

# Full Year Preliminary Results

25 March 2002



**Peter Wakeham**  
**Chief Executive Officer**

**Dr. Nigel Burton**  
**Chief Financial Officer**

# 2001 – a year of mixed fortunes

## Core business performs well

- Record year for The ♣ Annual Reports Service, The ♣ Fund Info Service and Andersson & Nilsson

## Disappointing performance from Vcall and Informed Investors - remedial action taken

- Losses continued throughout 2001
- Cost savings from restructuring will yield incremental £0.5m in 2002

# 2001 – a year of mixed fortunes

- 2001 trading results in line with October update
- Turnover up 42.9% to £19.7 million
- Underlying operating profit down 44.4% to £1.0m (up 2.9% excluding acquisitions)
- Underlying profit before tax down 34.3% to £1.4m
- Reported operating loss of £42.3m after goodwill charge of £42.7m and exceptional costs of £0.7m

# 2001 – a year of mixed fortunes

- **Cash balances at end 2001 of £8.6 million (1p per share)**
- **Channel partner relationships grown to 228**
- **Investor database now exceeds 2 million**

A large purple arc at the top left of the slide contains a faint, light purple world map.

# **Financial Review**

**Dr. Nigel Burton**  
**Chief Financial Officer**

## Consolidated Profit & Loss Account (as reported) £'000

	2001 Unaudited	2000 Audited
<b>TURNOVER of which:</b>		
- continuing	16,769	6,572
- acquisitions	2,910	
- discontinued	935	10,202
<b>Total</b>	<b>20,614</b>	<b>16,774</b>
<b>Gross Profit</b>	<b>13,159</b>	<b>5,821</b>
<b>Administrative Expenses</b>	<b>(55,424)</b>	<b>(10,125)</b>
<b>OPERATING PROFIT</b>	<b>(42,265)</b>	<b>(4,304)</b>
<b>Interest</b>	<b>448</b>	<b>538</b>
<b>Other</b>	<b>(779)</b>	
<b>Profit before Tax *</b>	<b>(42,596)</b>	<b>(3,766)</b>

\* Figures include:

- Continuing WILink businesses for second half 2000 only
- Discontinued DCI for full year 2000 and one month 2001
- Exceptional expenses of £0.7m in 2001. Goodwill amortisation and impairment of £42.7m in 2001 and £5.2m in 2000. "Other" expenses: £0.3m loss on disposal of DCI and £0.5m asset write-down

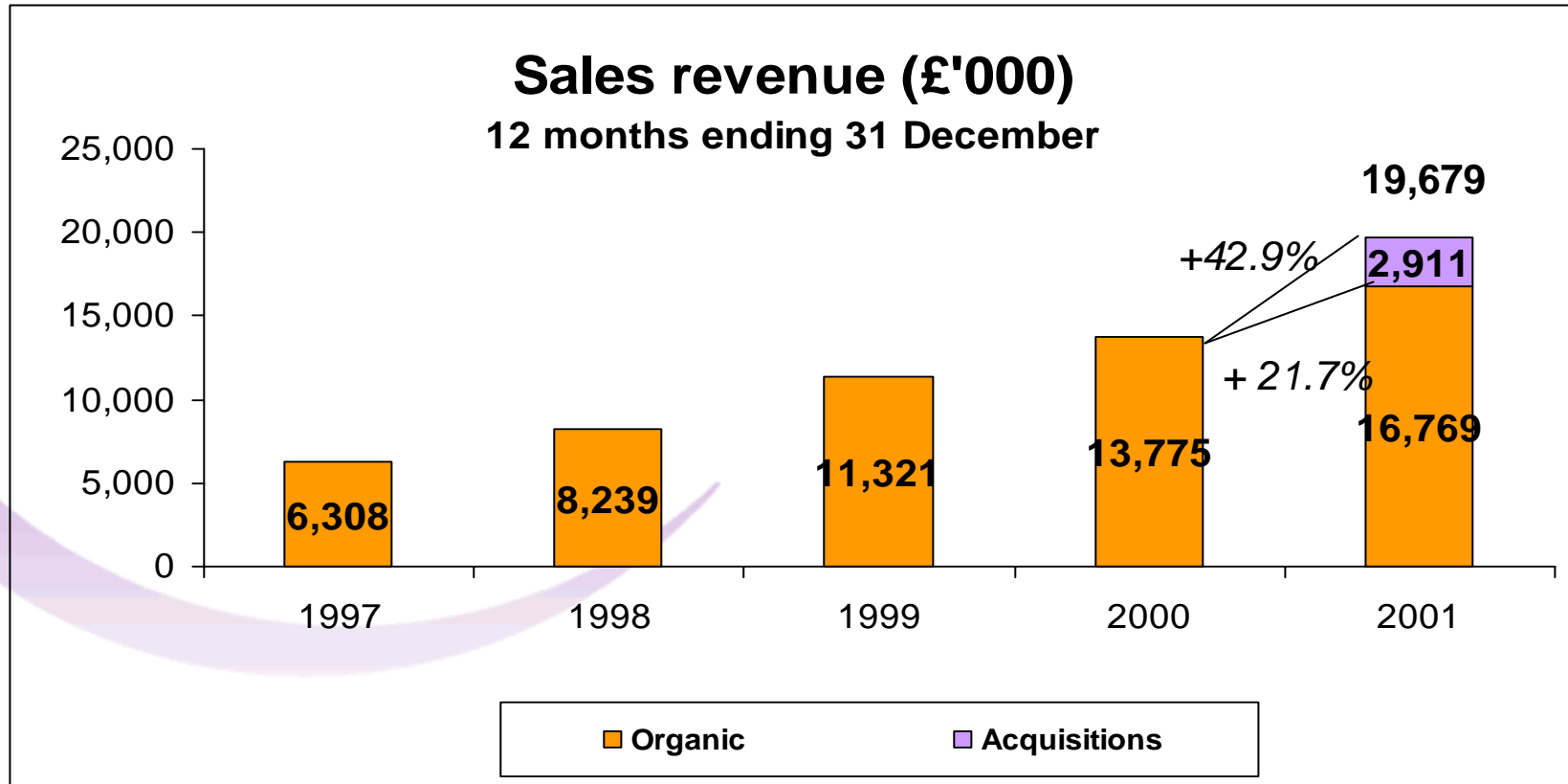
## Underlying Profit & Loss Account 1999 – 2001

£'000	Audited 1999	Audited 2000	Unaudited 2001
<b>TURNOVER</b>	11,321	13,775	19,679
<b>Cost of Sales</b>	(4,584)	(4,965)	(6,741)
<b>Gross Profit</b>	6,736	8,810	12,939
<i>% Turnover</i>	59.5%	64.0%	65.8%
<b>Administrative Expenses</b>	(5,110)	(7,082)	(11,979)
<b>OPERATING PROFIT</b>	1,626	1,727	960
<b>Interest</b>	68	483	446
<b>Profit before Tax*</b>	1,694	2,210	1,406

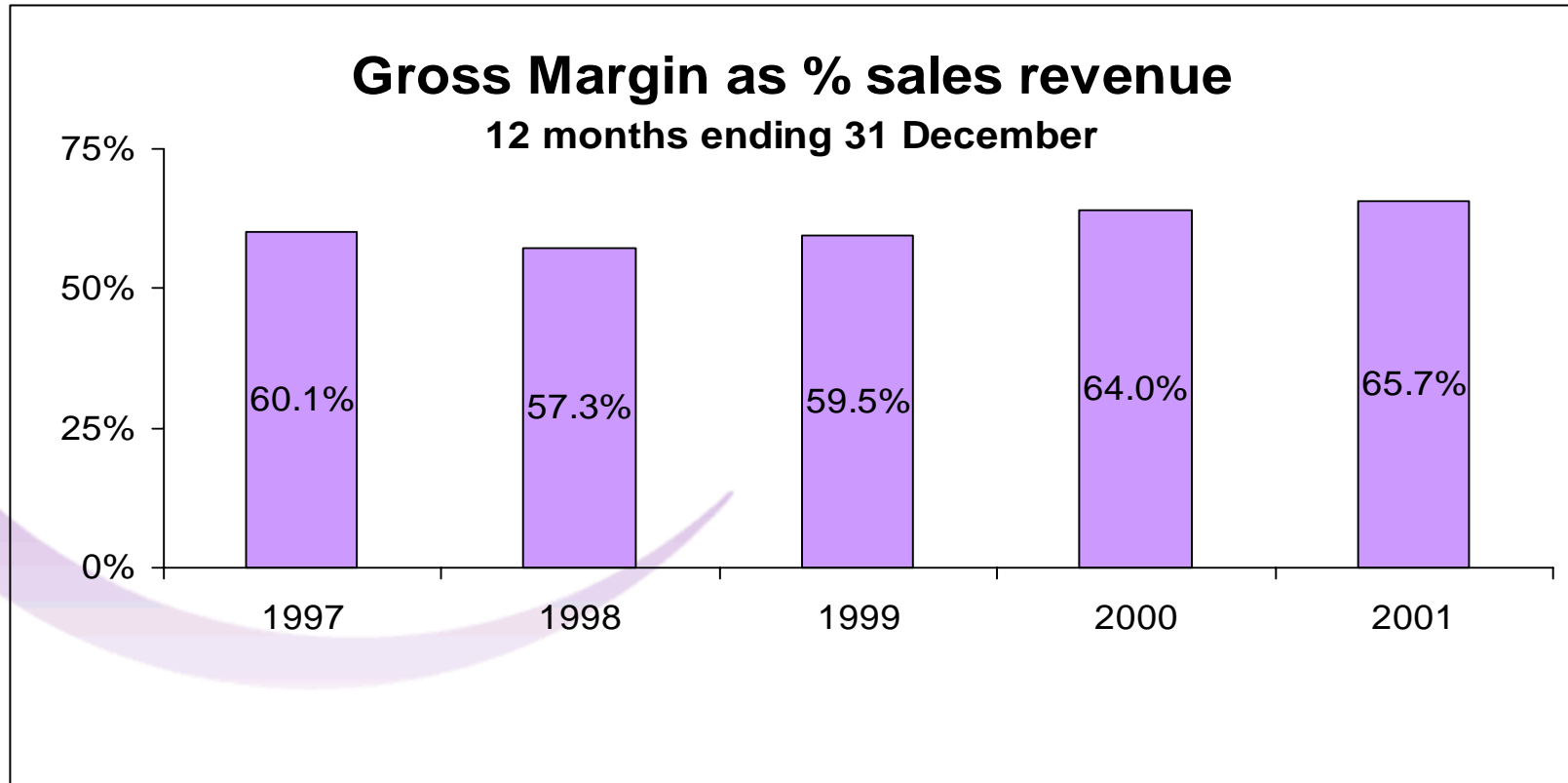
\* Excludes transaction costs, goodwill charges, exceptional and similar costs

Numbers may not appear to add due to rounding

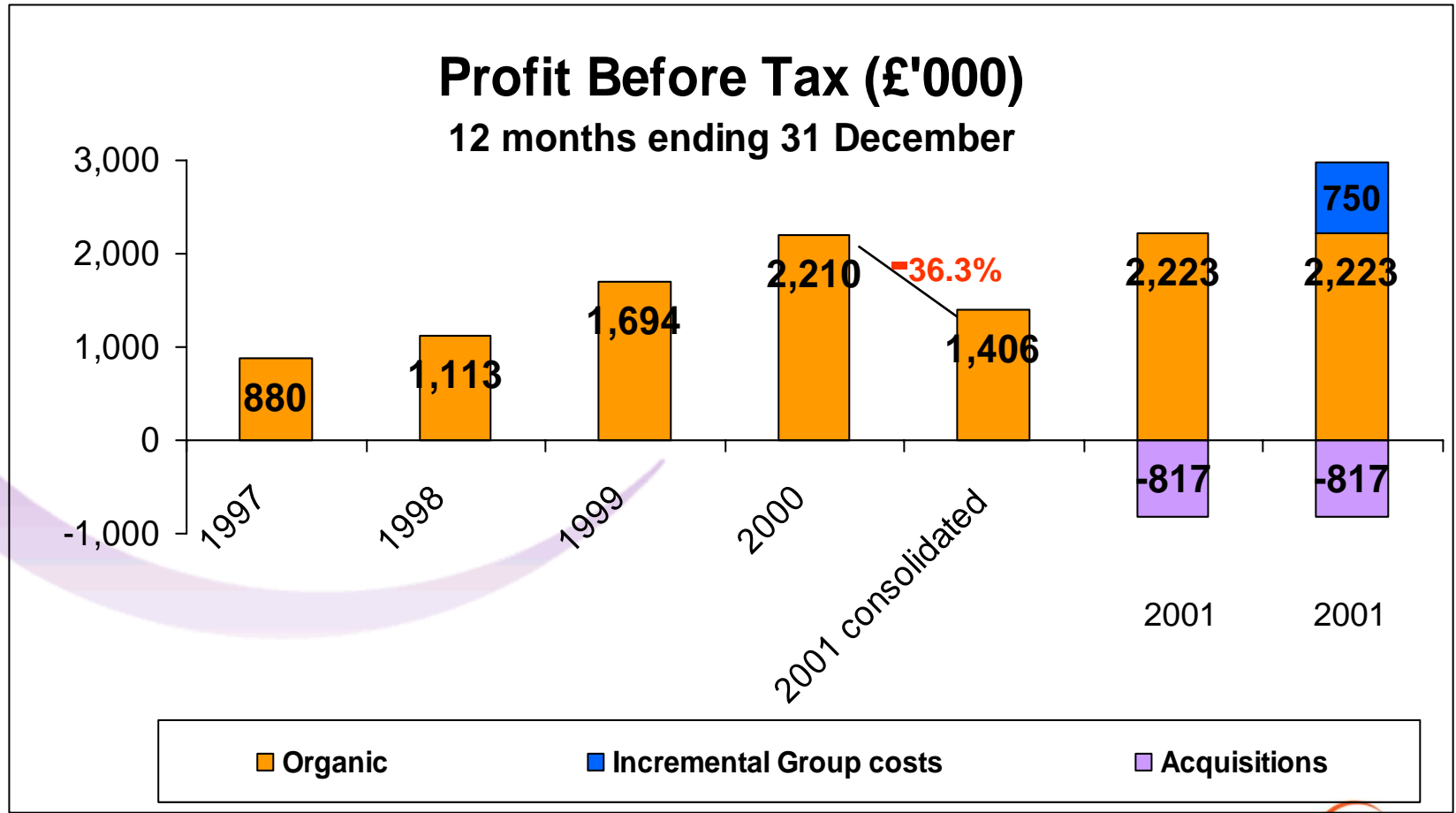
# Turnover up 42.9% (like for like up 21.7%)



# Gross Margin % improvement continues



# Acquisitions and incremental central costs push PBT down 36.3% to £1.4 m



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# **Strategy and Operations Review**

**Peter Wakeham**  
**Chief Executive Officer**

# Strategy Review

- **Excellent progress for WILink.com “Inverted T” strategy**
  - **4Cs (Countries, Clients, Customers, Channel Partners)**
  - **Strengthened through acquisitions**
- **Favourable long term business drivers**
  - **Investment information dissemination practices**
  - **Individual investor share ownership**
  - **Share trading activity**

# “Inverted T” Strategy

**Exploit asset  
base by  
launching  
and  
acquiring  
new  
products  
and services**

**Build a strong exploitable asset base**

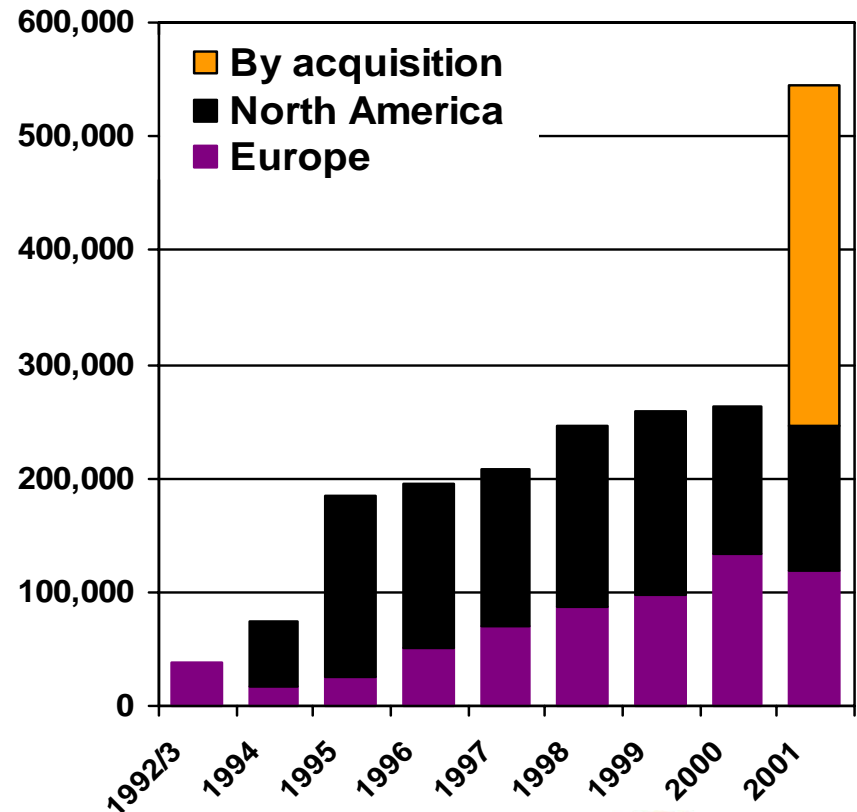
# “Inverted T” Strategy will enable us to leverage expanded product range across all 4 Cs



# Investor Base now exceeds 2 million

- In excess of 2 million registered users since launch in 1992
- About 545,000 new registered users this year
- Solid information request business in 2001:
  - 48% from repeat customers
  - 52% from new customers

## New users



# Over 228 Channel Partners worldwide

**FINANCIAL TIMES**

**YAHOO! FINANCE**

**Handelsblatt**  
INTERAKTIV

**ft.com**

**THE WALL STREET JOURNAL.**

CANADA'S NATIONAL NEWSPAPER  
**THE GLOBE AND MAIL®**

**SmartMoney**  
.com

**NASDAQ AMEX**

**investir**  
WEB

**Irish Stock Exchange**

**La Tribune**

Wirtschafts **Blatt**  
online

It's All Business.  
**dow jones**  
.COM



**BARRON'S**  
THE DOW JONES BUSINESS AND FINANCIAL WEEKLY



**CBS**  
Market **Watch**

USA Media Partners

- The Los Angeles Times
- The New York Times
- WSJ.com
- SmartMoney.com
- InvesTools
- Reuters MoneyNet
- DowJones.com
- PR Newswire
- PCQuote.com
- Stocks.com
- LATimes.com
- Virtual Advisor
- Silicon Investor
- Stocks.com
- BrokerTraining.com
- Cobeconet.com
- Kiplinger.com
- CCBN.com
- JAGfn.com
- Cymo.com
- ABCNews.com

Canadian Media Partners

- World Wide Quotes
- Quicken Canada
- TSE.com
- Canadian Corporate News
- Globe Interactive
- Yahoo!Canada
- The Globe and Mail

United Kingdom Media Partners

- Investor's Chronicle Online
- Trustnet Online
- UK Investor Online
- CompuServe
- E\*Trade
- GoShare
- Hemscott.NET
- Money Guru
- MoneyWorld Online
- Sharepages

Germany Media Partners

- WirtschaftsWoche
- Die Teleborse
- Wall Street Inside Online
- Deutsche Borse Online
- Die Teleborse Online
- Wallstreet:inside Online
- ConSors Discount Broker Germany

France Media Partners

- Paris Bourse Online

Austria Media Partners

- Der Standard
- WirtschaftsBlatt

Ireland Media Partners

- Irish Times

Belgium Media Partners

- De Standaard

## **Partner with London Stock Exchange in RNS Mediastream**

- **Vcall provision of streaming media services through RNS Mediastream**
- **First provider to distribute via LSE's RNS**

# Operations Review

- **Difficult trading year:**
  - **Macro-economic downturn in North America and Europe**
  - **Reduced investor appetite for financial information**
  - **Equity Mutual Funds in North America experience heavy reductions**
  - **September 11<sup>th</sup> direct adverse impact on revenues**

# Performance Highlights

- The ♣ Annual Reports Services had a record year in 2001
- The ♣ Fund Info Service in North America performed well
- Andersson & Nilsson performed ahead of expectations
- Outstanding year for quality and service to clients and customers

## The ♣ Annual Reports Service

<b>Volume drivers</b>	<b>2001</b>	<b>2000</b>	<b>+/- % Change</b>
Investor introductions to clients (million)	6.3	5.4	+17%
Channel Partners	138	104	+32%
Clients	3,077	3,293	(6%)
Stock Exchange Penetration	21.6%	21.7%	-

## The ♣ Fund Info Service (North America only)

<b>Volume drivers</b>	<b>2001</b>	<b>2000</b>	<b>+/- % Change</b>
Investor introductions to clients ('000)	76,016	75,012	+1%
Channel Partners	41	33	+24%
Clients	78	59	+16%

## 2001 acquisitions

- **Andersson & Nilsson Svenska AB**
  - Excellent debut year
  - Performed well ahead of expectations
  - 68% growth in Norway, 50% in Finland, 10% in Sweden
- **Informed Investors Inc.**
  - 27 Forums held in North America in 2001
  - Severe downturn in US technology industry led to less interest in public forums
- **Vcall Inc.**
  - Difficult market environment in US – revenue growth short of expectations
  - Relocation of operations to Richmond, Virginia
  - Launched in the UK market

# Share Consolidation

- **Why now?**
  - We have a very strong individual investor base but need to make the stock more attractive to Institutions
  - We want to be sensibly priced in case we go ahead with full LSE listing or a Nasdaq listing
- **Full listing planned for 2002?**
  - No, but want to be ready if appropriate in future
- **Will shareholders be lost?**
  - Probably no more than 150 to 180 of out of 4,400

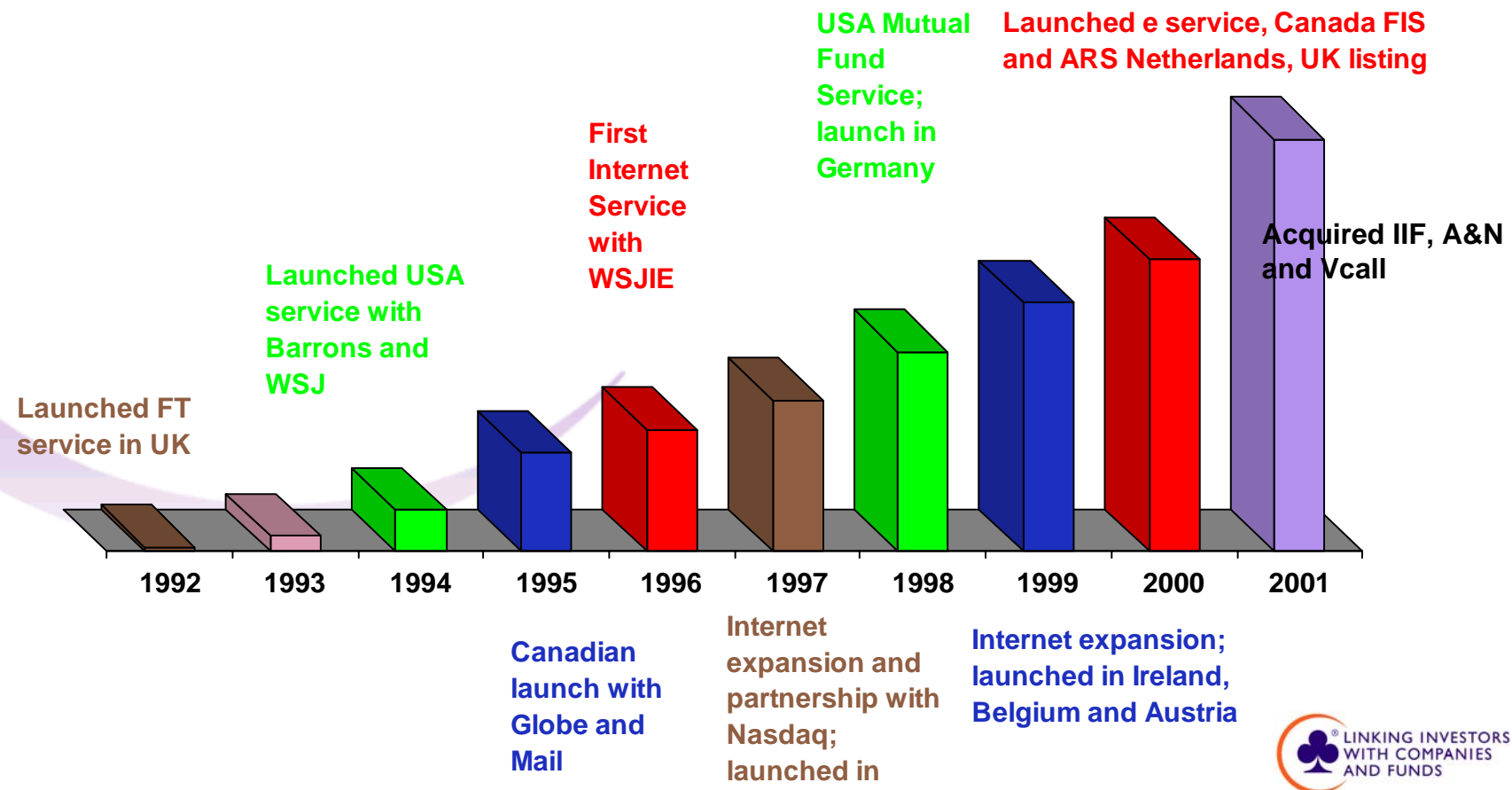
## 2002 priorities

- **Investor Relations and Investment Information**
  - **Strengthen market position of current range**
    - good long-term growth prospects despite difficult short-term stock market and macro-economic conditions
  - **Strengthen existing 4C asset base**
    - forge deeper relationships with existing channel partners, clients and customers
    - develop recent acquisitions to full potential
    - leverage Annual Reports Service market position
- **Investment Banking**
  - **Form small number of strategic alliances**

## 2002 – Trading outlook

- **Started well - performing in line with expectations during first eleven weeks but market conditions remain uncertain**
  - Stock markets have recovered from rapid drop in values after Sept. 11<sup>th</sup> but indices remain below early 2001 levels
  - Encouraging indicators that individual investor sentiment is strengthening in past few weeks
- **Taken action to eliminate losses from Vcall and Informed Investors**
  - Cost savings from restructuring delivered with incremental benefit of £0.5m in 2002
  - Both products well positioned for profitable future growth
- **Launch of The ♣ Fund Info Service in the UK**
- **Distribution of Vcall webcasts via LSE's RNS**

# A successful strategy for ten years (revenues)



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