



1 November 2011

Aegis Group plc

Interim Management Statement

Aegis Group plc (“Aegis” or “the Group”) today announces a trading update for the third quarter of 2011 and for the first nine months of the year, from 1 January 2011 to 30 September 2011.

Total revenue for the Retained Group, excluding Synovate, was up +26.1% in the third quarter and up +20.3% during the first nine months of 2011, on a reported basis.

Organic revenue, at constant currency and excluding acquisitions and disposals, for the Retained Group was up +11.2% in the third quarter and up +8.9% in the first nine months of 2011.

Organic revenue for the Total Group, including Synovate, was up +7.1% in the third quarter and up +7.2% in the first nine months of 2011.

Organic revenue growth (%)	Q1 2011	Q2 2011	Q3 2011	YTD 2011
Retained Group*	+10.1	+6.1	+11.2	+8.9
Total Group**	+9.1	+5.9	+7.1	+7.2
Aegis Media	+10.1	+5.8	+11.5	+8.9

*Retained Group comprises Aegis Media and Aztec

**Total Group comprises the Retained Group and Synovate (now classified as a discontinued operation)

Aegis Media, which contributes the vast majority of the Retained Group’s revenue, delivered strong organic growth of 11.5% during the third quarter, and 8.9% during the first nine months of the year, up from 7.6% organic revenue growth at the half year. Revenue growth was driven by continued positive momentum in our businesses in North America and faster-growing regions.

Our business in North America delivered double-digit organic revenue growth during the first nine months of the year, supported by a number of significant new business wins over the last 18 months.

Our key businesses in faster-growing regions, including China, Russia and Brazil, also performed well, delivering double-digit organic revenue growth over the first nine months of the year, and our business in Australia produced double digit organic revenue growth in the third quarter.

In Western Europe, which faced more challenging market conditions, our businesses in the UK, Germany, Scandinavia and the Netherlands, all delivered strong performances in the third quarter. Our business in France had a challenging quarter and, despite the economic environment in Southern Europe, our businesses in Spain, Italy and Portugal performed relatively well.

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Aegis Media has delivered total net new business wins of \$2.4 billion during the first nine months of the year (2010: \$1.6 billion), including net new business wins of \$400 million in the third quarter of 2011 (2010: \$650 million). New business wins during the third quarter were mainly local and national, but there were also several new business assignments for major international organisations like Diageo, Pernod Ricard, Disney, Expedia and P&G.

To support our strong new business performance over the last 18 months, we have added some additional resource in 2011, in particular in North America. We have also needed to ensure competitive salaries in certain faster-growing markets. Consequently, there has been some upward pressure on staff costs in the year.

Group financial position

Aegis ended the period in a strong financial position, comfortably within its financial covenants, with no short term maturities and significant undrawn available credit under its committed central facilities. There was an improvement in the Group's cash position after the period end, following the receipt of funds from the sale of Synovate.

Completion of Synovate sale and use of proceeds

On 12 October 2011, we completed the sale of Synovate to Ipsos S.A for a total consideration of £528.8 million. The sale of Synovate gives the Group a clear focus as the leading media and digital communications Group, at a time when rapid change and increasing complexity in the relationship between advertisers and consumers make focus a significant differentiator.

On 2 November 2011, Aegis will return £200 million of the proceeds from the sale, equivalent to £0.1553 per share, by means of a special dividend to shareholders on the register at 21 October 2011. The shares traded ex-dividend on 24 October 2011, with an associated 10 for 11 share consolidation taking effect on the same day.

The retained proceeds from the sale of Synovate will be used to make acquisitions which accelerate our strategy by providing scale, in-fill and innovation, with a specific emphasis on faster growing regions, North America, and on digital businesses. To date in 2011, we have spent over £70 million in initial consideration on fifteen bolt-on acquisitions and investments and we have a strong pipeline of potential acquisition opportunities across a diverse range of geographies and product offerings.



Outlook

Organic growth for 2011

Short term visibility remains limited and the macro-economic climate and trends remain uncertain. Compared to a strong third quarter, we expect our organic revenue growth rate to slow in the fourth quarter. As is historically the case, revenue in 2011 will be weighted towards the fourth quarter.

Despite these factors, we remain positive about Aegis's prospects, given our strong performance during the first nine months of 2011 and the levels of client expenditure throughout that period, which have been consistently ahead of 2010. We therefore expect organic revenue growth for the Retained Group for 2011 to be ahead of the level achieved by the Group in 2010, when it was 5.8%.

Profit and margin for 2011

We expect underlying operating profit for the Retained Group for 2011 to be in line with current market consensus and we continue to expect the Retained Group's operating margin in 2011 to increase from the level achieved in 2010.

We have made further progress in reducing our underlying effective tax rate during the year, as a result of on-going tax planning initiatives. We therefore expect our underlying effective tax rate for 2011 to be marginally lower than reported at the half year stage.

Jerry Buhlmann, Chief Executive Officer of Aegis Group plc, said:

"Aegis continues to outperform the market, as we emerge as the world's leading focused media and digital communications Group, following the sale of Synovate. Our strong organic revenue growth performance in the third quarter of 2011 was driven by excellent operational results from our businesses in faster-growing regions and North America. However, parts of Western Europe continue to be challenging.

"We continue to focus on improving our efficiency and on targeting acquisitions in media and digital that extend our products and services and position the business in key geographies, ensuring Aegis remains well placed for the future. In addition, we have completed the disposal of Synovate – this transformational deal makes Aegis a stronger and better placed business than ever before, able to capitalise on the opportunities ahead.

"Whilst visibility remains relatively low and macro uncertainties remain, the momentum in the business, built up over the last 18 months, combined with the focus we now have, ensures the Board remains positive about Aegis's future prospects."

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Notes to Editors:

About Aegis Group plc:

Aegis Group plc is the world's leading media and digital communications Group. Made up of Aegis Media (Carat, Vizeum, Posterscope, Isobar and iProspect) and Aztec, the scan data services business, Aegis Group helps clients build consumer relationships by communicating their products and brands effectively. Our services include communications strategy through digital creative execution, media planning and buying, brand tracking and marketing analytics. Aegis Group plc shares are listed on the London Stock Exchange (AEGS.L).