



ITE Group plc

Interim Results Presentation – May 2010





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Highlights – six months to 31 March 2010

	2010	2009	
▪ Revenue	£39.2m	£43.2m	-9%
▪ Headline PBT	£6.4m	£13.3m	
▪ Headline PBT excluding Forex	£8.5m	£9.4m	-9%
▪ Interim dividend	1.7p	1.6p	
▪ Cash at 31 March	£29.7m	£25.3m	
▪ H1 is in line with expectations - reflecting full effects of the recession			
▪ Recovery is beginning – but ‘late cycle’ financial effect			
▪ Expansion of business in India, Moscow, Turkey, Ukraine			



Financial highlights – six months to 31 March 2010

- L4L volume sales down 20%
- L4L Revenues down 16%
- L4L Gross profit down 10%

- Gross margin up 1% to 43%
- Year on Year foreign exchange effect (£6.0m)
- Strong operating cash flow in first six months of £27.5m (2009:£20.4m)
- £100m of 2010 sales booked (95% of consensus)



Trading environment

- L4L volume sales for full year expected to be down by circa 10%
- 'Peak to trough' L4L volume sales down circa 30%
- #1 events emerge stronger - L4L volume sales down 20%
- Moscow exhibition business is now beginning to recover
- Local exhibitors returning faster than internationals
- Construction industry remains weak outside Moscow



FINANCIAL RESULTS



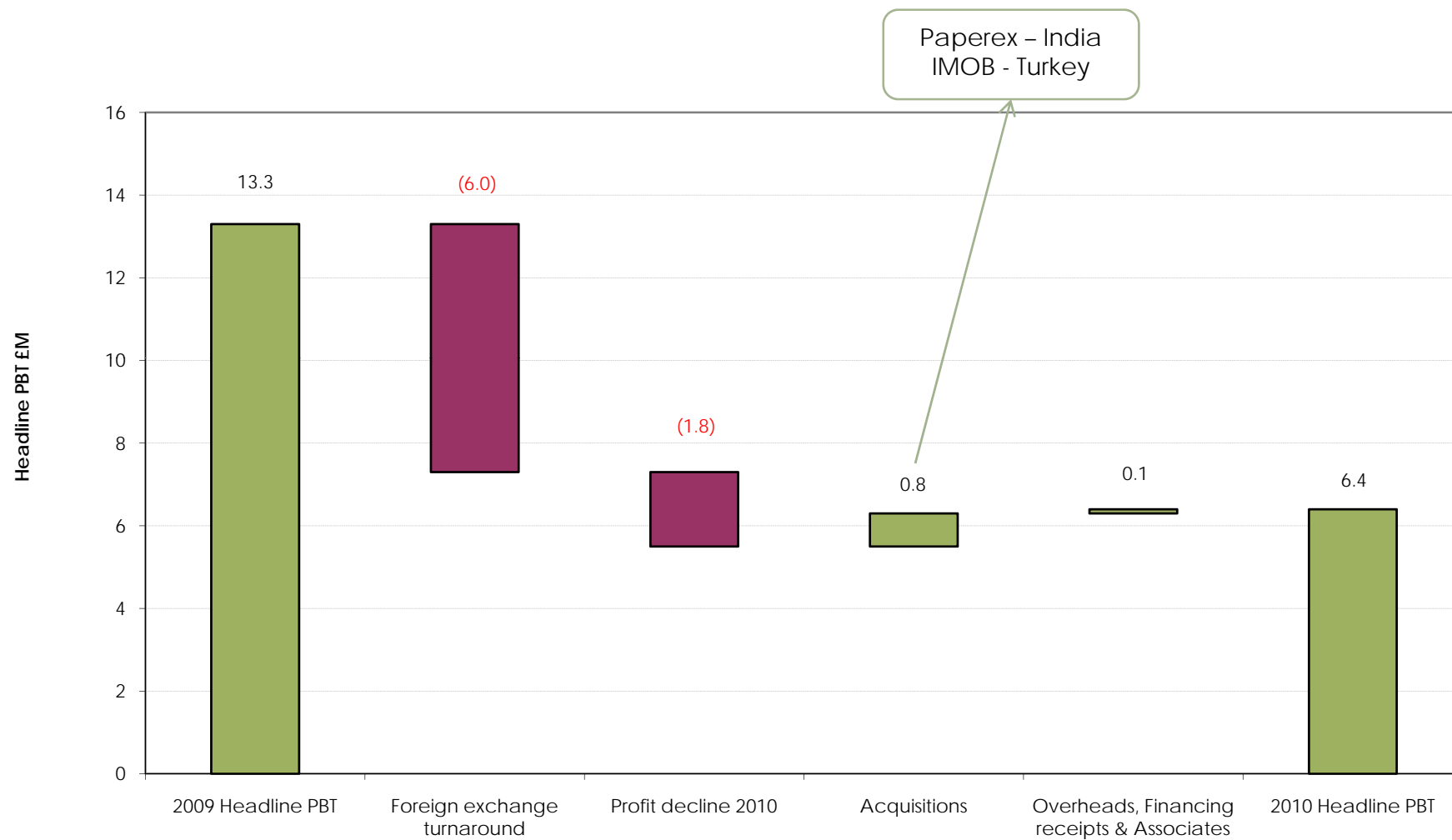
Financial highlights for the six months to 31 March 2010

	2010	2009	
Revenue	£39.2m	£43.2m	-9%
Gross profit margin	43%	42%	
Headline profit before tax	£6.4m	£13.3m	
Net forex	(£2.1m)	£3.9m	
Headline profit before tax - excl forex	£8.5m	£9.3m	-9%
Dividend	1.7p	1.6p	Progressive dividend policy
Net cash	£29.7m	£25.3m	

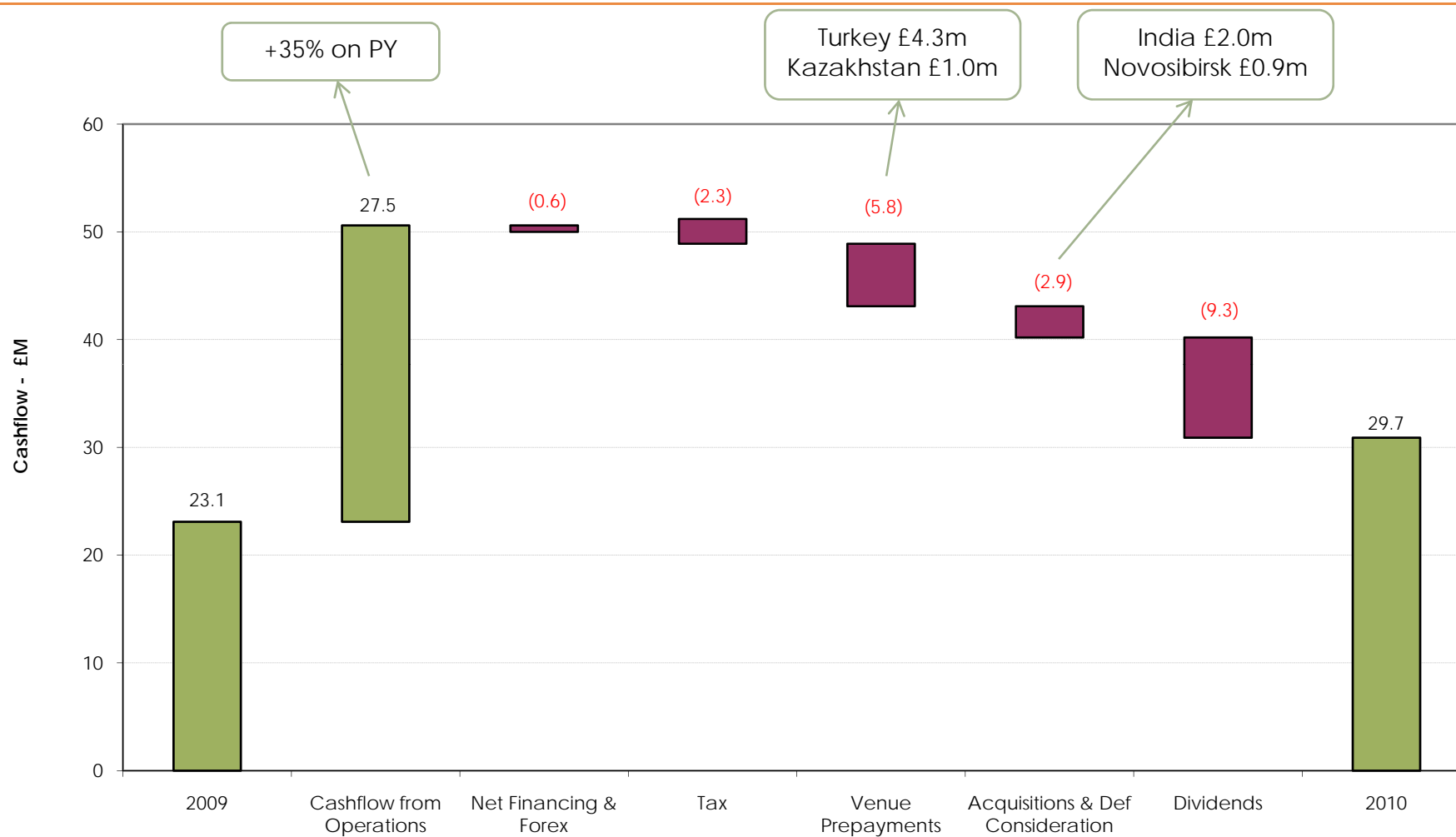
Acquisitions: +£3.1m
Pricing & Fx: +£1.4m
Volumes: -£8.5m



Headline PBT bridge – six months to 31 March 2010



Cash flow bridge – six months to 31 March 2010





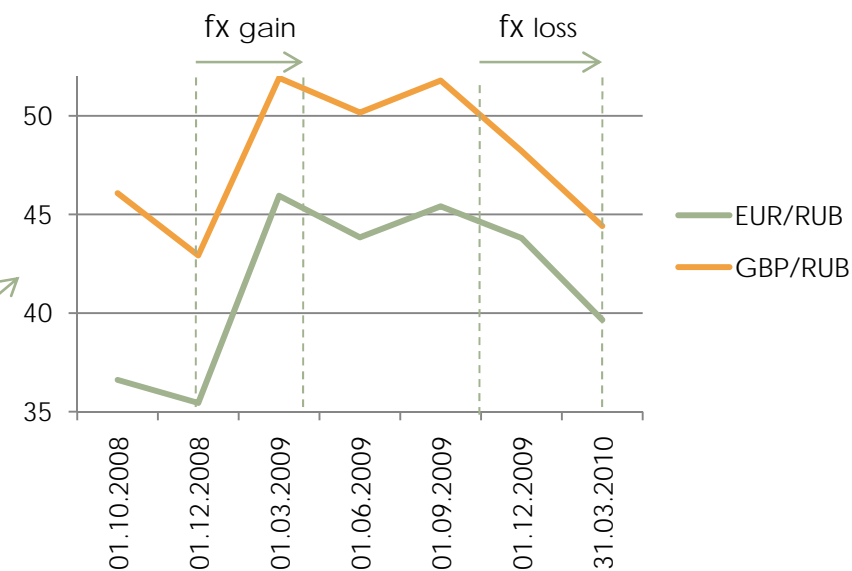
Currency and hedging

Currency of sale	2010 %	Av sales rate	
		2010	2009
EUR	70	1.16	1.21
GBP	11	1.0	1.0
RUB	6	48	46.5
Other	13		

+4%

Forward cover
2010-2013
€63m @ £1.11

- Ruble depreciation early 2009
 - Ruble appreciation early 2010
- } = Fx gains/losses





Exhibitions – Performance summary

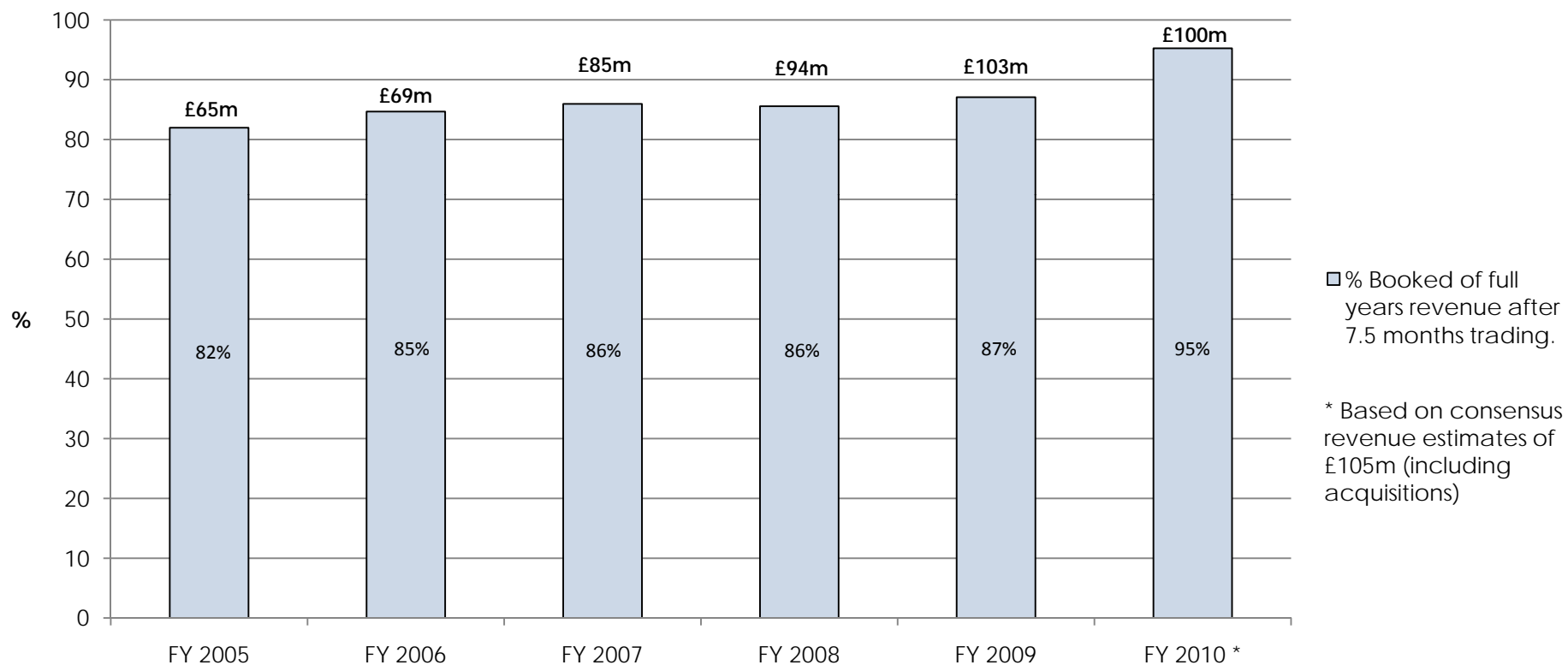
	Square Meters '000	Revenue £m	Gross Profit £m	Average Yield £ per m2
First half 2009*	188.6	42.5	17.8	225
Acquisitions	53.4	3.1	0.9	58
Net organic change	(38.4)	(7.0)	(1.8)	
First half 2010*	203.6	38.6	16.9	190

Dilutive yield
effect

* excludes publishing activity

- L4L Volume sales – 20%
- L4L Revenues – 16%
- L4L Gross profit – 10%

£m Sales booking



- £100m of sales booked for 2010 (95% of market consensus)



GROUP RESULTS - MARKETS

SUMMARY – Revenues for the six months ended 31 March 2010

	2010 £m	2009 £m	% change
Russia	16.7	20.5	-19%
Central Asia & Caucasus	9.6	10.8	-11%
Eastern & Southern Europe	7.8	8.2	-5%
UK & Western Europe	4.0	3.5	+14%
Rest of World	1.1	0.2	N/A
Total	39.2	43.2	-9%

2010

- Moscow – recovery underway
- St. Petersburg – very difficult trading conditions

	6 months 2010	6 months 2009
m ² '000	64	80
Revenue	£16.7m	£20.5m

Outlook

- Complementary acquisition of Global Expo - Moscow
- Further acquisition opportunities presenting themselves
- Novosibirsk – new venue options



Central Asia

2010

- Kazakhstan – markets improving | construction lagging
- Azerbaijan – good solid trading conditions
- Uzbekistan – recovery in evidence | positive trading

	6 months 2010	6months 2009
m ² '000	28	34
Revenue	£9.6m	£10.8m

Outlook

- Aqua-therm opportunities in Kazakhstan and Azerbaijan
- Azerbaijan – new venue opens in June



Eastern and Southern Europe

2010

- Ukraine - very difficult trading conditions
- Turkey - shows trading ahead of last year

	6months 2010	6 months 2009
m ² '000	86	58
Revenue	£7.8m	£8.2m

Outlook

- New sectors in Turkey - Food | Furnishings | Machinery | Gifts
- Aqua-therm Kyiv - a market leading event



UK / Rest of World

2010

- UK - Steady trading conditions | brand extension
- India - Good trading conditions

Outlook

- Launch opportunities in India

	6 months 2010	6 months 2009
m² '000	25	16
Revenue	£5.1m	£3.7m



April trading results

	2010 m ²	2009 m ²
Mosbuild	62,700	74,900
Interstroyexpo	6,400	10,100
TransRussia	7,500	7,300
Expoelectronica	5,100	5,300

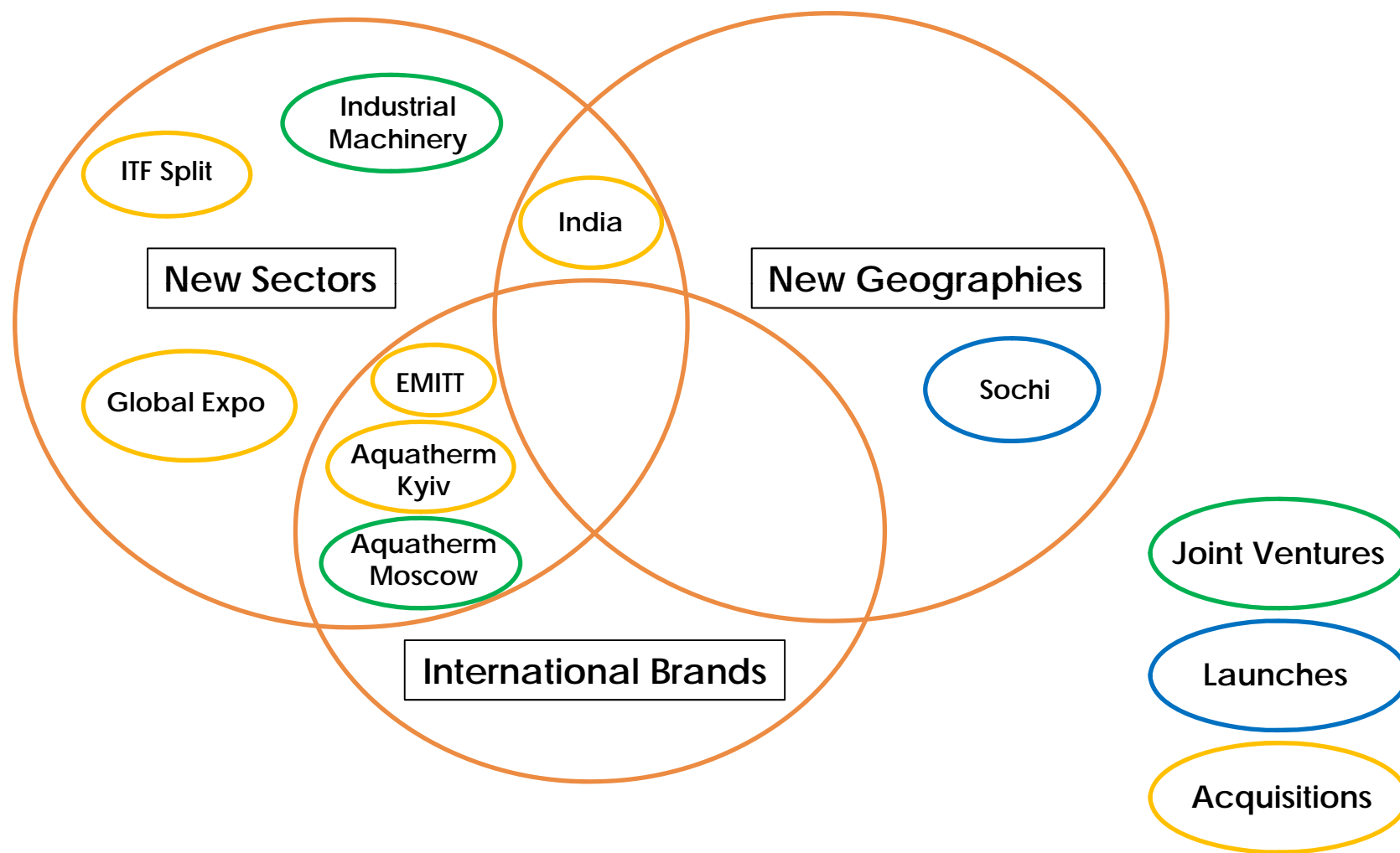


GDP growth in ITE's markets

	2009*	2010*	2011*
• Russia	(8%)	4%	3%
• Kazakhstan	1%	2%	4%
• Azerbaijan	9%	3%	1%
• Uzbekistan	8%	8%	7%
• Ukraine	(15%)	4%	4%
• Turkey	(5%)	5%	3%
• UK	(5%)	1%	3%

*Source: IMF World Economic outlook database, April 2010

STRATEGY - OUTLOOK





Strategy execution 2009 - 2010

Date	Event		Consideration	Annual Revenue €
Jan 2009	EMITT	●	€4.0m - €5.5m	€2.6m
Nov 2009	India	●	€2.7m - €4.0m	€1.6m
Feb 2010	Split Associate	●	50% of Associate	€5.0m
April 2010	Global Expo	●	€1.8m	€1.4m
April 2010	Aquatherm	●	€13m	€4.0m
TOTAL				€14.6m

- Sector expansion in market
- New market



Outlook

- Stable trading conditions | growth returning in Moscow
- Cash at 14 May - after all acquisitions over £14m
- Ongoing strong cash flow with gearing available
- Management focus on detail of integration
- Good opportunities to expand the business model

APPENDICES



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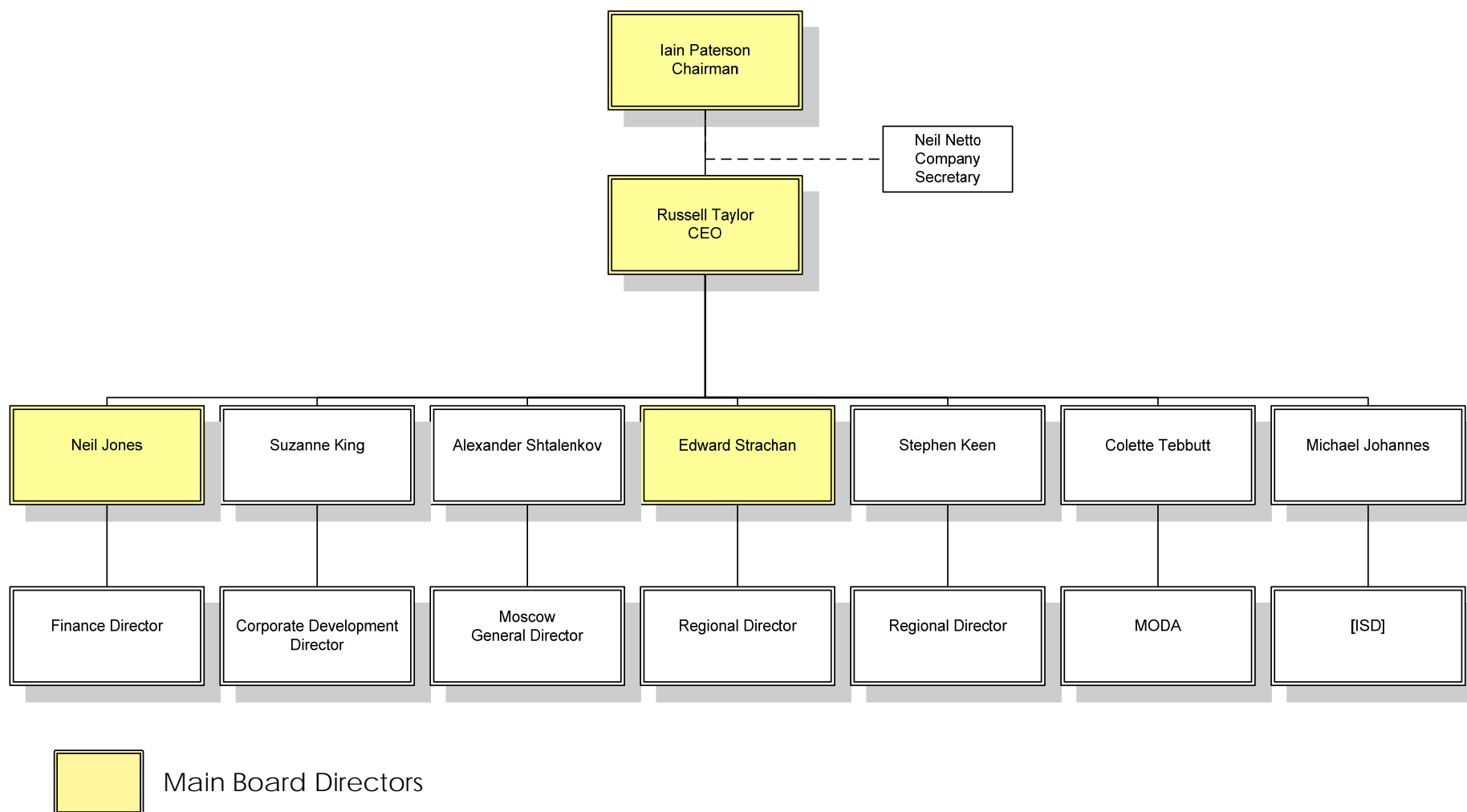
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- II Key Management Team
- III Top 10 Events
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- V Venue Prepayments and Loans



Shareholder Structure at 27 April 2010

APPENDIX I

	%	No. of Shares (millions)
Schroders	16.5%	40.8
Blackrock	15.4%	38.3
Scottish Widows	5.8%	14.5
Old Mutual	5.7%	14.1
Legal and General	5.3%	13.1
Standard Life	4.9%	12.2
Threadneedle Investments	4.6%	11.4
Ceyda Erem	3.8%	9.4
Directors	2.9%	7.1
ESOT	4.0%	10.0
Other Institutions and individuals	31.1%	77.4
Total Shares in issue	100%	248.3
Options in the money:	0.2%	0.5m
Management including options in the money	3.5%	
Free float	96.5%	
Average daily trading volume (6 months)		0.6m



<u>Rank</u>	<u>Event</u>	<u>Location</u>	<u>2010</u> <u>m² sold</u>	<u>2009</u> <u>m² sold</u>
1	MosBuild & MosBuild+	Moscow	62,700	74,900
2	Moscow International Travel & Tourism (MITT)	Moscow	19,500	20,200
3	World Food Moscow	Moscow	Sept	16,300
4	MODA UK (Spring only)	U.K.	16,900	14,900
5	Kazakhstan Oil & Gas / conference	Kazakhstan	7,900	10,300
6	Transrussia	Moscow	7,500	7,300
7	Expoelectronica	Moscow	5,100	5,300
8	Interstroyexpo	St. Petersburg	6,400	10,100
9	Ukraine International Travel & Tourism	Kyiv	4,600	5,100
10	OGU	Uzbekistan	2,100	1,900
% of ITE's 10 Gross Profit earned by Top 10 events				63%

	31-Mar-10 unaudited £'m	31-Mar-09 unaudited £'m
Non Current Assets		
• Goodwill & Intangibles	67.8	60.4
• Other non-current assets	<u>8.1</u>	<u>4.8</u>
	75.9	65.2
Current Assets		
• Debtors due within 1 year	36.9	31.8
• Cash (net of O/D)	<u>29.7</u>	<u>25.2</u>
	66.6	57.0
Creditors		
• Deferred Revenue & Creditors	81.2	86.2
• Deferred Consideration	0.7	1.1
• Deferred Tax	3.2	2.3
• Provisions	<u>0.9</u>	<u>1.2</u>
	86.0	90.8
Net Assets	56.5	31.4

£44.3m

£54.4m

<u>Venue</u>	<u>Location</u>	<u>Prepayments 31 March 2010</u>	<u>Theme Protection</u>	<u>Rates Agreed</u>
Expocentr	Moscow	-	2011	2011
Crocus	Moscow	£1.2m	2015	2011
Lenexpo	St Petersburg	£0.4m	2012	2012
Atakent	Almaty	£1.4m	2017	2017
IEC	Kiev	£1.1m	2014	2012
Uzexpocentr	Tashkent	£0.4m	2011	2011
CNR	Turkey	£4.8m	2014	2014
	TOTAL	£9.3M		