



## 2018 Results

Erik Engstrom, CEO  
Nick Luff, CFO

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This presentation contains forward-looking statements within the meaning of Section 27A of the US Securities Act of 1933, as amended, and Section 21E of the US Securities Exchange Act of 1934, as amended. These statements are subject to risks and uncertainties that could cause actual results or outcomes of RELX PLC (together with its subsidiaries, "RELX", "we" or "our") to differ materially from those expressed in any forward-looking statement. The terms "outlook", "estimate", "project", "plan", "intend", "expect", "should", "will", "believe", "trends" and similar expressions may indicate a forward-looking statement. Important factors that could cause actual results or outcomes to differ materially from estimates or forecasts contained in the forward-looking statements include, among others, current and future economic, political and market forces; changes in law and legal interpretations affecting RELX intellectual property rights and internet communications; regulatory and other changes regarding the collection, transfer or use of third-party content and data; demand for RELX products and services; competitive factors in the industries in which RELX operates; ability to realise the future anticipated benefits of acquisitions; significant failure or interruption of our systems; compromises of our data security systems or other unauthorised access to our databases; legislative, fiscal, tax and regulatory developments and political risks; exchange rate fluctuations; and other risks referenced from time to time in the filings of RELX PLC with the US Securities and Exchange Commission.

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Erik Engstrom, CEO



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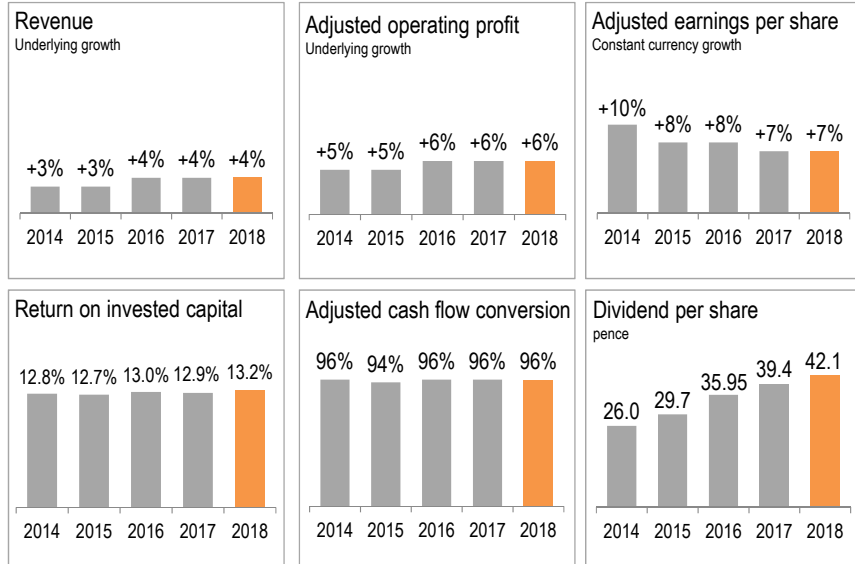
## RELX 2018 progress

- Positive financial performance
- Further strategic and operational progress
- Simplification of corporate structure

## 2018 financial highlights

- Underlying revenue growth  +4%
- Underlying adjusted operating profit growth  +6%
- Adjusted EPS growth at constant currencies  +7%

## Financial performance

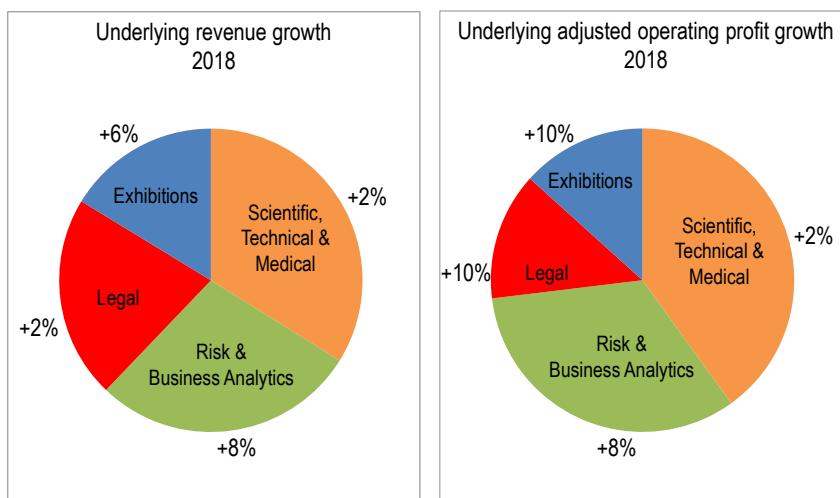


2017 ROIC and 2016 cash flow conversion restated for the adoption of new accounting standards IFRS 9, 15 & 16



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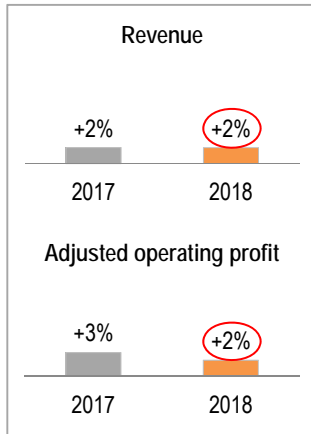
## Underlying revenue and adjusted operating profit



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## Scientific, Technical & Medical

### Underlying growth

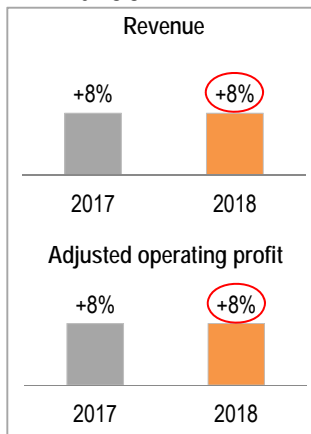


- Underlying revenue growth in line with prior year; underlying cost growth marginally below revenue growth
- Good growth in electronic revenues partially offset by print declines
- Primary research customer value enhancement: content sets; analytics; technology platforms
- Databases & tools growth driven by enhanced functionality and content development
- Print book declines reverted to historical levels in main selling season; slightly steeper declines in print pharma

2019 outlook: Customer environment remains largely unchanged, and we expect another year of modest underlying revenue growth

## Risk & Business Analytics

### Underlying growth

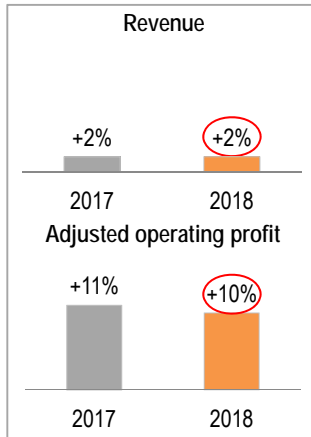


- Underlying revenue growth remained strong, matched by underlying profit growth
- Insurance growth driven by enhanced analytics, extension of data sets, and expansion in adjacent verticals
- Growth in Business Services driven by development of analytics across financial and corporate sectors
- Strong performance from ThreatMetrix
- Data Services driving growth through organic development

2019 outlook: Fundamental growth drivers remain strong

## Legal

### Underlying growth

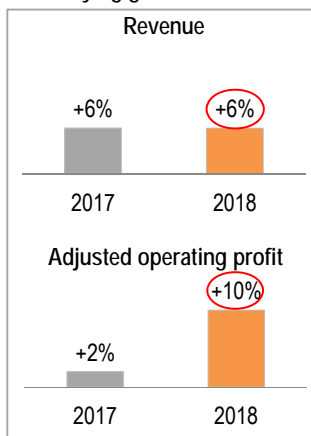


- Underlying revenue growth in line with prior year
- Operating profit margin increase reflects ongoing process improvement, system decommissioning, partially offset by portfolio effects
- Continued growth in electronic revenues partially offset by print declines; legal market environment stable
- Roll out of new platform releases continued; broader data sets and tools
- Continued expansion of leading legal analytics

2019 outlook: Trends in our major customer markets are unchanged, continuing to limit the scope for underlying revenue growth

## Exhibitions

### Underlying growth



- Strong underlying revenue growth; higher profit growth reflects cycling-in effects
- Launched 44 new events; piloting and rolling out data analytics initiatives
- Good growth in Europe, strong in Japan and China; differentiated growth rates in the US; most other markets grew well
- Temporary venue constraints for Tokyo Olympic Games, expanded capacity thereafter
- Organic growth strategy supported by small acquisitions; acquired Mack Brooks in 2019

2019 outlook: We expect underlying revenue growth trends to continue, temporary venue constraints aside. In 2019 we expect cycling-out effects to reduce reported revenue growth rate by around five percentage points

## RELX strategic direction: unchanged

### Where we are going

- Deliver improved outcomes to professional customers
- Combine content & data with analytics & technology in global platforms
- Build leading positions in long term global growth markets
- Leverage institutional skills, assets and resources across RELX

### How we are getting there

- Organic development: Investment in transforming core business; build-out of new products
- Portfolio reshaping: Selective acquisitions; selective divestments

### Implications for business profile: Improving quality of earnings

- More predictable revenues
- Higher growth profile
- Improving returns

## Portfolio reshaping

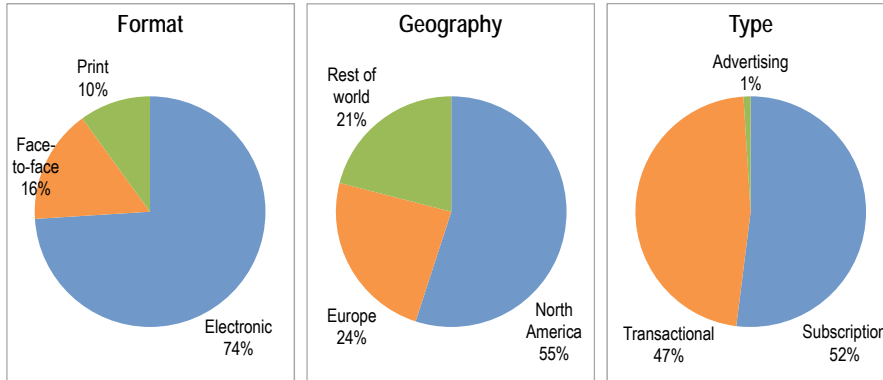
### Selective acquisitions: Focused on data sets, analytics and high growth markets

- In 2018 completed 9 acquisitions; total consideration £978m
- ThreatMetrix, SST, Safe Banking Systems, Via Oncology, Science-Metrix, Aries Systems, PatentSight, Gamer Network and AMTS

### Selective disposals of non strategic assets

- In 2018 completed 8 minor asset disposals for £45m

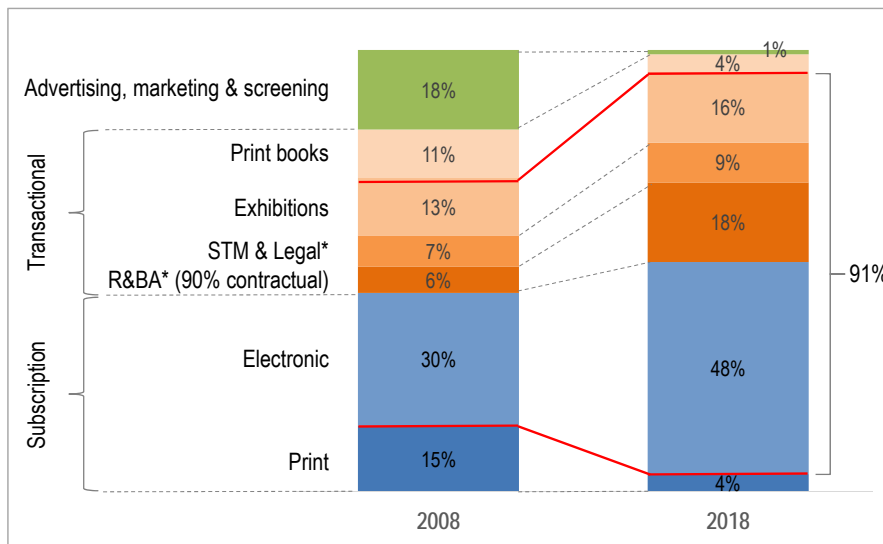
## RELX revenue by category 2018



RELX

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## Evolution of RELX revenue by type



pro forma 2018 revenue for January 2019 continuing operations  
\*excluding print books & advertising

RELX

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Nick Luff, CFO

## 2018 financial highlights

### Income statement highlights

• Underlying revenue growth	+4%
• Underlying adjusted operating profit growth ahead of revenue growth	+6%
• Adjusted operating profit margin 20 basis points higher	31.3%
• Adjusted EPS growth at constant currencies	+7%

### Cash flow and balance sheet highlights

• Return on invested capital	13.2%
• Adjusted cash flow conversion	96%
• Net debt / EBITDA	2.4x*
• Dividend	42.1p; +7%
• Share buyback	£700m

*\*including leases as per IFRS 16 and pensions; calculated in US dollars; excluding leases and pensions 2.2x*

## Income statement

Year to 31 December	2017 £m	2018 £m	change	change constant currency	change underlying
Revenue	7,341	7,492	+2%	+4%	+4%
Adjusted operating profit	2,284	2,346	+3%	+4%	+6%
<i>Adjusted operating margin</i>	<i>31.1%</i>	<i>31.3%</i>			
Adjusted net interest expense	(183)	(201)			
<i>Effective interest rate</i>	<i>3.2%</i>	<i>3.2%</i>			
Adjusted profit before tax	2,101	2,145	+2%	+3%	
<i>Adjusted tax rate %</i>	<i>22.5%</i>	<i>21.7%</i>			
Adjusted net profit	1,620	1,674	+3%	+5%	
Reported net profit	1,648	1,422	-14%		
Adjusted earnings per share	80.2p	84.7p	+6%	+7%	
Reported earnings per share	81.6p	71.9p	-12%		

All prior year results restated for adoption of IFRS 9, 15 and 16



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## Revenue

Underlying growth in all business areas

Year to 31 December	2017 £m	2018 £m	change	change constant currency	change underlying
Scientific, Technical & Medical	2,473	2,538	+3%	+4%	+2%
Risk & Business Analytics	2,073	2,117	+2%	+5%	+8%
Legal	1,686	1,618	-4%	-1%	+2%
Exhibitions	1,109	1,219	+10%	+12%*	+6%
RELX	7,341	7,492	+2%	+4%	+4%

\*including +5% cycling-in effects

All prior year results restated for adoption of IFRS 9, 15 and 16



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## Adjusted operating profit

Underlying growth in all business areas

Year to 31 December	2017 £m	2018 £m	change	change constant currency	change underlying
Scientific, Technical & Medical	914	942	+3%	+2%	+2%
Risk & Business Analytics	760	776	+2%	+6%	+8%
Legal	328	320	-2%	0%	+10%
Exhibitions	287	313	+9%	+11%	+10%
Unallocated items	(5)	(5)			
<b>RELX</b>	<b>2,284</b>	<b>2,346</b>	<b>+3%</b>	<b>+4%</b>	<b>+6%</b>

All prior year results restated for adoption of IFRS 9, 15 and 16



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## Adjusted operating margin

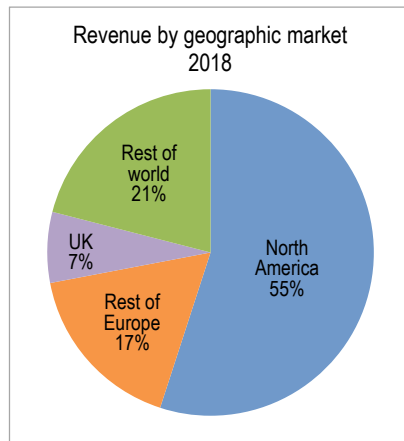
Year to 31 December	2017	2018
Scientific, Technical & Medical	37.0%	37.1%
Risk & Business Analytics	36.7%	36.7%
Legal	19.5%	19.8%
Exhibitions	25.9%	25.7%
<b>RELX</b>	<b>31.1%</b>	<b>31.3%</b>

All prior year results restated for adoption of IFRS 9, 15 and 16



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## Currency profile



- Revenue by currency broadly matches geographic split
- Hedging smoothes volatility in sterling reported results
- At current exchange rates impact on FY 2019 sterling adjusted EPS growth slightly positive relative to constant currency

## Return on invested capital

Year to 31 December	2017 £m	2018 £m
Adjusted operating profit	2,284	2,346
Tax at effective rate	(514)	(509)
<i>Effective tax rate</i>	<i>22.5%</i>	<i>21.7%</i>
Adjusted operating profit after tax	1,770	1,837
Average invested capital (at average FX rates)	13,733	13,924
Return on invested capital	12.9%	13.2%

All prior year results restated for adoption of IFRS 9, 15 and 16

## Free cash flow

Year to 31 December	2017 £m	2018 £m
Adjusted operating profit	2,284	2,346
Depreciation*	343	364
Capital expenditure	(354)	(362)
Repayment of lease principal (net)	(76)	(81)
Working capital and other items	-	(24)
<b>Adjusted cash flow</b>	<b>2,197</b>	<b>2,243</b>
Cash flow conversion rate	96%	96%
Cash interest paid	(163)	(155)
Cash tax paid	(472)	(428)
Acquisition related costs**	(28)	(67)
<b>Free cash flow</b>	<b>1,534</b>	<b>1,593</b>

\*Includes depreciation of leased right-of-use assets of £77m (2017: £75m)

\*\*Net of cash tax relief

All prior year results restated for adoption of IFRS 9, 15 and 16



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## Uses of free cash flow

Year to 31 December	2017 £m	2018 £m
Free cash flow	1,534	1,593
Disposals: total consideration	87	45
Acquisitions: total consideration	(123)	(978)
Dividends	(762)	(796)
Share buybacks	(700)	(700)
Other*	(69)	(53)
Currency translation	41	(246)
<b>Movement in net debt</b>	<b>8</b>	<b>(1,135)</b>
Net debt at 31 December (including leases)	(5,042)	(6,177)
Net debt / EBITDA (including leases and pensions)	2.2x	2.4x
Net debt / EBITDA (excluding leases and pensions)	1.9x	2.2x

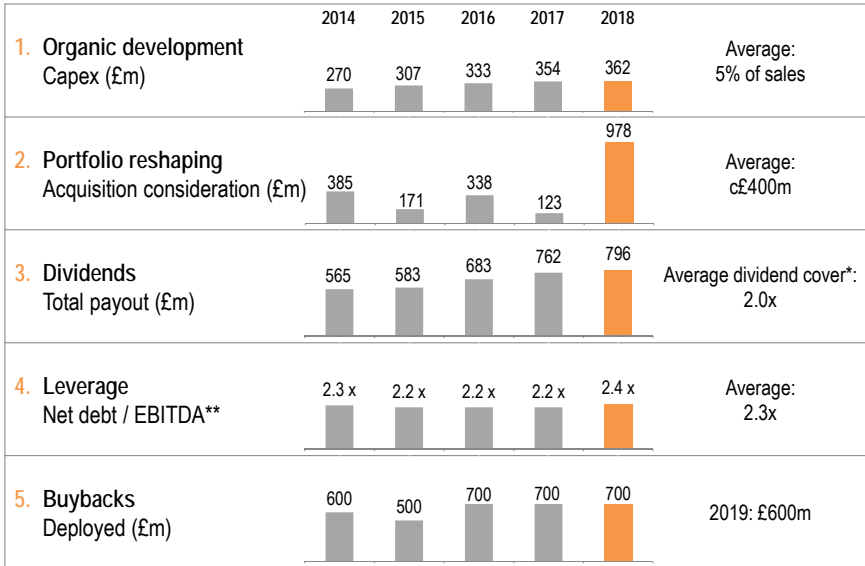
\*Includes option proceeds, share purchases by the employee benefit trust, leases, acquisition and disposal timing effects and cash taxes on disposals

All prior year results restated for adoption of IFRS 9, 15 and 16



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## Uses of cash - priorities



\*Average, on a declared per share basis  
\*\*Including leases and pensions



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Erik Engstrom, CEO

## Summary

### 2018

- Positive financial performance
- Further strategic and operational progress
- Simplification of corporate structure

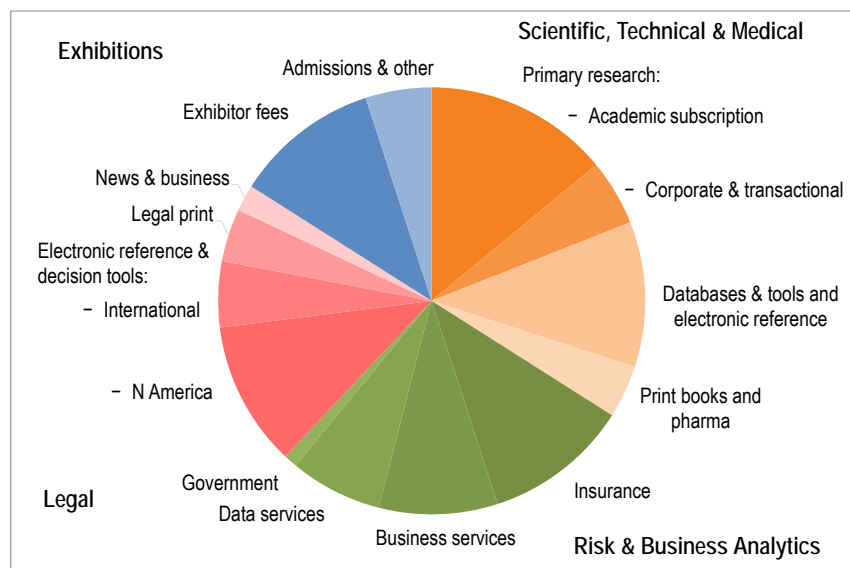
### 2019 Outlook

Key business trends in the early part of 2019 are consistent with 2018, and we are confident that, by continuing to execute on our strategy, we will deliver another year of underlying growth in revenue and in adjusted operating profit, together with growth in adjusted earnings per share on a constant currency basis.

## Appendices

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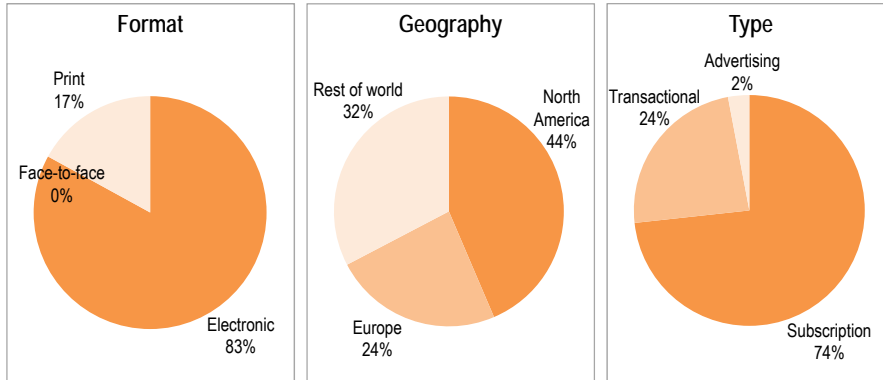
## RELX revenue by segment



Pro forma 2018 revenues for January 2019 continuing operations

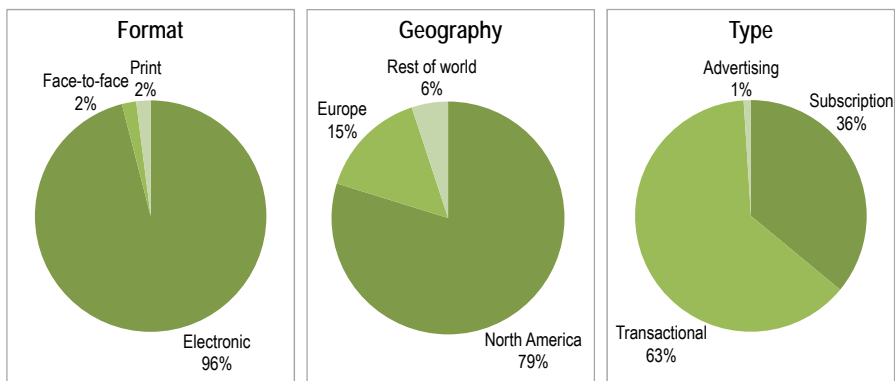
## Scientific, Technical & Medical

2018 revenue £2,538m



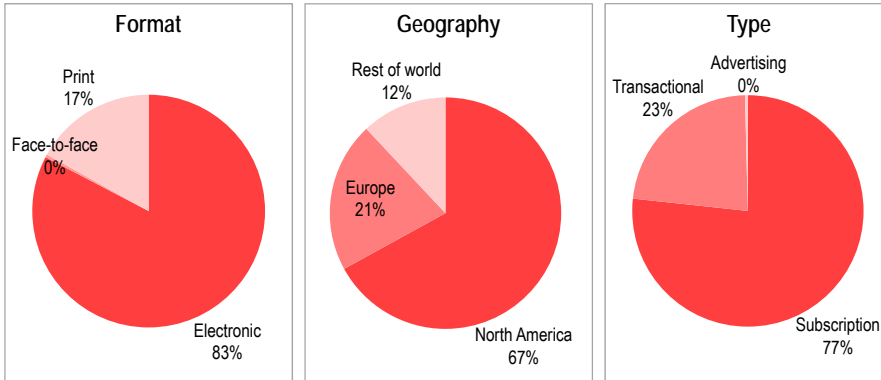
## Risk & Business Analytics

2018 revenue £2,117m



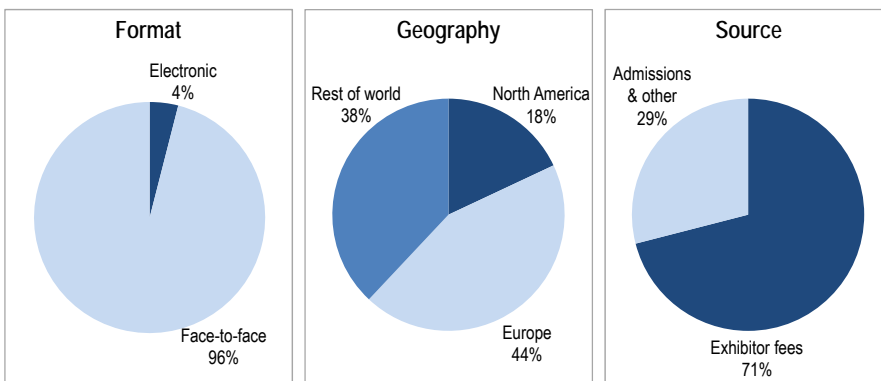
## Legal

2018 revenue £1,618m



## Exhibitions

2018 revenue £1,219m



## Reconciliation of operating profit Adjusted to reported

Year to 31 December	2017 £m	2018 £m	change
Adjusted operating profit	2,284	2,346	+3%
Adjustments:			
Amortisation of acquired intangible assets	(314)	(288)	
Acquisition related costs	(56)	(84)	
Reclassification of tax in joint ventures	(10)	(11)	
Reclassification of finance income in joint ventures	1	1	
Reported operating profit	1,905	1,964	+3%

All prior year results restated for adoption of IFRS 9, 15 and 16



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## Balance sheet

	31 Dec 2017 £m	31 Dec 2018 £m
Goodwill & acquired intangible assets	8,023	9,216
Internally developed intangible assets	1,136	1,217
Property, plant & equipment and investments	437	453
Right-of-use assets	287	263
Net assets held for sale	-	(3)
Net pension obligations	(328)	(433)
Working capital	(1,314)	(1,278)
Net capital employed (book value)	8,241	9,435
Cumulative amortisation and other adjustments*	5,245	4,927
Invested capital at 2018 average exchange rates	13,486	14,362
Average invested capital for the year		13,924

All prior year results restated for adoption of IFRS 9, 15 and 16

\*Other adjustments: currency movements and exclusion of deferred tax gross up to goodwill

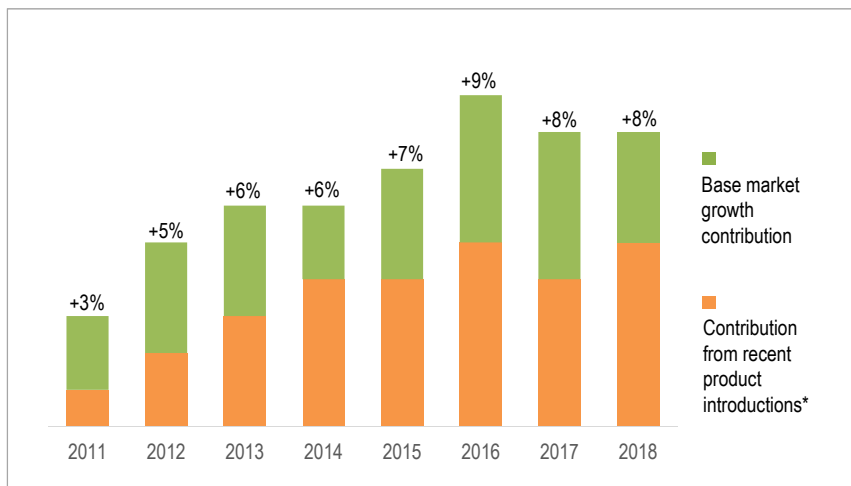


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## Scientific, Technical & Medical Growth and currency analysis

		Underlying	Portfolio changes	Constant currency	Period change in hedge rates	Other currency	Total currency	Total
2018	Revenue	+2%	+2%	+4%	+1%	-2%	-1%	+3%
	Adjusted operating profit	+2%	0%	+2%	+3%	-2%	+1%	+3%
	Adjusted operating margin	0.0%	-0.7%	-0.7%	+0.6%	+0.2%	+0.8%	+0.1%
2017	Revenue	+2%	0%	+2%	0%	+5%	+5%	+7%
	Adjusted operating profit	+3%	-1%	+2%	0%	+5%	+5%	+7%
	Adjusted operating margin	+0.6%	-0.6%	0.0%	0.0%	0.0%	0.0%	0.0%
2016	Revenue	+2%	0%	+2%	-1%	+11%	+10%	+12%
	Adjusted operating profit	+3%	-1%	+2%	-1%	+11%	+10%	+12%
	Adjusted operating margin	+0.4%	-0.1%	+0.3%	-0.1%	-0.1%	-0.2%	+0.1%

## Risk & Business Analytics underlying revenue growth



\* Less than 5 years old

## Exhibitions: cycling impact

Revenue growth	2014	2015	2016	2017	2018
Total at constant currencies	+11%	+1%	+9%	+1%	+12%
Impact of portfolio changes	+2%	+1%	+1%	+1%	+1%
Underlying with cycling	+9%	0%	+8%	+0%	+11%
Impact of cycling shows	+2%	-5%	+3%	-6%	+5%
Underlying	+7%	+5%	+5%	+6%	+6%

## Exchange rates and shares outstanding

	At 31 Dec 2017	At 31 Dec 2018	Average 2017	Average 2018
<b>Exchange rates</b>				
£:\$	1.35	1.27	1.29	1.34
£:€	1.12	1.11	1.14	1.13
<b>Shares outstanding</b>				
Total:	2,004m	1,962m	2,019m	1,977m

## Capital expenditure by business area

Year to 31 December	2017		2018	
	£m	% of revenues	£m	% of revenues
Scientific, Technical & Medical	96	4%	100	4%
Risk & Business Analytics	83	4%	87	4%
Legal	152	9%	145	9%
Exhibitions	23	2%	30	2%
<b>Total capital expenditure</b>	<b>354</b>	<b>4.8%</b>	<b>362</b>	<b>4.8%</b>

## Depreciation by business area

Year to 31 December	2017		2018	
	£m	% of revenues	£m	% of revenues
Scientific, Technical & Medical	79	3%	90	4%
Risk & Business Analytics	52	3%	58	3%
Legal	119	7%	124	8%
Exhibitions	18	2%	15	1%
<b>Total</b>	<b>268</b>	<b>3.7%</b>	<b>287</b>	<b>3.8%</b>
Depreciation of right-of-use assets	75		77	
<b>Total depreciation</b>	<b>343</b>		<b>364</b>	

## Restatement due to changes to accounting standards FY 2017

	2017 as reported £m	Impact of IFRS 15/ IFRS 16	2017 as restated £m
<b>Revenue</b>			
Scientific, Technical & Medical	2,478	(5)	2,473
Risk & Business Analytics	2,076	(3)	2,073
Legal	1,692	(6)	1,686
Exhibitions	1,109	-	1,109
<b>RELX</b>	<b>7,355</b>	<b>(14)</b>	<b>7,341</b>
<b>Adjusted operating profit</b>			
Scientific, Technical & Medical	913	1	914
Risk & Business Analytics	759	1	760
Legal	332	(4)	328
Exhibitions	285	2	287
Unallocated items	(5)	-	(5)
<b>RELX</b>	<b>2,284</b>	<b>-</b>	<b>2,284</b>

## Restatement due to changes to accounting standards Earnings per share

Income statement	2017 as reported £m	Impact of			Total	2017 as restated £m
		IFRS 9	IFRS 15	IFRS 16		
Adjusted net interest expense	(166)	(2)	-	(15)	(17)	(183)
Adjusted net profit	1,635	(2)	(9)	(4)	(15)	1,620
Adjusted EPS (p)	81.0p					80.2p

## Restatement due to changes to accounting standards Balance sheet

	2017 as reported	Impact of IFRS 9/ IFRS 15/ IFRS 16	2017 as restated
Net debt (£m)	(4,732)	(310)	(5,042)
Net debt / EBITDA			
— Excluding leases and pensions	1.9x	-	1.9x
— Including leases and pensions	2.2x	-	2.2x
Return on invested capital	13.1%	-0.2%	12.9%