

Interim Results 2017/18

Pedro Ros, Chief Executive Officer
Tony Foye, Chief Financial Officer

London, 22 February 2018

Overview

Pedro Ros

Financial highlights

Tony Foye

Operational review

Pedro Ros

Wilmington expanded offering

Pedro Ros

Q&A

Pedro Ros

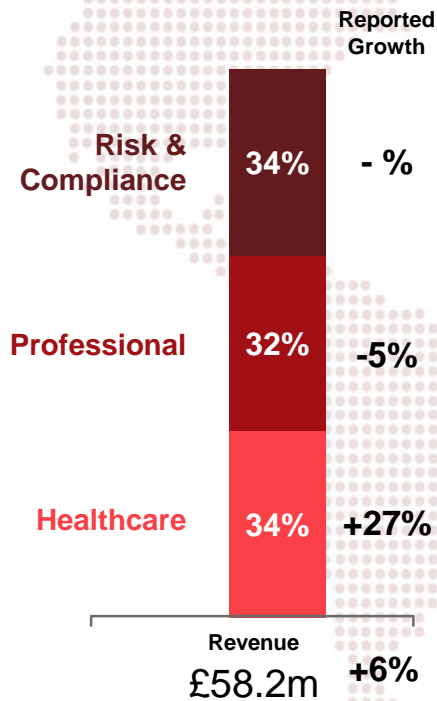
Tony Foye

Overview

Pedro Ros

- 1 Revenue up +6% (-3% underlying)**
Adj EBITA margin down at 17.1%, Adj PBT +2%, Dividends +3%
- 2 R&C marginally up, (Risk +4% offset slight decline in Compliance)**
Professional (-5%) and Healthcare (+27%), (Healthcare underlying 3% down)
- 3 One Wilmington digital investment progressing well**
- 4 Consistent high levels of subscription and repeatable revenue 77% (2016: 78%)**
- 5 Acquisitions accelerating growth: HSJ performing strongly, IM now completed**
- 6 New London property; transforming culture and work practices**

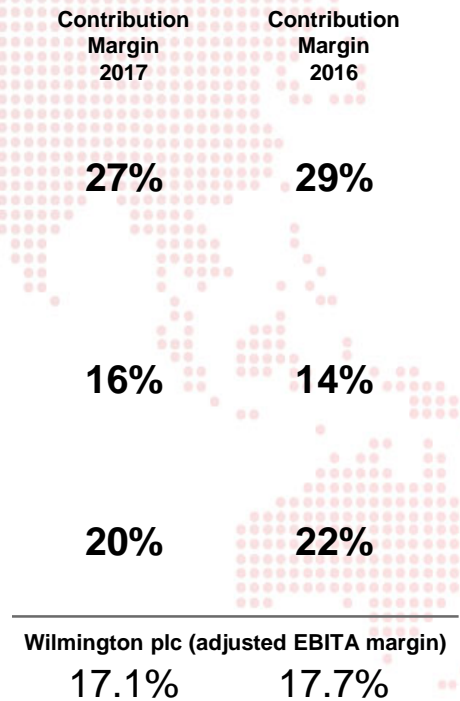
Revenue up
(% of Group Revenue)



Profits up
(% of Group Contribution)



Overall margins



Financial highlights

Tony Foye

Adjusted EBITA
£10.0m

(2016:
£9.7m)

3%

Adjusted EBITA margin*
17.1%

(2016:
17.7%)

60bps

Adjusted PBT
£9.0m

(2016:
£8.8m)

2%

Deferred revenue
£26.3m

(2016:
£24.2m)

9%

Adjusted EPS
7.97p

(2016:
7.81p)

2%

Dividend per share
4.0p

(2016:
3.9p)

3%

Compared to interim results six months to 31 December 2016

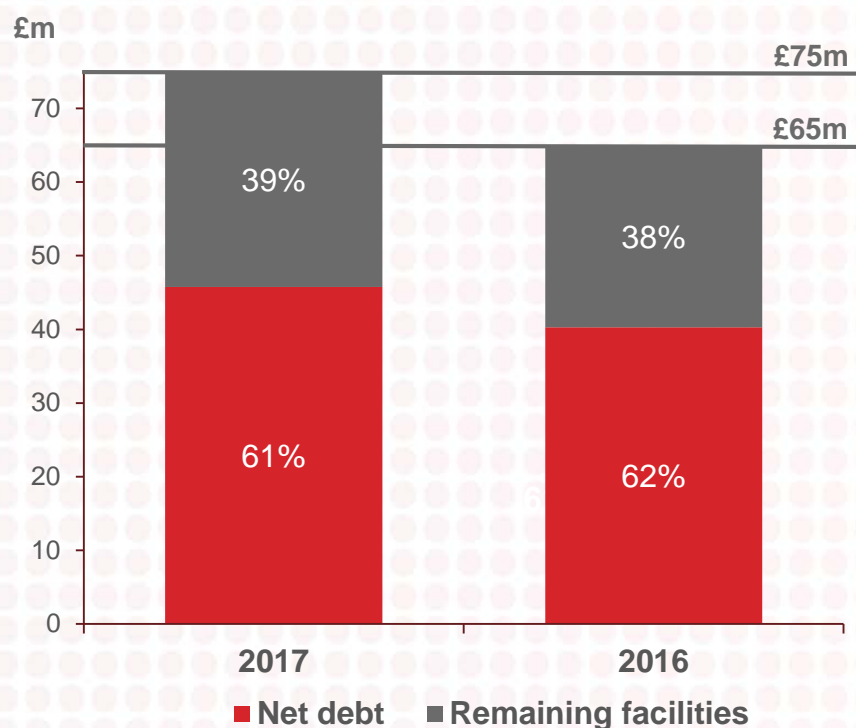
* Adjusted for share-based payments £0.3m (2016: £0.3m)

	6 months 2017	6 months 2016	Variance		12 months 2016/17
	£m	£m	£m	%	£m
Revenue	58.2	54.8	3.4	+6	120.3
Adjusted EBITA	10.0	9.7	0.3	+3	23.4
<i>EBITA Margin %</i>	<i>17.1</i>	<i>17.7</i>			<i>19.4</i>
Finance costs	(1.0)	(0.9)	(0.1)		(2.0)
Adjusted profit before tax	9.0	8.8	0.2	+2	21.4
Adjusting items - Acquisitions	(0.2)	(0.3)	0.1		(1.6)
- Property	(2.0)	-	(2.0)		(1.0)
- Other	(1.3)	(0.6)	(0.7)		(0.8)
Gain on disposal of leasehold	-	-	-		6.3
Amortisation	(3.5)	(2.9)	(0.6)		(6.0)
Profit before tax & impairment	2.0	5.0	(3.0)		18.3
Impairment	-	-	-		(2.4)
Taxation	(0.7)	(1.1)	0.4		(3.0)
Profit after tax	1.3	3.9	(2.6)		12.9
Underlying tax rate	22%	23%			22.4%
Adjusted basic EPS	7.97p	7.81p		+2	19.05p
Dividend per share	4.0p	3.9p		+3	8.5p

	6 months 2017	6 months 2016	Variance	12 months 2016/17
	£m	£m	£m	£m
Cash conversion %	78%	82%		114%
Adjusted EBITDA	11.0	10.7	0.3	25.6
Share based payment expenses	0.3	0.3	-	0.6
Movement in working capital	(3.6)	(3.0)	(0.6)	0.5
Cash inflow from operations	7.7	8.0	(0.3)	26.7
Interest paid	(1.0)	(0.9)	(0.1)	(1.7)
Tax paid	(2.5)	(2.0)	(0.5)	(3.9)
Net capital expenditure	(3.9)	(1.4)	(2.5)	(2.9)
Free cash flow before dividends	0.3	3.7	(3.4)	18.2
Equity dividends	(4.1)	(3.8)	(0.3)	(7.2)
Acquisition spend	-	(2.1)	2.1	(19.0)
Deferred consideration/non-controlling interests	(0.5)	(1.3)	0.8	(1.3)
Disposal of leasehold property	-	-	-	7.3
Adjusting items	(2.0)	(1.3)	(0.7)	(2.9)
Cash on share based payments	(0.1)	(0.1)	-	(0.1)
Change in net debt during the year	(6.4)	(4.9)	(1.5)	(5.0)
Brought forward net debt	(40.0)	(34.7)	(5.3)	(34.7)
FX	0.5	(1.0)	1.5	(0.3)
Carried forward net debt	(45.9)	(40.6)	(3.8)	(40.0)

	2017 £m	2016 £m
Goodwill/Intangibles	113.2	103.6
Property, plant & equipment	6.4	4.9
Net debt	(45.9)	(40.6)
Working capital	5.0	9.1
Tax liabilities	(0.7)	(0.8)
Financial instruments	(0.3)	(2.2)
Deferred consideration	(2.4)	(2.4)
Provisions for future purchase of non-controlling interests	-	(0.1)
Capitalised bank fees	0.4	0.4
Deferred revenue	(26.3)	(24.2)
Deferred tax	(2.6)	(3.5)
Net assets	46.8	44.2

Debt profile

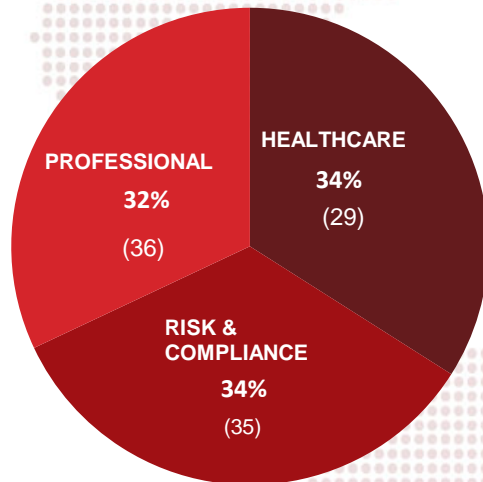


Operational review

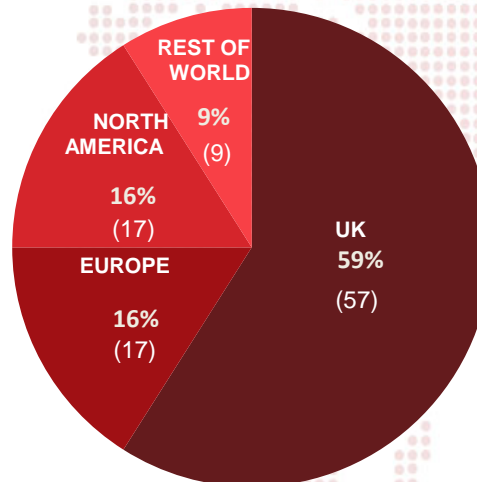
Pedro Ros

Turning knowledge into advantage

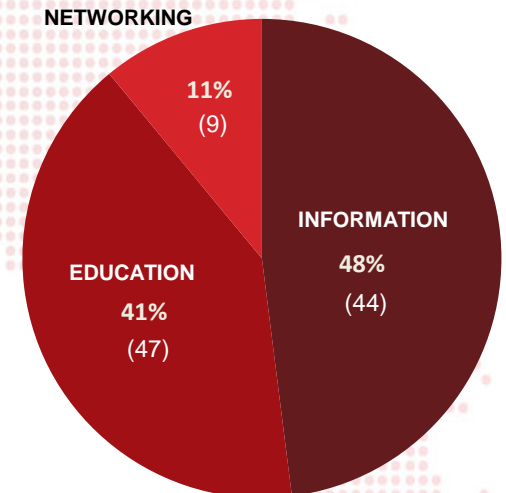
REVENUE BY AREAS OF KNOWLEDGE



REVENUE BY REGIONS



REVENUE BY TYPE

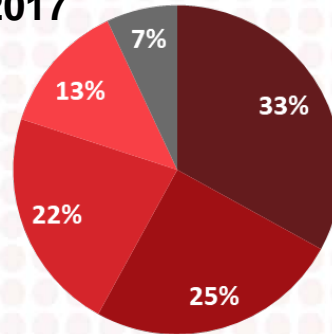


() 2016 figures

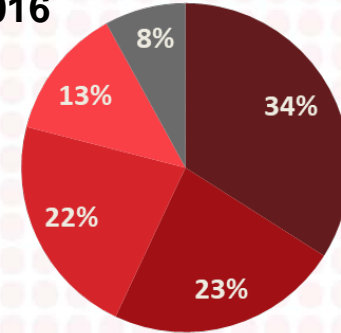


Revenue by region

2017



2016

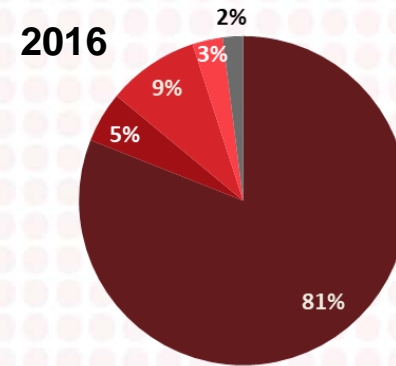
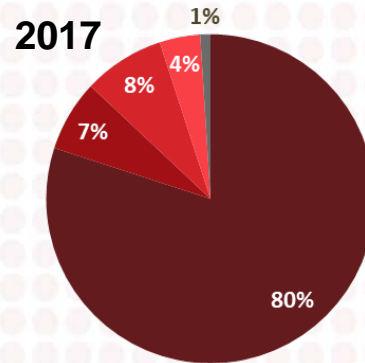


■ UK ■ Europe (excl UK) ■ North America ■ Asia ■ Rest of World

6 months to	2017 £m	2016 £m	Change £m	Change %
Revenue	19.6	19.5	0.1	-
Contribution	5.2	5.6	-0.4	-7%
Margin %	27%	29%		

- Compliance down marginally (£0.3m) against strong comparator
- Good growth from new investment areas of compliance (ICA and Compliance Audit)
- Compliance Week showing results of investment in content and product
- Solid growth from Axco (+8%)

Revenue by region

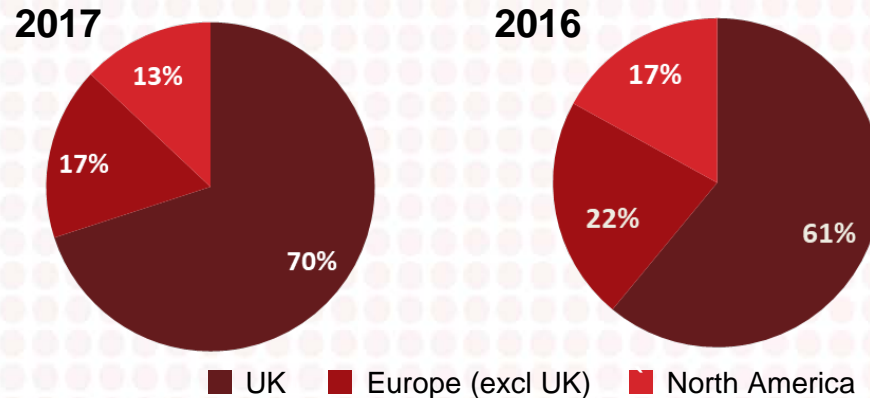


■ UK ■ Europe (excl UK) ■ North America ■ Asia ■ Rest of World

6 months to	2017 £m	2016 £m	Change £m	Change %
Revenue	18.5	19.5	-1.0	-5%
Contribution	3.0	2.7	0.3	+10%
Margin %	16%	14%		

- Technical accountancy training performed strongly
- 2016 includes £0.5m of unprofitable revenue from Ark (closed July 2017)
- Margins ahead driven by continued cost control
- Good initial progress from rolling out digital products

Revenue by region



6 months to	2017 £m	2016 £m	Change £m	Change %
Revenue	20.1	15.8	4.3	+27%
Contribution	3.9	3.4	0.5	+15%
Margin %	20%	22%		

- Underlying revenue down 3% due to weaker pharma sales
- HSJ contributed revenue of £4.8m, performing strongly
- NPD with APMi leveraging our success with HSJi
- IM will strengthen pan-European and technology offering

Wilmington expanded offering

Pedro Ros

Building the compliance professional's community

The world's leading provider of qualifications and training in Governance, Risk and Compliance and Anti Money Laundering

- The ICA offers over 47 qualifications and provides cutting-edge integrated education delivering: virtual classrooms, webinars, case studies, micro learning etc.
- In recent years ICA has focussed on its paid membership offering providing continuous professional development to firms:
 - New CPD portal with 7,000 pieces of on-line learning
 - Auditing firms' compliance management and anti-bribery and corruption systems
 - Expanding corporate membership.

ICA Global



Offices
In the UK,
Dubai,
Singapore
and New York



+120,000
Certifications
globally in
partnership
with Manchester
University

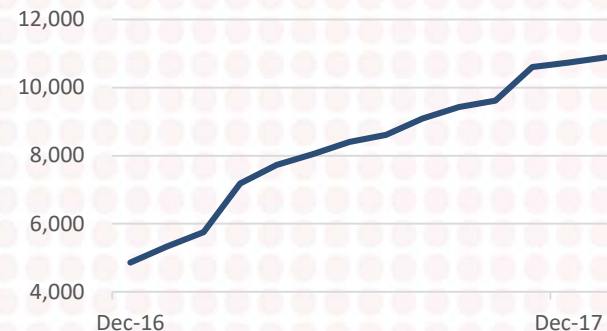


**Regional
Partners**
Across the globe
including Ireland, Spain,
Russia, Hong Kong,
Malaysia, Australia,
Bahamas, Singapore,
Bahrain, Dubai, Jersey,
Greece and Cyprus



**Members
in 130
different
countries**

ICA Members



E-Learning opens a world of opportunities

Business Drivers:

- **Convenience** – Learners can take the course modules anytime, anywhere
- **Reduced cost** – Produce once use many times
- **Consistent quality delivery** from the best subject matter experts

Developments:

- Totara LMS Platform roll-out
- New Production Facility at Whitechapel Building
- In Healthcare, 46 Wellards courses refreshed and redeveloped to make full use of Totara Functionality
- In Professional, AMT is developing blended learning solutions for clients using the “Flipped Classroom” concept

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DASHBOARD > Reports > Record of Learning

RECORD OF LEARNING: 8 RECORDS SHOWN

SHOW HIDE COLUMNS

USER'S FULLNAME	COURSE NAME	TYPE	ENROLLED DATE	PROGRESS	COMPLETION DATE	COMPANY
WHC Learner	Introduction to the NHS in England		4 Dec 2017	<div style="width: 100%;"></div>		<hidden>
WHC Learner	Structure of the NHS		4 Dec 2017	<div style="width: 100%;"></div>		<hidden>
WHC Learner	NHS Finances		4 Dec 2017	<div style="width: 100%;"></div>		<hidden>
WHC Learner	Detailed Protolling		6 Dec 2017	<div style="width: 100%;"></div>		<hidden>
WHC Leader	Introduction to the NHS in England		4 Dec 2017	<div style="width: 100%;"></div>		<hidden>
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WHC Leader	NHS Finances		4 Dec 2017	<div style="width: 100%;"></div>		<hidden>
WHC Leader	Detailed Protolling		6 Dec 2017	<div style="width: 100%;"></div>		<hidden>

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Enhance our client relationships and expand our European Presence

- Pan-European provider of cloud-based insight, CRM and KAM offerings to pharmaceutical industry
- Provides technology platforms and solutions to operate a complex go-to-market strategy
- IM solutions will include Wilmington Healthcare data sets in order to create more value for clients and will increase its ability to access other European markets

- KAM** Key Account Management & Market Access Mgmt.
- MCM** Multi-channel Campaign Management
- MMM** Marketing Materials Management
- CRM** Customer Relationship Management
- Resource Planning**
- CLM** Closed Loop Marketing

KAM solution showing key accounts, potential, performance and sales plan KPIs

INTERACTIVE MEDICA

Home

HOME USER SETTINGS

KAM Manchester & Mersey

Institution	KA	Owner	Hosp	Surg	MAT	Value	MOT	Growth	Growth%	MS	Diabetes decile	Stn	SWOT	CSF	Q%	Completion	Planned
NHS Wigan Borough CCG	Ahmed, Christine		4	63	816k	216k	22.7k	▲12%	40%	4	5	6	4	4	44%	3	
NHS Salford CCG	Ahmed, Christine		5	44	767k	196k	20.6k	▲12%	55%	5	10	5	2	6	100%		
NHS Bolton CCG	Ahmed, Christine		3	50	783k	199k	19.1k	▲11%	40%	5	3	8	3	3	56%	4	
NHS Eastern Cheshire CCG	Ahmed, Christine		6	22	728k	197k	51.5k	▲35%	49%	4	5	5	2	6	100%		
NHS East Lancashire CCG	Patel, Gail		8	56	724k	205k	70.8k	▲53%	45%	3	8	8	2	6	54%	3	
NHS Tameside and Glossop CCG	Ahmed, Christine		2	38	708k	193k	46.9k	▲32%	52%	6	12	7	3	9	100%		
NHS Stockport CCG	Ahmed, Christine		5	44	667k	193k	65.3k	▲51%	34%	3	13	5	3	9	92%		

Most recent sales data : Sep 2017

- **Mixed first half**
- **Broadly in line for the full year – recovering momentum in Risk & Compliance and Healthcare supported by HSJ & IM**
- **Appointed new CFO and Chairman**
- **Strong pipeline of acquisition opportunities**
- **Continued investment sets up the business for future growth**
- **Dividend increase reflects our confidence in the future**
- **Capital Markets Day in May**



Q&A

Pedro Ros and Tony Foye

Thank you.

Wilmington plc