – employed deferred	n/a	2.1%	n/a	2.9%
Rate of increase in deferred pensions – former colleagues	n/a	2.1%	n/a	2.4%
Rate of increase in pensions in payment – pensioners	n/a	1.9–3.0%	n/a	2.1–3.3%
Life expectancy:				
For an individual aged 60 – male (years)	85	87	85	87
For an individual aged 60 – female (years)	87	89	87	89

For the Group UK Pension Schemes, mortality assumptions used in the IAS 19 valuations are taken from tables published by Continuous Mortality Investigation ("CMI"). The latest base tables for self-administered pension schemes use S2PMA (males) and S2PFA (females), and life expectancy improvements are taken from CMI 2016 (2016: CMI 2015) with the long-term rate of improvement of 1.25% (2016: 1.25%). For the valuation of US scheme liabilities, the RP-2014 mortality tables have been used (2016: RP-2014), with life expectancy improvements using scale MP 2017 (2016: scale MP-2016).

(d) Defined benefit schemes – individual defined benefit scheme details

Informa Final Salary Scheme

The Trustees are required to carry out an actuarial valuation every three years. The result of this valuation determines the level of contributions payable by the Group.

The last actuarial full valuation of the Informa Final Salary Scheme was performed by the Scheme actuary for the Trustees as at 31 March 2017. This valuation revealed a funding shortfall of £5.5m. The recovery plan shows future annual employer contributions of £2.0m in 2018, £2.0m in 2019 and £1.5m in 2020. The next triennial actuarial valuation of the Informa Final Salary Scheme will be as at 31 March 2020, at which point the recovery plan will be reassessed.

An actuarial valuation was carried out for IAS 19 purposes as at 31 December 2017 by a qualified independent actuary. The Scheme was closed to new entrants on 1 April 2000 and closed to future accrual on 1 April 2011. The Group's contribution over the year was £nil (2016: £nil). The weighted average duration of pension scheme liabilities was 20 years at 31 December 2017.

The sensitivities regarding the principal assumptions used to measure the Informa Final Salary Scheme liabilities are set out below:

Assumption	Change in assumption	Impact on scheme liabilities
Discount rate	Increase/decrease by 0.1%	Decrease/increase by £2.0m
Rate of price inflation pre-retirement	Increase/decrease by 0.25%	Increase/decrease by £4.3m
Rate of mortality	Increase/decrease by 1 year	Increase/decrease by £3.1m

Taylor & Francis Group Pension and Life Assurance Scheme

The Trustees are required to carry out an actuarial valuation every three years. The result of this valuation determines the level of contributions payable by the Group.

The last actuarial full valuation of the Taylor & Francis Group Life Assurance and Pension Scheme was performed by the Scheme actuary for the Trustees as at 30 September 2014. The valuation as at 30 September 2014 revealed a funding surplus of £1.4m and no recovery plan was required. The next triennial actuarial valuation of the Taylor & Francis Group Pension and Life Assurance Scheme began at 30 September 2017 and is currently in progress. A recovery plan will be determined with any payments required expected to arise only from 2019 onwards and no contributions expected for the year ending 31 December 2018.

An actuarial valuation was carried out for IAS 19 purposes as at 31 December 2017 by a qualified independent actuary. The Scheme was closed to new entrants on 1 April 2000 and closed to future accrual on 1 April 2011. The Group's contribution over the year was £nil (2016: £nil). The weighted average duration of pension scheme liabilities was 20 years at 31 December 2017.

The sensitivities regarding the principal assumptions used to measure the Taylor & Francis Group Pension and Life Assurance Scheme liabilities are set out below:

Assumption	Change in assumption	Impact on scheme liabilities
Discount rate	Increase/decrease by 0.1%	Decrease/increase by £0.5m
Rate of price inflation pre-retirement	Increase/decrease by 0.25%	Increase/decrease by £1.2m
Rate of mortality	Increase/decrease by 1 year	Increase/decrease by £0.9m

Penton Media, Inc. Retirement Plan

Actuarial valuations are undertaken every year, with the result determining the level of contributions payable by the Group. The last actuarial valuation of the Scheme was performed by the Scheme actuary as at 31 December 2017. The Group's contribution over the year was £nil (2016: £nil). The employer expects to pay contributions during the accounting year beginning 1 January 2018 of £1.3m, with contributions for future years dependent on the level of any future year deficits arising from future valuations. The weighted average duration of pension scheme liabilities was 15 years at 31 December 2017.

The sensitivities regarding the principal assumptions used to measure the Penton scheme liabilities are set out below:

Assumption	Change in assumption	Impact on scheme liabilities
Discount rate	Increase/decrease by 0.1%	Decrease/increase by £0.7m
Rate of mortality	Increase/decrease by 1 year	Increase/decrease by £1.3m

Penton Media, Inc. Supplemental Executive Retirement Plan

Actuarial valuations are undertaken every year, with the result determining the level of contributions payable by the Group. The last actuarial valuation of the Scheme was performed by the Scheme actuary as at 31 December 2017. The employer expects to pay £nil contributions to the scheme during the accounting year beginning 1 January 2018.

The sensitivities regarding the principal assumptions used to measure the Penton Scheme liabilities are set out below:

Assumption	Change in assumption	Impact on scheme liabilities
Discount rate	Increase/decrease by 0.1%	Decrease/increase by £nil
Rate of mortality	Increase/decrease by 1 year	Increase/decrease by £nil

(e) Defined benefit schemes – individual defined benefit scheme details

Amounts recognised in respect of these defined benefit schemes are as follows:

	2017 £m	2016 £m
Recognised in profit before tax		
Administration cost	0.5	0.4
Net interest cost on net deficit	1.1	0.2
Total	1.6	0.6

	2017 £m	2016 £m
Recognised in the Consolidated Statement of Comprehensive Income		
Return on scheme assets	11.1	11.1
Experience gain	3.4	2.4
Change in demographic actuarial assumptions	(0.9)	(2.1)
Change in financial actuarial assumptions	0.9	(25.7)
Effect of movement in foreign currencies	(0.3)	–
Actuarial gain/(loss)	14.2	(14.3)

36 RETIREMENT BENEFIT SCHEMES CONTINUED

	2017 £m	2016 £m
Movement in deficit during the year		
Deficit in schemes at beginning of the year	(38.0)	(4.0)
New schemes from Penton acquisition	–	(19.6)
Net finance cost	(1.1)	(0.2)
Actuarial gain/(loss)	14.2	(14.3)
Other payments from schemes	(0.4)	–
Effect of movement in foreign currencies	1.7	0.1
Deficit in schemes at end of the year	(23.6)	(38.0)

The amounts recognised in the Consolidated Balance Sheet in respect of the Group Schemes are as follows:

	2017 £m	2016 £m
Present value of defined benefit obligations	(176.3)	(184.4)
Fair value of scheme assets	152.7	146.4
Deficit in scheme and liability recognised in the Consolidated Balance Sheet	(23.6)	(38.0)

Changes in the present value of defined benefit obligations are as follows:

	2017 £m	2016 £m
Opening present value of defined benefit obligation	(184.4)	(106.7)
New schemes from Penton acquisition	–	(52.5)
Interest cost	(5.1)	(4.0)
Benefits paid	5.4	3.8
Actuarial gain/(loss)	3.4	(25.4)
Effect of movement in foreign currencies	4.4	0.4
Closing present value of defined benefit obligation	(176.3)	(184.4)

Changes in the fair value of scheme assets are as follows:

	2017 £m	2016 £m
Opening fair value of scheme assets	146.4	102.7
New scheme from Penton acquisition	–	32.9
Return on scheme assets	4.0	3.8
Actuarial gain/(loss)	10.8	11.1
Benefits paid	(5.4)	(3.8)
Other payments from schemes	(0.4)	–
Effect of movement in foreign currencies	(2.7)	(0.3)
Closing fair value of scheme assets	152.7	146.4

The assets of the Taylor & Francis Group Pension and Life Assurance Scheme include assets held in managed funds and cash funds operated by Legal & General Assurance (Pensions Management) Limited, Zurich Assurance Limited, Partners Group AG, BlackRock Investment Management (UK) Limited, Standard Life Investments and Insight Investment Management Limited.

The assets of the Informa Final Salary Scheme include assets held in managed funds and cash funds operated by BlackRock Investment Management (UK) Limited, Partners Group AG, Zurich Assurance Limited, Standard Life Investments and Insight Investment Management Limited.

The assets of the Penton Schemes include assets held in managed funds and cash funds operated by New York Life Insurance Company, BlackRock Institutional Trust Company NA, Invesco Asset Management Limited and others.

The fair values of the assets held are as follows:

31 December 2017	Taylor & Francis £m	Informa £m	Penton £m	Total £m
Equities	11.2	42.6	21.8	75.6
Bonds	1.9	6.7	1.1	9.7
Cash	0.3	1.3	0.1	1.7
Property	3.3	8.4	–	11.7
Diversified Growth Fund	7.1	23.8	–	30.9
Other	3.8	11.4	7.9	23.1
Total	27.6	94.2	30.9	152.7

31 December 2016	Taylor & Francis £m	Informa £m	Penton £m	Total £m
Equities	11.9	42.3	21.5	75.7
Bonds	2.5	8.6	1.3	12.4
Cash	0.2	1.5	–	1.7
Property	3.2	7.9	–	11.1
Diversified Growth Fund	5.4	18.9	–	24.3
Other	2.9	8.7	9.6	21.2
Total	26.1	87.9	32.4	146.4

All the assets listed above have a quoted market price in an active market. The Group Schemes' assets do not include any of the Group's own financial instruments, nor any property occupied by, or other assets used by, the Group. The actual return on plan assets was £14.8m (2016: £14.9m).

37 RELATED PARTY TRANSACTIONS

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note. The transactions between the Group and its joint ventures and associates are disclosed below. The following transactions and arrangements are those which are considered to have had a material effect on the financial performance and position of the Group for the year.

Transactions with Directors

There were no material transactions with Directors of the Company during the year, except for those relating to remuneration and shareholdings. For the purposes of IAS 24 *Related Party Disclosures*, Executives below the level of the Company's Board are not regarded as related parties.

During the period, the Group incurred expenses of £2.2m (2016: £2.3m) relating to Microsoft UK. One of the Group's Non-Executive Directors is the Chief Executive Officer of this organisation.

Further information about the remuneration of individual Directors is provided in the audited part of the Remuneration Report on pages 106 to 113 and Note 9.

Transactions with joint ventures and associates

During the period, the Group received revenue of £nil (2016: £nil) from Lloyd's Maritime Information Services Limited, a joint venture.

During the period, the Group received revenue of £nil (2016: £0.1m) from Pestana Management Limited, an associate.

During the period, the Group received revenue of £nil (2016: £1.8m) from Independent Materials Handling Exhibitions Limited, a joint venture.

Other related party disclosures

At 31 December 2017, Informa Group companies have guaranteed the pension scheme liabilities of the Taylor & Francis Group Pension and Life Assurance Scheme and the Informa Final Salary Scheme.

38 SUBSIDIARIES

The listing below shows the subsidiary undertakings as at 31 December 2017.

Company Name	Country	Ordinary Shares held	Registered Office
ACADEMIC PUBLISHING			
Informa Limited	Hong Kong	100%	HK2
Taylor & Francis Books India Pvt Limited	India	100%	IN2
Colwiz Limited	Ireland	100%	IR1
Dove Medical Press (NZ) Limited	New Zealand	100%	NZ1
Informa Healthcare AS	Norway	100%	NO1
Colwiz Pakistan (Private) Limited	Pakistan	100%	PK1
Taylor & Francis (S) Pte Limited	Singapore	100%	SG1
Co-Action Publishing AB	Sweden	100%	SE1
Taylor & Francis AB	Sweden	100%	SE1
Afterhurst Limited	United Kingdom	100%	UK1
Ashgate Publishing Limited	United Kingdom	100%	UK1
Cogent OA Limited	United Kingdom	100%	UK1
Colwiz UK Limited	United Kingdom	100%	UK1
Dove Medical Press Limited	United Kingdom	100%	UK1
H. Karnac (Books) Ltd	United Kingdom	100%	UK1
Karnac Books Ltd	United Kingdom	100%	UK1
Psychology Press New Co Limited	United Kingdom	100%	UK1
Routledge Books Limited	United Kingdom	100%	UK1
Taylor & Francis Books Limited	United Kingdom	100%	UK1
Taylor & Francis Group Limited	United Kingdom	100%	UK1
Taylor & Francis Publishing Services Limited	United Kingdom	100%	UK1
Taylor & Francis Limited	United Kingdom	100%	UK1
Taylor & Francis Group, LLC	United States	100%	US14
BUSINESS INTELLIGENCE			
Datamonitor Pty Limited	Australia	100%	AU1
Ovum Pty Limited	Australia	100%	AU1
Agra CEAS Consulting – Bureau Européen de Recherches SA	Belgium	82%	BE1
Informa Economics FNP Consultoria Ltda	Brazil	100%	BR4
F.O. Licht Zuckerwirtschaflicher Verlag und Marktforschung GmbH	Germany	100%	GE2
Datamonitor Publications (HK) Limited	Hong Kong	100%	HK1
Informa Global Markets (Hong Kong) Limited	Hong Kong	100%	HK1
Penton Media Asia Limited	Hong Kong	100%	HK3
NND Biomedical Data Systems Private Limited	India	100%	IN1
Informa Global Markets (Japan) Limited	Japan	100%	JA1
Informa Global Markets (Singapore) Private Limited	Singapore	100%	SG1
Marketworks Datamonitor (Pty) Limited	South Africa	100%	ZA1
Agra Ceas Consulting Limited	United Kingdom	82%	UK1
Agra Informa Limited	United Kingdom	100%	UK1
Datamonitor Limited	United Kingdom	100%	UK1
Ebenchmarkers Limited	United Kingdom	100%	UK1
Informa Global Markets (Europe) Limited	United Kingdom	100%	UK1
James Dudley International Limited	United Kingdom	100%	UK1
Mapa International Limited	United Kingdom	100%	UK1
MRO Exhibitions Limited	United Kingdom	100%	UK1
MRO Network Limited	United Kingdom	100%	UK1
OTC Publications Limited	United Kingdom	100%	UK1
Penton Communications Europe Limited	United Kingdom	100%	UK1

Company Name	Country	Ordinary Shares held	Registered Office
TU-Automotive Holdings Limited	United Kingdom	100%	UK1
TU-Automotive Limited	United Kingdom	100%	UK1
Duke Investments, Inc.	United States	100%	US1
Farm Progress Limited	United States	100%	US3
Farm Progress/VX LLC	United States	100%	US12
Informa Business Intelligence, Inc.	United States	100%	US5
Informa Business Media Holdings, Inc.	United States	100%	US2
Informa Business Media, Inc.	United States	100%	US2
Informa DataSources, Inc	United States	100%	US6
Informa Media, Inc.	United States	100%	US2
Informa Operating Holdings, Inc.	United States	100%	US2
Internet World Media, Inc.	United States	100%	US10
Ovum, Inc.	United States	100%	US2
Skipta, LLC	United States	100%	US4
Spotlight Financial, Inc.	United States	100%	US13
Trimtabs Investment Research, Inc.	United States	100%	US15
GLOBAL EXHIBITIONS			
Informa Fashion Pty Limited	Australia	100%	AU2
Informa Trade Events Pty Limited	Australia	100%	AU2
Informa Middle East Limited	Bermuda	100%	BM1
The Superyacht Cup Limited	Bermuda	100%	BM1
Brazil Design Show – Eventos, Midias, Consultorias, Treinamentos e Participacoes Ltda	Brazil	55%	BR1
BTS Informa Feiras Eventos e Editora Ltda	Brazil	100%	BR2
Informa Canada Inc.	Canada	100%	CA1
Chengdu Wiener Meibo Exhibitions Co., Ltd	China	60%	CH1
Guangzhou Informa Yi Fan Exhibitions Co., Ltd	China	60%	CH8
Informa Exhibitions (Beijing) Co., Ltd	China	100%	CH4
Informa Tianyi Exhibitions (Chengdu) Co., Ltd	China	60%	CH9
Shanghai Baiwen Exhibitions Co., Ltd	China	85%	CH5
Shanghai Meishing Culture Broadcasting Co., Ltd	China	85%	CH6
Shanghai Yingye Exhibitions Co., Ltd	China	60%	CH7
Informa Egypt LLC	Egypt	100%	EG1
Euromedicom SAS	France	100%	FR1
Eurovir SAS	France	100%	FR1
International Trade Exhibition Company France SAS	France	100%	FR1
Itec Edition Sarl	France	100%	FR1
Informa Monaco SAM	Monaco	100%	MC1
Monaco Yacht Show SAM	Monaco	90%	MC1
IIR Exhibitions Philippines Inc	Philippines	100%	PH1
Informa Saudi Arabia LLC	Saudi Arabia	100%	SA1
Informa Exhibitions Pte Limited	Singapore	100%	SG1
Informa Middle East Media FZ LLC	United Arab Emirates	100%	UAE1
Brick Shows Limited	United Kingdom	100%	UK1
Design Junction Limited	United Kingdom	90%	UK1
E-Health Media Limited	United Kingdom	100%	UK1
IIR Exhibitions Limited	United Kingdom	100%	UK1
IIR Management Limited	United Kingdom	100%	UK1
IIR (U.K. Holdings) Limited	United Kingdom	100%	UK1
Fort Lauderdale Convention Services, Inc.	United States	100%	US16

38 SUBSIDIARIES CONTINUED

Company Name	Country	Ordinary Shares held	Registered Office
Informa Exhibitions Holding Corp.	United States	100%	US7
Informa Exhibitions U.S. Construction & Real Estate, Inc.	United States	100%	US8
Informa Exhibitions, LLC	United States	100%	US7
Informa Life Sciences Exhibitions, Inc.	United States	100%	US6
Informa Marine Holdings, Inc.	United States	100%	US16
Informa Pop Culture Events, Inc.	United States	100%	US6
Southern Convention Services, Inc.	United States	100%	US16
Yachting Promotions, Inc.	United States	90%	US16
KNOWLEDGE & NETWORKING			
IIR Pty Limited	Australia	100%	AU1
IIR Informa Seminarios Ltda	Brazil	100%	BR3
Light Reading Canada, Inc.	Canada	100%	CA2
New AG International Sarl	France	100%	FR1
EBD Group GmbH	Germany	100%	GE1
Informa Holding Germany GmbH	Germany	100%	GE1
EBD GmbH	Switzerland	100%	SW1
Futurum Media Limited	United Kingdom	100%	UK1
IIR Limited	United Kingdom	100%	UK1
Light Reading UK Limited	United Kingdom	100%	UK1
Knect365 US, Inc.	United States	100%	US11
GROUP			
Informa Australia Pty Limited	Australia	100%	AU1
Informa Enterprise Management (Shanghai) Co., Ltd.	China	100%	CH3
Informa European Financial Shared Service Centre GmbH	Germany	100%	GE1
Informa Switzerland Limited	Jersey	100%	JE1
IIR South Africa BV	Netherlands	100%	NE1
Informa Europe BV	Netherlands	100%	NE2
Lesbistes BV	Netherlands	100%	NE2
IBC Asia (S) Pte Limited	Singapore	100%	SG1
IIR Espana S.L.	Spain	100%	ES1
Informa Finance GmbH	Switzerland	100%	SW1
Informa IP GmbH	Switzerland	100%	SW1
IBC (Ten) Limited	United Kingdom	100%	UK1
IBC (Twelve) Limited	United Kingdom	100%	UK1
IBC Fourteen Limited	United Kingdom	100%	UK1
Informa Final Salary Pension Trustee Company Limited	United Kingdom	100%	UK1
Informa Finance UK Limited	United Kingdom	100%	UK1
Informa Finance USA Limited	United Kingdom	100%	UK1
Informa Group Holdings Limited	United Kingdom	100%	UK1
Informa Group PLC	United Kingdom	100%	UK1
Informa Holdings Limited	United Kingdom	100%	UK1
Informa Investment Plan Trustees Limited	United Kingdom	100%	UK1
Informa Overseas Investments Limited	United Kingdom	100%	UK1
Informa Quest Limited	United Kingdom	100%	UK1
Informa Six Limited	United Kingdom	100%	UK1
Informa Three Limited	United Kingdom	100%	UK1
Informa UK Limited	United Kingdom	100%	UK1
Informa US Holdings Limited	United Kingdom	100%	UK1

Company Name	Country	Ordinary Shares held	Registered Office
LLP Limited	United Kingdom	100%	UK1
Informa Academic and Business, LLC	United States	100%	UK1
Informa Export, Inc.	United States	100%	US6
Informa Global Sales, Inc.	United States	100%	US6
Informa Support Services, Inc.	United States	100%	US6
Informa USA, Inc.	United States	100%	US9

COMPANY REGISTERED OFFICE ADDRESSES

UK	
UK1	5 Howick Place, London SW1P 1WG, United Kingdom
THE AMERICAS	
US1	748 Whalers Way, Building E., Fort Collins, CO 80525, U.S.A.
US2	1166 Avenue of the Americas, 10th Floor, New York, NY 10036, U.S.A.
US3	255 38th Avenue, Suite P, Saint Charles, IL 60174-5410, U.S.A.
US4	8N. Queen Street, Suite 800, Lancaster, PA 17603, U.S.A.
US5	52 Vanderbilt Avenue, 11th Floor, New York, NY 10017, U.S.A.
US6	101 Paramount Drive, Suite 100, Sarasota, FL 34232, U.S.A.
US7	2020 N. Central Avenue, Suite 400, Phoenix, AZ 85004, U.S.A.
US8	6191 N. State Highway, Suite 500, Irving, TX 75038, U.S.A.
US9	One Research Drive, Westborough, MA 01581, U.S.A.
US10	1100 Superior Avenue, 8th Floor, Cleveland, OH 44114-2518, U.S.A.
US11	708 Third Avenue, 4th Floor, New York, NY 10017, U.S.A.
US12	4580 Scott Trail, Suite 100, Eagan, MN 55122, U.S.A.
US13	2225 SE 60th Avenue, Portland, OR 97215, U.S.A.
US14	6000 NW Broken Sound Parkway, Suite 300, Boca Raton, FL 33487, U.S.A.
US15	1 Harbour Drive, Suite 211, Sausalito, CA 94965, U.S.A.
US16	1115 NE 9th Avenue, Fort Lauderdale, FL 33304, U.S.A.
BM1	Canon's Court, 22 Victoria Street, Hamilton, Bermuda
BR1	Rue Bela Cintra 967, 11th Floor, Suite 112-C, Consolacao, São Paulo 01415-003, Brazil
BR2	Rue Bela Cintra 967, 11th Floor, Suite 112-A, Consolacao, São Paulo 01415-003, Brazil
BR3	Rue Bela Cintra 967, 11th Floor, Suite 111, Consolacao, São Paulo 01415-003, Brazil
BR4	Rue Bela Cintra 967, 11th Floor, Suite 112-B, Consolacao, São Paulo 01415-003, Brazil
CA1	112th Floor, 20 Eglinton Avenue West, Yonge Eglinton Centre, Toronto, ON M4R 1K8, Canada
CA2	c/o McMillan LLP, Brookfield Place, 181 Bay Street, Suite 4400, Toronto, Ontario M5J 2T3, Canada
CA3	c/o McMillan LLP, 1500 Royal Centre, 1055 West Georgia Street, Vancouver BCV6E 4N7, Canada
ME1	Cintermex, Primer Nivel, Local 45, Av. Parque Fundidora, 501, Col. Obrera, Monterrey 64010, Mexico
CHINA & ASIA	
CH1	Room 1009, Western Tower, No. 19, Way 4, South People Road, Chengdu City, China
CH2	Room 2072, 2nd Floor, 124 Building, No. 960 Zong Xing Road, Jian'an District, Shanghai, China
CH3	Room 2201, Hong Kong New Tower, No. 300 Huai Hai Middle Road, Huang Pu District, Shanghai, China
CH4	Room 802, 8th Floor, No. 87, Building No. 4, Worker's Stadium North Road, Chaoyang District, Beijing 100027, China
CH5	Room 1010, 10F, No. 93 Nanjing West Road, Jian'an District, Shanghai, China
CH6	Room 101-75, No. 15 Jia, No.152 Alley, Yanchang Road, Zhabei District, Shanghai, China
CH7	Room 234, 2nd Floor, M Zone, 1st Building, No. 3398, Hu Qing Ping Road, Zhao Xiang Town, Qing Pu District, Shanghai, China
CH8	Room 1103-1104, No. 996 Xin Gang Dong Road, Hai Zhu District, Guangzhou, China
CH9	Room 1018, Western Tower, No19, Way 4, South People Road, Chengdu City, China
HK1	Suite 1106-8, 11/F Tai Yau Building, No 181 Johnston Road, Wanchai, Hong Kong
HK2	Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong
HK3	Level 15 Langham Place, 8 Argyle Street, Mong Kok, Kowloon, Hong Kong
PH1	Unit 1003, Autel 2000 Corporate Centre, Valero Street Corner, Herrera Street, Saleedo Village, Makati City, Philippines
PK1	6th Floor, City View, Block-3, Bahadur Yar Jung Co-operative Housing Society, Shaheed Millat Road, Karachi, Pakistan

38 SUBSIDIARIES CONTINUED
COMPANY REGISTERED OFFICE ADDRESSES CONTINUED

SG1	111 Somerset Road, #10-05 Tripleone Somerset, 238164, Singapore
JA1	5F Iwanami Hitotsubashi Building, 2-5-5 Hitotsubashi, Chiyoda-Ku, Tokyo 101-003, Japan
IN1	2nd & 3rd Floor, The National Council of YMCAs of India, 1 Jai Singh Road, New Delhi 110001, Delhi, India
IN2	Flat No. 104, Dhanunjaya Residence, Plot No. 143, Kalyan Nagar III, Hyderabad, Andhra Pradesh 500018, India
AUSTRALIA & NEW ZEALAND	
AU1	Level 18, 347 Kent Street, Sydney, NSW 2000, Australia
AU2	Level 5, 267 Collins Street, Melbourne, VIC 3000, Australia
NZ1	c/o Hall & Parsons CA Limited, 145 Kitchener Road, Milford, Auckland 0620, New Zealand
MIDDLE EAST & AFRICA	
EG1	7H, 263 Street, New Maadi, Cairo, Egypt
SA1	Aziziya District Bin, Mahfouz Centre, P.O. Box 4100, Jeddah 21491, Saudi Arabia
UAE1	17th & 18th Floor, Creative Tower, P.O. Box 422, Fujairah, UAE
ZA1	Broadacres Business Centre, Corner Cedar and 3rd Avenue, Broadacres Sandton, Gauteng 2021, South Africa
EUROPE	
AT1	Wipplingerstrasse 24, 1010 Wien, Austria
BE1	Rue de Commerce 20/22, B-1000 Brussels, Belgium
ES1	C/Azcona, 36 Bajo, 28028 Madrid, Spain
FR1	2 Rue de Lisbonne, 75008, Paris, France
GE1	Isartorplatz 4, 80331, Munich, Germany
GE2	AM Muhlengraben 22, 23909, Ratzeburg, Germany
IR1	c/o Matheson, 70 Sir John Rogerson's Quay, Dublin 2, Ireland
JE1	22 Grenville Street, St Helier, JE4 8PX, Jersey
MC1	Le Suffren, 7 Rue Suffren-Reymond, 98000, Monaco
NE1	Kabelweg 37, 1014 BA, Amsterdam, Netherlands
NE2	Schimmelt 32, Kantoor C, 7E Verdieping, 5611 ZX, Eindhoven, Netherlands
NO1	c/o Wahl-Larson, Advokatfirma AS, Fridtjof Nansens Plass 5, Oslo 0160, Norway
SE1	Box 3255, 103 65, Stockholm, Sweden
SW1	Baarerstrasse 139, 6300 Zug, Switzerland

The proportion of voting power held is the same as the proportion of ownership interest. The Consolidated Financial Statements incorporate the financial statements of all entities controlled by the Company as at 31 December each year. Refer to Note 2 for further description of the method used to account for investments in subsidiaries.

39 CONTINGENT LIABILITIES

Consideration for the acquisition of Penton Information Services on 2 November 2016 includes deferred consideration that is payable in October 2018 for anticipated future tax benefits. The estimated fair value of this consideration is £16.7m ($22.6m) at 31 December 2017 and reflects the receipt of external legal advice. The amount is under dispute with the seller, as an amount of approximately £28.9m ($39m) is expected by the seller. No provision has been made for the potential additional amount as the Directors do not consider it is probable that an additional amount is due. Any future settlement that is higher than the fair value estimate of £16.7m ($22.6m) will result in an income statement charge in a future accounting period as more than 12 months have elapsed since the acquisition and therefore any adjustment would fall outside the 12 month remeasurement period permitted by IFRS 3.

40 POST BALANCE SHEET EVENTS

On 16 January 2018, the Group announced it was in preliminary discussions for a potential combination of UBM plc to be effected by way of an acquisition of the entire share capital of UBM by Informa for shares and cash consideration. On 17 January 2018, the Group outlined the key financial terms, with UBM Shareholders receiving for each UBM share 1.083 Informa shares and 163p in cash. On 30 January 2018 the Boards of Informa and UBM confirmed the creation of a leading B2B information services group through a recommended offer for UBM by Informa. A Circular to the Shareholders of Informa recommending the offer is expected to be issued in March 2018 and general meetings for Informa and UBM are expected to take place in April 2018. Subject to approval from Shareholders of both companies and regulatory approvals the transaction is expected to complete in June 2018.

	Notes	2017 £m	2016 £m
Fixed assets			
Investment in subsidiary undertakings	3	**3,664.0**	3,659.6
Current assets			
Debtors due within one year	4	**2,202.9**	2,190.7
Cash at bank and on hand		**0.1**	0.2
		2,203.0	2,190.9
Creditors: amounts falling due within one year	5	**(732.5)**	(374.9)
Net current assets		**1,470.5**	1,816.0
Creditors: amounts falling due after more than one year	6	**(842.3)**	(1,048.6)
Net assets		**4,292.2**	4,427.0
Capital and reserves			
Share capital	7	**0.8**	0.8
Share premium account	8	**905.3**	905.3
Reserve for shares to be issued	8	**8.7**	6.0
Merger reserve	8	**955.1**	955.1
Employee Share Trust and ShareMatch shares	8	**(0.7)**	(0.7)
Profit and loss account	8	**2,423.0**	2,560.5
Equity Shareholders' funds		**4,292.2**	4,427.0
Profit for the year ended 31 December		**22.6**	59.2

The financial statements of this Company, registration number 08860726, were approved by the Board of Directors on 27 February 2018 and were signed on its behalf by

Stephen A. Carter CBE
Group Chief Executive

Gareth Wright
Group Finance Director

1 CORPORATE INFORMATION

Informa PLC ("the Company") is a company incorporated in the United Kingdom under the Companies Act 2006 and is listed on the London Stock Exchange. The Company is a public company limited by shares and is registered in England and Wales with registration number 08860726. The address of the registered office is 5 Howick Place, London SW1P 1WG.

Principal activity and business review

Informa PLC is the parent company of the Informa Group ("the Group") and its principal activity is to act as the ultimate holding company of the Group.

2 ACCOUNTING POLICIES

Basis of accounting

The Company meets the definition of a qualifying entity under Financial Reporting Standard 100 ("FRS 100") issued by the Financial Reporting Council. The financial statements have therefore been prepared in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* as issued by the Financial Reporting Council.

The last financial statements under previous UK GAAP were for the year ended 31 December 2014 and the date of transition to FRS 102 was therefore 1 January 2015. There were no material adjustments recorded for the transition from UK GAAP to FRS 102. As permitted by FRS 102, the Company has taken advantage of the disclosure exemptions available under that standard in relation to share-based payments, presentation of a cash flow statement, standards not yet effective and related party transactions. The Directors' Report, Corporate Governance Statement and Directors' Remuneration Report disclosures are on pages 72 to 119 of this report. The financial statements have been prepared on the historical cost basis and on the going concern basis as explained in Note 1 to the Consolidated Financial Statements.

The principal accounting policies adopted are the same as those set out in Note 2 to the Consolidated Financial Statements, with the exception of the merger reserve accounting treatment arising from the Scheme of Arrangement in 2014.

The Company's financial statements are presented in pounds sterling being the Company's functional currency.

Profit and loss account

As permitted by section 408 of the Companies Act 2006 the Company has elected not to present its own profit and loss account or statement of comprehensive income for the year. The Company's revenue for the year is £nil (2016: £nil), and profit after tax for the year is £22.6m (2016: £59.2m).

Share-based payment amounts that relate to employees of subsidiary Group companies are recorded as capital contributions to the relevant Group company.

Investments in subsidiaries and impairment reviews

Investments held as fixed assets are stated at cost less any provision for impairment. Where the recoverable amount of the investment is less than the carrying amount, an impairment is recognised. Impairment reviews are undertaken at least annually or more frequently where there is an indication of impairment.

3 INVESTMENT IN SUBSIDIARY UNDERTAKINGS

Cost	2017 £m	2016 £m
At 1 January	3,659.6	3,656.0
Additions	4.4	3.6
At 31 December	3,664.0	3,659.6

Other additions of £4.4m (2016: £3.6m) relate to the fair value of the share incentives issued to employees of subsidiary undertakings during the year.

The listing below shows the direct subsidiary and other subsidiary undertakings as at 31 December 2017 which affected the profit or net assets of the Company:

Company	Country of registration and operation	Principal activity	Ordinary Shares held
Informa Switzerland Limited	England and Wales	Holding company	100%
Informa Global Sales, Inc.	US	Domestic international sales corporation	100%

Details of subsidiaries controlled by the Company are disclosed in the Consolidated Financial Statements (Note 38).

4 DEBTORS DUE WITHIN ONE YEAR

	2017 £m	2016 £m
Amounts owed from Group undertakings	2,202.8	2,190.7
Prepayments and accrued income	0.1	–
	2,202.9	2,190.7

Amounts owed to Group undertakings falling due within one year are unsecured, interest bearing and repayable on demand. Interest rates on amounts owed from Group undertakings range from 0% to 4.25% (2016: 0% to 3.5%).

5 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £m	2016 £m
Term loan	296.3	–
Amounts owed to Group undertakings	423.8	357.5
Other creditors and accruals	8.1	4.5
Income tax payable	4.3	12.9
	732.5	374.9

Amounts owed to Group undertakings falling due within one year are unsecured, interest bearing and repayable on demand. Interest rates on amounts owed to Group undertakings range from 0% to 3.75% (2016: 0% to 3.5%).

In March 2017, the Group arranged a £296.3m ($400.0m) bank term loan facility with a maturity in March 2018 and issued by Bank of America Merrill Lynch.

6 CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2017 £m	2016 £m
Revolving credit facility[1]	285.6	297.1
Acquisition facility	–	548.0
Private placement loan notes	554.1	202.3
Other payables	2.6	1.2
	842.3	1,048.6

1. Stated net of arrangement fees of £2.0m.

On 25 January 2017, the Company issued $500.0m of private placement loan notes, the proceeds of which were used to repay £406.4m ($500.0m) of the acquisition facility. On 4 January 2018, the Company issued $400.0m of private placement loan notes with maturities of 7 years and 10 years.

On 23 October 2014, the Company entered into a new five-year revolving credit facility for an equivalent of £900.0m. In July 2017 this facility was reduced to an amount of £855.0m of which £287.6m was drawn down at 31 December 2017 (2016: £300.1m). The facility matures in October 2020. Interest is payable at the rate of LIBOR plus a margin based on the ratio of net debt to EBITDA.

The private placement loan notes total £555.5m ($750.0m) and are stated at £554.1m, net of £1.4m of arrangement fees.

7 SHARE CAPITAL

	2017 £m	2016 £m
Issued and fully paid		
824,005,051 (2016: 824,005,051) Ordinary Shares of 0.1p each	0.8	0.8

	2017 Number of shares	2016 Number of shares
At 1 January	824,005,051	648,941,249
Issue of shares in relation to rights issue	–	162,234,656
Issue of new shares related to consideration for the Penton acquisition	–	12,829,146
31 December	824,005,051	824,005,051

8 CAPITAL AND RESERVES

	Share capital £m	Share premium account £m	Reserve for shares to be issued £m	Merger reserve £m	Employee Share Trust shares £m	Profit and loss account £m	Total £m
At 1 January 2016	0.6	204.0	3.3	872.9	(0.2)	2,632.4	3,713.0
Shares issued	0.2	701.3	–	82.2	–	–	783.7
Own shares purchased	–	–	–	–	(0.6)	–	(0.6)
Share-based payment charge	–	–	3.6	–	–	–	3.6
Profit for the year	–	–	–	–	–	59.2	59.2
Equity dividends	–	–	–	–	–	(131.9)	(131.9)
Transfer of vested LTIPs	–	–	(0.9)	–	0.1	0.8	–
At 1 January 2017	0.8	905.3	6.0	955.1	(0.7)	2,560.5	4,427.0
Share-based payment charge	–	–	4.8	–	–	–	4.8
Profit for the year	–	–	–	–	–	22.6	22.6
Equity dividends	–	–	–	–	–	(162.2)	(162.2)
Transfer of vested LTIPs	–	–	(2.1)	–	–	2.1	–
At 31 December 2017	0.8	905.3	8.7	955.1	(0.7)	2,423.0	4,292.2

Share capital

On 30 May 2014, under a Scheme of Arrangement, 603,941,249 Ordinary Shares of 435p each in the Company were allotted to shareholders. On 4 June 2014, a capital reduction took place which resulted in a reduction in share capital of £2,626.5m and the establishment of a distributable reserve of the same amount. This involved the nominal value per share of the issued share capital of the Company of 603,941,249 shares being reduced from 435p per share to 0.1p per share. During 2014 the Company also issued 45,000,000 Ordinary Shares of 0.1p for consideration of £207.0m.

On 11 October 2016, the Group issued 162,234,656 Ordinary Shares of 0.1p each through a 1-for-4 rights issue to part-fund the Penton acquisition. The shares were issued at £4.41 each and raised gross proceeds before expenses of £715.5m. On 2 November 2016, the Group issued 12,829,146 Ordinary Shares to the sellers of the Penton business in part consideration for the sale ("Consideration Shares"). Share capital as at 31 December 2016 and 2017 amounted to £0.8m (824,005,051 shares at 0.1p).

Share premium

In 2014, the Company issued 45,000,000 Ordinary Shares of 0.1p with the share premium (net of transaction costs) being £204.0m. Share premium as at 31 December 2014 and 2015 amounted to £204.0m. On 11 October 2016, the Group issued 162,234,656 Ordinary Shares of 0.1p each through a 1-for-4 rights issue. The shares were issued at £4.41 each and resulted in share premium (net of transaction costs) of £701.3m. Share premium as at 31 December 2016 and 2017 amounted to £905.3m.

Merger reserve

On 30 May 2014, under a Scheme of Arrangement, the Company subscribed to shares in Informa Switzerland Limited, formerly Old Informa, a subsidiary undertaking, which were valued at £3,500.0m. This resulted in new share capital of £2,627.1m from the issue of 603,941,249 shares at a nominal value of 435p and the creation of a merger reserve of £872.9m.

On 2 November 2016, the Group acquired Penton Information Services and the Group issued 12,829,146 Ordinary Shares to the vendors, with the £82.2m share premium on the shares issued recorded against the merger reserve in accordance with the merger relief rules of the Companies Act 2006.

Profit and loss account

On 4 June 2014, a capital reduction took place which resulted in a reduction in share capital of £2,626.5m and the establishment of a distributable reserve of the same amount. This involved the nominal value per share of the issued share capital of the Company of 603,941,249 shares being reduced from 435p per share to 0.1p per share.

The distributable reserves of the Company are not materially different to the profit and loss account balance, with distributable reserves of £2,419.6m at 31 December 2017 (31 December 2016: £2,559.2m).

As at 31 December 2017, the Informa Employee Share Trust ("EST") held 388,118 (2016: 616,187) Ordinary Shares in the Company at a cost of £388 and a market value of £2.8m (2016: £4.2m). The shares held by the EST have not been allocated to individuals and the remaining shares have been allocated to individuals in accordance with the Deferred Share Bonus Plan as set out in the Directors' Remuneration Report on page 94 to 113. As at 31 December 2017, the ShareMatch scheme held 273,560 (2016: 141,814) matching ordinary shares in the Company at a market value of £2.0m (2016: £1.0m).

Details of the description of reserves are disclosed in the Consolidated Financial Statements (Note 32).

9 SHARE-BASED PAYMENTS

Details of the share-based payments are disclosed in the Consolidated Financial Statements (Note 10).

10 DIVIDENDS

During the year an interim dividend of £54.8m (2016: £44.1m) and a final dividend for the prior year of £107.4m (2016: £87.8m) were recognised as distributions by the Company. Details of dividends are disclosed in the Consolidated Financial Statements (Note 14).

11 RELATED PARTIES

The Directors of Informa PLC had no material transactions with the Company or its subsidiaries during the year other than service contracts and Directors' liability insurance. Details of Directors' remuneration are disclosed in the Remuneration Report. The Company has taken advantage of the exemption that transactions with wholly owned subsidiaries do not need to be disclosed.

The following UK subsidiaries will take advantage of the audit exemption set out within section 479A of the Companies Act 2006 for the year ended 31 December 2017.

Audit exempt companies	Registration numbers
Afterhurst Limited	01609566
Agra Informa Limited	00746465
Colwiz UK Ltd	08164609
Datamonitor Limited	02306113
Dove Medical Press Limited	04967656
Ebenchmarkers Limited	04159695
E-Health Media Limited	04214439
Futurum Media Limited	09813559
IBC (Ten) Limited	01844717
IBC (Twelve) Limited	03007085
IBC Fourteen Limited	03119071
IIR Exhibitions Limited	02972059
IIR (U.K. Holdings) Limited	02748477
IIR Limited	01835199
IIR Management Limited	02922734
Informa Exhibitions Limited	05202490
Informa Finance UK Limited	08774672
Informa Finance USA Limited	08940353
Informa Global Markets (Europe) Limited	03094797
Informa Holdings Limited	03849198
Informa Overseas Investments Limited	05845568
Informa Six Limited	04606229
Informa Three Limited	04595951
Informa US Holdings Limited	09319013
James Dudley International Ltd	02394118
Karnac Books Ltd	03194381
Light Reading UK Limited	08823359
LLP Limited	03610056
Mapa International Ltd	04757016
MRO Exhibitions Limited	02737787
MRO Network Limited	09375001
MRO Publications Limited	02732007
OTC Publications Ltd	02765878
Penton Communications Europe Limited	02805376
Routledge Books Limited	03177762
Taylor & Francis Books Limited	03215483
Taylor & Francis Group Limited	02280993
Taylor & Francis Publishing Services Limited	03674840
TU-Automotive Holdings Limited	09823826
TU-Automotive Limited	09798474

	2017 £m	2016[1] £m	2015 £m	2014 £m	2013 £m
Results from operations					
Revenue	**1,757.6**	1,344.8	1,212.2	1,137.0	1,130.0
Adjusted operating profit	**545.5**	415.6	365.6	334.0	335.2
Statutory operating profit/(loss)	**345.3**	198.6	236.5	(2.8)	146.4
Statutory profit/(loss) before tax	**268.8**	178.1	219.7	(31.2)	115.4
Profit/(loss) attributable to equity holders of the parent	**311.3**	171.5	171.4	(52.4)	(6.5)
Free cash flow	**400.9**	305.7	303.4	237.2	213.6
Net assets					
Non-current assets	**4,356.6**	4,542.3	2,731.9	2,612.7	2,432.6
Current assets	**535.5**	489.3	327.9	306.2	279.6
Non-current liabilities	**(1,471.0)**	(1,795.0)	(1,141.7)	(1,028.9)	(967.6)
Current liabilities	**(1,190.4)**	(1,048.8)	(650.0)	(658.3)	(553.5)
Net assets	**2,230.7**	2,187.8	1,268.1	1,231.7	1,191.1
Key statistics from continuing operations (in pence)					
Earnings per share	**37.8**	23.6	24.3	(7.9)	(1.0)
Diluted earnings per share	**37.7**	23.6	24.3	(7.9)	(1.0)
Adjusted earnings per share	**46.3**	42.2	39.5	37.8	37.8
Adjusted diluted earnings per share	**46.1**	42.1	39.5	37.8	37.8
Dividends per share	**20.45**	19.3	18.5	17.8	17.4

1. 2016 restated for finalisation of the fair value of assets acquired and liabilities assumed for certain acquisitions completed in 2016.

REGISTRARS

All general enquiries concerning holdings of ordinary shares in Informa PLC, should be addressed to our registrars, Computershare Investor Services PLC ("Computershare"):

Computershare Investor Services PLC
The Pavilions, Bridgwater Road
Bristol BS99 6ZZ

Helpline: +44 (0)370 707 1679

Website: www.investorcentre.co.uk

The Shareholder helpline is available between Monday and Friday, 8.30 am to 5.30 pm.

To access your shareholding details online, go to www.investorcentre.co.uk. To register to use the website, you will need your Shareholder reference number as shown on your share certificate or dividend voucher.

The website enables you to:

- view and manage all of your shareholdings;
- register for electronic communications;
- buy and sell shares online with the dealing service; and
- deal with other matters such as a change of address, transferring shares or replacing a lost certificate.

DIVIDEND

Informa usually pays a dividend to all Shareholders twice each year. Shareholders can arrange for dividends to be paid by mandate directly to a UK bank or building society account through the BACS (Bankers' Automated Clearing Services) system. You can register your bank or building society details online at www.investorcentre.co.uk or contact Computershare for a dividend mandate form.

If you wish to receive your dividends in a different currency, you will need to register for the global payments service provided by Computershare. Further information can be found on the Computershare website.

Shareholders can also elect to join Informa's Dividend Reinvestment Plan (DRIP), where instead of receiving dividends via cheque or into a bank account, cash dividends are automatically reinvested in Informa shares, further building Shareholders' portfolios.

This service is also administered by Computershare and its full terms and conditions, including eligibility for Shareholders based outside of the UK, are available at www.investorcentre.com.

- Under the DRIP, the cash dividend paid by Informa will be used to buy new shares in the company, and as many whole shares as possible from the proceeds of each cash dividend.
- There is no charge for joining the DRIP. Dealing fees are charged when shares are bought. See www.investorcentre.com for a list of current fees associated with the plan.
- Shareholders can change their instruction and withdraw from the DRIP at any time by contacting the administrators. The DRIP terms and conditions include full details of notice periods.
- To join this plan, Shareholders can complete the online form at www.investorcentre.com or contact Computershare on the details above.

SHARE DEALING

Shareholders have the opportunity to buy or sell Informa PLC shares using a share dealing facility operated by our registrar Computershare. Internet and telephone dealing are available via Investor Centre at www.investorcentre.co.uk.

Internet dealing
The fee for this service will be 1% of the value of each sale or purchase of shares (subject to a minimum of £30). Stamp duty of 0.5% is also payable on all purchases.

Before you trade, you will need to register for this service. This can be done by going online at www.computershare.trade.

Telephone dealing
The fee for this service will be 1% of the value of the transaction plus £35. Stamp duty of 0.5% is also payable on all purchases. To use the service, please call +44 (0)370 703 0084 and have your Shareholder Reference Number (SRN) to hand. This service is available Monday to Friday from 8 am to 4.30 pm.

Please note that due to the regulations in the UK, Computershare is required to check that you have read and accepted the Terms & Conditions before being able to trade, which could delay your first telephone trade. If you wish to trade quickly, we suggest visiting the Computershare website and registering online first at www.computershare.trade.

SHAREGIFT

ShareGift (Registered Charity no. 1052686) is an independent charity which specialises in accepting donations of small numbers of shares which are uneconomic to sell on their own. ShareGift is particularly designed to accept unwanted shares and uses the ultimate proceeds to support a wide range of UK charities. Around £25m has been given by ShareGift so far to over 2,000 different charities. Further information about ShareGift can be found on its website, www.ShareGift.org, or by calling 020 7930 3737.

ELECTRONIC SHAREHOLDER COMMUNICATIONS

As part of Informa's commitment to the sustainable use of natural resources and reducing our environmental impact, we offer all Shareholders the opportunity to elect to register for electronic communications. To elect to receive all future Shareholder communications by email, please visit www.investorcentre.co.uk/ecomms.

PROTECTING YOUR INVESTMENT FROM SHARE REGISTER FRAUD

Over the last few years, a number of companies have become aware that their shareholders have received unsolicited phone calls or correspondence concerning investment matters. These are typically from brokers who target existing shareholders offering to sell what often turn out to be worthless or high risk shares in US or UK investments. They can be extremely persuasive and very persistent. Shareholders are advised to be very wary of any unsolicited advice, offers to buy shares at a discount or offers of free company reports.

If you receive any unsolicited investment advice:

- Make sure you get the correct name of the person and organisation.
- Check that they are properly authorised by the FCA before getting involved. You can check at www.fca.org.uk.
- Report the matter to the FCA by completing an online form at www.fca.org.uk.
- Inform Computershare by calling 0370 707 1679.

TIPS ON PROTECTING YOUR SHAREHOLDING

- Ensure all your certificates are kept in a safe place or hold your shares electronically in CREST via a nominee.
- Keep all documentation containing personal share information in a safe place and destroy any correspondence you do not wish to keep by shredding it.
- If you change address, inform Computershare. If you receive a letter from Computershare regarding a change of address and you have not recently moved, contact them immediately.
- Know when the dividends are paid and consider having your dividend paid directly into your bank. If you change your bank account, inform Computershare of the details of your new account. Respond to any letters Computershare send to you about this.
- If you are buying or selling shares, only deal with brokers registered in the UK or in your country of residence.

ADR PROGRAMME

On 1 July 2013, Informa established a Level I American Depositary Receipt ("ADR") programme with BNY Mellon, the global leader in investment management and investment services. Each Informa ADR represents two ordinary shares and they trade on the OTC ("Over-The-Counter") market in the US under the symbol "IFJPY" (ISIN US45672B2060). Investors can find information on Informa's ADRs on www.bnymellon.com/dr.

Informa's Ordinary Shares continue to trade on the Premium Main Market of the London Stock Exchange ("LSE") under the symbol "INF" (ISIN: GB00BMJ6DW54).

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LEGAL NOTICES

NOTICE CONCERNING FORWARD-LOOKING STATEMENTS
This Annual Report contains forward-looking statements. Although the Group believes that the expectations reflected in such forward-looking statements are reasonable, these statements are not guarantees of future performance and are subject to a number of risks and uncertainties and actual results and events could differ materially from those currently being anticipated as reflected in such forward-looking statements. The terms “expect”, “estimate”, “forecast”, “target”, “believe”, “should be”, “will be” and similar expressions are intended to identify forward-looking statements. Factors which may cause future outcomes to differ from those foreseen in forward-looking statements include, but are not limited to, those identified under “Principal Risks and Uncertainties” on pages 24 to 32 of this Annual Report. The forward-looking statements contained in this Annual Report speak only as of the date of publication of this Annual Report and the Group therefore cautions readers not to place undue reliance on any forward-looking statements.

Except as required by any applicable law or regulation, the Group expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this document to reflect any change in the Group’s expectations or any change in events, conditions or circumstances on which any such statement is based.

WEBSITE
Informa’s website www.informa.com gives additional information on the Group. Information made available on the website does not constitute part of this Annual Report.

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www.luminous.co.uk

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Board of Directors photography by Simon Jarratt

FSC www.fsc.org MIX Paper from responsible sources FSC® C008198

The paper used in this report is produced with FSC® mixed sources pulp which is partially recyclable, biodegradable, pH neutral, heavy metal free and acid free. It is manufactured within a mill which complies with the international environmental ISO 14001 standard.

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