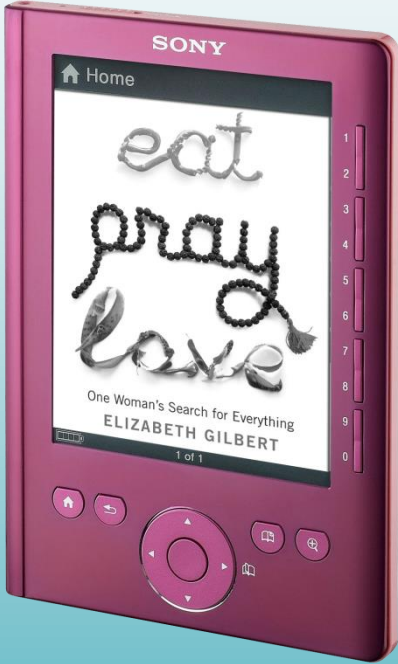
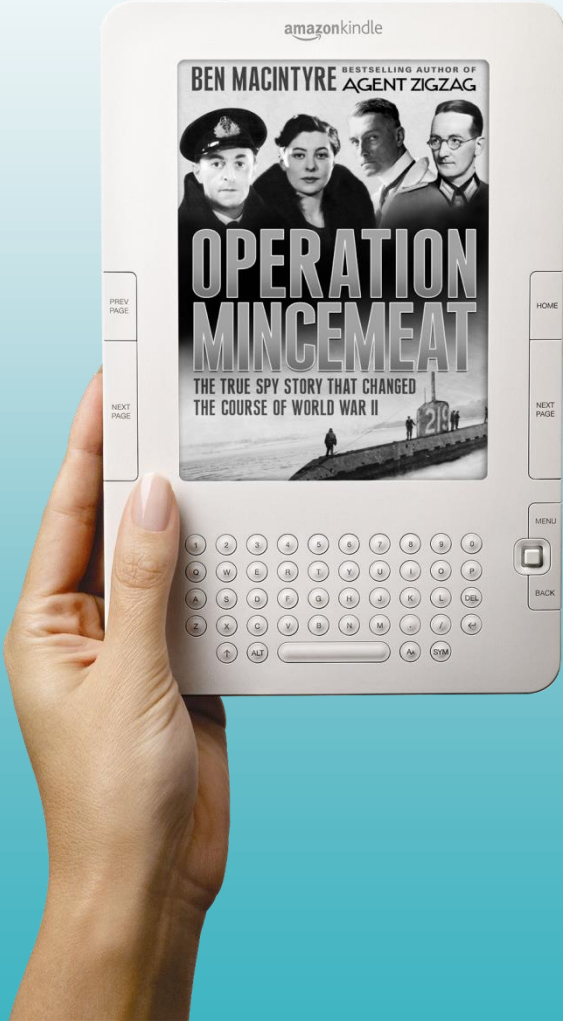
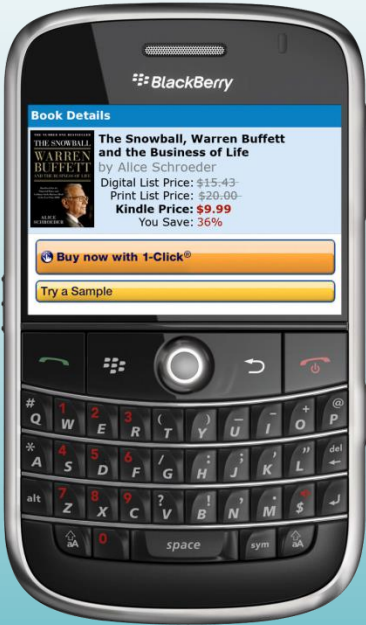
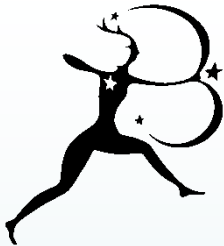


Bloomsbury Preliminary Results 2009





2009 Highlights

- Strong performance with adjusted pre-tax profits of £7.7m, despite challenging market conditions
- Increased contribution from non-consumer sales
- Two key strategic acquisitions made in 2009 for £10.3m
 - Tottel – renamed Bloomsbury Professional
 - Hodder Education Humanities list
- Academic and professional businesses building well
- Success of ongoing database and management contract projects
- Expansion in the Gulf continued with partnership formed with Qatar Foundation for scientific journal publishing
- Major bestsellers during the year
- Group strategy and strong balance sheet positions the business well for the future



Financial Highlights

- An excellent performance against a strong 2008
- Turnover £87.2m (2008, £100.0m)
- Adjusted operating margin 7.8% (2008, 8.6%)*
- Adjusted pre-tax profit £7.7m (2008, £11.8m)*
- Adjusted basic EPS 7.56p (2008, 10.96p)*
- Dividend for the full year increased 5% to 4.43 pence per share (2008, 4.22p)
- Cash £35.0m (2008, £51.9m) after investing net £10.3m in two strategic acquisitions (2008, investment £7.4m)

*Before intangibles amortisation and goodwill impairment



Financial summary

Consolidated income statement

	2009	2008
	£m	£m
Revenue	87.2	100.0
Gross profit	43.4	43.3
<i>Gross profit %</i>	<i>49.8%</i>	<i>43.3%</i>
Marketing and distribution costs	(15.4)	(14.7)
<i>Marketing and distribution costs %</i>	<i>17.7%</i>	<i>14.7%</i>
Adjusted administrative expenses *	(21.2)	(20.0)
<i>Adjusted administrative expenses % *</i>	<i>24.3%</i>	<i>20.0%</i>
Adjusted operating profit *	6.8	8.6
<i>Adjusted operating profit margin *</i>	<i>7.8%</i>	<i>8.6%</i>
<i>Adjusted pre-tax profit *</i>	<i>7.7</i>	<i>11.8</i>

* before intangibles amortisation and goodwill impairment



Financial summary

Gross margin - provisions

	2009	2008
	£m	£m
Royalties	10.0	14.0
<i>% Revenues</i>	<i>11.5%</i>	<i>14.0%</i>
Advances	3.4	9.1
<i>% Revenues</i>	<i>3.9%</i>	<i>9.1%</i>
Stock	2.2	2.8
<i>% Revenues</i>	<i>2.5%</i>	<i>2.8%</i>



Financial summary

Rights turnover and rights contribution

	2009	2008
	£m	£m
Rights turnover	9.2	9.3
Rights contribution – Specialist division	4.9	4.5
Rights contribution – Trade division	1.7	1.3
Rights contribution	<u>6.6</u>	<u>5.8</u>

Rights turnover and contribution includes subsidiary rights, electronic database income and income derived from third party agencies and management contracts



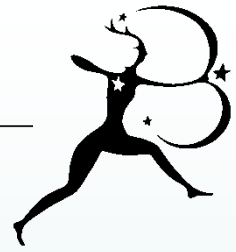
Financial summary

Consolidated balance sheet

	2009	2008	
	£m	£m	
Non-current assets	40.6	31.1	+30.5%
Inventories	16.4	16.6	-1.2%
Receivables	47.5	49.0	-3.1%
Net Cash	35.0	51.9	-32.6%
Total Liabilities	(26.8)	(34.9)	-23.2%
Equity	112.7	113.7	-0.9%

Financial summary

Returns provision



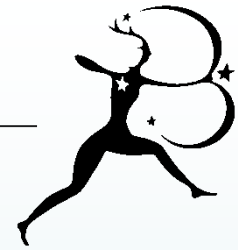
	2009	2008
Trade receivables	27.9	30.7
Returns provision	6.5	7.8
Net trade receivables	21.4	22.9
<i>Returns provision margin as a percentage of revenues</i>	<i>7.5%</i>	<i>7.8%</i>

Cash flow

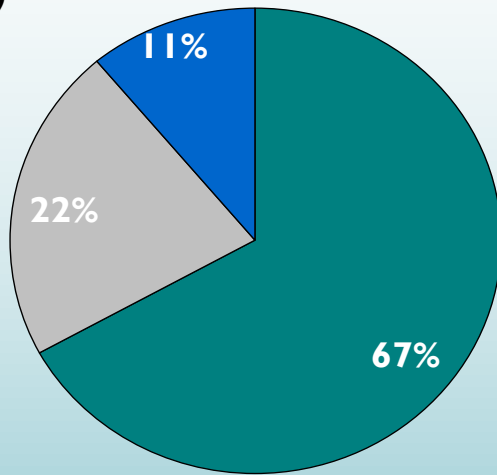


	2009	2008
	£m	£m
Net profit before tax	7.1	11.6
Other	1.3	1.3
Working capital	(10.1)	6.7
Investment income and finance costs	(0.9)	(3.3)
Cash (used in) / generated from operations	(2.6)	16.3
Tax paid	(1.7)	(6.2)
Net cash (outflow) / inflow from operating activities	(4.3)	10.1
Net cash used in investing activities	(9.1)	(4.7)
Net cash used in financing activities	(3.2)	(3.1)
Net increase in cash and cash equivalents	(16.6)	2.3
Exchange (loss) / gain of cash and cash equivalents	(0.3)	2.0
Cash and cash equivalents at end of period	35.0	51.9

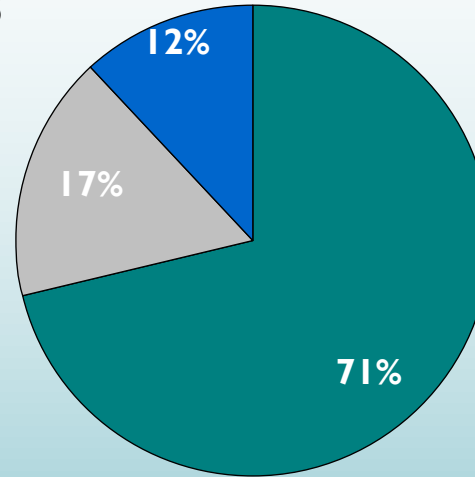
Turnover by geographic segment



2009



2008



- UK
- North America
- Continental Europe

	2009	2008
	£m	£m
UK	58.9	71.1
North America	18.8	17.3
Continental Europe	9.5	11.6
Total	87.2	100.0

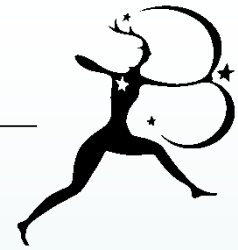
Operating profit/(loss) by geographic segment



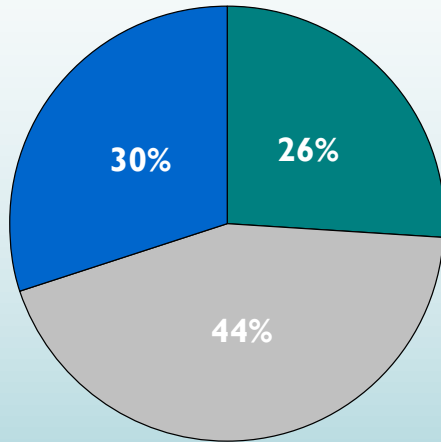
	2009	2008
	£m	£m
UK *	6.9	7.9
North America	0.5	0.4
Continental Europe	(0.6)	0.2
	<hr/>	<hr/>
Segment result before investment income *	6.8	8.5

* before intangibles amortisation and goodwill impairment

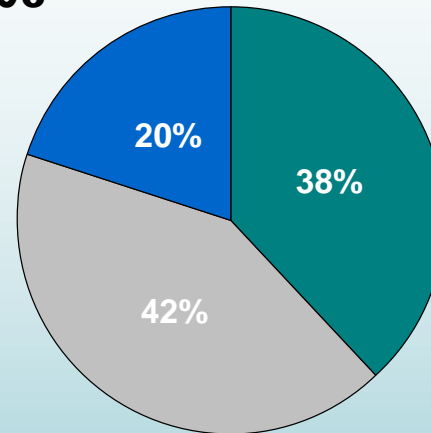
Turnover by publishing category



2009



2008



■ Children's
■ Adult
■ Reference

	2009	2008	% Change
	£m	£m	
Children's	23.0	38.3	-40.0%
Adult	37.9	42.0	-9.8%
Reference	26.3	19.7	+33.5%
Total	87.2	100.0	-12.8%

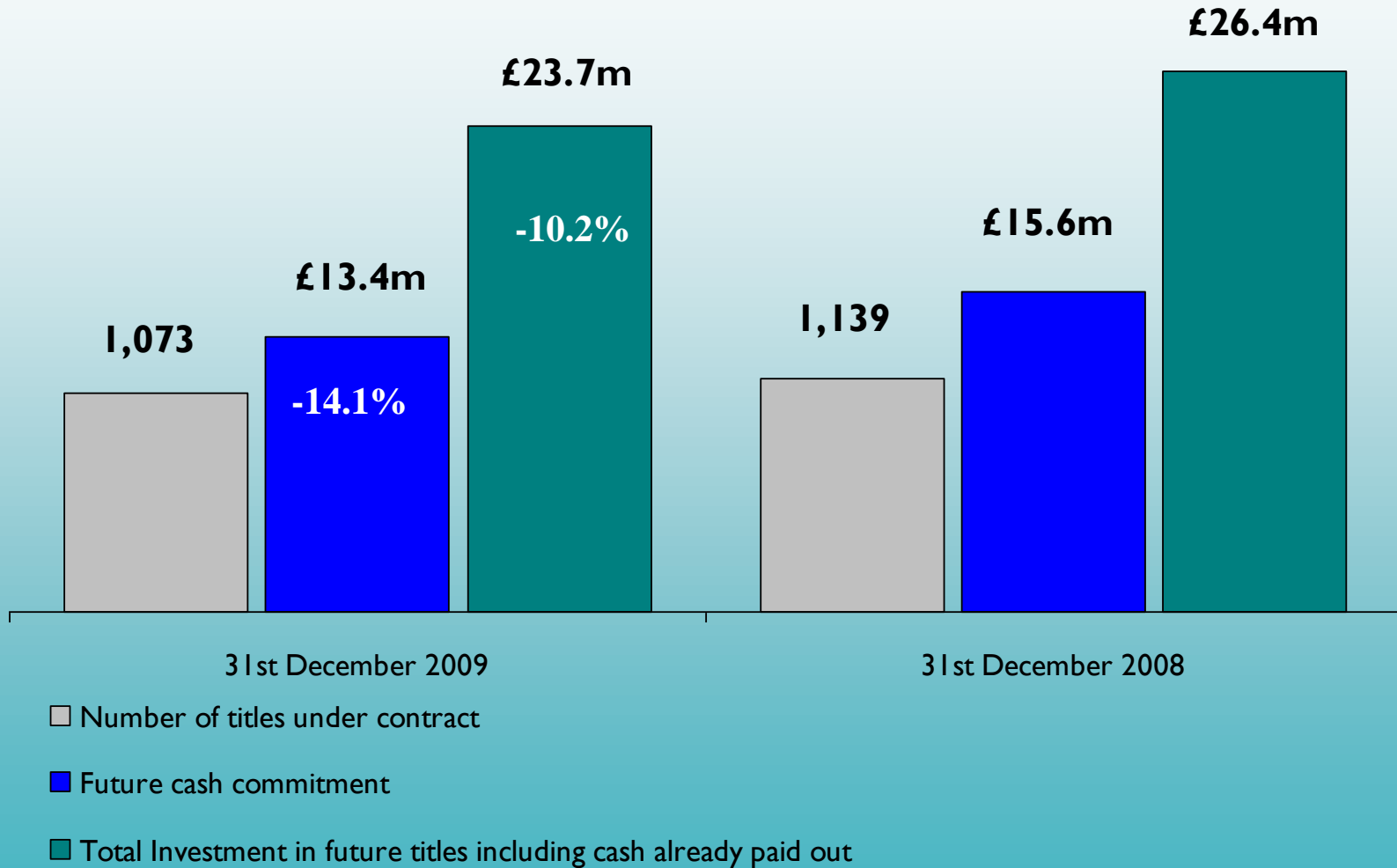


Contribution to divisional operating profit before central costs by publishing category

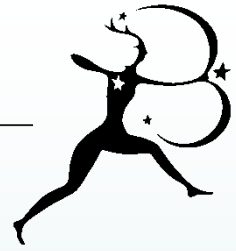
	2009	2008
	£m	£m
Adult	11.0	8.0
Children's	8.3	13.6
Total trade publishing	<hr/> 19.3	<hr/> 21.6
Reference – specialist publishing	8.6	6.9
Contribution before central costs	<hr/> 27.9	<hr/> 28.5
Central costs *	(21.1)	(19.9)
Profit before investment income *	<hr/> 6.8	<hr/> 8.6

* before intangibles amortisation and goodwill impairment

Investment in future years' titles



Revenues generated by top ten authors in 2009



£ millions

2009

Combined value of revenues from top ten authors *

£17.0m

Revenue of highest selling author *

£4.8m

Revenue generated by second highest selling author *

£4.5m

* Net of returns provision

Specialist Publishing Division

Overview



- Two high quality acquisitions completed during the year totalling £10.3m
 - **Bloomsbury Professional (Tottel)** acquired July 2009
 - **Hodder Education Humanities list** acquired July 2009
- Immediately earnings enhancing
- Launch of Bloomsbury Academic with new business model of free online and paid print
- Contract with RADA to publish theatre books under their imprint
- Arden Shakespeare performing well – discovery of new Shakespeare play, Double Falsehood
- Several major database contracts under consideration which are part of new business in the 2010 forecast

Specialist Publishing Division

Acquisitions



- **Tottel – renamed Bloomsbury Professional** - acquired in July 2009
 - A leading specialist publisher of law and tax books and journals
 - Acquired for £9.96m
 - Pre-acquisition annual revenues £6.25m
 - Pre-acquisition EBITDA £1.19m
 - Next significant phase of development will be the migration of content to an online platform
 - Search for acquisitions to build critical mass in Bloomsbury Professional

Specialist Publishing Division

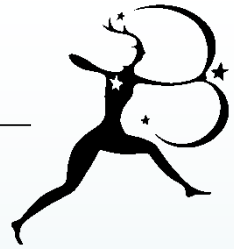
Acquisitions (continued)



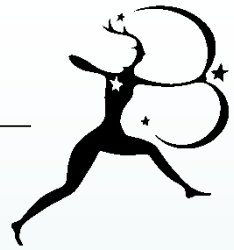
- Acquisition of **Hodder Higher Education textbook lists** in Media and Communications, History and English Literature
 - Acquired for £0.46m
 - Annual revenues of £0.4m
 - Operating profit margin in excess of 20%
 - Now fully integrated
 - Has provided immediate scale to Bloomsbury Academic which was launched in 2008
 - Search for acquisitions to build critical mass in Bloomsbury Academic

Specialist Publishing Division

Berg update



- Berg is performing well
 - Journals business is experiencing good growth in revenues. Seven journals launched in last four years and three acquired
 - Berg Fashion Library to be launched in May 2010
 - Will change dynamics of business to a subscription based platform
 - Substantial resource aimed at academics and students of fashion
 - To be sold and distributed by Oxford University Press
 - Publication of BFL will change dynamics of Berg
 - New databases modelled on BFL to be launched including textiles, food technology, design and crafts
 - Ten volume print edition of Berg Encyclopedia of World Dress and Fashion to be published this year priced at £995



Specialist Publishing Division

Database and management contract income

- Three long-term contracts now underway in Qatar
- Third agreement signed in December 2009 for Bloomsbury Qatar Foundation Journals (BQFJ)
 - Qatar Foundation and Qatar National Research Fund (QNRF)
 - To develop research journals publishing business based in Doha
 - Innovative Open Access publishing model via a digital online publishing portal
 - Research subjects will include medical, physical, engineering, Islamic and social sciences and the arts
- The second book published by BQFP was the Middle East edition of QFINANCE
 - The Ultimate Resource.
 - The website www.qfinance.com and the book were launched in September 2009
- QFCA project delivered on time

Trade Publishing Division

Overview



- Second half weighted publishing programme had many bestsellers
 - River Cottage Everyday by Hugh Fearnley-Whittingstall
 - The Fat Duck Cookbook by Heston Blumenthal
 - The Guernsey Literary and Potato Peel Pie Society by Mary Ann Shaffer and Annie Barrows (paperback release)
 - Ordinary Thunderstorms by William Boyd
- Backlist titles performed well
 - The Kite Runner by Khaled Hosseini
 - A Thousand Splendid Suns by Khaled Hosseini
 - Harry Potter series of books by J K Rowling
 - Eat, Pray, Love by Elizabeth Gilbert
- Working against a strong 2008 comparative which included HP7 PB

Trade Publishing Division

Overview



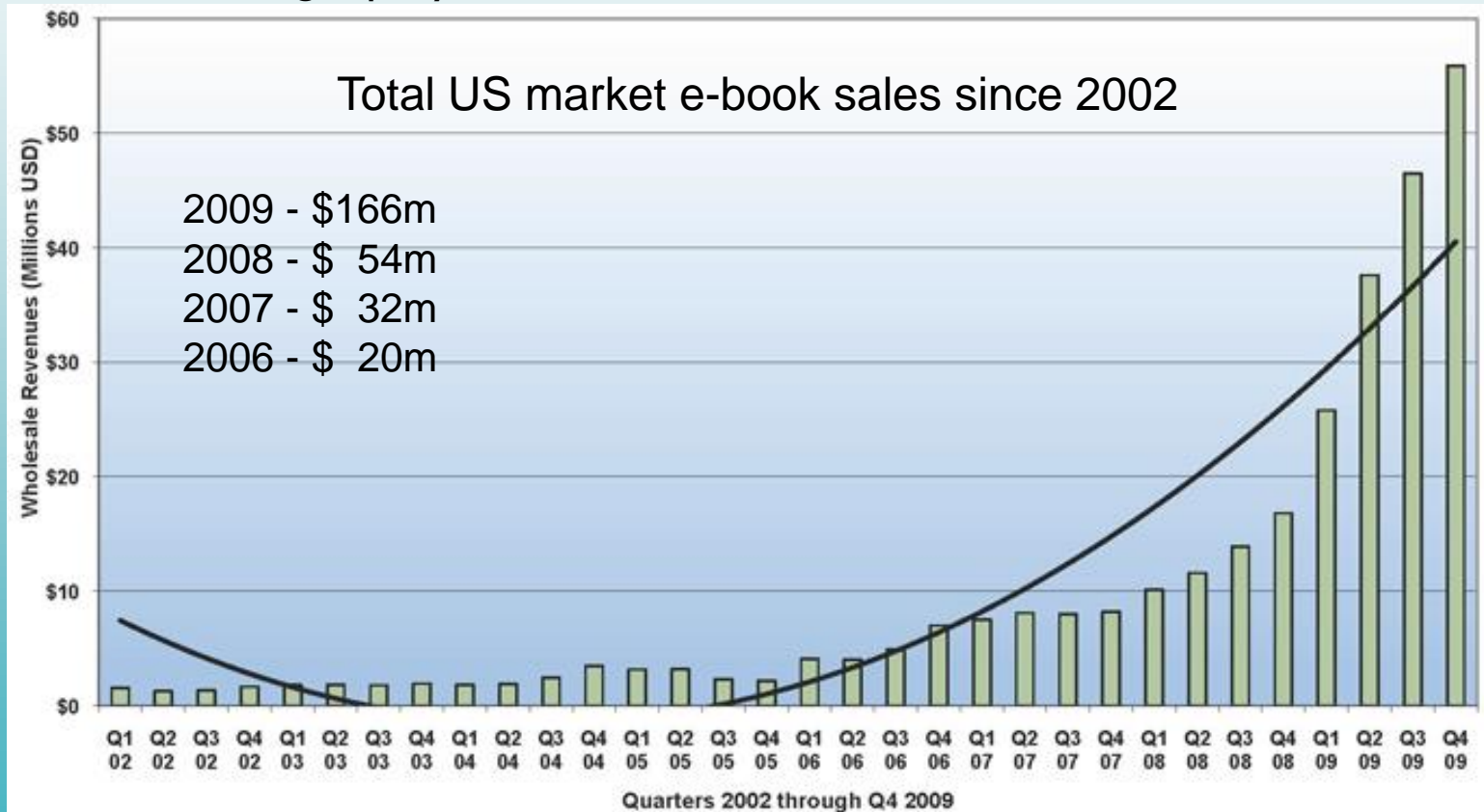
- Successfully identifying new talent
 - Jaspreet Singh – Chef
 - Janet Skeslien-Charles – Moonlight in Odessa
 - Susan Abulhala – Mornings in Jenin
- Benefit of prior year cost reductions
- Continued focus on key cost areas including printing (quantity and cost) which is reducing stock provisions and more effective author advance and marketing spend
- Key titles have been digitised and are selling through major e-tailers and device manufacturers

Trade Publishing Division

Digital books



- Digital delivery of books gaining momentum for industry
 - Revenues starting from very low base
 - Growing rapidly



Trade Publishing Division

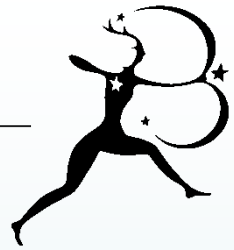
Bloomsbury Public Library Online



- Launched in July 2009
 - New revenue from annual subscriptions which are charged according to population served
 - Strategy is to build critical mass in the UK and potential for overseas development
 - 203 public library authorities in the UK
 - Ten library authorities now contracted representing 6% of the population
 - Other publishers are signing up to join within this Bloomsbury initiative paying us a sales commission – Faber & Faber, Canongate, Quercus, Allison & Busby
 - Access through existing technology in libraries so minimum barrier to entry
 - Maximum UK revenue per book shelf - £62,000 per annum

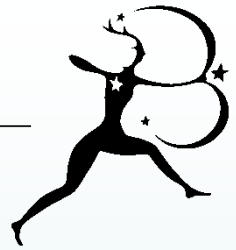


- Another successful year
- Revenues of £18.8m (2008, £17.3m)
 - Logicomix
 - Methland
 - Strong rights sales
- Operating profit £0.5m (2008, £0.4m) before central costs
- Academic list launched during the year
 - Methuen and Arden lists being sold through BUSA
- A&C Black titles will be sold through BUSA in 2010 and Berg in 2011



Berlin Verlag

- Turnover of £9.6m (2008, £11.6m)
- Loss of £0.6m (2008, profit - £0.2m) before central costs
- Difficult German market
- First loss since 2004 - some titles did not meet expectations
- Backlist held up well
- A&C Black and Arden's German and Austrian sales will move to Berlin's sales force in 2010 – Sales commission retained within the Group, not paid to third party
- Agency agreed with two German publishers generating sales commission
- Major management initiative to return to profit
- Print contract for paperbacks moved to the UK in 2010 which will significantly reduce print costs



Current Trading and Outlook

- Risks highlighted at the 2008 prelim due to impact of global economic downturn still possible
 - Risk of lower than normal unit sales on bestselling new titles
 - Risk of lower than normal unit sales on backlist books
 - Risk of reduced rights and database income
 - Risk of bad debts, bankruptcies and loss of entire distribution channels and reduced government spending on books
- Academic business building critical mass
- Excellent publishing programme in 2010
 - Operation Mincemeat - Ben McIntyre
 - Committed - Elizabeth Gilbert
 - Even The Dogs - John McGregor
 - The Cardturner - Louis Sachar
 - The Fat Duck at Home - Heston Blumenthal



Current Trading and Outlook

- Robust balance sheet
- Strong start to year against internal budgets
 - Operation Mincemeat by Ben McIntyre Number 1 for four weeks
- Harry Potter re-launch
- Major database projects under consideration which are part of new business in the 2010 forecast

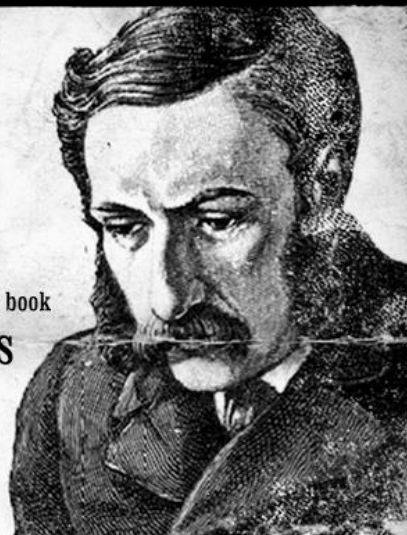


EXHAUSTED? FATIGUED? JADED?

When one feels like that, one needs a good book

**BUT WHAT IF YOUR BOOK IS
PART OF YOUR PROBLEM?**

We all enjoy reading books, but carrying
the latest weighty title is impractical
and can cause great pains to your
posture, demeanour and good humour



BLOOMSBURY PUBLISHING IS GRATIFIED TO ANNOUNCE A TRANSFORMATIVE NEW REMEDY:

YOU NEED

EBOOKS FROM BLOOMSBURY

PORTABLE, CONVENIENT AND AVAILABLE FROM ALL THE BEST AUTHORS



Soon you will recover the spring in your step and discover a new inner
vitality commensurate with reading the greatest books with the least effort

* TAKE AT LEAST ONE BLOOMSBURY EBOOK ON EACH JOURNEY *

BLOOMSBURY EBOOKS ARE AVAILABLE AT ALL GOOD EBOOK EMPORIA