

# HUNTSWORTH

11 May 2010

**Huntsworth plc  
("Huntsworth" or "the Group")**

## **Interim Management Statement**

**Net New Business Up 33%; 80% Committed Revenues for 2010; Largest ever win for Grayling confirmed.**

Huntsworth plc, the global public relations and healthcare communications group, reports significantly higher net new business activity in Q1 of 2010 compared with Q1 2009.

Net new business wins were up 33% on a like for like basis and the Group now has committed revenues of 80% against its rising revenues targets for 2010. The Group is trading in line with management revenue and profit expectations and expects to return to revenue growth during the summer.

The balance sheet remains robust with net debt comfortably within banking covenants.

Following the confirmation of the liquidity thresholds announced by FTSE on 1 April, Huntsworth believes that it may qualify for the FTSE All-Share index in the next annual review to be held on 9 June 2010.

### **Peter Chadlington, Huntsworth's Chief Executive, commented:**

"I am very encouraged by this good start to the year. Despite the low comparator base of the previous year, the strong new business flow we have seen in the first quarter of 2010, the level of revenues already committed for the full year and our growing ability to win bigger and more international mandates gives us confidence that Huntsworth will not only return to growth during 2010 but also that we are on track to meet our ambitious target of doubling our historic organic growth record during 2011."

From this year the Group will be reporting results and Interim Management Statements by each of its four brands.

### **CITIGATE**

The stronger financial markets have brought real impetus to the Citigate division with new business 51% ahead of 2009 on a like for like basis. Committed revenues are now at 76% of full year forecasts.

Recent transactional work includes advising Tullow Oil on its acquisition of assets in Uganda, Investec Bank plc on its successful acquisition of Rensburg Sheppards and the first two Russian companies to list in Russia in 2010, Protek and Russian Sea. Other wins include easyGroup, the private investment vehicle of Sir Stelios Haji-Ioannou, Spyker, the Dutch car maker that recently saved Swedish Saab, and the launch of the UK based law firm Wragge & Co in France.

## **GRAYLING**

Following the rebranding, pitching activity has been very high. 80% of 2010 revenues are now committed with new business 25% ahead of Q1 2009 on a like for like basis. Grayling has won a number of significant multi-office, international accounts with further significant opportunities in the pipeline.

Grayling won its largest client to date - The Portuguese Cork Association (APCOR) - with a seven figure fee. The assignment is a major international communications programme to promote the advantages of cork stoppers and cork building and decoration materials in six key markets: the UK, Italy, China, Japan, Russia and the United Arab Emirates. Grayling won this account following an extensive international public tender.

Grayling has also been successful in winning a number of other high profile international clients including the Nabucco Gas Pipeline, Sony Pictures Television in the Baltic States and a retained contract from The Economist Group in Germany, Turkey, Italy and Spain. Grayling has also been appointed to work on My Hermes, a campaign that targets the ebay market and Lyle & Scott which extends Grayling's digital work across a number of European markets.

These recent successes add to Grayling's earlier global wins announced in February of Lloyds International Private Banking and The International Federation of Animal Health Companies.

Dutko Worldwide was acquired at the end of 2009 and has been engaged in over two dozen transatlantic international business opportunities since joining the Grayling division.

## **HUNTSWORTH HEALTH**

Huntsworth Health continues to build on its strong 2009 growth rate with new business in the quarter 40% ahead of the first quarter of 2009 on a like for like basis, and committed revenues are now at 79% of full year budgets. Digital revenues, which grew 100% in 2009 and now represent 15% of the division's revenues, have grown by a further 100% in the first quarter of 2010.

Recent wins include Napp Pharmaceuticals to prepare for the launch of a new treatment in the respiratory arena and BiogenIDEC who have engaged an integrated team across disciplines to work on a major mobility initiative in multiple sclerosis.

## **RED**

After an outstanding organic growth record in 2009, new business in the first quarter at RED is 13% ahead of 2009 and full year revenues are now 88% committed.

Recent wins include Avis and Budget, the UK PR communications for both brands; Kelkoo, Pan-EMEA and UK strategic planning and activity for the European shopping comparison website; Health & Safety Executive, an awareness campaign to help reduce the numbers of deaths and injuries to farmers and Mundipharma, the European launch of a new rheumatoid arthritis treatment.

Note : Like-for-like new business includes pre-acquisition performance and is stated at constant currencies.

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