BLOOMSBURY PUBLISHING PLC

RESULTS FOR SIX MONTHS ENDED 31 AUGUST 2012

ONE GLOBAL BLOOMSBURY

CONTENTS

OPERATING HIGHLIGHTS

Benefitting from growth of ebooks and digital subscriptions	• Continuing digital sales growth of 95% to £4.8m (2011: £2.5m)
Strategic progress in Academic & Professional division	• Acquisitions of Fairchild Books and Applied Visual Arts – A&P now generates 28% of Continuing Group sales (2011: 20%)
A portfolio of prize winners and other best selling titles	• Winner 2012 Orange Prize for Fiction and International IMPAC Dublin Award. Shortlist 2012 Man Booker • Top selling trade titles – *Hugh's Three Good Things, How to Bake, River Cottage Veg Everyday!*

FINANCIAL REVIEW

BASIS OF RESULTS IN PRESENTATION

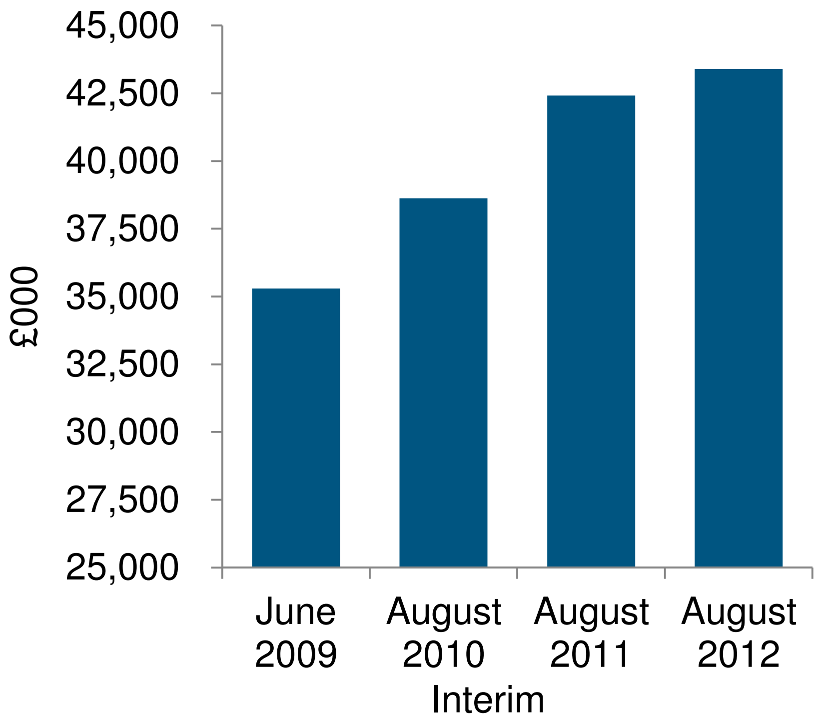
- Continuing numbers exclude the results of Bloomsbury Verlag, which we contracted to sell on 28 February 2012
- Underlying numbers are Continuing, but also exclude the results of Continuum International Publishing Ltd, which was acquired in July 2011, Fairchild Books acquired in April 2012 and Applied Visual Arts which was acquired in July 2012
- Adjusted numbers exclude highlighted items

FINANCIAL HIGHLIGHTS

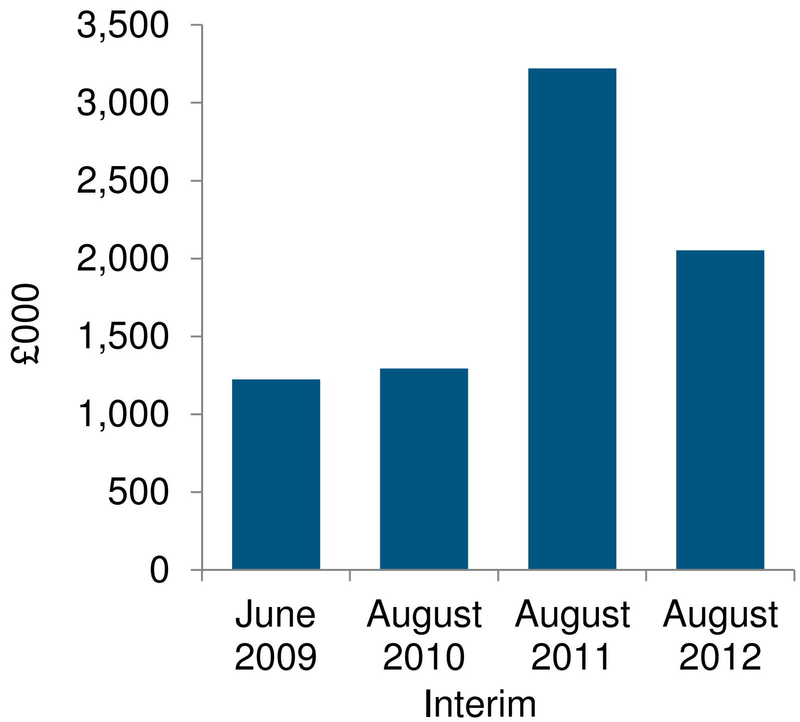
£m	H1 2012	H1 2011	Change %
Continuing results:			
Revenue	43.5	42.4	+2%
Adjusted pre-tax profit	2.1	3.3	-37%
Adjusted basic EPS (pence)	2.20p	3.27p	-33%
Highlighted items:			
Amortisation of intangible assets	1.1	0.7	+61%
Other highlighted costs	0.2	1.2	-83%
Net cash	10.6	9.4	+13%
Interim dividend per share (pence)	0.94p	0.89p	+6%

CONTINUING INTERIM RESULTS HISTORY

Revenue



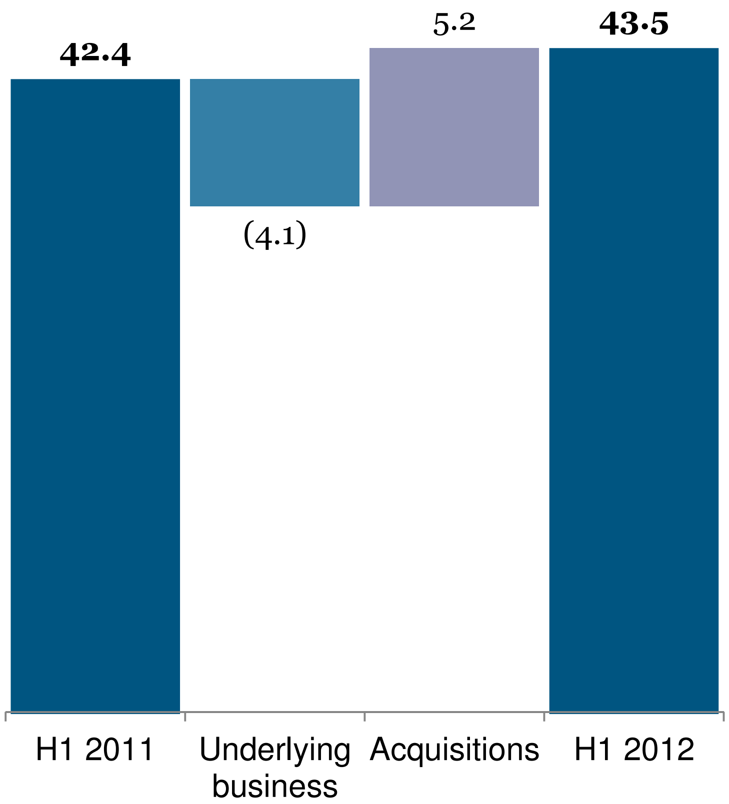
Adjusted Operating Profit



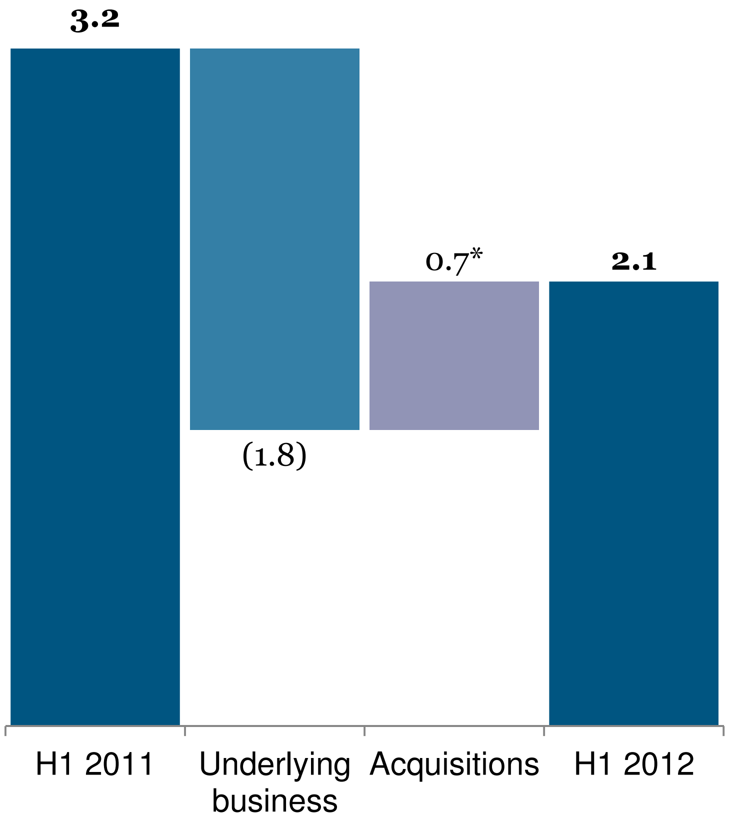
- Results show a positive trend over the long term
- H2 revenue weighting increases

REVENUE & ADJUSTED OPERATING PROFIT
£m

Revenue

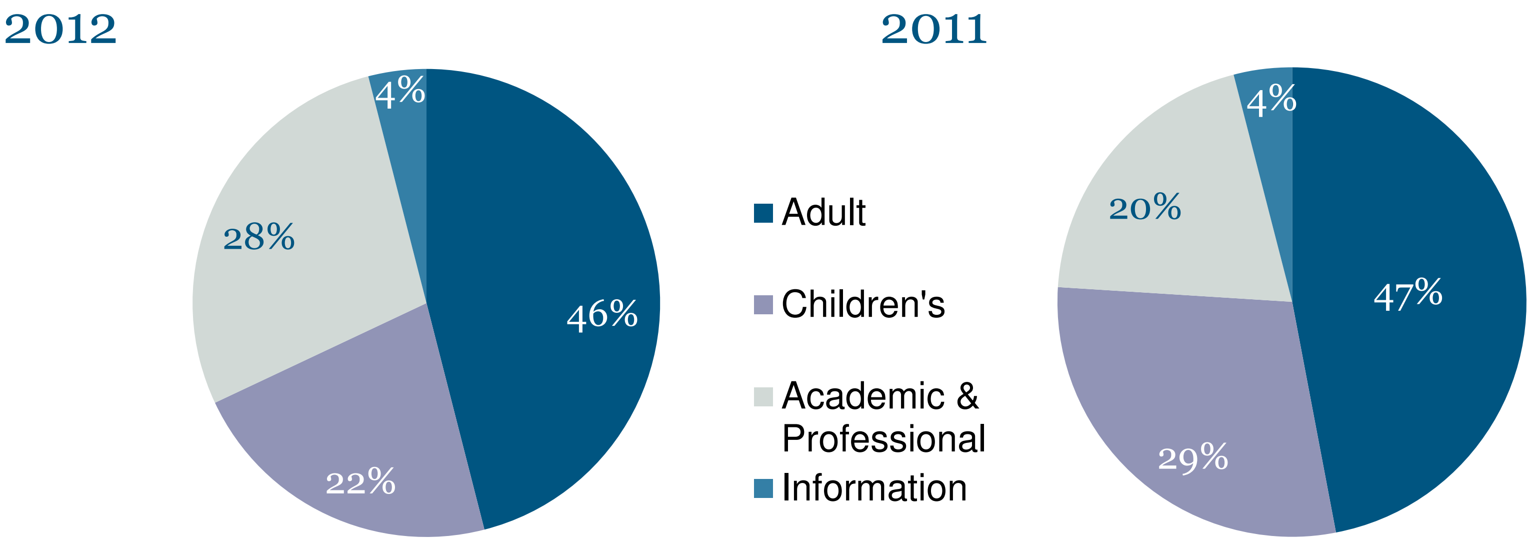


Adjusted Operating Profit



** Contribution before central recharges*

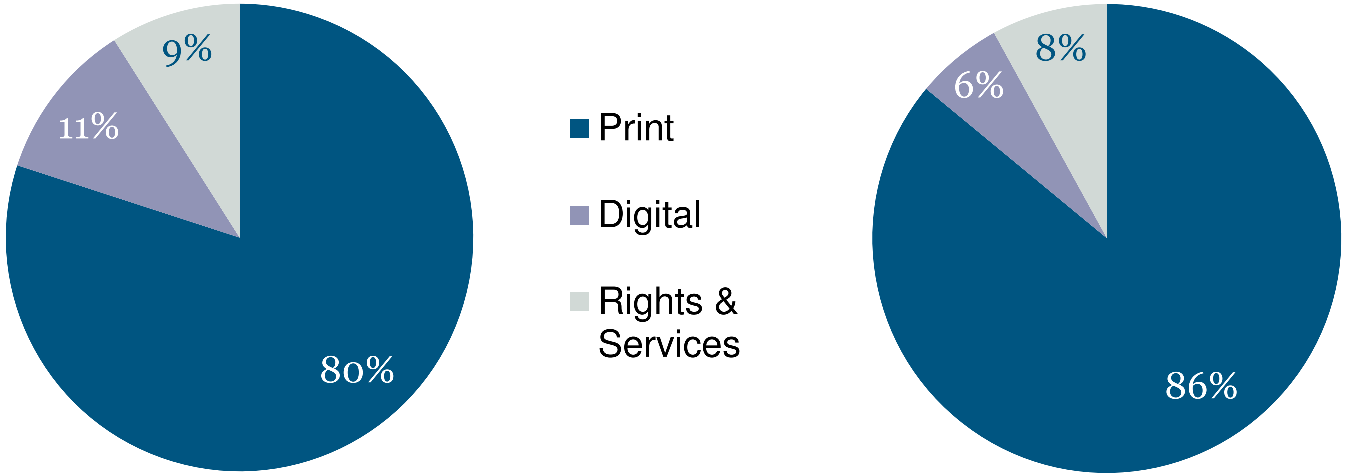
CONTINUING TURNOVER
BY PUBLISHING DIVISION



	H1 2012 £m	H1 2011 £m	% Change: Continuing	% Change: Underlying
Adult	20.1	20.1	+0%	-5%
Children's & Educational	9.3	12.1	-23%	-24%
Academic & Professional	12.3	8.7	+41%	-8%
Information	1.8	1.5	+21%	+21%
Total continuing turnover	43.5	42.4	+2%	-10%

CONTINUING TURNOVER
BY REVENUE TYPE

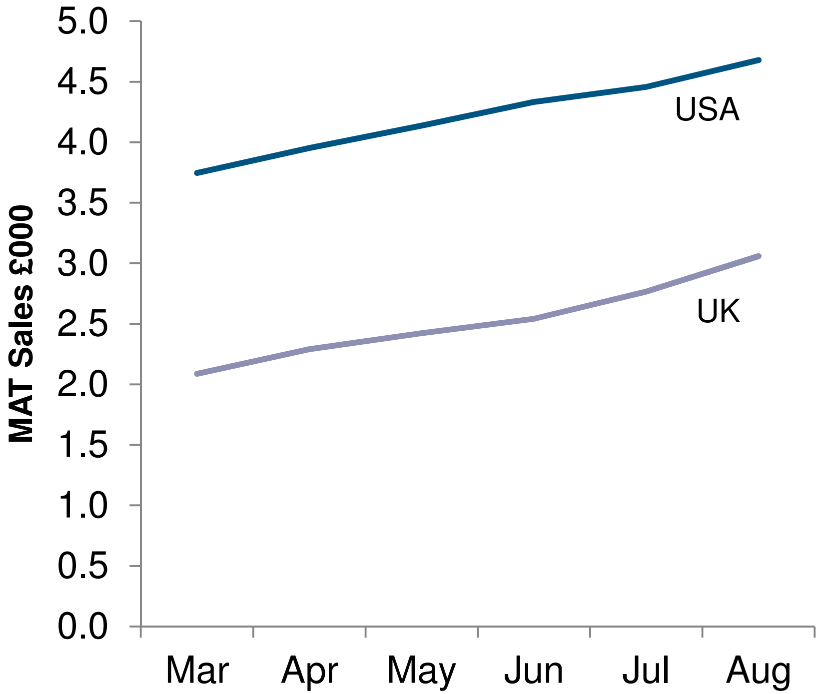
2012 | 2011



	H1 2012 £m	H1 2011 £m	% Change: Continuing	% Change: Underlying
Print	34.9	36.5	-5%	-17%
Digital	4.8	2.5	+95%	+72%
Rights & Services*	3.8	3.4	+12%	+4%
Total continuing turnover	43.5	42.4	+2%	-10%

See slide 12

EBOOK SALES CONTINUE TO GROW



- Ebook sales are up 89% year on year to £4.5m (2011: £2.4m)
- Ebook sales are 10% of Group continuing sales by value (2011: 6%)
  - 19% in US
  - 8% in UK
  - 15% of Adult continuing sales (2011: 9%)
- New ereader devices expected to have positive impact on Q4 ebook sales

Note – MAT sales shown in the graph are moving annual totals which eliminate the effect of seasonality to show true trends

RIGHTS & SERVICES REVENUE

£m	H1 2012	H1 2011	Increase
Copyright licences	1.6	1.5	+7%
Trademark licences	0.2	–	+100%
Management contracts	1.7	1.4	+21%
Publishing services	0.2	0.4	-50%
Advertising	0.1	0.1	0%
Total Continuing	3.8	3.4	+12%
Discontinued – Bloomsbury Verlag	–	0.3	
Total	3.8	3.7	+3%

- Rights & Services revenues grow by 12%
- Rights & services budgeted income for the remainder of the year includes £3m which is not yet contracted

GROSS PROFIT MARGIN IMPROVES

£m	H1 2012	H1 2011
Costs of sale:		
Production costs	9.7	10.8
% Revenues	22%	25%
Author royalties & advances	6.8	6.7
% Revenues	16%	16%
Stock costs	2.4	2.3
% Revenues	5%	5%
Total costs of sale	18.9	19.8
Gross profit margin %	57%	53%

Increasing non-print revenues improve the gross margin

Note – all the lines above are Continuing

CONTINUING ADJUSTED OPERATING PROFIT
BY PUBLISHING DIVISION

£m	H1 2012	H1 2011	% Change: Continuing	% Change: Underlying
Adult	0.7	0.9	-29%	-43%
Children's & Educational	–	0.9	-100%	-103%
Academic & Professional	0.6	0.9	-37%	-58%
Information	0.8	0.5	+75%	+75%
Continuing adjusted operating profit	2.1	3.2	-36%	-46%
Continuing adjusted operating profit margin %	5%	8%		

Year on year movement in operating profit reflects:

- reduction in underlying turnover
- second half weighting of sales in recently acquired businesses

CONSOLIDATED BALANCE SHEET

£m	31 Aug 2012	29 Feb 2012	Change
Goodwill	35.4	34.6	+0.8
Other intangible assets	19.9	18.2	+1.7
Other non-current assets	5.6	5.4	+0.2
Inventories	23.3	20.2	+3.1
Receivables	49.9	55.4	-5.5
Net cash	10.6	12.6	-2.0
Total liabilities	(34.2)	(37.2)	+3.0
Equity	110.5	109.2	+1.3

Key movements in the balance sheet are due to the:

- three acquisitions in the Academic business
- usual movements reflecting the seasonality of the business

RECEIVABLES

£m	31 Aug 2012	29 Feb 2012	Change
Trade receivables*	27.1	28.2	-1.1
Sales returns provision	(5.9)	(4.7)	-1.2
% of trade receivables	22%	17%	
Net trade receivables	21.2	23.5	-2.3
Advances	21.6	20.9	+0.7
Other receivables	7.1	11.0	-3.9
Total	49.9	55.4	-5.5

Other receivables at 29 Feb 2012 included £3.7m in relation to the disposal of Bloomsbury Verlag

** Net of bad debt provision*

CASH FLOW

£m	H1 2012	H1 2011
EBITDA	2.1	1.9
Working capital	(1.7)	(3.2)
Share based payments	0.3	0.1
Taxes refunded	0.2	0.3
Operating cash flow	0.9	(0.9)
Capital expenditure	(0.4)	(1.8)
Investment in intangibles	(0.9)	(0.9)
Buy back of own shares for EBT	–	(2.0)
Acquisitions	(1.7)	(19.2)
Dividends	–	(2.8)
Other changes	–	0.2
Movement in cash	(2.1)	(27.4)

DIVISIONAL PERFORMANCE

ACADEMIC & PROFESSIONAL DIVISION

Financial results

- Now delivering 28% of continuing Group sales vs. 20% last year
- Total continuing turnover up 41% to £12.3m, includes £5.2m in US
- Academic acquisitions weighted towards second half

Acquisitions

- Fairchild Books acquired in April 2012 for US$6.1m
- AVA acquired in July 2012 for £1.7m
- Leading global publisher in Visual Arts

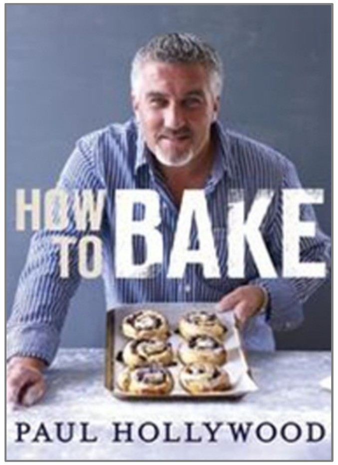
Online services

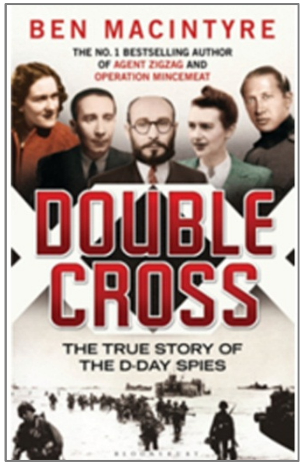
- Launch of Financial Reporting Online service – Bloomsbury Professional now have five online services for law, accountancy and tax markets
- Churchill Archive launched online October 2012, with strong demand
- Drama Online launch on schedule for Q1 2013

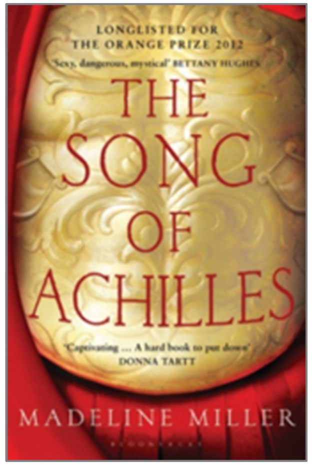
ADULT DIVISION

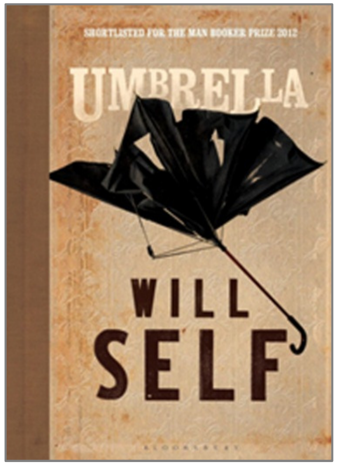
Major prize wins and shortlists include	• Winner Orange Prize for Fiction 2012 • Winner International IMPAC Dublin Award 2012 • 2 books on Man Booker Prize 2012 shortlist • Shortlist Financial Times and Goldman Sachs Business Book of the Year Award 2012
Indian company	• Sales and publishing operation successfully launched • Plans on schedule
New and enhanced digital services	• Writers and Artists • Wisden India • Reeds Nautical Almanac • Bloomsbury Ornithology

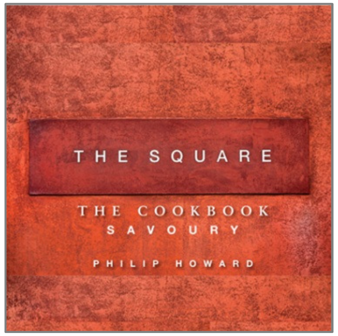
ADULT TITLES

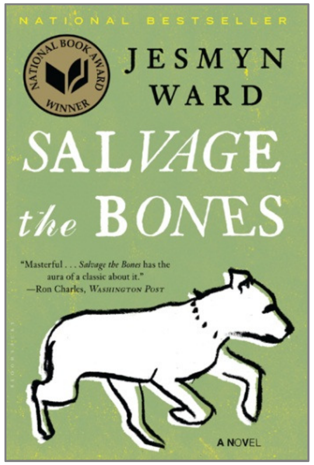


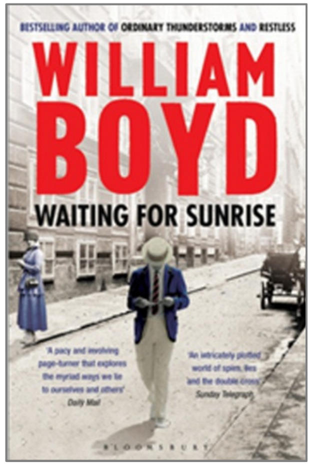








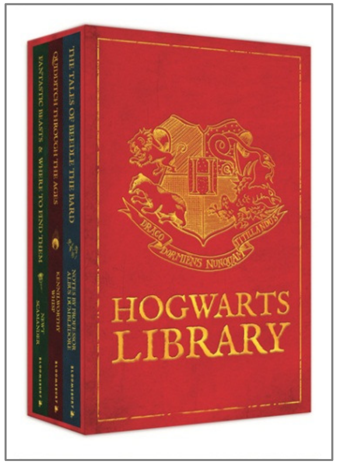


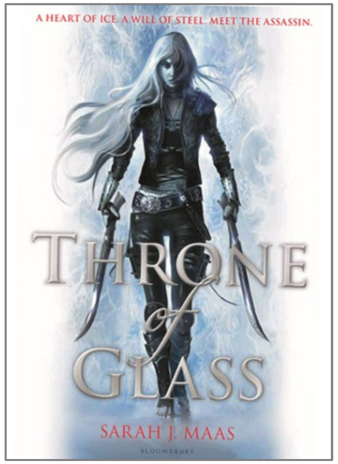


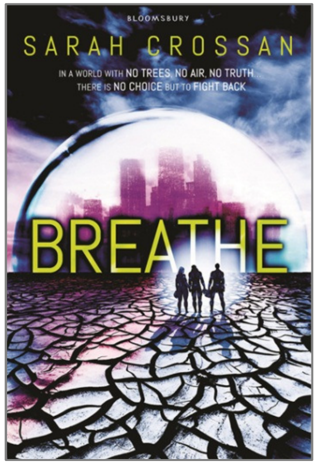
CHILDREN'S AND EDUCATIONAL DIVISION

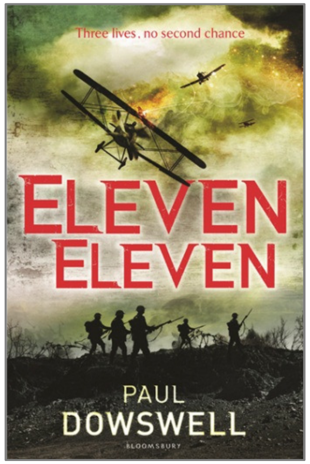
Strategic focus	• Pursuing global rights strategy with digital focus e.g. Throne of Glass by Sarah J Maas & Dance of Shadows by Yelena Black
Launches	• Launched Bloomsbury Activity Books imprint • Developing Illustrated list for 2013 launch
Financial results	• Prior year strong with final Harry Potter film in 2011 driving book sales

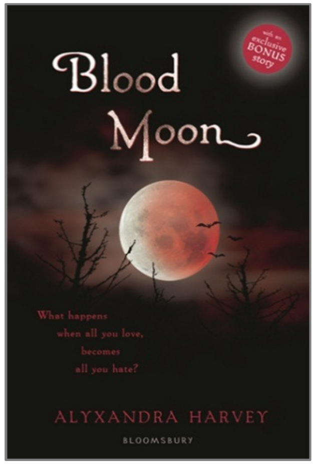
CHILDREN'S TITLES

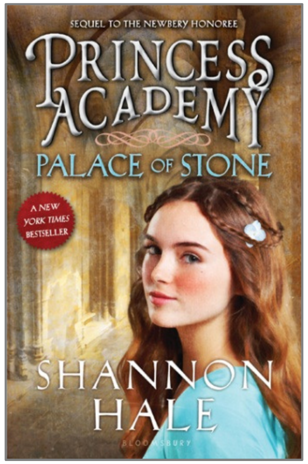








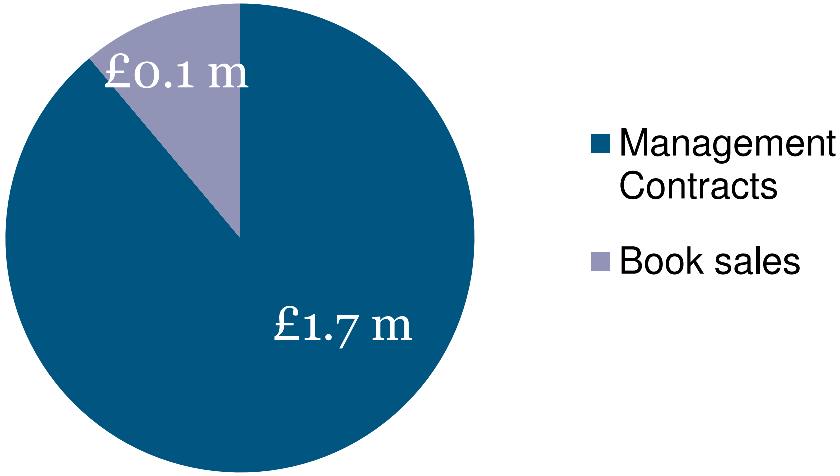




BLOOMSBURY INFORMATION

£1.8m sales
(2011: £1.5m)

4% of Group sales



- Generated £0.8m, 41% of Group continuing adjusted operating profit
- Business development unit established during 2011/12 performing well with several deals completed and under negotiation

OUTLOOK

- Strong publishing programme for H2
- Financial outcome for H2 dependent on success of these books following a soft summer
- Expect significant e-reading device growth to impact ebook revenues in Q4
- Continuing to progress integration of Fairchild Books and AVA as part of strategic development of Academic & Professional publishing
- Rights & Services budgeted income for the remainder of the year includes £3 million which is not yet contracted
- Strategic investments in India, US, Australia and colour illustrated ebooks
- Group is well positioned for the future following:
  - Academic acquisitions over last 16 months
  - Global restructuring in 2011
  - Ongoing innovation in digital
  - Continuing strong balance sheet

APPENDIX

APPENDIX
SUMMARY CONTINUING INCOME STATEMENT

£m	H1 2012	H1 2011*
Revenue	43.5	42.4
Gross profit	24.6	22.6
Gross profit margin %	57%	53%
Marketing and distribution costs	(6.3)	(6.2)
Marketing and distribution costs as % revenue	14%	15%
Adjusted administrative expenses	(16.2)	(13.2)
Adjusted operating profit	2.1	3.2
Adjusted operating profit margin %	5%	8%
Net finance income	0.1	0.1
Adjusted pre-tax profit	2.1	3.3
Tax	(0.2)	(0.4)

** Restated: In the prior period £1.0m of cost of sales and £0.6m of marketing costs were reclassified into administrative expenses. See note 2a in the interim accounts*

APPENDIX
CONTINUING ADJUSTED SEGMENTAL ANALYSIS SIX MONTHS ENDED 31 AUGUST 2012

£000	Adult		Children's & Educational		Academic & Professional		Information		Total	
Print sales	15,920	79%	8,036	86%	10,762	88%	153	8%	34,871	80%
Digital sales	3,048	15%	885	10%	825	7%	16	1%	4,774	11%
Rights & Services	1,105	6%	411	4%	650	5%	1,652	91%	3,818	9%
Total revenue	20,073	100%	9,332	100%	12,237	100%	1,821	100%	43,463	100%
% of total	46%		22%		28%		4%		100%	
UK	13,096	65%	5,282	57%	6,913	57%	1,810	99%	27,101	62%
US	5,112	26%	3,395	36%	5,192	42%	11	1%	13,710	32%
Australia	1,865	9%	655	7%	118	1%	–	0%	2,638	6%
India	–	0%	–	0%	14	0%	–	0%	14	0%
Total revenue	20,073	100%	9,332	100%	12,237	100%	1,821	100%	43,463	100%
Gross margin	9,908		5,041		7,808		1,824		24,581	
Gross margin %	49%		54%		64%		100%		57%	
Marketing and distribution	(2,857)		(1,710)		(1,692)		(36)		(6,295)	
Contribution	7,051		3,331		6,116		1,788		18,286	
Administrative expenses	(6,402)		(3,329)		(5,557)		(946)		(16,234)	
Operating profit	649		2		559		842		2,052	
Operating profit %	3%		0%		5%		46%		5%	
% of total	32%		0%		27%		41%		100%	

APPENDIX
CONTINUING RESTATED* ADJUSTED SEGMENTAL ANALYSIS SIX MONTHS ENDED 31 AUGUST 2011

£000	Adult		Children's & Educational		Academic & Professional		Information		Total	
Print sales	17,368	86%	11,301	93%	7,806	93%	158	10%	36,633	86%
Digital sales	1,830	9%	409	3%	110	3%	13	1%	2,362	6%
Rights & Services	921	5%	430	4%	735	4%	1,337	89%	3,423	8%
Total revenue	20,119	100%	12,140	100%	8,651	100%	1,508	100%	42,418	100%
% of total	47%		29%		20%		4%		100%	
UK	12,418	62%	7,633	63%	8,051	93%	1,508	100%	29,610	70%
US	5,720	28%	3,606	30%	560	7%	–	0%	9,886	23%
Australia	1,981	10%	901	7%	40	0%	–	0%	2,922	7%
Total revenue	20,119	100%	12,140	100%	8,651	100%	1,508	100%	42,418	100%
Gross margin	9,842		6,052		5,480		1,228		22,602	
Gross margin %	49%		50%		63%		81%		53%	
Marketing and distribution	(3,254)		(1,686)		(1,216)		(38)		(6,194)	
Contribution	6,588		4,366		4,264		1,190		16,408	
Administrative expenses	(5,678)		(3,422)		(3,379)		(708)		(13,187)	
Operating profit	910		944		885		482		3,221	
Operating profit %	5%		8%		10%		32%		8%	
% of total	28%		29%		28%		15%		100%	

* *Restated: £1.0m of cost of sales and £0.6m of marketing costs were reclassified into administrative expenses. See note 2a in the interim accounts*