

Euromoney Institutional Investor

Year-end trading update

Euromoney has released a year-end trading update ahead of its full-year results, scheduled for 21 November. This indicates figures slightly ahead of our forecasts, with group revenues of £401m (flat underlying) and a better group margin than we had anticipated, giving an adjusted PBT result of £104m. The strategic review of Asset Management is continuing, and the division will be reported as discontinued business. Net cash at the year end is expected to have been around £50m. We will adjust our FY20e and FY21e projections on publication of the full results.

Year end	Revenue (£m)	PBT* (£m)	EPS* (p)	DPS (p)	P/E (x)	Yield (%)
09/17	428.4	106.5	76.4	30.6	17.8	2.3
09/18	414.1	109.2	81.3	32.4	16.7	2.4
09/19e	398.0	99.0	73.5	34.0	18.5	2.5
09/20e	418.0	105.0	77.9	35.5	17.4	2.6
09/21e	445.1	117.3	87.1	37.0	15.6	2.7

Note: *PBT and EPS are normalised, excluding amortisation of acquired intangibles, exceptional items and share-based payments.

The statement indicates trading patterns have continued in the same vein as previously, with good performance from Pricing, Data and Market Intelligence (PDMI), up 4% underlying, part offset by a 4% underlying decline in Asset Management and a 1% underlying decline in Banking and Finance. Within PDMI, Fastmarkets continues to build its subscription revenue base strongly, up 10%. Last year's acquisition of BoardEx has also performed well, up 11%.

Euromoney had approximately £50m of cash on the balance sheet at end September (up from £41.2m at end June; £29.3m at end March), with an undrawn committed revolving credit facility of £240m (and an uncommitted £130m accordion). Along with any potential disposal proceeds from Asset Management, this gives plenty of firepower for potential acquisitions as well as resource for organic investment.

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Media

5 November 2019

Price 1,358p

Market cap £1,483m

£1:\$1.24

Net cash (£m) at 30 September 2019 50

Shares in issue 109.2m

Free float 99.0%

Code ERM

Primary exchange LSE

Secondary exchange N/A

Share price performance



Business description

Euromoney Institutional Investor is a global, multi-brand information business that provides critical data, price reporting, insight, analysis and must-attend events to financial services, commodities, telecoms and legal markets.

Analysts

Fiona Orford-Williams +44 (0)20 3077 5739

Russell Pointon +44 (0)20 3077 5700

media@edisongroup.com

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Frankfurt +49 (0)69 78 8076 960
Schumannstrasse 34b
60325 Frankfurt
Germany

London +44 (0)20 3077 5700
280 High Holborn
London, WC1V 7EE
United Kingdom

New York +1 646 653 7026
1,185 Avenue of the Americas
3rd Floor, New York, NY 10036
United States of America

Sydney +61 (0)2 8249 8342
Level 4, Office 1205
95 Pitt Street, Sydney
NSW 2000, Australia