Embargoed until 7am 27 February 2015

Good underlying performance in a year of significant strategic progress

Results for the twelve months ended 31 December 2014

Financial Summary	2014 £m	2013[(1)] £m	Change %	Change at CC %	Underlying* Change %
Revenue	746.3	793.9	-6.0	-0.8	3.6
Adjusted operating profit*	179.8	186.3	-3.5	3.5	
Statutory operating profit	169.6	130.9	29.6		
Adjusted diluted EPS* (pence)	38.2	41.6[(2)]	-8.2		
Statutory diluted EPS (pence)	46.0	27.9[(2)]	64.9		
Dividend per share (pence)	21.3	21.1[(2)]	1.0		

1) Figures for 2013 reflect Continuing operations unless otherwise stated
2) Adjusted to reflect rights issue
** UBM uses a range of business performance indicators. All non-IFRS measures are noted with a * throughout this results announcement; additional information on these measures is set out on page 21*

Highlights

- Results in line with management expectations
- ‘Events First’ strategy announced in November
- $972m Advanstar acquisition completed in December, financed by £564.6m rights issue, transforming UBM into the leading events organiser in the US
- Reported revenue of £746.3m (2013: £793.9m), down 6.0% principally reflecting currency headwind, OMS rationalisation and lower biennial revenues in an ‘even’ year; constant currency was down -0.8% with good underlying growth of 3.6%
- Adjusted operating profit declined 3.5% to £179.8m (2013: £186.3m) given the currency headwind, while adjusted operating margin rose by 60bps to 24.1%, benefitting from £11.0m non-recurring gains
- Events underlying revenue growth of 6.0%, led by strong Emerging Markets, with adjusted operating margin of 31.2% (2013: 32.2%)
- Other Marketing Services (OMS) adjusted operating profit was broadly flat at £11.0m (2013: £10.2m) on reduced revenue of £100.0m (2013: £129.4m)
- PR Newswire revenue up 3.0% (underlying) at £195.8m (2013: £201.8m) at an adjusted operating margin of 22.9% (2013: 22.6%)
- Adjusted diluted EPS down 8.2% to 38.2p (2013: 41.6p[(2)])
- Final dividend of 16.0p to bring full year dividend to 21.3p up 1.0% (2013: 21.1p[(2)])

Robert Gray, Acting Chief Executive Officer, commented:

“These results represent a good performance in a year of significant strategic progress. UBM had a strong H2 and although the reported results reflect currency headwinds, the Group delivered good underlying revenue growth in both Events and PR Newswire, and solid operating margins in each of our three segments.

“The acquisition of Advanstar accelerates our ‘Events First’ strategy, which we announced in November. This clear and well-defined strategy has been embraced by the business and we have already made good progress during the first two months of 2015. The Advanstar integration is on track and trading in the first couple of months of the year has started well.”

IFRS Statutory results	2014 £m	2013[1] £m	Change %
Revenue	746.3	793.9	-6.0
Operating profit	169.6	130.9	29.6
Profit after tax	160.1	98.6	62.4
Attributable profit	150.2	107.5	39.7
Basic EPS	46.4p	28.3p[2]	64.0
Basic EPS on profit for the period	46.4p	34.1p[2]	36.1
Weighted av. no. of shares	323.5m	315.4m[2]	25.7

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UBM will host a presentation to analysts at 11am at the London Stock Exchange, 10 Paternoster Square, EC4M 7LS. A live webcast of the results presentation will be made available via UBM's website. To access the webcast please go to www.ubm.com. A recording of the webcast will also be available on demand from UBM's website after 4pm.

Notes to Editors

UBM plc is a leading global marketing services and communications company, whose primary focus is events. We help businesses do business, bringing the world's buyers and sellers together at events, online and in print. Our 5,200 staff in more than 20 countries are organised into specialist teams which serve commercial and professional communities, helping them to do business and their markets to work effectively and efficiently.

For more information, go to www.ubm.com; for UBM corporate news, follow us on Twitter at @UBM_plc and go to http://media.ubm.com/social for more UBM social media options.

SUMMARY STATEMENT

2014 – Good underlying performance in a year of significant strategic progress
We are pleased with the continued progress made by the business during 2014, although reported revenue reflected currency headwinds. We delivered underlying revenue growth in our key Events and PR Newswire businesses, whilst continuing to tighten our focus on Events with four event acquisitions, notably Advanstar, and three small disposals in OMS. We also made further progress against the People & Culture and Responsible Business initiatives for sustainable performance.

In May, Tim Cobbold joined the Group as CEO and, in November, set out UBM's 'Events First' strategy to become the world's leading B2B events business. UBM will drive profitable growth by focusing its resources on its largest and most profitable shows and those with the potential to become large, aligning its OMS activities with those events, increasing its efficiency and effectiveness through the consistent use of standardised systems and focusing on operational excellence.

To implement the strategy UBM expects to make capital investments of approximately £15m (during 2015-17) and associated implementation and rationalisation costs of between £15m and £20m (also during 2015-17) which are expected to be taken as operating expenses. These investments are expected to give rise to annualised cost savings beginning in 2016 which will build to £10m per annum. In the medium term, the strategy will enable UBM to grow revenue ahead of global GDP in our Events business and provide a basis for margin expansion. Near term revenue growth will reflect the decision to rationalise UBM's smaller Events and to exit from certain activities in OMS. To support this strategy UBM intends to target a leverage ratio of between 1.5-2.0 times Net Debt / EBITDA which is consistent with investment grade metrics, will provide flexibility for biennial cycles and will provide capacity to invest in the business.

In late December, Advanstar (which generated $290.4m revenue and $97.1m EBITDA in 2014) was acquired for $972m financed, in part, through a £564.6m rights issue. The acquisition had no impact on UBM's 2014 operating results but is an important strategic milestone within our 'Events First' strategy.

Advanstar increases UBM's focus on Events to 74.1% pro forma 2014 adjusted operating profit. Advanstar's revenue is primarily from the US which, combined with UBM's operations, makes us the number one events business in the US with a leading position in the fashion industry vertical. It adds an attractive portfolio of large tradeshows to our events business – six would rank among UBM's 2014 Top 20. Advanstar also balances our Emerging Markets exposure bringing us more in line with the global exhibitions industry. The financial rationale for the transaction is similarly compelling: we expect it to be immediately accretive to EPS in 2015 and for the ROI to exceed WACC in 2015.

Segmental Summary

	2014 £m	2013[1] £m	Change %	Change at CC %	Underlying* Change %
Revenue					
Events	450.5	462.7	-2.6	3.0	6.0
OMS	100.0	129.4	-22.7	-19.3	-5.5
PR Newswire	195.8	201.8	-3.0	3.0	3.0
Total Revenue	**746.3**	**793.9**	**-6.0**	**-0.8**	**3.6**
Adjusted Operating Profit*					
Events	140.6	148.9	-5.6	1.0	
OMS	11.0	10.2	7.8	11.0	
PR Newswire	44.8	45.6	-1.8	4.8	
Net Corporate Costs	(16.6)	(18.4)	9.8	8.5	
Total Adjusted Operating Profit*	**179.8**	**186.3**	**-3.5**	**3.5**	
Adjusted Operating Profit Margin*					
Events	31.2%	32.2%	-100bps		
OMS	11.0%	7.9%	310bps		
PR Newswire	22.9%	22.6%	30bps		
Total Adjusted Operating Profit Margin*	**24.1%**	**23.5%**	60bps		

1) Figures for 2013 reflect Continuing operations unless otherwise stated

Revenue
Reported revenue in 2014 was £746.3m, 6.0% lower than 2013 (2013: £793.9m) reflecting a foreign exchange headwind (which had an adverse impact of £41.9m), reduced revenue as we rationalised the OMS segment and lower biennial revenue in an ‘even’ year. On a constant currency basis revenue was down 0.8%. Underlying Group revenue growth, which adjusts for foreign exchange (FX), biennials, structural discontinuations, disposals and acquisitions was 3.6%, with underlying growth in the Events segment of 6.0% and 3.0% at PR Newswire. OMS revenue declined 5.5% on an underlying basis with growth of online more than offset by declines in print.

Adjusted operating profit
Adjusted operating profit for 2014 was 3.5% lower at £179.8m (2013: £186.3m), reflecting the FX headwind. The segmental margins were slightly ahead of our guidance: the Events margin was down 100bps to 31.2% (2013: 32.2%) reflecting the lower biennial contribution, the OMS margin rose 310bps to 11.0% (2013: 7.9%) while PR Newswire was broadly constant at 22.9% (2013: 22.6%). The overall margin of 24.1% (2013: 23.5%) included £11.0m of non-recurring gains as disclosed in our Interim Results for 30 June 2014 (for further details see page 9.)

Continuing fully diluted EPS
Whilst interest expense fell to £22.2m (2013: £25.7m), taxes of £22.9m (2013: £18.4m) coupled with the FX headwind on the operating performance resulted in fully adjusted diluted EPS down 8.2% at 38.2p (2013: 41.6p.) Both current and historic figures reflect the rights issue.

Cash generated and impact on capital structure
Free cash flow (after capital expenditure and before discretionary investment), was lower at £85.4m (2013: £97.7m) because of the elevated level of capital expenditure, an outflow of working capital in a down biennial year and an adjustment for non-cash operating gains. Capital expenditure of £50.2m reflected the continued investment on the implementation of CORE, our finance system, across UBM EMEA and UBM Americas. It also reflected the fit-out and costs of relocating UBM’s principal UK office to 240 Blackfriars (but not the £6m landlord contribution to fit out.) The move to the new office took place in February 2015.

During the year, UBM benefitted from £16.1m cash repayment of the Delta Vendor Loan Note. As at 31 December 2014 there was £31.6m of Loan Notes outstanding.

Investment in acquisitions, including Advanstar, totalled £648.4m (net of cash acquired). We also received proceeds of £4.0m from business disposals as well as the £564.6m from the right issue. Net debt at 31 December 2014 was £538.0m. This represents 2.8 times 2014 EBITDA or 2.2 times including Advanstar EBITDA on a pro forma basis. Cash conversion was 70.2% (2013: 97%).

ROACE
Return on average capital employed* for 2014 was 13.3% (2013: 17.7%). This decline year on year reflects the increased capital employed at year end in respect of the Advanstar acquisition but no Advanstar earnings have been included in the twelve month period. Excluding Advanstar and the rights issue impact the ROACE would be 18.8%.

Dividend
Subject to shareholder approval, the Board has recommended a final dividend of 16.0 pence per share (2013: 15.9 pence) to bring the full year 2014 dividend to 21.3p (2013: 21.1p). This final dividend on ordinary shares will be paid on 27 May 2015 to shareholders on the register on 24 April 2015.

Trading update and outlook
Trading in the first two months of the year has been good. The performance of the large events which have run thus far, notably MAGIC – Las Vegas and MD&M West, has been in line with our plans, and forward bookings are tracking as expected. We are very pleased with the progress made to date on the integration of Advanstar, with both trading and synergy delivery in line with the Board's expectations at acquisition.

Good progress is being made in the implementation of the 'Events First' strategy. We have already sold or discontinued a number of smaller, less profitable shows and rationalised a range of OMS activities which were not well-aligned with the strategy.

In line with the strategy, we continue to expect revenue from our Events business (including Advanstar) to grow at GDP+. However, the growth rate in 2015 will reflect the on-going rationalisation of the portfolio. We anticipate that underlying growth in annual events revenue will continue to be significantly weighted towards the second half of the year which is when we run many of our largest events.

Events operating margin (before costs associated with strategy implementation) will be broadly in line with 2014. Competitive pressure at the Furniture China show in Shanghai and reduced contribution resulting from portfolio rationalisation will offset the margin uplift from the inclusion of Advanstar's events and the large 'odd' year biennial events.

Rationalisation of OMS activities will continue and we expect 2015 OMS revenue, including Advanstar, to be in the range £130-140m (at current exchange rates), with an operating margin (before costs associated with strategy implementation) of approximately 13%.

At PR Newswire trading early in the year has been good and, as we focus on PR Newswire's core distribution strength, we expect revenue growth to be in line with GDP growth at a sustained margin.

Overall, the outlook for 2015 continues to reflect the guidance provided at the presentation of the 'Events First' Strategy in November 2014 and the Board is confident of meeting its expectations for the year.

EVENTS

	2014 £m	2013[1] £m	Change %	Change at CC %	Underlying* Change[2] %
Revenue					
Annual Events Revenue	429.2	424.6	1.1	6.8	6.0
Biennial Events Revenue	21.3	38.1	-44.1	-39.3	2.1
Total Events Revenue	**450.5**	**462.7**	**-2.6**	**3.0**	
Adjusted Operating Profit*	**140.6**	**148.9**	**-5.6**	**1.0**	
Total Adjusted Operating Profit Margin*	**31.2%**	**32.2%**	**-100bps**		

1) Figures for 2013 reflect Continuing operations unless otherwise stated
2) Biennial underlying growth computed as CAGR over prior editions

Reported revenue declined 2.6% to £450.5m (2013: £462.7m) as good underlying growth in the business was more than offset by adverse currency movements and lower biennial events revenue.

Biennial Events revenue was, as expected in this 'even' year, down 44.1% to £21.3m (2013: £38.1m). The 37 biennials hosted during the year (2013: 36 biennials) grew 2.1% CAGR over their prior editions in 2012.

Annual Events revenue was up 1.1% to £429.2m (2013: £424.6m); on an underlying basis growth was 6.0%. Net square metres of annual events increased to 1.6m (2013: 1.5m) while visitor numbers increased by 14.6% to 2.2m (2013: 1.9m). The mix of revenue remains unchanged with 75% from stand sales, 17% sponsorship and other and 8% attendee paid. (2013: 75% stand sales, 17% sponsorship and other and 8% attendee.)

Our Top 20 shows continue to be an important driver of the Events segment's overall performance, accounting for 52% of annual revenue and 71% of adjusted profit in 2014 (2013: 52% and 70% respectively.) The 2014 Top 20 events revenue grew slightly ahead of the overall portfolio, up by 7.1% on an underlying basis during 2014.

We invested £697.0m (including cash acquired) in the acquisition of Advanstar and a further £21.8m (including £2.1m of contingent and deferred consideration) in buying CIHAC and Abastur, two events businesses in Mexico, as well as Seatrade, with whom we already had an existing partnership agreement.

We launched a number of new events during 2014 which contributed £2.5m to revenue growth. We also discontinued a number of events which generated revenue of £2.6m in 2013.

The Advanstar acquisition completed on 18 December and has been consolidated from 31 December 2014 and consequently there was no Income Statement impact on UBM during 2014.

Advanstar has a high quality portfolio of large events – six shows will move into our 2014 Top 20 increasing the threshold for entry from £4.9m to £6.7m. It also means that the combined Top 20 shows would have accounted for 42.7% of combined revenue.

During 2014, in line with expectations, the Advanstar Events generated $212m of revenue and $70.7m of EBITA (after allocation of Advanstar's overhead). The subdued 0.3% revenue growth in 2014 was due to $12.7m of certain non-recurring factors – most notably, the discontinuation of uneconomic temporary pavilions at MAGIC (allowing the Mandalay Bay venue to build more permanent space) and significant declines at the DealerExpo event coupled with phasing and smaller event discontinuations.

Annual Events Revenue	2014 £m	2013[1] £m	Change %	Change at CC %	Underlying* Change %
Emerging Markets	218.1	200.7	8.7	15.8	10.8
North America	105.8	113.8	-7.0	-1.0	2.8
UK	45.1	48.2	-6.5	-8.5	-4.9
Continental Europe	49.5	50.6	-2.2	4.5	4.5
RoW	10.7	11.3	-5.3	6.3	6.1
Annual Events Revenue	**429.2**	**424.6**	**1.1**	**6.8**	**6.0**

1) Figures for 2013 reflect Continuing operations unless otherwise stated

Emerging Markets accounted for 50.8% of 2014 annual Events revenue with events in China accounting for 35.9% of annual Events (Mainland 20.3%, Hong Kong 15.6%). Underlying revenue growth in China was 8.5%. In addition to strong performances from our largest Chinese shows which feature in our Top 20, such as CBME, Hotelex Shanghai, Cosmoprof Asia and Sign and LED China, the Istanbul Jewellery & Gem Fair also performed well. This performance was moderated by slower growth at other large shows, particularly Furniture China.

North American Events revenue rose by 2.8% on an underlying basis. Strong growth in our Top 20 shows (such as Black Hat, Game Developer Conference, Enterprise Connect and Cruise Shipping Miami) was offset by declines in smaller events and cancellations (notably of lower margin single sponsor custom events) reflecting our continued focus on tail management.

In the UK, a strong performance from IFSEC following its relocation to Excel in London did not offset the declines at Ecobuild. In Continental Europe, the increases reflects a good performance at CPhI WW coupled with a very strong launch of European Jewellery & Gem Fair partially offset by the discontinuation of ATC in Europe as well as the soft performance of a number of events serving the healthcare sector.

Adjusted operating profit was £140.6m (2013: £148.9m) with an operating margin of 31.2% (2013: 32.2%). The annual events margin was 31.3% (2013: 31.1%) while the biennial margin reduced to 30.2% (2013: 43.8%) reflecting the portfolio of smaller lower margin even year biennials.

As at 31 January 2015 forward bookings for the 2014 Top 20 events are up 8.7% (after adjusting for the effect of foreign currency, phasing and invoice timing differences). Unadjusted forward bookings are down 1.5% on a constant currency basis.

OTHER MARKETING SERVICES (OMS)

	2014 £m	**2013(1) £m**	**Change %**	**Change at CC %**	**Underlying* Change %**
OMS – Online	74.9	94.8	-21.0	-17.8	0.9
OMS – Print	25.1	34.6	-27.6	-23.5	-19.3
Total OMS Revenue	**100.0**	**129.4**	**-22.7**	**-19.3**	**-5.5**
Adjusted Operating Profit*	**11.0**	**10.2**	**7.8**	**11.0**	
Total Adjusted Operating Profit Margin*	**11.0%**	**7.9%**	**310bps**		

1) Figures for 2013 reflect Continuing operations unless otherwise stated

OMS revenue was down 22.7% to £100.0m (2013: £129.4m), principally reflecting management actions, including restructuring our UBMTech business, to focus on sustainable online and print marketing services closely aligned with Events and to improve profitability. Adjusting for activities disposed of or discontinued through restructuring, the underlying revenue decline was 5.5%. Print revenue declined 19.3% on an underlying basis while Online revenue rose 0.9% on an underlying basis.

As a result of the 'Events First' strategy we have recognised an impairment of £14.6m for the Tech Online business which will be rationalised as we align OMS revenue to Events operations.

Adjusted operating profit was £11.0m (2013: £10.2m), representing a 11.0% margin (2013: 7.9%).

The table above shows the 2014 results for UBM and does not include any contribution from Advanstar. During 2014 the Advanstar print revenue was $57.8m while the online Advanstar revenue was $20.7m. Adjusted EBITA for Advanstar OMS activities was $13.5m after allocation of Advanstar's overhead.

PR NEWSWIRE

	2014 £m	2013 £m	Change %	Change at CC %	Underlying* Change %
Revenue					
US Distribution	94.4	96.0	-1.7	4.1	4.1
US Other	19.7	19.9	-0.9	4.9	4.9
US Vintage	22.3	23.9	-6.6	-0.4	-0.4
CNW	27.3	30.3	-10.0	-1.1	-1.1
Europe	20.7	20.9	-1.0	2.2	2.2
Asia & LatAm	11.3	10.7	5.6	10.7	10.7
Total PR Newswire Revenue	**195.8**	**201.8**	**-3.0**	**3.0**	**3.0**
Adjusted Operating Profit*	**44.8**	**45.6**	**-1.8**	**4.8**	
Total Adjusted Operating Profit Margin*	**22.9%**	**22.6%**			

PR Newswire's revenue was up 3.0% on an underlying basis. On a reported basis, revenue declined by 3.0% in 2014 to £195.8m (2013: £201.8m) reflecting currency headwind.

US Distribution underlying revenue growth was 4.1%, principally reflecting continued growth in the text press release market (particularly international activity) and increased cross-selling of multimedia features.

We have made further progress in migrating customers to long-term contracts, especially in CNW. 31.0% of North American distribution revenue was generated under contract, up from 28.0% the previous year. Earnings releases continue to decline in importance to the business, with revenue from such releases totalling just £8.2m (4.2% of PR Newswire total revenue), down from £9.3m (4.6%) the previous year.

US Other revenue grew 4.9% on an underlying basis, principally reflecting growth in MultiVu broadcast and webcast production and progress in selling our proprietary monitoring product to our US clients.

US Vintage underlying revenue was broadly flat (-0.4%) as growth in EDGAR and typesetting services were offset by reduced XBRL revenue reflecting competitive market conditions.

CNW revenue was down 1.1% on an underlying basis, principally reflecting a reduction in the number of releases and some softness in sales of MediaVantage to Canadian clients.

Europe revenue was up 2.2% on an underlying basis with solid progress across multiple countries.

For Asia and Latin America underlying growth was 10.7%, with wire growth in Asia, especially China, more than offsetting softness in Brazil.

Adjusted operating profit was £44.8m (2013: £45.6m) representing a 22.9% margin (2013: 22.6%).

CORPORATE OPERATIONS

Total corporate costs for 2014 were £29.0m (2013: £22.8m). These corporate costs were partially offset by internal cost recoveries from UBM's operating businesses, results from joint ventures and associates and sundry income which was not attributable to any reporting segment, resulting in a net corporate cost of £16.6m (2013: £18.4m). Non-recurring items included within corporate operations for 2014 include: the pension settlement gain of £5.8m (2013: £1.9m) and gains on disposals of non-discontinued businesses totalling £5.2m. Non-recurring cost totalling £4.0m relating to systems implementation and other corporate change initiatives, most notably the implementation of project CORE, were incurred during the year. Our share of post tax results from joint ventures and associates was £1.4m (2013: £2.5m).

SUSTAINABLE PERFORMANCE

During 2014 UBM has continued to make good progress with People & Culture and Responsible Business initiatives.

Some key highlights include:

- Embedding the UBM Commitments with 205 champions from 17 countries running monthly activity sessions.
- Continuing to run a number of initiatives to help our talented female employees achieve their career aspirations and consciously working to increase the number of women in senior leadership roles.
- Launching UBM's Code of business conduct: 'Doing Business at UBM' which sets out the basic principles which govern the way we are all expected to behave and directs employees to the various UBM policies.
- Running a global Business Leaders Programme (BLP) event where 17 of our most senior leaders focused on the theme of 'Navigating our Future'.
- Holding a further Leadership Development Programme (LDP) in Europe.
- Becoming one of only six organisations to achieve the Carbon Trust Standard globally
- Increasing our carbon disclosure score in the CDP FTSE 350 - achieving 88% (2013: 80%.)
- Increasing UBM's 'Green Team' membership globally to 140 people (2013: 100).
- Increasing energy accuracy – 35% of UBM office square footage monitored by online smart meters (2013: 33%.)
- Achieved ISO 20121 – Sustainable Event Management system certification at 11 events (2013: five events.)
- 9% reduction in emissions per person since 2010

For more detail please see pages 32 and 33 of the 2014 Annual Report – which is expected to be available on the website in mid-March.

FINANCIAL REVIEW

The table below presents selected items from UBM's consolidated income statement (which accompanies this summary), together with a reconciliation to IFRS measures.

Continuing £m	IFRS Measures FY 2014	IFRS Measures FY 2013	IFRS Measures % Change	As adjusted[b] FY 2014	As adjusted[b] FY 2013	As adjusted[b] % Change
Revenue	746.3	793.9	-6.0	746.3	793.9	-6.0
Other operating income	12.5	6.5		12.5	6.5	
Operating expenses *(excluding (a) line items below)*	(566.8)	(600.9)		(566.8)	(600.9)	
Share of tax on profit in JV & associates (a)	(0.6)	(0.9)		(b)	(b)	
Exceptional operating items (a)	25.5	(22.8)		(b)	(b)	
Impairment charges (a)	(15.7)	(10.4)		(b)	(b)	
EBITDA				**192.0**	**199.5**	-3.7
Depreciation (a)	(12.2)	(13.2)		(12.2)	(13.2)	
EBITA				**179.8**	**186.3**	-3.5
Amortisation – intangible assets arising on acquisition (a)	(19.4)	(21.3)		(b)	(b)	
Operating profit	**169.6**	**130.9**	29.5	**179.8**	**186.3**	-3.5
Net interest and pension finance expense	(22.2)	(25.7)		(22.2)	(25.7)	
Exceptional finance income/expense	(2.6)	4.1		(b)	(b)	
Financing income/expense – other	0.4	0.2		(b)	(b)	
PBT	**145.2**	**109.5**	32.6	**157.6**	**160.6**	-1.9
Taxation	14.9	(10.9)		(22.9)	(18.4)	
PAT from continuing operations	**160.1**	**98.6**	62.4	**134.7**	**142.2**	-5.2
Discontinued operations adjusted PAT	-	2.1		-	2.1	
Profit/(loss) on disposal/assets held for sale and adjusting items	-	16.3		-	(b)	
Profit for the year	**160.1**	**117.0**		**134.7**	**144.3**	
Non-controlling interest	(9.9)	(9.5)		(9.9)	(9.5)	
Attributable profit	**150.2**	**107.5**		**124.8**	**134.8**	

(a) Expenses not included within operating expenses figure
*(b) All non-IFRS measures and business performance measures have been designated with a * and additional information on these measures has been provided on page 22*

Weighted average no. of shares (million)	323.5	315.4		323.5	315.4	
Fully diluted weighted average no. of shares (million)	326.6	319.1		326.6	319.1	
Earnings per share (pence)						
Continuing operations – basic	46.4	28.3	64.0	38.6	42.0	-8.1
Continuing operations – diluted	46.0	27.9	64.9	38.2	41.6	-8.2
Profit for the year – basic	46.4	34.1	36.1	38.6	42.7	-9.6
Profit for the year – diluted	46.0	33.7	36.5	38.2	42.2	-9.5
Dividend per share (pence)	21.3	21.1				

EXCEPTIONAL OPERATING ITEMS

Associate gain

PA Group, the parent company of the Press Association, sold its weather forecasting business, MeteoGroup in January 2014. We report our 17% interest in PA Group as an associate and have recognised our share of the MeteoGroup gain (£21.9m) as an exceptional gain from associates.

Acquisition exceptional items

Acquisition costs of £8.0m (2013: £0.8m) have been expensed as exceptional items. The charge includes costs in relation to the acquisition of Advanstar of £7.4m (a further £20m of fees relating to the equity issue have been deducted from the share premium account on the balance sheet). An exceptional charge of £1.3m (2013: credit £1.9m) was recognised relating to revised contingent consideration estimates for prior year acquisitions.

Impairment charges
We have reviewed the carrying value of goodwill and intangible assets in light of current trading conditions, the 'Events First' strategy and future outlook. As a result of this review, we have recognised an impairment of £14.6m for the UBMTech operations which will be rationalised as we align OMS activities to Events operations. In addition we recognised an impairment charge of £1.1m in respect of two small joint ventures in Asia. Impairment charges in 2013 were £10.4m.

FOREIGN CURRENCY

We do not generally hedge our Income Statement currency exposure, although we do issue debt in certain of our trading currencies (principally the US Dollar and the Canadian Dollar). This debt is designated as a hedge against balance sheet exposure and interest expense provides a modest hedge against operating earnings generated in those currencies. The following table outlines the currency profile of our revenue and adjusted operating profits for 2014:

	Revenue %	Adjusted operating profit* %	Average exchange rate 2014	2013
US Dollar	42.8	31.2	1.6476	1.5657
Hong Kong Dollar	12.4	22.0	12.7771	12.1453
Euro	10.9	18.7	1.2456	1.1770
Renminbi	9.8	12.0	10.1623	9.6217
UK Pound Sterling	9.2	2.7	1.000	1.000
Canadian Dollar	3.7	4.6	1.8221	1.6191
Japanese Yen	2.0	2.3	174.7409	153.9662
Indian Rupee	1.9	1.4	100.4508	92.1418
Brazilian Real	1.7	2.0	3.8740	3.3923
Other	5.6	3.1	-	-
Total	100.0	100.0		

Our income statement exposure to foreign exchange risk is shown for our most important foreign currency exposures in the sensitivity analysis below, based on 2014 operations:

	Average exchange rate in 2014	Currency value rises/ falls by	Effect on revenue +/– £m	Effect on adjusted operating profit* +/– £m
US dollar	1.6476	1 cent	2.5	0.7
Euro	1.2456	1 cent	0.7	0.3

The Group closely monitors its exposure to foreign currencies, and seeks to match revenue and costs when possible. The revolving credit facility may be drawn in currencies other than Pound Sterling. We also hold cash and cash equivalents in Pounds Sterling, the Renminbi and US Dollar and other currencies closely linked to the US Dollar. Given our large and diverse customer base, there are no significant concentrations of credit risk.

INTEREST AND FINANCING EXPENSE

Net interest expense represents interest payments on UBM's bonds and bank loans, net of interest receipts on cash holdings and vendor loan notes. Net interest expense in 2014 was £21.4m, compared with £24.0m in 2013. The decrease was due to lower borrowings on average during 2014 and interest income from the Delta Vendor Loan Note. Financing expense includes an IAS 19 pension interest charge of £0.8m (2013: £1.7m). Further information is set out in the capital structure section on page 14.

Net financing income – other includes a net gain of £0.9m (2013: net loss £0.4m) in respect of ineffective fair value hedges and net investment hedges and a net loss of £0.5m (2013: net gain of £0.5m) in respect of foreign exchange losses on forward contracts and other fair value adjustments.

TAX

As part of our focus on improved transparency in relation to taxation, the UBM plc board has formally adopted the CBI's Statement of Principles for responsible tax management. Our aim is to explain the amount of tax we pay and where we pay it in a clear and transparent manner.

Our contribution to government tax revenues
Our contribution to the economies in which we operate is predicated on our ability to run successful, profitable businesses that generate employment, stimulate economic growth and contribute to tax revenues. This is particularly important in emerging markets where the taxes which we pay to and collect on behalf of governments is an important part of our economic footprint.

Our relationship with tax authorities
We believe that it is important to have transparent and positive engagement with the relevant tax authorities in the territories in which we operate. This approach is reflected in the tax policies and principles that have been adopted by the Board of Directors. We are committed to ensuring that we comply with all legal requirements and pay all taxes in the countries in which we operate and we engage in tax planning that is aligned with commercial and economic activity and does not lead to abusive results.

Current tax
UBM's effective tax rate* for the year was 14.5% (2013: 11.5%). Movements in our tax creditor balance during 2014 were as follows:

	£m
Current tax liability at 1 January 2014	45.4
Current tax charge	20.9
Tax paid	(23.6)
Currency translation and other movements	(0.6)
Current tax liability at 31 December 2014	**42.1**

Overall our current tax liability decreased from £45.4m as at 31 December 2013 to £42.1m as at 31 December 2014. The tax creditor includes provisions for tax settlements in various jurisdictions in which UBM operates.

Current tax liability analysed:

By Geography:

	%
US and Canada	39.1
Europe	26.8
China	22.4
Other Emerging Markets	8.1
Rest of World	3.6
Total	**100.0**

By Year

	%
Up to 2010	5.7
2011	13.6
2012	17.1
2013	25.3
2014	38.3
Total	**100.0**

We have necessarily made judgments as to the outcome of tax matters not concluded. This creditor has been consistently classified as a short term liability in accordance with our accounting policy. The total cash paid in respect of income taxes was £23.6m in 2014.

We pay the majority of our tax in Emerging Markets. Of the total £23.6m paid, £14.6m was in Emerging Markets. A further breakdown is provided in Note 3.6 to the financial statements.

Below shows a reconciliation of the 2014 expected tax charge to actual cash tax paid:

	Adjusted	Exceptional & Other Adjusting Items	IFRS
Expected Tax Charge at UK Rate	33.9	(2.7)	31.2
Different tax rate on overseas earnings	12.3	(3.8)	8.5
UBM Tax Charge at Weighted Average Tax Rate	46.2	(6.5)	39.7
US Goodwill Amortisation	(8.6)	-	(8.6)
Intragroup Financing[1]	(12.8)	-	(12.8)
Exceptional Deferred Tax Credit	-	(29.9)	(29.9)
Net DT Movement on Intangible Assets	-	(7.3)	(7.3)
Other	(1.9)	5.9	4.0
Tax Charge	22.9	(37.8)	(14.9)
Tax Paid in Different Period to Charged	2.7	-	2.7
Exclude Deferred Tax and JVs and Associates Tax	(2.0)	37.8	35.8
UBM Actual Tax Paid	23.6	-	23.6

1) *Profit arising in Luxembourg in relation to interest paid is covered by Luxembourg tax losses. These losses arose in 2002 as a consequence of investment write downs.*

Our total tax contribution
In the year ended 31 December 2014, our total tax contribution was £51.9m - this includes corporate income tax on our profits as well as employee taxes and any other taxes that we bear. The geographical split of our total tax contribution is as follows:

£m	Emerging Markets	US & Canada	Other
Profit taxes borne	14.6	2.4	6.6
Employment taxes borne	4.0	8.4	8.1
Other taxes (e.g. business rates)	2.6	1.5	3.7
Total	**21.2**	**12.3**	**18.4**

In addition to this, in 2014 we collected taxes on behalf of governments (e.g. employee taxes and sales taxes) amounting to £62.6m.

Deferred tax
Deferred tax liabilities totalling £99.4m have been recognised during the period relating to intangible assets acquired as part of the Advanstar acquisition. Deferred tax assets of an equal amount have been recognised and offset against these deferred tax liabilities, including £29.9m which have been included as an exceptional deferred tax credit in the Income Statement. In addition, at 31 December 2014 the Group had unrecognised deferred tax assets, including relating to tax losses carried forward in the UK of £51.1m and the US of £73.4m that are available to offset against future taxable profits.

CAPITAL STRUCTURE

Debt and liquidity
Our funding strategy is to maintain a balance between continuity of funding and flexibility through the use of capital markets, bank loans and overdrafts.

Our debt facilities include £250m of 6.5% Sterling bonds maturing November 2016; $350m of 5.75% US Dollar bonds maturing November 2020; £300m syndicated bank loan facility which expires in May 2016; and a $100m bridge facility available until March 2016, which was put in place for the Advanstar acquisition. We have commenced negotiations to refinance our syndicated loan facility which we would expect to complete in the first half of 2015. Our hedging arrangements and policies are detailed in Note 5.5 to the financial statements. At 31 December 2014, UBM had drawn £71.4m from the syndicated bank facility and all conditions precedent were met, leaving the unutilised commitment of £228.6m available.

The Group maintains a strong liquidity position. In addition to the unutilised commitment of £228.6m, we had cash on hand of £74.4m at 31 December 2014.

£m	Facility	Drawn	Undrawn	Maturity	Margin %	Fair value hedges
Syndicated bank facility	300.0	71.4	228.6	May-16	LIBOR + 1.0	
£250m fixed rate sterling bond	250.0	250.0	-	Nov-16	6.5% fixed	Floating rate swap for £150m US$ LIBOR + 3.14%
$350m fixed rate dollar bond	224.5	224.5	-	Nov-20	5.75% fixed	Floating rate swap for $100m US$ LIBOR + 2.63%
$100m bridge facility	64.1	64.1	-	Mar-16	LIBOR + 0.8	
Total	**838.6**	**610.0**	**228.6**			

The Group's treasury policy does not allow significant exposures to counterparties that are rated less than A by Standard & Poor's, Moody's or Fitch and we consistently monitor the concentration of risk.

The following table summarises our estimated payment profile for contractual obligations, provisions and contingent consideration as of 31 December 2014:

£m	2015	2016	2017	2018	Thereafter
Long-term debt	-	385.5	-	-	224.5
Interest payable[1]	31.2	30.0	12.9	12.9	28.5
Derivative financial liabilities	0.6	8.2	-	-	-
Operating lease payments	24.7	11.4	11.3	10.7	65.6
Pension contributions	3.5	3.5	3.5	3.5	-
Trade and other payables	464.3	2.4	-	-	-
Provisions	8.9	2.2	0.9	0.1	6.1
Contingent and deferred consideration	2.9	-	-	-	-
Put options over non-controlling interests	4.1	2.3	3.4	0.5	6.3
Total	**540.2**	**445.5**	**32.0**	**27.7**	**331.0**

[1] Interest payable based on current year rates.

Capital management

Our policy is to maintain prudent debt capital ratios to ensure continuing access to capital on attractive terms and conditions. Borrowings increased year on year as a result of the additional borrowing to fund the Advanstar acquisition in December. To support our 'Events First' strategy UBM intends to target a leverage ratio of between 1.5-2.0 times Net Debt / EBITDA which is consistent with investment grade metrics, will provide flexibility for biennial cycles, and will provide capacity to invest in the business. The Company will not seek to immediately mechanically move into the target range but will do so gradually within 12-18 months.

UBM's consolidated net debt at 31 December 2014 stood at £538.0m, up from £443.4m at the end of 2013 due to the debt utilised to fund Advanstar. During 2014, cash generated from operations increased to £169.8m (2013: £165.8m). The business also received cash proceeds from the repayments on the Delta Vendor Loan Note of £16.1m, dividends from Joint Ventures and Associates of £10.9m and small disposals of £4.0m. Most significantly we received £544.6m of cash from the rights issue and paid cash of £697.0m for Advanstar and £23.8m on other acquisitions, earn out payments in relation to acquisitions made in prior years and increases in stakes in subsidiaries (net of cash acquired). Dividends to shareholders (excluding dividends paid to non-controlling interests) totalled £67.0m.

The ratio of net debt to earnings before interest, taxation, depreciation and amortisation was 2.8 times. If the earnings before interest, taxation, depreciation and amortisation of Advanstar were included for the full year, the ratio of net debt would be 2.2 times:

£m	2014	2013
Financial liabilities	**626.3**	531.8
Financial assets	**(88.3)**	(88.4)
Net debt*[1]	**538.0**	443.4
Adjusted earnings before interest, taxation, depreciation and amortisation*	**192.0**	199.5
Net debt to EBITDA ratio*	**2.8 times**	2.2 times

[1] Includes fair value adjustments

We target investment grade ratings from each of Moody's and Standard & Poor's. In assessing the leverage ratios of net debt to adjusted earnings before interest, taxation, depreciation and amortisation, both Moody's and Standard & Poor's take account of a number of other factors, including future operating lease obligations and pension deficit.

Pensions

UBM operates a number of defined benefit and defined contribution schemes, based primarily in the UK. The most recent actuarial funding valuations for the majority of the UK schemes were carried out during 2014 and updated to 31 December 2014 using the projected unit credit method. At 31 December 2014, the aggregate deficit under IAS 19 was £53.2m, an increase of £27.3m compared to the deficit of £25.9m at the previous year end, due to changes in actuarial assumptions and reduced asset returns.

The pension interest expense of £0.8m was down from £1.7m reported for 2013 due to the decline in the discount rate. Pension schemes operating cost increased to £1.8m compared to £1.2m in 2013. The costs have been offset by the settlement gain of £5.8m recognised in Corporate Operations in respect of pension liabilities settled as a result of the UK schemes merger. On 30 December 2013, the three main UK schemes (the United Pension Plan, the United Magazines Final Salary Scheme and the defined benefit section of the United Group Pension Scheme) were merged into the new UBM Pension Scheme. Members of the former schemes were offered the chance to take up a winding-up lump sum in lieu of pension benefits. The amounts paid were less than the accounting reserve held in respect of the liabilities that were extinguished resulting in a settlement gain of £5.8m. These schemes are closed to new members, further details are provided in Note 7.2 to the financial statements.

CASH FLOW

Cash generated from operations was £169.8m (2013: £165.8m), cash conversion* of 70.2% of adjusted operating profit* (2013: 97.0%) was impacted by the capital expenditure on CORE and the new London and New York offices. Free cash flow* prior to cash invested in acquisitions was £85.4m (2013: £97.7m). A reconciliation of net cash inflow from operating activities to free cash flow is shown below:

£m	2014	2013
Adjusted cash generated from operating activities*	**195.8**	185.9
Restructuring payments	**(11.6)**	(12.9)
Other adjustments	**(14.4)**	(7.2)
Cash generated from operations (IFRS)	**169.8**	165.8
Dividends from JVs and associates	**10.9**	3.7
Net interest paid	**(21.5)**	(24.3)
Taxation paid	**(23.6)**	(25.4)
Capital expenditure	**(50.2)**	(22.1)
Free cash flow*	**85.4**	97.7
Acquisitions	**(649.8)**	(19.8)
Proceeds from disposals	**4.0**	107.9
Repayment of vendor loan notes	**16.1**	-
Advances to JVs, associates and minority partners	**0.3**	(0.2)
Free cash flow after investment activities	**(544.0)**	185.6
Net share issues	**545.3**	1.4
Dividends	**(76.6)**	(74.5)
Purchase of ESOP shares	**(2.8)**	(6.0)
Net debt*[1] as at 31 December	**(538.0)**	(443.4)
Net debt/EBITDA* as at 31 December (times)	**2.8**	2.2

(1) Includes FV adjustments

Cash conversion is calculated as follow:

£m	2014	2013
Adjusted Operating Profit	**179.8**	188.4
Depreciation	**12.2**	13.4
Capital Expenditure	**(50.2)**	(22.1)
Movement in Working Capital	**(8.6)**	(0.6)
Associates and JVs pre tax	**(2.6)**	(3.9)
Dividends from Associates and JVs	**0.7**	3.7
Non Cash Movements	**(9.0)**	3.8
Proceeds from Disposals	**4.0**	-
	126.3	182.7
Cash Conversion	**70.2%**	97.0%

Capital expenditure

Capital expenditure for the year was £50.2m (2013: £22.1m), due to capital expenditure on the new London office and New York office consolidation and the ongoing investment in CORE.

We have consolidated 500 London-based staff into new premises as the lease on our principal UK office expires in March 2015. The 15-year lease commenced in March 2014. Total capital expenditure, including relocation costs, was approximately £24m (£18m net of the landlord's contribution accounted for as a lease incentive and recognised over the lease term) which will be depreciated over the term of the lease. The new building will result in an incremental annual cost of approximately £2.8m including depreciation of the capital expenditure.

We continued to invest in the implementation of CORE – our new global ERP system and outsourced finance processes. The project has been focussed on our Events-led businesses, and will result in improved management information supporting benchmarking and best practice initiatives – consistent with our strategy. CORE was deployed for our EMEA and Americas divisions, and we have completed the first phase of roll-out in Asia in January 2015. Total capitalised costs of the programme at 31 December 2014 was £35.7m whilst £2.3m was amortised during the year.

We expect to continue to generate significant free cash flow in 2015 because of our business model and believe that our cash on hand, cash from our operations and available credit facilities will be sufficient to fund our cash dividends, debt service and acquisitions in the normal course of business.

Acquisitions and disposals

Advanstar was acquired on 18 December 2014 for a total consideration of £697.0m (includes working capital adjustment and cash acquired of £72.4m). We recognised goodwill of £389.4m and intangible assets of £284.1m along with deferred tax liabilities of £99.4m. Net assets were recognised of £122.9m. A detailed purchase price allocation exercise as required by IFRS3 will be performed in the first half of 2015.

A contingent forward exchange contract was utilised to fix the purchase price of the Advanstar acquisition at 30 September 2014. The gain of £12.9m on the derivative instrument has been taken directly to the Income Statement and included within operating exceptional items.

We also invested £21.8m (including £2.1m of expected contingent and deferred consideration) in acquiring three new events businesses. These comprised two leading events in Mexico in the construction and hospitality sectors, CIHAC and Abastur, together with Seatrade which strengthens our position in the Cruise shipping vertical. These acquisitions were closely aligned to our strategic priorities, increasing our exposure to attractive communities and geographies. We also invested cash of £1.4m in the purchase of non-controlling interests and made payments for contingent and deferred consideration for acquisitions made in the current and prior years totalling £4.5m.

The 2014 acquisitions contributed adjusted operating profit of £2.5m since acquisition. On a pro forma basis they achieved a pre-tax return on investment* of 7.8% because of phasing of events and a large odd-year biennial in Seatrade. The following table shows the performance of our acquisitions since 2012 relative to our target pre-tax cost of capital threshold of 10%:

	Consideration[(2)] £m	**2012**	**Return on investment* 2013**	**2014**
2012 acquisitions	29.0	16.2%	8.6%	9.7%
2013 acquisitions	14.3	-	13.5%	6.0%
2014 acquisitions[(3)]	25.5	-	-	7.8%
Total	68.8			**8.2%[(4)]**

[2] Net of cash acquired and includes the latest estimate of expected contingent consideration.
[3] 2014 Return on investment calculated on a full year pro forma basis.
[4] 2014 Return on 3 year initial (cash) consideration is 9.3%.

We generated £4.0m in net cash proceeds from the sale of three OMS businesses and a small event in line with our strategy. The aggregate gain on disposal of £5.2m has been reported in the Corporate Operations segment as other income, consistent with our Group policy.

RELATED PARTY TRANSACTIONS

Details of related party transactions in the twelve months ended 31 December 2014 are disclosed in Note 8.2.

RETURN ON AVERAGE CAPITAL EMPLOYED

The return on average capital employed (ROACE)* for 2014 was 13.3% (2013: 17.7%). This decline year on year reflects the increased capital employed at year end in respect of the Advanstar acquisition but no Advanstar earnings included in the twelve month period. Excluding Advanstar and the rights issue impact the ROACE would be 18.8%. The table below shows our performance over time:

£m	2010	2011	2012	2013	**2014**
Operating profit before exceptional items[5] (£m)	143.2	163.7	165.5	164.1	**159.8**
Average capital employed (£m)	971.1	1,124.1	1,074.4	928.1	**1,204.2**
Return on average capital employed* (ROACE) (%)	14.7	14.6	15.4	17.7	**13.3**

[5] Including discontinued operations

RIGHTS ISSUE

The rights issue raised cash of £544.6m net of associated expenses of £20m (total cash of £564.6m). These expenses were deducted from the share premium account.

The issuance of 197m new ordinary shares on 12 December 2014 resulted in a weighted average number of shares for 2014 of 323.5m (2013: 315.4m) and the diluted number of shares of 326.6m (2013: 319.1m). The comparative 2013 number of shares have been adjusted to reflect the bonus element of the rights issue (calculated as 1.288).

DIVIDENDS

Our progressive dividend policy, targeting two times cover through economic and biennial cycles, remains unchanged. The 2013 comparative and 2014 interim dividend have been restated for the impact of the bonus element of the rights issue (calculated as 1.288). In line with this policy the Board has recommended a final dividend of 16.0p (2013: 15.9p). This brings the total dividend for the year to 21.3p (2013: 21.1p), representing an increase of 1.0% in the full year dividend. Subject to shareholder approval, the final dividend on ordinary shares will be paid on 27 May 2015 to shareholders on the register on 24 April 2015.

GOING CONCERN

After making enquiries, the Directors have a reasonable expectation that UBM has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements. In reaching this conclusion, the directors have had due regard to the following:

- After taking account of available cash resources and committed bank facilities, none of UBM's borrowings fall due within the next 12 months. Further information is provided in Note 5.3
- The cash generated from operations, committed facilities and UBM's ability to access debt capital markets, taken together, provide confidence that UBM will be able to meet its obligations as they fall due
- Further information on the financial position of UBM, its cash flows, financial risk management policies and available debt facilities are described in the my review on the preceding pages. UBM's business activities, together with the factors likely to impact its future growth and operating performance are set out in the Strategic Report of the Annual Report

By order of the Board

Robert Gray
Chief Financial Officer

BOARD OF DIRECTOR CHANGES

The Directors who held office during 2014 are as disclosed in the Annual Report and Accounts for the year ended 31 December 2013, except for the following changes:

- John McConnell was appointed as a Director on 27January 2014
- David Levin ceased to be a Director on 1 March 2014;
- Karen Thomson ceased to be a Director on 31 March 2014;
- Tim Cobbold was appointed as a Director and Chief Executive Officer of the Group on 6 May 2014; and
- Mary McDowell was appointed as a Director on 1 August 2014

STATEMENT OF DIRECTORS' RESPONSIBILITY

UBM's annual report and accounts for the year end, to be published in due course, will contain a responsibility statement as required under Disclosure and Transparency Rule 4.1.12, regarding responsibility for the financial statements and the annual report. This responsibility statement is repeated here (below) solely for the purposes of complying with Disclosure and Transparency Rule 6.3.5. It is not connected to the extracted and unaudited information presented in this results announcement.

Each of the Directors confirms that, to the best of their knowledge:
- the Group financial statements, which have been prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB), give a true and fair view of the assets, liabilities, financial position and profit of the Group; and
- the management report includes a fair review of the development and performance of the business and the position of the Group and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties they face.

The Directors of UBM plc will be listed in the annual report and are listed on the UBM plc's corporate website: ubm.com.

This press release contains statements which are not based on current or historical fact and which are forward looking in nature. These forward looking statements reflect knowledge and information available at the date of preparation of this press release and the Company undertakes no obligation to update these forward looking statements. Such forward looking statements are subject to known and unknown risks and uncertainties facing the Group including, without limitation, those risks described in this press release, and other unknown future events and circumstances which can cause results and developments to differ materially from those anticipated. Nothing in this press release should be construed as a profit forecast.

SUMMARY OF MAJOR RISKS

- Macro-economic slowdown and/or exchange rate fluctuations
  - A slowdown in the macro environment could adversely impact revenue, as advertising, attendee, sponsorship and other discretionary revenue tends to be cyclical. A downturn may also result in slower debt collections, thereby affecting cash flow.
  - Foreign exchange rate fluctuations could adversely affect our reported earnings and the strength of our balance sheet.

- Advanstar integration
  - Integration issues or failure to realise operating benefits or synergies may impact the expected returns from the acquisition.

- Specific country risk and emerging market exposure
  - Our business operates in many geographies, particularly Emerging Markets, which may present logistical and management challenges due to different business cultures, languages, anti-bribery laws, health and safety standards or unfavourable changes in applicable law or compliance requirements.

- Expansion through joint ventures reduces logistical and management issues but can create governance challenges or affect our ability to extract rewards from our investment.

- Inability to stage an event or inability of customers to travel to an event
  - A disaster or natural catastrophe, terrorism, political instability or disease could affect people's willingness to attend our events, which could have an adverse effect on our revenue.
  - Similarly the business model relies on the availability of venues for hosting events. Additional venue capacity, for example in Shanghai, is introducing competition as well as enhancing opportunities for growth.

- Changes in our business environment
  - We cannot predict all the changes which may affect the competitiveness of the business, such as changes in customer behaviour or technological innovations which would increase competition or make some products or services less relevant. Social media platforms, search engines and other online technologies could all pose a competitive threat to our businesses.
  - Similarly, additional venue capacity could introduce competition as well as enhance opportunities for growth.

- Technological risk: execution and cyber security
  - As part of the strategy, UBM will be investing in the technology platforms of the business. Failure to deliver these projects effectively could lead to increased costs, delays or erosion of UBM's competitive position.
  - System failure could have a significant impact on our business. Unauthorised access to our systems by external parties could lead to reputational damage and legal action. The collapse of the Cloud on which various products and systems are hosted could have negative consequences for our reputation.

- Access to capital
  - Although the rights issue improved our balance sheet flexibility, changes in the availability or cost of financing may affect our acquisition strategy.

Explanation of non-IFRS measures

Financial Measure	How we define it	Why we use it
Underlying revenue and underlying operating profit	Underlying measures are adjusted for the estimated effects of acquisitions, disposals, structural discontinued products, foreign exchange movements and biennial events.	Underlying growth rates provide insight into the organic growth of the business.
Adjusted operating profit	Operating profit excluding amortisation of intangible assets arising on acquisitions, exceptional items and share of taxation on joint ventures and associates.	Provides insight into ongoing profit generation, individually and relative to other companies.
Margin	Adjusted operating profit expressed as a percentage of revenue.	
EBITDA	Earnings before interest, tax, depreciation, amortisation and exceptional items	Measure of earnings and cash generative capacity.
Adjusted profit before tax	Profit before tax before amortisation of intangible assets on acquisitions, exceptional items, share of taxation on profit from joint ventures and associates and net financing expense adjustments.	Facilitates performance evaluation, individually and relative to other companies.
Adjusted EPS	Adjusted EPS includes share of taxation on profit from joint ventures and associates but excludes movements on deferred tax balances recognised as a consequence of acquisition intangibles. Adjusted diluted EPS includes the impact of share options.	
Net debt	Net debt is current and non-current borrowings and derivatives associated with debt instruments, less cash and cash equivalents.	Measure of indebtedness – includes benefit of current cash available to pay down debt
Net debt to EBITDA Net debt to LTM EBITDA	Net debt divided by EBITDA. Includes an annualised EBITDA figure for interim reporting.	Commonly used measure of financial leverage.
Discretionary free cash flow	Net cash provided by operating activities after meeting obligations for interest, tax and capital expenditures.	Measure of cash available to repay debt, pay dividends and invest in acquisitions after capital expenditure.
Adjusted operating cash flow	Adjusted to exclude non-operating movements in working-capital, such as expenditure against reorganisation and restructuring provisions.	Provides an understanding of our operating cash flows.

Cash conversion	Cash conversion is the ratio of adjusted cash generated from operations to adjusted operating profit.	
Pre-tax return on investment	Attributable adjusted operating profit divided by the cost of acquisitions. Calculated on a pro forma basis, as if the acquired business were owned throughout the year.	To assess returns on acquisitions relative to our target pre-tax cost of capital threshold of 10%.
Estimated total consideration	Estimated total consideration includes initial consideration (net of cash acquired), the latest estimate of expected contingent consideration and deferred consideration.	Provides a measure of total consideration for businesses acquired.
Return on average capital employed (ROACE)	ROACE is operating profit before exceptional items divided by average capital employed. Average capital employed is the average of opening and closing total assets less current liabilities.	Provides a measure of the efficiency of our capital investment.
Effective tax rate	The effective tax rate on adjusted profit before tax reflects the tax rate excluding movements on deferred tax balances recognised as a consequence of acquisition intangibles.	Provides a more comparable basis to analyse our tax rate.

Consolidated income statement

for the year ended 31 December 2014

Notes		Before exceptional items 2014 £m	Exceptional items 2014 £m	Total 2014 £m	Before exceptional items 2013 £m	Exceptional items 2013 £m	Total 2013 £m
	Continuing operations						
2	Revenue	**746.3**	**-**	**746.3**	793.9	-	793.9
	Other operating income	**12.5**	**-**	**12.5**	6.5	-	6.5
	Operating expenses	**(581.6)**	**-**	**(581.6)**	(618.0)	-	(618.0)
3.1	Exceptional operating items	**-**	**(12.1)**	**(12.1)**	-	(33.2)	(33.2)
	Amortisation of intangible assets arising on acquisitions	**(19.4)**	**-**	**(19.4)**	(21.3)	-	(21.3)
	Share of results from joint ventures and associates (after tax)	**2.0**	**21.9**	**23.9**	3.0	-	3.0
	Group operating profit from continuing operations	**159.8**	**9.8**	**169.6**	164.1	(33.2)	130.9
5.2	Financing income	**6.5**	**-**	**6.5**	6.6	4.1	10.7
5.2	Financing expense	**(28.3)**	**(2.6)**	**(30.9)**	(32.1)	-	(32.1)
5.2	Net financing expense	**(21.8)**	**(2.6)**	**(24.4)**	(25.5)	4.1	(21.4)
	Profit before tax from continuing operations	**138.0**	**7.2**	**145.2**	138.6	(29.1)	109.5
3.2	Tax	**(15.0)**	**29.9**	**14.9**	(10.9)	-	(10.9)
	Profit for the year from continuing operations	**123.0**	**37.1**	**160.1**	127.7	(29.1)	98.6
	Discontinued operations						
	Profit for the year from discontinued operations	**-**	**-**	**-**	1.8	16.6	18.4
	Profit/(loss) for the year	**123.0**	**37.1**	**160.1**	129.5	(12.5)	117.0
	Attributable to:						
	Owners of the parent entity			**150.2**			107.5
	Non-controlling interests			**9.9**			9.5
				160.1			117.0
	Earnings per share (pence)						
3.3	Continuing operations – basic*			**46.4p**			28.3p
3.3	Continuing operations – diluted*			**46.0p**			27.9p
3.3	Profit for the year – basic*			**46.4p**			34.1p
3.3	Profit for the year – diluted*			**46.0p**			33.7p

		2014	2013
		£m	£m
	Group operating profit from continuing operations	**169.6**	130.9
3.1	Exceptional operating items	**(9.8)**	33.2
	Amortisation of intangible assets arising on acquisitions	**19.4**	21.3
	Share of tax on profit in joint ventures and associates	**0.6**	0.9
	Adjusted operating profit from discontinued operations	**-**	2.1
	Adjusted Group operating profit**	**179.8**	188.4

		2014	2013
		£m	£m
	Dividends*		
5.3	Interim dividend of 5.3p (5.2p)	**16.7**	16.4
5.3	Proposed final dividend of 16.0p (15.9p)	**70.8**	50.3

* 2013 restated to reflect the bonus element of the rights issue. Details of the rights issue are provided in note 5.3.

** Adjusted Group operating profit represents Group operating profit excluding amortisation of intangible assets arising on acquisitions, exceptional items and share of tax on profit in joint ventures and associates.

Consolidated statement of comprehensive income

for the year ended 31 December 2014

Notes		2014 £m	2013 £m
	Profit for the year	**160.1**	117.0
	Other comprehensive (loss)/income		
	Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods		
5.3	Currency translation differences on foreign operations – Group	**30.3**	(22.3)
5.3	Net investment hedge	**(18.8)**	6.9
	Currency translation differences on foreign operations – joint ventures and associates	**0.6**	(0.4)
	Reclassification adjustment for foreign operations disposed of in the year	**-**	(26.0)
3.2	Income tax relating to components of other comprehensive income	**-**	-
		12.1	(41.8)
	Other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent periods		
	Remeasurement of defined benefit obligation	**(34.5)**	18.1
	Irrecoverable element of pension surplus	**(0.3)**	0.4
	Remeasurement of defined benefit obligation of associates	**(0.8)**	(0.4)
3.2	Income tax relating to components of other comprehensive income	**-**	-
		(35.6)	18.1
	Other comprehensive loss for the year, net of tax	**(23.5)**	(23.7)
	Total comprehensive income for the year net of tax	**136.6**	93.3
	Attributable to:		
	Owners of the parent entity	**125.2**	86.6
	Non-controlling interests	**11.4**	6.7
		136.6	**93.3**

Consolidated statement of financial position

at 31 December 2014

Notes		31 December 2014 £m	31 December 2013 £m
	Assets		
	Non-current assets		
4.1	Goodwill	**1,188.1**	776.7
	Intangible assets	**407.3**	111.4
	Property, plant and equipment	**49.8**	21.3
	Investments in joint ventures and associates	**35.4**	20.4
	Other fixed asset investments	**1.7**	1.7
	Vendor loan note	**31.6**	38.6
	Derivative financial instruments	**14.0**	14.4
	Retirement benefit surplus	**4.3**	3.4
3.2	Deferred tax asset	**3.3**	3.7
		1,735.5	991.6
	Current assets		
	Trade and other receivables	**268.3**	200.7
	Cash and cash equivalents	**74.4**	74.0
	Assets of disposal group classified as held for sale	**0.9**	0.9
		343.6	275.6
	Total assets	**2,079.1**	1,267.2
	Liabilities		
	Current liabilities		
3.2	Current tax liabilities	**42.1**	45.4
	Trade and other payables	**464.3**	349.2
	Provisions	**8.9**	16.7
	Borrowings	**1.3**	-
	Derivative financial instruments	**4.1**	5.1
	Liabilities associated with assets of disposal group classified as held for sale	**0.4**	0.4
		521.1	416.8
	Non-current liabilities		
3.2	Deferred tax liabilities	**4.4**	22.1
	Trade and other payables	**2.4**	2.6
	Provisions	**9.3**	11.6
	Borrowings	**619.1**	530.5
	Derivative financial instruments	**18.5**	11.9
	Retirement benefit obligation	**57.5**	29.3
		711.2	608.0
	Total liabilities	**1,232.3**	1,024.8
	Equity attributable to owners of the parent entity		
5.3	Share capital	**44.3**	24.6
5.3	Share premium	**533.5**	7.9
5.3	Other reserves	**(640.1)**	(652.1)
	Retained earnings	**900.0**	854.7
	Put options over non-controlling interests	**(17.5)**	(19.4)
	Total equity attributable to owners of the parent entity	**820.2**	215.7
	Non-controlling interests	**26.6**	26.7
	Total equity	**846.8**	242.4
	Total equity and liabilities	**2,079.1**	1,267.2

These financial statements were approved by the Board of Directors and were signed on its behalf on 26 February 2015 by:

Robert Gray Director

Consolidated statement of changes in equity
for the year ended 31 December 2014

Notes		Share capital £m	Share premium £m	Other reserves £m	Retained earnings £m	Put options over non-controlling interests £m	Total equity attributable to owners of parent entity £m	Non-controlling interests £m	Total equity £m
	At 1 January 2014	24.6	7.9	(652.1)	854.7	(19.4)	215.7	26.7	242.4
	Profit for the year	-	-	-	**150.2**	-	**150.2**	**9.9**	**160.1**
	Other comprehensive (loss)/income	-	-	**10.6**	**(35.6)**	-	**(25.0)**	**1.5**	**(23.5)**
	Total comprehensive (loss)/income for the year	-	-	**10.6**	**114.6**	-	**125.2**	**11.4**	**136.6**
5.3	Equity dividends	-	-	-	**(67.0)**	-	**(67.0)**	-	**(67.0)**
	Non-controlling interest dividends	-	-	-	-	-	-	**(9.6)**	**(9.6)**
6.1	Non-controlling interest arising on business combinations	-	-	-	-	-	-	-	-
	Acquisition of non-controlling interests	-	-	-	-	**1.9**	**1.9**	**(1.9)**	-
5.3	Issued in respect of share option schemes and other entitlements	-	**0.7**	-	-	-	**0.7**	-	**0.7**
	Share-based payments	-	-	-	**1.9**	-	**1.9**	-	**1.9**
5.3	Shares awarded by ESOP	-	-	**8.2**	**(8.2)**	-	-	-	-
5.3	Issued in respect of rights issue	**19.7**	**524.9**	-	-	-	**544.6**	-	**544.6**
5.3	Own shares purchased by the Company	-	-	**(6.8)**	**4.0**	-	**(2.8)**	-	**(2.8)**
	At 31 December 2014	**44.3**	**533.5**	**(640.1)**	**900.0**	**(17.5)**	**820.2**	**26.6**	**846.8**
	At 1 January 2013	24.5	6.6	(618.5)	802.6	(13.0)	202.2	27.2	229.4
	(Loss)/profit for the year	-	-	-	107.5	-	107.5	9.5	117.0
	Other comprehensive loss	-	-	(39.0)	18.1	-	(20.9)	(2.8)	(23.7)
	Total comprehensive (loss)/income for the year	-	-	(39.0)	125.6	-	86.6	6.7	93.3
5.3	Equity dividends	-	-	-	(65.2)	-	(65.2)	-	(65.2)
	Non-controlling interest dividends	-	-	-	-	-	-	(9.3)	(9.3)
	Non-controlling interest arising on business combinations	-	-	-	-	(7.8)	(7.8)	3.0	(4.8)
	Acquisition of non-controlling interests	-	-	-	(0.6)	1.4	0.8	(0.9)	(0.1)
5.3	Issued in respect of share option schemes and other entitlements	0.1	1.3	-	-	-	1.4	-	1.4
	Share-based payments	-	-	-	3.7	-	3.7	-	3.7
5.3	Shares awarded by ESOP	-	-	25.5	(25.5)	-	-	-	-
5.3	Own shares purchased by the Company	-	-	(20.1)	14.1	-	(6.0)	-	(6.0)
	At 31 December 2013	24.6	7.9	(652.1)	854.7	(19.4)	215.7	26.7	242.4

Consolidated statement of cash flows

for the year ended 31 December 2014

Notes		2014 £m	2013 £m
	Cash flows from operating activities		
	Profit for the year from continuing operations	**160.1**	98.6
	Profit/(loss) for the year from discontinued operations	-	18.4
	Profit/(loss) for the year	**160.1**	117.0
	Add back:		
	Exceptional items (excluding fair value adjustments below)	**1.9**	14.7
6.1	Fair value adjustments of contingent consideration	**1.3**	(2.2)
3.2	Tax	**(14.9)**	10.9
	Amortisation of intangible assets	**19.4**	21.6
	Amortisation of website development costs and internally generated software	**5.7**	5.0
	Depreciation	**6.5**	8.4
	Share of results from joint ventures and associates (after tax)	**(2.0)**	(3.0)
5.2	Financing income	**(6.5)**	(6.6)
5.2	Financing expense	**30.9**	32.1
	Other non-cash items (including disposal gain and pension settlement gain)	**(9.0)**	3.8
		193.4	201.7
	Payments against provisions	**(11.6)**	(12.9)
	Pension deficit contributions	**(3.5)**	(3.5)
	Decrease in inventories	**0.4**	-
	(Increase)/decrease in trade and other receivables	**(25.2)**	15.1
	Increase/(decrease) in trade and other payables	**16.3**	(34.6)
	Cash generated from operations	**169.8**	165.8
	Cash generated from operations – continuing	**169.8**	164.4
	Cash generated from operations – discontinued	-	1.4
	Interest and finance income received	**2.9**	1.4
	Interest and finance costs paid	**(24.4)**	(25.7)
3.2	Tax paid	**(23.6)**	(25.4)
	Dividends received from joint ventures and associates	**10.9**	3.7
	Net cash flows from operating activities	**135.6**	119.8
	Net cash flows from operating activities – continuing	**135.6**	118.4
	Net cash flows from operating activities – discontinued	-	1.4
	Cash flows from investing activities		
6.1	Acquisition of interests in subsidiaries, net of cash acquired	**(648.4)**	(19.0)
	Investment in joint ventures	-	(0.1)
	Purchase of investments	-	(0.4)
	Proceeds from repayment of vendor loan note	**16.1**	-
	Purchase of property, plant and equipment	**(31.1)**	(5.8)
	Expenditure on intangible assets	**(19.1)**	(16.3)
6.2	Proceeds from sale of businesses, net of cash disposed	**4.0**	107.9
	Advances to joint ventures and associates	**0.3**	(0.2)
	Net cash flows from investing activities	**(678.2)**	66.1
	Net cash flows from investing activities – continuing	**(678.2)**	78.3
	Net cash flows from investing activities – discontinued	-	(12.2)
	Cash flows from financing activities		
5.3	Proceeds from issuance of ordinary share capital	**545.3**	1.4
	Acquisition of non-controlling interests	**(1.4)**	(0.3)
	Dividends paid to shareholders	**(67.0)**	(65.2)
	Dividends paid to non-controlling interests	**(9.6)**	(9.3)
	Investment in own shares – ESOP	**(2.8)**	(6.0)
	Increase/(decrease) in borrowings	**74.8**	(117.8)
	Net cash flows from financing activities	**539.3**	(197.2)
	Net cash flows from financing activities – continuing	**539.3**	(196.0)
	Net cash flows from financing activities – discontinued	-	(1.2)
	Net decrease in cash and cash equivalents	**(3.3)**	(11.3)
	Net foreign exchange difference	**2.4**	(1.4)
	Cash and cash equivalents at 1 January	**74.0**	86.7
	Cash and cash equivalents at 31 December	**73.1**	74.0

Notes to the consolidated financial statements

at 31 December 2014

UBM plc is a public limited company incorporated in Jersey under the Companies (Jersey) Law 1991. The registered office is Ogier House, The Esplanade, St. Helier, JE4 9WG, Jersey. UBM plc was tax resident in the Republic of Ireland until 30 November 2012 when it returned to the United Kingdom. The principal activities of the Group are described in Section 2.

The preliminary announcement was approved by the Board of Directors on 26 February 2015.

The figures and financial information for the year ended 31 December 2014 do not constitute the statutory financial statements for that year. Those financial statements have not yet been delivered to the Jersey Registrar of Companies, but include the auditor's report which was unqualified. The figures and financial information for the year ended 31 December 2013 included in the preliminary announcement do not constitute the statutory financial statements for that year. Those financial statements have been delivered to the Registrar and included the auditor's report which was unqualified.

They are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The consolidated financial statements comply with the Companies (Jersey) Law 1991 and are prepared under the historical cost basis except for derivative financial instruments and hedged items which are measured at fair value. The consolidated financial statements are presented in pounds sterling, which is the functional currency of the parent company, UBM plc. All amounts are rounded to the nearest £0.1m unless otherwise indicated.

The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those used for the previous financial year, except for the adoption of the following new and amended IFRSs.

Accounting standard	Requirements	Impact on financial statements
IFRS 10 'Consolidated Financial Statements' (amended), IFRS 12 'Disclosures of Interests in Other Entities' (amended) and IAS 27 'Separate Financial Statements' (amended)	These amendments provide an exception to the consolidation requirement for entities that meet the definition of an investment entity under IFRS 10 Consolidated Financial Statements. The exception to consolidation requires investment entities to account for subsidiaries at fair value through profit or loss. Adopted retrospectively from 1 January 2014.	None; The parent company in the Group does not qualify to be an investment entity under IFRS 10.
IAS 32 'Financial Instruments: Presentation' (amended)	These amendments clarify the meaning of 'currently has a legally enforceable right to set-off' and the criteria for non-simultaneous settlement mechanisms of clearing houses to qualify for offsetting. Adopted retrospectively from 1 January 2014.	None.
IAS 39 'Financial Instruments: Recognition and Measurement'	These amendments provide relief from discontinuing hedge accounting when novation of a derivative designated as a hedging instrument meets certain criteria.	None; the Group has not novated any derivatives during the current or prior periods.
IAS 36 'Impairment of Assets	These amendments reduce the circumstances in which the recoverable amount of assets or CGUs is required to be disclosed and to disclose the discount rate used in determining an impairment where recoverable amount is determined using a present value technique.	The Group has considered the amendments in the disclosures included within Note 4.1 given the impairment charge recognised in the year.
IFRIC 21 'Levies'	The interpretation clarifies when an entity recognises a liability for a levy imposed by governments under legislation, other than outflows that are within the scope of other standards and fines or other penalties for breaches of legislation. Adopted from 1 January 2014.	None.

Discontinued operations
There are no operations classified as discontinued in the 2014 financial information. Discontinued operations in the comparative period relate to the Group's disposal of the UBM Channel business and certain UBM Built Environment Marketing Services.

Comparative information
On 6 November 2014, the Group announced a fully underwritten 4 for 5 rights issue of 196,734,453 new shares at 287 pence per new share for shareholders on the London Stock Exchange. As a result, the Earnings per share and Dividend per share comparative information has been restated to reflect the bonus element.

Going concern

After making enquiries, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future (see going concern section of the Operating and Financial Review). The consolidated financial statements are therefore prepared on the going concern basis.

Notes to the consolidated financial statements

at 31 December 2014

2. Segment information

Operating segments

The Group considers that operating segments presented on a products and services basis are the most appropriate way to demonstrate the performance of the Group. This is consistent with the internal reporting provided to the Group Chief Executive Officer and the Group Chief Financial Officer, together the chief operating decision maker (CODM), and reflects the way in which resources are allocated.

The segment results do not include amounts for discontinued operations. The CODM considers there to be four operating segments:

- Events which provide face-to-face interaction in the form of exhibitions, tradeshows, conferences and other live events;
- Marketing Services – Online which provide website sponsorships and banner advertising as well as online directory and data products;
- Marketing Services – Print which publishes magazines and trade press to specialist markets; and
- PR Newswire which provides communications products and services to professionals working in marketing, public relations, corporate communications or investor relations roles – distributing messages, identifying target audiences and monitoring the impact.

Marketing Services – Online and Marketing Services – Print have been aggregated to form one reportable segment 'Other Marketing Services'. The two operating segments have similar economic characteristics and meet the aggregation criteria defined in IFRS 8 'Operating segments'.

Segment measures

The CODM assesses the performance of the operating segments and the allocation of resources using revenue and adjusted operating profit. Adjusted operating profit is IFRS operating profit excluding amortisation of intangible assets arising on acquisitions, exceptional items and share of tax on results of joint ventures and associates.

Finance income/expense and tax are not allocated to operating segments and are reported to the CODM only in aggregate.

Segment assets and liabilities are not reported to the CODM.

Transactions between segments are measured on the basis of prices that would apply to third-party transactions.

Year ended 31 December 2014

	Events £m	Other Marketing Services £m	PR Newswire £m	Corporate costs £m	Group total £m
Revenue					
Total segment revenue	**451.7**	**100.0**	**196.5**	**-**	**748.2**
Intersegment revenue	**(1.2)**	**-**	**(0.7)**	**-**	**(1.9)**
External revenue	**450.5**	**100.0**	**195.8**	**-**	**746.3**
Result					
Depreciation (including amortisation of website development costs and internally generated software)	**(4.9)**	**(1.1)**	**(4.9)**	**(1.3)**	**(12.2)**
Share of pre-tax results from joint ventures and associates	**0.9**	**-**	**0.3**	**1.4**	**2.6**
Segment adjusted operating profit	**140.6**	**11.0**	**44.8**	**(16.6)**	**179.8**
Amortisation of intangible assets arising on acquisitions					**(19.4)**
Exceptional operating items					**9.8**
Share of tax on profit in joint					**(0.6)**
Group operating profit					**169.6**
Financing income					**6.5**
Financing expense					**(28.3)**
Exceptional items relating to net financing expense					**(2.6)**
Profit before tax					**145.2**
Tax					**14.9**
Profit for the year					**160.1**

Total corporate costs were £29.0m (2013: £22.8m). Corporate costs were offset by internal cost recoveries, and share of pre-tax results from joint ventures and associates of £1.4m (2013: £2.5m). Non-recurring items included in corporate costs include the £5.8m pension settlement gain and £5.2m gain on disposals reported in Other Operating income.

Notes to the consolidated financial statements
at 31 December 2014

2. Segment information (continued)

Year ended 31 December 2013

	Events £m	Other Marketing Service £m	PR Newswire £m	Corporate costs £m	Continuing total £m	Dis-continued operations £m	Total £m
Revenue							
Total segment revenue	463.6	129.4	202.6	-	795.6	24.3	819.9
Intersegment revenue	(0.9)	-	(0.8)	-	(1.7)	-	(1.7)
External revenue	462.7	129.4	201.8	-	793.9	24.3	818.2
Result							
Depreciation (including amortisation of website development costs)	(4.6)	(1.3)	(6.6)	(0.7)	(13.2)	(0.2)	(13.4)
Share of pre-tax results from joint ventures and associates	1.0	-	0.4	2.5	3.9	-	3.9
Segment adjusted operating profit	148.9	10.2	45.6	(18.4)	186.3	2.1	188.4
Amortisation of intangible assets arising on acquisitions					(21.3)	(0.3)	(21.6)
Exceptional operating items					(33.2)	0.3	(32.9)
Exceptional discontinued items					-	16.3	16.3
Share of tax on profit in joint ventures and associates					(0.9)	-	(0.9)
Group operating profit					130.9	18.4	149.3
Financing income					6.6	-	6.6
Financing expense					(32.1)	-	(32.1)
Exceptional items relating to net financing expense					4.1	-	4.1
Profit before tax					109.5	18.4	127.9
Tax					(10.9)	-	(10.9)
Profit for the year					98.6	18.4	117.0

Geographic information

Revenue is allocated to countries based on the location where the products and services are provided. Non-current assets are allocated to countries based on the location of the businesses to which the assets relate.

Continuing revenue

	Year ended 31 December 2014 £m	Year ended 31 December 2013 £m
United Kingdom	**82.8**	83.6
Foreign countries		
United States and Canada	**335.3**	376.9
Europe	**67.1**	80.7
China (including Hong Kong)	**169.7**	174.8
Emerging Markets[1]	**76.2**	62.3
Rest of the world	**15.2**	15.6
	663.5	710.3
External revenue	**746.3**	793.9

[1] Emerging Markets comprise the non-G10 countries – most notably for the Group: Brazil, India, Indonesia, Malaysia, Mexico, Singapore, Thailand and Turkey.

There are no revenues derived from a single external customer which are significant.

Non-current assets

	2014 £m	2013 £m
United Kingdom	**343.6**	295.7
Foreign countries		
United States and Canada	**1,185.3**	480.7
Europe	**21.2**	22.2
China (including Hong Kong)	**31.9**	32.8
Emerging Markets[1]	**94.3**	94.3
Rest of the world	**6.0**	5.8
	1,338.7	635.8
Total non-current assets	**1,682.3**	931.5

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

Notes to the consolidated financial statements
at 31 December 2014

3. Operating profit and tax

3.1 Exceptional operating items

Certain items are recognised as exceptional items since, due to their nature or infrequency, such presentation is relevant to an understanding of the Group's financial statements. These items are not part of the Group's normal ongoing operations

(Charged)/credited to continuing operating profit	**2014 £m**	2013 £m
Acquisition costs on Advanstar	**(7.4)**	-
Gain on Advanstar contingent forward contract	**12.9**	-
Acquisition costs on other business combinations	**(0.6)**	(0.8)
Changes in estimates of contingent consideration	**(1.3)**	1.9
Aborted acquisition costs	**-**	(1.2)
Exceptional items relating to acquisitions	**3.6**	(0.1)
Restructuring and business reorganisation	**-**	(16.6)
Global ERP and process outsourcing implementation cost	**-**	(8.6)
Other restructuring items	**-**	2.5
Exceptional items relating to reorganisation and restructuring	**-**	(22.7)
Gain on disposal reported by associates	**21.9**	-
Exceptional items in share of results from joint ventures and associates	**21.9**	-
Impairment of goodwill and intangible assets	**(14.6)**	(5.3)
Impairment of assets	**-**	(1.0)
Impairment of joint ventures and associates	**(1.1)**	(1.5)
Impairment of joint venture loan note	**-**	(2.6)
Impairment charge	**(15.7)**	(10.4)
Total credited/(charged) to continuing operating profit	**9.8**	(33.2)

Advanstar
Acquisition costs of £7.4m have been expensed as exceptional items relating to the acquisition of Advanstar. These relate mainly to due diligence and professional fees paid to various advisors.

We have recognised a gain of £12.9m on the contingent forward exchange contract utilised to hedge the purchase price of the Advanstar acquisition when the acquisitions was announced on 30 September 2014. The acquisition completed on 18 December 2014; further details are provided in Note 6.1.

Acquisition exceptional items
Other acquisition costs of £0.6m have been expensed in the year. An exceptional charge of £1.3m was recognised relating to revised contingent consideration estimates for prior year acquisitions.

Exceptional items in joint ventures and associates
PA Group, the parent company of the Press Association, sold its weather forecasting business, MeteoGroup, in January 2014. The Group accounts for its 17% interest in PA Group as an associate. The Group has recognised its share of the gain on disposal of £21.9m as an exceptional item.

Impairment
The Group has reviewed the carrying value of goodwill and intangible assets in light of current trading conditions and future outlook. As a result of this review, impairment charges of £14.6m relating to goodwill have been recognised. Furthermore, a charge of £0.9m and £0.2m has been recognised for the Group's investments in Beijing Zhong Wen Fa International Cultural Exchange Co. Limited and Cosmoprof Shanghai Exhibitions Limited respectively.

The taxation effect of the exceptional items reported above on the amounts charged to the income statement is nil.

3.2 Tax

Income statement

	2014 £m	2013 £m
Continuing		
Current tax expense	**(20.9)**	(17.5)
Exceptional deferred tax credit	**29.9**	-
Other deferred tax credit	**5.9**	6.6
Income tax credit/(expense)	**14.9**	(10.9)

As a consequence of the acquisition of Advanstar, deferred tax assets in certain US companies that had previously not been recognised have now been recognised. An exceptional tax credit of £29.9m has therefore been taken through the income statement.

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at 31 December 2014

3.2 Tax (continued)

Reconciliation of total tax expense to the accounting profit:

	2014 £m	2013 £m
Profit before tax from continuing operations	**145.2**	109.5
Profit before tax from discontinued operations	**-**	18.4
Profit before tax	**145.2**	127.9
Profit before tax multiplied by UK rate of corporation tax of 21.5% (2013: 23.25%)	**31.2**	29.7
Effect of:		
Different tax rates on overseas earnings	**8.5**	6.8
Expenses not deductible for tax purposes	**16.1**	12.5
Non-taxable income	**(12.4)**	(11.7)
Net movement in uncertain tax positions	**(5.7)**	(6.3)
Prior year adjustments	**0.8**	(4.3)
Benefit of intragroup financing	**(12.8)**	(12.1)
Exceptional deferred tax credit	**(29.9)**	-
Movement in other deferred tax assets recognised	**(2.6)**	(1.2)
Losses brought forward and utilised	**(10.5)**	(3.9)
Surplus losses carried forward	**6.5**	9.9
Deduction for amortisation	**(9.3)**	(10.9)
Effects of other unrecognised temporary differences	**6.1**	2.2
Share of results from associates and joint ventures (after tax)	**(0.5)**	(0.7)
Other	**(0.4)**	0.9
Total tax (credit)/expense	**(14.9)**	10.9

The prior year tax reconciliation has been restated in order to better reflect the nature of the reconciling items.

Reconciliation to adjusted tax charge

	2014 £m	2013 £m
Income tax (credit)/expense	**(14.9)**	10.9
Exceptional deferred tax credit	**29.9**	-
Net deferred tax movement on intangible assets	**7.3**	6.6
Share of tax on profit in joint ventures and associates	**0.6**	0.9
Adjusted tax charge (Note 3.3)	**22.9**	18.4

The Group has assessed the impact of changes in tax rates in various jurisdictions in which it operates and has determined that the changes do not have a significant impact on the current or future tax charges.

Other comprehensive income

No current or deferred tax relates to items reported in other comprehensive income (2013: nil).

Statement of financial position: current tax

	2014 £m	2013 £m
Current tax liability at 1 January	**45.4**	52.7
Current tax expense	**20.9**	17.5
Tax paid	**(23.6)**	(25.4)
Currency translation and other movements	**(0.6)**	0.6
Current tax liability at 31 December	**42.1**	45.4

During the year, tax has been paid in the following jurisdictions:

	2014 £m
China	**11.1**
Netherlands	**3.7**
Canada	**1.9**
Brazil	**1.8**
France	**1.7**
Other Emerging Markets	**1.7**
Other	**1.7**
Total	**23.6**

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at 31 December 2014

3.2 Tax (continued)

Statement of financial position: deferred tax

Deferred tax liabilities/(assets)	**Consolidated statement of financial position**		**Consolidated income statement**	
	2014	2013	**2014**	2013
	£m	£m	**£m**	£m
Intangibles	**66.2**	44.1	**24.7**	(6.2)
Accelerated capital allowances	**(2.2)**	1.9	**0.1**	(0.8)
Tax losses	**(53.1)**	(17.1)	**12.1**	3.7
Other temporary differences	**(9.8)**	(10.5)	**(1.1)**	(3.3)
	1.1	18.4	**35.8**	(6.6)

The movement in deferred tax balance during the year is:

	2014	2013
	£m	£m
Net deferred tax liability at 1 January	**18.4**	24.6
Acquisition of subsidiaries (Note 6.1)	**20.0**	0.7
Amounts credited to net profit	**(35.8)**	(6.6)
Disposals	**(0.2)**	-
Currency translation	**(1.3)**	(0.3)
Net deferred tax liability at 31 December	**1.1**	18.4
Analysed in the statement of financial position, after offset of balances within countries, as:		
Deferred tax assets	**(3.3)**	(3.7)
Deferred tax liabilities	**4.4**	22.1
	1.1	18.4

The deferred tax asset of £3.3m (2013: £3.7m) relates to tax losses and other temporary differences. These have been recognised because the Group expects to generate taxable profits against which these losses will be used.

The Group has the following unused tax losses for which no deferred tax assets have been recognised:

- £255.6m (2013: £219.0m) in UK subsidiaries which are available to offset against future UK corporate tax liabilities;
- £209.7m (2013: £236.8m) in US subsidiaries which are available to offset against future US federal tax liabilities. Of these £209.0m expire between 2019 and 2034 (2013: £234.8m between 2019 and 2033);
- £232.1m (2013: £232.1m) of UK capital losses which are only available for offset against future capital gains;
- £6.7bn (2013: £7.1bn) that have arisen in Luxembourg holding companies as a result of revaluations of those companies' investments for local GAAP purposes; and
- £3.7m (2013: £0.5m) in respect of companies in other countries.

No deferred tax asset has been recognised in respect of any of these amounts as it is uncertain that these losses will be utilised.

In addition the Group has unrecognised deferred tax assets in relation to other deductible temporary differences of £15.0m (£12.5m in relation to the UK, nil in relation to the US, and £2.5m in relation to other countries) (2013: £35.1m (£5.5m, £28.5m and £1.1m respectively)). No deferred tax assets have been recognised in respect these assets as it is uncertain that they will be utilised.

At 31 December 2014, net deferred tax liabilities of £1.1m have been recognised for taxes that would be payable on the unremitted earnings of the Group's subsidiaries. No other deferred tax liabilities have been recognised as the Group has determined that profits of subsidiaries will not be distributed in the foreseeable future.

The temporary differences associated with investments in subsidiaries for which a deferred tax liability has not been recognised amount in aggregate to £4.2bn (2013: £4.2bn).

3.3 Earnings per share

Basic earnings per share is calculated by dividing net profit for the year attributable to owners of the parent entity by the weighted average number of ordinary shares outstanding during the year.

Adjusted basic earnings per share excludes amortisation of intangible assets arising on acquisitions, deferred tax on amortisation of intangible assets, exceptional items and net financing expense adjustments (detailed in Note 5.2).

Diluted earnings per share is calculated by dividing net profit for the year attributable to owners of the parent entity by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares. The impact of dilutive securities in 2014 would be to increase weighted average shares by 3.1 million shares (2013: 3.7 million shares).

To fund the acquisition of Advanstar, the Group announced a fully underwritten 4 for 5 rights issue of 196,734,453 new shares at 287 pence per new share. The 2013 numbers have been restated to reflect the bonus element of the rights issue.

The weighted average number of shares excludes ordinary shares held by the Employee Share Ownership Plan (the ESOP).

Notes to the consolidated financial statements
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3.3 Earnings per share (continued)

Continuing operations	**Earnings 2014 £m**	**Weighted average no. of shares 2014 million**	**Earnings per share 2014 pence**	Earnings 2013 £m	Restated Weighted average no. of shares 2013 million	Restated Earnings per share 2013 Pence
Adjusted Group operating profit	**179.8**			186.3		
Net interest expense	**(21.4)**			(24.0)		
Pension schemes finance expense	**(0.8)**			(1.7)		
Adjusted profit before tax	**157.6**			160.6		
Tax (3.2)	**(22.9)**			(18.4)		
Non-controlling interests	**(9.9)**			(9.5)		
Adjusted earnings per share	**124.8**	**323.5**	**38.6**	132.7	315.4	42.1
Adjustments						
Amortisation of intangible assets arising on acquisitions	**(19.4)**		**(6.0)**	(21.3)		(6.7)
Net deferred tax movements on intangible assets	**7.3**			6.6		2.1
Exceptional items	**9.8**		**3.0**	(33.2)		(10.5)
Exceptional deferred tax credit	**29.9**		**9.2**	-		-
Net financing income – other	**(2.2)**		**(0.7)**	4.3		1.3
Basic earnings per share	**150.2**	**323.5**	**46.4**	89.1	315.4	28.3
Dilution						
Options	-	**3.1**	**(0.4)**	-	3.7	(0.4)
Diluted earnings per share	**150.2**	**326.6**	**46.0**	89.1	319.1	27.9
Adjusted earnings per share (as above)	**124.8**	**323.5**	**38.6**	132.7	315.4	42.1
Options	-	**3.1**	**(0.4)**	-	3.7	(0.5)
Diluted adjusted earnings per share	**124.8**	**326.6**	**38.2**	132.7	319.1	41.6

Group	**Earnings 2014 £m**	**Weighted average no. of shares 2014 million**	**Earnings per share 2014 pence**	Earnings 2013 £m	Restated Weighted average no. of shares 2013 million	Restated Earnings per share 2013 Pence
Adjusted Group operating profit	**179.8**			188.4		
Net interest expense	**(21.4)**			(24.0)		
Pension schemes finance expense	**(0.8)**			(1.7)		
Adjusted profit before tax	**157.6**			162.7		
Tax	**(22.9)**			(18.4)		
Non-controlling interests	**(9.9)**			(9.5)		
Adjusted earnings per share	**124.8**	**323.5**	**38.6**	134.8	315.4	42.7
Adjustments						
Amortisation of intangible assets arising on acquisitions	**(19.4)**		**(6.0)**	(21.6)		(6.7)
Net deferred tax movements on intangible assets	**7.3**		**2.3**	6.6		2.1
Exceptional items	**9.8**		**3.0**	(16.6)		(5.3)
Exceptional deferred tax credit	**29.9**		**9.2**	-		-
Net financing income – other	**(2.2)**		**(0.7)**	4.3		1.3
Basic earnings per share	**150.2**	**323.5**	**46.4**	107.5	315.4	34.1
Dilution						
Options	-	**3.1**	**(0.4)**	-	3.7	(0.4)
Diluted earnings per share	**150.2**	**326.6**	**46.0**	107.5	319.1	33.7
Adjusted earnings per share (as above)	**124.8**	**323.5**	**38.6**	134.8	315.4	42.7
Options	-	**3.1**	**(0.4)**	-	3.7	(0.5)
Diluted adjusted earnings per share	**124.8**	**326.6**	**38.2**	134.8	319.1	42.2

Notes to the consolidated financial statements
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4. Statement of Financial Position

4.1 Goodwill

Goodwill is allocated and monitored by management at a CGU level, consisting of the six business units operating across the Group's operating segments. Not all business units are active in all segments; there are 14 CGUs at 31 December 2014 (2013: 11 CGUs). The increase in the CGUs in 2014 is due to the Advanstar acquisition (3). For reporting purposes, the CGUs have been aggregated into the reportable segments, as shown in the tables below. The CGUs are individually tested for impairment each year.

31 December 2014

	Events £m	Other Marketing Services £m	PR Newswire £m	Total £m
Cost				
At 1 January 2014	**644.3**	**98.5**	**83.5**	**826.3**
Advanstar acquisition (Note 6.1)	**313.5**	**75.9**	**-**	**389.4**
Other acquisitions (Note 6.1)	**13.5**	**-**	**-**	**13.5**
Disposals (6.2)	**(2.9)**	**(3.0)**	**-**	**(5.9)**
Currency translation	**23.8**	**4.4**	**3.9**	**32.1**
At 31 December 2014	**992.2**	**175.8**	**87.4**	**1,255.4**
Impairment				
At 1 January 2014	**4.1**	**45.5**	**-**	**49.6**
Charge for the year	**-**	**14.6**	**-**	**14.6**
Currency translation	**0.3**	**2.8**	**-**	**3.1**
At 31 December 2014	**4.4**	**62.9**	**-**	**67.3**
Carrying amount				
At 1 January 2014	640.2	53.0	83.5	776.7
At 31 December 2014	**987.8**	**112.9**	**87.4**	**1,188.1**

Within the Events segment, management considers the UBM Tech *Events,* UBM Connect *Events*, UBM Live *Events* and Advanstar *Events* CGUs to be significant. The carrying amount of goodwill attributed to these CGUs at 31 December 2014 was £171.7m, £125.9m, £257.4m and £313.5m respectively. In 2013, UBM Tech *Events* (£167.0m), UBM Connect *Events* (£94.3m) and UBM Live *Events* (266.4m) were considered significant. The PR Newswire CGU is also considered to be significant.

During the year various Other Marketing Services activities were discontinued which were not closely aligned to the Events business. As a result, an impairment of £14.6m has been recorded against the Tech *Online* CGU, leaving a remaining carrying amount of £6.3m at 31 December 2014. The carrying amount attributable to the CGU is based on its value in use.

The Advanstar acquisition completed on 18 December 2014 and the purchase price allocation is ongoing on the date of issuing the consolidated financial statements. The goodwill identified on a provisional basis has been allocated between Events, Marketing Services – Online and Marketing Services – Print based on contribution to profit.

5. Capital Structure and financial policy

5.1 Movements in net debt

Net debt reflects the Group's cash and cash equivalents, borrowings and derivatives associated with debt instruments. This definition facilitates an accurate reflection of the estimated settlement at maturity and is consistent with reporting by other companies.

	1 January 2014 £m	Non-cash items £m	Cash flow £m	Currency translation £m	31 December 2014 £m
Cash and cash equivalents (including held for sale)	74.0	**-**	**(2.3)**	**2.7**	**74.4**
Bank overdrafts	-	**-**	**(1.3)**	**-**	**(1.3)**
Net cash	74.0	**-**	**(3.6)**	**2.7**	**73.1**
Bank loans due in more than one year	(61.4)	**-**	**(74.8)**	**0.7**	**(135.5)**
Bonds due in more than one year	(469.1)	**(1.2)**	**-**	**(13.3)**	**(483.6)**
Borrowings	(530.5)	**(1.2)**	**(74.8)**	**(12.6)**	**(619.1)**
Derivative assets associated with borrowings	14.4	**(0.8)**	**-**	**0.4**	**14.0**
Derivative liabilities associated with borrowings	(1.3)	**0.1**	**-**	**(4.8)**	**(6.0)**
Net debt	(443.4)	**(1.9)**	**(78.4)**	**(14.3)**	**(538.0)**

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5.1 Movements in net debt (continued)

	1 January 2013 £m	Non-cash items £m	Cash flow £m	Currency translation £m	31 December 2013 £m
Cash and cash equivalents (including held for sale)	86.9	-	(11.5)	(1.4)	74.0
Bank overdrafts	(0.2)	-	0.2	-	-
Net cash	86.7	-	(11.3)	(1.4)	74.0
Bank loans due in more than one year	(178.3)	-	117.8	(0.9)	(61.4)
Bonds due in more than one year	(482.8)	9.7	-	4.0	(469.1)
Borrowings	(661.1)	9.7	117.8	3.1	(530.5)
Derivative assets associated with borrowings	26.5	(12.1)	-	-	14.4
Derivative liabilities associated with borrowings	(5.5)	1.5	2.7	-	(1.3)
Net debt	(553.4)	(0.9)	109.2	1.7	(443.4)

5.2 Net financing expense

Net financing expense

	Before Exceptional Items 2014 £m	**Exceptional items 2014 £m**	**Total 2014 £m**	Before exceptional items 2013 £m	Exceptional items 2013 £m	Total 2013 £m
Financing expense						
Borrowings and loans	**(25.4)**	-	**(25.4)**	(26.5)	-	(26.5)
Other	**(0.4)**	-	**(0.4)**	(0.4)	-	(0.4)
Total interest expense for financial liabilities not classified at fair value through profit or loss	**(25.8)**	-	**(25.8)**	(26.9)	-	(26.9)
Pension schemes net finance expense	**(0.8)**	-	**(0.8)**	(1.7)	-	(1.7)
Fair value movement on interest rate swaps	**(1.8)**	-	**(1.8)**	(6.4)	-	(6.4)
Fair value movement on £250m bond	**1.4**	-	**1.4**	5.8	-	5.8
Ineffectiveness on fair value hedges	**(0.4)**	-	**(0.4)**	(0.6)	-	(0.6)
Fair value movement on interest rate swaps	**1.5**	-	**1.5**	(5.3)	-	(5.3)
Fair value movement on $350m bond	**(1.7)**	-	**(1.7)**	4.8	-	4.8
Ineffectiveness on fair value hedges	**(0.2)**	-	**(0.2)**	(0.5)	-	(0.5)
Fair value movement on put options over non-controlling interests	-	(2.6)	**(2.6)**	-	-	-
Other fair value movements	**(1.1)**	-	**(1.1)**	(2.4)	-	(2.4)
	(28.3)	(2.6)	**(30.9)**	(32.1)	-	(32.1)
Financing income						
Cash and cash equivalents	**2.1**	-	**2.1**	1.3	-	1.3
Vendor Loan Note	**2.3**	-	**2.3**	1.6	-	1.6
Total interest income	**4.4**	-	**4.4**	2.9	-	2.9
Foreign exchange gain	**1.5**	-	**1.5**	0.8	-	0.8
Fair value movement on put options over non-controlling interests	-	-	-	-	4.1	4.1
Foreign exchange gain on forward contracts	-	-	-	1.0	-	1.0
Other fair value movements	**0.6**	-	**0.6**	1.9	-	1.9
	6.5	-	**6.5**	6.6	4.1	10.7
Net financing expense	**(21.8)**	(2.6)	**(24.4)**	(25.5)	4.1	(21.4)

The ineffectiveness on fair value hedges represents the difference between the fair value movement of the interest rate swaps designated as hedge instruments and the fair value movement of the hedged portions of the £250m 6.5% sterling bonds due 2016 and the $350m 5.75% dollar bonds due 2020.

The exceptional financing items comprise £2.6m loss relating to the fair value movement on put options over non-controlling interests (2013: £4.1m gain).

5.3 Equity and dividends

Rights Issue Offer
On 6 November 2014, the Group announced a fully underwritten 4 for 5 rights issue of 196,734,453 new shares at 287 pence per new share for shareholders on the London Stock Exchange. The offer period commenced on 6 November 2014 and closed for acceptance on 11 December 2014. The final number of shares issued was 196,734,453.

The rights issue raised £544.6m net of expenses of £20.0m. The issue price of 287 pence per new ordinary share represented a 47 percent discount on the closing price of 541 pence per share on 6 November 2014.

Accounting for the Rights Issue
The rights issue proceeds were received over the offer period and initially credited to a “shares to be issued” account resulting in the recognition of cash inflow of £544.6m.

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5.3 Equity and dividends (continued)

Share capital

Authorised	**2014 £m**	2013 £m
1,217,124,740 (2013: 1,217,124,740) ordinary shares of 10 pence each	**121.7**	121.7

Issued and fully paid	**Ordinary Shares Number**	**Ordinary Shares £m**
At 1 January 2013	245,467,129	24.5
Issued in respect of share option schemes and other entitlements	293,458	0.1
At 31 December 2013	245,760,587	24.6
Issued in respect of share option schemes and other entitlements	**157,480**	**-**
Issue of new shares on equity placing pursuant to the 4 for 5 rights issue	**196,734,453**	**19.7**
At 31 December 2014	**442,652,520**	**44.3**

The ESOP Trust owns 0.05% (2013: 0.17%) of the issued share capital of the Company in trust for the benefit of employees of the Group and their dependents. The voting rights in relation to these shares are exercised by the Trustees.

Share premium

	2014 £m	2013 £m
In issue at 1 January	**7.9**	**6.6**
Premium on shares issued, net of costs	**0.7**	**1.3**
Premium on issue of new shares on equity placing pursuant to the 4 for 5 rights issue	**524.9**	**-**
In issue at 31 December	**533.5**	**7.9**

£20m of issue costs were recognised and charged against share premium in respect of the rights issue. Therefore the total net increase in share capital and share premium was £544.6m.

Dividends

	2014 £m	2013 £m
Declared and paid during the year*		
Equity dividends on ordinary shares		
Final dividend for 2013 of 15.9p (2012: 15.5p)	**50.3**	48.8
Interim dividend for 2014 of 5.3p (2013: 5.2p)	**16.7**	16.4
	67.0	65.2
Proposed (not recognised as a liability at 31 December)		
Equity dividends on ordinary shares		
Final dividend for 2014 of 16.0p (2013: 15.9p)	**70.8**	50.3

*Historic amounts have been restated to reflect the impact of the rights issue.

There are no income tax consequences to the Group arising from the payment of dividends by the Company to its shareholders.

Other reserves

	Merger reserve £m	**Foreign currency translation reserve £m**	**ESOP reserve £m**	**Other reserve £m**	**Total other reserves £m**
Balance at 1 January 2013	(732.2)	(3.3)	(8.3)	125.3	(618.5)
Total comprehensive income for the year[1]	-	(39.0)	-	-	(39.0)
Shares awarded by ESOP	-	-	25.5	-	25.5
Own shares purchased by the Company	-	-	(20.1)	-	(20.1)
Balance at 31 December 2013	(732.2)	(42.3)	(2.9)	125.3	(652.1)
Total comprehensive income for the year[2]	-	**10.6**	-	-	**10.6**
Shares awarded by ESOP	-		**8.2**	-	**8.2**
Own shares purchased by the Company	-		**(6.8)**	-	**(6.8)**
Balance at 31 December 2014	**(732.2)**	**(31.7)**	**(1.5)**	**125.3**	**(640.1)**

[1] The amount included in the foreign currency translation reserve for 2013 represents the currency translation difference on foreign operations of Group subsidiaries of £(19.5)m (excluding £(2.8)m relating to non-controlling interests), on the reclassification adjustment for foreign operations disposed £(26.0)m on net investment hedges of £6.9m and on joint ventures and associates of £(0.4)m.

[2] The amount included in the foreign currency translation reserve for 2014 represents the currency translation difference on foreign operations of Group subsidiaries of £28.8m (excluding £1.5m relating to non-controlling interests), on net investment hedges of £(18.8)m and on joint ventures and associates of £0.6m.

5.3 Equity and dividends (continued)

Merger reserve
The merger reserve is used to record entries in relation to certain reorganisations that took place in previous accounting periods. The majority of the balance on the reserve relates to the capital reorganisation that took place in 2008 which created a new holding company which is UK-listed, incorporated in Jersey and with its tax residence in the Republic of Ireland. The return of the Company's tax residency to the United Kingdom has had no impact on these balances.

Foreign currency translation reserve
The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries. It is also used to record the effect of hedging net investments of foreign operations.

ESOP reserve
The ESOP reserve records ordinary shares held by the ESOP to satisfy future share awards. The shares are recorded at the cost of purchasing shares in the open market. During the year ended 31 December 2014, 1,025,000 shares were purchased by the ESOP (2013: 2,855,000 shares).

6. Acquisitions and disposals

6.1 Acquisitions

Acquisitions

The fair value of the identifiable assets and liabilities acquired in respect of acquisitions (excluding equity transactions) made in 2014 and 2013 was:

	Advanstar 2014 £m	**Other acquisitions 2014 £m**	**All acquisitions 2014 £m**	All acquisitions 2013 £m
Intangible assets arising on acquisition	**284.1**	**10.0**	**294.1**	4.7
Intangible assets acquired with acquisition	**7.0**	**-**	**7.0**	-
Property, plant and equipment	**4.5**	**0.1**	**4.6**	0.2
Trade and other receivables	**32.2**	**5.7**	**37.9**	1.6
Deferred tax asset	**79.8**	**-**	**79.8**	-
Cash and cash equivalents	**72.4**	**0.4**	**72.8**	1.8
	480.0	**16.2**	**496.2**	8.3
Trade and other payables	**(73.0)**	**(7.5)**	**(80.5)**	(1.8)
Provisions	**-**	**-**	**-**	-
Deferred tax liability	**(99.4)**	**(0.4)**	**(99.8)**	(0.7)
	(172.4)	**(7.9)**	**(180.3)**	(2.5)
Identifiable net assets	**307.6**	**8.3**	**315.9**	5.8
Goodwill arising on acquisition	**389.4**	**13.5**	**402.9**	9.3
Non-controlling interests	**-**	**-**	**-**	(3.0)
	697.0	**21.8**	**718.8**	12.1

Trade and other receivables acquired have been measured at fair value which is the gross contractual amounts receivable. All amounts recognised are expected to be collected.

The intangible assets acquired as part of the acquisitions were:

	Advanstar 2014 £m	**Other acquisitions 2014 £m**	**All acquisitions 2014 £m**	All acquisitions 2013 £m
Brands	**194.3**	**3.5**	**197.8**	2.3
Order backlog	**0.7**	**1.3**	**2.0**	-
Customer relationships	**88.5**	**5.0**	**93.5**	1.8
Customer contracts and relationships	**89.2**	**6.3**	**95.5**	1.8
Databases	**0.6**	**0.2**	**0.8**	0.6
Total	**284.1**	**10.0**	**294.1**	4.7

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at 31 December 2014

6.1 Acquisitions (continued)

The total consideration transferred on acquisitions is as follows:

	Advanstar 2014 £m	**Other acquisitions 2014 £m**	**All acquisitions 2014 £m**	All acquisitions 2013 £m
Cash and cash equivalents	**697.0**	**19.7**	**716.7**	9.7
Fair value of contingent consideration	**-**	**-**	**-**	0.4
Deferred consideration	**-**	**2.1**	**2.1**	2.0
				-
Total consideration transferred	**697.0**	**21.8**	**718.8**	12.1

Acquisition costs of £8.0m (2013: £0.8m) have been recognised as an exceptional operating item in the income statement and are included in operating cash flows in the statement of cash flows.

Cash flow effect of acquisitions

The aggregate cash flow effect of acquisitions was as follows:

	Advanstar 2014 £m	**Other acquisitions 2014 £m**	**All acquisitions 2014 £m**	All acquisitions 2013 £m
Net cash acquired	**(72.4)**	**(0.4)**	**(72.8)**	(1.8)
Cash paid to acquire	**697.0**	**19.7**	**716.7**	9.7
Contingent consideration paid:				
2010 acquisitions	**-**	**-**	**-**	2.2
2011 acquisitions	**-**	**-**	**-**	1.4
2012 acquisitions	**-**	**-**	**-**	1.8
2013 acquisitions	**-**	**2.3**	**2.3**	0.2
2014 acquisitions	**-**	**-**	**-**	-
Deferred consideration paid:				
2011 acquisitions	**-**	**-**	**-**	3.9
2012 acquisitions	**-**	**0.1**	**0.1**	1.6
2013 acquisitions	**-**	**2.1**	**2.1**	-
2014 acquisitions	**-**	**-**	**-**	-
Net cash outflow on acquisitions	**624.6**	**23.8**	**648.4**	19.0

The Group paid £2.3m of contingent consideration during 2014 in relation to Rotaforte International Trade Fairs & Media and Shanghai Tiansheng Exhibition Service Co., Ltd (Tiansheng). The Group also paid £2.2m of deferred consideration during 2014 in relation to NTSR, Greenbuild and Epica.

The Group paid £5.4m of contingent consideration during 2013 in relation 2010 acquisitions of SharedVue, Corporate 360 and The Route Development Group, the 2011 acquisitions of Rotaforte International Trade Fairs & Media and International Business Events Limited, the 2012 acquisitions of Shanghai UBM ShowStar Exhibition Co. Limited and RISI Inc. The Group also paid £5.5m of deferred consideration during 2013 in relation to the 2011 acquisitions of AMB Exhibitions Sdn Bhd and AMB Exhibitions Events Sdn Bhd, International Business Events Limited and Online Marketing Summit, the 2012 acquisition of Shanghai UBM ShowStar Exhibition Co. Limited, Insight Media Limited, Malaysian International Furniture Fair, I.C.C. Fuarcilik ve Organizasyon Ticaret A.S and Eco Exhibitions Sdn Bhd.

6.1 Acquisitions (continued)

2014 acquisitions

Each acquisition strengthens our exposure to certain industry verticals and are in line with the Group's strategy to enhance and expand its international presence in geographic regions of significant growth.

The Group has acquired 100% of the voting rights in all cases where acquisitions involved the purchase of companies unless otherwise stated below. All 2014 and 2013 acquisitions where less than 100% of the voting rights of a company were purchased have been accounted for using the full goodwill method.

Acquisition	2014 acquisition date	Activity	Segment	Initial and Deferred Consideration £m	Maximum contingent consideration
Centro Impulsor de la Habitacion y la Construccion, A.C. (CIHAC)	9 May	Construction event	Events	10.7	-
Abastecedores Turisticos (Abastur)	17 June	Hotel, restaurant and catering event	Events	5.6	-
Seatrade Communications Limited	31 July	Global maritime events and publishing business	Events	5.5	-
Advanstar Communications Inc	18 December	Fashion events	Events	697.0	-
				718.8	-

Advanstar Communications

Following the announcement to acquire Advanstar for a base purchase price of $972m (on a cash free and debt free basis), on 18 December 2014, the Group acquired the business for a final cash consideration of $1,086.7m (£697.0m) including cash acquired with the business of £72.4m and £2.7m working capital adjustments. Net assets of £50.5m including cash of £72.4m and intangible assets of £284.1m have been recognised on acquisition. A goodwill balance of £389.4m has been recorded. These amounts have been based on a preliminary valuation performed by valuation experts for the purpose of the Shareholder Circular and Prospectus published in November 2014. These numbers are provisional valuations and subject to change in accordance with IFRS 3 *Business Combinations (revised 2008)* once the full purchase price allocation and fair value analysis has been completed.

The transaction completed on 18 December 2014 at which point control was obtained.

Advanstar is an event and marketing services business that serves business professionals and consumers in the fashion, licensing, pharmaceutical and medical and powersports and automotive industries. Advanstar is one of the largest US tradeshow operators and holds the market-leading position in certain key tradeshow industries including fashion, licensing and powersports. Advanstar has 555 employees in North America and Europe and is headquartered in Santa Monica, with additional offices in New York, several other US locations, and the UK.

Advanstar manages a portfolio of 54 tradeshows, 30 publications and 194 websites/digital products. Advanstar also offers a variety of educational and direct marketing products and services to the fashion, licensing, pharmaceutical, medical and powersports and automotive industries. Key Advanstar brands include MAGIC Marketplace, Licensing Expo, CBI, the International Motorcycle Shows, Coterie, Accessorie Circuit, Intermezzo Collections, Children's Club and ENK Vegas.

In 2014, Advanstar derived 72.9% per cent of its revenue from events. Events are Advanstar's highest margin products, and have had strong recent growth. Advanstar has been able to drive significant margin improvements from 2011 through 2014 through its acquisition and integration of the ENK fashion event portfolio and operations; reengineering of key business systems; and renegotiation of its contract with its primary event services contractor, Global Experience Specialists, Inc. Advanstar has also been able to drive strong revenue growth and improved margins in its digital products.

The goodwill of £389.4m arising from the acquisition of Advanstar relates to the following factors:

- the acquisition provides UBM with market leadership in a new vertical, making it the leading player in the USA fashion industry events thereby allowing it to benefit from expected growth in the sector;
- the acquisition provides UBM with increased scale, adding six events to UBM's portfolio which would rank amongst its top 20 events; and
- the acquisition provides balance against UBM's strong events portfolio in Emerging Markets and reinforces its position as a core events business.

None of the goodwill recognised on the acquisition of Advanstar is expected to be deductible for tax purposes.

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6.1 Acquisitions (continued)

2013 acquisitions

The goodwill of £9.3m recognised relates to certain intangible assets that cannot be individually separated. These include items such as customer loyalty, market share, skilled workforce and synergies expected to arise after the acquisition completion. Of the goodwill arising, an amount of £0.7m is expected to be deductible for tax purposes.

Acquisition	2013 acquisition date	Activity	Segment	Initial and deferred consideration £m	Maximum contingent consideration
JV Novomania Limited (JVNML), 60%	18 March	Urban/street fashion event	Events	0.3	£2.0m payable over the next three years
PT Pameran Niaga Indonesia (PTPNI), 51%	15 April	Events operator	Events	0.2	-
China (Shanghai) International Starch & Starch Derivatives Exhibition (Epica)	2 August	Starch and starch derivatives exhibition	Events	0.7	£0.2m payable over the next three years
NTSR Fuar ve Gösteri Hizmetleri A.Ş (NTSR) 75%	29 November	Maritime, infrastructure, agriculture, lighting and leisure boating exhibitions	Events	8.4	-
Shanghai Tiansheng Exhibition Service Co., Ltd (Tiansheng)	16 December	Vending machine and digital signage exhibitions	Events	2.1	£2.3m payable over the next three years
				11.7	£4.5m

Put and call options

There are no new transactions during the year.

During the prior year, the Group has recognised the following put and call options. These reflected new transactions and options which were also recognised following evaluation in the context of the new consolidation standards. Put options are reported within derivative financial instruments. The fair value of call options are not material to the Group.

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6.1 Acquisitions (continued)

31 December 2013

	Option price	Option exercise date	Put option 2013 £m
JV Novomania Limited 40% put and call options	Fair value of the shares as agreed by the parties capped at RMB 80.0m (£8.6m)	18 March 2018	-
PT Pameran Niaga Indonesia 49% call option	Rp1,470.0m (£0.1m)	At any time	-
China (Shanghai) International Starch & Starch Derivatives Exhibition (Epica) 10% call option	Fair value of the shares as agreed by the parties	2 August 2016	-
I.C.C. Fuarcilik ve Organizasyon Ticaret A.S. 30% put and call options	Fair value of the shares as agreed by the parties capped at $10.0m (£6.0m)	Put: 15% after finalisation of 2015 accounts; further 15% after finalisation of 2017 accounts Call: finalisation of 2022 accounts	0.6
Intermodal Organizacao de Eventos S.A. 25% put and call options	5.5x EBITDA capped at $20.0m (£12.0m)	30 day period after 31 December 2015 and each subsequent 31 December	2.2
UBM Mexico Exposiciones, S.A.P.I. De C.V. 20% put and call options	5.0x EBITA capped at MXP200.0m (£10.1m)	Put: 31 December 2020 to 31 December 2023 Call: after 31 December 2020	0.7
UBMMG Holdings Sdn Bhd 25% put and call options	6.0x EBITA capped at $30.0m (£18.1m)	Put: 31 December 2014, 2015 or 2017 or any date after 31 December 2019 Call: after 31 December 2022	1.1
NTSR Fuar ve Gösteri Hizmetleri A.Ş (NTSR) 25% put and call options	7x EBITA plus 6x new/organic branded and non-branded EBITA capped at €50m (£41.7m)	Between 1 Jan 2020 and 31 March 2022	1.3
UBM Istanbul - 25%'s put and call options	11.2 x EBITA plus 6-11.2x new/organic branded and non-branded EBITA capped at €50m (£41.7m)	Between 1 Jan 2020 and 31 March 2022	0.7
PT Dyandra UBM International (Dyandra)	5x EBITA for previous year capped at $20.0m (£12.0m)	21 Feb 2018	1.2

Acquisition performance

From 18 December 2014 to 31 December 2014, Advanstar contributed nil to operating profit and revenue to the Group. Had Advanstar been acquired at the beginning of 2014, it would have contributed £48.7m to operating profit and £176.3m to revenue of the Group.

From their respective dates of acquisition to 31 December 2014, the other acquisitions completed in 2014 contributed £9.1m to revenue and £2.5m to operating profit to the Group. If the other acquisitions had taken place at the beginning of 2014, the acquisitions would have contributed £11.0m to revenue and £1.1m to operating profit of the Group.

From their respective dates of acquisition to 31 December 2013, the acquisitions completed in 2013 contributed £2.2m to revenue and £0.3m to operating profit to the Group. If the acquisitions had taken place at the beginning of 2013, the acquisitions would have contributed £6.5m to revenue and £1.6m to operating profit of the Group.

Notes to the consolidated financial statements
at 31 December 2014

6.1 Acquisitions (continued)

Contingent and deferred consideration

The potential undiscounted amount for all future payments that the Group could be required to make under the contingent consideration arrangements for 2014 acquisitions are nil. The contingent consideration for each acquisition made during the year is based on the terms set out in the relevant purchase agreements. The amounts recognised in the consideration tables below as the fair values of contingent considerations have been determined by reference to the projected financial performance in relation to the specific contingent consideration criteria for each acquisition.

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

	Contingent 2014 £m	**Deferred 2014 £m**	**Total 2014 £m**	Contingent 2013 £m	Deferred 2013 £m	Total 2013 £m
At 1 January	**2.1**	**1.9**	**4.0**	7.5	5.6	13.1
Acquisitions and equity transactions	-	**2.1**	**2.1**	2.3	2.0	4.3
Consideration paid	**(2.3)**	**(2.2)**	**(4.5)**	(5.6)	(5.5)	(11.1)
Changes in estimates (income statement)	**0.8**	**0.5**	**1.3**	(2.2)	-	(2.2)
Currency translation	-	-	-	0.1	(0.2)	(0.1)
At 31 December	**0.6**	**2.3**	**2.9**	2.1	1.9	4.0
Current	**0.6**	**2.3**	**2.9**	2.1	1.9	4.0
Non-current	-	-	-	-	-	-
At 31 December	**0.6**	**2.3**	**2.9**	2.1	1.9	4.0

Income Statement changes are reported within ‘Exceptional operating items’.

6.2 Disposals

The Group continues to make disposals in order to further progress towards a portfolio of integrated cross-media marketing and communication services designed to serve specific commercial and professional communities. These disposals have generated resources to invest in activities that are closely linked to the Group’s strategic priorities. Disposals are disclosed as part of the Group’s discontinued operations when they represent a single major line of business or geographical area of operations, as required by IFRS 5 ‘Non-current assets held for sale and discontinued operations’.

Accounting policy

When the Group disposes of, or loses control, joint control or significant influence over a subsidiary, joint venture or associate, it derecognises the assets (including goodwill) and liabilities of the entity, the carrying amount of any non-controlling interest and any cumulative translation differences recorded in equity. The fair value of the consideration received and the fair value of any investment retained is recognised. The resulting gain or loss for disposals not disclosed as discontinued operations is recognised in profit or loss within ‘Other operating income’.

2014 disposals

Disposal	**2014 disposal date**	**Activity**	**Segment**	**Initial and deferred consideration £m**	**Gain/(loss) on disposal £m**
International Customer Management Institute (ICMI)	1 January	Customer management consulting	Events	**0.3**	**0.2**
Pyramid Research	1 January	Telecoms research	Other Marketing Services	**2.0**	**0.1**
Light Reading[1] 66%	31 January	Telecoms marketing and research	Other Marketing Services	**9.2**	**4.8**
Pharmalive	1 May	Publications database	Other Marketing Services	**0.1**	**0.1**
				11.6	**5.2**

[1] The group accounts for the remaining 34% as an investment in associate

6.2 Disposals (continued)

The aggregate effect of the disposals on the Group's assets and liabilities were as follows:

	Pyramid 2014 £m	**Light Reading 2014 £m**	**Other Disposals 2014 £m**	**Total 2014 £m**	Total 2013 £m
Goodwill	**(1.0)**	**(4.9)**	**-**	**(5.9)**	(128.4)
Intangible assets	**(0.6)**	**(0.6)**	**-**	**(1.2)**	(26.6)
Property, plant and equipment	**-**	**-**	**-**	**-**	(8.3)
Investments in joint ventures and associates	**-**	**-**	**-**	**-**	(3.1)
Trade and other receivables	**(0.7)**	**(3.1)**	**(0.1)**	**(3.9)**	(44.4)
Inventories	**-**	**-**	**-**	**-**	(5.6)
Cash and cash equivalents	**-**	**-**	**-**	**-**	(9.8)
Total assets	**(2.3)**	**(8.6)**	**(0.1)**	**(11.0)**	(226.2)
Trade and other payables	**0.5**	**0.6**	**-**	**1.1**	63.3
Deferred tax liability	**-**	**0.2**	**-**	**0.2**	8.7
Total liabilities	**0.5**	**0.8**	**-**	**1.3**	72.0
Identifiable net assets	**(1.8)**	**(7.8)**	**(0.1)**	**(9.7)**	(154.2)
Costs associated with disposal	**(0.2)**	**(0.1)**	**-**	**(0.3)**	(12.0)
Cumulative exchange gain reclassified to profit and loss on disposal	**-**	**-**	**-**	**-**	26.0
Fair value of retained interest	**-**	**3.6**	**-**	**3.6**	1.7
Profit on disposal	**(0.1)**	**(4.8)**	**(0.3)**	**(5.2)**	(16.3)
Consideration received	**2.1**	**9.1**	**0.4**	**11.6**	154.8
Vendor loan note	**-**	**(7.4)**	**-**	**(7.4)**	(37.1)
Less cash disposed and deferred consideration	**-**	**-**	**(0.2)**	**(0.2)**	(9.8)
Net cash inflow	**2.1**	**1.7**	**0.2**	**4.0**	107.9

The Light Reading vendor loan note of £7.4m is split between Tranche A and Tranche B loan amounts. Tranche A accrues an annual interest coupon of 12% plus 3 month LIBOR, and Tranche B accrues an annual interest coupon of 5.5% plus 3 month LIBOR.

7. Events after the reporting period

On 21st January 2015, the Group disposed of Leisure Industry Week for initial cash consideration of £0.2m, subject to working capital adjustments.

On 30th January 2015 the Group disposed of PG Promotion for initial cash consideration of £0.6m, subject to working capital adjustments.