RELX

Half Year Results 2026

23rd July 2026

Transcript

Erik Engstrom CEO: Good morning, everybody. Thank you for taking the time to join us today. As you may have seen from our press release this morning, we delivered strong financial results in the first half, we made further operational and strategic progress, and we continue to see positive momentum across the group.

Underlying revenue growth was 7%, underlying adjusted operating profit growth was 9% and adjusted earnings per share growth was 11% at constant currency.

All four business areas continued to perform well. On this chart you can see the relative sizes of the business areas, and their growth rates. Risk with continued strong growth, STM with a step up to strong growth, Legal with a further step up in growth and Exhibitions with continued strong ongoing growth.

In Risk, underlying revenue growth was 8%, and underlying adjusted operating profit growth was 10%. Strong growth continues to be driven across segments by our deeply embedded, AI-enabled analytics and decision tools, leveraging our unique contributory and proprietary datasets, with over 90% of revenue coming from machine-to-machine interactions.

In Business Services, which represents over 40% of divisional revenue, strong growth continues to be driven by Financial Crime Compliance and digital Fraud and Identity solutions, and strong new sales.

We continue to expand our extensive, differentiated data assets, with integrated advanced authentication and behavioural intelligence, to address the increasing complexity of risk decisioning for our customers.

In Insurance, which represents around 40% of divisional revenue, strong growth continues to be driven by further innovation and adoption of contributory databases and market-specific solutions, and strong new sales.

We continue to extend our products, adding data sources and analytics, to enhance value for our customers.

For the full year, we expect continued strong underlying revenue growth with underlying adjusted operating profit growth exceeding underlying revenue growth.

In STM, underlying revenue growth was 6%, a step up from full year 2025, driven by the evolution of the business mix towards higher growth, higher value analytics and decision tools, supported by the increasing pace of new product introductions, and strong new sales. Underlying adjusted operating profit growth was 8%.

Databases, Tools and Electronic Reference, which represents around 40% of divisional revenue, delivered strong growth, driven by higher value add solutions, with continued rollout, adoption and usage growth of our AI-enabled tools. We continue to expand our solution sets with new releases, built on industry leading trusted content, including our research-grade AI workspace, LeapSpace, which has been positively received by customers.

In Primary Research, which represents a little over half of divisional revenue, good growth continues to be driven by volume growth. Article submissions continue to grow very strongly across the portfolio, by over 20% in the first half, with the number of articles published growing 7%, in line with our long-term average. For the full year, we expect continued strong underlying revenue growth with underlying adjusted operating profit growth exceeding underlying revenue growth.

In Legal, underlying revenue growth improved further, to 10%, driven by the continued shift in business mix towards higher growth, higher value legal analytics and tools, supported by strong renewals and strong new sales. Underlying adjusted operating profit growth was ahead of underlying revenue growth at 13%.

In Law Firms and Corporate Legal, which represents around 70% of divisional revenue, double-digit growth is being driven by the continued adoption of Lexis+ with Protégé, our core AI enabled legal platform with its integrated agentic assistant. Ongoing releases of new functionality and tools, integrating additional skills and capabilities into our core platform with its comprehensive, verified legal content, is increasing the value-add of our trusted legal AI.

For the full year, we expect continued strong underlying revenue growth, with underlying adjusted operating profit growth exceeding underlying revenue growth.

Exhibitions delivered strong underlying revenue growth of 6%, reflecting the strong ongoing growth profile of our event portfolio, slightly moderated by some travel disruption. First half underlying adjusted operating profit growth of +2% also reflected event cycling, timing and the rescheduling of some events to the second half. We continue to make good progress with our growing range of value-enhancing digital tools. For the full year, aside from uncertainty around remaining events in the Middle East, we continue to expect strong underlying revenue growth with an improvement in adjusted operating margin over the prior full year.

Our strategic direction is unchanged. Our improving long-term growth trajectory continues to be driven by the ongoing shift in business mix towards higher growth analytics and decision tools. This is being supported by the continued evolution of artificial intelligence, which is enabling us to add more value to our customers, and to develop and launch products at a faster pace.

Our growth objectives remain for Risk - to sustain strong long-term growth, for STM and Legal - to continue on their improving growth trajectories, and for

Exhibitions - to sustain strong long-term growth. When combined with continuous process innovation to manage cost growth below revenue growth, the result is a higher growth profile with strong earnings growth and improving returns.

I will now hand over to Nick Luff, our CFO, who will talk you through our results in more detail. I'll be back afterwards for a quick wrap-up and Q&A.

Nick Luff CFO: Thank you Erik. Good morning everyone. Let me start by providing more detail on the group financials. As Erik said, underlying revenue growth was 7%, with underlying adjusted operating profit growth ahead of that at 9%. As a result, the adjusted operating margin improved by 70 basis points to 35.5%.

The strong operating result flowed through to adjusted earnings per share which, at constant currency, increased by 11%. Cash conversion was strong, at 98% and leverage was 2.3 times, up slightly from the year end reflecting the first half bias of dividend payments and the buyback. Given the strong financial performance, we are increasing the interim dividend by 7% to 20.9 pence per share. We spent £103 million on two acquisitions in the first half and we deployed £1.75 billion out of the planned £2.25 billion for share buybacks for this year. Looking at revenue, you can see here how all four business areas contributed to the overall 7% underlying growth. For the group as a whole, total revenue growth at constant currency was 5% after minor portfolio effects in Risk and Legal, and after Exhibition cycling, timing and rescheduling effects, as well as a further step down in print activities. In Sterling, total revenue growth was 3%, impacted by the relative strength of the pound against the dollar compared to the prior year.

Here you can see the 9% underlying growth in group adjusted operating profit. We continue to target cost growth to be below revenue growth in each business area. As a result, Risk, STM and Legal each delivered underlying profit growth two or three percentage points ahead of underlying revenue growth. Exhibitions growth reflects the event rescheduling referred to earlier.

After portfolio effects and the decline in profit from print, total adjusted operating profit growth in constant currency was 7%. There was a similar currency effect on profit as there was on revenue, giving adjusted operating profit growth in sterling of 5%. With profit growth ahead of revenue growth in Risk, STM and Legal, margins improved in those business areas, driving an overall improvement of 70 basis points to 35.5%. Exhibitions margins reflect the event rescheduling, but they remain well above historical levels. Turning to the group adjusted income statement, you can see here the underlying growth of 7% in revenue and 9% in operating profit. The interest expense was almost unchanged, with the effect of higher average debt levels offset by lower average interest rates. The effective tax rate was 22.8%, up 30 basis points on the prior full year and first half. Net profit was up 7% at constant currency and up 5% in sterling to over £1.2bn. With the lower share count as a result of the share buyback programme, adjusted earnings per share were up 11% at constant currency, and up 8% in sterling, to 68.6 pence. Turning to cashflow, cash conversion was strong at 98%. EBITDA was almost £2.0bn, and capex was £292m, equating to 6% of revenue. After interest and tax, total free cash flow was over £1.1bn.

And here's how we deployed that free cashflow. We completed two small acquisitions for total consideration of £103m and made one small disposal with proceeds of £62m. Dividend payments were £851m and as I mentioned earlier, we completed £1.75bn of share buybacks. Overall, net debt was £8.7 billion at the end of June. The ratio of net debt to EBITDA, calculated in US dollars, was 2.3 times, in the middle of our typical range of 2 to 2.5 times.

With that, I will hand you back to Erik.

Erik Engstrom CEO: Thank you, Nick. Just to summarise what we have covered this morning:

In the first half, we delivered strong financial results, including a step up in growth in both STM and Legal. And we made further operational and strategic progress. We continue to see positive momentum across the group, and we expect another year of strong underlying growth in revenue and adjusted operating profit, as well as strong growth in adjusted earnings per share on a constant currency basis.

And with that, I think we are ready to go to questions.

Operator: Thank you, sir. Ladies and gentlemen, we will now be conducting the question-and-answer session. If you'd like to ask a question, you may key in * and in 1 on your telephone keypad. A confirmation turn will indicate that your line is in the question queue. You may key in star and then 2 to leave the question queue. This note for participants making use of speaking equipment, it may be necessary to pick up your handset before pressing the star keys. Our first question comes from George Webb of Morgan Stanley. Please go ahead.

George Webb: Hi, morning, Erik and Nick, and well done on the first half numbers. I've got a few questions please. Firstly on STM, I think you called out that you're still seeing over 20% article submissions growth in the first half. And I think you said publications at 7%. For last year for FY25, I think it was north of 20% as well and publications of 10%. So just curious what's driven that publication growth moderation and whilst the submissions growth has stayed pretty... Well, still stayed above 20%. Second question and a bit tied to that. Are there any numbers we can think about at this early stage with regards to adoption of LeapSpace into your customer base? And then lastly for you, Eric, on the legal business it's nice to see the tick up in growth there now at 10% underlying. We talked a bit last year about how you see the different dynamics between the legal reference content market and the legal workflow market.

Just given how quickly the whole space is evolving, both in terms of where certain labs are talking to playing and where certain AI natives are growing. I'd be curious for your latest thoughts on the overall growth opportunity you see there for RELX and the competitive landscape. Thank you.

Erik Engstrom: Okay. So on STM, yes, we continue to see that there is significant growth in submissions to the company. I think that's a combination of what's going on in the industry and the global science and research market where you see that the number of researchers continue to grow, global research spend continues to grow and productivity tools make researchers more productive. That's why we continue to see that increase. I think there might also be an element here of some of the concerns about research integrity could lead to a slightly higher volume for us with a longer history, bigger brand, et cetera, and many other well-known brands in our portfolio that might be a component. When it comes to the long-term trend, we can continue to expect that we will see strong volume growth for many years to come. I don't expect it to be remaining over 20%. I think historically we used to say that submissions would grow in the high single digits. At this point in time we probably would see it moderating down probably to low double digits on average over time. Higher than before based on these drivers, but probably not at this level. When it comes to the amount of publications, the actual articles we publish as you can see, we have basically all the time on any time period published fewer and fewer of the articles that we receive, meaning we're becoming more and more selective, more and more targeted. And I think that's important in our quality positioning in the industry so that the number of articles published should grow below the number of articles submission and growth over any longer time period than any one short time period. It can of course be different. But from our perspective, I think that we are seeing a very rigorous quality focused selection process in our 3000 journals.

So it's intentional from our side. The next question you asked was on LeapSpace

Erik Engstrom: How we're doing on penetration there. I think it's important to look at LeapSpace as a continued evolution of the Science Direct AI that we launched a year earlier. But LeapSpace overall is going really well. This has continued to do well if you look at as an extension of Science Direct AI or if you look at it as a standalone launch because it's basically so much new functionality is going very, very well. It's too early to really talk about any penetration curve because of the two alternative interpretations you can have as a transition from Science Direct AI or a new launch. But we can tell you the key things that we focus on is number one, the customer feedback is very, very positive, very high user satisfaction, very specific comments on how it supports their critical thinking, how it saves them time, and in very specific examples that we have studied and asked them.

The second thing is we're seeing a lot of interest from institutions that see that value. And most importantly, we can see that the number of active users has grown significantly since we did the full transition from ScienceDirect AI to

LeapSpace. I mean, for example, in the 90-day period from March to June, I think the number of active users almost double. Now it's very early to look at that and to do any trend line from that because it involves early use, early customers and some trials. But the other very important factor is that the amount of usage during that time grew significantly faster than the number of users, which means that the users see the value and use it more. So those are the early trends that we're seeing. Very positive. Then on Legal, you asked on where we see that going over time.

The way we see it right now is that the step up in growth is driven by the continued development and rollout of higher value AI enabled tools that we are putting into our core platform and the things that we put on top. What has happened is that the continued growth, the continued penetration of Scopus with... Sorry.

Nick Luff: Lexis+.

Erik Engstrom: Lexis+ with Protégé, I'm mixing the product here. Lexis+ with Protégé is continuing on the same penetration curve, the trend that we've had before in terms of share of revenue. What we can see in terms of number of customers is that it's probably growing slightly faster now in terms of number of institutions. Users is growing faster than the number of institutions and usage growth is faster than the number of users. So it's on a very positive trend. And what we can see is that our customers really see the value in these tools. The tools continue to get significantly better on a regular basis. There are upgrades coming probably every couple of months that are significant that our customers see and see more value in. The fact that there are other companies out there that also leverage generative AI tools in order to provide efficiency processes, workflow tools, software improvements in the broader legal tech industry. We think it's natural and probably good things for the overall understanding of these tools in the industry. We come from the information-based side, which is the smaller side of that. And we believe that when you put these tools on top of the unique, comprehensive, broad-based, verified, trusted content sets that we have, the value increase is significant. And we think a large number of our customers are going to continue to use those tools on top of our content sets. That does not mean that that's at the expense of anybody else that works on the workflow or software or technology space, which is significantly larger than the information-based tool space that we are in. But we continue to see significant upside to help the legal industry for many years to come. And we expect that we will continue to do well and take a share of that upside in terms of how we can add value to our customers.

George Webb: That's great. Thank you very much.

Operator: The next question comes from Nick Dempsey of Barclays. Please go ahead.

Nick Dempsey: Yeah, good morning. I've got three please. So first of all, you've referred to strong new sales in Risk, STM and Legal in the release. As those we know will flow gradually into the revenue growth, does that give you good confidence on the growth rates for those three divisions into next year and even beyond that? Second question, just going back to Legal, can you talk about how much of your good growth is coming from upgrading customers who are not on the Lexis+ AI platform to that platform? And how much from customers will already upgraded to that, but are now paying for additional offerings such as linking Protégé into internal documents or other workflows on top? Just trying to understand the dynamic there. And the third question, you've seen good margin improvement in Risk, STM and Legal in the first half more than we've typically seen in the past. Are there any timing effects there or can we expect good progress on those margins for the full year?

Erik Engstrom: I'll take the first two and I'll ask Nick to cover the third one. Strong new sales. We mentioned that in most of the segments as you mentioned. And it is a very important factor in the long run in terms of being an indication of the momentum in the business and how our customers see our new tools and the value they deliver. It is not the most important factor in driving revenue growth in the current year because new sales is a small part of the overall revenue of the company. And it might not even be a big indicator of where it's going in the next 12 months, but it is an important indicator of the momentum in the business and over time a driver of the long-term growth trajectory. I think that's the way you need to look at it.

When you talk about Lexis+ with Protégé, we are seeing that new sales are increasingly almost exclusively now on Lexis+ with Protégé. I think we said last year that the vast majority of new sales value was Lexis+ with Protégé, Lexis+ AI. And now so far this year we're running pretty much like 90% of the value of new sales coming from the AI enabled platform. And when it comes to renewals, we're now up to roughly 3/4 of the renewal value is coming from the Lexis+ with Protégé package. But you asked also what do we see from there? What we then see users and customers that are starting to use some of these tools, they broaden them, they want to use more of them, they see more value. And that's the point that I made before about the fact that number of users is growing faster than number of institutions or than value and the usage of different tools is growing faster than users.

So we continue to see an increase in value add and in users in usage and upside opportunity after they have made the first conversion. We see the first conversion to the core AI enabled platform as the starting point of the future growth opportunity, not the endpoint.

Nick Luff: And Nick, your question on margin as you know, we focus on ensuring that cost growth remains below revenue growth in all of our businesses. That's what's enabling us to drive profit growth to be faster than revenue growth. And as you've seen over the last couple of years, that gap in a positive way has become a little bigger as we've seen revenue accelerations and we're using GenAI internally and our processes are allowing us more efficiency. So that gap has got a little bit bigger. We absolutely expect that to continue. And of course all things being equal, that will drive good expansion of margin over time. Exactly where that lands in any one period of course depends on currency and M&A effects and the like, but all things being equal, we're looking to continue to drive that forwards.

Nick Dempsey: Thank you guys. Helpful.

Operator: The next question comes from Adam Berlin of Goldman Sachs. Please go ahead.

Adam Berlin: Hi, good morning. I've got two questions on the Legal division. The first question, just following up on what you just said, Erik, about Protégé. You described it as the upgrade as a starting point in adoption, and then you can grow revenues beyond just converting that customer to an AI platform. Can you just give us a bit more detail on what that products look like? What are the additional add-ons customers can buy so that you get more revenue from them after they've actually just moved to the Protégé platform? So I just thought that was a one-off benefit. So it sounds like there's more revenue opportunities even after the upgrade. So if you could give more detail on that. And the second question is I understand that you provide these Protégé add- on a fixed subscription basis. So you're not passing on the underlying cost of tokens to your clients.

Do you need to move to some form of consumption-based pricing for tokens as that token usage goes up a lot? Or is there some reason that that may not happen? Do you have better economics in terms of token usage or better technology that means less token usage than some of your competitors? Can you just describe how that's operating in practise?

Erik Engstrom: Sure. I'm going to ask Nick to cover the second in detail, but I think on the first one, I think it's very important that you look at this over a period of time. We keep upgrading and adding tools and functionality to Lexis+ with Protégé on an ongoing basis. It's a significantly more valuable platform and significantly broader and more valuable range of tools today than it was even 2 months ago. And 2 months ago was significantly better than 4 months ago. And I think you have to look at the transition to Lexis+ with Protégé, basically the core integrated AI enabled platform as a necessary starting point for the future growth opportunity for the next decade or so. I think you have to think of it almost similar to the print to electronic transition. We could not start selling analytics and decision tools to somebody who had print books or print journals.

You had to transition them to the electronic platform, the basic core electronic information retrieval platform, the reference platform in order to then be able to offer higher value add analytics. And you have to have basic analytics enabling of a platform before you can start to sell fully integrated sophisticated decision tools. So we've been on that journey for many years before. Moving people on to core AI enabled integrated platform is the next foundational piece that will then drive revenue for many years to come. So

Adam Berlin: Can you just give an example of the kind... So can you just give an example of what you're talking about? What's something you've launched in the last couple of months that you're charging for beyond just the upgrade to the platform? Just to give us some sense of what kinds of things are in that.

Nick Luff: So a single example might be Lex Machina, which is the legal analytics, which brings strategic insights in from historic cases and helps you judge whether you should take a case, how long it might take. We've integrated that into Lexis+ with Protégé. We announced that in a month or two ago. So it's integrating that as just one example

Of many, many examples. And Adam, your question about token costs, I think we see managing token costs effectively managing on the behalf of customers as a significant competitive advantage because the way we have our technology configured, we can maximise customer value dynamically managing the use of which model, which agent are you using in which particular use case, which particular step of the process, and because we of course have pre-processed all the underlying content in a way that allows us to operate very efficiently, it tends to be less token intensive in its use. And of course our customers are wanting us to help them manage their overall token consumption. So I think we're seeing that as a significant competitive advantage. And of course the cost tokens is going up, but it's still less than 1% of our overall cost base. And in the context that I was talking about earlier about keeping cost growth by revenue goes, given all the efficiencies that are coming as well, I think that's very manageable within our overall approach of keeping cost growth below revenue growth.

Adam Berlin: Thanks, Nick. Very helpful.

Operator: The next question comes from Ciaran Donnelly of Citi. Please go ahead.

Ciaran Donnelly: Yeah, thanks a million for the presentation. Just a few questions left from me. Firstly, just in terms of the ability to leverage AI internally, has that reduced the need for M&A given the ability to develop products organically? It's probably become easier. Two, just from here on STM in terms of the goal to accelerate growth further, can you just outline what are the key dynamics you need to see or the key initiatives in terms of driving that growth further from here? And then just thirdly, just on the visibility of the scheduled events in the Middle East and the Exhibitions division, can you just give us some thoughts on how you see those trading? Thanks.

Erik Engstrom: So maybe I'll ask Nick to cover the first and the third and I'll cover the second.

Nick Luff: Yeah, Ciarán, absolutely. The use of GenAI internally is certainly helping us do things faster. It's certainly part of what's enabling us to come faster to market with new innovation, the pace of new product introduction. That's absolutely doing that. And our focus as always is on organic development primarily. I mean, that's what's the key driver for the growth across the group and the key value creation for shareholders is coming from the organic development. We will continue to look at M&A where we see things that can enhance and accelerate the organic development where we're the natural owner of something, we will continue to do that. And what exactly we spend in any period will depend on what happens to come up and what's available. So it will vary from period to period, and we'll still look at that, but absolutely the key focus is on the organic.

Erik Engstrom: Yeah. On STM, the main driver of the growth pickup so far has been the continued development and the rollout further rollout of the higher value add AI enabled tools. And we think that's exactly what will continue to be the main driver for many years to come. We're really very, very early in the rollout stage of these tools in the science and research industry. I mean, as an example, the big tools that we've had, if you look at Scopus AI, we've talked about for a while, that has continued to do well. It's on the same path as before. It continues to grow. Customers see similar value uplift to what we see in the legal space and the adoption curve has similar shape to Legal, but it's a bit slower. The customer base is more fragmented. The decision cycles take longer. So we've said before it takes 50% longer almost, but it's on that same path and we continue to see users growing quickly, usage growing more than users, et cetera.

Exactly the same patterns that we talked about before. We're in the early stages of this. We expect that to continue for several more years. And then we can see that the newer tools that we are developing like LeapSpace, they are similarly adding significant value. And we're just at the early, very, very early stages there. And we've done this in several other smaller areas around the company too. We've had slightly different approaches in other parts of the company inside the medical education Sherpath AI, which we talked about before. We had a slightly different approach to packaging and pricing, but the way we've done that and combining products with the AI capability has led to double digit growth in that sub-segment, but we're still in the relatively early times there. So we think there are a lot of opportunities across Elsevier to continue to build tools that add more value and that will therefore have increased users, increased usage and therefore improving growth rate.

But we do have to remember in STM that it is a more fragmented product suite. It is a more fragmented customer base both in types of customers and geographically. And they have slightly longer decision cycles in many of those customers. So the growth is likely to come through gradually, but we think there's potential there for it to continue to increase gradually for very many years to come.

Nick Luff: And Ciaran, your question about the Middle East and Exhibitions, just to scale that, they represent about 4% of the divisional revenue and those left to run perhaps more like 3% of the divisional revenue. So less than half a percent of the group's revenue. We have indeed rescheduled, you mentioned in the release we rescheduled some of those into the second half. We are still planning to run most of them, but we have to acknowledge there is uncertainty around them and exactly how they perform. But I think I'd focus back on the other 97% if you like, where we're seeing the strong ongoing growth in the overall portfolio and that's the key focus going forward.

Ciaran Donnelly: Perfect. Thanks.

Operator: The next question comes from Will Packer of BNP Paribas. Please go ahead.

Will Packer: Hi there. Thanks for taking my questions two from me please. Firstly, the Trump administrations made a flurry of announcements on scientific research funding in recent weeks, which are making lots of headlines in the trade press. While the proposals are wide ranging, the most relevant to Elsevier is the OMB proposal to make journal subscription costs and APCs unallowable expenses on federal research awards. From our conversations with those closest to the budget process, we understand these proposals have a real chance of being enacted for 2027. With 10% of global research federally funded and perhaps 40% of open access funded, could you talk through how these proposals would impact Elsevier if introduced? What tools could Elsevier use to mitigate a potential quite impactful proposal? And then secondly, in recent months, we've had a flurry of announcements from the AI native players in Legal, such as Harvey and Legora.

Based on their communication, they're rapidly scaling with ARRs in excess of $400 million combined and some very strong user growth. You talked about healthy adoption of your own workflow products. Could you give us any kind of comparable metrics on engagement or revenue to help us assess market shares? Thank you.

Erik Engstrom: I'll ask Nick to cover the first one and then I'll come back and talk about the second.

Nick Luff: Obviously what you're seeing in our numbers today around science demonstrates the pace of growth in the scientific research world. The pace at which scientists are operating, the pace at which they're making discoveries, the pace at which they want to be published. And they're all using new tools and new efficiencies to increase the pace at which they're operating. And that's why you see the very strong growth in submission volumes. And that of course is coming through into strong growth in published volumes. What government policy does in individual countries around the world that's been changing all the time and you could have a conversation going back for years about different things that have changed, but the fundamental drivers on a global basis remain the same. And that's what's ultimately going to drive the business going forward.

Erik Engstrom: Yeah. On legal AI, I think it's important to look at this from a broad perspective that the legal information space in the US is order magnitude of $5 billion market where we operate. We're information-based and we're information-based analytics and decision tools, which we increase the value of by AI enabling them and adding process and decision tools and workflow tools on top of the verified trusted content. And we put all the analytics, the AI tools that come from the sort of frontier lab companies, if you want to call them that. We include those inside our product, inside our secure environment with a verified content, et cetera, et cetera. We are an information-based company with higher value ad, AI enabled tools on top. That's what we sell and that's our value add. The legal tech software space is order magnitude $25 billion today, depending on which analyst you look at.

Many people believe that that's going to grow to $75 to $100 billion over the next 10 years. That's process enabling in the legal workflow in legal companies as well as in financial institutions, in corporations, in private equity firms and so on where they today, an average large company might have a hundred different software technology providers. AI can improve those processes, add significant value to the whole legal industry, which is order magnitude, maybe call it $500 billion in revenue. And when you can provide new technology tools to improve the efficiency of $500 billion industry, you're not just going to have the old thousand software providers of which an average player uses 100 or 200. You're going to have several new ones, several hundred new ones competing for that space. That just illustrates to me how big the opportunity is to help that industry. We are not going to be the leader in the hundred-billion-dollar workflow and software industry, but we are going to be able to contribute value to our customers in content related workflow tools.

Then we can see that from our customers. We have, as you know, hundreds of thousands, many hundreds of thousands of users, many tens of thousands of institutional customers paying corporate customers for our products. We have very high usage of those tools and we are in this technology enabled, higher value add information-based tools. The fact that there are other players out there doing well to me is a confirmation that that space is important and there's an opportunity to add value. We will capture a portion of that, but we are not attempting to or planning to go and compete directly against tech or software players in the workflow space.

Will Packer: Thanks so much for the colour. Just to come back on the OMB proposals around journal subscription costs and APC charges, is it fair to understand from your comments that you wouldn't expect any meaningful impact in the event of the introduction of those reforms?

Nick Luff: Yeah, we make sure we provide our customers with the choice so they can publish in the journal that meets whatever criteria they need to follow. We've been doing that for a long time. I see no reason why we can't. We can be able to continue to do that.

Will Packer: Thanks.

Operator: The next question comes from Thymen Rundberg of ING. Please go ahead.

Thymen Rundberg: Thank you for taking my questions 3 from my side. Yeah, this year you've completed around 80% of the announced buyback programme in the first half year compared with roughly 2/3 to 70% in recent years. So stepping back from timing of execution, does the larger and faster deployment of capital into buybacks reflect a different assessment of the relative attractiveness of buybacks versus other users of capital, whether that's M&A or other organic investment opportunities? I know you've mentioned that organic keeps being the number 1 priority or should we continue to view we just continue to view capital allocation as unchanged despite the change in base size? And then on Risk. So Risk delivers 8% organic growth for a number of years already despite its skill. When you look at the different subdivisions, what do you think ultimately determines the sustainable growth rate of that business and where do you see the greatest scope to outperform those assumptions over time?

And then lastly, just a quick one on the Doctrine acquisition that you proposed in April. Could you just elaborate a bit on what you think that brings or would have been difficult or time-consuming to build internally and how you think about the broader M&A space in legal AI particularly? Thanks.

Erik Engstrom: I'm going to ask Nick to cover the first one. I'll talk about the second and then we'll get Nick back on the acquisition again.

Nick Luff: Yeah. On the buyback, absolutely no change in approach to capital allocation. As you rightly say, the primary focus is on supporting the business and in particular on the organic development. So obviously all the capital investment, all the CapEx required internally is the number one priority, but this is a relatively capital-like business. After that, we do all the M&A that we see works going to enhance and accelerate that. It clearly varies from year to year depending on what comes up. We have an increase and then only after that we come and think about returns to shareholders obviously a growing dividend that's about half the earnings. And the buyback tends to be the balancing figure, if you like, to keep the leverage in the right sort of place. Clearly we're mindful of where the share price is relative to a year or two ago. And certainly in making the decision on the buyback in February as we did increasing it, knowing that would likely push us up in the leverage range.

We're using that leverage range of 2-2.5 times in a thoughtful way, but an overall approach still following what we were doing before.

Erik Engstrom: On Risk, as I'm sure you know that over the last decade, we pretty much average an 8% annual growth there. And the range has basically been 7 to 9 if you exclude the first few months of COVID when the world stalled a little bit. So we always try in every single subunit there to capture upside. The main driver of the strong growth of that ongoing 8% growth in Risk is the continued development and rollout of higher value add decision tools. And we keep launching those, testing them, selling them and rolling it out. Typically takes about five years to fully roll out a product across that industry. We keep doing that and we keep trying in each subunit to grow faster, to roll them out faster. You could argue that the technology we're seeing today with the technology we're seeing today, that we could develop them and launch them faster, but the industries we serve still operate at roughly that same introduction installation and rollout pace because they're complicated industries, they're regulated and they operate at a certain pace.

We would love to be able to grow faster in any one of our units and sometimes we do, but it's now almost a $5 billion revenue division. And in order for this to permanently grow faster, we would have to have several of the units pick up on the same schedule for a period of time. We believe it's quite possible to do that. We want to do that, but I don't think it's something you should count on or build into your projections.

Nick Luff: And your question about the Doctrine acquisition, it's a very good example of the sort of thing that we're looking to do to enhance and accelerate the organic development. Doctrine has been around for about a decade building a very valuable content set in France. They've developed some very good workflow tools and some AI around those specific content sets. And we see how that will fit, complement what we are doing in France very well. And we think we're the natural owner of that business and that's exactly the sort of thing that we would look at. Of course, in the overall group sense, it's quite small, but it is a good example of the sort of thing we're interested in to enhance and accelerate the organic development.

Thymen Rundberg: Great. Thank you very much.

Operator: Our next question comes from Steve Liechti of Deutsche Numis. Please go ahead.

Steve Liechti: Yeah, hi there. Thanks. I've got three quick ones. One, just on Claude for Science, any particular comments there in terms of what uptake of LeapSpace has been or feedback from customers in terms of using Claude for Science relative to LeapSpace? Second, to minus on Arabian Yravel, how big the international I'm really thinking Western visitor or exhibitor numbers are for that particular show in percentage terms. That'd be great. And then just on the travel like for like at 6%, which is below previous years, you referenced travel disruption. Do you mean specifically in the Middle East overall? So is that 6% being affected by something else or specifically the Middle East? Thanks.

Erik Engstrom: I'm going to ask Nick again to cover the second but let me first make a comment on Claude for Science. The way we look at these is these are tools that are being provided by others. There'll be many of these kinds of tools and announcements coming out. There'll be lots of providers of these tools. The way we see it is at the moment, these are the LLM providers using additional workflow layers to their models. And they're mostly designed to support the conduct of the science itself. Often in drug development, they're going to continue to do that. And we think that's a very good thing for science. Anything that helps improve the productivity of sciences of scientists and all of the productivity of spend on science is a positive driver of our business. We're focused on the research, the publication of science and the use on research around published science and the research workflow around that.

LeapSpace support research workflow, idea generation, literature exploration, collaboration, sourcing, funding, analysis, drafting, comparison inside a completely verified, trusted, secure, private, confidential space that is about your research. And we see Claude for Science and many of these other tools that will come out as positive enablers of the pace of scientific discovery and very positive contributors to the industry and therefore an additional driver to what we do, not a competition at all.

Nick Luff: Same question about Arabian Travel. As a reminder, as I said earlier, we're talking about for the shows that you yet to run in the region for exhibitions are about 3% of divisional revenues or less than half percent of the group revenue. You are asking about one particular show within that. It is a heavily international show, and exactly how that plays out, we'll see, but I just keep the scale of it certainly relative to the group as a whole. Keep that in mind. I think your other question was about the 6% growth in Exhibitions in the first half in our reference to travel disruption. That was really referring to travel from and through the Middle East to our other events, to events outside the region. We have obviously a number of quite significantly international events elsewhere in the world and the participants from the Middle East or people travelling through the Middle East.

And that had some effect, which is why the ongoing growth and Exhibitions of 7 to 8% that we've been at for a little while, that's why it was just moderated a little from that in the first half.

Steve Liechti: Great, thank you.

Operator: Ladies and gentlemen, just a further reminder, if you like to ask question, please key in * and then 1 on your telephone keypad. Our next question comes from Christophe Cherblanc of Bernstein. Please go ahead.

Christophe Cherblanc: Yes, good morning. So Christophe from my side. The first one is STM. What should we expect from the settlement made by Anthropic with publishers? Because it seems to me it could be almost 1% of STM revenues. So is it going to show up as revenue and operating profit at the same time? Will it fall in H2 this year or 2027? Anything on this would be super helpful. And the second one is on print. The resilience of profit was very good in H1. Is that the pattern we should expect for the full year 26? Thank you.

Erik Engstrom: I'm going to ask Nick to cover both of those.

Nick Luff: Yeah. Christophe, I'm sure you'll appreciate I won't comment on individual legal settlements and the like, but what I would say is any receipt from a legal settlement is not revenue. It's an offset within costs and there is an expense of defending these things. So whatever, not revenue. And your second question on print, I think as we've said, our objective is to reduce our exposure over time to the remaining print activities. You saw that again in the first half with another step down in revenue, but we are doing that through outsourcing, through joint ventures and things. So as well as the natural decline, you get some faster decline of that, but we're looking to hold onto as much of the profit as we can as we do that. So this sort of high single digit decline in profit is a sort of objective in the territory we've been in and look to continue to being going forwards.

Christophe Cherblanc: Okay. Thank you.

Operator: Our next question comes from Joe Barnet-Lamb of UBS. Please go ahead.

Joe Barnet-Lamb: Morning. It's Joe from UBS. Erik, Nick, thanks for taking my questions. I think just two left. Firstly, both Legal and STM ticked over to 6 and 10% respectively. You tweaked STM outlook up to continued strong, but you didn't alter the Legal outlook language from continued strong. Can you just talk briefly on how you view the sustainability of the acceleration in Legal? And sorry to be pedantic, but does strong stop at 10% or could 11% in theory also be termed strong? And then secondly, in Insurance, as auto risk evolves with advanced safety features and autonomous driving, should we think of this as a shift in the type of data required rather than a reduction in data demand? And then are you evolving your data sets beyond historic areas of strength such as driver characteristics towards vehicle usage, location and otherwise? Some thoughts there would be great.

Thank you.

Erik Engstrom: Yeah, I'll ask Nick to cover the first and I'll come back and talk about the second.

Nick Luff: So Joe, in our language, 6 and above is strong and that's the terminology we use for everything from there. So you shouldn't read anything into the way those words are put together. That's our language and that just reflects the performance of the business.

Erik Engstrom: But I think you just have to combine that with the outlook, the statements we have on our objectives. We've said and keep repeating that our objective in both Legal and STM is to continue on the improving growth trajectories in both of them. But we have had a tick up on growth rate pretty frequently in Legal recently. And I want to point out that 85% of the legal base is subscription and 80% or so is subscription in STM so that most of the time you should expect continued improvement in growth rate to come through gradually and not continue to tick up every 6 or 12 months. We may have achieved it for a while now in Legal. But our objective is to continue on these improving growth trajectories in both of these divisions. And as you can hear from us probably, we do think that we're just at the beginning of capturing the value upside of AI enabled tools in our product suite to our customers over the next several years.

When it comes to autonomous driving, the way we look at the whole industry, including insurers, car manufacturers, technology companies will continue to evolve, use different data sets, new technologies and get safer as a principle, just like it has historically with different safety features, electronic tools like EVs, et cetera. But what we've seen when that happens is that the accident frequency often drops a bit, but the severity cost of repairs goes up significantly. And in that dynamic, the environment gets significantly more complex. And that increasing complexity and changing environment creates opportunities for us to add more value just like it has in the past. And we believe that if you get more full self-driving coming through and your transition from entirely manual to partial autonomy and at some point, towards full autonomy in part of the vehicle park on the roads, we're going to do decades of this increasing complexity and the interactions between different cars and different drivers between manual and partially or fully self-driving. That creates a complex environment where you have to adjust as an insurance company you're pricing to the new risk assessment.

And the faster it keeps going, the bigger the opportunity is for a third party like us that keeps collecting data sets from different sources and new data sets to then help them navigate that. We have seen this already over the last few years. As you said, we had some traditional data sets many years ago, but we've seen a significant increase in the rate of new data sets being available as these tools have come out over the last few years. And we've collected significant data sets also from car manufacturers on the software, on the technology tools and how they interact and the probability of different types of risk profiles in that. So the data sets are increasing significantly. The sophistication of our model increases as the complexity of the vehicle park and their interaction increases, bigger opportunity for us to contribute for a very long period to come.

Joe Barnet-Lamb: Wonderful. Thank you very much.

Operator: Thank you. Ladies and gentlemen with no further questions in the question queue. We have reached the end of the question-and-answer session. I will now hand back to the CEO Erik Engstrom for closing remarks.

Erik Engstrom: Thank you all for joining us today. Enjoyed talking to you and I look forward to talking to you again soon.