

# HUNTSWORTH

17 February 2009

**Huntsworth plc**

## **Acquisition of Momentum International Limited**

Huntsworth PLC ("Huntsworth"), the international public relations and healthcare communications group is continuing to expand its network in the Gulf Cooperation Council ("GCC") with the acquisition of its affiliate of three years, Momentum International Limited ("Momentum"). Towards the end of last year Huntsworth invested in a start up in Qatar, and Momentum will provide additional offices in Riyadh and Dubai, bringing additional clients from Abu Dhabi and Bahrain.

Huntsworth will acquire the entire share capital of Momentum for an initial consideration of US\$2.8 million (£2.0 million) in cash. Deferred consideration will be payable, with an interim cash payment based on profits for the year ended 31 December 2009. A final payment based on profits for the four years to 31 December 2011 will be payable in cash or shares at Huntsworth's option. The maximum total consideration payable is US\$12 million (£8.4 million). The final payment multiple will be based on the lower of the revenue or earnings growth. In order to generate a payment at the level of the cap, the average growth would need to be in excess of 50% per annum.

In the audited accounts for the year ended 31 December 2008, Momentum had revenues of AED 7,601,000 (£1,447,000) and profit before interest and taxation of AED 2,437,000 (£464,000). Gross assets as at 31 December 2008 were AED 7,941,000 (£1,512,000).

Momentum has been acquired from Guy Taylor, Ben Castree, Sonja Ohly and Eiluned Castree, who are members of the senior management team of the company and will continue to lead the business following the acquisition.

Sally Withey, Chief Operating Officer of Huntsworth, commented:

"We are committed to expanding our global footprint to the benefit of our existing and new clients. The Middle East remains a vitally important part of the world's economic geography where we continue to see strong growth opportunities. We have worked closely with Momentum for a number of years and are delighted to confirm that the agency is now fully part of the Huntsworth family."

Guy Taylor, Managing Director of Momentum, said:

"We have developed an excellent relationship with many of the Huntsworth agencies and their clients. The fact is that we complement each other's skills and we share a very similar business culture. Whilst nothing changes from an operational point of view, being part of the Huntsworth group will help us accelerate our expansion plans."

For further information, please contact:

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Footnote:

The UAE Dirham (AED) is pegged to the US Dollar at 3.672. A USD to GBP exchange rate of 1.43 has been used.