

Interim Results Presentation

2 September 2003



Peter Wakeham
Chief Executive Officer

Dr Nigel Burton
Chief Financial Officer

Three Major Accomplishments

- **Strong financial performance despite difficult first four months**
- **Delivered improved value proposition to clients**
- **Embarked on programme of further geographic expansion**

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

Financial Review

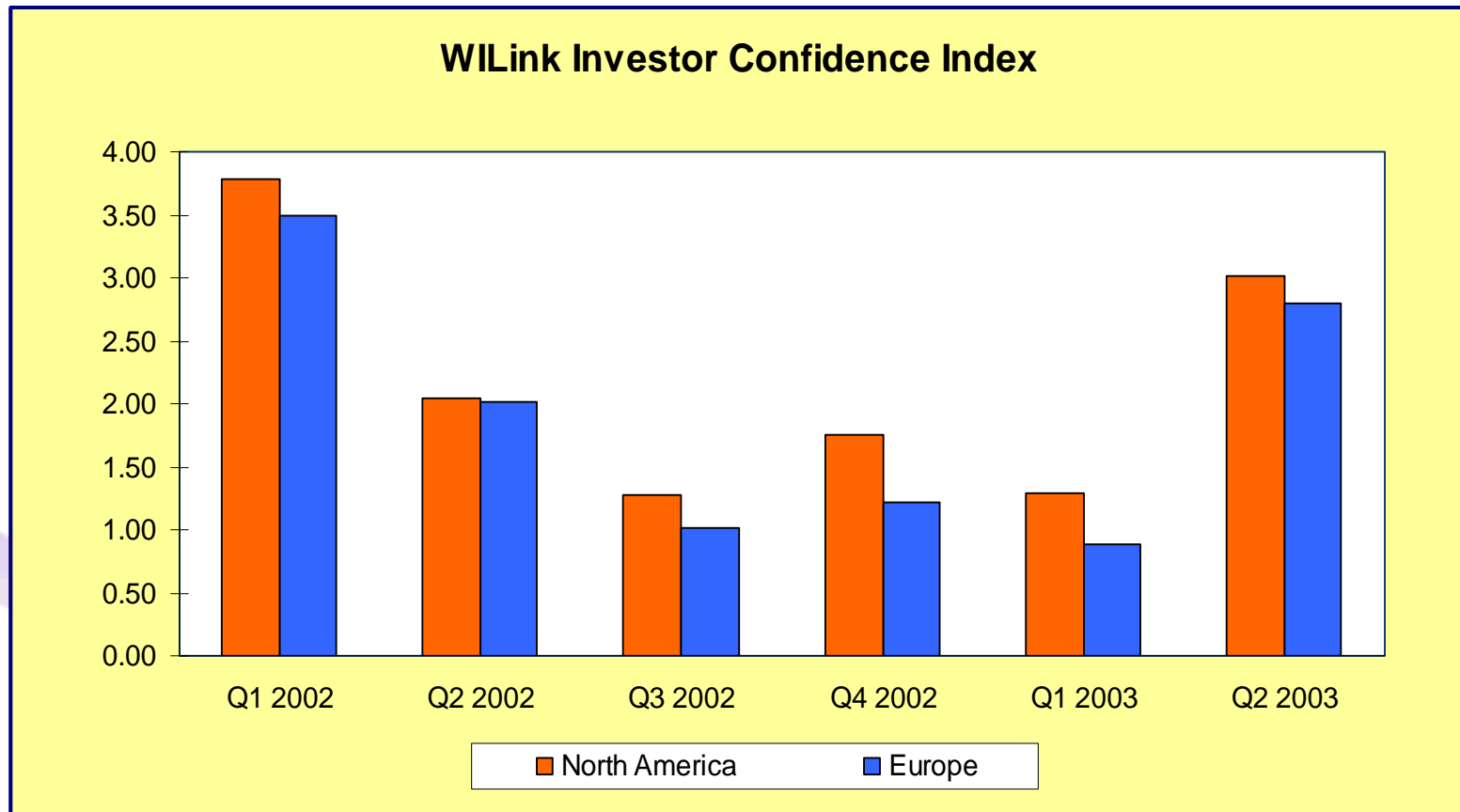
Nigel Burton
Chief Financial Officer

Strong financial performance despite difficult first four months

- **EPS* up 53% to 50.6p**
- **Turnover down 17.8% due to investor confidence crisis during first four months**
- **Gross Margin improved to 68.2% from 67.9%**
- **Operating Profit* up 7.7% to £1.422m**
- **Profit Before Tax* up 0.7% to £1.467m**
- **Cash balances healthy at £1.77 million**

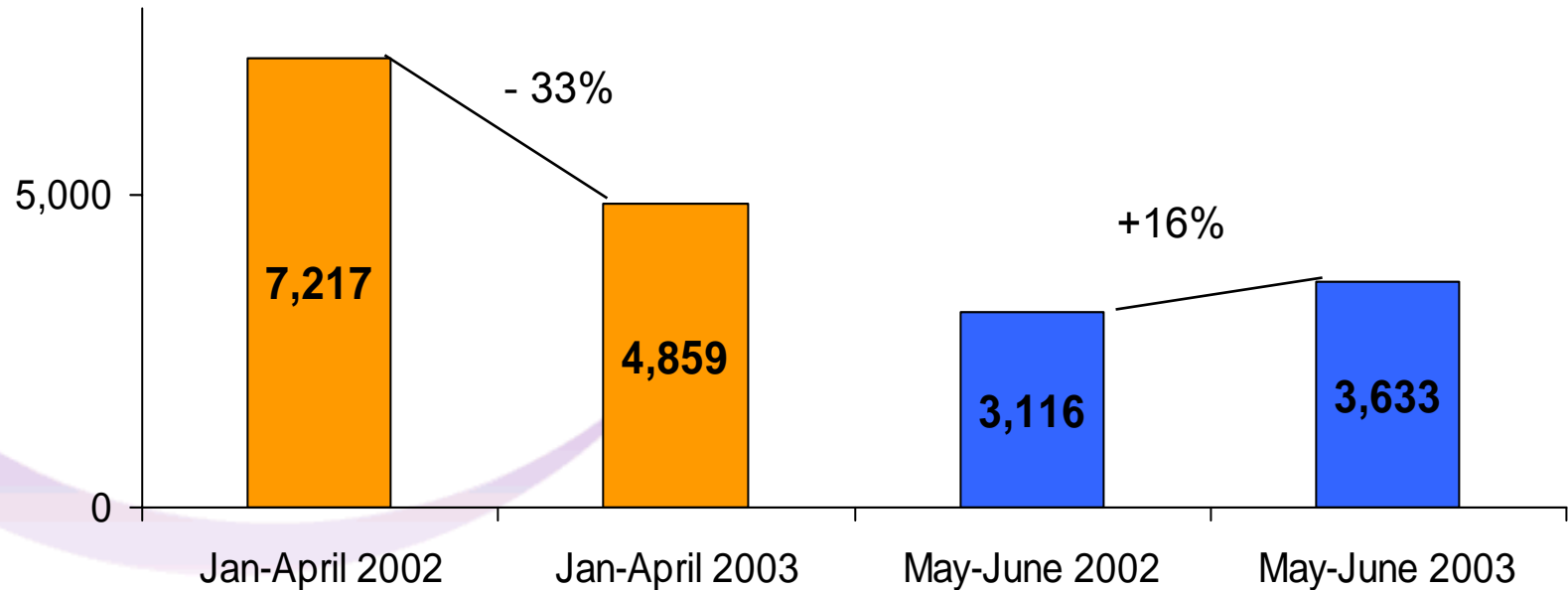
*** excluding goodwill**

Trading was adversely affected as investor confidence fell in Quarter 1...



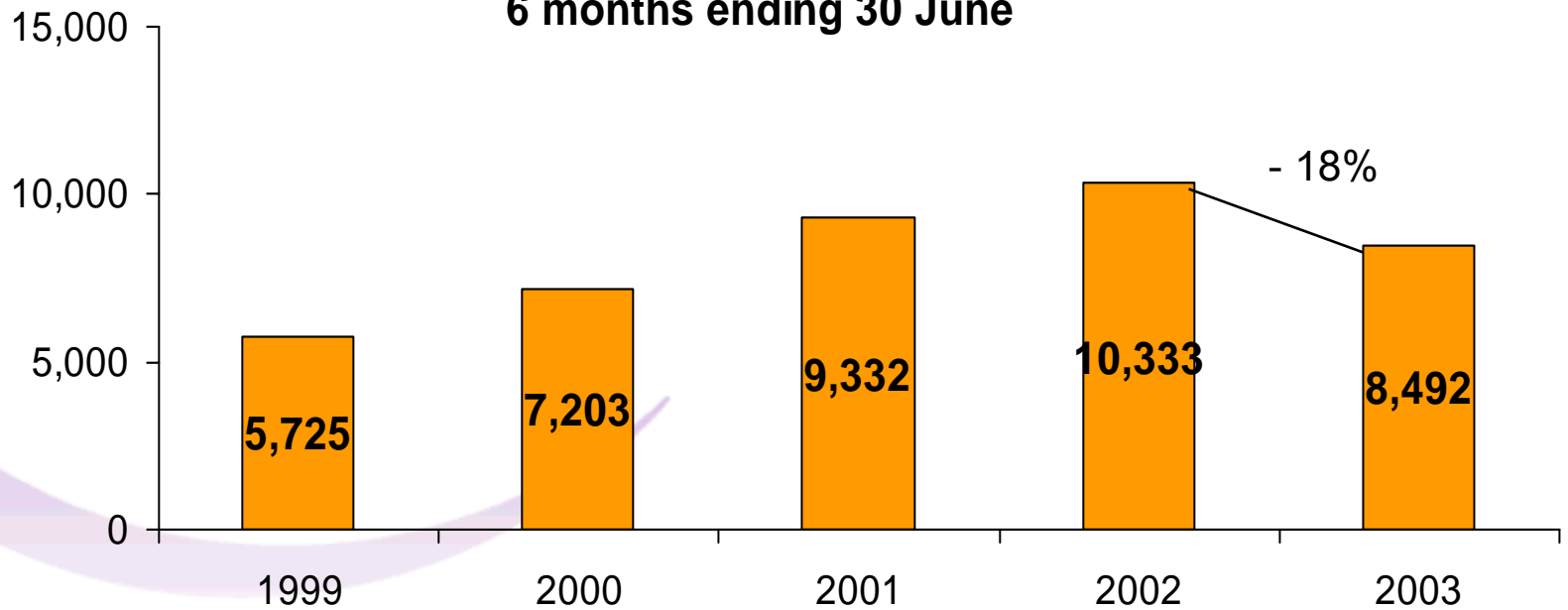
..Investor demand for information fell dramatically in Jan–April and then rebounded in May/June

Sales revenue (£'000)



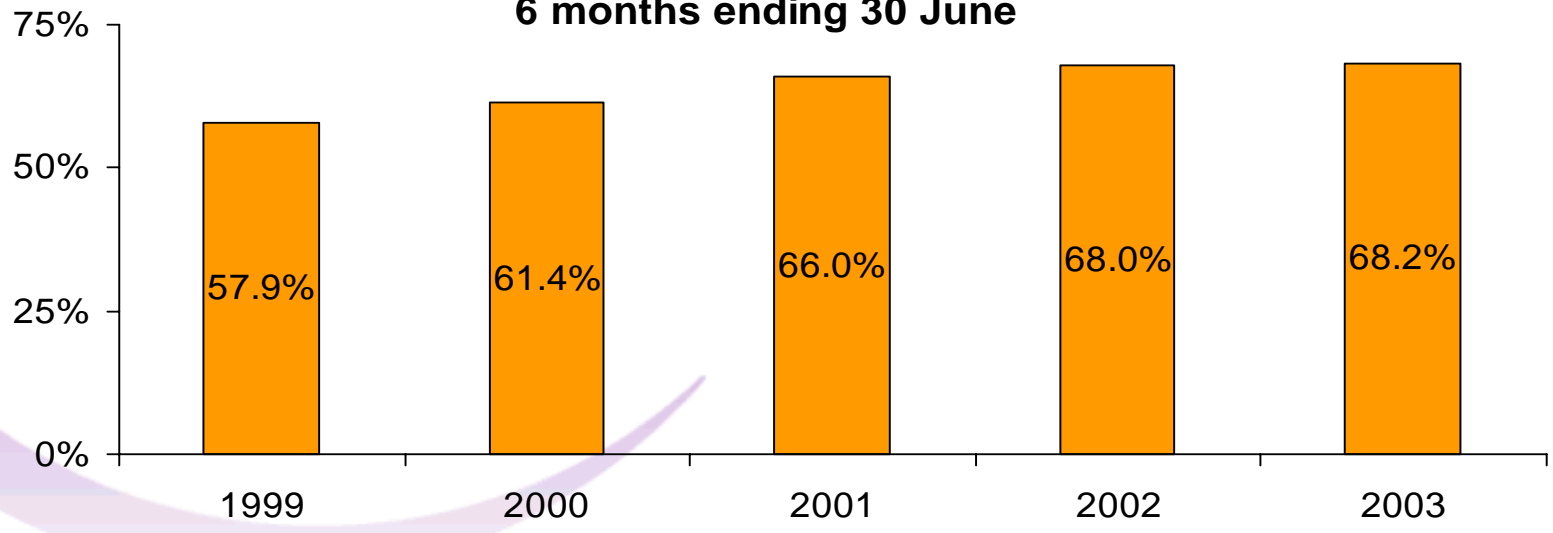
First half turnover down 18%

Sales revenue (£'000)
6 months ending 30 June



Gross Margin % improvement continues

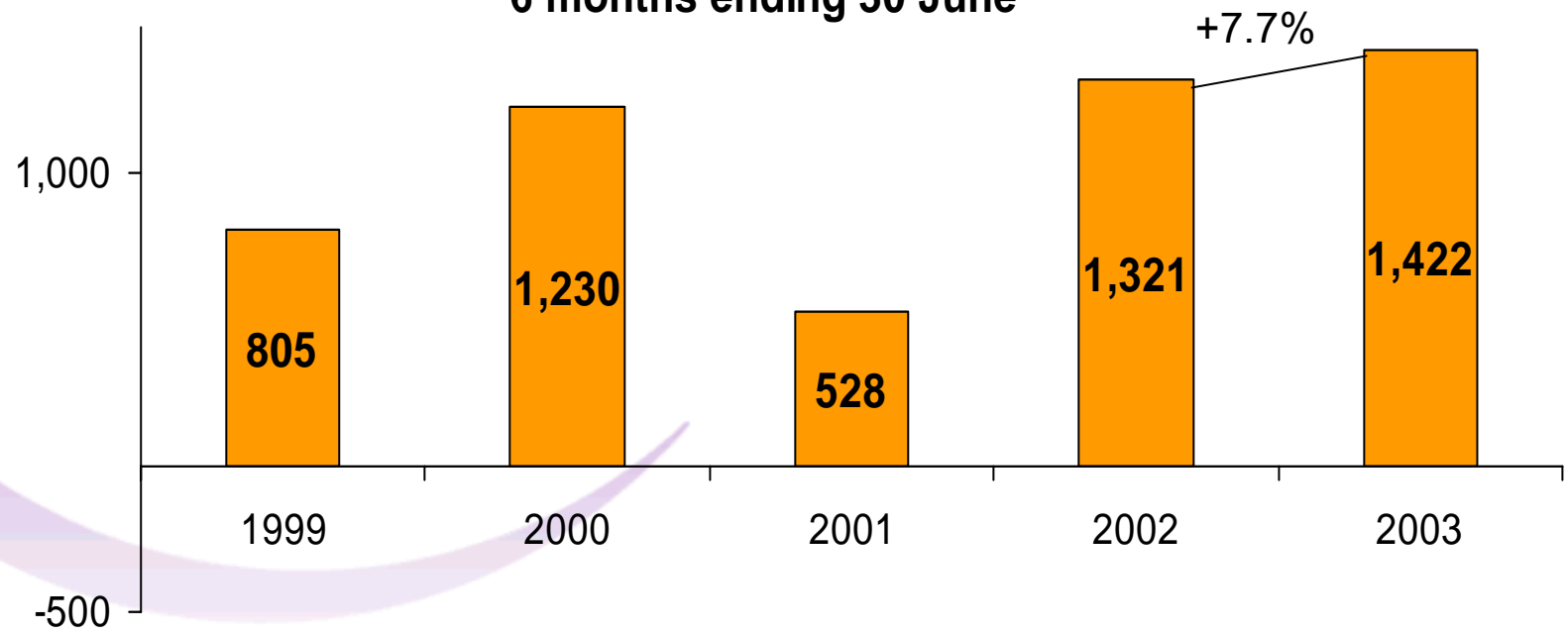
Gross Margin as % sales revenue
6 months ending 30 June



First half Operating Profit up 7.7%

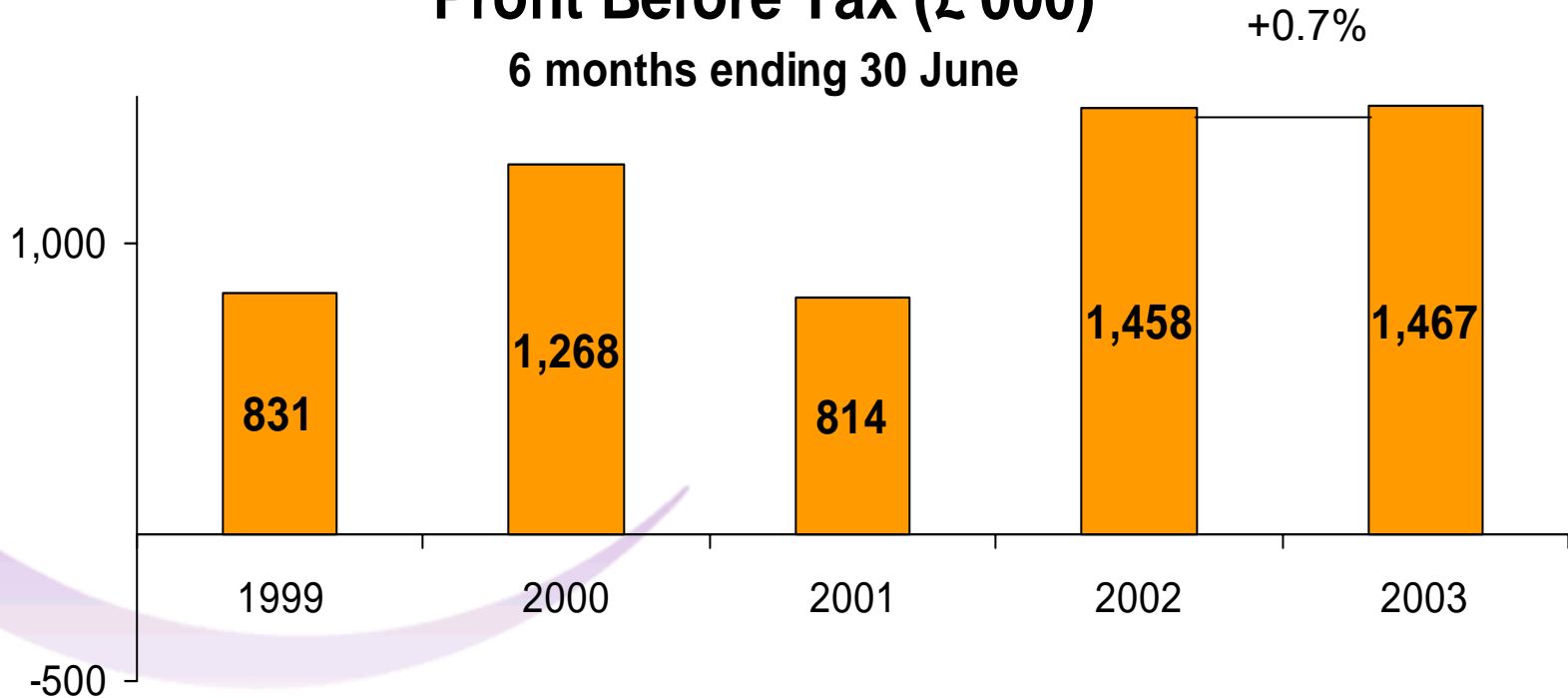
Operating Profit (£'000)

6 months ending 30 June



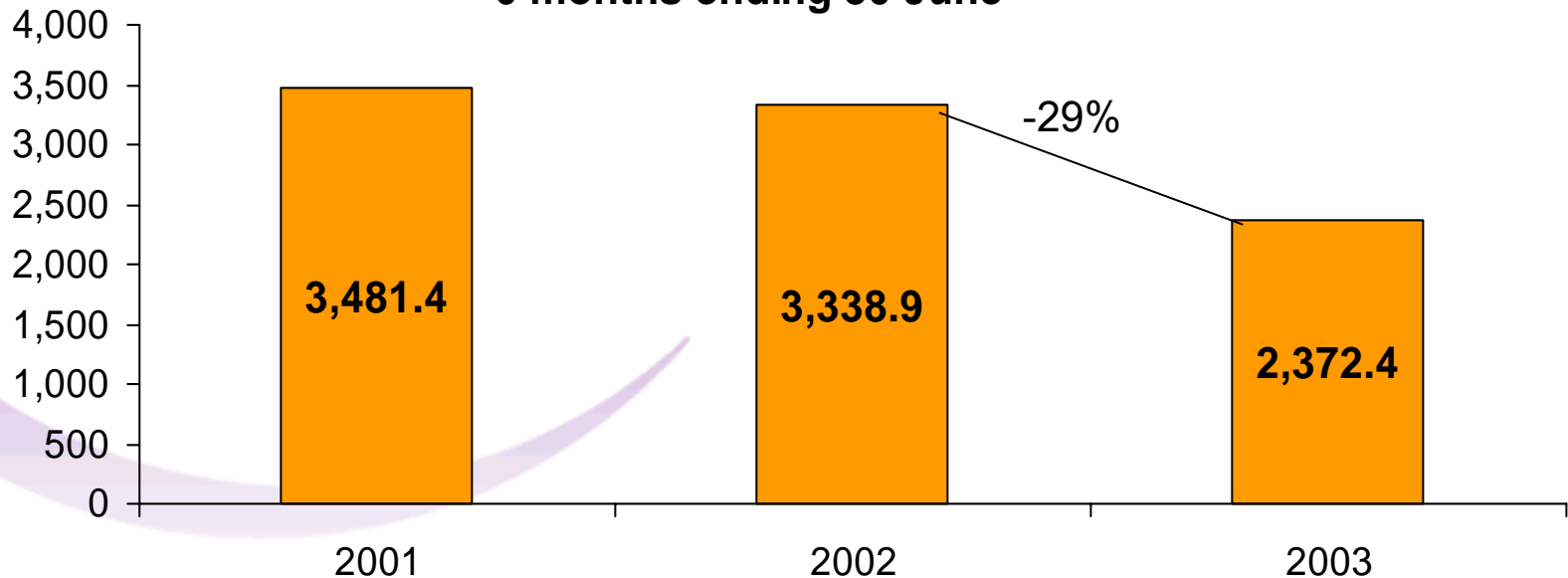
First half Profit Before Tax up 0.7%

Profit Before Tax (£'000)
6 months ending 30 June



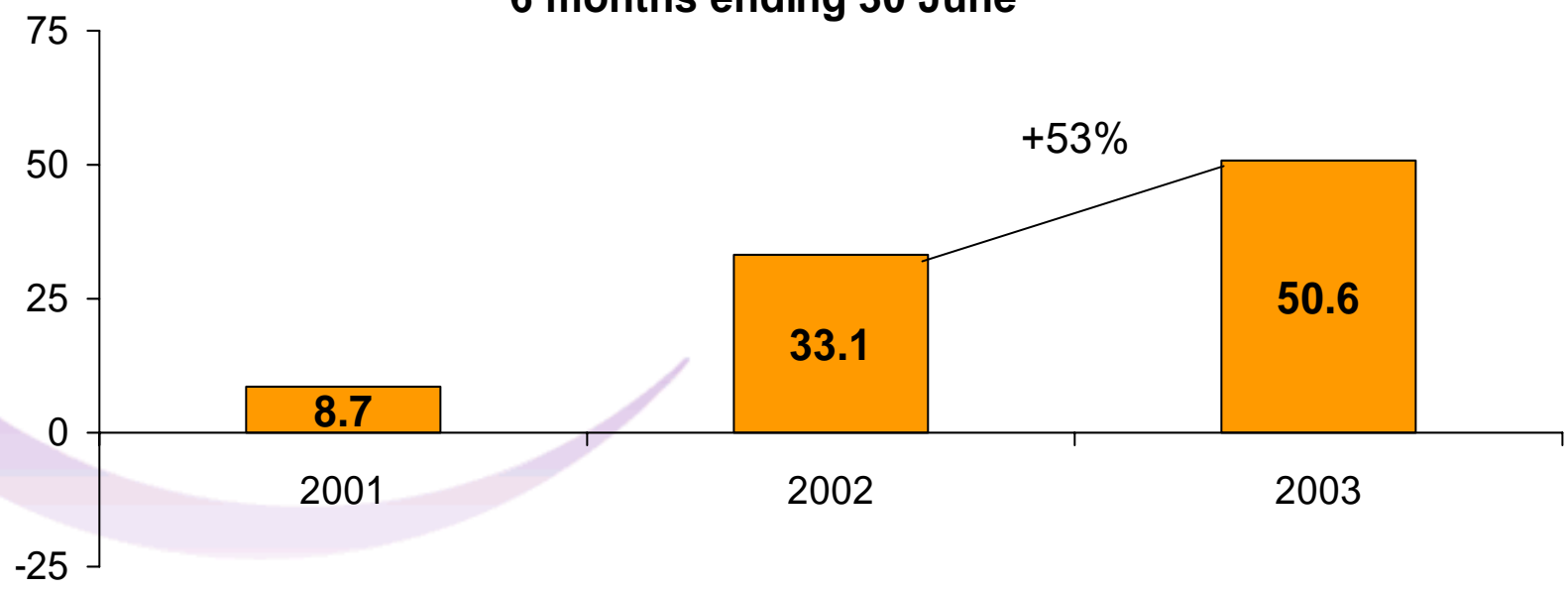
Average number of shares reduced by share buy-backs

FRS14 weighted average shares (000s)
6 months ending 30 June



First half EPS up 53%

Earnings per Share (Pence)
6 months ending 30 June



Strong cash position

- **Cash balances of £1.7m (75p per share)**
 - £6.5m returned to shareholders in late 2002
 - £2.6m deferred consideration to shareholders of Andersson & Nilsson
- **Employee Benefit Trust owns 350,152 shares – approximately 15% of the company**
 - Bought at average price of 559p per share
 - Most share options vest at 1,187.5p per share

Financial performance management summary

- **Business managed for profit not short term revenue**
 - Cancelled investor marketing programmes that would have been unprofitable
 - Selectively reduced headcount
 - Maintained tight control over costs
- **Continued investment in improving product proposition to corporate and mutual fund clients**
 - Enhanced features of PrecisionIR
 - Strengthened regional sales force structure

Financial achievements summary

- **Solid Operating Profit growth despite difficult first four months**
- **Strong balance sheet and cash balances**
- **Investment in product development and selling organisation maintained**
- **Tight control over administrative expense**

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Strategy and Operations Review

Peter Wakeham
Chief Executive Officer

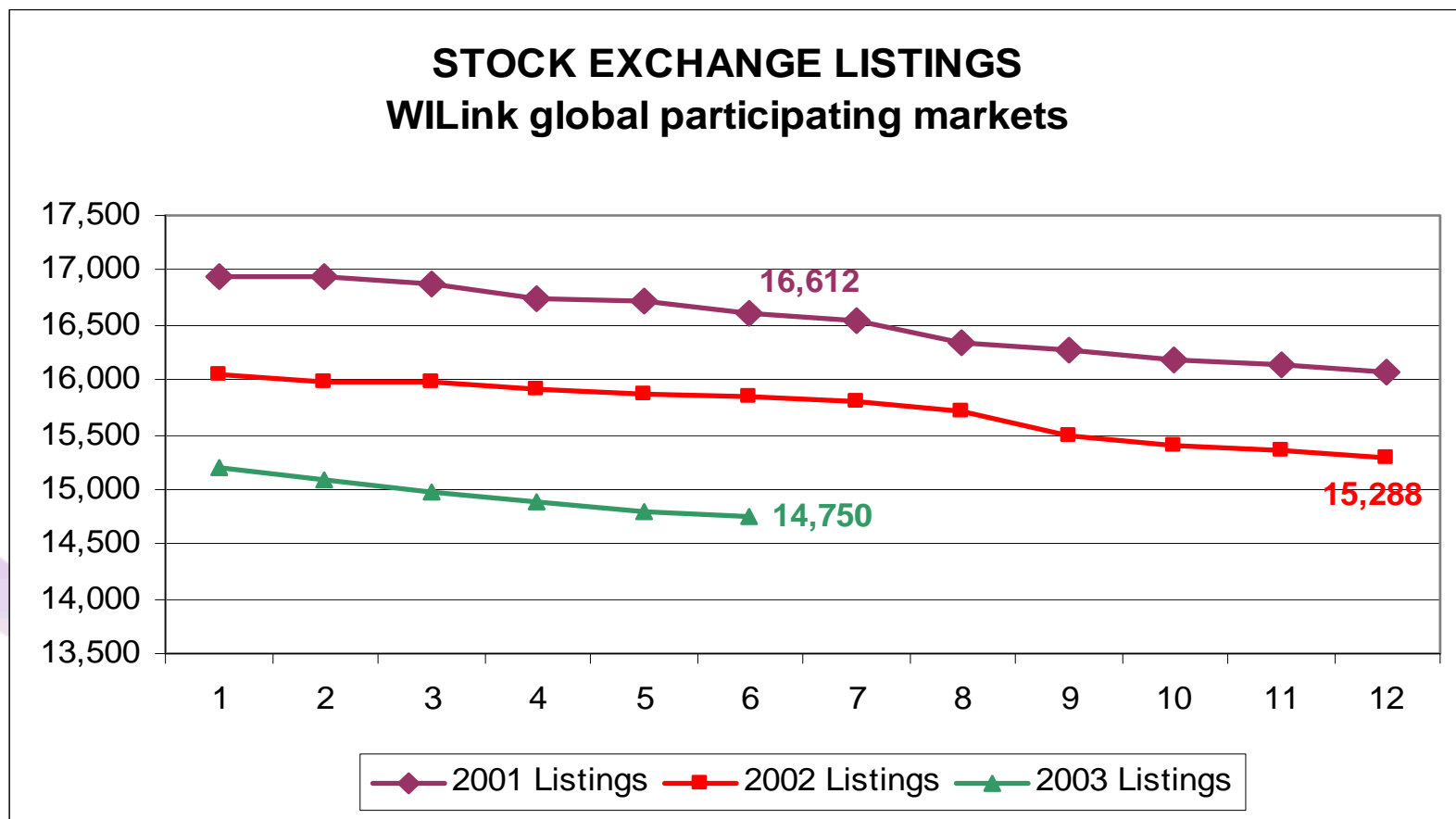
Three Major Accomplishments

- **Strong financial performance despite difficult first four months**
- **Delivered improved value proposition to clients**
- **Embarked on programme of further geographic expansion**

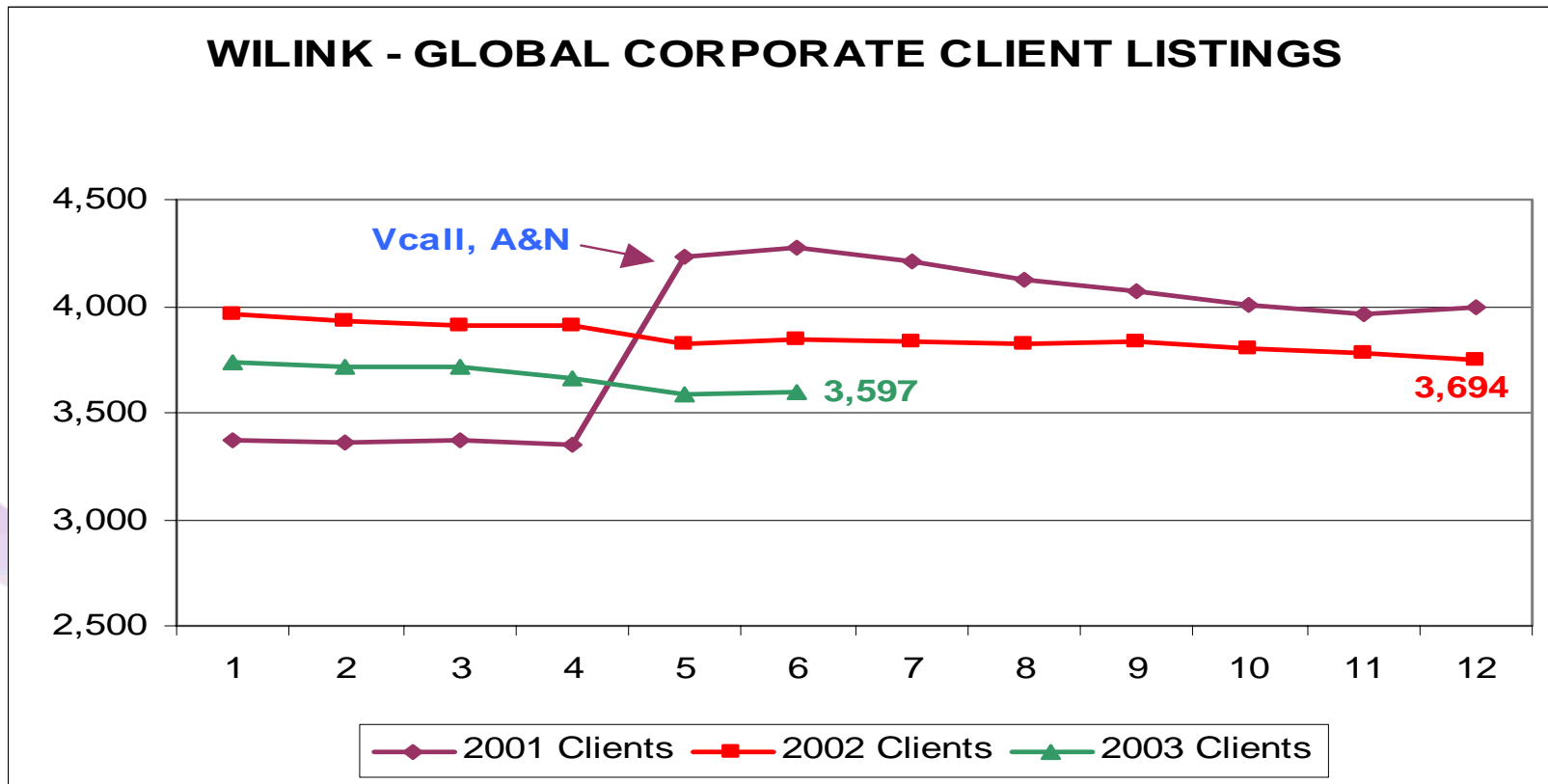
Improved value proposition to clients

- **Challenging market for Investor Relations (IR) services**
 - Fewer stock exchange listings
 - IR budgets under pressure
- **Focus on improving value of PrecisionIR proposition to existing and prospective clients**
 - Improved content and functionality
 - Competitive pricing due to more in-house work
 - More personalised service due to greater customisation
 - More frequent client contact

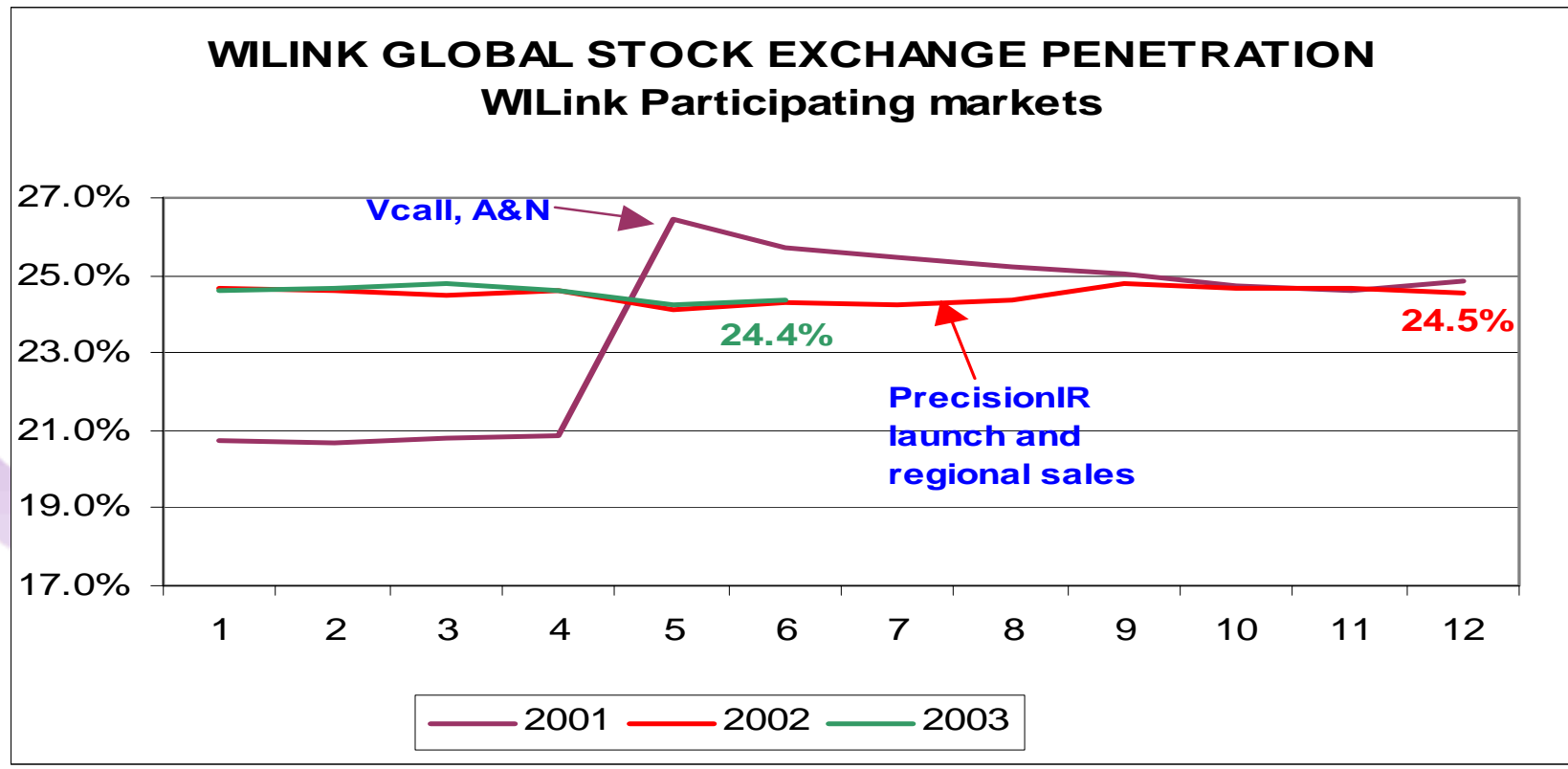
Approximate 6% per annum decline in stock exchange listings since mid 2001



WILink client listings have declined faster due to loss of (primarily unprofitable) Vcall clients post acquisition



But stock exchange penetration is now steady since launch of PrecisionIR and regional sales structure



Regional highlights

- **North America – penetration has grown from 22.7% to 23.0%**
- **FTSE 100 – 44 clients v 38 at end 2002**
- **Continental and Nordic – fall from 20.8% to 19.6%**

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PrecisionIR geographic expansion in second half

- **New European markets – Denmark, Spain and Portugal**
- **Australia – first step of Asian roll out**
- **Nordic – strengthened sales force to enable broader product range to be sold**

2003 Trading Outlook

- **On target at end August**
- **Year end profit before tax for existing operations (excluding Australia) should be similar to 2002**
- **Australia investment will reduce PBT by about £150,000**
- **EPS should end up about 85.2p – similar to 2002**

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