

5 January 2012

Tarsus Group plc

Year end trading update – record results and strong cash generation

Tarsus Group plc (LSE: TRS, 'the Group', 'Tarsus'), the international business-to-business media group, has ended the year strongly with record revenue and profitability.

Group like-for-like organic revenue growth, at constant exchange rates, increased by approximately 8%. Excluding France, organic revenue growth was approximately 13%.

The Board expects adjusted pre-tax profits for the year ended 31 December 2011 to be in line with its expectations. Cash flow remained strong with net debt at 31 December 2011 at approximately £14 million – well ahead of expectations and a halving of debt since the beginning of 2011.

Strategy

The Group's focus continues to be on large market leading exhibitions and the active management of its portfolio. In addition to the disposal of *Modamont* in France in Q4, Tarsus has also recently sold its small online businesses in both the UK and the US.

Tarsus remains committed to its strategy of increasing its exposure to Emerging Markets (Project 50/13 - whereby 50% of Group revenue will be sourced from Emerging Markets by 2013) and driving organic growth across the business. This strategy has already yielded tangible results with the acquisition of IFO in Turkey and notable growth from the Middle and Far East businesses.

Middle and Far East markets

The Group's first half events in Dubai grew well with notable performances from *GESS* (educational equipment) and *Gulf Print & Pack*.

Hope, the Group's Chinese joint venture, delivered a record performance in 2011 with revenues up 25%. It continues to gain momentum with strong performances from its medical equipment exhibitions.

In June Tarsus completed the acquisition of 75% of IFO in Turkey, in line with the Group's long term strategy of increasing the proportion of business derived from Emerging Markets.

The first *Sign Istanbul* exhibition under the Group's ownership took place in early December and was a major success. Revenues were up 28% on the previous edition and visitor numbers were strong.

Labelexpo Asia, which took place in late November in Shanghai, saw revenues and visitors increase by 41% and 9%, respectively. The event saw an increase in customer sales and, as a result, rebookings for the 2013 edition were at record levels.

The *Dubai Airshow* held in November delivered another record performance with revenues up 3% and visitors up 7%. Exhibitors had an excellent show with total orders for planes at \$68 billion (2009: \$14 billion). In total, 960 companies from 50 countries exhibited.

US

The February 2011 and August 2011 *Off-Price Shows* in Las Vegas performed well, with revenues up 10% and 6% respectively. The broadening of the offer to retailers through the inclusion of footwear and accessories has been a major factor in this division's success.

In 2011, the Medical division demonstrated outstanding growth with revenues increasing by approximately 20%. This growth was driven primarily by its education programmes, including those now delivered online. The final event of the year and the largest in the sector, in Las Vegas in December, was a record event with revenues up 11%.

Europe

Labelexpo Europe, the Group's second largest exhibition, took place in September in Brussels. It produced a like-for-like revenue increase of 14% and record attendance, with an improvement of over 18% compared with its 2009 edition. As a result of this strong performance, re-bookings of 81% for the 2013 exhibition were secured. On-site sales for other Label products were at record levels.

The disposal of *Modamont* in early December materially reduced the Group's exposure to the lower growth European market and less than 10% of Group profits are expected to be generated from France in future. Tarsus France will continue to focus on its remaining wholly owned portfolio of exhibitions.

For the year as a whole, revenues in France were down 4%. In the last quarter, trading in the French division has been in line with the Board's expectations with *Educattec* growing both its revenues and visitors.

Douglas Emslie, Tarsus Group Managing Director, said:

"The year ended well, resulting in record revenue and profitability. Cash flow was strong with net debt halving.

"We have one significant event in the first quarter of 2012 – the Off-Price Show in Las Vegas. Current indications are that it will produce revenues ahead of the equivalent event in 2011.

"We are encouraged by the momentum of our US Medical business, Off-Price events and Labelexpo Americas, but remain vigilant given the second half weighting of our profits and the ongoing macro uncertainty in Europe.

"The momentum we are building across the Middle and Far Eastern markets augurs well for 2013 when our two large biennial events recur."

The Group expects to announce its final results for the year ended 31 December 2011 during the week commencing 5 March 2012.

There will be an analyst conference call at 8.00 am – please contact Lucy Moseley at lucy.moseley@collegehill.com or by telephone on 020 7457 2040 for details.

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Tarsus Group plc

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Notes to Editors

Tarsus Group plc (LSE:TRS) is an international business-to-business media group with interests in exhibitions, publishing and online media. The Group operates globally in key verticals including aviation, medical, labels and packaging, discount clothing (*Off-Price*) and business services (France). Tarsus runs more than 80 events and websites and its flagship brands include the *Dubai Airshow* and the *Labelexpo* exhibitions in Europe, the Americas, India and Asia.

The Group employs approximately 200 people across a worldwide network of offices in Dublin, London, Paris, Milwaukee, Boca Raton (Florida), Dubai, Shanghai, New Delhi and Istanbul, and over 60 staff in Central and Western China through a joint venture with Hope.

Tarsus is building on its strong presence in the emerging markets, primarily focused on the Middle East, China and Turkey. Under its "Project 50/13" initiative, it aims to derive 50% of Group revenue from these high growth markets in 2013.

www.tarsus.com