

DMGT



PRELIMINARY RESULTS

YEAR ENDED 3 OCTOBER 2004

CHARLES SINCLAIR

PRESENTATION

10 DECEMBER 2004



2004 RESULTS

- 2004 results



2004 FINANCIAL HIGHLIGHTS

- Turnover **up** 9% at £2,109m
- Adjusted operating profit **up** 19% to £284m
- Adjusted pretax profit **up** 26% to £234m
- Statutory profit before tax **up** 15% to £125m
- Adjusted eps **up** 25% to 41.6p
- Dividend **up** 10% to 11.0p per share



ASSOCIATED NEWSPAPERS

£ million	2004*	2003	% +/-
Circulation	378	361	+5%
Advertising	476	430	+11%
Other	36	29	+3%
Turnover	<u>890</u>	<u>820</u>	+9%
Operating profit	90	70	+29%
Margin	10.1%	8.5%	

*53 weeks in 2004, 52 weeks in 2003

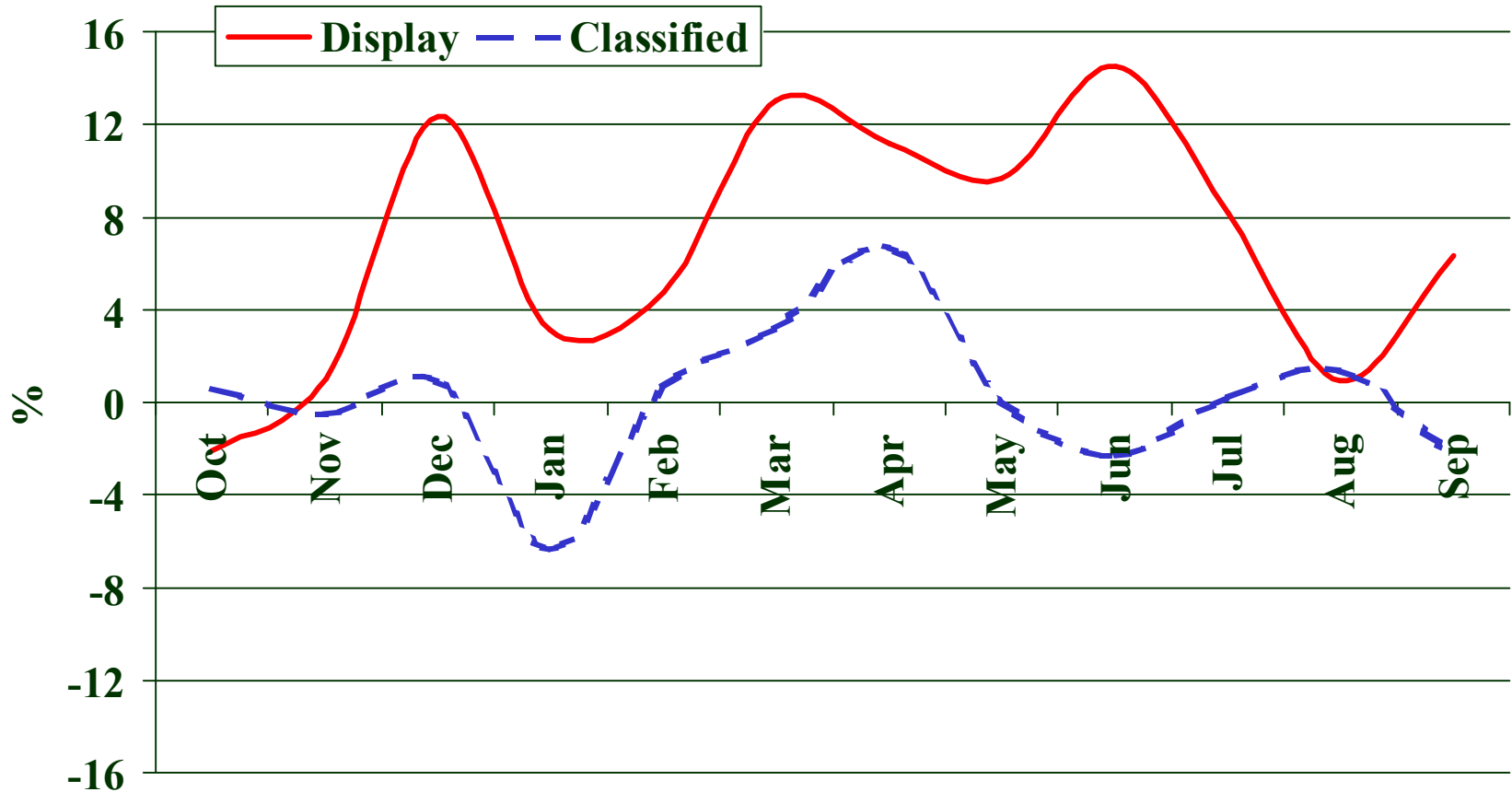


SUMMARY OF CIRCULATION FIGURES YEARLY AVERAGES

- | | | |
|----------------------|-----------|---------|
| • Daily Mail | 2,430,000 | - 0.5% |
| • The Mail on Sunday | 2,361,000 | - 0.25% |
| • Evening Standard | 385,000 | - 6.6% |
| • Ireland on Sunday | 152,000 | - 0.06% |



ASSOCIATED NEWSPAPERS ADVERTISING REVENUE: MONTHLY Y-O-Y TOTAL %



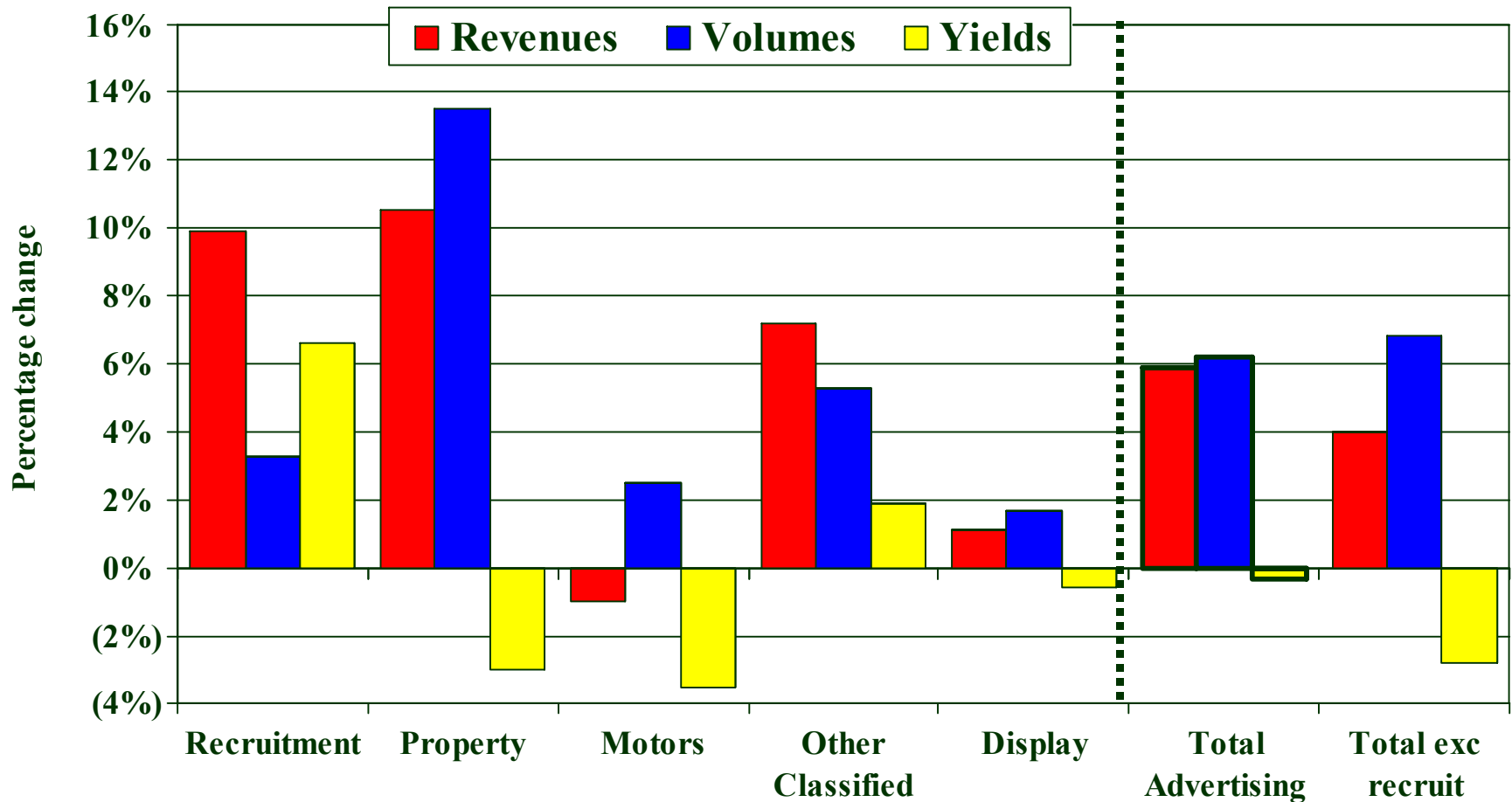


NORTHCLIFFE NEWSPAPERS

£ million	2004	2003	+/- %
Publishing			
Circulation	96	94	+2%
Advertising	333	312	+7%
Other income	23	19	+21%
Contract printing	25	28	-9%
Retail Shops	33	31	+5%
	<hr/> 510	<hr/> 484	+5%
Week 53	9	0	
Turnover	<hr/> 519	<hr/> 484	+7%
Operating Profit	101	94	+7%
Margin	19.4%	19.4%	



NORTHCLIFFE NEWSPAPERS UK ADVERTISING: Y-O-Y CHANGE





EUROMONEY INSTITUTIONAL INVESTOR

£ million	2004	2003	+/- %
Turnover	175	159	+10%
Operating profit	31	24	+29%
Margin	17.5%	15.0%	



EUROMONEY HIGHLIGHTS

- Strong performance from acquisitions - HFI, IMN
- Some recovery in financial advertising in local currency terms
- Conference and training the thriving sectors
- ISI performing well
- Impact of weaker US dollar



BROADCASTING

£ million	2004	2003	+/- %
Turnover			
Television	75	77	-3%
Radio	47	39	+21%
	<hr/>	<hr/>	
	122	116	+5%
Operating profit			
Television	15.6	18.4	-15%
Radio	3.8	2.0	+90%
	<hr/>	<hr/>	
	19.4	20.4	-5%
Margin	15.8%	17.6%	



TELETEXT

- Tough holiday market
 - revenues down in tough second half
 - increasing market share
- Launches of
 - Teletext Holidays TV
 - Teletext on 4



DMG RADIO

- Very successful year
- Launches - Sunshine Coast, Central Coast, Adelaide Nova
- Strong growth in metropolitan revenues
- Nova Sydney margins now over 30%
- Sale of DMG Regional Radio



EXHIBITIONS

£ million	2004	2003	+/- %
Turnover	145	131	+11%
Operating profit	26	20	+27%
Margin	17.8%	15.6%	



EXHIBITIONS

- Good performance in “up” year of our cycle
- 1/2 of revenues are in US - dollar weakness
- Underlying growth estimated at 12%
- Middle East shows particularly strong
- Gift sector tougher



DMG INFORMATION

£ million		2004	2003	+/- %
Turnover	Careers	114	104	+9.6%
	B2B	143	120	+19.2%
		<u>257</u>	<u>224</u>	+14.7%
Operating profit	Careers	5	4	+25%
	B2B	35	23	+52%
	Central costs	<u>(3)</u>	<u>(3)</u>	
		<u>37</u>	<u>24</u>	+54.2%
Margin		14.3%	10.6%	



DMG INFORMATION

Business-to-business

- RMS continuing to grow revenues at 20% + pa
 - New release of established models
 - New terrorist and workers comp models
- Property
 - Integration of Sitescope into Landmark
 - Growth in UK residential market
 - Pick- up in US commercial market
 - Trepp ahead of expectations



DMG INFORMATION

Careers

- Some recovery in Hobsons UK core business
- Growth in US technology-related revenues
- Study Group continuing recovery
 - visa restrictions



PENSIONS

- Defined benefit schemes
 - actuarial valuations as at 31.3.04
 - schemes in balance or slightly in deficit
 - company cost to rise from c15% to c18%
 - employees being asked to increase contributions
- Overall for DMGT
 - pension costs 6-7% of payroll
 - extra cost in 2004/5 around £6m



ADJUSTED PROFIT BEFORE TAX

£ million	2004	2003*
Adjusted operating profit	283.6	237.9
Joint Ventures & Associates	10.2	6.8
Investment income	3.4	5.0
Net interest etc	(63.1)	(63.8)
Adjusted profit before tax	<u><u>234.1</u></u>	<u><u>185.9</u></u>

*2003 figures restated for adoption of UITF Abstract 38



EXCEPTIONAL ITEMS

£ million

Write down of press equipment following completion of HQP project	(17.8)
Profits on sale of fixed assets	6.1
Profits on disposal of businesses	5.3
	<hr/>
	<u>(6.4)</u>



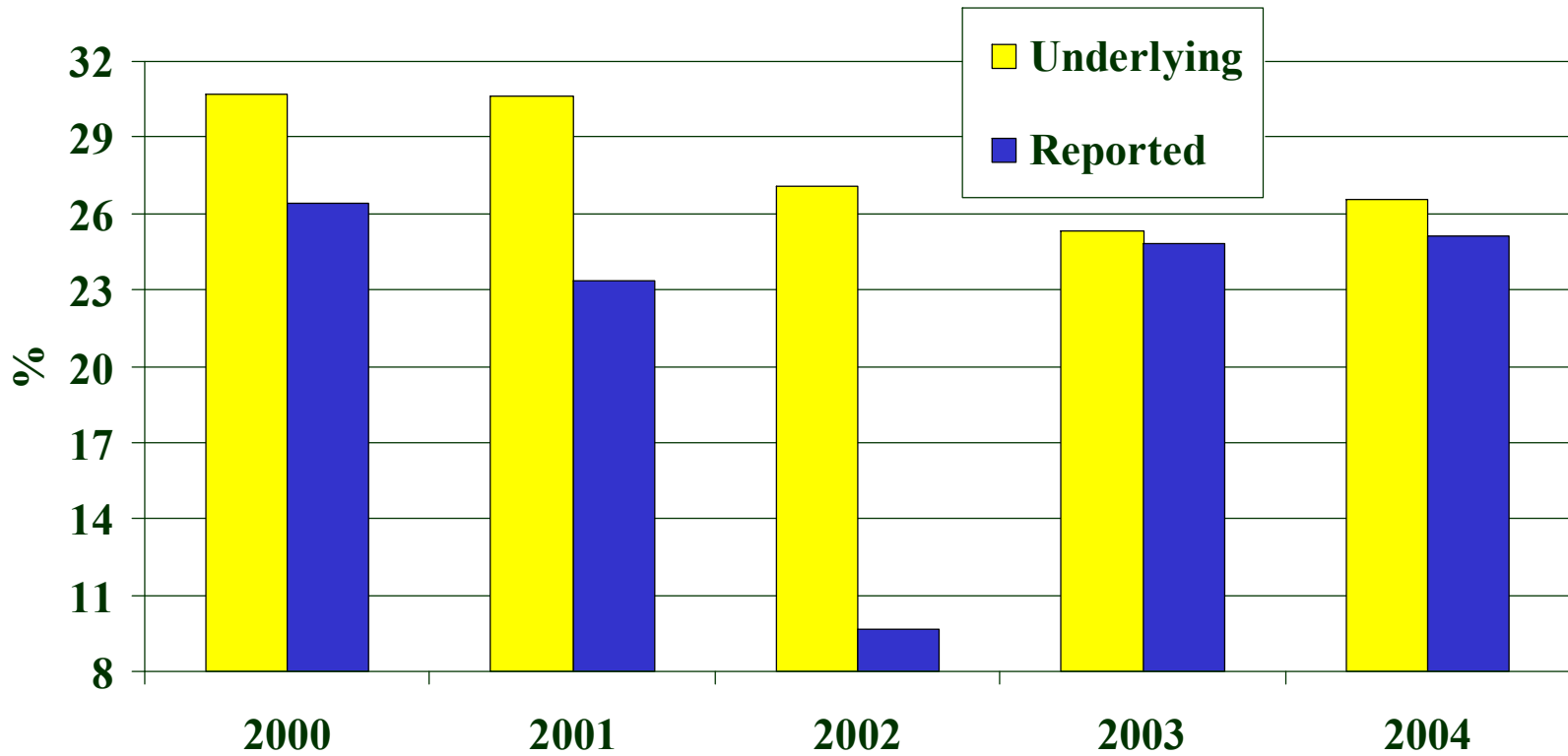
PROFIT BEFORE TAX

£ million	2004	2003*
Adjusted profit before tax	234.1	185.9
Amortisation	(86.9)	(68.0)
Impairment	(16.2)	(7.9)
Exceptional items	(6.4)	(1.6)
Profit before tax	<u><u>124.6</u></u>	<u><u>108.4</u></u>

* 2003 figures restated for adoption of UTIF Abstract 38



TAXATION





RESULTS

£million	2004	2003*
Profit before tax	124.6	108.4
Taxation	<u>(57.2)</u>	<u>(45.5)</u>
Profit after tax	67.4	62.9
Minorities	<u>(5.7)</u>	<u>(2.1)</u>
Group Profit	<u>61.7</u>	<u>60.8</u>
Adjusted EPS	41.6p	33.3p

*2003 restated for adoption of UTIF Abstract 38



CASHFLOW

£million

Operating profit pre amortisation	265.8
Income from joint ventures and associates	10.2
Depreciation	84.5
	<hr/>
	360.5
	<hr/> <hr/>
Investment / Trading Cashflow	391
Conversion of profits into cash	109%



MOVEMENT IN NET DEBT

£ million	2004	2003
Trading/Investment cashflow	395	325
Capital Expenditure	(103)	(94)
Debt servicing	(61)	(61)
Taxation	(14)	(26)
Equity Servicing	(45)	(42)
Free Cashflow	172	102
Other	38	(1)
Disposals	102	13
Acquisitions	(219)	(65)
Change in net debt	93	49



ACQUISITIONS AND DISPOSALS DURING YEAR

- IMN \$29m
(+ \$36m estimated earn out)
- Jobsite £36m
- Australian Radio Licences £106m
- Trepp LLC £23m
- Bargain Pages Media £8.5m
- Exhibitions £7.6m
- DMG Regional Radio (£77m)



IFRS - TIMETABLE

- DMGT has September year end
- 1st results to September 2006
- Can't wait till 2005 year end to explain
- Explain detail at half year



IFRS - KEY TOPICS

- Pensions
- Goodwill
- Share-based payments
- Deferred tax
- IAS39?



SUMMARY

- A good year for DMGT
 - generally strong markets
 - organic growth
 - early stage investments coming through
 - but still plenty of investment



2005 OUTLOOK

- 2005 outlook
 - Charles Sinclair, Chief Executive



CURRENT TRADING AND OUTLOOK ASSOCIATED NEWSPAPERS

- National newspapers as competitive as ever
 - tabloid broadsheets
 - Telegraph under new owners
- Advertising holding up well pre-Christmas
 - strength is in colour
- Reviewing all options in London market
- Investments in internet advertising channels
 - acquisition of Findaproperty
- Some upward pressure on newsprint prices



CURRENT TRADING AND OUTLOOK NORTHCLIFFE NEWSPAPERS

- Still working to “flat line” evening circulations
- Advertising market strong in October, but signs of slowing growth since
 - recruitment, property
- Electronic publishing activities into profit
- Strong growth in Eastern Europe



EUROMONEY OUTLOOK

- As described with their results
 - slow recovery in financial advertising
 - full year of IMN
 - looking for suitable acquisitions
 - new incentive scheme!



OTHER BUSINESSES

Teletext

- More new services to launch
- Build internet and digital TV audiences

Radio

- 3 new launches this year
- Loss of regional stations' profits
- Excellent survey 7 results for Nova
- Survey 8 next week
- Sale of Sunshine Coast



OTHER BUSINESSES

Exhibitions

- Down year in exhibition cycle
- Weakness of US dollar
- Steady organic growth

DMG Information

- Look to continued recovery in careers
- Strong growth in B-to-B
- Weakness in UK residential property products?
- Acquisition of Lewtan



SUMMARY OUTLOOK

- Businesses in good shape
- Uncertainty over 2005 UK advertising markets
- Cyclical factors will restrain 2004/5 growth
- Confidence in longer term growth

DMGT



END

www.dmgt.co.uk

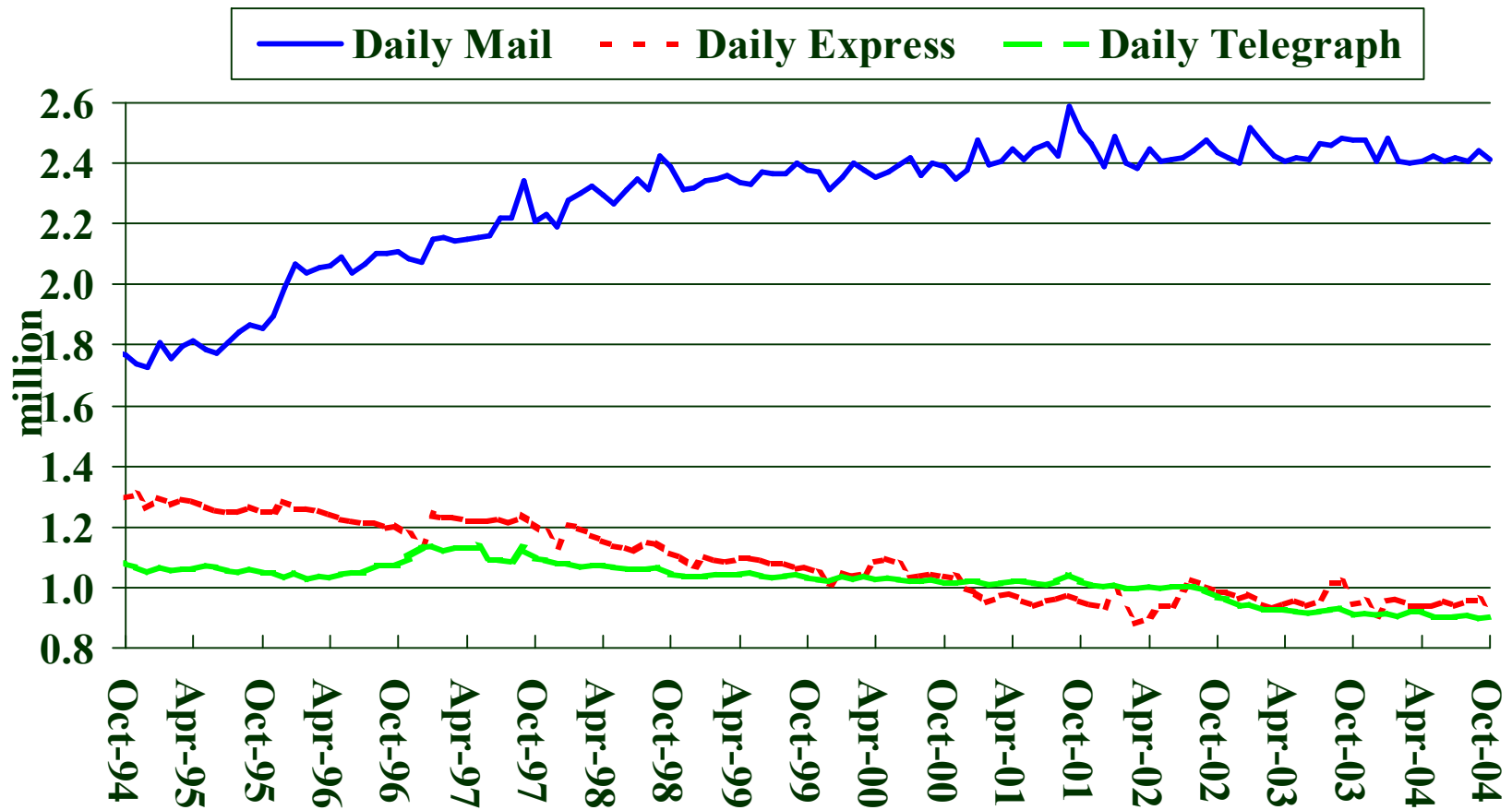
DMGT



APPENDIX

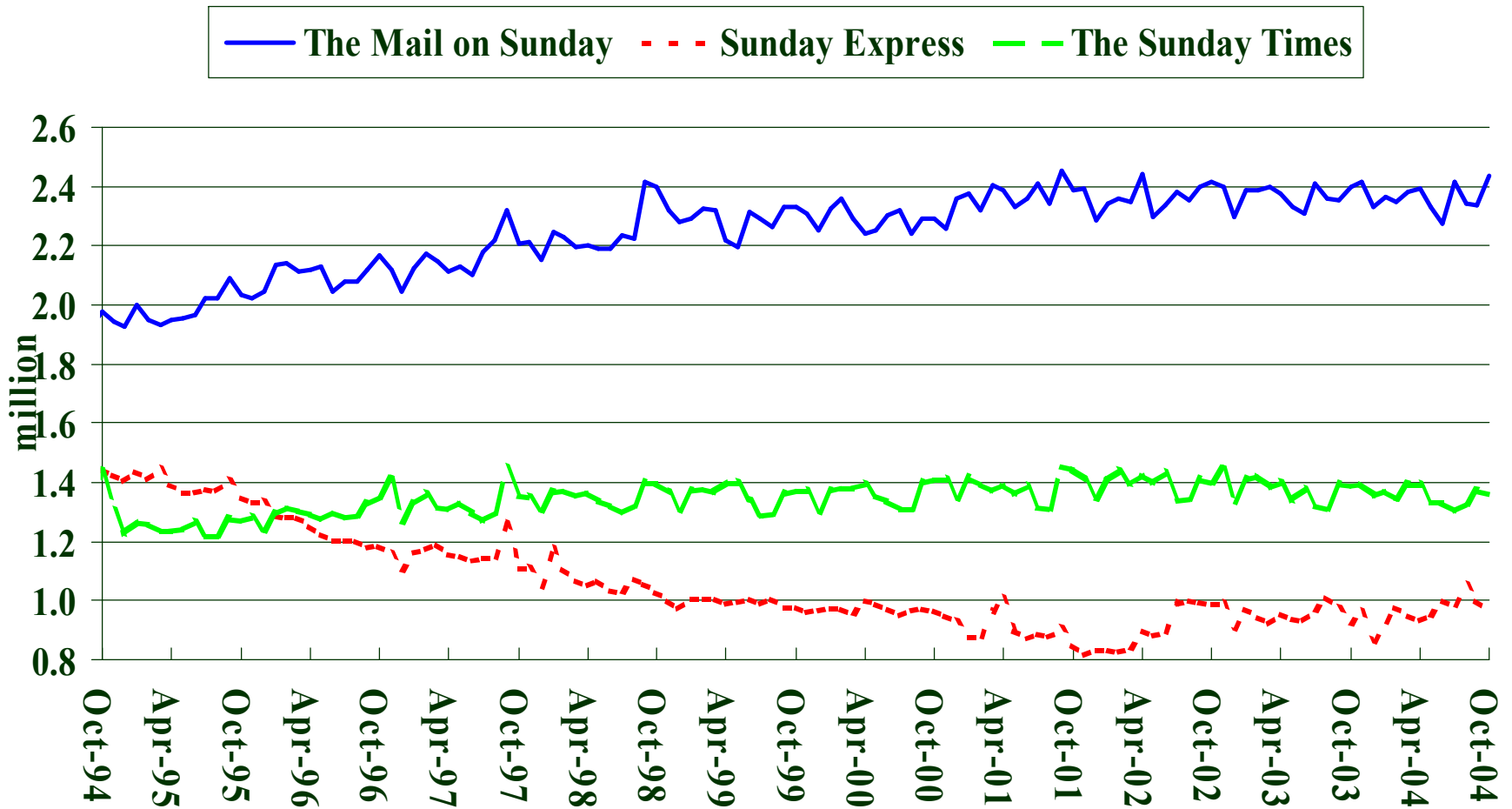


DAILY MAIL CIRCULATION COMPARISON



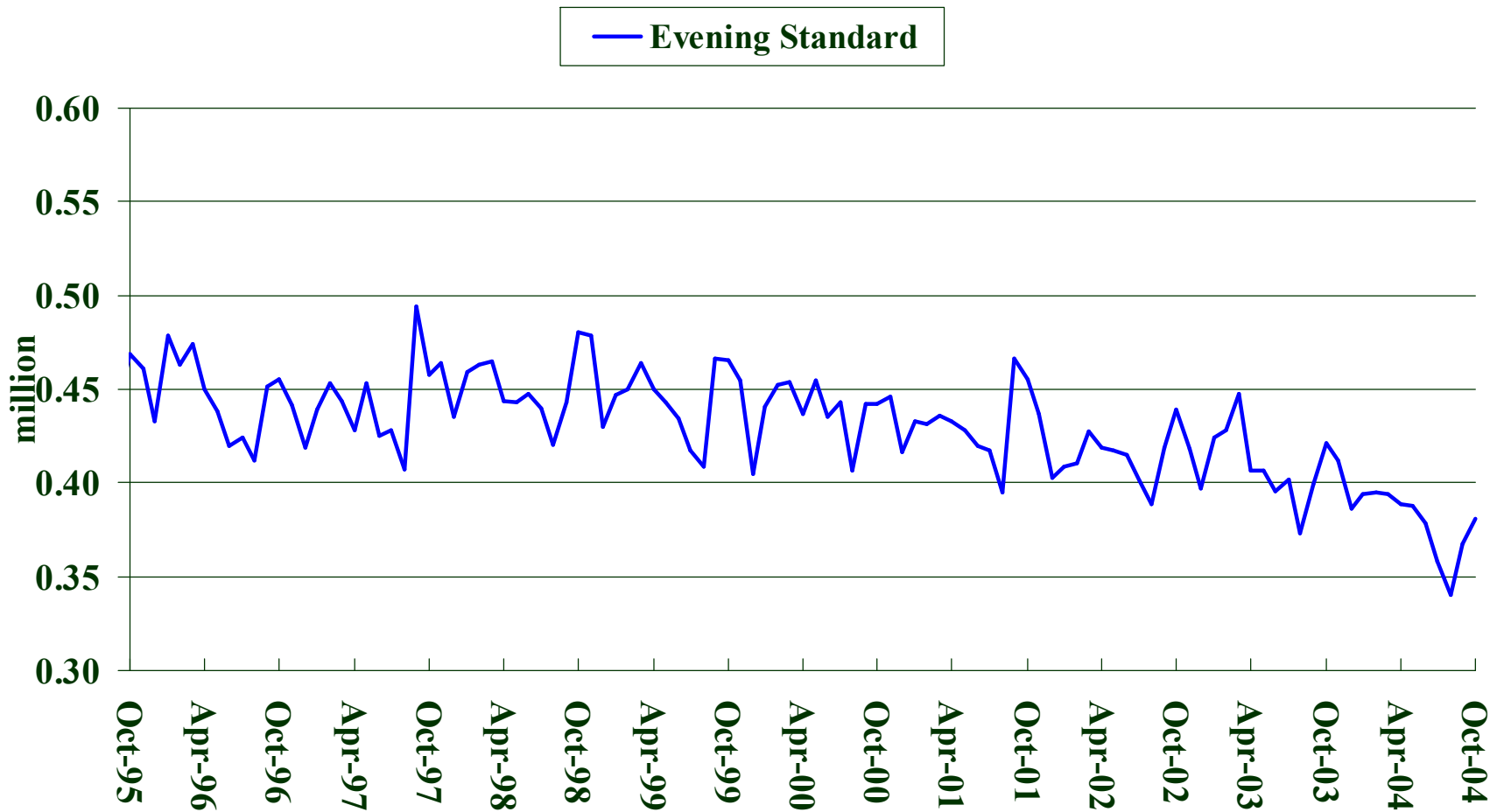


THE MAIL ON SUNDAY CIRCULATION COMPARISON



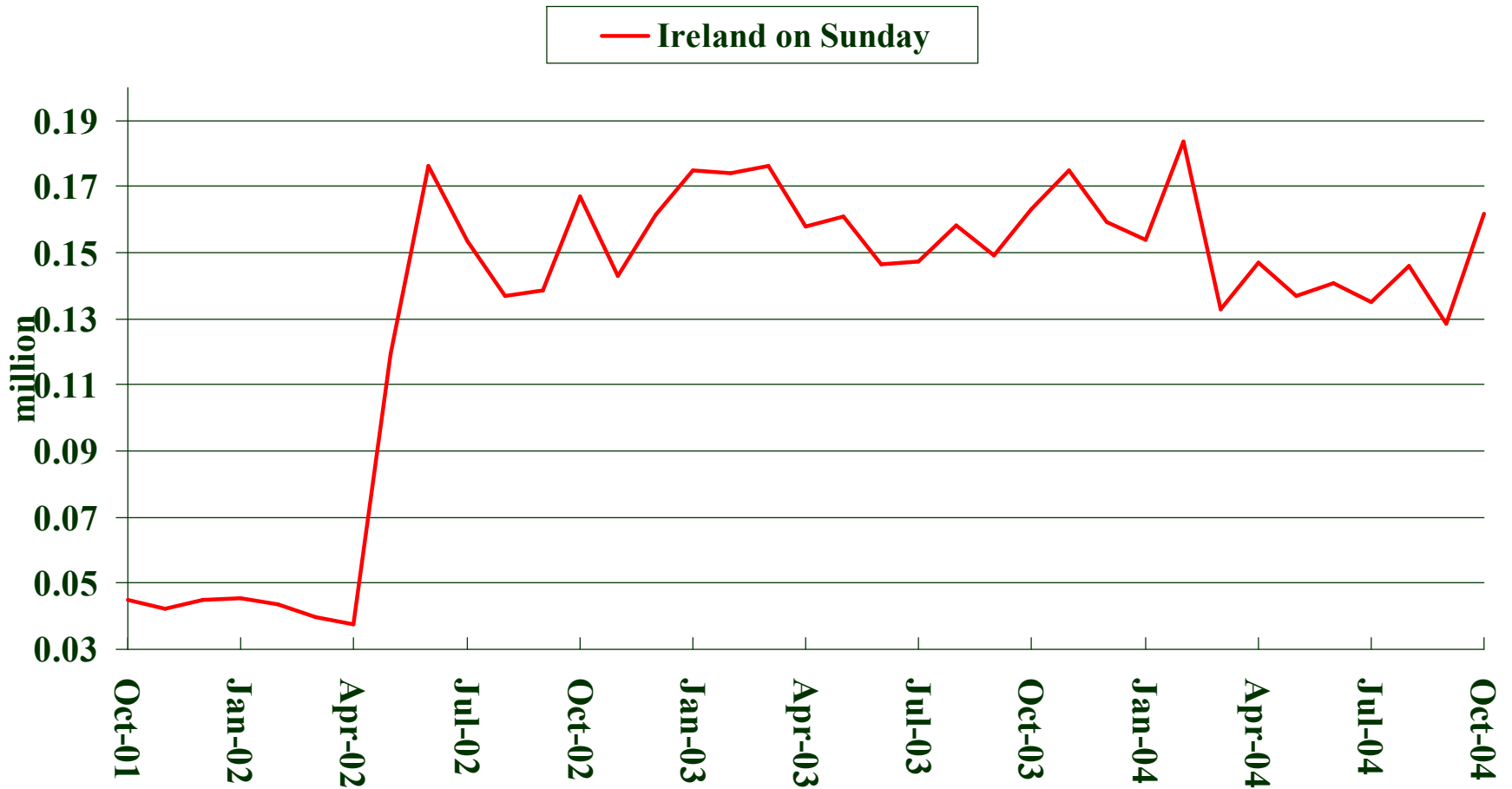


EVENING STANDARD CIRCULATION



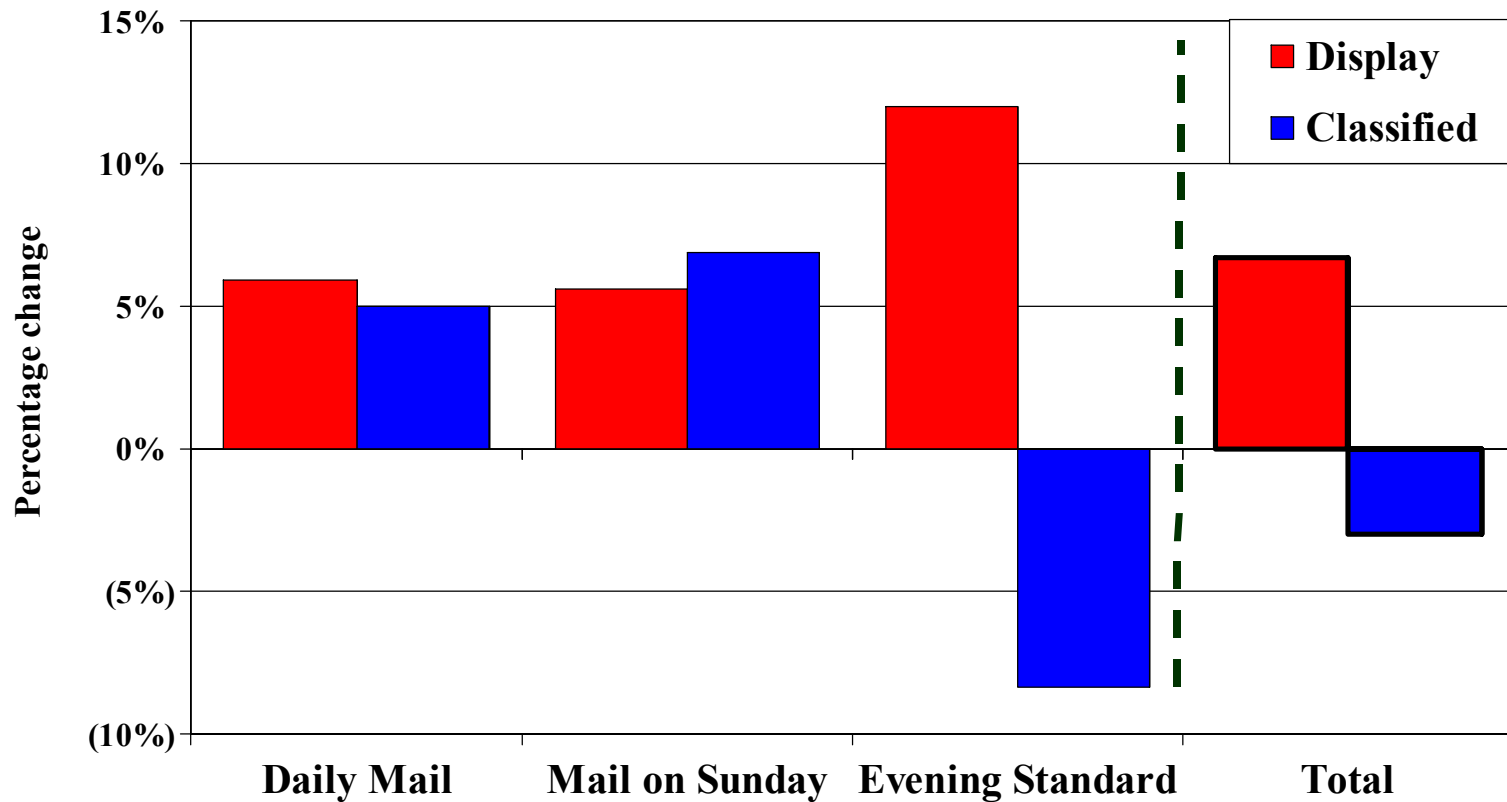


IRELAND ON SUNDAY CIRCULATION





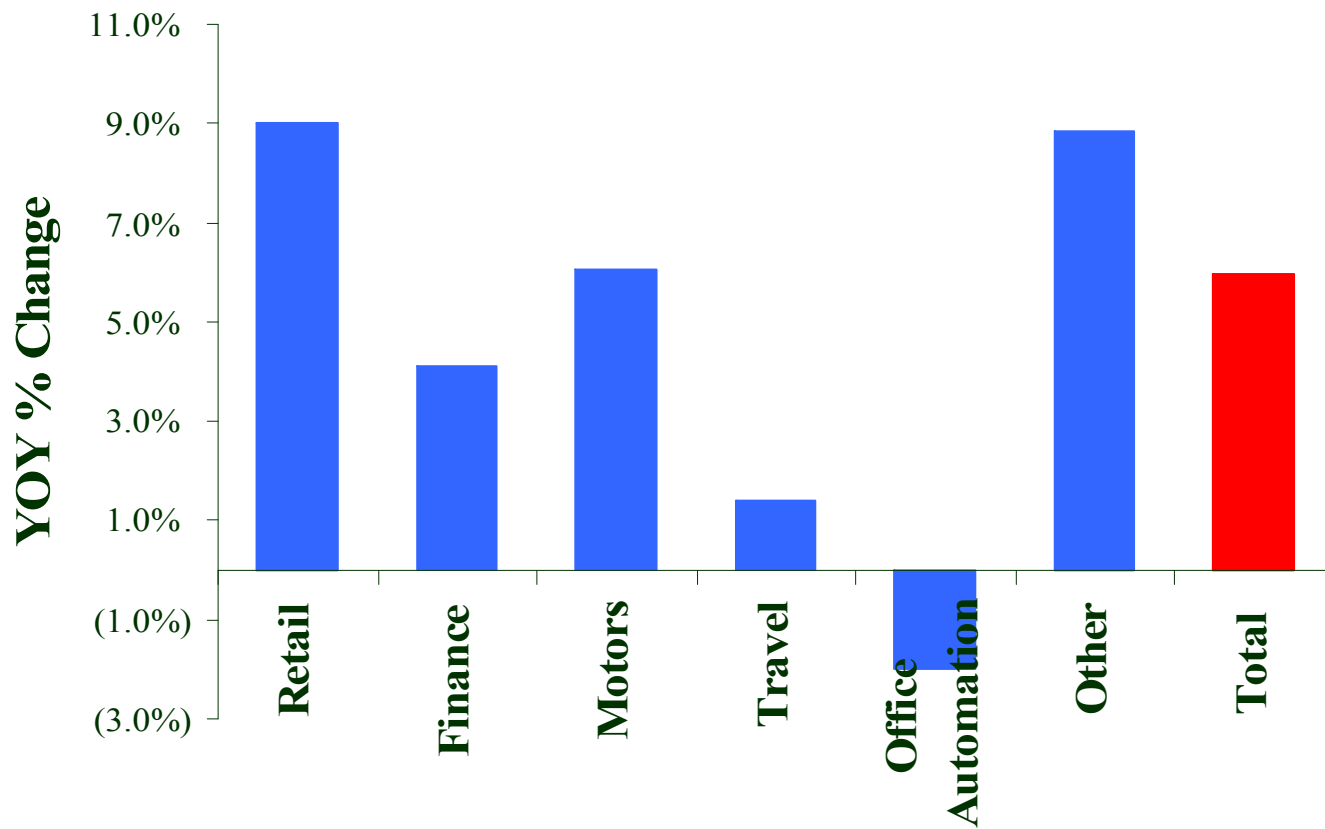
ASSOCIATED NEWSPAPERS ADVERTISING REVENUE: Y-O-Y CHANGE



52 weeks v 52 weeks.

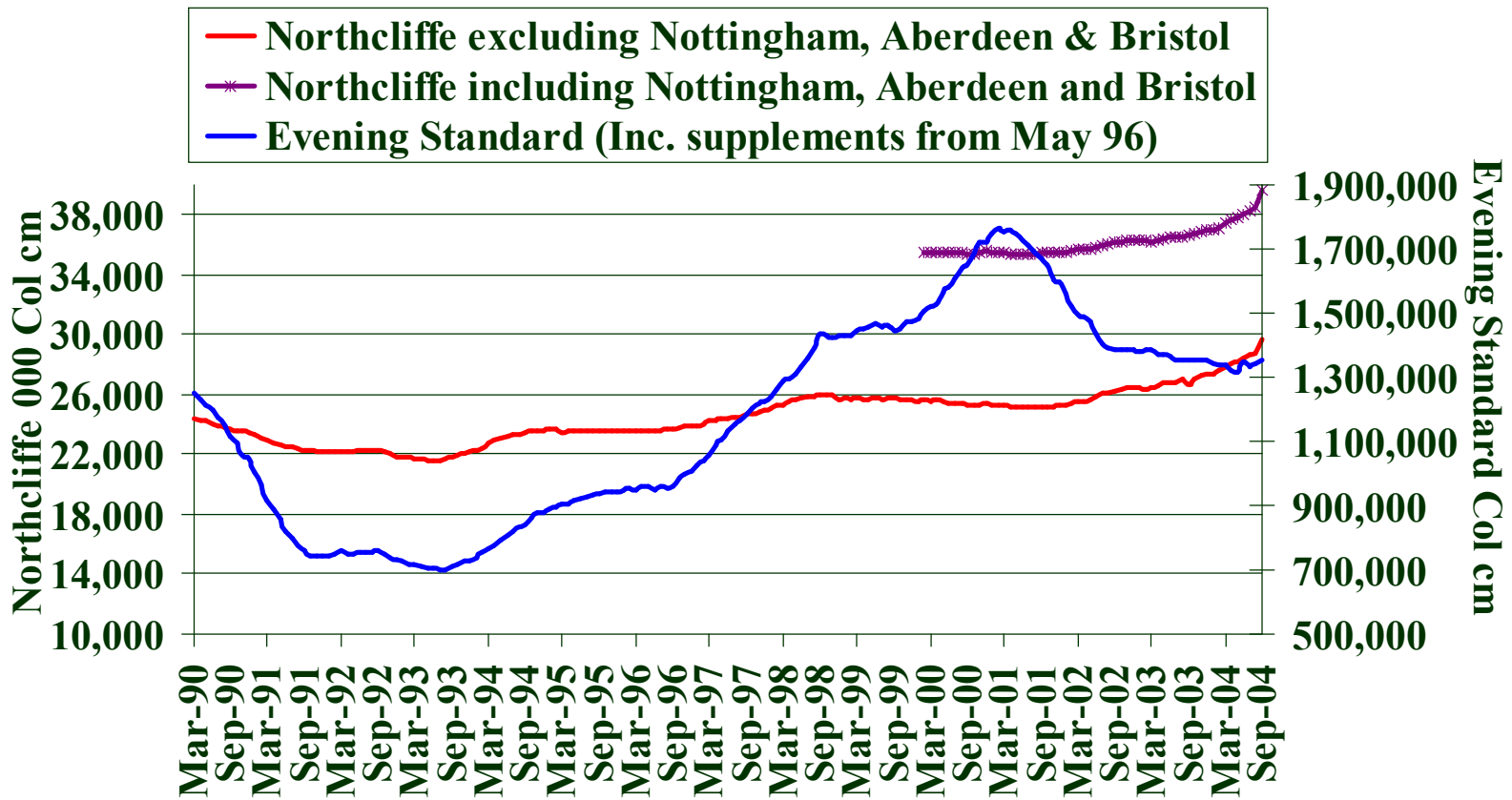


DAILY MAIL DISPLAY BY CATEGORY



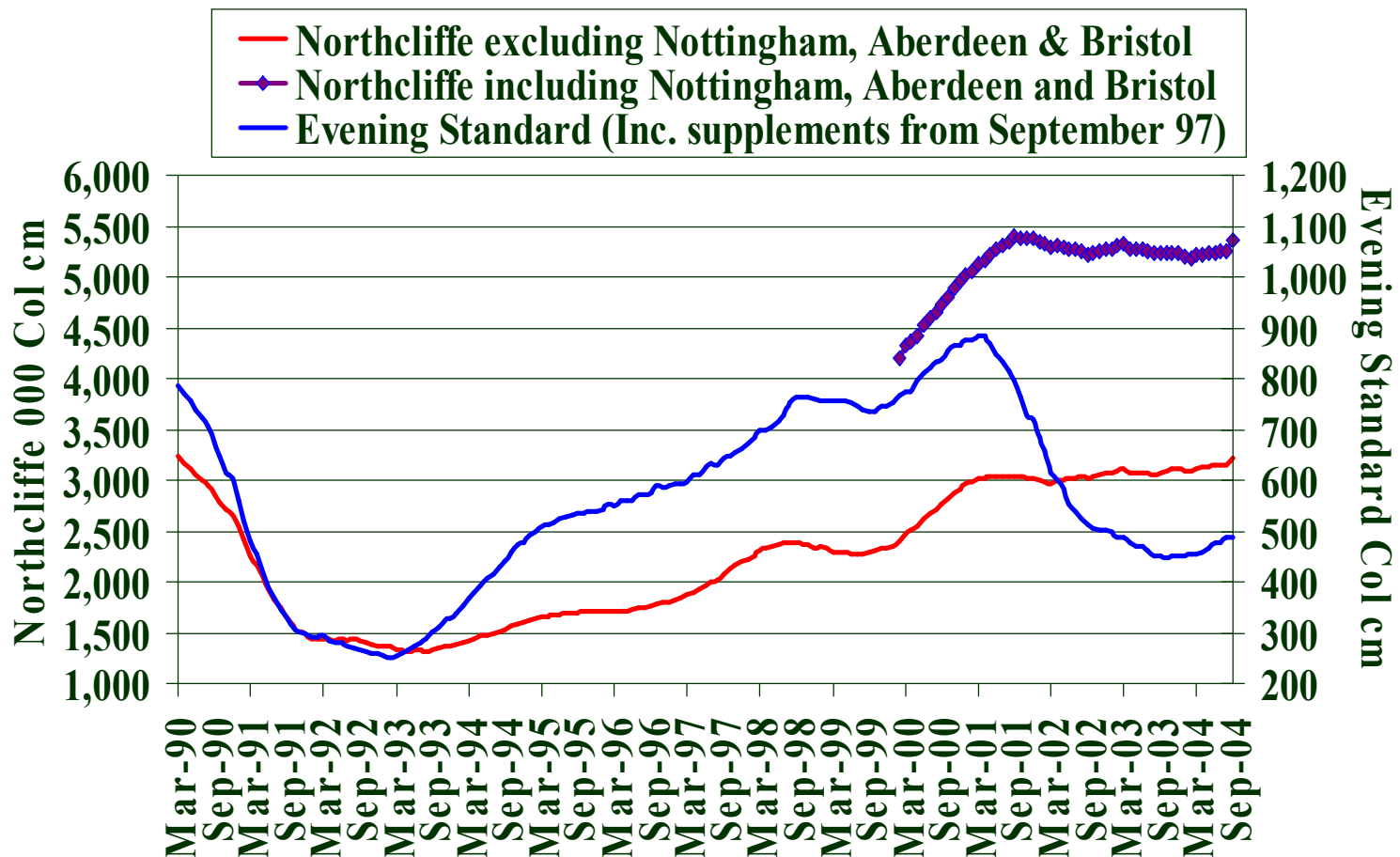


CLASSIFIED TOTAL VOLUMES MOVING ANNUAL TOTALS



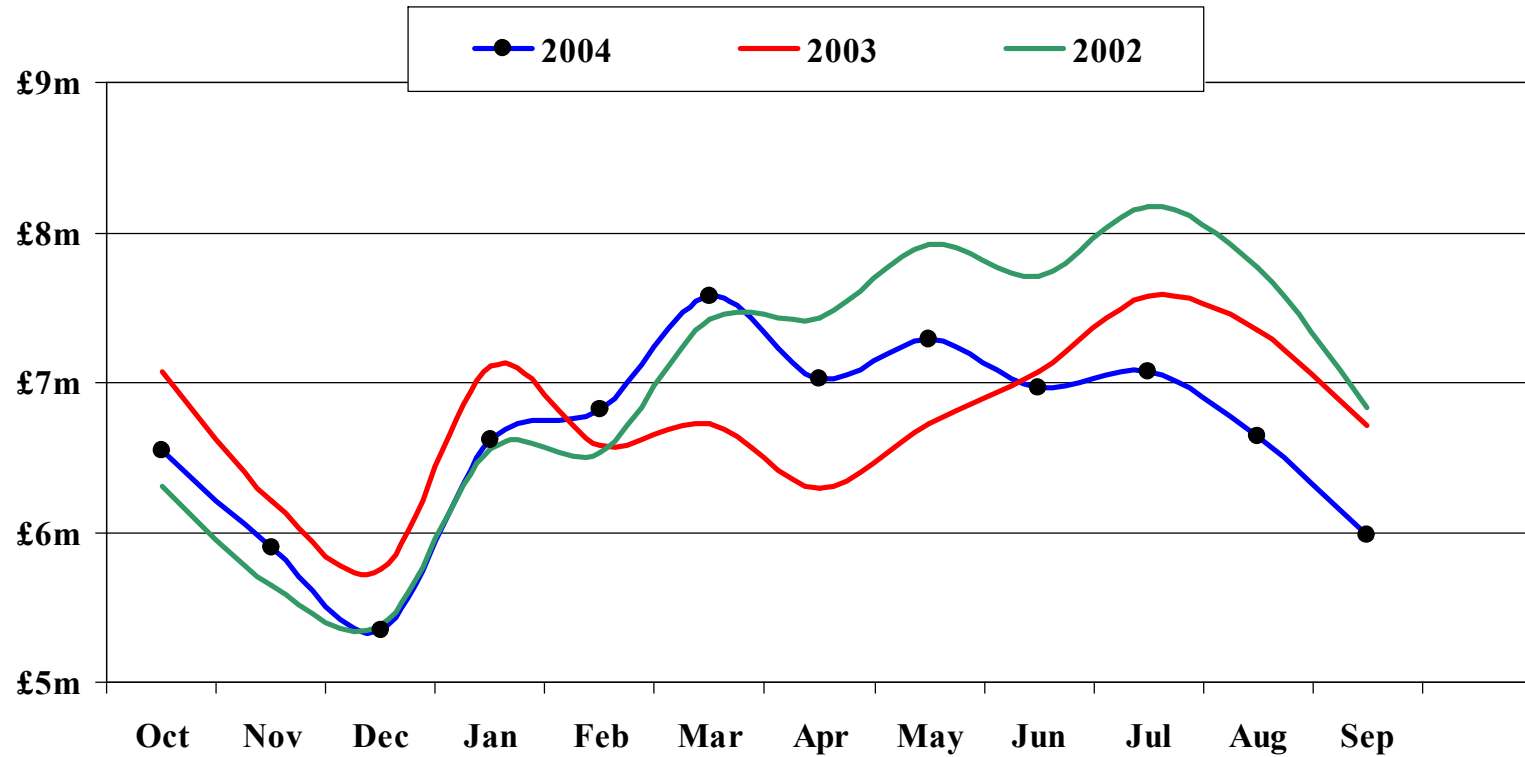


CLASSIFIED EMPLOYMENT VOLUMES MOVING ANNUAL TOTALS



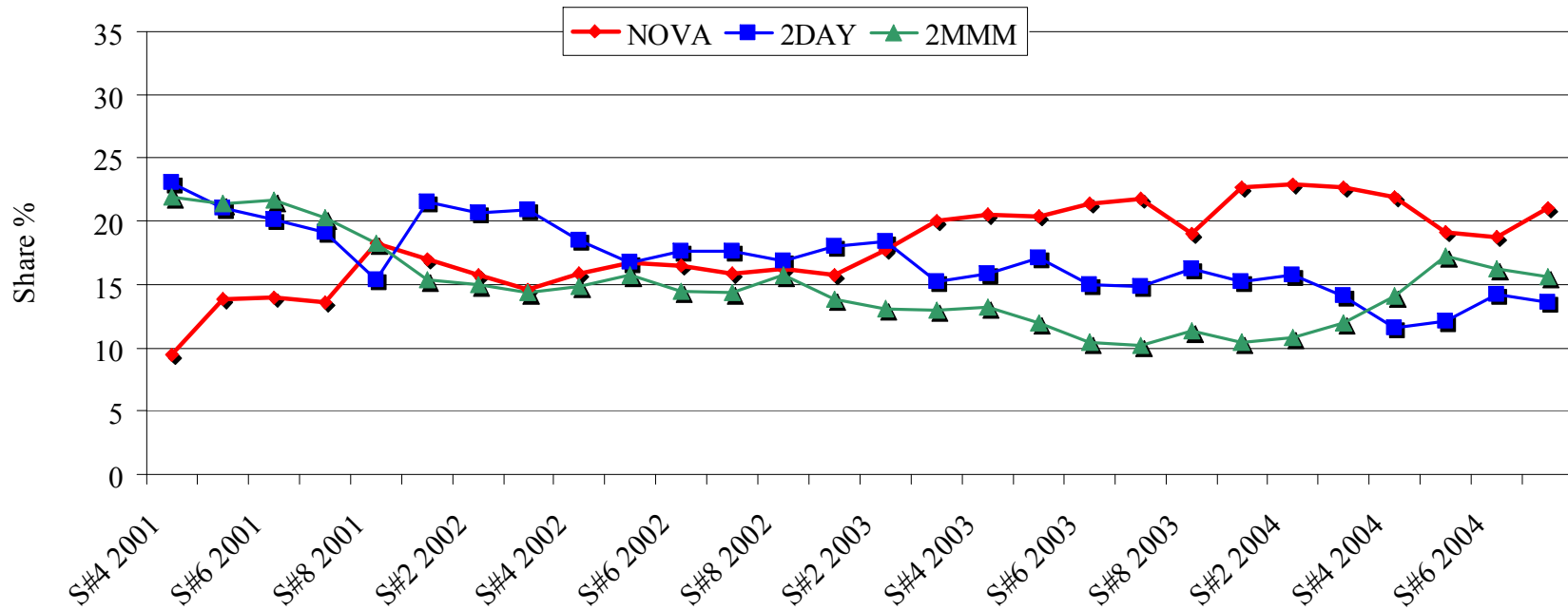


TELETEXT MONTHLY ADVERTISING REVENUES



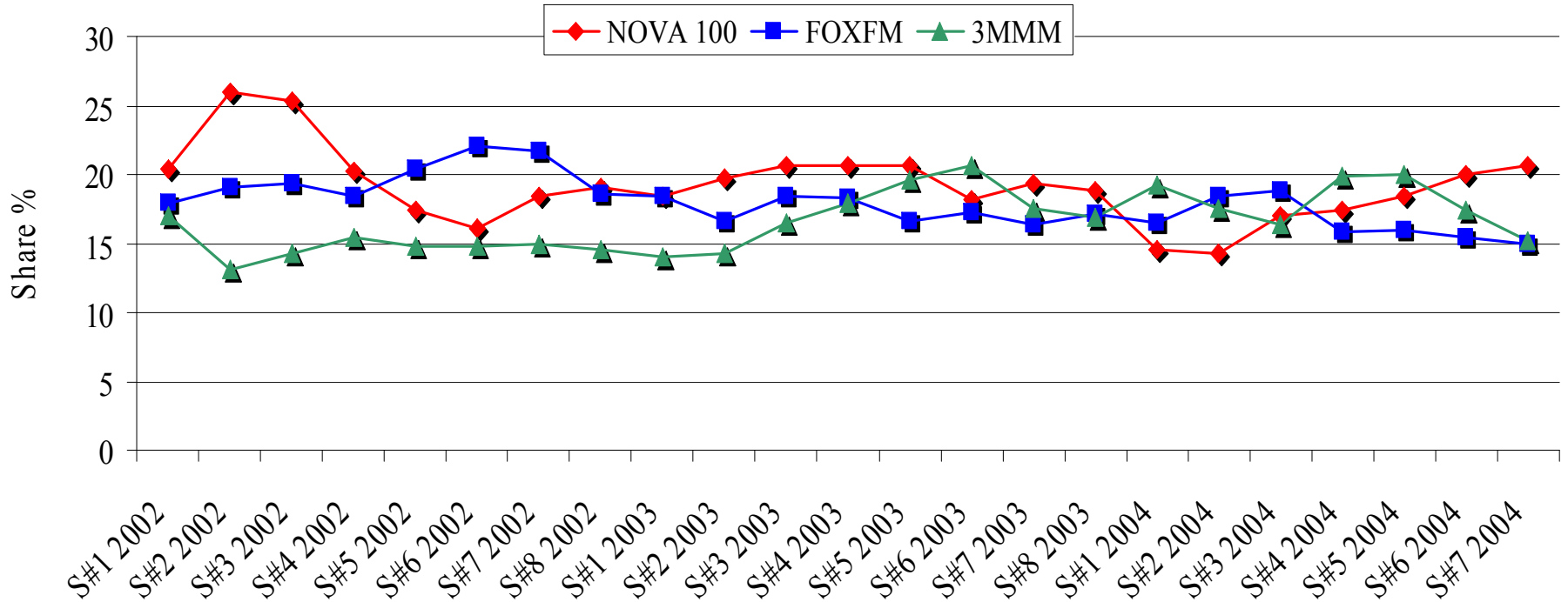


SYDNEY RATINGS SHARE 18-39 S4 2001 - S7 2004



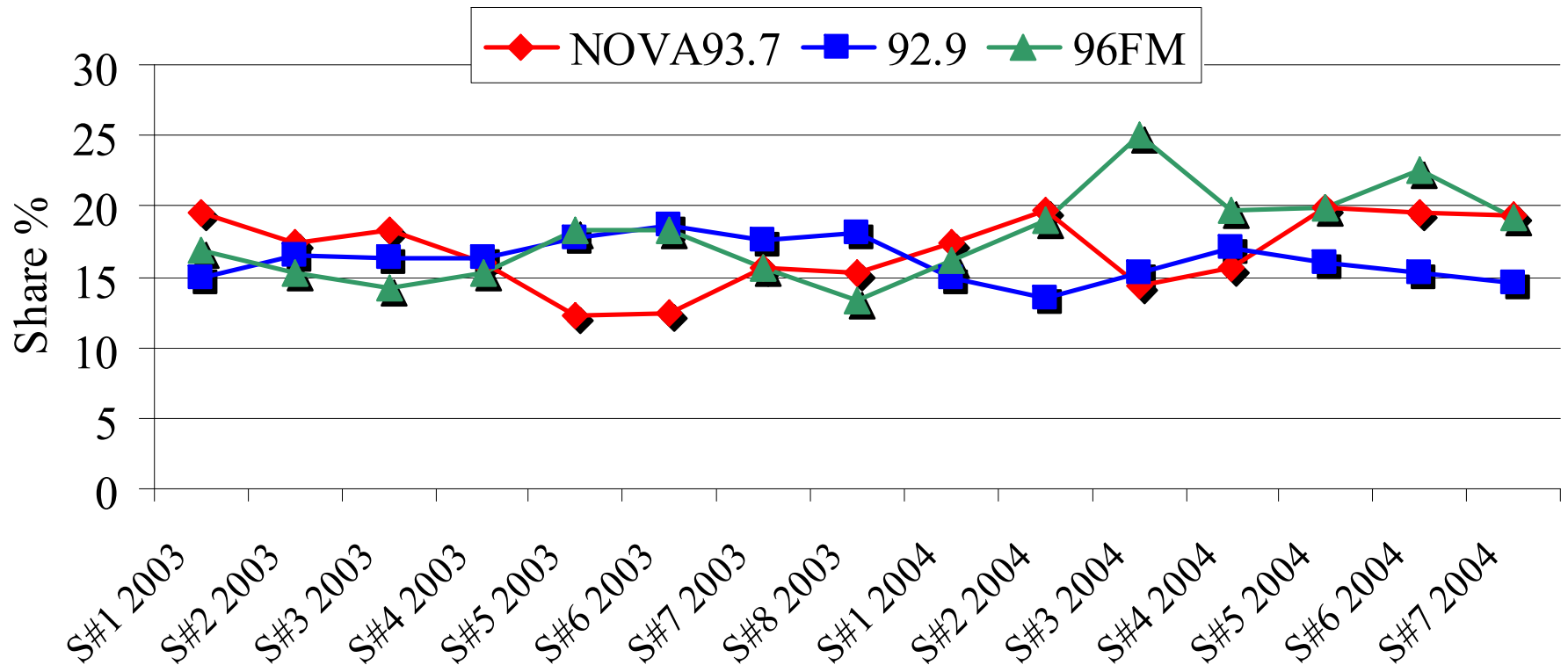


MELBOURNE RATINGS SHARE 18-39 S1 2002 - S7 2004



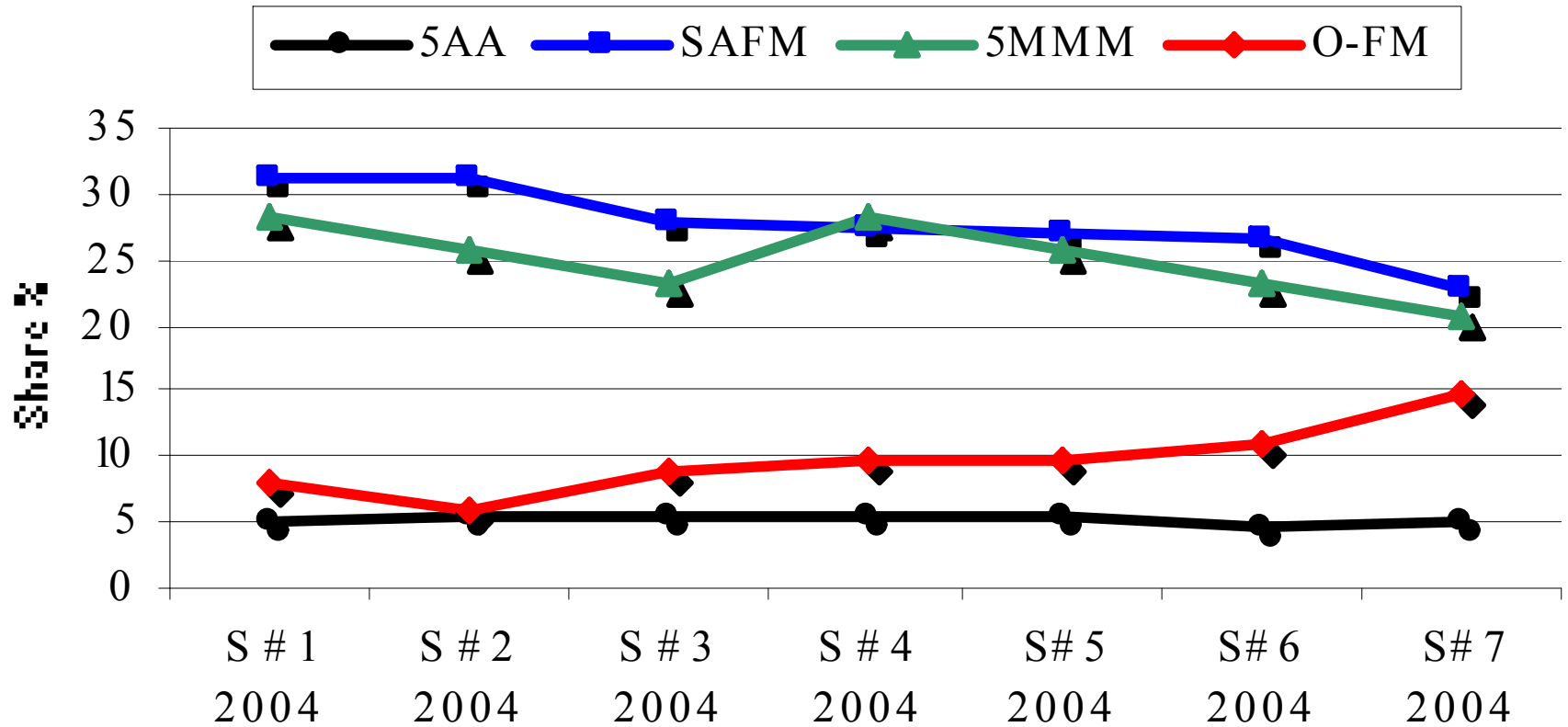


PERTH RATINGS SHARE 18-39 S1 2003 - S7 2004





ADELAIDE RATINGS SHARE 18-39 S1 2004 - S7 2004





DMGT SHARE PRICE AND FTSE-100 MOVEMENTS RELATIVE OCTOBER 1999 BASE

