Informa PLC **Press Release**

21 September 2020

2020 Half-Year Results and COVID-19 Action Plan

Stability and Security through 2021 & beyond

Informa (LSE: INF.L), the Information Services, Advanced Learning, B2B Exhibitions and Events Group today announced its financial results for the six-months ended 30 June 2020, alongside an update on its ongoing actions to ensure Stability and Security through 2021, amid continuing COVID-19 disruption.

- H1 2020 Results: Adjusted Operating Profit[1] of £118.6m (H1 2019: £435.7m) on revenues of £814.4m (H1 2019: £1,407.6m), amid significant pandemic-impact on physical Events business; COVID-19 non-cash impairments and exceptional costs impact statutory pre-tax loss of £739.9m;
- Data & Depth: Continued strong demand for specialist data and intelligence helping offset COVID-19 disruption to physical Events, with solid performance in Subscriptions businesses and specialist B2B brands, underpinned by Informa's geographic breadth and depth of customer relationships;
- Recovery & Return: Physical Events business in Mainland China back to operating capability, with 20 further B2B events scheduled before year-end, highlighting recovery potential as permissions return and confidence rebuilds; elsewhere, customer engagement remains high with continued commitment to forward bookings and growing participation in virtual events;
- COVID-19 Action Plan: Group announces next stage of its ongoing COVID-19 Action Plan to support Colleagues, stabilise the business and secure baseline full-year revenues of c.£1.7bn/£1.7bn-, including extending The Postponement Programme to mid/late Spring 2021 and expansion of the Cost Management Programme to deliver more than £600m+ of savings by year-end;
- 2021 Cashflow Positive: Combination of lower costs, more efficient financing and effective cash management will secure positive monthly cashflow position by January 2021, even assuming no physical events activity other than shows within Mainland China and outdoor events.
- Balance sheet & Financing Security: Current liquidity of £2.8bn, with intention to renegotiate or repay US private placement notes, combined with planned issue of around £500m equivalent Euro Bonds, extending drawn debt maturity through to 2023.

Stephen A. Carter, Group Chief Executive, Informa PLC, said:

"Despite the first-half disruption to physical Events businesses caused by the pandemic, we are seeing strong demand and resilience in our specialist Subscriptions, Data and Content, reflecting the power of our brands and depth of geographic reach and customer relationships. Encouragingly, we have also seen our physical Events business recover in Mainland China, whilst our increasing participation in virtual events is maintaining our brands, developing our digital services and enhancing our data capabilities."

"We have extended our COVID-19 Action Plan to deliver further business stability and security through to the end of 2021. This package of measures extends our Postponement Programme to mid/late Spring 2021, further lowers costs, reduces cash expenditures and strengthens our balance sheet, underpinning full year revenues of c.£1.7bn/£1.7bn-, which will also serve as our baseline for 2021."

He added: "The combination of our resilient Subscriptions-led businesses and the actions we are taking position Informa securely through to the end of 2021. We remain confident that Informa will emerge from the pandemic with Stability and Security, delivering long-term sustainable growth and shareholder value."

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H1 2020 Key Highlights

Financial results reflect the impact of COVID-19 and Informa's effective response through its Postponement Programme, Cost Management Programme and financing activities:

- Statutory Group Revenue: £814.4m (H1 2019: £1,407.6m), reflecting robust performance by Subscriptions-led businesses and good start to the year by Events-led businesses, before COVID-19 disruption and launch of major programme to reschedule events;
- Adjusted Operating Profit[1]: £118.6m (H1 2019: £435.7m), with close to £300m of direct and indirect cost savings in H1;
- Statutory Operating Loss: First-half loss of £739.9m (H1 2019 profit: £248.3m), reflecting lower revenue, intangible amortisation (£148.2m), COVID-19 non-cash impairments (£592.9m) and exceptional costs (£43.4m);
- Free Cash Flow[1]: £71.3m (H1 2019: £306.4m), with resilient cash conversion, reflecting effective cost management and cash controls, with low levels of customer refunds in H1;
- Net Debt: £1947.9m (H1 2019: £2846.0m), with a leverage ratio of 2.3x (H1 2019: 2.7x), supported by positive free cash flow, equity raise and retained cash facilities;
- Chairman Succession: In March, the Chairman's succession process was paused to enable the Group to focus on the Stability and Security of Informa through 2020/2021. The Group now has a clear path into and through 2021 and, therefore, the Chairman succession process, which was previously well progressed, has resumed with the aim of concluding by year-end, with a detailed update at the Group's Nine-Month Trading Statement in early November.

COVID-19 Action Plan

Following the delayed recovery and return to business in North America and EMEA, Informa is moving to the next stage of its COVID-19 Action Plan:

- Postponement Programme Extended to Spring 2021: Programme to reschedule physical events to later dates has been extended to mid-late Spring 2021, maximising the revenue opportunity from physical events, supported by increasing commitment to and experience in virtual events;
- Effective Cost Management: Move to the next stage of the Group's Cost Management Programme, with around £400m direct savings to adjusted operating profit and £200m+ annualised indirect savings by year-end, supported by a Voluntary Severance Programme, a 2020/21 Sabbatical Programme, a Balanced Working Programme and targeted compulsory redundancies largely in North America and EMEA, aligning the 2021 cost base to the revenue outlook;
- 2021 Cashflow Positive: Strength of B2B brands and focus on cash management reflected in customer commitment to forward bookings, with refunds less than 15% of Events gross cash collections. Combined with additional cost measures and increased financing efficiency, delivering positive monthly cashflows in January 2021, even if physical events activity remains limited to domestic trade shows in Mainland China and outdoor events;
- Ongoing Colleague Support: Further measures to support the safety and wellbeing of Colleagues, including increased working flexibility though the introduction of the Balanced Working Model;
- Further Financing Flexibility: Current liquidity of £2.8bn and average debt maturity of 5.4 years. Intention to renegotiate or repay US private placement notes, removing point covenant, combined with planned issue of around £500m equivalent Euro-bonds, extending drawn debt maturity to 2023.

[1]In this report we refer to non-statutory measures including underlying results, as defined in the Financial Review on page 8 and Glossary on page 58.

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H1 2020 Financial Summary

	H1 2020 £m	H1 2019 £m	Reported %	Underlying[1] %
Revenue	**814.4**	1,407.6	(42.1)	(26.2)
Statutory operating (loss)/profit	**(739.9)**	248.3	n/a	
Adjusted operating profit[2]	**118.6**	435.7	(72.8)	(54.0)
Adjusted operating margin (%)[2]	**14.6**	31.0	(52.9)	
Operating cash flow[2]	**183.5**	415.1	(55.8)	
Statutory (loss)/profit before tax	**(801.2)**	232.8	n/a	
Adjusted profit before tax[2]	**71.0**	377.8	(81.2)	
Statutory diluted earnings per share (p)	**(56.9)**	14.4	n/a	
Adjusted diluted earnings per share (p)[2]	**5.0**	23.1	(78.4)	
Dividend per share (p)	**n/a**	21.9	n/a	
Free cash flow[2]	**71.3**	306.4	(76.7)	
Net debt (inc IFRS 16)[2]	**1,947.9**	2,846.0	(31.6)	

H1 2020 Divisional Highlights

	H1 2020 £m	H1 2019 £m	Reported %	Underlying[1] %
Informa Markets				
Revenue	**284.7**	722.0	(60.6)	(45.1)
Statutory operating (loss)/profit	**(380.9)**	136.6	n/a	
Adjusted operating profit[2]	**12.0**	253.2	(95.3)	(91.5)
Adjusted operating margin[2] (%)	**4.2**	35.1		
Informa Connect				
Revenue	**65.5**	141.6	(53.7)	(42.6)
Statutory operating (loss)/profit	**(148.0)**	7.9	n/a	
Adjusted operating (loss)/profit[2]	**(20.0)**	17.7	n/a	n/a
Adjusted operating margin[2] (%)	**n/a**	12.5		
Informa Tech				
Revenue	**59.8**	109.0	(45.1)	(7.4)
Statutory operating (loss)/profit	**(300.1)**	15.9	n/a	
Adjusted operating (loss)/profit[2]	**(16.5)**	29.0	n/a	n/a
Adjusted operating margin[2] (%)	**n/a**	26.6		
Informa Intelligence				
Revenue	**147.9**	183.2	(19.3)	1.8
Statutory operating profit	**29.2**	20.3	43.8	
Adjusted operating profit[2]	**47.8**	42.8	11.7	27.5
Adjusted operating margin[2] (%)	**32.3**	23.4		
Taylor & Francis				
Revenue	**256.5**	251.8	1.9	(0.7)
Statutory operating profit	**59.9**	67.6	(11.4)	
Adjusted operating profit[2]	**95.3**	93.0	2.5	2.5
Adjusted operating margin[2] (%)	**37.2**	36.9		

[1]In this document we refer to Underlying and Reported results. Underlying figures are adjusted for acquisitions and disposals, the phasing of events including biennials, the impact of changes from new accounting standards and accounting policy changes, and the effects of currency. It includes, on a pro-forma basis, results from acquisitions from the first day of ownership in the comparative period and excludes results from sold businesses from the date of disposal in the comparative period. Reported figures exclude such adjustments. Alternative performance measures are detailed in the Glossary.

[2]In this document we also refer to Statutory and Adjusted results, as well as other non-statutory financial measures. Adjusted results are prepared to provide an alternative measure to explain the Group's performance. Adjusted results exclude adjusting items as set out in Note 4 to the Financial Statements. Operating cash flow, free cash flow, net debt and other non-statutory measures are discussed in the Financial Review and the Glossary.

Trading Outlook

The demand for specialist knowledge and information remains resilient. This is reflected in solid trading and good visibility in the majority of Informa's Subscription-led businesses and high levels of engagement and activity across the Group's other digital content, media, marketing services and virtual event businesses.

The strength of these businesses, combined with the quality of Informa's other B2B brands, broad geographic reach and strong customer relationships, is providing stability and security in the face of the significant, ongoing impact of COVID-19 on the Group's physical events portfolio.

The COVID-19 pandemic continues to have a more volatile and far-reaching impact around the world than initially predicted. Over recent months, whilst Government control restrictions have been gradually relaxed in many countries, more often than not this has been followed by a resurgence in infections and an increasing cycle of on/off targeted local lockdowns and extended travel restrictions.

This includes in North America, Informa's largest market for physical events, and also across EMEA. We had previously anticipated events in these regions would gradually resume through the summer, before picking up from September. However, this has not been possible, leading to £1bn+ of budgeted physical events revenue being cancelled this year and more than £450m since June.

By contrast, our physical events business in Mainland China is now back to operating capability and, combined with growth in virtual events, specialist media and marketing services, is helping to offset some of the weakness in North America. Full year Group revenue is now expected to be in the range of c.£1.7bn/£1.7bn-, with Informa tracking closer to the Vigilant Scenario outlined in our April and June updates. As a consequence, we have moved to the next stage of our COVID-19 Action Plan, including the delivery of £600m+ cost savings to adjusted operating profit in 2020, with direct savings of around £400m and £200m+ annualised indirect savings by year-end.

Subscription-led Businesses (c.54% of H1 Revenue):

Our portfolio of subscriptions-led, specialist knowledge and information businesses remain resilient, underpinned by forward-booked subscriptions, with strong visibility and attractive cash flows.

Taylor & Francis

Taylor & Francis continues to perform well. In Research Publishing, consistent levels of growth are underpinned by high renewal rates for journal subscriptions and further positive momentum across open access. The outcome for 2020 is now largely secure and focus is turning to 2021, as the new university year approaches and the annual subscription renewal season gets underway.

Advanced Learning also remains a robust business and whilst it has seen some impact from COVID-19 on its supply chain and US retail business, trading has started to return to more typical patterns over recent months.

Informa Intelligence

Our B2B Information business continues to deliver predictable underlying growth, reflecting the quality of its specialist intelligence, valuable data and targeted customer solutions.

Pharma Intelligence is trading particularly strongly. Following recent investment to upgrade our technology platforms, we are delivering greater functionality to our customers through enhanced APIs and workflow tools, and this is reaping benefits in a market currently buoyant with activity.

As we approach a key period for subscriptions, overall momentum is good, with renewal rates high, new business pipelines strong and annualised contract values positive. This gives us confidence we will deliver further resilient growth in the second half of the year.

Informa Tech: Research & Data

Omdia is progressively establishing its brand with customers, supported by a steady flow of new research and enhanced data products. As its reputation grows, we continue to target a gradual improvement in performance and growth.

Events-led Businesses (c.46% of H1 Revenue):

Informa Markets ran its first post-COVID trade show in Mainland China in late June and has since run a further 20 events in the region, all of them incorporating *AllSecure* protocols. These have varied in size and location, including large-scale brands such as *China Beauty Expo* in Shanghai, with around 2,500 exhibitors and more than 100,000 visitors and *Furniture China*, with over 1,000 exhibitors and 100,000 visitors, as well as some more targeted shows such as *Hotelex Chengdu*, with 140 exhibitors and over 14,000 visitors.

As more physical event brands trade in Mainland China, customer enquiries and forward commitments are rising, illustrating the path to recovery as permissions and confidence return, with clear pent up demand in the market. Elsewhere, this is reflected in the continuing commitment to forward bookings and cash deposits as events are rescheduled to 2021, with refund requests currently running at less than 15% of Events gross cash collections.

Outside of Mainland China, **Informa Markets, Informa Connect** and **Informa Tech** all continue to face significant disruption from COVID-19, with scale physical events in North America, in particular, but also across EMEA, not yet feasible.

Virtual Events and Digital Services

Despite the absence of physical events, we are using the strength of our brands, knowledge of specialist markets and strong relationships to deliver virtual events and other digital services for customers of our event brands. This includes a wide range of specialist content, media and marketing services activities, as well as a burgeoning portfolio of virtual events.

On virtual events, we are constantly innovating and adapting to meet customer demand and the specifics of our specialist markets, with products ranging from webinars providing education and content and a way to keep our brands visible, to more sophisticated platforms driving customer value through targeted matchmaking, product showcases and virtual factory tours.

Virtual events are a different product to physical events, lacking the intimacy and immediacy that creates networking opportunities and personal interactions. However, they have their own advantages, such as unlimited reach, which allows us to target a much broader customer set, including those who do not typically attend a physical show. Virtual events also generate deep pools of data, providing unique insights into customer behaviour and preferences. We believe there is power and differentiation across both mediums and an opportunity to generate real value from harnessing the strengths of both to deliver better customer insights and more highly qualified leads.

Over recent months, the level of customer engagement and participation in some of our virtual events has grown significantly, often where an early decision was made to cancel the physical event to put full focus on building a powerful digital platform. Examples include *Black Hat* and *Enterprise Connect* within **Informa Tech**, *BioEurope Spring* and *IM Power* in **Informa Connect** and *Spark Change* and the upcoming *CPHI Festival of Pharma* within **Informa Markets**.

In total, we expect to run more than 500 virtual events across all formats in 2020, attracting more than 500k+ attendees. The main objective for many this year is to keep our brands visible and customer engagement high. Revenues are typically below the physical product but this has potential for improvement as platforms become more sophisticated, the range of services we offer broadens and we are able to plan and market the virtual events more effectively.

Chairman Succession

In January, Informa announced the launch of a process to identify a new Group Chairman to succeed Derek Mapp. This process was temporarily paused in March to enable the Group to focus on the response to COVID-19 and the stability and security of Informa through 2020/2021.

With the Group now in a stable position, with a clear path into and through 2021, the Chairman succession process, which was previously well progressed, has resumed with the aim of concluding by year-end, with a detailed update at the Group's Nine-Month Trading Statement in early November.

Stability & Security through 2021

Informa continues to demonstrate depth and resilience through our Subscription-led businesses and the power of our data and relationships through media, marketing services and virtual events activities.

In June, we had anticipated physical events would return gradually through the summer, phased by market, but with strength returning to our largest market, North America, before the end of the year. However, the impact and reach of COVID-19 remains significant, with physical events still not running at scale in North America, nor anywhere else other than Mainland China.

COVID-19 Action Plan

The recovery in Mainland China continues to build in pace and scale and the outlook for the remainder of 2020 looks steady, as confidence returns in that market and in the broader region. However, this is more than offset by the slower recovery in North America and elsewhere, with the net consequence a reduction to Group revenue expectations for the full year. We are now tracking closer to the Vigilant Case scenario outlined in our April and June updates.

In response, today we are moving to the next phase of our COVID-19 Action Plan, introducing a further range of measures to ensure we can continue to manage the business for long-term strength and value:

- **Postponement Programme Extended to mid/late Spring 2021**

  As we look to 2021, we remain flexible in our approach to the year to ensure we create the best opportunities for our brands and customers. We already have a full schedule of virtual events planned, with the advantage of much greater advance planning and pre-marketing than was possible in 2020.

  In addition, today we are announcing the extension of our *Postponement Programme* to mid/late Spring 2021, with the majority of our physical events scheduled for the beginning of 2021 being moved to a later date. This will de-risk the early months of the year, providing a longer period to move beyond COVID-19 disruption, exposure to a second wave of the virus through the winter months in the Northern Hemisphere and the other side of the US presidential election.

  AllSecure: A key component in gaining permissions from local authorities and rebuilding confidence amongst participants, is the AllSecure Standard for events. This was created through collaboration amongst leading organisers, association partners and suppliers, establishing an industry best-practise playbook for running physical events to the highest standards of hygiene, safety and cleanliness.

  It has already been widely adopted by the industry, governments and health authorities across the world and Informa AllSecure, the adoption of the standard for all Informa's physical events, is now being actively deployed across all our brands, including the returning physical events in Mainland China.

- **Effective Cost Management**

  Early in 2020, as the initial impact of COVID-19 became clear, we introduced a series of direct and indirect cost controls, helping to secure around £300m of total savings within the first six months of the year, whilst continuing to preserve and protect the core talent and intellectual property within the Group:

  - Recruitment Rate: The postponement of all affected recruitment and review of all contractors and consultants;
  - Rewards Phasing: The cancellation of annual salary reviews, merit rises, cost of living increases and other rewards;
  - Project Review: The postponement of all non-essential projects and capital expenditure;
  - Discretionary Costs: A reduction of all non-essential spend, including travel, professional fees
  - Procurement: The review and renegotiation of major contracts with suppliers;
  - Property: The review of our real estate portfolio to consolidate office space and improve utilisation and efficiency;

- Employment Flexibility: The 2020 Informa Sabbatical, under which Colleagues can take voluntary unpaid leave over a six-month period.

Today we are moving to the next stage of our Cost Management Programme, with a target to deliver £600m+ savings to adjusted operating profit by year-end, including direct cost savings of around £400m and £200m+ of annualised indirect savings, further aligning the Group's costs to our revenues going into 2021.

This will be supported by a range of initiatives, including the further reduction of all non-essential costs, a second edition of the 2020 Sabbatical Programme, the launch of the Balanced Working Programme, and the Voluntary Severance Programme, as well as some targeted compulsory redundancies largely in North America and EMEA.

- **Ongoing Colleague Support**

Throughout the COVID-19 pandemic, we have always prioritised the safety and wellbeing of Colleagues and Customers. From early advice and guidance, to remote working support, flexibility for community volunteering and direct assistance through the Informa Colleague Support Fund, we have aimed to provide both personal and professional support and reassurance.

As the world gradually starts to return to offices, the Group is providing further flexibility and support through its Balanced Working Programme. Recognising the success of remote working through lockdown but also the value of office-based working for more collaborative activities, we are providing colleagues with much greater flexibility to adopt a more blended approach.

This will see the Group introduce more flexible office structures and working environments, enabling Informa to use its office space more effectively, closing smaller locations that are no longer required and consolidating space in other offices. The efficiencies this creates will contribute to the expanded cost management programme.

- **Cashflow Controls**

The combination of our actions to reduce costs, increase financing efficiency and focus on cash management, is expected to move the Group into a monthly cash positive position by January 2021, even if physical event activity remains limited to Mainland China and outdoor events.

This will further strengthen our overall liquidity position and enable management to focus on the long-term value of our brands and businesses.

- **Further Financing Flexibility**

As the COVID-19 pandemic unfolded, we moved quickly to strengthen our balance sheet and improve liquidity through a range of measures, including extending our banking facilities and raising additional equity. As at 30 June, our liquidity was £2.8bn, including eligibility for the Bank of England's COVID Corporate Finance Facility (CCFF), and the average debt maturity was 5.4 years.

Today we are taking additional steps to increase our financing flexibility. This includes the intention to renegotiate or repay our US Private Placement notes (£1.1bn of borrowings) by the end of the year, combined with the planned issuance of around £500m equivalent Euro Bonds. This will extend the maturity profile of the current debt structure.

Repaying the private placement notes removes its covenant from our debt structure, reduces interest payments and extends drawn debt maturities to 2023, whilst leaving the Group with £1.5bn+ of liquidity, with average debt maturity of 5.8 years. Combined with our Cost Management Programme, these actions would also deliver a monthly cash positive position by January 2021.

We believe these actions will significantly strengthen our financing flexibility, ensuring we have sufficient liquidity to the other side of COVID-19.

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Financial Review

Income Statement

In the first half of 2020, Informa demonstrated resilience and depth through our Subscriptions-led businesses and the power of our data and relationships in events through our media, marketing services and virtual events activities. Our physical events portfolio started the year positively before being severely disrupted by COVID-19, which led to a major Postponement Programme, a switch into virtual events for many brands, and a number of cancellations. These actions significantly reduced the revenue and profit reported in the period in comparison to last year.

	Adjusted results H1 2020 £m	Adjusting items H1 2020 £m	Statutory results H1 2020 £m	Adjusted results H1 2019 £m	Adjusting items H1 2019 £m	Statutory results H1 2019 £m
Revenue	**814.4**	**-**	**814.4**	1,407.6	-	1,407.6
Operating profit/(loss)	**118.6**	**(858.5)**	**(739.9)**	435.7	(187.4)	248.3
(Loss)/profit on disposal	**-**	**(4.0)**	**(4.0)**	-	42.9	42.9
Net finance costs	**(47.6)**	**(9.7)**	**(57.3)**	(57.9)	(0.5)	(58.4)
Profit/(loss) before tax	**71.0**	**(872.2)**	**(801.2)**	377.8	(145.0)	232.8
Tax(charge)/credit	**(9.2)**	**43.9**	**34.7**	(71.8)	35.6	(36.2)
Profit/(loss) for the period	**61.8**	**(828.3)**	**(766.5)**	306.0	(109.4)	196.6
Adjusted operating margin	**14.6%**			31.0%		
Adjusted diluted EPS[1]	**5.0p**		**(56.7)p**	23.1p		14.4p

[1] H1 2019 Restated for share placement

Statutory income statement results

The disruption to our physical events portfolio led to a decrease in statutory revenue of 42.1% to £814.4m.

The Group reported a statutory operating loss of £739.9m compared to an operating profit of £248.3m for the six months to 30 June 2019. This reflects the reduction in revenue as well as a number of adjusting items, including a non-cash impairment of £592.9m relating to goodwill.

This impairment reflects the impact of COVID-19 on the long-term trading outlook for our physical events portfolio in our Events-led businesses. The impairment review was based on forecasts as at 30 June, when the continued inability to run physical events in our largest market, North America, or elsewhere was expected to significantly impact the full year outcome in 2020, before our assumption of a gradual recovery over the next few years. For modelling purposes, it was assumed that the Group returns to 2019 levels of operating cash flow by 2025. This results in a non-cash impairment of £231.1m for Markets, £105.9m for Connect and £255.9m for the Tech Division. Since the 30 June, the outlook in Mainland China has improved with physical events now running in the second half of the year.

Statutory net finance costs fell 2% to £57.3m, comprising of £62.1m of finance costs and £4.8m of investment income. The combination of lower interest rates and the successful refinancing of a USD Bond and certain US Private Placement notes delivered a £9.0m reduction in interest expense on borrowings offset by a £9.2m increase in finance costs.

The combination of all these factors led to a statutory loss before tax of £801.2m, compared to a profit before tax of £232.8m for the 6 months ended 30 June 2019.

The statutory loss before tax led to a tax credit for the period of £34.7m, compared to a tax charge of £36.2m in the period to 30 June 2019.

Statutory diluted earnings per share decreased from 14.4p for the 6 months to 30 June 2019 to a loss per share of 56.9p. This primarily reflected the impact of COVID-19 on trading and the impairment, partially offset by the favourable tax charge for the period. There was also a 78.3m increase in the weighted average number of shares compared to the first half of 2019, reflecting the impact of the equity addition in April, which saw 250.3m new shares issued.

Measurement and Adjustments

In addition to statutory results, adjusted results are prepared for the income statement. These include adjusted operating profit, adjusted diluted earnings per share and other underlying measures. A full definition of these metrics can be found in the glossary of terms on page 58. The Divisional table on page 38 provides a reconciliation between statutory operating profit and adjusted operating profit by division.

Underlying revenue and adjusted operating profit growth on an underlying basis are reconciled to reported growth in the table below. This highlights that phasing was one of the main reconciling items in the first half, reflecting the significant number of event postponements in the period. For the calculation of underlying growth, where an event originally scheduled for the first half of 2020 was postponed to the second half, the corresponding event revenue from the first half of 2019 was removed from the 2019 comparative. In the case where an event due to be held in the first half of 2020 was cancelled, no adjustment to 2019 revenue was made.

	Underlying growth	Phasing and other items	Acquisitions and disposals	Currency change	Reported growth
H1 2020					
Revenue	**(26.2%)**	**(15.0%)**	**(1.4%)**	**0.5%**	**(42.1%)**
Adjusted operating profit	**(54.0%)**	**(19.1%)**	**(1.0%)**	**1.3%**	**(72.8%)**
H1 2019					
Revenue	**3.4%**	**(1.5%)**	**40.0%**	**5.2%**	**47.1%**
Adjusted operating profit	**8.2%**	**(2.9%)**	**31.7%**	**11.0%**	**48.0%**

Adjusting Items

The items below have been excluded from adjusted results. The total adjusting items in the period increased to £858.5m (H1 2019: £187.4m), largely due to the COVID-19 related impairment of goodwill and COVID-19 related onerous contract costs and one-off costs.

	H1 2020 £m	H1 2019 £m	FY 2019 £m
Intangible amortisation and impairment			
Intangible asset amortisation[1]	**148.2**	155.4	312.4
Impairment – acquisition-related intangible assets	**1.0**	-	3.8
Impairment – acquisition-related goodwill	**592.9**	-	0.9
Impairment – right of use assets	**17.4**	2.9	4.6
Impairment – external investments	**3.9**	-	-
Acquisition costs	**0.8**	0.3	3.3
Integration costs	**33.1**	19.8	56.4
Restructuring and reorganisation costs			
Redundancy and reorganisation costs	**2.3**	5.7	6.4
Vacant property and finance lease modification costs	**13.9**	1.2	2.2
Onerous contracts associated with COVID-19	**37.9**	-	-
Other items associated with COVID-19	**5.5**	-	-
Subsequent re-measurement of contingent consideration	**1.0**	2.1	3.2
VAT charges	**0.6**	-	1.8
Adjusting items in operating profit	**858.5**	187.4	395.0
Loss/(profit) on disposal businesses	**4.0**	(42.9)	95.4
Investment income	**-**	-	(1.2)
Finance costs	**9.7**	0.5	13.5
Adjusting items in profit before tax	**872.2**	145.0	502.7
Tax related to adjusting items	**(43.9)**	(35.6)	(83.5)
Adjusting items in profit for the period	**828.3**	109.4	419.2

[1] Excludes acquired intangible product development and software amortisation

Intangible amortisation of £148.2m relates to acquired book lists and journal titles, acquired databases, customer and attendee relationships and brands related to exhibitions, events and conferences. As it is related to acquisitions, it is not treated as an ordinary cost. By contrast, intangible asset amortisation arising from software assets and product development is treated as an ordinary cost in the calculation of operating profit, so is not treated as an adjusting item.

Impairment of goodwill of £592.9m arises from the impact of COVID-19 on the carrying value of our physical events portfolio. Following an H1 2020 impairment review of the events-related businesses, impairments were made in all our Events-led businesses, including Informa Markets (£231.1m), Informa Connect (£105.9m) and Informa Tech (£255.9m). Impairments reflect the relative levels of headroom in these divisions in the previous reporting period. See note 10 of the financial statements for further details.

Impairment of right of use assets of £17.4m and vacant property and finance lease modification costs of £13.9m resulted from our decision to permanently vacate a number of office properties from June 2020.

Integration costs of £33.1m include £21.8m relating to the acquisition of UBM, consisting mainly of process, property and colleague-related reorganisation costs. This brings the cumulative UBM integration costs to

£103.7m to date, in line with guidance. The remaining £11.3m of integration costs relates to the addition of IHS Markit's TMT research and intelligence portfolio.

Onerous contracts associated with COVID-19 were £37.9m through the period, arising from costs for events which were cancelled or postponed due to COVID-19, where the costs cannot be recovered, typically related to venues and event set-up. The other items associated with COVID-19 of £5.5m are one-off indirect costs incurred as a result of COVID-19, largely relating to contractual commitments to the owner of an event that was cancelled.

The table below shows the results and adjusting items by Division, with a robust performance by our Subscriptions-led businesses, Informa Intelligence and Taylor & Francis, offset by the impact of COVID-19 on our Events-led businesses, Informa Markets, Informa Tech and Informa Connect.

	Informa Markets £m	Informa Intelligence £m	Informa Tech £m	Informa Connect £m	Taylor & Francis £m	Group £m
Revenue	**284.7**	**147.9**	**59.8**	**65.5**	**256.5**	**814.4**
Underlying revenue growth	(45.1%)	1.8%	(7.4%)	(42.6%)	(0.7%)	(26.2%)
Statutory operating (loss)/profit	**(380.9)**	**29.2**	**(300.1)**	**(148.0)**	**59.9**	**(739.9)**
Add back:						
Intangible asset amortisation[1]	**93.4**	**8.7**	**11.2**	**8.8**	**26.1**	**148.2**
Impairment of right use assets	**3.5**	**5.1**	**0.9**	**3.6**	**4.3**	**17.4**
Impairment of goodwill	**231.1**	**-**	**255.9**	**105.9**	**-**	**592.9**
Impairment – other	**-**	**1.4**	**-**	**2.5**	**1.0**	**4.9**
Acquisition costs	**-**	**-**	**0.5**	**-**	**0.3**	**0.8**
Integration costs	**18.9**	**0.6**	**11.8**	**1.7**	**0.1**	**33.1**
Restructuring and reorganisation costs	**4.6**	**2.7**	**1.2**	**4.1**	**3.6**	**16.2**
Onerous contracts and one-off costs associated with COVID-19	**39.5**	**0.1**	**1.7**	**2.1**	**-**	**43.4**
Re-measurement of contingent consideration	**1.3**	**-**	**0.4**	**(0.7)**	**-**	**1.0**
VAT charges	**0.6**	**-**	**-**	**-**	**-**	**0.6**
Adjusted operating profit	**12.0**	**47.8**	**(16.5)**	**(20.0)**	**95.3**	**118.6**
Underlying adjusted operating profit (decline)/growth	(91.5%)	27.5%	(1.8%)	(862.0%)	2.5%	(54.0%)

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

Adjusted Net Finance Costs

Adjusted net finance costs, principally consisting of the interest costs on our US private placement loan notes, our corporate bonds and bank borrowings, decreased by £10.3m to £47.6m. The decrease primarily relates to lower interest rates following a refinancing of the USD Bond and certain Private Placement notes in October 2019 and February 2020. The £9.7m Adjusting items relating to finance costs consist of £6.4m fair value movement on acquisition put options and £3.3m associated with the early settlement of borrowings in 2020.

The reconciliation of adjusted net finance costs to the statutory finance costs and investment income is as follows:

	H1 2020 £m	H1 2019 £m	FY 2019 £m
Investment income	**(4.8)**	(4.4)	(10.1)
Finance costs	**62.1**	62.8	134.1
Add back: Adjusting items relating to investment income	**-**	-	1.2
Add back: Adjusting items relating to finance costs	**(9.7)**	(0.5)	(13.5)
Adjusted net finance costs	**47.6**	57.9	111.7

Taxation

The Group continues to recognise that taxes paid are part of the economic benefit created for the societies in which we operate, and that a fair and effective tax system is in the interests of tax-payers and society at large. We aim to comply with tax laws and regulations everywhere the Group does business and Informa has open and constructive working relationships with tax authorities worldwide. Our approach balances the interests of stakeholders including shareholders, governments, colleagues and the communities in which we operate.

The Group's effective tax rate reflects the blend of tax rates and profits in the jurisdictions in which we operate. In H1 2020, the effective tax rate (as defined in the glossary) was 13.0% (H1 2019: 19.0%).

Earnings Per Share

Adjusted diluted earnings per share (EPS) decreased by 78.4% to 5.0p (H1 2019: 23.1p). This reflects a 77.1% decrease in adjusted earnings to £66.9m (H1 2019: £291.8m), combined with a 6.2% increase in the weighted average number of shares. In April, an equity addition led to the issue of 250.3m new shares, priced at 400 pence per a share, a 4 per cent discount to the previous closing share price of 416.8 pence on 15 April 2020. The weighted average number of shares for the prior period has been restated to reflect the new shares issued, leading to a restatement of earnings per share and dividends per share as well. The restated earnings per share figures are detailed below

Reconciliation of Adjusted profit after tax and adjusted diluted earnings per share is as follows:

	H1 2020 £m	H1 2019 £m	FY 2019 £m
Statutory (loss)/profit for the period	**(766.5)**	196.6	246.1
Add back: Adjusting items in profit for the period	**828.3**	109.4	419.2
Adjusted profit for the period	**61.8**	306.0	665.3
Non-controlling interests	**5.1**	(14.2)	(20.6)
Adjusted earnings	**66.9**	291.8	644.7
Weighted average number of shares used in diluted EPS (m)	**1,342.8**	1,265.0	1,264.2
Adjusted diluted EPS (p)	**5.0p**	23.1p	51.0p
Statutory (loss)/profit for the period	**(766.5)**	196.6	246.1
Non-controlling interests	**5.1**	(14.2)	(20.6)
Statutory Earnings	**(761.4)**	182.4	225.5
Weighted average number of shares used in diluted EPS (m)	**1,342.8**	1,265.0	1,264.2
Statutory Diluted EPS (p)	**(56.9p)**	14.4p	17.9p

Dividends

In April, as part of the Group's response to the COVID-19 pandemic through our COVID-19 Action Plan, and following consultation with shareholders, the Board announced the suspension of dividends, including the withdrawal of the 2019 final dividend.

Currency Impact

One of the Group's strengths is its international reach and balance, with colleagues and businesses in most major regions of the world. This means the Group generates revenues and costs in a mixture of currencies, with particular exposure to the US Dollar and some exposure to the Euro and the Chinese Renminbi.

In H1 2020, approximately 73% (H1 2019: 62%) of Group revenue was received in USD or currencies pegged to USD, with 4% (H1 2019: 4%) received in Euro and around 1% (H1 2019: 8%) in Chinese Renminbi.

Similarly, we incurred approximately 56% (H1 2019: 54%) of our costs in USD or currencies pegged to USD, with 2% (H1 2019: 2%) in Euro and around 3% (H1 2019: 7%) in Chinese Renminbi.

Each one cent ($0.01) movement in the USD to GBP exchange rate has a circa £11.2m (H1 2019: c£14.2m) impact on annual revenue, and a circa £6m (H1 2019: c£6m) impact on annual adjusted operating profit.

For the purposes of calculating Informa's leverage, in accordance with the Group's banking covenants, both profit and net debt are translated using the average exchange rate during the relevant period.

The following rates versus GBP were applied during the period:

	H1 2020		**H1 2019**		**FY 2019**	
	Closing rate	**Average rate**	**Closing rate**	**Average rate**	**Closing Rate**	**Average rate**
US Dollar	**1.23**	**1.26**	1.27	1.30	1.32	1.28
Euro	**1.10**	**1.15**	1.11	1.15	1.17	1.14
Renminbi	**8.68**	**8.90**	8.72	8.78	9.17	8.80

Free Cash Flow

Cash generation remains a key priority and focus for the Group, providing the funds and flexibility for paying down debt, future organic and inorganic investment, and consistent shareholder returns. Our businesses typically convert adjusted operating profit into cash at an attractive rate, reflecting the relatively low capital intensity of the Group. In H1 2020, conversion rates remained relatively high, however, absolute levels of cashflow were lower, reflecting the impact of COVID-19 on our Events-led businesses.

The following table reconciles statutory operating profit to operating cash flow and free cash flow. See glossary of terms for the definition of free cash flow and operating cash flow.

	H1 2020 £m	H1 2019 £m	FY 2019 £m
Statutory operating (loss) / profit	**(739.9)**	248.3	538.1
Add back: Adjusting items	**858.5**	187.4	395.0
Adjusted operating profit	**118.6**	435.7	933.1
Depreciation of property and equipment	**8.5**	8.4	17.2
Depreciation of right of use assets	**16.9**	15.8	33.1
Software and product development amortisation	**19.8**	21.8	41.9
Share-based payments	**3.6**	5.3	10.4
Loss on disposal of other assets	**0.4**	-	-
Adjusted share of joint venture and associate results	**0.3**	(0.5)	(1.5)
Adjusted EBITDA[1]	**168.1**	486.5	1,034.2
Net capital expenditure	**(25.5)**	(26.2)	(49.8)
Working capital movement[2]	**44.2**	(42.2)	(13.6)
Pension deficit contributions	**(3.3)**	(3.0)	(5.4)
Operating Cash Flow	**183.5**	415.1	965.4
Restructuring and reorganisation	**(6.0)**	(5.3)	(9.9)
Onerous contracts and one-off costs associated with COVID-19	**(35.4)**	-	-
Net interest[3]	**(49.1)**	(50.6)	(132.8)
Taxation	**(21.7)**	(52.8)	(100.6)
Free Cash Flow	**71.3**	306.4	722.1

[1] Adjusted EBITDA represents adjusted operating profit before interest, tax, and non-cash items including depreciation and amortisation
[2] Working capital movement excludes movements on restructuring, reorganisation, acquisition and integration accruals
[3] Amount includes £3.3m of make-whole interest paid in respect of the early refinancing of bond and private placement debt

The decrease in cash generated compared to H1 2019 is largely driven by the impact of COVID-19 on operating profit, together with the one-off costs of onerous contracts, and other one-off costs associated with COVID-19. These factors were partly offset by favourable working capital movement. The calculation of operating and free cash flow conversion is as follows:

	Operating cash flow			Free cash flow		
	H1 2020 £m	H1 2019 £m	FY 2019 £m	H1 2020 £m	H1 2019 £m	FY 2019 £m
Operating Cash Flow/ Free cash flow	**183.5**	415.1	965.4	**71.3**	306.4	722.1
Adjusted operating profit	**118.6**	435.7	933.1	**118.6**	435.7	933.1
Operating cash / Free cash flow conversion	**154.7%**	95.3%	103.5%	**60.1%**	70.3%	77.4%

Net capital expenditure was £25.5m (H1 2019: £26.2m), equivalent to 3.1% of 2020 revenue (H1 2019: 1.8%). We expect full year 2020 capital expenditure to be at a similar level relative to revenue.

The working capital inflow of £44.2m was a £86.4m improvement on the £42.2m outflow in H1 2019, reflecting the impact of COVID-19 on the working capital phasing within the Events-led businesses. Specifically, this reflects lower deferred income releases due to the cancellation or postponement of events that were scheduled to be held in H1 2020 until later in the year. This increase in deferred income resulted in an increase in trade receivables, the balance of which is spread across a large range of geographies, industries and customers, with no significant concentration of credit risk. Having assessed the provisions related to expected credit losses in the context of COVID-19, we concluded there was no material change required to these provisions at the half year. The Group continues to collect cash in advance for events and as at 30 June 2020 the Group was holding £402.8m of cash relating to future events. The strength of our brands and demand for our products led to relatively few customers asking for refunds on cash committed to events that were postponed or cancelled, with only £41.2m requested during the period.

Net cash interest payments of £49.1m were £1.5m lower than the prior year, largely reflecting lower interest rates following the refinancing of the USD Bond and certain Private Placement notes. In H1 2020 borrowing fees of £10.6m were paid relating new financing facilities.

The following table reconciles net cash inflow from operating activities, as shown in the consolidated cash flow statement to free cash flow:

	H1 2020 £m	H1 2019 £m	FY 2019 £m
Net cash inflow from operating activities per statutory cash flow	**76.1**	315.5	719.6
Interest received	**3.6**	0.6	5.5
Borrowing fees paid	**(10.1)**	-	-
Purchase of property and equipment	**(3.6)**	(10.2)	(17.5)
Purchase of intangible software assets	**(19.0)**	(12.9)	(25.3)
Product development cost additions	**(2.9)**	(3.1)	(7.0)
Add back: Acquisition and integration costs paid	**27.2**	16.5	46.8
Free Cash Flow	**71.3**	306.4	722.1

Net cash inflow from operating activities decreased by £239.4m to £76.1m, principally driven by the reduction in adjusted operating profit.

The following table reconciles cash generated by operations, as shown in the consolidated cash flow statement, to operating cash flow shown in the free cash flow table above:

	H1 2020 £m	H1 2019 £m	FY 2019 £m
Cash generated by operations per statutory cash flow	**140.4**	419.5	958.5
Net Capex paid	**(25.5)**	(26.2)	(49.8)
Add back: Acquisition & integration costs paid	**27.2**	16.5	46.8
Add back: Restructuring & reorganisation costs paid	**6.0**	5.3	9.9
Onerous contracts and one-off costs paid associated with COVID	**35.4**	-	-
Operating Cash Flow per Free Cash flow statement	**183.5**	415.1	965.4

The following table reconciles free cash flow to net funds flow and net debt, with net debt reducing by £709.7m to £1,947.9m during the 6 months to 30 June 2020, primarily due to the net receipt of £975.2m from the share placement proceeds, partly offset by a £178.7m increase due to the unfavourable movement in the USD to GBP exchange rates.

	H1 2020 £m	**H1 2019 £m**	**Full Year 2019 £m**
Free Cash Flow	**71.3**	306.4	722.1
Acquisitions and integration	**(81.3)**	(82.4)	(311.1)
Disposals	**11.8**	164.2	179.3
Dividends paid to shareholders	**-**	(185.6)	(280.0)
Dividends paid to non-controlling interests	**(10.1)**	(11.5)	(17.5)
Net share proceeds/ (purchase)	**975.2**	(1.2)	(15.9)
Net funds flow	**966.9**	189.9	276.9
Non-cash movements	**(67.1)**	(0.6)	5.7
Foreign exchange	**(178.7)**	(19.3)	87.4
Net debt b/f	**(2,657.6)**	(2,681.9)	(2,681.9)
Net finance lease additions in the period	**(11.4)**	(4.9)	(16.5)
IFRS 16 leases at 1 January 2019	**-**	(343.6)	(343.6)
IFRS 16 finance lease receivable at 1 January 2019	**-**	14.4	14.4
Net debt	**(1,947.9)**	(2,846.0)	(2,657.6)

Financing and Leverage

Positive free cash flow and the strength of our balance sheet, supported by the equity addition in April, helped to reduce the Group's leverage at 30 June 2020, with net debt to EBITDA ending the period at 2.3 times (H1 2019: 2.7x). This reflected net debt of £2.0bn or £1.6bn on a pre-IFRS 16 basis at 30 June 2020 (H1 2019: £2.8bn), including unutilised committed financing facilities of £1,650.0m (H1 2019: £698.9m).

On 24 January 2020, both tranches of the Group's revolving credit facility (RCF) were extended by one further year, with the £600m tranche now due in February 2025 and the £300m tranche in February 2023.

On 24 February 2020, we made an early repayment to the US private placement holders of the $200.5m debt maturing in December 2020.

In March 2020, the Group secured a surplus, committed credit facility of £750m, with a maturity of up to 30 months, providing additional flexibility through the current period of uncertainty created by COVID-19.

Following the pro-active management of our financing structure, the average debt maturity on our drawn borrowings is currently 5.4 years (4.4 years as at 30 June 2019), with no borrowing maturities until June 2022.

	30 June 2020 £m	30 June 2019 £m	31 December 2019 £m
Cash and cash equivalents	**(915.2)**	(316.9)	(195.1)
Bank overdraft	**-**	49.5	-
Private placement loan notes	**1,141.0**	1,406.2	1,212.8
Private placement fees	**(2.5)**	(3.1)	(2.7)
Bond borrowings	**1,349.8**	1,163.3	1,279.1
Bond borrowing fees	**(10.2)**	(6.6)	(11.0)
Bank borrowings – revolving credit facility (RCF)	**-**	201.1	56.9
Bank borrowing fees	**(10.4)**	(2.5)	(2.2)
Derivative assets associated with borrowings	**(4.8)**	(2.4)	(3.9)
Derivative liabilities associated with borrowings	**95.0**	38.1	22.4
Net debt before leases	**1,642.7**	2,526.7	2,356.3
Finance lease liabilities	**314.5**	333.8	316.6
Finance lease receivables	**(9.3)**	(14.5)	(15.3)
Net debt	**1,947.9**	2,846.0	2,657.6
Borrowings (excluding derivatives, leases, fees & overdrafts)	**2,490.8**	2,770.6	2,548.8
Unutilised committed facilities (undrawn portion of RCF)	**1,650.0**	698.9	843.1
Total committed facilities	**4,140.8**	3,469.5	3,391.9

There are no financial covenants on our debt facilities other than for our US private placement loan notes in issue at 30 June 2020, where the principal financial covenants are a maximum leverage ratio of 3.5 times and a minimum interest cover of 4.0 times, tested semi-annually.

At 30 June 2020, our covenant leverage ratio was 2.3 times (30 June 2019: 2.7 times), calculated in accordance with our note purchase agreements. The interest cover ratio was 7.3 times (30 June 2019: 8.6 times). See glossary of terms for the definition of leverage ratio and interest cover.

The calculation of the leverage ratio is as follows:

	H1 2020 £m	H1 2019 £m	FY 2019 £m
Net debt as reported (post IFRS 16)	**1,947.9**	2,846.0	2,657.6
Adjusted EBITDA	**715.8**	961.6	1,034.2
Leverage ratio reported value	**2.7x**	3.0x	2.6x
Adjustment to EBITDA for covenant calculation[1]	**0.2x**	0.1x	0.2x
Adjustment to net debt for covenant calculation[1]	**(0.6)x**	(0.4)x	(0.3)x
Leverage ratio per debt covenants	**2.3x**	2.7x	2.5x

[1] Refer to Glossary for details of the nature of debt covenant adjustments to EBITDA and Net Debt for leverage ratio

The calculation of interest cover is as follows:

	H1 2020 £m	H1 2019 £m	FY 2019 £m
Adjusted EBITDA	**715.8**	961.6	1,034.2
Adjusted net finance costs	**101.4**	110.6	111.7
Interest cover reported value	**7.1x**	8.7x	9.3x
Interest cover covenant EBITDA adjustment to ratio[1]	**0.2x**	0.1x	0.1x
Interest cover per debt covenant	**7.3x**	8.6x	9.4x

[1] Refer to Glossary for details of the nature of debt covenant adjustments to EBITDA for interest cover

Share placement

As part of our COVID-19 Action Plan, on 15th April 2020 the Company announced a share issue of 250,318,000 new Ordinary Shares, representing approximately 19.99% of the Company's existing issued share capital. 125,159,000 new Ordinary Shares were issued on 20 April 2020 and a further 125,159,000 on 5 May 2020. The share issue Placing Price was 400 pence per a share and represented a discount of 4 per cent to the closing share price of 416.8 pence on 15 April 2020. The gross proceeds raised through the placement were £1,001m.

Corporate development

Informa has a proven track record in creating value through identifying, executing and integrating complementary businesses effectively into the Group. In H1 2020, cash invested in acquisitions was £81.3m (H1 2019: £82.4m), with £26.0m relating to acquisitions (H1 2019: £65.9m), £27.2m (H1 2019: £16.5m) relating to acquisition and integration costs and £28.1m (H1 2019: £nil) relating to the exercise of an option relating to minority interests in certain Fashion shows in the US. Net proceeds from disposals amounted to £11.8m (H1 2019: £164.2m).

Acquisitions

On 9 January 2020 the Group acquired F1000 Research for consideration of £16.0m, including £14.9m cash consideration. The business is an open research publishing company and forms part of the Taylor & Francis Open Access Portfolio.

Pensions

The Group continues to meet all commitments to its pension schemes, which include six defined benefit schemes. At 30 June 2020, the Group had a net pension liability of £77.2m (31 December 2019: £30.1m), represented by a pension deficit of £78.2m (31 December 2019: £35.0m) and a pension surplus of £1.0m (31 December 2019: £4.9m). Gross liabilities were £767.2m at 30 June 2020 (31 December 2019: £730.8m). This increase is predominantly driven by a decrease to the discount rates used whilst calculating the present value of the pension liability.

The net deficit remains relatively small compared to the size of the Group's balance sheet. All schemes are closed to future accrual and the Group expects to make £7.7m of employer deficit recovery payments during 2020.

Principal Risks and Uncertainties

Informa's approach to risk management focuses on ensuring that significant risks are identified and understood, managed and mitigated appropriately, and monitored and reported to the company's governance bodies.

Informa's risk framework is designed to provide the Board and Audit Committee with oversight of the most significant risks faced by the Group. Regular analysis and scanning for emerging risks are embedded in our risk management process and overseen by the Risk Committee. The Risk Committee reports through the Audit Committee to the Board.

In the first half of 2020, the pandemic has materially impacted our business and is recognised as a new principal risk to the Group. Our response, through our COVID-19 Action Plan, is outlined on page 6 of our Half Year Report.

Risk Profile at Half Year 2020

The pandemic has prompted a reassessment of certain principal risks, resulting in four having increased risk scores, and two having decreased risk scores.

Increased principal risk assessments

The risk of economic instability has increased following the control measures enacted to limit the spread of the pandemic, which limit face to face gatherings, and the weaker global trading environment that has resulted. In response the Group has put in place a range of measures to conserve cash and strengthen our balance sheet to build financial resilience for a period of reduced trading. Our portfolio of products and services continue to offer diversification geographically and in terms of end markets, whilst before COVID-19 around one third of the Group's pre-COVID revenue was generated from non-events activities.

The strength of our specialist brands and customer relationships has enabled us to find other ways to stay connected and provide solutions to customers whilst restrictions on physical events remain in place around the world. This includes our specialist content, media and marketing services activities, and also through a burgeoning portfolio of virtual events.

This increased provision of digital and virtual services creates opportunities but also increases uncertainty. We have therefore elevated the market risk assessment.

We have a reliance on key counterparties in certain areas of our operations. Global economic uncertainty, reduced revenue and capacity constraints may lead to individual key counterparties becoming less reliable, potentially increasing the possibility of issues related to this risk.

We assess that data privacy related risks have increased. As we develop products and services that use data in new ways to reach target audiences and improve the digital customer experience, we continue to target compliance with the relevant data privacy requirements. The new and continually evolving privacy regulations around the world continue to build complexity to our data compliance programmes.

Decreased principal risk assessments

Since the start of the pandemic, colleague attrition levels have decreased, and therefore we consider the risk of being unable to retain key talent is lower than before. Results from our latest Colleague survey shows there has been an increase in Colleague engagement up to a record level of 86%. A very high proportion of Colleagues (92%) responded that they believe management's response to the pandemic has been sensible and effective and 91% said the management team has led by example and provided clear direction and information.

Whilst Government control restrictions remain in place, we are operating very few of our physical events, business travel is significantly reduced, and we are returning to our offices in measured and appropriate ways. This all means the likelihood and impact of a health and safety incident is currently reduced. This risk is expected to return to pre-pandemic levels as control measures are relaxed and customers and colleagues start to attend our events and offices in larger numbers.

As at 30 June 2020, the Group recognises 13 principal risks which have the potential to cause the most significant impact to the delivery of its strategic objectives, performance, future prospects and reputation. This comprises 12 Principal Risks and Uncertainties that were identified at the 2019 year-end, plus the pandemic risk that has been added since.

The 12 Principal Risks and Uncertainties identified at the 2019 year-end were outlined on pages 84 to 90 of the 2019 Annual Report (available on the Company's website at www.informa.com).

These risks are summarised below (not in order of magnitude):

- Acquisition and integration risk
- Data loss and cyber breach
- Economic instability
- Health and safety incident
- Inability to retain key talent
- Inadequate regulatory compliance
- Ineffective change management
- Major incident
- Market risk
- Pandemic
- Privacy regulation risk
- Reliance on key counterparties
- Technology failure

Going Concern

Overview

In adopting the going concern basis for preparing the financial statements, the Directors have considered the future trading prospects of the Group's businesses, the Group's available liquidity, debt maturities and obligations under its borrowing covenants, and the Group's principal risks as set out on page 19. A summary of the impact of COVID-19 on the Group's trading is detailed on pages 4-11. Given the disruption to trading the Directors have completed a comprehensive going concern review and, taking into consideration the recent guidance issued by the FCA and the FRC, are disclosing more information in respect of this review than in previous years. Further details, including the analysis performed and conclusion reached, are set out below.

Liquidity and financing position

The Group has a strong liquidity position. As at 30 August 2020 the Group has £1.4bn of cash and undrawn credit facilities of £1.4bn (including access to £300m of Bank of England CCFF which is uncommitted until drawn). The Group has taken a number of actions to reinforce its liquidity position since the start of March including, but not limited to, the following:

- Raising £1bn through the equity issuance in April
- Securing a Surplus Credit Facility of £750m, which is currently undrawn
- Confirming eligibility for £300m of Bank of England CCFF liquidity, which is currently undrawn, and uncommitted until drawn
- Withdrawing the 2019 Final Dividend and suspending further dividends
- A range of direct and indirect cost controls

In addition, the Group is a well-established borrower with an investment grade credit rating which provides the Directors with confidence that the Group could further increase liquidity by raising additional debt finance. The only Group borrowings with covenants are the £1.1bn of US Private Placement (US PP) notes which are due for repayment from 2022 to 2028. The principal financial covenant ratios under the private placement loan notes are maximum net debt to EBITDA of 3.5 times and minimum EBITDA interest cover of 4.0 times, tested semi-annually. See the glossary of terms for the definition of leverage and interest cover ratios.

Financial modelling

The business and operational impact of COVID-19 to date in 2020 is discussed on pages 4 to 11. The Government control restrictions adopted worldwide to limit the spread of COVID-19 have created a degree of uncertainty around the forecasting of Informa's physical events revenues. In response, in the going concern assessment period up to the end of 2021, the Directors have modelled a number of different scenarios based off three underlying sets of forecasts, representing the base case, an upside case and a downside case. Key assumptions made in these scenarios include the timing of when control restrictions are relaxed, allowing physical events to resume, and also the participation levels at these events as confidence returns.

In modelling the base case the Directors have assumed the following:

- No physical events are held until 2021, apart from in Mainland China, where events resumed operating in Q3 2020;
- All physical events in 2020 and 2021 have lower levels of participants compared to 2019, as confidence and participation is assumed to return gradually, with international travel also assumed to recover gradually;
- A gradual recovery of our event-led businesses in 2021, with revenue predominantly phased to the second half of the year; and
- A robust performance by subscriptions-led businesses in 2021, albeit with an assumption of some macro-economic impact impacting revenues compared to 2020.

In this scenario, the Group maintains liquidity headroom of more than £2bn but would breach the leverage covenant on the US Private Placement debt at the 2020 year-end.

In modelling the downside case, the Directors have assumed that there are no physical events held until the second half of 2021 apart from in Mainland China, where events are operating from Q3 2020. Furthermore, when physical events do return in the second half of 2021, it is assumed the revenue contribution is lower than in the base case, although additional cost savings are also assumed. All other assumptions are consistent with the Base Case. In this scenario the Group maintains minimum liquidity headroom of more than £2bn but would also breach the leverage covenant on the US Private Placement debt at the 2020 year-end.

Although the base and downside cases indicate a breach of covenants in the going concern period, the Directors are confident that a waiver for the leverage and interest cover covenants on the US Private Placement debt could be obtained from the debt holders, if required. Alternatively, given the strong liquidity position of the group the US Private Placement debt could be prepaid with existing liquidity so to avoid a breach of covenants. As a result, the Directors do not consider that the forecast covenant breach constitutes a material uncertainty in respect of going concern.

The Directors have also modelled a reverse stress test, which assesses the liquidity and covenant position if the Group had no gross profit from 1 October 2020 to the end of 2021 and all event-related cash collected as at 31 July 2020 was refunded to customers. In this test the Group maintains liquidity headroom of £0.8bn at a minimum but would breach the leverage covenant and would therefore require a covenant waiver. The Directors feel that the assumptions applied in this reverse stress test are extremely remote, given that the Group's subscription-led businesses continues to generate gross profit.

Going concern basis

Based on the scenarios modelled the Directors believe that the Group is well placed to manage its financing and other business risks satisfactorily and have been able to form a reasonable expectation that the Group has adequate resources to continue in operation for at least twelve months from the signing date of these consolidated interim financial statements. The Directors therefore consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements. The long-term impact of COVID-19 is uncertain and should the impact of the pandemic on trading conditions be more prolonged or severe than currently forecast by the Directors, the Group may need to implement additional operational or financial measures.

Cautionary statements

This interim management report contains certain forward-looking statements. These statements are subject to a number of risks and uncertainties and actual results and events could differ materially from those currently being anticipated. The terms 'expect', 'should be', 'will be' and similar expressions (or their negative) identify forward-looking statements. Factors which may cause future outcomes to differ from those foreseen in forward-looking statements include, but are not limited to: general economic conditions and business conditions in Informa's markets; exchange rate fluctuations, customers' acceptance of its products and services; the actions of competitors; legislative, fiscal and regulatory developments; changes in law and legal interpretation affecting Informa's intellectual property rights and internet communications; and the impact of technological change.

Past performance should not be taken as an indication or guarantee of future results, and no representation or warranty, express or implied, is made regarding future performance. These forward-looking statements speak only as of the date of this interim management report and are based on numerous assumptions regarding Informa's present and future business strategies and the environment in which Informa will operate in the future. Except as required by any applicable law or regulation, the Group expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this document to reflect any change in the Group's expectations or any change in events, conditions or circumstances on which any such statement is based after the date of this announcement or to update or keep current any other information contained in this interim management report.

Nothing in this interim management report should be construed as a profit forecast. All persons, wherever located, should consult any additional disclosures that Informa may make in any regulatory announcements or documents which it publishes. This announcement does not constitute an invitation to underwrite, subscribe for or otherwise acquire or dispose of any Informa PLC shares, in the UK, or in the US, or under the US Securities Act 1933 or in any other jurisdiction.

Board of Directors

The Directors of Informa plc are listed in the 2019 Annual Report and Accounts. Biographical details for the current Directors can be found on the Company's website: www.informa.com.

Responsibility Statement

We confirm that to the best of our knowledge:

a) the consolidated interim financial statements have been prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the European Union;

b) the consolidated interim financial statements, which have been prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the issuer, or the undertakings included in the consolidation as a whole as required by DTR 4.2.4R;

c) the interim management report includes a fair review of the information required by DTR 4.2.7R, namely;

i. an indication of important events that have occurred during the first six months of the financial year and their impact on the consolidated interim financial statements; and

ii. a description of the principal risks and uncertainties for the remaining six months of the financial year.

d) the interim management report includes, as required by DTR 4.2.8, a fair review of material related party transactions that have taken place in the first six months of the financial year and any material changes in the related-party transactions described in the 2019 Annual Report.

Approved by the Board on 20 September 2020 and signed on its behalf by:

Stephen A. Carter
Chief Executive

Gareth Wright
Group Finance Director

Independent Review Report to Informa PLC

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2020 which comprises the Condensed Consolidated Income Statement, the Condensed Consolidated Statement of Comprehensive Income, the Condensed Consolidated Statement of Changes in Equity, the Condensed Consolidated Balance Sheet, the Condensed Consolidated Cash Flow Statement and related notes 1 to 18. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

As disclosed in note 1, the annual financial statements of the Group are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" as adopted by the European Union.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council for use in the United Kingdom. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2020 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Use of our report

This report is made solely to the company in accordance with International Standard on Review Engagements (UK and Ireland) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council. Our work has been undertaken so that we might state to the company those matters we are required to state to it in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our review work, for this report, or for the conclusions we have formed.

Deloitte LLP
Statutory Auditor
London, UK
20 September 2020

Condensed Consolidated Income Statement

For the six months ended 30 June 2020

		6 months ended 30 June (unaudited)						
		Adjusted results	Adjusting items	Statutory results	Adjusted results	Adjusting items	Statutory results	Year ended 31 December 2019 (audited)
		2020	2020	2020	2019	2019	2019	
	Notes	£m	£m	£m	£m	£m	£m	£m
Revenue	3	**814.4**	**-**	**814.4**	1,407.6	-	1,407.6	2,890.3
Net operating expenses[2]		**(695.5)**	**(858.5)**	**(1,554.0)**	(972.4)	(187.4)	(1,159.8)	(2,353.7)
Operating profit/(loss) before joint ventures and associates		**118.9**	**(858.5)**	**(739.6)**	435.2	(187.4)	247.8	536.6
Share of results of joint ventures and associates		**(0.3)**	**-**	**(0.3)**	0.5	-	0.5	1.5
Operating profit/(loss)		**118.6**	**(858.5)**	**(739.9)**	435.7	(187.4)	248.3	538.1
(Loss)/profit on disposal of subsidiaries and operations		**-**	**(4.0)**	**(4.0)**	-	42.9	42.9	(95.4)
Investment income	5	**4.8**	**-**	**4.8**	4.4	-	4.4	10.1
Finance costs	6	**(52.4)**	**(9.7)**	**(62.1)**	(62.3)	(0.5)	(62.8)	(134.1)
Profit/(loss) before tax		**71.0**	**(872.2)**	**(801.2)**	377.8	(145.0)	232.8	318.7
Tax (charge)/credit	7	**(9.2)**	**43.9**	**34.7**	(71.8)	35.6	(36.2)	(72.6)
Profit/(loss) for the period		**61.8**	**(828.3)**	**(766.5)**	306.0	(109.4)	196.6	246.1
Attributable to:								
Equity holders of the parent		**66.9**	**(828.3)**	**(761.4)**	291.8	(109.4)	182.4	225.5
Non-controlling interest		**(5.1)**	**-**	**(5.1)**	14.2	-	14.2	20.6
Earnings per share[1]								
- Basic (p)	9	**5.0**		**(56.9)**	23.2		14.5	17.9
- Diluted (p)	9	**5.0**		**(56.9)**	23.1		14.4	17.9

1. Restated for share placement (see Note 14.)
2. Net operating expenses includes a foreign exchange gain of £4.3m. Gross operating expense total £699.8m.

All results relate to continuing operations. Adjusting items are detailed in Note 4.

The notes on pages 33 to 57 are an integral part of these Condensed Consolidated Financial Statements.

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Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2020

	6 months ended 30 June 2020 (unaudited) £m	6 months ended 30 June 2019 (unaudited) £m	Year ended 31 December 2019 (audited) £m
(Loss)/profit for the period	**(766.5)**	196.6	246.1
Items that will not be reclassified subsequently to profit or loss:			
Actuarial loss on defined benefit pension schemes	**(49.0)**	(10.9)	(1.6)
Tax relating to items that will not be reclassified to profit or loss	**8.9**	1.9	0.7
Total items that will not be reclassified subsequently to profit or loss	**(40.1)**	(9.0)	(0.9)
Items that have been reclassified subsequently to profit or loss			
Recycling of exchange losses/gains arising on disposal of foreign operations	**-**	(0.2)	1.2
Items that may be reclassified subsequently to profit or loss			
Exchange gain/(loss) on translation of foreign operations	**409.0**	39.9	(233.5)
Exchange (loss)/gain on net investment hedge debt	**(156.4)**	(14.9)	73.1
Loss on derivative hedges[1]	**(54.2)**	(10.1)	(21.2)
Total items that may be reclassified subsequently to profit or loss	**198.4**	14.9	(181.6)
Other comprehensive income/(expense) for the period	**158.3**	5.7	(181.3)
Total comprehensive (expense)/income for the period, before initial application of IFRS 16	**(608.2)**	202.3	64.8
Effect of initial application of IFRS 16 that will not be reclassified subsequently to profit or loss	**-**	4.1	4.1
Total comprehensive (expense)/income for the period	**(608.2)**	206.4	68.9
Total comprehensive (expense)/income attributable to:			
– Equity holders of the parent	**(601.1)**	192.7	48.2
– Non-controlling interest	**(7.1)**	13.7	20.7

[1]Amount includes movements on derivatives in cash flow (£0.1m) and net investment (£54.1m) hedge relationships

The notes on pages 33 to 57 are an integral part of these Condensed Consolidated Financial Statements.

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2020 (unaudited)

	Share capital £m	Share premium account £m	Translation reserve £m	Other reserves £m	Retained earnings £m	Total[1] £m	Non-controlling interests £m	Total equity £m
At 1 January 2020	**1.3**	**905.3**	**(117.2)**	**1,964.6**	**2,887.9**	**5,641.9**	**196.1**	**5,838.0**
Loss for the period	-	-	-	-	(761.4)	(761.4)	(5.1)	(766.5)
Exchange gain on translation of foreign operations	-	-	411.0	-	-	411.0	(2.0)	409.0
Exchange loss on net investment hedge debt	-	-	(156.4)	-	-	(156.4)	-	(156.4)
Loss arising on derivative hedges	-	-	(54.2)	-	-	(54.2)	-	(54.2)
Actuarial loss on defined benefit pension schemes	-	-	-	-	(49.0)	(49.0)	-	(49.0)
Tax relating to components of other comprehensive income	-	-	-	-	8.9	8.9	-	8.9
Total comprehensive income/(expense) for the period	**-**	**-**	**200.4**	**-**	**(801.5)**	**(601.1)**	**(7.1)**	**(608.2)**
Dividends to non-controlling interests	-	-	-	-	-	-	(10.1)	(10.1)
Share award expense	-	-	-	3.7	-	3.7	-	3.7
Issue of share capital	0.2	975.7	-	-	-	975.9	-	975.9
Own shares purchased	-	-	-	(0.7)	-	(0.7)		(0.7)
Transfer of vested LTIPs	-	-	-	(4.9)	4.9	-	-	-
At 30 June 2020	**1.5**	**1,881.0**	**83.2**	**1,962.7**	**2,091.3**	**6,019.7**	**178.9**	**6,198.6**

[1] Total attributable to equity holders of the parent

The notes on pages 33 to 57 are an integral part of these Condensed Consolidated Financial Statements.

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Condensed Consolidated Statement of Changes in Equity (Continued)

For the six months ended 30 June 2019 (unaudited)

	Share capital £m	Share premium account £m	Translation reserve £m	Other reserves £m	Retained earnings £m	Total[1] £m	Non-controlling interest £m	Total equity £m
At 31 December 2018	1.3	905.3	63.3	1,974.5	2,933.8	5,878.2	193.4	6071.6
As previously reported - Effect of initial application of IFRS 16 on 1 January 2019	-	-	-	-	4.1	4.1	-	4.1
At 1 January 2019 as restated for initial application of IFRS 16	1.3	905.3	63.3	1,974.5	2,937.9	5,882.3	193.4	6,075.7
Profit for the period	-	-	-	-	182.4	182.4	14.2	196.6
Recycling of exchange losses on disposal	-	-	(0.2)	-	-	(0.2)	-	(0.2)
Exchange gain on translation of foreign operations	-	-	40.4	-	-	40.4	(0.5)	39.9
Exchange loss on net investment hedge debt	-	-	(14.9)	-	-	(14.9)	-	(14.9)
Loss arising on derivative hedges	-	-	(10.1)	-	-	(10.1)	-	(10.1)
Actuarial loss on defined benefit pension schemes	-	-	-	-	(10.9)	(10.9)	-	(10.9)
Tax relating to components of other comprehensive income	-	-	-	-	1.9	1.9	-	1.9
Total comprehensive income for the period	-	-	15.2	-	173.4	188.6	13.7	202.3
Dividends to shareholders	-	-	-	-	(185.8)	(185.8)	-	(185.8)
Dividend to Non-controlling interests	-	-	-	-	-	-	(11.5)	(11.5)
Share award expense	-	-	-	5.3	-	5.3	-	5.3
Own shares purchased	-	-	-	(1.2)	-	(1.2)	-	(1.2)
Transfer of vested LTIPs	-	-	-	(5.7)	5.7	-	-	-
NCI arising on purchase of business	-	-	-	-	-	-	0.1	0.1
NCI on disposal of business	-	-	-	1.2	-	1.2	(0.5)	0.7
At 30 June 2019	1.3	905.3	78.5	1,974.1	2,931.2	5,890.4	195.2	6,085.6

[1] Total attributable to equity holders of the parent,

The notes on pages 33 to 57 are an integral part of these Condensed Consolidated Financial Statements.

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Condensed Consolidated Statement of Changes in Equity (Continued)

For the twelve months ended 31 December 2019 (audited)

	Share capital £m	Share premium account £m	Translation reserve £m	Other reserves £m	Retained earnings £m	Total[1] £m	Non-controlling interests £m	Total equity £m
At 31 December 2018	1.3	905.3	63.3	1,974.5	2,933.8	5,878.2	193.4	6071.6
As previously reported - Effect of initial application of IFRS 16 on 1 January 2019	-	-	-	-	4.1	4.1	-	4.1
At 1 January 2019 as restated for initial application of IFRS 16	1.3	905.3	63.3	1,974.5	2,937.9	5,882.3	193.4	6,075.7
Profit for the year	-	-		-	225.5	225.5	20.6	246.1
Exchange loss on translation of foreign operations	-	-	(233.6)	-	-	(233.6)	0.1	(233.5)
Exchange gain on net investment hedge debt	-	-	73.1	-	-	73.1	-	73.1
Loss arising on derivative hedges	-	-	(21.2)	-	-	(21.2)	-	(21.2)
FX recycling of disposed entities	-	-	1.2	-	-	1.2	-	1.2
Actuarial loss on defined benefit pension schemes	-	-	-	-	(1.6)	(1.6)	-	(1.6)
Tax relating to components of other comprehensive income	-	-	-	-	0.7	0.7	-	0.7
Total comprehensive income for the year	-	-	(180.5)	-	224.6	44.1	20.7	64.8
Dividends to Shareholders	-	-	-	-	(280.3)	(280.3)	-	(280.3)
Dividends to non-controlling interests	-	-	-	-	-	-	(17.5)	(17.5)
Share award expense	-	-	-	10.4	-	10.4	-	10.4
Issue of share capital	-	-	-	-	-	-	-	-
Own shares purchased	-	-		(15.9)	-	(15.9)	-	(15.9)
Transfer of vested LTIPs	-	-	-	(5.7)	5.7	-	-	-
Disposal of NCI	-	-	-	1.3	-	1.3	(0.5)	0.8
At 31 December 2019	1.3	905.3	(117.2)	1,964.6	2,887.9	5,641.9	196.1	5,838.0

[1] Total attributable to equity holders of the parent,

The notes on pages 33 to 57 are an integral part of these Condensed Consolidated Financial Statements.

Condensed Consolidated Balance Sheet

	Notes	30 June 2020 (unaudited) £m	30 June 2019[1] (unaudited) £m	31 Dec 2019[1] (audited) £m
Goodwill	10	**5,884.7**	6,329.8	6,144.4
Other intangible assets		**3,466.0**	3,726.5	3,437.4
Property and equipment		**67.4**	70.7	69.0
Right of use assets		**247.5**	277.2	264.4
Investments in joint ventures and associates		**19.5**	19.3	19.8
Other investments		**7.4**	5.2	10.1
Deferred tax assets		**6.1**	7.0	6.7
Retirement benefit surplus		**1.0**	4.8	4.9
Finance lease receivables		**7.4**	12.9	13.0
Other receivables		**25.5**	1.3	27.8
Derivative financial instruments		**4.8**	3.2	3.9
Non-current assets		**9,737.3**	10,457.9	10,001.4
Inventory		**36.3**	45.8	38.5
Trade and other receivables		**528.0**	495.7	476.1
Current tax asset		**9.2**	12.8	8.9
Cash and cash equivalents	12	**915.2**	316.9	195.1
Finance lease receivables		**1.9**	1.6	2.3
Derivative financial instruments		**0.4**	-	1.0
Current assets		**1,491.0**	872.8	721.9
Total assets		**11,228.3**	11,330.7	10,723.3
Borrowings	13	**-**	(49.5)	(152.2)
Lease liabilities		**(32.5)**	(34.1)	(34.2)
Derivative financial instruments		**(16.8)**	(70.8)	(36.4)
Current tax liabilities		**(88.1)**	(87.6)	(97.5)
Provisions		**(47.5)**	(55.7)	(35.0)
Trade and other payables		**(440.7)**	(397.5)	(482.8)
Deferred income		**(846.0)**	(780.2)	(746.5)
Current liabilities		**(1,471.6)**	(1,475.4)	(1,584.6)
Borrowings	13	**(2,467.7)**	(2,758.4)	(2,380.7)
Lease liabilities		**(282.0)**	(299.7)	(282.4)
Derivative financial instruments		**(94.9)**	(47.5)	(22.4)
Deferred tax liabilities		**(518.3)**	(593.8)	(540.4)
Retirement benefit obligation		**(78.2)**	(44.7)	(35.0)
Provisions		**(28.2)**	(12.0)	(19.1)
Trade and other payables		**(18.0)**	(9.5)	(17.4)
Deferred income		**(70.8)**	(4.1)	(3.3)
Non-current liabilities		**(3,558.1)**	(3,769.7)	(3,300.7)
Total liabilities		**(5,029.7)**	(5,245.1)	(4,885.3)
Net assets		**6,198.6**	6,085.6	5,838.0
Share capital	11	**1.5**	1.3	1.3
Share premium account		**1,881.0**	905.3	905.3
Translation reserve		**83.2**	78.5	(117.2)
Other reserves		**1,962.7**	1,974.1	1,964.6
Retained earnings		**2,091.3**	2,931.2	2,887.9
Equity attributable to equity holders of the parent		**6,019.7**	5,890.4	5,641.9
Non-controlling interest		**178.9**	195.2	196.1
Total equity		**6,198.6**	6,085.6	5,838.0

1. Represented to reflect finalisation of provisional acquisition accounting for CAPA and update to acquisition accounting for IHS (see Note 14.)

The notes on pages 33 to 57 are an integral part of these Condensed Consolidated Financial Statements.
The Board of Directors approved these Condensed Consolidated Financial Statements on 20 September 2020.

Condensed Consolidated Cash Flow Statement

For the six months ended 30 June 2020

	Notes	6 months ended 30 June 2020 (unaudited) £m	6 months ended 30 June 2019 (unaudited) £m	Year ended 31 December 2019 (audited) £m
Operating activities				
Cash generated by operations	12	**140.4**	419.5	958.5
Income taxes paid		**(21.7)**	(52.8)	(100.6)
Interest paid		**(42.6)**	(51.2)	(138.3)
Net cash inflow from operating activities		**76.1**	315.5	719.6
Investing activities				
Interest received		**3.6**	0.6	5.5
Purchase of property and equipment		**(3.6)**	(10.2)	(17.5)
Purchase of intangible software assets		**(19.0)**	(12.9)	(25.3)
Product development cost additions		**(2.9)**	(3.1)	(7.0)
Purchase of intangibles related to titles, brands and customer relationships		**(3.6)**	(28.9)	(59.4)
Acquisition of subsidiaries & operations, net of cash acquired	15	**(22.4)**	(37.0)	(167.7)
Acquisition of investment		**-**	-	(5.0)
Cash inflow on disposal of subsidiaries and operations		**11.8**	164.2	179.3
Net cash (outflow)/inflow from investing activities		**(36.1)**	72.7	(97.1)
Financing activities				
Dividends paid to shareholders	8	**-**	(185.6)	(280.0)
Dividends paid to non-controlling interests		**(10.1)**	(11.5)	(17.5)
Proceeds from EMTN bond issuance		**-**	-	443.7
Repayment of loans		**(87.1)**	(228.2)	(499.7)
New loan advances		**-**	192.6	41.2
Repayment of private placement borrowings		**(153.0)**	-	(143.4)
Borrowing fees paid		**(10.1)**	(2.9)	(9.4)
Repayment of the principal lease liabilities		**(15.8)**	(13.9)	(34.5)
Finance lease receipts		**1.2**	1.4	2.3
Acquisition of non-controlling interests		**(28.1)**	-	(32.2)
Cash inflow/(outflow) from issue/(purchase) of share capital		**975.2**	(1.2)	(15.9)
Net cash inflow/(outflow) from financing activities		**672.2**	(249.3)	(545.4)
Net increase in cash and cash equivalents (including cash acquired)		**712.2**	138.9	77.1
Effect of foreign exchange rate changes		**7.9**	3.6	(6.9)
Cash and cash equivalents at beginning of the year		**195.1**	124.9	124.9
Cash and cash equivalents at end of period	12	**915.2**	267.4	195.1

The notes on pages 33 to 57 are an integral part of these Condensed Consolidated Financial Statements.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2020

1. General information and basis of preparation

Informa PLC (the 'Company') is a company incorporated in the United Kingdom under the Companies Act 2006 and is listed on the London Stock Exchange. The Company is a public company limited by shares and is registered in England and Wales with registration number 08860726. The address of the registered office is 5 Howick Place, London, SW1P 1WG.

The unaudited Condensed set of Consolidated Financial Statements as at 30 June 2020 and for the six months then ended comprise those of the Company and its subsidiaries and its interests in joint ventures and associates (together referred to as the 'Group').

These Condensed set of Consolidated Financial Statements were approved for issue by the Board of directors on 20 September 2020 and have been prepared in accordance with International Accounting Standard (IAS) 34 *Interim Financial Reporting*, as adopted by the European Union.

The Condensed set of Consolidated Financial Statements has been prepared on a going concern basis, as outlined on page 21, and does not constitute the Group's statutory financial statements within the meaning of section 434 of the Companies Act 2006. The Condensed set of Consolidated Financial Statements should be read in conjunction with the Annual Report and audited Financial Statements for the year ended 31 December 2019, which have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

The Group's most recent statutory financial statements, which comprise the Annual Report and audited Financial Statements for the year ended 31 December 2019, were approved by the Directors on 9 March 2020 and delivered to the Registrar of Companies. The 31 December 2020 balances in this report have been extracted from the Annual Report. The Auditor's Report on those accounts was not qualified, did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying the report and did not contain statements under section 498 of the Companies Act 2006. The Consolidated Financial Statements of the Group as at, and for the year ended, 31 December 2019 is available upon request from the Company's registered office at 5 Howick Place, London, SW1P 1WG, United Kingdom or at www.informa.com.

2. Accounting Policies and Estimates

In the application of the Group's accounting policies, which are described in the annual report and accounts, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Critical accounting judgements & estimates

As at 31 December 2019, the group noted one critical judgement, relating to the identification of CGUs. As there were no acquisitions or restructurings requiring a significant judgement in this respect, management have concluded this is no longer a critical judgement for the period ended 30 June 2020.

As at the year ended 31 December 2019, the group noted two key sources of estimation uncertainty. These were with regards to contingent consideration and measurement of retirement obligations. For contingent consideration, due to cash disbursements and the natural progression on these time limited consideration payments, the estimate in this regard became less material, so management no longer view this to be a critical accounting estimate. Retirement benefit obligations remain significant at 30th June 2020, and as such are discussed as a critical accounting estimate in detail below.

2. Accounting Policies and Estimates (Continued)

Judgements and estimates associated with the impairment assessment

For the impairment review, management have estimated future cash flows for the group. This is based on projected operating profits, future long-term growth rates, and discount rates. Management view the key source of estimation uncertainty to be around future operating profits, with uncertainty relating to the depth of the economic impact from COVID-19, and the speed of any subsequent recovery, alongside variability in the recovery across the geographies in which the group operates. Management's approach for establishing these assumptions has been detailed below. Details of the impact of any uncertainties associated with the impairment assessment are provided in Note 10.

Management have also made critical judgements relating to the WACC rate and Long-Term Growth Rate (LTGR). The method for establishing these assumptions are detailed below.

Key assumption	How we have defined this
Projected cash flows	The forecasts for 2020 represent the latest detailed forecasts by management at the reporting date, based on the COVID-19 containment measures in the markets we operate, alongside the feedback from customers on confidence to travel and attend large physical events. For 2021, management have undertaken a forecasting exercise at the reporting date as to the likely volume and profitability of events running through the year, forecasting a prolonged downturn through the year, as containment measures continue and confidence in the market to travel and attend large scale events remains low. This forecast assumes an element of business adaption as the company deploys virtual and hybrid events across the group where feasible. For the periods 2022-2025, management have made a judgement as to the likely shape and length of recovery in the sectors they operate. Management's short to medium term forecasts at the reporting date from 2022 to 2025 and by 2025 reflect a deeper economic impact and slower recovery on the events industry when compared to GDP forecasts for the same period in the relevant geographies. This is based on management expecting large scale physical events being one of the last parts of the economy to return to normal trading levels. Considering this in financial forecasts, this results in a recovery to 2019 cash flow levels for the events revenues for these CGUs over the course of 2021 to 2025. These projections represent the directors' best estimate of the future performance of these businesses. From 2026 onwards, a long-term growth rate is applied to the 2025 cash flows, as discussed below. Across each of these time horizons, management have considered external metrics, market data and publicly available economic outlooks, taking these into account when determining the estimate.
Long-term growth rate	For the Group's value in use calculation, a perpetual growth rate has been applied to 2025 operating cash flow. Long-term growth rates are based on external reports on long-term GDP growth rates for the main geographic

	markets in which each CGU and Division operates and therefore are not considered to exceed the long-term average growth prospects for the individual markets. Long term growth rates have not been risk adjusted to reflect any of the uncertainties noted above, as these uncertainties are reflected in the forecasts.
Discount rate applied	We have calculated the weighted average cost of capital for each CGU and CGU group. For the cost of debt, we have considered market rates, based on entities with a comparable credit rating. The cost of equity is calculated using the CAPM model. The group has concluded that, due to increased market volatility, using spot rates as at 30 June would not give a discount rate that a market participant would expect at the balance sheet date. As a result, the group uses a longer-term average yield as the risk-free rate, adjusted using comparable Betas, equity risk premia and country risk premia. Discount rates have not been risk adjusted to reflect any of the uncertainties noted above, as these uncertainties are reflected in the forecasts.

At 30 June 2020, the business forecast is subject to higher levels of uncertainty compared to the prior periods given the impact of COVID-19 on our Event-led businesses. This drives increased uncertainty when considering future cash flow forecasts, as the shorter and longer term impacts of COVID-19 evolve. Operationally, this uncertainty relates to future COVID-19 containment policies, such as travel restrictions or limitations on physical events, the extent of the economic impact alongside the speed of the future recovery, delayed recovery to business confidence and variability in each of these factors across the various geographies the group operates within. In our impairment assessment, management have considered these uncertainties whilst making the above key assumptions.

Measurement of retirement benefit obligations

The measurement of the retirement benefit obligation and surplus involves the use of a number of assumptions. The most significant of these relate to the discount rate, the rate of increase in salaries and pension and mortality assumptions. The most significant scheme is the UBM Pension Scheme (UBMPS). Note 34 of the accounts for the year ended 31 December 2019 details the principal assumptions which have been adopted following advice received from independent actuaries and also provides sensitivity analysis with regard to changes to these assumptions. As at 30 June 2020, the group has a total pension liability of £767.2m (31 December 2019: £730.8m), and a net pension deficit of £77.2m (31 December 2019: £30.1m).

Basis of preparation

In the period, the group has adopted new standards and interpretations effective as of 1 January 2020 listed below:

- Amendments to IFRS 3 Business Combinations: Definition of a Business
- Amendments to IFRS 9, IAS 39 and IFRS17: Interest Rate Benchmark Reform
- Amendments to IAS 1 and IAS 8: Definition of Material
- Amendments to References to the Conceptual Framework in IFRS Standards
- Amendment to IFRS 16: Covid-19-Related Rent Concessions (effective as of 1 June 2020)

The adoption of these amendments and interpretations has not led to any changes to the Group's accounting policies or had any other material impact on the financial position or performance of the Group. Other amendments to IFRSs effective for the period ending 30 June 2020 have no impact on the group.
The preparation of the Condensed Set of Consolidated Financial Statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

2. Accounting Policies and Estimates (Continued)

The tax charge/credit in the Condensed Consolidated Income Statement for the interim period is determined using an estimate of the effective tax rate for the full year, adjusted for any adjusting items in the period.

Revenue

IFRS 15 Revenue from Contracts with Customers provides a single, principles-based five-step model to be applied to all sales contracts. It is based on the transfer of control of goods and services to customers and requires the identification and assessment of the satisfaction of delivery of each performance obligation in contracts in order to recognise revenue.

Where separate performance obligations are identified in a single contract, total revenue is allocated on the basis of relative stand-alone selling prices to each performance obligation, or management's best estimate of relative value where stand-alone selling prices do not exist.

Revenue is measured at the fair value of consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales-related taxes, and provisions for returns and cancellations. Revenue for each category type of revenue is typically fixed at the date of the order and is not variable. Payments received in advance of the satisfaction of a performance obligation are held as deferred income until the point at which the performance obligation is satisfied.

Deferred income in non-current liabilities relates to payment in advance received for biennial events, triennial events and events postponed to after 30 June 2021. Current deferred income balances at 30 June 2020 will be recognised as revenue within 12 months.

Revenue type	Performance obligations	Revenue recognition accounting policy	Timing of customer payments
Exhibitor and related services	Provision of services associated with exhibition and conference events, including virtual events.	Performance obligations are satisfied at the point of time that services are provided to the customer with revenue recognised when the event has taken place. In light of postponements due to COVID-19 the performance obligations and revenue recognition will align with the revised event dates.	Payments for events are normally received in advance of the event dates, which are typically up to 12 months in advance of the event date and are held as deferred income until the event date. In light of the COVID-19 situation, payments received may extend beyond 12 months before the event date where there have been postponements to events.
Subscriptions	Provision of journals and online information services that are provided on a periodic basis or updated on a real-time basis.	Performance obligations are satisfied over time, with revenue recognised straight-line over the period of the subscription.	Subscriptions payments are normally received in advance of the commencement of the subscription period which is typically a 12 month period and are held as deferred income.
Transactional sales	Provision of books and specific publications in print or digital format.	Revenue is recognised at the point of time when control of the product is passed to the	Transactional sales to customers are typically on credit terms and

		customer or the information service has been provided.	customers pay accordingly to these terms.
Attendee Revenue	Provision of exhibition or conference events.	Performance obligations are satisfied at the point of time that the event is held, with attendee revenue recognised at this date.	Payments by attendees are normally received either in advance of the event date or at the event. . In light of the COVID-19 situation, payments received may extend beyond 12 months before the event date where there have been postponements to events.
Marketing, advertising services and sponsorship	Provision of advertising, marketing services and event sponsorship.	Performance obligations are satisfied over the period of the advertising subscription or over the period when the marketing service is provided. Revenue relating to advertising or sponsorship at events is recognised on a point of time basis at the event date.	Payment for such services are normally received in advance of the marketing, advertising or sponsorship period.

Revenue relating to barter transactions is recorded at fair value and the timing of recognition is in line with the above. Expenses from barter transactions are recorded at fair value and recognised as incurred. Barter transactions typically involve the trading of show space or conference places in exchange for services provided at events or media advertising. See note 3 for further details of revenue by segment.

Financial risk management and financial instruments

The Group has exposure to the following risks from its use of financial instruments:

- Insufficient Capital risk management
- Financial Market risk
- Credit risk
- Liquidity risk

The Condensed set of Consolidated Financial Statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the Group's annual statutory Financial Statements as at 31 December 2019.

In the first half of 2020, the global pandemic risk has materially impacted our business and is recognised as a new principal risk to the company.

Impairment of Goodwill

We consider whether the carrying value of our goodwill and our intangible assets is impaired on an annual basis. The most recent annual impairment review was performed as at 31 December 2019. For the half year we consider whether there have been any impairment indicators identified, either internal or external.

We test for the impairment of intangible assets at the individual Cash Generating Unit ("CGU") level and do this by comparing the carrying value of assets in each cash CGU with value in use calculations derived from the latest Group cash flow projections.

We test for the impairment of goodwill at the business segment level (see note 3 for business segments). Business segments represent an aggregation of CGUs and reflect the level at which goodwill is monitored. We test for goodwill impairment by aggregating the carrying value of assets across CGUs in each segment level and comparing this to value in use calculations derived from the latest Group cash flow projections.

3. Business Segments

The Group has identified reportable segments based on financial information used by the Directors in allocating resources and making strategic decisions. We consider the chief operating decision maker to be the Executive Directors. The Group's five identified reportable segments under IFRS 8 Operating Segments are as described in the Divisional Trading Review. There is no difference between the Group's operating segments and the Group's reportable segments.

Segment revenue and results

6 months ended 30 June 2020 (unaudited):

	Informa Markets £m	Informa Intelligence £m	Informa Tech £m	Informa Connect £m	Taylor & Francis £m	Total £m
Revenue	**284.7**	**147.9**	**59.8**	**65.5**	**256.5**	**814.4**
Adjusted operating profit/(loss) before joint ventures and associates	**11.9**	**47.8**	**(16.5)**	**(19.6)**	**95.3**	**118.9**
Share of adjusted results of joint ventures and associates	0.1	-	-	(0.4)	-	(0.3)
Adjusted operating profit/(loss)	**12.0**	**47.8**	**(16.5)**	**(20.0)**	**95.3**	**118.6**
Intangible asset amortisation[1]	(93.4)	(8.7)	(11.2)	(8.8)	(26.1)	(148.2)
Impairment - right use assets	(3.5)	(5.1)	(0.9)	(3.6)	(4.3)	(17.4)
Impairment – acquisition related goodwill	(231.1)	-	(255.9)	(105.9)	-	(592.9)
Impairment – other	-	(1.4)	-	(2.5)	(1.0)	(4.9)
Acquisition and integration costs (Note 4)	(18.9)	(0.6)	(12.3)	(1.7)	(0.4)	(33.9)
Restructuring and reorganisation costs (Note 4)	(4.6)	(2.7)	(1.2)	(4.1)	(3.6)	(16.2)
Onerous contracts and one-off costs associated with COVID-19 (Note 4)	(39.5)	(0.1)	(1.7)	(2.1)	-	(43.4)
Subsequent re-measurement of contingent consideration	(1.3)	-	(0.4)	0.7	-	(1.0)
VAT charges	(0.6)	-	-	-	-	(0.6)
Operating profit/(loss)	**(380.9)**	**29.2**	**(300.1)**	**(148.0)**	**59.9**	**(739.9)**
Loss on disposal of subsidiaries and operations						(4.0)
Investment income						4.8
Finance costs						(62.1)
Loss before tax						**(801.2)**

1. Excludes acquired intangible product development and software amortisation.

3. Business Segments (Continued)

6 months ended 30 June 2019 (unaudited)[2]

	Informa Markets £m	Informa Intelligence £m	Informa Tech £m	Informa Connect £m	Taylor & Francis £m	Total £m
Revenue	722.0	183.2	109.0	141.6	251.8	1,407.6
Adjusted operating profit before joint ventures and associates	252.9	42.8	29.0	17.5	93.0	435.2
Share of results of joint ventures and associates	0.3	-	-	0.2	-	0.5
Adjusted operating profit	253.2	42.8	29.0	17.7	93.0	435.7
Intangible asset amortisation[1]	(99.5)	(12.8)	(11.7)	(5.6)	(25.8)	(155.4)
Impairment of right use	(2.9)	-	-	-	-	(2.9)
Acquisition and integration	(12.7)	(3.5)	(1.2)	(2.7)	-	(20.1)
Restructuring and reorganisation costs	(1.7)	(5.5)	(0.2)	0.1	0.4	(6.9)
Subsequent re-measurement of contingent consideration	0.2	(0.7)	-	(1.6)	-	(2.1)
Operating profit/(loss)	136.6	20.3	15.9	7.9	67.6	248.3
Profit on disposal of businesses						42.9
Investment income						4.4
Finance costs						(62.8)
Profit before tax						232.8

1. Excludes acquired intangible product development and software amortisation.
2. Restated for restructuring of Group Divisions.

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3. Business Segments (Continued)

Year ended 31 December 2019 (audited):[2]

	Informa Markets £m	Informa Intelligence £m	Informa Tech £m	Informa Connect £m	Taylor & Francis £m	Total £m
Revenue	1,442.8	348.1	256.2	283.6	559.6	2890.3
Adjusted operating profit before joint ventures and associates	492.3	104.6	71.3	46.2	217.2	931.6
Share of results of joint ventures and associates	1.4	0.1	-	-	-	1.5
Adjusted operating profit	493.7	104.7	71.3	46.2	217.2	933.1
Intangible asset amortisation[1]	(197.6)	(23.2)	(21.7)	(17.9)	(52.0)	(312.4)
Impairment – goodwill and intangibles	(4.7)	–	–	–	–	(4.7)
Impairment – right of	(1.4)	(0.9)	–	–	(2.3)	(4.6)
Acquisition and integration costs	(39.3)	(3.3)	(12.2)	(4.6)	(0.3)	(59.7)
Restructuring and reorganisation costs	(3.0)	(4.8)	(0.6)	(0.2)	–	(8.6)
Subsequent remeasurement of contingent consideration	1.6	(3.1)	–	(1.7)	–	(3.2)
VAT charges	(1.8)	–	–	–	–	(1.8)
Operating profit	247.5	69.4	36.8	21.8	162.6	538.1
Profit on disposal of businesses						(95.4)
Investment income						10.1
Finance costs						(134.1)
Profit before tax						318.7

[1] Excludes acquired intangible product development and software amortisation. 2. Restated for restructuring of Group Divisions.

Segment revenue by type

An analysis of the Group's revenue by segment and type is as follows:

6 months ended 30 June 2020 (unaudited):

	Informa Markets £m	Informa Connect £m	Informa Tech £m	Informa Intelligence £m	Taylor & Francis £m	Total £m
Exhibitor	250.5	32.3	9.3	-	-	292.1
Subscriptions	-	-	30.9	137.4	153.9	322.2
Transactional sales	-	-	-	5.5	102.6	108.1
Attendee	10.7	20.0	4.1	-	-	34.8
Marketing and advertising	16.2	4.9	9.5	5.0	-	35.6
Sponsorship	7.3	8.3	6.0	-	-	21.6
Total	**284.7**	**65.5**	**59.8**	**147.9**	**256.5**	**814.4**

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3. Business Segments (Continued)

Year ended 31 December 2019 (audited):

	Informa Markets £m	Informa Connect £m	Informa Tech £m	Informa Intelligence £m	Taylor & Francis £m	Total £m
Exhibitor	1213.6	53.6	71.2	-	-	1338.4
Subscriptions	-	-	42.0	296.0	302.5	640.5
Transactional sales	-	-	-	18.9	257.1	276.0
Attendee	63.8	149.7	84.3	-	-	297.8
Marketing and advertising	91.5	22.0	18.5	33.2	-	165.2
Sponsorship	73.9	58.3	40.2	-	-	172.4
Total	1,442.8	283.6	256.2	348.1	559.6	2,890.3

4. Adjusting Items

The Board considers certain items should be recognised as adjusting items (see glossary of terms for the definition of adjusting items) since, due to their nature or infrequency, such presentation is relevant to an understanding of the Group's performance. These items do not relate to the Group's underlying trading and are adjusted from the Group's adjusted operating profit measure. The following charges/(credits) are presented as adjusting items:

	6 months ended 30 June 2020 (unaudited) £m	6 months ended 30 June 2019 (unaudited) £m	Year ended 31 December 2019 (audited) £m
Intangible amortisation and impairment			
Intangible asset amortisation[1]	**148.2**	155.4	312.4
Impairment – acquisition-related intangible assets	**1.0**	-	3.8
Impairment – acquisition-related goodwill	**592.9**	-	0.9
Impairment – right of use assets	**17.4**	2.9	4.6
Impairment – external investments	**3.9**	-	-
Acquisition costs	**0.8**	0.3	3.3
Integration costs	**33.1**	19.8	56.4
Restructuring and reorganisation costs			
Redundancy and reorganisation costs	**2.3**	5.7	6.4
Vacant property and finance lease modification costs	**13.9**	1.2	2.2
Onerous contracts associated with COVID-19	**37.9**	-	-
Other items associated with COVID-19	**5.5**	-	-
Subsequent re-measurement of contingent consideration	**1.0**	2.1	3.2
VAT charges	**0.6**	-	1.8
Adjusting items in operating loss/profit	**858.5**	187.4	395.0
Loss/(profit) on disposal of businesses	**4.0**	(42.9)	95.4
Investment income	**-**	-	(1.2)
Finance costs	**9.7**	0.5	13.5
Adjusting items in loss/profit before tax	**872.2**	145.0	502.7
Tax related to adjusting items	**(43.9)**	(35.6)	(83.5)
Adjusting items in loss/profit for the period	**828.3**	109.4	419.2

1. Excludes acquired intangible product development and software amortisation

- Intangible asset amortisation – the amortisation charges in respect of intangible assets acquired through business combinations or the acquisition of trade and assets
- Impairment – the Group tests for impairment on an annual basis or more frequently when an indicator exists. Impairment charges are excluded from adjusted results. Note 10 details the goodwill impairment.
- Impairment of right of use assets and vacant property and finance lease modification costs mainly relate to the permanent closure of a number of office properties from June 2020
- Acquisition and integration – costs incurred in acquiring and integrating share and asset acquisitions
- Restructuring and reorganisation – costs incurred by the Group in business restructuring and operating model changes
- Onerous contracts associated with COVID-19 relate to onerous contract costs for events which have been cancelled or postponed and the costs cannot be recovered. The costs largely relate to venue, marketing and event set-up costs.
- Other items associated with COVID-19 are one-off indirect cost incurred as a result of COVID-19, largely relating to a contractual commitment to the owner of an event that was cancelled.
- Subsequent re-measurements of contingent consideration are recognised in the period as charges or credits to the Consolidated Income Statement unless these qualify as measurement period adjustments arising within one year from the acquisition date.
- VAT charges of £0.6m relate to an increase of the existing provisions for VAT penalties relating to the UAE which the group is disputing
- Loss on disposal of subsidiaries and operations is the loss on disposal in the period related principally to the impairment of loan note receivable
- Finance costs of £9.7m primarily relate to the fair value movement of acquisition put options (£6.4m), and the early settlement of outstanding Private Placement debt in February 2020 (£3.3m)
- The tax items relate to the tax effect on the items above and adjusting tax items

5. Investment Income

	6 months ended 30 June 2020 (unaudited) £m	6 months ended 30 June 2019 (unaudited) £m	Year ended 31 December 2019 (audited) £m
Interest income on bank deposits	**3.6**	2.2	4.7
Fair value gain on financial instruments through the income statement	**1.2**	1.9	3.4
Interest income finance lessor leases	**-**	0.3	0.8
Investment income before adjusting items	**4.8**	4.4	8.9
Adjusting item: fair value gain on acquisition put options	**-**	-	1.2
Total investment income	**4.8**	4.4	10.1

6. Finance Costs

	6 months ended 30 June 2020 (unaudited) £m	6 months ended 30 June 2019 (unaudited) £m	Year ended 31 December 2019 (audited) £m
Interest expense on borrowings and loans	**45.2**	54.2	105.5
Interest cost on pension scheme net liabilities	**0.6**	0.6	1.4
Interest cost IFRS 16 leases	**6.6**	7.0	14.3
Total interest expense	**52.4**	61.8	121.2
Fair value loss on financial instruments through the income statement	**-**	0.5	(0.6)
Finance costs before adjusting items	**52.4**	62.3	120.6
Adjusting item: fair value movement on acquisition put options	**6.4**	0.5	-
Adjusting item: financing expense associated with 2019 Private Placement debt	**3.3**	-	13.5
Total finance expense	**62.1**	62.8	134.1

7. Taxation

The tax charge comprises:

	6 months ended 30 June 2020 (unaudited) £m	6 months ended 30 June 2019 (unaudited) £m	Year ended 31 December 2019 (audited) £m
Current tax	**8.1**	47.7	109.0
Deferred tax	**(42.8)**	(11.5)	(36.4)
Total tax (credit)/charge on loss/profit on ordinary activities	**(34.7)**	36.2	72.6

In 2017 the European Commission announced that it would be opening a State Aid investigation into the UK's Controlled Foreign Company regime and in particular the exemption for group finance companies. Like many UK based multinational companies, the Group has made claims in relation to this exemption and will potentially have an additional tax liability if a negative State Aid decision is upheld. The maximum amount that could become payable by the Group in relation to this matter is £37.2m. As part of the acquisition accounting relating to contingent liabilities, an amount of £8.0m has been provided in relation to UBM companies. We do not currently believe it is probable that we will ultimately have to make a payment in respect of this issue and therefore have not provided for any additional liabilities.

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8. Dividends

	6 months ended 30 June 2020 (unaudited) £m	6 months ended 30 June 2019 (unaudited) £m	Year ended 31 December 2019 (audited) £m
Amounts recognised as distributions to equity holders in the period:			
Final dividend for 2018 of 14.85p per share	-	185.8	185.8
Interim dividend for 2019 of 7.55p per share	-	–	94.5
	-	185.8	280.3
Proposed (not recognised as a liability at the end of the period)			
Interim dividend for 2019 of 7.55p per share	-	94.4	–

In April 2020 the Directors withdrew the proposed 2019 final dividend. There is no proposed interim dividend for the six months ended 30 June 2020. As at 30 June 2020 £0.4m (30 June 2019: £0.3m and 31 December 2019: £0.4m) of dividends are still to be paid.

9. Earnings Per Share (EPS)

Basic EPS

The basic earnings per share (EPS) calculation is based on a loss attributable to equity Shareholders of the parent of £761.4m (30 June 2019: profit £182.4m and 31 December 2019: profit £225.5m). This loss on ordinary activities after taxation is divided by the weighted average number of shares in issue (less those shares held by the Employee Share Trust and ShareMatch).

Diluted EPS

The diluted EPS calculation is based on the basic EPS calculation above, except that the weighted average number of shares includes all potentially dilutive options granted by the reporting date as if those options had been exercised on the first day of the accounting period or the date of the grant, if later.

The table below sets out the adjustment in respect of dilutive potential Ordinary Shares:

	6 months ended 30 June 2020 (unaudited)	6 months ended 30 June 2019 (unaudited)[1]	Year ended 31 December 2019 (audited)[1]
Weighted average number of shares used in basic EPS calculation	**1,337,756,825**	1,259,487,359	1,259,117,620
Effect of dilutive potential ordinary shares [2]	-	5,477,281	5,113,320
Weighted average number of shares used in diluted EPS calculation	**1,337,756,825**	1,264,964,640	1,264,230,940

1. Restated for share placement (see Note 14.)
2. For 30 June 2020 dilutive potential ordinary shares have no effect on the calculation of diluted EPS as their conversion into ordinary shares cannot increase the loss per share

9. Earnings Per Share (EPS) (Continued)

Earnings per share:

	6 months ended 30 June 2020 (unaudited)		6 months ended 30 June 2019 (unaudited)		Year ended 31 December 2019 (audited)	
	Earnings £m	Per share amount Pence	Earnings £m	Per share amount Pence[1]	Earnings £m	Per share amount Pence[1]
(Loss)/profit for the period	**(766.5)**	**-**	196.6	-	246.1	-
Non-controlling interest	**5.1**	**-**	(14.2)	-	(20.6)	-
Earnings for the purpose of statutory basic EPS/ statutory basic EPS (p)	**(761.4)**	**(56.9)**	182.4	14.5	225.5	17.9
Effect of dilutive potential ordinary shares	**-**	**-**	-	(0.1)	-	
Earnings for the purpose of statutory diluted EPS/ diluted EPS (p)	**(761.4)**	**(56.9)**	182.4	14.4	225.5	17.9

1. Restated for share placement (see Note 14.)

9. Earnings Per Share (EPS) (Continued)

Adjusted EPS

The basic and diluted adjusted EPS calculations have been made to provide additional useful information on the underlying performance. Profits are based on operations attributable to equity Shareholders and are adjusted to exclude items that in the opinion of the Directors would distort underlying results, with those items detailed in Note 4.

Adjusted earnings per share:	6 months ended 30 June 2020 (unaudited)		6 months ended 30 June 2019 (unaudited)		Year ended 31 December 2019 (audited)	
	Earnings £m	Per share amount Pence	Earnings £m	Per share amount Pence[1]	Earnings £m	Per share amount Pence[1]
Earnings for the purpose of basic EPS/ statutory basic EPS (p)	**(761.4)**	**(56.9)**	182.4	14.5	225.5	17.9
Adjusting items:						
Intangible asset amortisation	**148.2**	**11.1**	155.4	12.3	312.4	24.8
Impairment – acquisition-related intangible assets	**1.0**	**0.1**	-	-	3.8	0.3
Impairment – acquisition-related goodwill	**592.9**	**44.4**	-	-	0.9	0.1
Impairment – of right of use assets	**17.4**	**1.3**	2.9	0.2	4.6	0.4
Impairment – external investments	**3.9**	**0.3**	-	-	-	-
Acquisition and integration costs	**33.9**	**2.5**	20.1	1.6	59.7	4.7
Restructuring and reorganisation costs	**16.2**	**1.2**	6.9	0.6	8.6	0.7
Onerous contracts associated with COVID-19	**37.9**	**2.8**	-	-	-	-
Other items associated with COVID-19	**5.5**	**0.4**	-	-	-	-
Subsequent re-measurement of contingent consideration	**1.0**	**0.1**	2.1	0.2	3.2	0.2
VAT charges	**0.6**	**-**	-	-	1.8	0.1
Loss/(profit) on disposal of subsidiaries and operations	**4.0**	**0.3**	(42.9)	(3.4)	95.4	7.6
Investment income	**-**	**-**	-	-	(1.2)	(0.1)
Finance costs	**9.7**	**0.7**	0.5	-	13.5	1.1
Tax related to adjusting items	**(43.9)**	**(3.3)**	(35.6)	(2.8)	(83.5)	(6.6)
Earnings for the purpose of adjusted basic EPS/ adjusted basic EPS (p)	**66.9**	**5.0**	291.8	23.2	644.7	51.2
Effect of dilutive potential ordinary shares	**-**	**-**	-	(0.1)	-	(0.2)
Earnings for the purpose of adjusted diluted EPS/ adjusted diluted EPS (p)	**66.9**	**5.0**	291.8	23.1	644.7	51.0

1. Restated for share placement (See Note 14.)

10. Goodwill

	(Unaudited) £m
Cost	
At 1 January 2020	**6,261.1**
Additions	**12.7**
Disposals	**(0.9)**
Exchange differences	**320.4**
At 30 June 2020	**6,593.3**
Accumulated impairment losses	
At 1 January 2020	**(116.7)**
Disposals	**0.9**
Impairment loss	**(592.9)**
Exchange differences	**0.1**
At 30 June 2020	**(708.6)**
Carrying amount	
At 30 June 2020	**5,884.7**
At 31 December 2019[1]	**6,144.4**

1. 31 December 2019 amount restated for CAPA and IHS fair value adjustments (see Note 14.)

Impairment review

At the 30 June 2020 reporting date, impairment indicators were identified with regards to three of our groups of CGUs in regards to goodwill, namely the business segments which derive the majority of their revenue from operating physical events: Informa Markets, Informa Tech and Informa Connect. For the CGUs within these groups, there were also indicators of impairment over intangible assets arising on acquisition. The outbreak of COVID-19 has led to the cancellation or postponement of the majority of physical events since March, and therefore a reduction in the revenue generated by these businesses. The short term and potential longer term impact has been considered as an indicator of impairment and this has resulted in impairment reviews being undertaken at 30 June 2020 for the Informa Markets, Informa Connect and Informa Tech CGU groups, and for the individual CGUs within these groups.

No similar triggers were identified with regards to the Taylor & Francis CGU group, or with regards to the Informa Intelligence CGUs or CGU group.

Management have made several key assumptions, specifically on cash flows, WACC rates and long term growth rates, whilst forming their impairment conclusion, as detailed in the key estimates and judgments section above. The average WACC and Long term market growth rates as at the 30th June were:

	Long-term market growth rates		Pre-tax discount rates	
	Six months ended 30 June 2020 (Unaudited)	Year ended 31 December 2019 (Audited)	Six months ended 30 June 2020 (Unaudited)	Year ended 31 December 2019 (Audited)
Informa Markets	**2.3%**	2.2%	**10.1%**	9.3%
Informa Connect	**1.7%**	1.7%	**10.7%**	9.6%
Informa Tech	**1.9%**	1.9%	**11.8%**	10.9%

10. Goodwill (Continued)

For the Informa Markets group of CGUs, which contains 8 CGUs, the WACC ranged from 8.8% to 18.5%, and the long term growth rate ranged from 1.4% to 3.1%. For the Informa Connect group of CGUs, which contains 5 CGUs, the WACC ranged from 10.5%-11.4% and the long term growth rate ranged from 1.6% to 2.0%

See Note 2 on accounting policies and estimates for further details on the impairment testing of goodwill and the key assumptions used.

The review found no impairment arising from the review of intangible assets in any CGU. The review of goodwill showed an impairment of £592.9m and this was reflected at 30 June 2020, impacting the CGU Groups as follows:

Impairment of goodwill

	Six months ended 30 June 2020 (Unaudited) £m	Six months ended 30 June 2019 (Unaudited) £m	Year ended 31 December 2019 (Audited) £m
Informa Markets	**231.1**	-	-
Informa Connect	**105.9**	-	-
Informa Tech	**255.9**	-	-
Total	**592.9**	-	-

Following the impairment at 30 June 2020, the carrying amount of goodwill recorded in the CGU groups is set out below:

CGU Groups	Six months ended 30 June 2020 (Unaudited) £m	Six months ended 30 June 2019 (Unaudited) £m	Year ended 31 December 2019 (Audited) £m
Informa Markets	**3,820.5**	3,960.1	3,848.4
Informa Connect	**350.3**	471.1	436.7
Informa Tech	**479.4**	599.5	678.0
Informa Intelligence	**671.2**	771.8	648.0
Taylor & Francis	**563.3**	541.4	533.4
	5,884.7	6,343.9	6,144.5

10. Goodwill (Continued)

Sensitivity analysis

The sensitivities provided represent areas assessed by management to be a key source of estimation uncertainty, as described note 2. Key uncertainties relate to the depth of the economic impact from COVID-19 containment measures, the speed of recovery, and the variability in impact across the geographies in which the group operates. Sensitivity analysis scenarios also considered changes to the key assumptions on the rate of WACC and Long term growth rates (LTGR), with the sensitivity analysis showing the impact of WACC rates increasing by 1.0% and LTGR reducing by 0.5%. Our cash flow sensitivity analysis scenario considered a potentially extended and severe restriction on our ability to run events into the future, which indicate a reasonably possible further 7% reduction in operating profits to 2025.

The results from the sensitivity analysis would indicate the following further impairment for those CGU groups subject to review at 30 June 2020, in addition to the £592.9m impairment that has been recorded in the results for the period ended 30 June 2020:

	Forecast cash flow reduction £m	WACC rates increasing by 1.0% £m	LTGR reduction by 0.5% £m
Informa Markets	**184.3**	**685.2**	**275.1**
Informa Connect	**31.0**	**54.6**	**20.7**
Informa Tech	**29.8**	**63.6**	**23.3**
Total	**245.1**	**803.4**	**319.1**

The above sensitivities indicate management's assessment of reasonably plausible, material changes in the environment which could lead to a further impairment.

11. Share Capital

Share capital as at 30 June 2020 amounted to £1.5m (30 June 2019 and 31 December 2020: £1.3m).

	6 months ended 30 June 2020 (unaudited) Number of shares	6 months ended 30 June 2019 (unaudited) Number of shares	Year ended 31 December 2019 (audited) Number of shares
At 1 January	**1,251,798,534**	1,251,798,534	1,251,798,534
Issue of new shares through share placement	**250,318,000**	-	-
Other issue of shares	**13,876**	-	-
At 30 June / 31 December	**1,502,130,410**	1,251,798,534	1,251,798,534

As at 30 June 2020 the Informa Employee Share Trust held 734,571 (30 June 2019: 77,666; 31 December 2019: 958,988) ordinary shares in the Company. As at 30 June 2020 the ShareMatch scheme held 629,464 (30 June 2019: 452,074; 31 December 2010: 474,979) ordinary shares in the Company.

On 15 April 2020 the Company announced a share placement of 250,318,000 new Ordinary Shares in the capital of the Company, representing approximately 19.99% of the Company's existing issued share capital. 125,159,000 new Ordinary Shares were issued on 20 April 2020 and a further 125,159,000 on 5 May 2020. The shares were issued at £4.00 per share resulting in gross proceeds of £1,001.3m and net proceeds of £975.9m.

12. Notes to the Cash Flow Statement

	6 months ended 30 June 2020 (unaudited) £m	6 months ended 30 June 2019 (unaudited) £m	Year ended 31 December 2019 (audited) £m
(Loss)/profit before tax	**(801.2)**	232.8	318.7
Adjustments for:			
Depreciation of property and equipment	**8.5**	8.4	17.2
Depreciation of right of use assets	**16.9**	15.8	33.1
Amortisation of other intangible assets	**168.0**	177.2	354.3
Impairment – goodwill	**592.9**	-	0.9
Impairment – external investments	**3.9**	-	-
Impairment – acquisition intangible assets	**1.0**	-	3.8
Impairment – property and equipment[1]	**-**	4.1	-
Impairment – right of use assets	**17.4**	2.9	4.6
Share-based payments	**3.6**	5.3	10.4
Subsequent re-measurement of contingent consideration	**1.0**	2.1	3.2
Loss/(profit) on disposal of businesses	**4.0**	(42.9)	95.4
Loss on disposal of PPE and software	**0.4**	-	-
Investment income	**(4.8)**	(4.4)	(10.1)
Finance costs	**62.1**	62.8	134.1
Share of adjusted results of joint ventures and associates	**0.3**	(0.5)	(1.5)
Operating cash inflow before movements in working capital and pension contributions	**74.0**	463.6	964.1
Decrease in inventories	**2.2**	5.1	12.3
(Increase)/decrease in receivables	**(63.7)**	(16.1)	20.6
Increase/(decrease) in payables	**131.2**	(30.1)	(33.1)
Movements in working capital	**69.7**	(41.1)	(0.2)
Pension deficit contributions	**(3.3)**	(3.0)	(5.4)
Cash generated by operations	**140.4**	419.5	958.5

12. Notes to the Cash Flow Statement (continued)

Analysis of movement in net debt (unaudited):

	At 1 Jan 2020 £m	Non-cash movements £m	Cash flow £m	Exchange movements £m	At 30 June 2020 £m
Cash at bank and in hand	195.1	-	712.2	7.9	915.2
Overdrafts	-	-	-	-	-
Cash and cash equivalents	195.1	-	712.2	7.9	915.2
Bank loans due in less than one year	-	-	-	-	-
Bank loans due in more than one year	(56.9)	-	87.1	(30.2)	-
Bank loan fees due in more than one year	2.2	8.2	-	-	10.4
Private placement loan notes due in less than one year	(152.2)	-	153.0	(0.8)	-
Private placement loan notes due in more than one year	(1,060.6)	(2.6)	-	(77.8)	(1,141.0)
Private placement loan note fees	2.7	(0.2)	-	-	2.5
Bond borrowings due in more than one year	(1,279.1)	-	-	(70.7)	(1,349.8)
Bond borrowing fees	11.0	(0.8)	-	-	10.2
Derivative assets associated with borrowings	3.9	0.9	-	-	4.8
Derivative liabilities associated with borrowings	(22.4)	(72.6)	-	-	(95.0)
Lease liabilities	(316.6)	(5.9)	15.8	(7.8)	(314.5)
Finance lease receivables	15.3	(5.5)	(1.2)	0.7	9.3
Net debt	(2,657.6)	(78.5)	966.9	(178.7)	(1,947.9)

12. Notes to the Cash Flow Statement (continued)

Analysis of movement in net debt (unaudited)

	At 1 Jan 2019 £m	Non-cash movements £m	Cash flow £m	Exchange movements £m	At 30 June 2019 £m
Cash at bank and in hand	168.8	-	144.6	3.5	316.9
Overdrafts	(43.9)	-	(5.7)	0.1	(49.5)
Cash and cash equivalents	124.9	-	138.9	3.6	267.4
Bank loans due in less than one year	(156.9)	-	152.7	4.2	-
Bank loans due in more than one year	(78.5)	-	(117.1)	(5.5)	(201.1)
Bank loan fees due in more than one year	0.9	(1.2)	2.8	-	2.5
Private placement loan notes due in more than one year	(1,396.4)	0.7	-	(10.5)	(1,406.2)
Private placement loan note fees	3.4	(0.3)	-	-	3.1
Bond borrowings due in more than one year	(1,163.0)	1.1	-	(1.4)	(1,163.3)
Bond borrowing fees	7.4	(0.9)	0.1	-	6.6
Derivative assets associated with borrowings	1.5	-	-	0.9	2.4
Derivative liabilities associated with borrowings	(25.2)	-	-	(12.9)	(38.1)
Lease liabilities	(343.6)	(4.9)	13.9	0.8	(333.8)
Finance lease receivables	14.4	-	(1.4)	1.5	14.5
Net debt	(3,011.1)	(5.5)	189.9	(19.3)	(2,846.0)

Reconciliation of movement in Net Debt

	6 months ended 30 June 2020 (unaudited) £m	6 months ended 30 June 2019 (unaudited) £m	Year ended 31 December 2019 (audited) £m
Increase in cash and cash equivalents in the period	**712.2**	138.9	77.1
Cash flows from net draw-down of borrowings and derivatives associated with debt instruments and finance leases	**264.8**	51.0	199.8
Change in net debt resulting from cash flows	**977.0**	189.9	276.9
Non-cash movements including foreign exchange	**(255.9)**	(24.8)	93.1
Movement in net debt in the period (before opening IFRS 16 debt)	**721.1**	165.1	370.0
Net debt at beginning of the period	**(2,657.6)**	(2,681.9)	(2,681.9)
IFRS 16 lease liabilities at 1 January 2019	**-**	(343.6)	(343.6)
IFRS 16 finance lease receivables at 1 January 2019	**-**	14.4	14.4
Net finance lease additions in the period	**(11.4)**	-	(16.5)
Net debt at end of the period	**(1,947.9)**	(2,846.0)	(2,657.6)

13. Borrowings

The Group had £4.1bn of committed facilities at 30 June 2020 (£3.5bn at 30 June 2019 and £3.4bn at 31 December 2019), see Financial Review for further details. The total borrowings excluding lease liabilities and excluding derivative assets and liabilities associated with borrowings, are as follows:

		At 30 June 2020 (unaudited) £m	At 30 June 2019 (unaudited) £m	At 31 December 2019 (audited) £m
Current				
Bank overdraft		**-**	49.5	-
Private placement loan note ($200.5m) – repaid February 2020		**-**	-	152.2
Total current borrowings		**-**	49.5	152.2
Non-current				
Bank borrowings – revolving credit facility[1]		**-**	-	56.9
Bank borrowings – revolving credit facility – due February 2022		**-**	201.1	
Bank debt issue costs		**(10.4)**	(2.5)	(2.2)
Bank borrowings – non-current		**(10.4)**	198.6	54.7
Private placement loan note ($385.5m)	– due December 2020	**-**	304.0	-
Private placement loan note ($45.0m)	– due June 2022	**37.4**	36.5	35.0
Private placement loan note ($120.0m)	– due October 2022	**97.8**	94.6	91.1
Private placement loan note ($55.0m)	– due January 2023	**44.8**	43.4	41.7
Private placement loan note ($76.1m)	– due June 2024	**69.0**	64.2	61.8
Private placement loan note ($80.0m)	– due January 2025	**65.2**	63.1	60.7
Private placement loan note ($200.0m)	– due January 2025	**163.0**	157.7	151.8
Private placement loan note ($130.0m)	– due October 2025	**106.0**	102.5	98.7
Private placement loan note ($365.0m)	– due January 2027	**297.5**	287.9	277.1
Private placement loan note ($116.0m)	– due June 2027	**97.2**	94.6	90.9
Private placement loan note ($200.0m)	– due January 2028	**163.0**	157.7	151.8
Private debt issue costs		**(2.5)**	(3.1)	(2.7)
Private placement – non-current		**1,138.4**	1,403.1	1,057.9
Bond borrowings ($350.0m)	– repaid November 2019	**-**	279.7	-
Euro Medium Term Note (€650.0m)	– due July 2023	**593.4**	583.6	553.4
Euro Medium Term Note (£300.0m)	– due July 2026	**300.0**	300.0	300.0
Euro Medium Term Note (€500.0m)	– due April 2028	**456.5**	-	425.7
Bond borrowings and EMTN issue costs		**(10.2)**	(6.6)	(11.0)
Bond borrowings – non-current		**1,339.7**	1,156.7	1,268.1
Total non-current borrowings		**2,467.7**	2,758.4	2,380.7
Total borrowings		**2,467.7**	2,807.9	2,532.9

[1]On 24 January 2020 the two tranches of RCF were extended by one further year, resulting in £600m maturing in February 2025 and £300m maturing in February 2023

The principal financial covenant ratios under the private placement loan notes are maximum net debt to EBITDA of 3.5 times and minimum EBITDA interest cover of 4.0 times, tested semi-annually and calculated according to the Note Purchase Agreements. During the period there were no breaches to covenants under the Group's private placement loan notes. The Group does not have any of its property and equipment and other intangible assets pledged as security over loans.

14. Restatement

Fair value restatement

Finalisation of the acquisition balance sheet of Centre for Asia Pacific Aviation Pty Ltd (CAPA)

In 2020 the group completed the IFRS 3 fair value exercise in relation to the acquisition of CAPA within the 12-month remeasurement period from the acquisition date. This has resulted in the following restatements to the balance sheets of the 30 June 2019 and 31 December 2019 financial statements, with no impact on the income statement:

- An increase of £0.8m in provisions and a corresponding increase in goodwill
- Increase in accruals of £0.1m and a corresponding increase in goodwill
- Impairment of £0.2m in fixed assets and a corresponding increase in goodwill

Fair value restatements to the acquisition balance sheet of the TMT Research and Intelligence portfolio from IHS Markit (TMT)

An update to the provisional fair value 1 August 2019 acquisition balance sheet of TMT has resulted in the following restatements to the balance sheet of the 31 December 2019 financial statements:

- A reduction in trade receivables of £0.3m, with a corresponding increase in goodwill

Restatement of EPS and Dividends per Share due to discount on the share placement

On 15 April 2020 the Company announced a share placement of 250,318,000 new Ordinary Shares, representing approximately 19.99% of the Company's existing issued share capital. 125,159,000 new Ordinary Shares were issued on 20 April 2020 and a further 125,159,000 on 5 May 2020. The share placement price was 400 pence per a share and represented a discount of 4 per cent to the closing share price of 416.8 pence on 15 April 2020. The gross proceeds raised through the placement were £1,001m. The issue of shares at a discount required the restatement of prior years' weighted average number of shares, earnings per share and dividends per share.

	H1 2019 (Restated)	H1 2019	FY 2019 (Restated)	FY2019
Basic EPS (p)	14.5	14.6	17.9	18.0
Diluted EPS (p)	14.4	14.5	17.9	18.0
Adjusted basic EPS (p)	23.2	23.3	51.2	51.5
Adjusted diluted EPS (p)	23.1	23.2	51.0	51.3
Weighted average number of shares used in diluted EPS calculation	1,264,964,640	1,256,467,977	1,264,230,940	1,255,739,205
Weighted average number of shares used in basic EPS calculation	1,259,487,359	1,251,027,486	1,259,117,620	1,250,660,231
Dividends per share (p)	7.50	7.55	7.50	7.55

15. Business combinations

On 9 January 2020 the Group acquired F1000 Research Limited for consideration of £16.0m, inclusive of £14.9m cash consideration. The business is an open research publishing company and forms part of the Taylor & Francis business. Of this balance £12.7m was recognised as goodwill with the remainder being allocated to acquisition intangibles.

On 17 January 2020 a payment of £28.1m ($37.0m) was made in relation to the settlement of an option held by a third party that was exercised on 15 January 2020. This related to an option associated with certain Fashion events in the US which were acquired as part of the 2018 UBM plc acquisition.

The Group paid net deferred and contingent consideration relating to prior year business combinations of £7.5m.

16. Related Party Transactions

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note. Transactions with related parties are made at arm's length.

Transactions with Directors

There were no material transactions with Directors of the Company during the year, except for those relating to remuneration and shareholdings. For the purposes of IAS 24 *Related Party Disclosures*, Executives below the level of the Company's Board are not regarded as related parties.

Other related party disclosures

At 30 June 2020, Informa Group companies have guaranteed the pension scheme liabilities of the Taylor & Francis Group Pension and Life Assurance Scheme, the Informa Final Salary Scheme and the UBM Pension Scheme.

During the period, Informa entered into related party transactions to the value of £0.3m (30 June 2019: nil) with a balance of £0.1m (30 June 2019: nil) outstanding at 30 June 2020. Outstanding balances at year-end are unsecured and settlement occurs in cash. There are no bad debt provisions for related party balances as at 30 June 2020, and no debts due from related parties have been written off during the period.

17. Financial Instruments

This note provides an update on the judgements and estimates made by the group in determining the fair values of the financial instruments since the last annual financial report.

Fair value hierarchy

Valuation techniques use observable market data where it is available and rely as little as possible on entity-specific estimates. The fair values of interest rate swaps and forward exchange contracts are measured using discounted cash flows. Future cash flows are based on forward interest/exchange rates (from observable yield curves/forward exchange rates at the end of the reporting period) and contract interest/forward rates, discounted at a rate that reflects the credit risk of the counterparties.

The fair values of put options over non-controlling interests (including exercise price) and contingent and deferred consideration on acquisitions are measured using discounted cash flow models with inputs derived from the projected financial performance in relation to the specific contingent consideration criteria for each acquisition, as no observable market data is available. The fair values are most sensitive to the projected financial performance of each acquisition; management makes a best estimate of these projections at each financial reporting date and regularly assesses a range of reasonably possible alternatives for those inputs and determines their impact on the total fair value.

An increase of 20% to the projected financial performance used in the put option measurements would increase the aggregate liability by £nil. The fair value of the contingent and deferred consideration on acquisitions is not significantly sensitive to a reasonable change in the forecast performance.

Financial instruments that are measured subsequently to initial recognition at fair value are grouped into Levels 1 to 3, based on the degree to which the fair value is observable, as follows:

Level 1 fair value measurements are those derived from unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs), such as internal models or other valuation methods. Level 3 balances include investments where, in the absence of market data, these are held at cost, and adjusted for impairments which are taken to approximate to fair value. Level 3 balances for contingent consideration use future cash flow forecasts to determine the fair value, with the fair value of deferred consideration balances taken as the receivable amount adjusted for an impairment assessment. The fair value of put options over non-controlling interest uses the present value of the latest cash flow forecast for each business.

Financial assets and liabilities measured at fair value in the Consolidated Balance Sheet and their categorisation in the fair value hierarchy at 30 June 2020 and 31 December 2019:

	Level 1 At 30 June 2020 (Unaudited) £m	Level 2 At 30 June 2020 (Unaudited) £m	Level 3 At 30 June 2020 (Unaudited) £m	Total At 30 June 2020 (Unaudited) £m
Financial assets				
Derivative financial instruments in designated hedge accounting relationships	-	**4.8**	**-**	**4.8**
Equity investments in unquoted companies	-	**-**	**7.4**	**7.4**
	-	**4.8**	**7.4**	**12.2**
Financial liabilities at fair value through profit or loss	-	**-**	**-**	**-**
Private placement loan notes	-	**69.0**	**-**	**69.0**
Bond borrowings	-	**-**	**-**	**-**
Derivative financial instruments in designated hedge accounting relationships[1]	-	**94.9**	**-**	**94.9**
Deferred consideration on acquisitions	-	**-**	**-**	**-**
Contingent consideration on acquisitions	-	**-**	**11.6**	**11.6**
Put options over non-controlling interests	-	**-**	**17.0**	**17.0**
	-	**163.9**	**28.6**	**192.5**

[1] £94.9m relates to interest rate swaps associated with Euro Medium Term Notes.

17. Financial Instruments (Continued)

	Level 1 At 31 December 2019 (Audited) £m	Level 2 At 31 December 2019 (Audited) £m	Level 3 At 31 December 2019 (Audited) £m	Total At 31 December 2019 (Audited) £m
Financial assets				
Derivative financial instruments in designated hedge accounting relationships	-	3.9	-	3.9
Equity investments in unquoted companies	-	-	10.1	10.1
	-	3.9	10.1	14.0
Financial liabilities at fair value through profit or loss	-	-	-	-
Private placement loan notes	-	61.8	-	61.8
Derivative financial instruments in designated hedge accounting relationships[1]	-	22.4	-	22.4
Deferred consideration on acquisitions	-	-	2.5	2.5
Contingent consideration on acquisitions	-	-	18.7	18.7
Put options over non-controlling interests	-	-	36.4	36.4
	-	84.2	57.6	141.8

[1] £22.4m relates to interest rate swaps associated with Euro Medium Term Notes.

Fair value of other financial instruments (unrecognised)

The group also has a number of financial instruments which are not measured at fair value in the balance sheet. For the majority of these instruments, the fair values are not materially different to their carrying amounts, since the interest receivable/payable is either close to current market rates or the instruments are short-term in nature. Significant differences were identified for the following instruments at 30 June 2020:

	Carrying amount 30 June 2020 (Unaudited) £m	Estimated fair value 30 June 2020 (Unaudited) £m	Carrying amount 31 December 2019 (Unaudited) £m	Estimated fair value 2018[1] (Unaudited) £m
Financial liabilities				
Private placement loan notes	**1,069.4**	**1,355.5**	1,148.3	1,226.4
Bond borrowings	**1,339.7**	**1,301.0**	1,268.1	1,309.0
	2,409.1	**2,656.5**	2,416.4	2,535.4

18. Events after the Balance Sheet date

On 21 August 2020 the group settled options held by a 4.1% minority holder of certain parts of our ASEAN businesses and a payment of £16.9m ($22.3m) was made. This settlement enables the Group to take 100% ownership of the ASEAN business.

Glossary of terms: Alternative Performance Measures

The group provides adjusted results and underlying measures in addition to statutory measures, in order to provide additional useful information on business performance trends to Shareholders. The Board considers these non-GAAP measures as the most appropriate way to measure the Group's performance because it aids comparability to the prior year and is also in line with the similarly adjusted measures used by peers and therefore facilitates comparison.

The terms "adjusted" and "underlying" are not defined terms under IFRS and may not therefore be comparable with similarly titled measurements reported by other companies. These measures are not intended to be a substitute for, or superior to, IFRS measures. The Financial Review provides reconciliations of Alternative Performance Measures (APMs) to statutory measures and also provides the basis of calculation for certain APM metrics. These APMs are provided on a consistent basis with the prior periods.

Adjusted results and adjusting items

Adjusted results exclude items that are commonly excluded by peers across the knowledge and information and media sector: amortisation and impairment of goodwill and intangible assets relating to businesses acquired and other intangible asset purchases of book lists, journal titles, acquired databases and brands related to exhibitions and conferences, acquisition, impairment of right of use assets, acquisition and integration costs, restructuring and reorganisation costs, subsequent remeasurement of contingent consideration, profit or loss on disposal of businesses and other items that in the opinion of the Directors would impact the comparability of underlying results.

Adjusted results are prepared for the following measures which are provided in the Consolidated Income Statement. Adjusted operating profit, Adjusted net finance costs, Adjusted Profit before tax (PBT), Adjusted tax charge, Adjusted Profit After Tax (PAT), Adjusted earnings, and Adjusted diluted earnings per share. Adjusted operating margin, Adjusted tax charge and Adjusted EBITDA are used in the Financial Review.

Adjusted net finance costs

Adjusted net finance costs are the sum of finance costs and investment income and exclude adjusting items for investment income and finance costs.

EBITDA

Adjusted EBITDA is earnings before interest, tax, depreciation, amortisation and other non-cash items such as share-based payments and before adjusting items.

Covenant-adjusted EBITDA for interest cover purposes is earnings before interest, tax, depreciation and amortisation and adjusting items. It is adjusted to be on a pre-IFRS 16 basis.

Covenant-adjusted EBITDA for leverage purposes is earnings before interest, tax, depreciation and amortisation and adjusting items. It is adjusted to include a full year's trading for acquisitions and remove trading results for disposals and adjusted to be on a pre-IFRS 16 basis.

Effective tax rate

The effective tax rate is shown as a percentage and is calculated by dividing the adjusted tax charge by the adjusted profit before tax. For interim accounts the effective tax rate is estimated for the full year and this is applied to the interim adjusted profit before tax to arrive at the adjusted tax charge.

Free cash flow

Free cash flow is a key financial measure of cash generation and represents the cash flow generated by the business before cash flows relating to acquisitions and disposals and their related costs, dividends, any new equity issuance or purchases and debt issues or repayments. Free cash flow is one of the Group's key performance indicators and is an indicator of operational efficiency and financial discipline, illustrating the capacity to reinvest, fund future dividends and repay debt. The Financial Review provides a reconciliations of free cash flow to statutory measures

Interest cover

Interest cover is calculated according to the Group's debt covenants and is the ratio of covenant-adjusted EBITDA for interest cover purposes to adjusted net finance costs and excluding fair value finance items. It is provided to enable the assessment of our debt position together with our compliance with these specific debt covenants. The Financial Review provides the basis of the calculation of interest cover.

Leverage ratio

The leverage ratio is calculated according to the Group's debt covenants and is the ratio of net debt to covenant-adjusted EBITDA for leverage purposes and is provided to enable the assessment of our debt position together with compliance with our specific debt covenants. Covenant-adjusted net debt is translated using average exchange rates for the 12-month period and is adjusted to include deferred consideration payable, exclude derivatives associated with borrowings, and to be on a pre-IFRS 16 basis. The Financial Review provides the basis of the calculation of the leverage ratio.

Operating Cash flow and operating cash flow conversion

Operating cash flow is a financial measure used to determine the efficiency of cash flow generation in the business and is measured by and represents free cash flow adding back interest, tax, restructuring and reorganisation costs. The Financial Review reconciles operating cash flow to statutory measures.
Operating cash flow conversion is a measure of the strength of cash generation in the business and is measured as a percentage by dividing operating cash flow by adjusted operating profit in the reporting period. The Financial Review provides the calculation of operating cash flow conversion.

Underlying measures of growth

Underlying measures of growth refer to revenue and adjusted operating profit results adjusted for acquisitions and disposals, the phasing of events, including biennials, the impact of changes from implementing new accounting standards and accounting policy changes and the effects of changes in foreign currency by adjusting the current year and prior year amounts to use consistent currency exchange rates. Phasing and biennial adjustments relate to the alignment of comparative period amounts to the timing of events in the current year.

The results from acquisitions are included on a pro-forma basis from the first day of ownership in the comparative period. Disposals are similarly adjusted for on a pro-forma basis to exclude results in the comparative period from the date of disposal. Underlying measures are provided to aid comparability of revenue and adjusted operating profit results against the prior year. The Financial Review provides the reconciliation of underlying measures of growth to reported measures of growth in percentage terms.