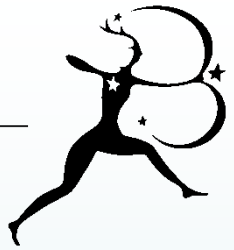
BLOOMSBURY



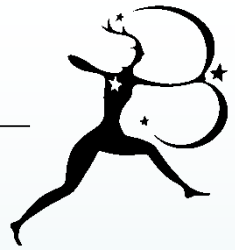
Preliminary Results 2007

Overview of presentation



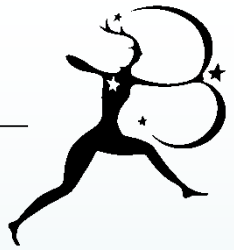
- Highlights
- Financials
- Strategy
- New operating structure
- How we are delivering on the key areas of the business
- Summary

2007 Highlights



- Bestsellers throughout the world
  - Harry Potter and the Deathly Hallows
  - The Kite Runner and A Thousand Splendid Suns
  - Don’ts for Husbands and Don’ts for Wives
- Major new electronic rights deals signed
- Reorganised Board and Group structure
- Reduction in cost base
- Strong cash generation in 2007
- Robust start to 2008

Financial summary



- Turnover £150.21m (2006, £74.77m)
- Operating margin 11.0% (2006, 4.7%)
- Pre-tax profit £17.86m (2006, £5.20m)
- Basic EPS 16.06p (2006, 4.99p)
- Dividend for the full year increased to 4.00p (2006, 3.66p)
- Cash £47.56m (2006, £24.30m)

Financial summary

Consolidated income statement

	2007	2006
	£m	£m
Revenue	150.21	74.77
Gross profit	59.17	36.17
Gross profit %	*39.4%*	*48.4%*
Marketing and distribution costs	20.51	14.35
Marketing and distribution costs %	*13.7%*	*19.2%*
Administrative expenses	22.18	18.31
Administrative expenses %	*14.8%*	*24.5%*
Operating profit	16.48	3.51
Operating profit margin	*11.0%*	*4.7%*

Financial summary

Gross margin - provisions

	2007	2006
	£m	£m
Royalties	44.00	8.17
% Revenues	*29.3%*	*10.9%*
Advances	9.23	2.46
% Revenues	*6.1%*	*3.3%*
Stock	4.30	1.59
% Revenues	*2.9%*	*2.1%*

Financial summary

Rights turnover and operating profit analysis

	2007	2006
	£m	£m
Rights turnover	5.24	4.82
Rights operating profit – Specialist division	1.92	1.42
Rights operating profit – Trade division	1.03	1.25
Rights operating profit	2.95	2.67

Rights turnover and operating profit includes subsidiary rights, electronic database income and income derived from third party agencies

Financial summary

Consolidated balance sheet

	2007 £m	2006 £m	
Non-current assets	21.44	21.70	*-1.2%*
Inventories	14.41	15.82	*-8.9%*
Receivables	76.21	49.22	*+54.8%*
Net Cash	47.56	24.30	*+95.7%*
Total Liabilities	59.55	21.71	*+174.3%*
Equity	100.07	89.33	*+12.0%*

Financial summary

Returns provision analysis



	2007	2006
Trade receivables	60.56	23.12
Returns provision	13.03	5.51
Net trade receivables	47.53	17.61
Returns provision as a percentage of revenues	*8.7%*	*7.4%*

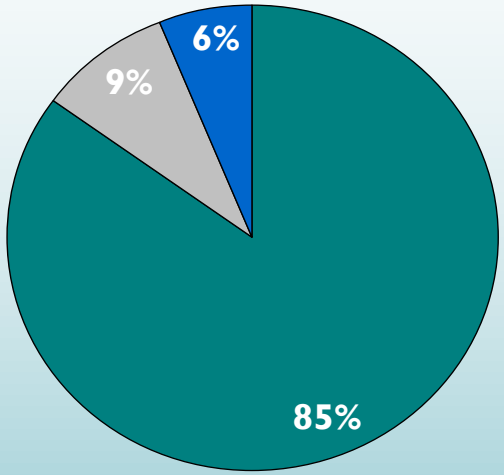
Cash flow



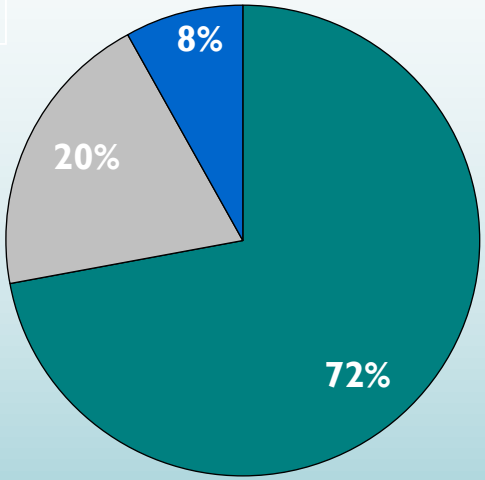
	2007	2006
	£m	£m
Net profit before tax	**17.856**	**5.196**
Other	1.726	1.347
Working capital	8.398	(24.779)
Investment income and finance costs	(1.381)	(1.687)
Cash generated/(used in) operations	**26.599**	**(19.923)**
Tax paid	(1.928)	(5.195)
Net cash inflow/(outflow) from operating activities	**24.671**	**(25.118)**
Net cash generated/ (used in) investing activities	1.053	(2.064)
Net cash used in financing activities	(2.539)	(1.922)
Net increase/(decrease) in cash and cash equivalents	**23.185**	**(29.104)**
Cash and cash equivalents at end of period	**47.558**	**24.304**

Turnover analysis by geographic segment

2007



2006



UK

North America

Continental Europe

2007 £m	2006 £m	
128.29	53.88	**UK**
13.39*	15.01	**North America**
8.53	5.88	**Continental Europe**
150.21	**74.77**	**Total**

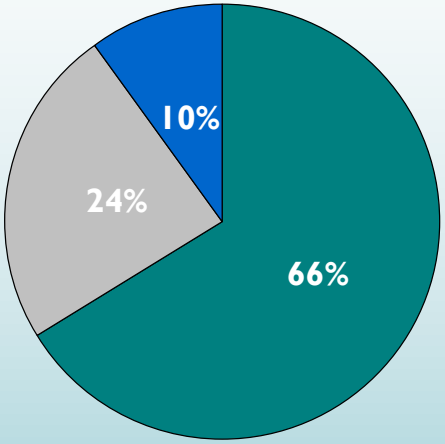
*£14.47m at 2006 exchange rates

Operating profit/(loss) analysis by geographic segment

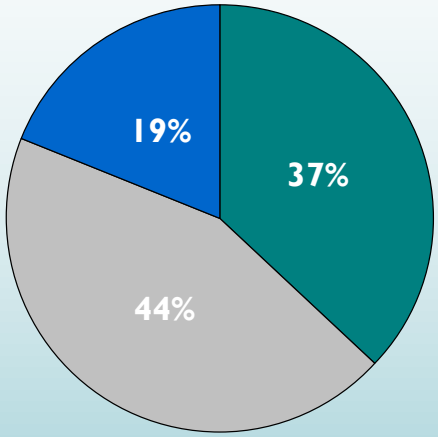
	2007 £m	2006 £m
UK	18.16	3.72
North America	(1.64)	(0.26)
Continental Europe	0.28	0.20
Total segment result	16.80	3.66
Central costs	0.32	0.15
Profit before investment income	16.48	3.51

Turnover analysis by publishing category

2007



2006



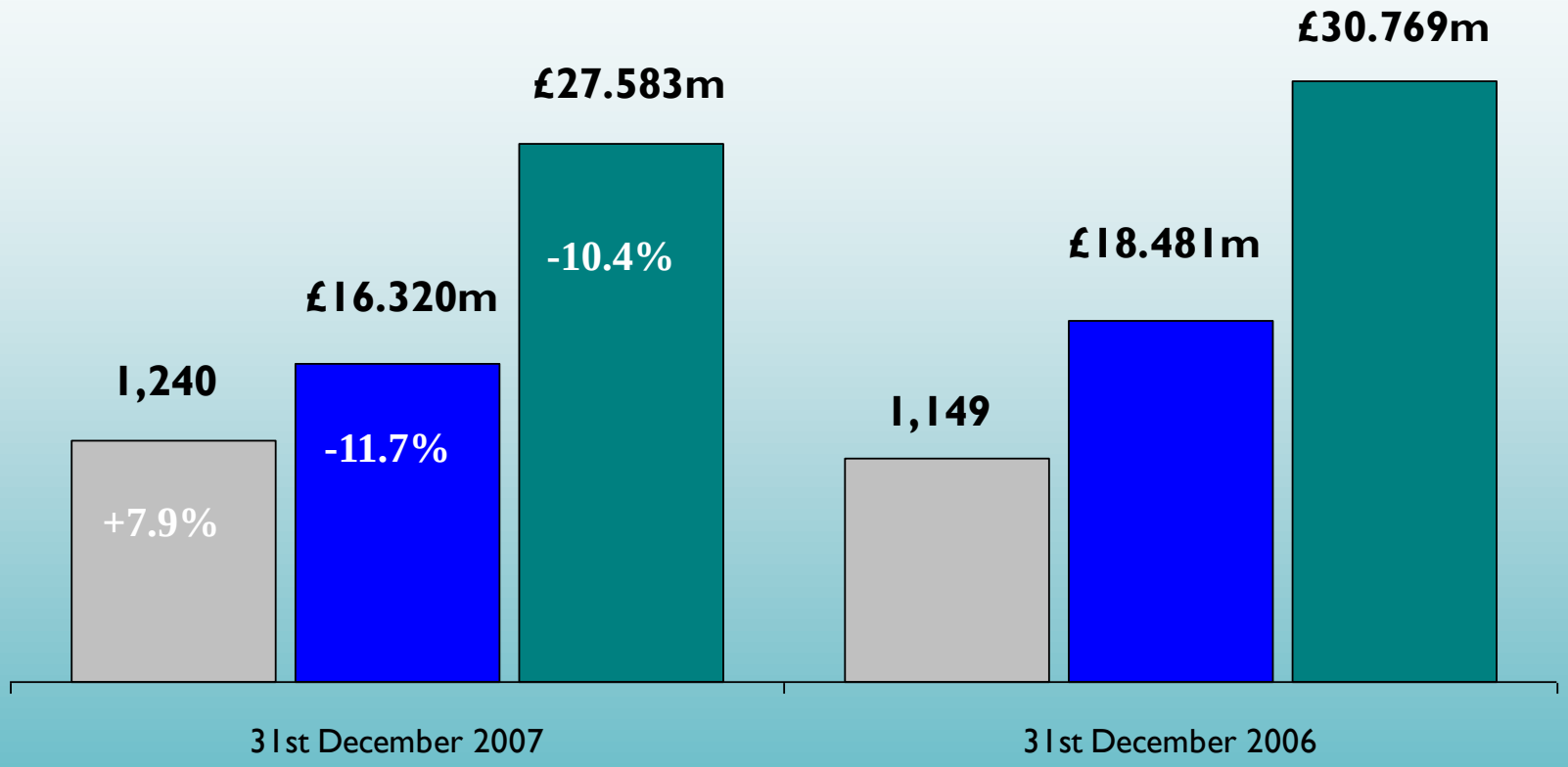
Children's
Adult
Reference

2007 £m	2006 £m	% Change	
98.92	27.37	+261.4%	Children's
35.84	32.67	+9.7%	Adult
15.45	14.73	+4.9%	Reference
150.21	74.77	100.9%	Total

Contribution to divisional operating profit before central costs by publishing category

	2007	2006
	£m	£m
Adult	6.01	9.10
Children's	30.01	9.39
Total trade publishing	36.02	18.49
Reference – specialist publishing	2.64	3.33
Contribution before central costs	38.66	21.82
Central costs	(22.18)	(18.31)
Profit before investment income	16.48	3.51

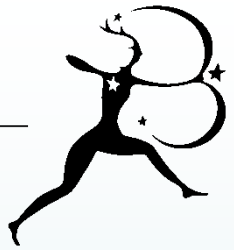
Investment in future years' titles



Repositioning the Group

- Reorganisation of the Board and Group structure
- Specialist Publishing Division
  - Reference, Academic and Educational
    - A&C Black
    - Electronic databases
    - Acquisitions
- Trade publishing Division
  - Adult and Children's
    - Bloomsbury UK trade
    - Bloomsbury USA
    - Berlin Verlag

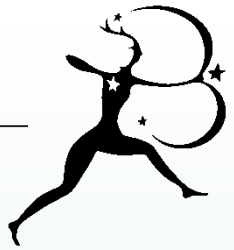
Strategy



- Content generation
- Web-based initiatives
- Geographic reach
- Building new author relationships
- Building on success of existing authors
- Acquisitions

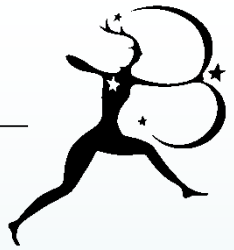
Specialist Publishing Division

Overview



- Strong frontlist and backlist sales in year
  - Don’ts for Husbands and Don’ts for Wives
  - Left for Dead
  - The Letters of Noel Coward
  - Who’s Who
- Success of Methuen Drama acquisition

Specialist Publishing Division



- Major new 2008 deal with Microsoft – participating in their Live Search programme
- Digitising entire Bloomsbury Group's backlist of titles in 2008
- Will enable us to offer our entire library for digital download and increase print revenues
- Generating revenues from institutional markets through enhanced marketing and print on demand

Specialist Publishing Division

Summary of significant electronic deals completed in 2007



- Publication with OUP of Who's Who and Who Was Who database with the Oxford Dictionary of National Biography online
- New Microsoft agreement for a lexicographical database
- Renewed agreement to 2011 with ProQuest for Whitaker's Almanack database
- Third party agreement to publish Reeds Nautical Almanac online
- Signing of Bloomsbury's most important reference rights partnership to date for *Finance: The Ultimate Resource* with Qatar Financial Centre Authority
  - £7m contract to be recognised over seven years from 2008 to 2014
  - First delivery of content made on schedule in January 2008

Trade Publishing Division

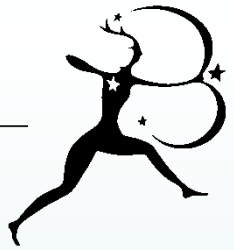
Overview



- Excellent year for bestsellers
  - Restless – William Boyd (English and German)
  - Agent ZigZag – Ben MacIntyre
  - Harry Potter and the Deathly Hallows – JK Rowling
  - A Thousand Splendid Suns and The Kite Runner – Khaled Hosseini (English and German)
  - River Cottage Fish Book – Hugh Fearnley-Whittingstall
- Returns of some 2006 books have led to additional stock and advance provisions made

Trade Publishing Division

Overview



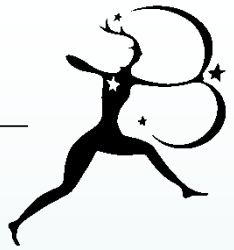
- Maximising publishing rights across all territories
- Continue to identify new bestselling authors
- Targeting smaller number of higher-value titles
  - Increased focus on bestselling titles
  - Reduced operating cost base in the UK and the US
- Harry Potter and the Deathly Hallows breaks all previous records
- Visible increase in HP backlist sales
- Khaled Hosseini – a global phenomenon
- Eat, Pray, Love – slow burn sensation

Bloomsbury USA



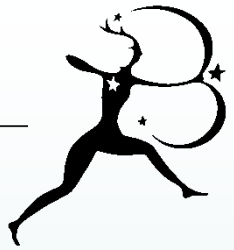
- Revenues £13.39m (2006, £15.01m). (Using 2006 exchange rates 2007 revenues were £14.47m)
- High returns from US retailers
- Increased advance and stock provisioning of £1.06m as a result
- Overhead reductions have been made in 2007 and 2008
- Operating loss £1.64m (2006, operating loss £0.79m)

Bloomsbury USA



- Improving future profitability
  - Continued review and reduction of operating costs
  - New imprint Bloomsbury Press with a full publishing programme in 2008
  - Future Adult publishing programme more focussed
  - Strong emphasis on Children's publishing
    - 2007 New York Times bestseller success

Berlin Verlag



- Turnover £8.53m (2006, £5.88m)
- Profit in 2007 £0.28m (2006, £0.20m) – includes additional stock and advances provision of £0.58m
- 2007 operating profit boosted by sales commission on HP7 HB
- Operation continuing to benefit from Bloomsbury UK originated titles
  - Restless
  - The Kite Runner
  - A Thousand Splendid Suns
  - Eat, Pray, Love
  - Schott's Almanac

Current Trading and Outlook



- Robust start to 2008
- Building critical mass of digital content
- US cost base being addressed
- Database income projects in the pipeline
- Targeted acquisitions in specialist publishing
- Strong balance sheet going forward