

DMGT

Annual results

Year ended 28 September 2003

Presentation to analysts
27 November 2003

DMGT
Daily Mail and General Trust

Financial Highlights

- Turnover virtually unchanged at £1,933m
- Adjusted operating profit down 2% to £237.5m
- Adjusted pretax profit up 2% to £185.5m
- Reported profit before tax up 1% to £108.0m
- Adjusted eps up 7% to 33.2p
- Dividend up 9% to 10p per share

DMGT
Daily Mail and General Trust

Excuses

- Poor national advertising market, again!
- Continued falls in London advertising
- Iraq war
- SARS outbreak
- Drought in Australia
- Los Angeles fires
- Adjusted pre-tax profit up 2% to £185.5m

DMGT
Daily Mail and General Trust

Associated Newspapers

£ million	2003	2002	%
Turnover	820	828	(1%)
Operating profit	70	80	(13%)
Margin	9%	10%	

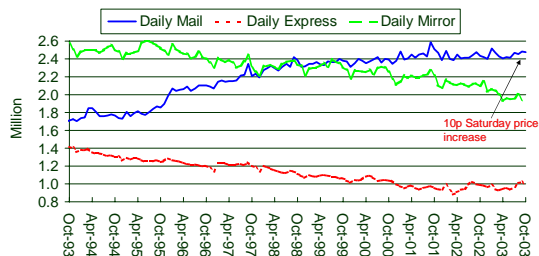
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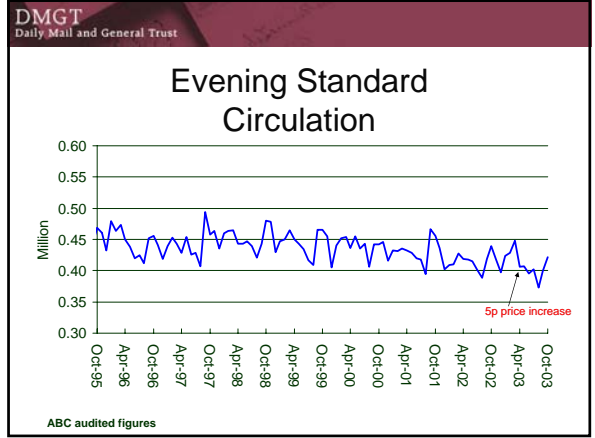
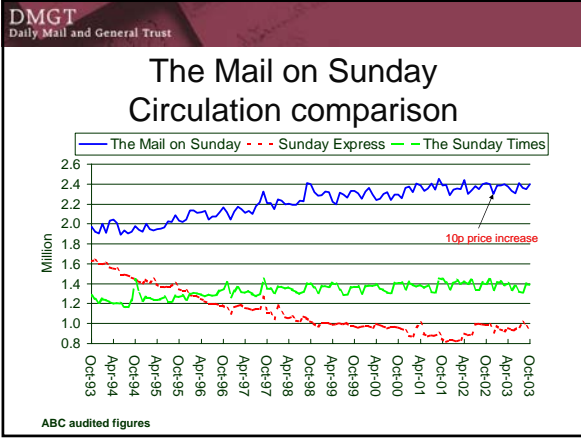
Associated Newspapers

- Circulations
 - Daily Mail, Mail on Sunday up again
 - Evening Standard decline down to 1%

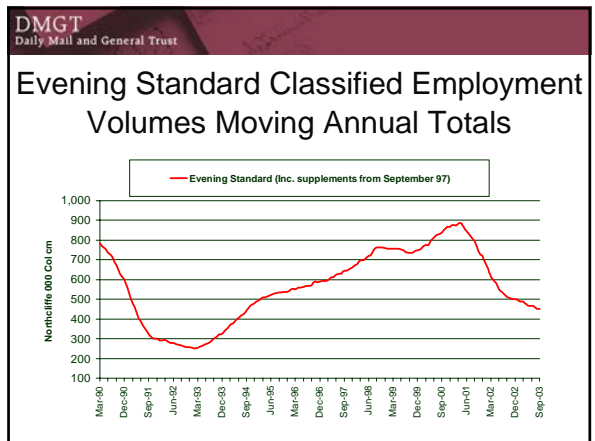
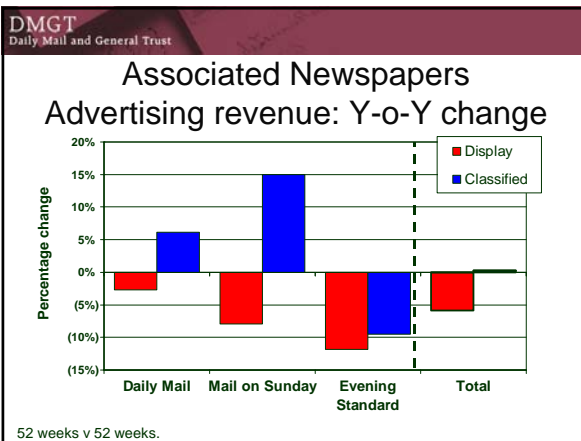
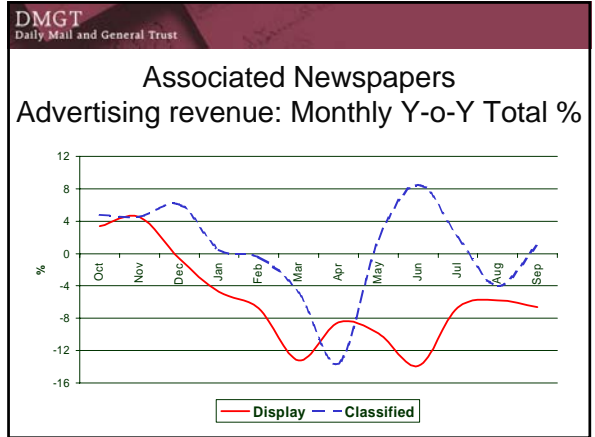
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Daily Mail and General Trust

Daily Mail Circulation comparison





- DMGT
Daily Mail and General Trust
- ### Associated Newspapers
- Circulations
 - Daily Mail, Mail on Sunday up again
 - Evening Standard decline down to 1%
 - Advertising
 - display down, although increased yields
 - classified up, despite Evening Standard
 - Newsprint price reduction from 1 Jan 03



Associated Newspapers

- Metro profit for the year
 - display advertising up 28%
- Investment in Ireland on Sunday
 - circulation steady around 150,000
 - now improving advertising
- Loot, Buy and Sell going well
- ANM losses reducing
 - This is Money: Consumer Website of the Year

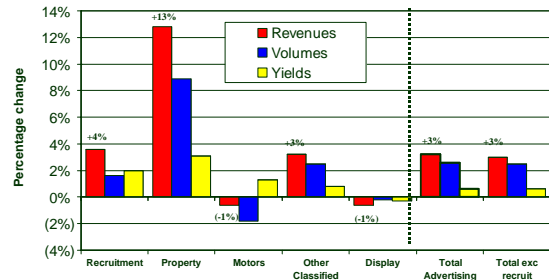
Northcliffe Newspapers

£ million	2003	2002	%
Turnover	484	472	2%
Operating profit	94	90	4%
Margin	19.4%	19.1%	

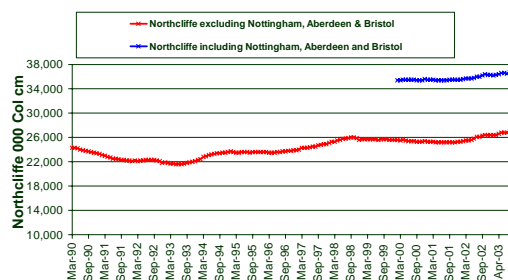
Northcliffe Newspapers

- Circulation revenues up 4% - cover prices
- Still volume decline, but ahead of peers
- Advertising up 3%
 - strong property
 - good recruitment
- Contract printing profits down again
- Electronic publishing losses reducing rapidly

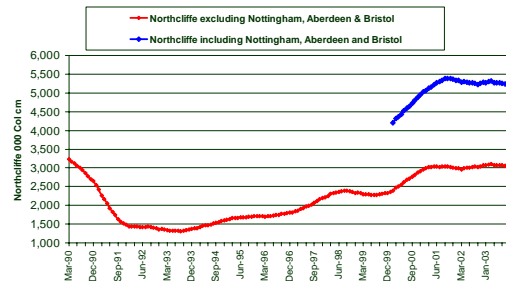
Northcliffe Newspapers Advertising: Y-o-Y change



Classified Total Volumes Moving Annual Totals



Classified Employment Volumes Moving Annual Totals



Euromoney Institutional Investor

£ million	2003	2002	%
Turnover	159	180	(12%)
Operating profit	24	29	(18%)
Margin	15%	16%	

Euromoney Institutional Investor

- Very difficult markets again!
- Il the real weak spot
- Cost control to limit profit impact
- ISI in profit
- Purchase of Hedge Fund Intelligence

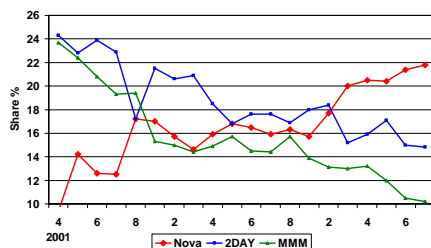
Broadcasting

£ million	2003	2002	%
Turnover	116	115	1%
Operating profit	20	17	22%
Margin	18%	15%	

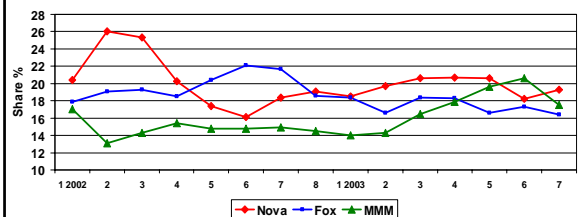
DMG Radio

- Australian economy looking good
- Nova Sydney now No1 FM
- Nova Melbourne No1 FM 18-39
- Regionals recovering after drought
- Sunshine Coast launched; Gosford in new year
- Adelaide licence acquired \$24m

Sydney Ratings Share 18-39 S4 2001-S7 2003



Melbourne Ratings Share 18-39 S1 2002-S7 2003



Teletext

- Audiences strong on all platforms
- Travel advertising weak -revenues down 4%
- Increase in profit
 - cost reductions
 - ITC levy
- Launch of satellite service + new Channel 4 service
- To come, 4 digital + Sky TV holidays channel

Exhibitions

£ million	2003	2002	%
Turnover	131	141	(7%)
Operating profit	20	25	(18%)
Margin	16%	18%	

Exhibitions

- Cyclical down year
- Underlying growth around 8%
- 11 Launches, 10 to continue
- Home shows strong
- Art & Antiques weaker at premier shows

DMG Information

£ million		2003	2002
Turnover :	Careers	104	101
	B2B	120	108
		<u>224</u>	<u>209</u>
Operating profit:	Careers	4	(1)
	B2B	23	17
	Central costs	<u>(3)</u>	<u>(2)</u>
		<u>24</u>	<u>14</u>
Margin:	Careers	3%	(1%)
	B2B	19%	15%

DMG Information

- Hobsons back in profit with no upturn
- Study Group improvement , despite US
- RMS profits up substantially
 - 25% revenue growth
 - margins from 9% to 25%
- Property information business strong
 - record profit for EDR
 - Landmark investing
 - Purchase of Sitescope

Pensions

- Interim actuarial valuation this year
 - funds remain in surplus
 - increase contributions to 15% from 1 October
 - still a little below long term funding rate
- FRS17
 - deficit up a little at year end
 - currently lower than last year
 - no cash implications

Adjusted profit before tax

£million	2003	2002
Operating profit	237.5	241.6
Joint Ventures & Associates	6.8	5.1
Investment income	5.0	5.2
Net interest	(63.8)	(69.4)
Adjusted profit before tax	<u>185.5</u>	<u>182.5</u>

Profit before tax

£million	2003	2002
Adjusted profit before tax	185.5	182.5
Amortisation	(68.0)	(70.7)
Impairment	(7.9)	(6.5)
Reorganisation costs	-	(8.8)
Exceptional items	(1.6)	10.9
Profit before tax	<u>108.0</u>	<u>107.4</u>

Results

£million	2003	2002
Profit before tax	108.0	107.4
Taxation	(45.5)	(17.8)
Profit after tax	<u>62.5</u>	<u>89.6</u>
Minorities	(2.1)	(6.8)
Group Profit	<u>60.4</u>	<u>82.8</u>
Adjusted EPS	33.2p	31.0p

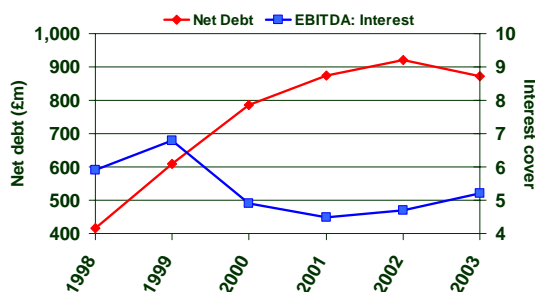
Cashflow

	£million
Operating profit pre amortisation	237.5
Income from associates	6.8
Investment income	5.0
Depreciation	<u>71.3</u>
	<u>320.6</u>
Investment / Trading Cashflow	325.0
Conversion of profits into cash	101%

Movement in Net Debt

£ millions	2003	2002
Trading/Investment cashflow	325	277
Capital Expenditure	(94)	(90)
Debt Servicing	(61)	(70)
Taxation	(26)	(25)
Equity Servicing	(42)	(39)
Free Cashflow	<u>102</u>	<u>53</u>
Other	(1)	2
Disposals	13	24
Acquisitions / Investments	(65)	(125)
Change in net debt	<u>49</u>	<u>(46)</u>

Interest Cover Trend



Acquisitions during the year

	<u>£m</u>
Sitescope	13
Property and Portfolio Research	11
HedgeFund Intelligence	11

Outlook

- Nationals
 - circulations strong
 - some advertising improvement
- Regionals
 - advertising growth in all sectors
- Euromoney
 - financial advertising still soft
- Other
 - good start to year

Summary

- Profit growth despite difficult conditions
- Strong performance from newer businesses
- Good start to new year

END