

# Full Year Preliminary Results

24 March 2003



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

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

A purple-tinted world map is visible in the top left corner, partially obscured by a large purple arc that frames the top and left sides of the slide.

## 2002 – a record year

- **Increased economic value**
- **Increased shareholder value**

# Increased economic value

- **Revenue from continuing operations up 3.1% from £19.7m to £20.3m**
- **Operating profit from continuing operations up 149.8% from £0.96m to £2.4m**
- **Profit before tax from continuing operations up 88.3% from £1.4m to £2.64m**

# Increased shareholder value

- **Successful 1 for 250 share consolidation**
- **Successful share buy back of 27.2% of share capital**
- **Returned £6.3m to shareholders**
- **Cash balances at end December 2002 of £5.2m – 218p per share**
- **Share price up 48% - significantly outperforming FTSE AllShare and AIM**

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# **Financial Review**

**Nigel Burton**  
**Chief Financial Officer**

## Consolidated Profit & Loss Account (UK GAAP) £'000

	2002 Unaudited	2001 Audited
<b>TURNOVER of which:</b>		
- continuing	20,282	16,769
- acquisitions	-	2,911
- discontinued	-	935
<b>Total</b>	<b>20,282</b>	<b>20,614</b>
<b>Gross Profit</b>	<b>13,409</b>	<b>13,159</b>
<b>Administrative Expenses</b>	<b>(13,177)</b>	<b>(55,424)</b>
<b>OPERATING PROFIT</b>	<b>232</b>	<b>(42,265)</b>
<b>Interest</b>	<b>252</b>	<b>448</b>
<b>Other</b>	<b>(107)</b>	<b>(779)</b>
<b>Profit before Tax *</b>	<b>378</b>	<b>(42,596)</b>

\* Figures include:

- Discontinued DCI for one month 2001
- Exceptional expenses of £0.7m in 2001. Goodwill amortisation and impairment of £42.7m in 2001, £2.2m in 2002. "Other" expenses in 2002 are the effect of share buyback transactions with GEBT

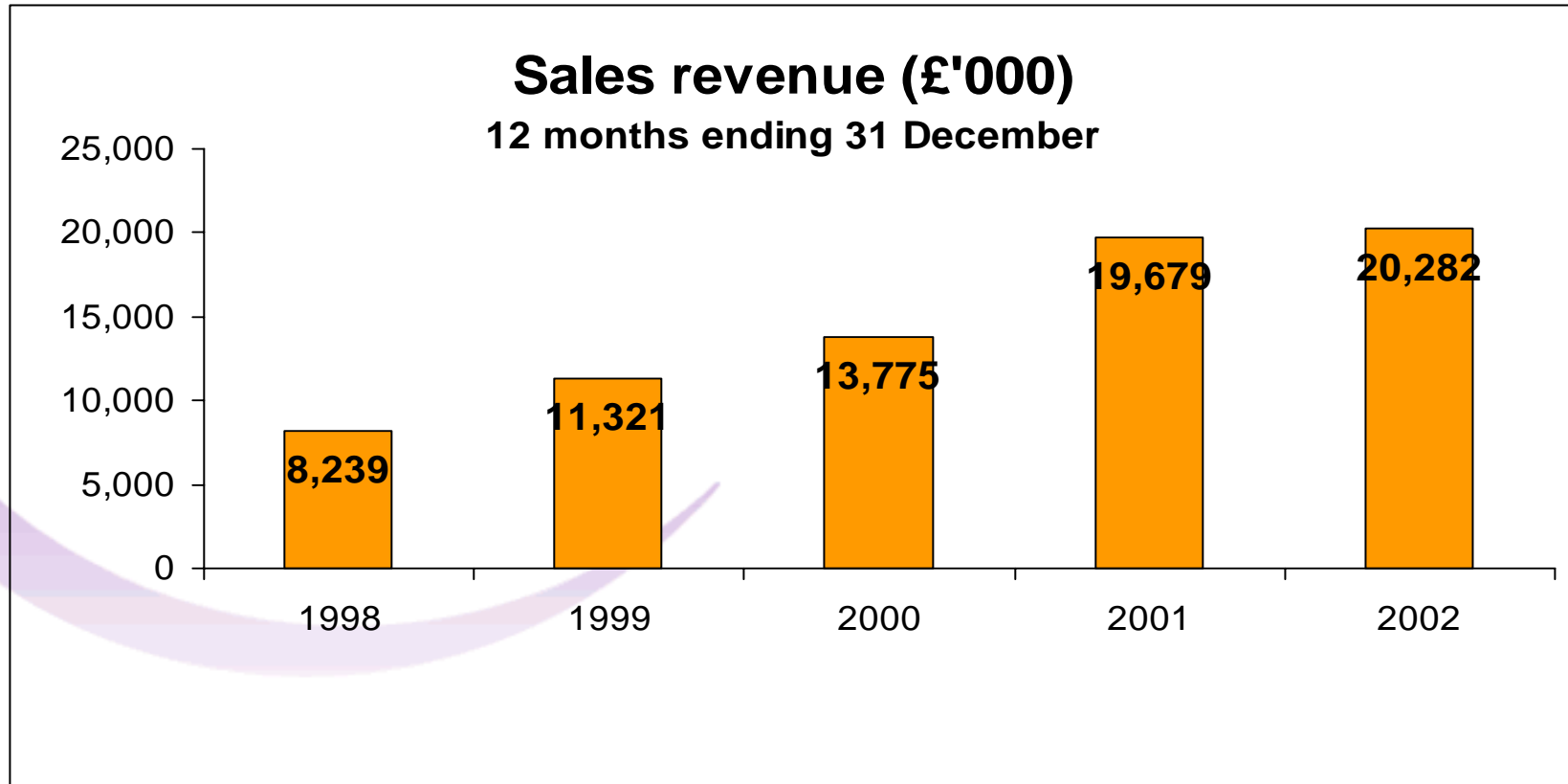
## Underlying Profit & Loss Account 2000 – 2002

£'000	Unaudited 2002	Audited 2001	Audited 2000
<b>TURNOVER</b>	20,282	19,679	13,775
<b>Cost of Sales</b>	(6,873)	(6,741)	(4,965)
<b>Gross Profit</b>	13,410	12,939	8,810
<i>% Turnover</i>	66.1%	65.8%	64.0%
<b>Administrative Expenses</b>	(11,020)	(11,979)	(7,082)
<b>OPERATING PROFIT</b>	2,390	960	1,727
<b>Interest</b>	252	446	483
<b>Profit before Tax*</b>	2,642	1,406	2,210

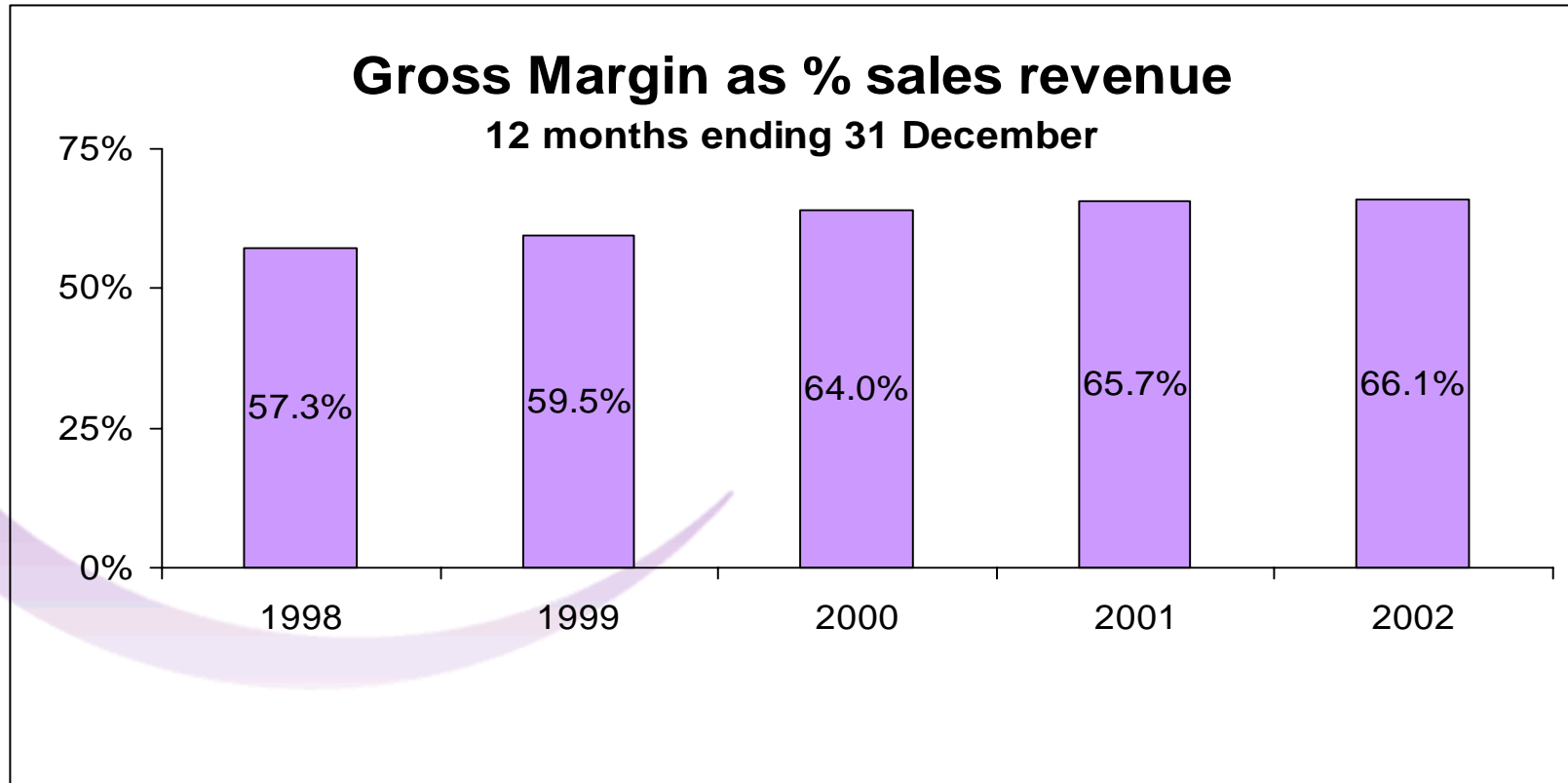
\* Excludes transaction costs, goodwill charges, exceptional and similar costs

Numbers may not appear to add due to rounding

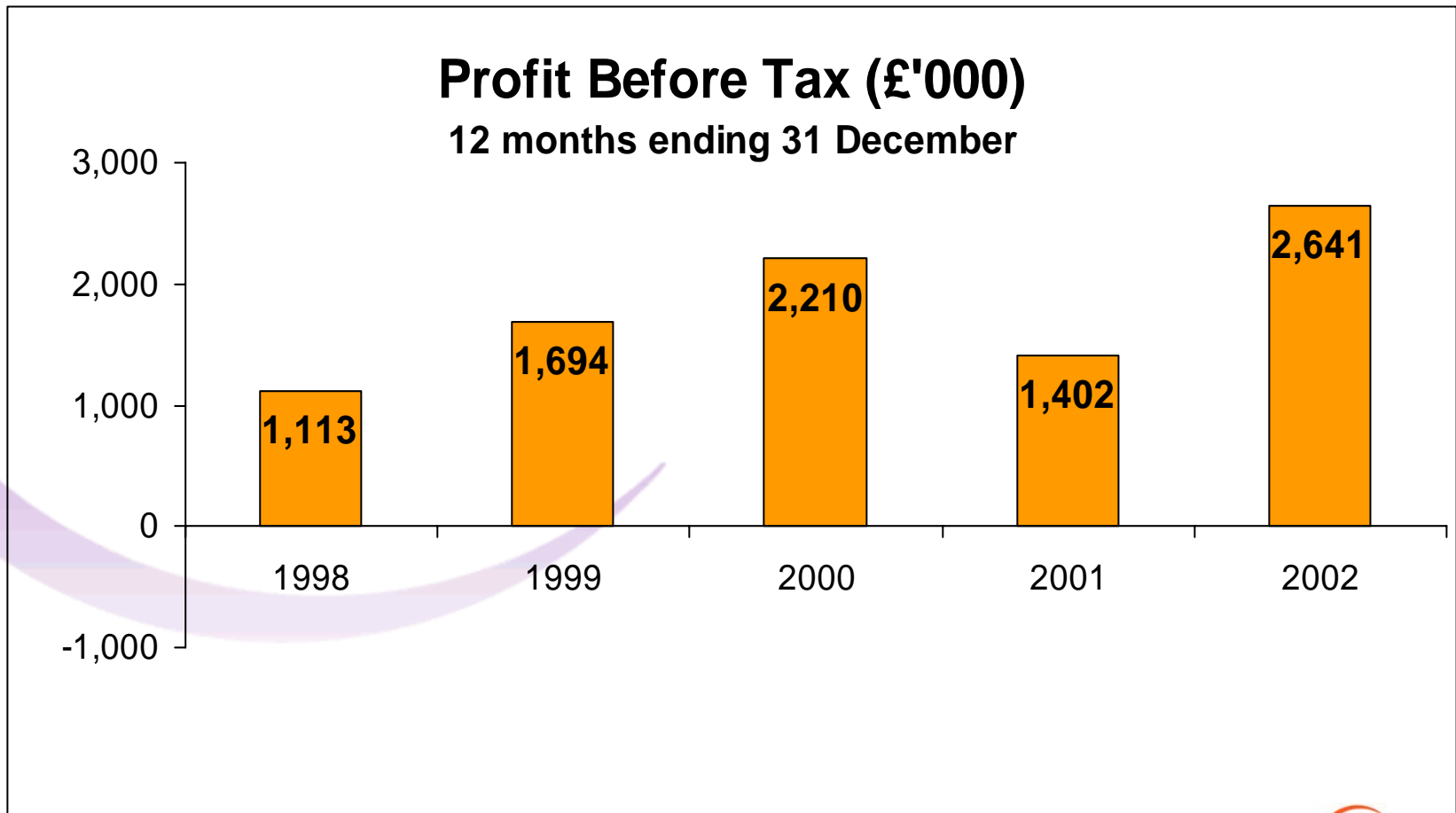
# Turnover up 3.1%



# Gross Margin % improvement continues



# Profit before tax back to trend



## Other financial matters

- **GM % increased through operational efficiencies**
- **G&A costs reduced by £1.0m, reflecting full year benefit of acquisition integration, and reduced central costs**
- **Interest reduced due to lower rates, lower cash balances following share buybacks, expect under £0.1m in 2003**
- **Tax credit following inter-company payments. Charge expected to be c20% in 2003, rising gradually thereafter**
- **Pro-forma EPS 85.2p (74.4p FD) up 175% (FD 154%)**
- **Buybacks reduce weighted ave. shares by 25.5% for 2003**
- **Combined effect of buybacks and expected tax should be equivalent to c5% EPS growth in 2003 vs 2002**
- **Continue buybacks, keep dividend policy under review**

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# **2002 Performance Review**

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

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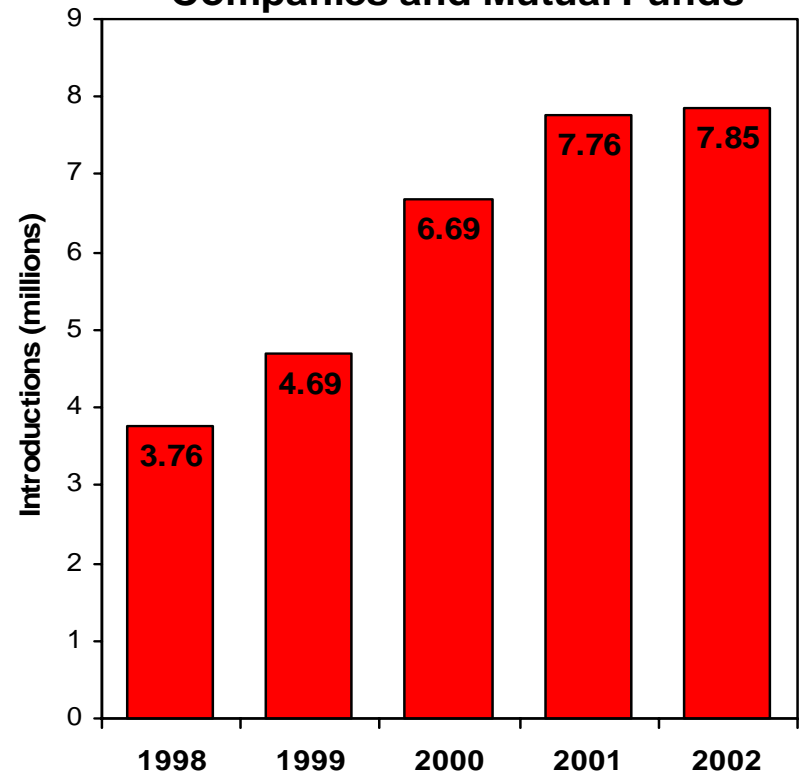
# Performance Highlights

- **Despite an extremely difficult market environment we achieved:**
  - **Record performance levels**
  - **Stronger 4C asset base**
  - **Successful launch of PrecisionIR™ and PrecisionFM™**

## The number of investor introductions made to corporate and mutual fund clients grew 1%

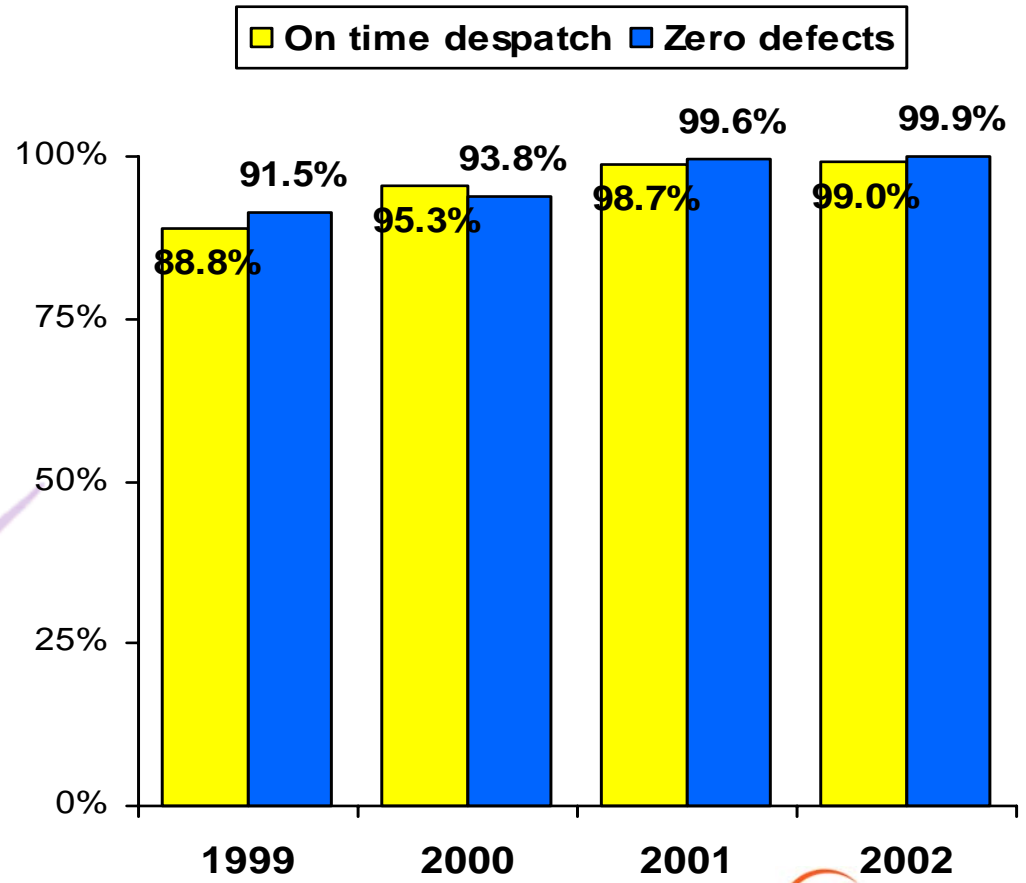
- **Exceptional performance in difficult year**
- **European growth of 9.7%**
  - *Sweden, France and Netherlands excel*
  - *UK down 2% after tough second half*
- **North American decline of 9.8%**
  - *2.7% growth in first half*
  - *22% decline in second half*

**Investor Introductions to Companies and Mutual Funds**



# Service quality levels were at an all time high.....

- 99% of investor information requests were despatched on time
- 99.9% of requests were satisfied with zero defects

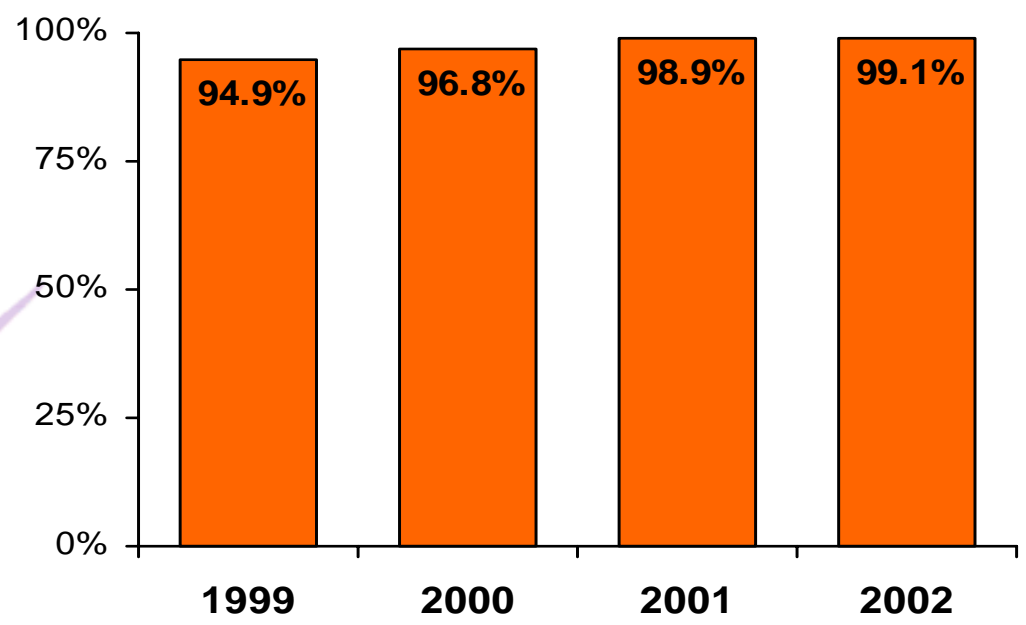


...resulting in record levels of investor satisfaction

Investors perceive our services to be:

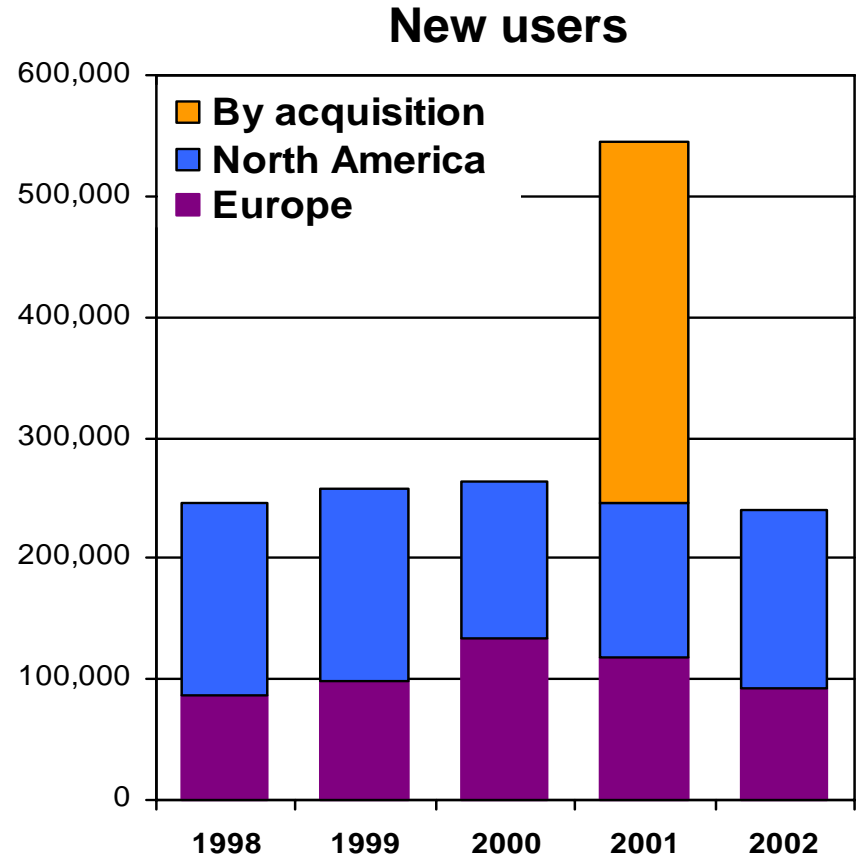
- **Reliable**
- **Accurate**

**% Investors satisfied with WILink services**



# We continued to attract about 240,000 new users to our services

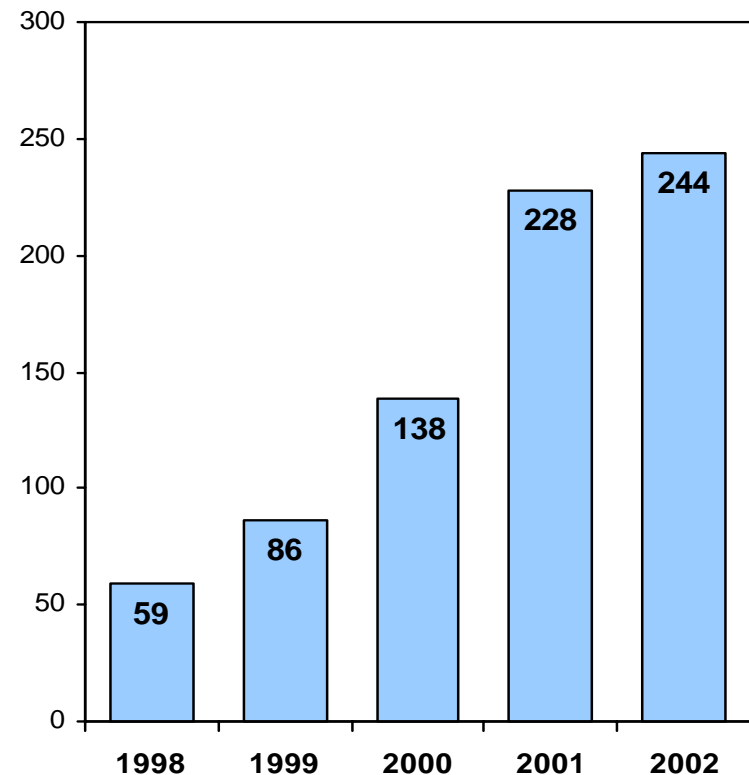
- In excess of 2.3 million registered users since 1992
- Over 1m on e mail
- Significant asset:
  - *WILink competitive advantage*
  - *Potential capital market leverage*
  - *Potential third party use*



## We increased channel partner relationships by 7%

- **Broader distribution of our services to investors**
- **All major contracts renewed**
  - *FT, WSJ, Barrons, Investir, La Tribune and Handelsblatt for 5 years*
  - *Globe and Mail for 3 years*

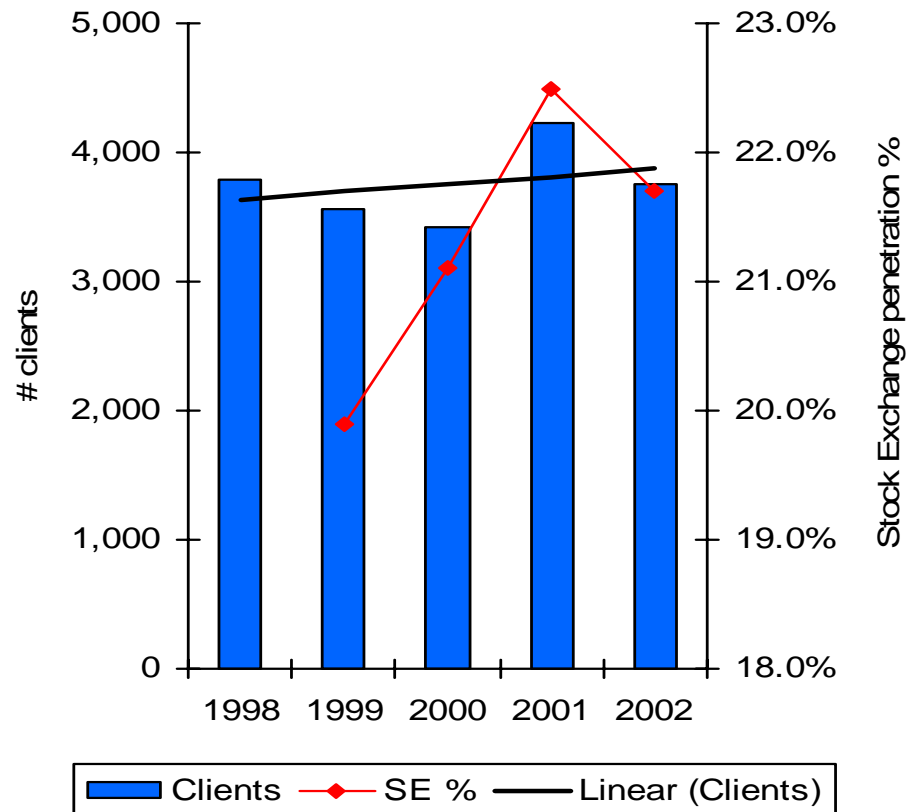
Channel Partner relationships



**Our client base fell by 10%, reflecting a decline in stock exchange listings and exit from small unprofitable Vcall clients**

- **All major stock exchanges declined since May 2002:**
  - *LSE: 2,891 to 2,824*
  - *Frankfurt: 978 to 934*
  - *Euronext: 1,555 to 1,492*
  - *NYSE: 2,790 to 2,784*
  - *Nasdaq: 3,933 to 3,765*
- **Priority given to selling Vcall to Annual Reports Service clients**

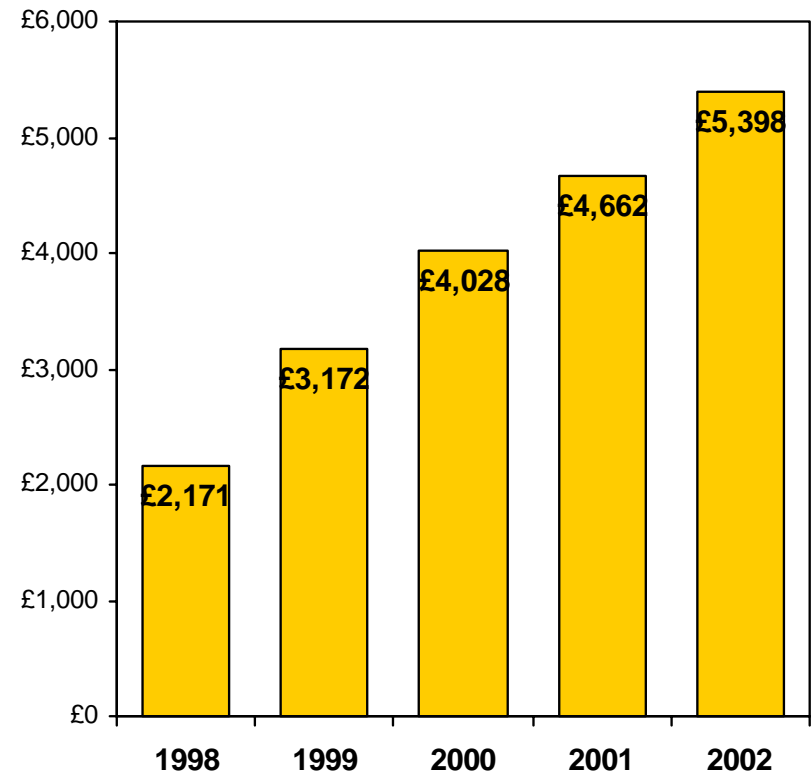
**Client Development**



## Average revenue per client grown by 16% in 2002

- Provide integrated package of solutions to clients
- Leverage Annual Report Service client base
- Secure stronger more enduring commercial relationships

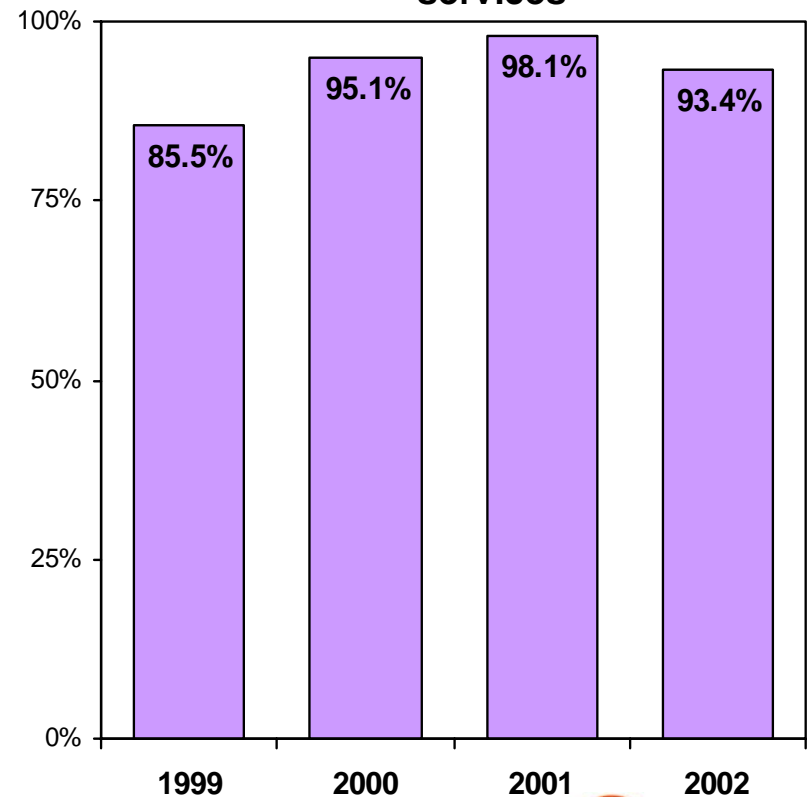
Average Revenue per Client (£)



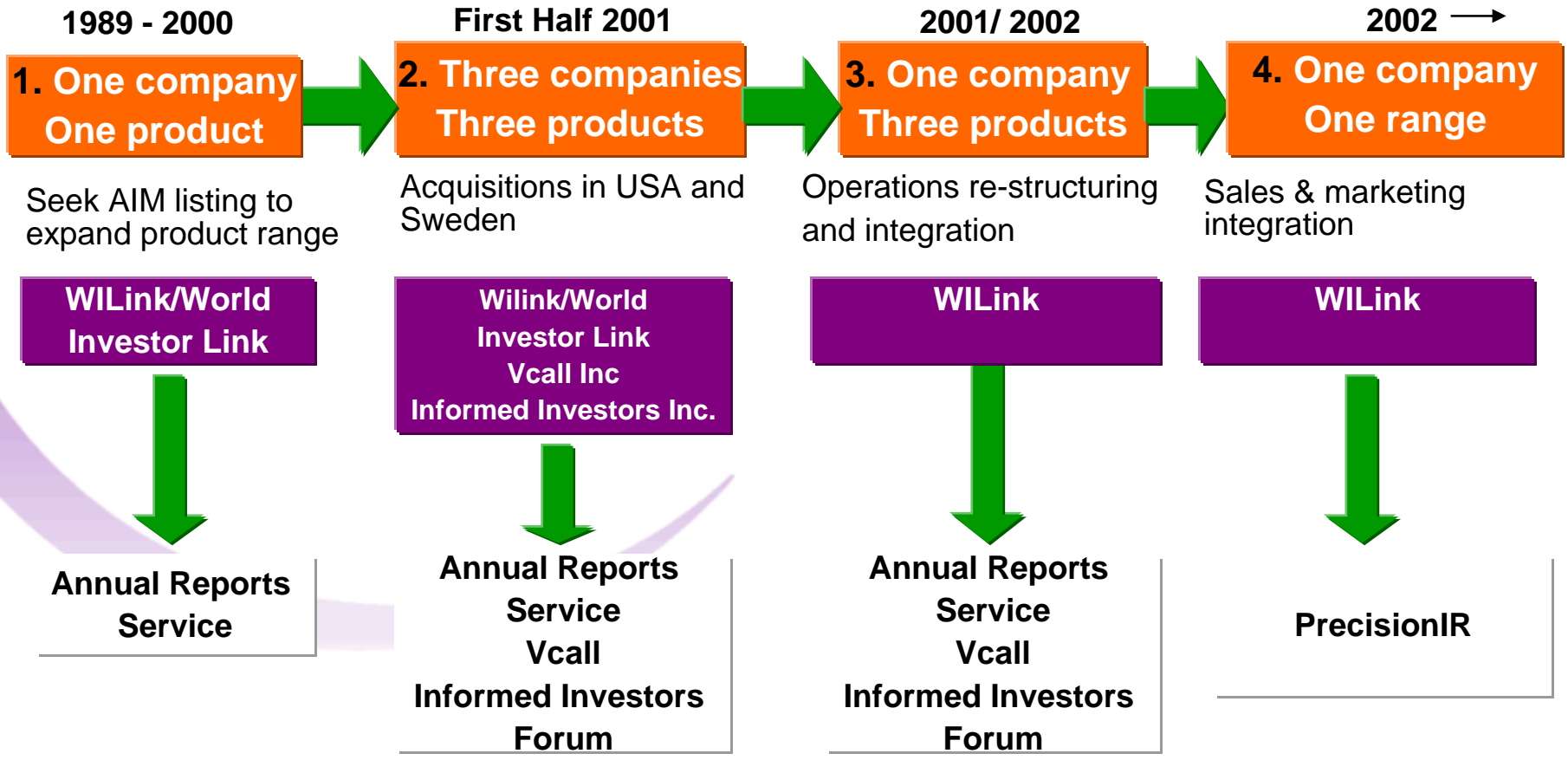
## Client satisfaction remains high

- Year on year decline
- Difficult market environment
- Client concerns about expenditure on discretionary IR services

**% Clients satisfied with WILink services**



# Four phase process to an integrated product range brand



# PrecisionIR Services

- **IRDesktop**
  - web based action and communication centre
- **InvestorContact**
  - email communications tool
- **InstitutionalReach**
  - database of over 70,000 institutional contacts, 8,000 investment firms
- **PeerEvents**
  - database of over 4,000 interactive earnings call transcripts per quarter

# “Inverted T” Strategy

Exploit asset base by launching and acquiring new products and services

**PrecisionIR™**  
The ♣ Annual Reports Service

IRDesktop™  
InvestorContact™  
InstitutionalReach™  
Vcall

PeerEvents™  
Informed Investors

**PrecisionFM™**  
The ♣ Fund Info Service

InvestorContact™  
FMDesktop™

Build a strong exploitable asset base

←	<b>14 Countries</b>	→
←	<b>3,750+ Clients</b>	→
←	<b>2.3m+ Customers</b>	→
←	<b>244 Channel Partners</b>	→

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# Strategy Review and 2003 Priorities

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

# Difficult market conditions

- **Key drivers of market and WILink growth have slowed since May 2002**
  - **Deteriorating macro-economic and geo-political conditions**
  - **Investors wary of investing – reduced appetite for information**
  - **Decline in stock exchange listings and corporate transactions**
  - **Companies are publicity averse**
  - **Client budgets under pressure**

# **WILink well placed to withstand the adverse conditions and to benefit when recovery comes**

- **Actions already taken in response to conditions**
  - **Ongoing reduction in administrative cost base**
  - **Maintain investment in sales and marketing programmes**
  - **Continue to execute “Inverted T” strategy**

## 2003 objectives

- **Geographic expansion**
  - **Europe**
    - Spain, Portugal and Denmark
  - **Far East**
    - Lay foundation for market entry
- **Stock Exchange penetration**
  - **Client growth ahead of listings**
- **Product Range penetration**
  - **More clients purchase multiple products**

## 2003 strategies

- **Exploit PrecisionIR and PrecisionFM opportunities**
  - Relevant and compelling client proposition
  - Sales and marketing productivity gains for WILink
- **Implement regional structure**
  - Devolve performance accountability and ownership
  - Already encouraging results in North America
- **Leverage customer database**
  - Offer more services to customers
  - Partner with third party specialists
    - FT
    - Roper ASW
- **Proactively pursue bolt-on acquisitions**

## 2003 – Trading outlook

- **Market conditions remain adverse**
  - Investor confidence low
  - Corporate earnings under pressure
  - Companies remain publicity shy
- **Maintain sales and marketing focus**
  - Investment behind proven programmes
  - Pursue geographic expansion
- **2003 will be a challenging year and difficult to predict**

# Summary

- **2002 - a record year**
  - Revenues and profits
  - Stronger 4C asset base
  - Stronger product range and branding
  
- **2003 - maintain focus on “Inverted T” strategy**
  - Further strengthen 4 C base
    - More countries
    - Client base should outpace market
  - Exploit asset base
    - More clients purchasing broader product range
    - Selective acquisition of new products
  
- **Keep tight control on administrative costs**
  
- **2003 - a challenging year and difficult to predict**

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