Introductions

- Steve Martin (CEO)
  M & C Saatchi Sports & Entertainment

- Melvin Jay (CEO)
  Clear Ideas

- Jane Boardman (CEO)
  Talk PR

- Phil Georgiadis (Chairman)
  Walker Media
The Growth Strategy

• Extend traditional businesses into new geographies

• Shift balance of the Group into higher growth / margin categories
<table>
<thead>
<tr>
<th>YEAR</th>
<th>EVENT</th>
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</thead>
<tbody>
<tr>
<td>1995</td>
<td>M &amp; C Saatchi Founded</td>
</tr>
<tr>
<td>1998</td>
<td>Walker Media Launched – 50/50 Joint Venture</td>
</tr>
<tr>
<td>1999</td>
<td>LIDA (Direct Marketing and Digital)</td>
</tr>
<tr>
<td>2000</td>
<td>Immediate Sales (Integrated Communications)</td>
</tr>
<tr>
<td>2001</td>
<td>Talk PR</td>
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<tr>
<td>2003</td>
<td>Influence (Cause Related Marketing)</td>
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</tbody>
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## Key Steps In The Rebalancing Strategy

<table>
<thead>
<tr>
<th>YEAR</th>
<th>EVENT</th>
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<tbody>
<tr>
<td>• 2004</td>
<td>Acquired additional 25% stake in Walker Media</td>
</tr>
<tr>
<td>• 2004</td>
<td>M &amp; C Saatchi Sport &amp; Entertainment established</td>
</tr>
<tr>
<td>• March 2006</td>
<td>Walker – I (Digital Media)</td>
</tr>
<tr>
<td>• July 2006</td>
<td>Open Dialogue (PR-Sydney)</td>
</tr>
<tr>
<td>• June 2007</td>
<td>Me And Us (PR - Paris)</td>
</tr>
<tr>
<td>• July 2007</td>
<td>Acquired additional 19.5% stake in Walker Media</td>
</tr>
<tr>
<td>• July 2007</td>
<td>Acquired 100% of Clear Idea’s Ltd.</td>
</tr>
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And The Balance Is Shifting

Group Revenue 2006 - By Source
- Advertising: 65%
- Media: 14%
- Other Mar Com: 21%
- Consulting: 0%

Group Revenue 2007 - By Source
- Advertising: 58%
- Media: 16%
- Other Mar Com: 20%
- Consulting: 6%

Group Revenue 2008 (est) - By Source
- Advertising: 49%
- Media: 15%
- Other Mar Com: 23%
- Consulting: 13%
The Role Of The Group

• A home for Entrepreneurs not ratio-slaves

• Increasing opportunities for shared clients
The Future

- Will continue to invest both organically and through acquisition in selected high growth / high margin businesses

- Will explore further geographies – E.g. The Middle East, Central Europe

- Outlook for full year and 2008 consistent with expectations
November 2007

M&C Saatchi
May 2004 to present day

The story so far...
CONTENTS

- WHAT WE DO
- WHO WE WORK FOR
- HOW WE GO ABOUT IT
- GROWTH FROM STANDING START
- 2007 WINS
- CREATIVITY
- 360 DEGREE THINKING
- FUTURE GROWTH
WHAT WE DO

Award winning dedicated sport and entertainment sponsorship exploitation agency

In layman's terms, we make a brands’ sponsorship more famous and effective using tools such as PR, events, digital & direct to consumer

Senior team of 25 experienced sports and entertainment specialists

Every single person in the company has been recruited on spec for specific client needs

“Few sponsorship agencies can claim to deliver on the promise of integration, but M&C can. It’s success in pitching, winning & implementing contracts – fending off stiff competition – is based on communicating the sponsorship at every level of the consumer contact”
WHO WE DO IT FOR

TOMMY HILFIGER

Carlsberg

TaylorMade

RBK

Coca-Cola

The FA

dunhill

POWERADE

NatWest

M&C SAATCHI

SPORT & ENTERTAINMENT
REVENUE GROWTH (YEAR ON YEAR)

- 38% for 2005
- 48% for 2006
- 57% for 2007
NEW RETAINED CLIENT WINS
ORGANIC CLIENT WINS

POWERADE

TUBORG

LIVE NATION

M&C SAATCHI

TKO TALENT

COCA-COLA LIVE

ON YOUR BIKE, LONDON

O2 ARENA

COKE MUSIC
CREATIVITY

- Four examples of creativity from 2007 to showcase breadth of work:

  1. Amelie Mauresmo splits the court in two
  2. There are two people in everyone – Reebok brand launch
  3. Live streaming from the BAFTA red carpet
  4. The first footballer in the world to have his own TV channel – Frank TV
AMELIE MAURESMO SPLITS THE COURT IN TWO

The Brief
With 48 hours notice, Reebok briefed M&C to create a newsworthy stunt to generate pre-Wimbledon coverage of the brand’s sponsorship of tennis star Amelie Mauresmo.

Our approach
We needed a concept that would create strong, branded imagery for print and broadcast media.
To achieve this, M&C staged a game of tennis with a difference...
We created a full size tennis court split across two rooftops in London.
Consumers and international media were invited to take on Amelie, the defending Wimbledon champion, in an unforgettable game of rooftop tennis.
AMELIE MAURESMO SPLITS THE COURT IN TWO

The Results
A truly global news story with 130 TV shows around the world featuring the stunt including the BBC, CNN, Sky News, Al Jazeera, Canal+ TV5 and Eurosport.

The story was also widely covered in newspapers and on websites across Europe.
The Brief
Reebok briefed M&C to develop a concept to launch their ‘Two People in Everyone’ global campaign and generate pan-European coverage. The campaign celebrated the differing on and off-field personas of several Reebok sponsored athletes including footballers Thierry Henry and Iker Casillas.

Our Approach
M&C commissioned a series of ‘shadow sculptures’ designed to reveal the athletes dual personalities in an engaging way for consumers and media. Each sculpture was made up of a seemingly random array of objects that represented the ‘off field’ personality of the icons. However, with the flick of a light switch they took on a new dimension as the objects had been carefully assembled to cast a shadow showing the silhouette of stars in more familiar ‘action’ poses.
The Results
The sculptures were unveiled to European media at an exclusive Barcelona art gallery by footballers Thierry Henry and Iker Casillas.

Branded TV, print and online coverage received throughout Europe including L’Equipe, BBC, Eurosport, Daily Mirror, Marca, Bild, El Mundo, Sky News and Antenna 3.
THE BAFTA RED CARPET

The Brief
Orange briefed M&C to make its British Academy Film Awards sponsorship more relevant to its core target audience of 18-24 year olds.

Our Approach
M&C realised that the rather formal BAFTA ceremony wasn’t necessarily of interest to the audience. However, the glamour of the red carpet activity before the event provided a real opportunity to appeal to the target’s desire for celebrity news and gossip.

Inspired by this insight, M&C created the first ever programme to be broadcast live from the red carpet of the BAFTAs.

M&C negotiated a deal with Myleene Klass to be the presenter as well as signing her to promote the programme in the week leading up to the show. The show was broadcast exclusively on Orange’s website.
THE BAFTA RED CARPET

The Results
10,000 viewers watched live streaming of The Red Carpet Programme – exceeding Orange’s targets.

80% of those viewers watched the entire programme.

Branded media coverage ran in a number of UK media outlets during the week leading up to the ceremony including the Daily Star, Closer, the Daily Mirror, Daily Telegraph and The Guardian.

Following on from year one success, Orange has re-commissioned the show to run at the 2008 BAFTA ceremony.
The Brief
In August 2007, Orange approached M&C to raise awareness and increase traffic to Orange mobile TV service whilst promoting the brand’s sponsorship deal with Chelsea and England midfielder Frank Lampard.

Our Approach
Showcasing the existing product would not generate enough awareness as the service had been launched 18 months before. New news was required. M&C created the first ever TV station dedicated to a footballer – Frank TV. The channel was available exclusively on Orange TV and featured fly-on-the-wall content of Frank Lampard, filmed on his mobile phone, as he went about his life as an international footballer.
The Results

The channel proved hugely popular with Orange’s target audience of 16-24 year olds thanks to its combination of celebrity, sport and reality TV style content. It became one of Orange’s most popular channels during the month it was launched.

Media coverage of Frank TV generated 166 pieces of coverage including highly branded coverage on Channel 4 news, BBC Click and Sky News.

Coverage achieved an AVE of £4,428,000 ROI of 221:1
FUTURE GROWTH

- London 2012 Olympics
- World Cup 2010
- UK World Cup bid
- Entertainment
- Continued organic growth
- Continue to work closely with Group companies
Who are we and what do we do?
What we do: we are an ideas company

We are a strategic marketing consultancy…that helps our clients to uncover, craft and generate big ideas that grow their brands and their business.
..which in practical terms means that we help our clients in several ways

Innovation strategy & idea generation

Breakthrough brand strategy, portfolio strategy & brand positioning

Growth mapping and strategic segmentation

Deeper insight into consumers, markets and brands...both qualitative & quantitative

Marketing capability development:
process design, training & brand engagement

Graphic Design: radically relevant pack & product design
We work with some of the biggest companies, across a variety of sectors.
Our vital statistics

Geography

Richmond, UK
Amsterdam
New York

People

80 people

Money

Turnover of £13m
Profit of £3.3m
EBIT = 25.5%

Age

5 years old
Who do we compete with?
What makes us different?

**The insight behind our brand...**

“Great ideas are a mix of insight, strategy, creativity and commercial pragmatism...when I choose a marketing consultancy I always have to make a compromise between these ingredients...because none of my agencies are great at all 4 things”
... as one client put it... imagine the left hand side of your brain shaking hands with the right!
Growth outlook: continued double digit growth

Continued growth from UK and Europe

- We have a very wide source of business: marketing and management consultancies, market research and advertising agencies…and strong points of difference against each
- Our awareness and reputation continues to grow
- Europe growing strongly with lots of new client/service opportunities
- New focus on service brands (financial, leisure, retail etc)
- Client sharing/cross selling with M&C (=a big profit opportunity)

Geographical Expansion

- USA is big and underdeveloped market for consultancies like Clear
- US office launched in March 07…..lost money at the rate we expected for the first 6 months….. now making very good profits.
- Looking east...Singapore, China, Hong Kong, Australia leveraging M&C’s existing people and infrastructure
MYTH 1:

‘PR = PRESS RELEASES’
REALITY

PR is multi-dimensional & dynamic

Fleet of foot and quick to change
TALK PR FINANCIAL
TALK PR CORPORATE
TALK PR SOCIAL MARKETING
TALK PR CONSULTING
TALK PR HEALTH
TALK PR (CONSUMER)
£3M 2007
TALK PR TECHNOLOGY
MYTH 2:
‘PERIPHERAL TO BRAND & MARKETING ACTIVITY’
REALITY

PR has the CEO’s ear & seat at the table
MYTH 3:

‘JUST ABOUT SPIN & HYPE’
REALITY

Corporate & brand reputation

= 

New driving force of consumer decisions

PR is at the heart of it
02 TRIALOGUE CONCEPT
MYTH 4:

‘ALL ABOUT THE PARTY!’
REALITY

PR is at the heart of the drive to content creation

Our content ideas have changed the product offer, not just the communication
American Express European Luxury Project

21st CENTURION LIVING

Retaining American Express’s Premium Positioning

July 9, 2006
MYTH 5:

‘LUVVIES WHO LOVE TO NETWORK’
REALITY

We create relationships with clients that drive their business

With influencers and through strategic alliances
MYTH 6:

‘LOCALLY FOCUSED’
REALITY

The UK is one of a small number of markets trusted to create global plans and templates

30% of Talk PR’s fees are for global projects
VALENTINO V
ROME
BULGARIA
March 2006
Circ: 280,000

CZECH REPUBLIC
TISCALI.CZ
27th February 2006
Circ: 45,000

FRANCE
LA CROIX
20th March 2006
Circ: 38,100

GERMANY
TALK PR IS RIPE & READY FOR GROWTH

- Beyond consumer PR
- Great clients = great potential
- Corporate reputation drives consumer choice
- Content is king
- Strategic alliances drive business growth
- The world is our oyster!
We plan all our buying and buy all our planning
“Keeping our heads…”

Focus on consumer and sales

Respect for the power of advertising
Media is simple

- Target audience
- Proposition
- Media environment
- Competitive context

Strategy
Only agency in the top 10 via organic growth

Launched Nov '97

DSG
Jun '98

M&S
Summer '00

KFC
Summer '03

Weetabix
Summer '05

Barclays
Spring '06

DSG international plc

Fastest to £100m

Fastest to £200m

Fastest to £300m
Amongst the “mega-groups”…

<table>
<thead>
<tr>
<th>Network</th>
<th>Agency</th>
<th>Billings</th>
<th>Clients / Brands</th>
<th>£ / client</th>
<th>£ / brand</th>
</tr>
</thead>
<tbody>
<tr>
<td>WPP</td>
<td>MediaCom</td>
<td>£871m</td>
<td>89 / 375</td>
<td>6</td>
<td>12</td>
</tr>
<tr>
<td>Omnicom</td>
<td>OMD</td>
<td>£836m</td>
<td>75 / 246</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>WPP</td>
<td>Mindshare</td>
<td>£725m</td>
<td>31 / 100</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Publicis</td>
<td>Starcom Group</td>
<td>£657m</td>
<td>60 / 167</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>Aegis</td>
<td>Carat</td>
<td>£634m</td>
<td>65 / 212</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>Publicis</td>
<td>ZenithOptimedia</td>
<td>£566m</td>
<td>52 / 185</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>WPP</td>
<td>Mediaedge:CIA</td>
<td>£303m</td>
<td>48 / 124</td>
<td>12</td>
<td>11</td>
</tr>
<tr>
<td>IPG</td>
<td>Initiative</td>
<td>£299m</td>
<td>40 / 121</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>M&amp;C Saatchi</td>
<td>Walker Media</td>
<td>£280m</td>
<td>19 / 60</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Omnicom</td>
<td>PHD</td>
<td>£245m</td>
<td>29 / 87</td>
<td>8</td>
<td>8</td>
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</tbody>
</table>

Source: MMS (MAT to Sep '07)

...a distinctive ‘composition’…
Amongst the “independents”…

<table>
<thead>
<tr>
<th>Agency</th>
<th>Billings</th>
<th>Clients / Brands</th>
<th>Ranking (within top 20)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Walker Media</td>
<td>£280m</td>
<td>19 / 60</td>
<td>2</td>
</tr>
<tr>
<td>MediaVest Manchester</td>
<td>£132m</td>
<td>39 / 169</td>
<td>18</td>
</tr>
<tr>
<td>Brilliant Media</td>
<td>£108m</td>
<td>23 / 144</td>
<td>13</td>
</tr>
<tr>
<td>BLM</td>
<td>£68m</td>
<td>19 / 85</td>
<td>17</td>
</tr>
</tbody>
</table>

Source: MMS (MAT to Sep '07)

…in a class of our own
The offline display market has grown by 6% since September 2003

Source: MMS
The media mix has remained broadly steady

Source: MMS
Online expenditure has grown dramatically

Source: PWC
Search has increasingly dominated the mix

Source: PWC
With smaller players under pressure, we see 12% fewer active agencies than 4 years ago.

- Sep ‘03: 1,183 active agencies
- Sep ‘07: 1,040 active agencies
- Reduction: 143

Source: MMS
‘Top independents’

Four of the current top 20 media agencies lie outside the global networks.

In descending order of current billings, they are…
The global networks' combined share has remained relatively static

Source: MMS
Walker Media’s +69% growth outstrips the top-performing network
The Future as it relates to planning and buying

Mass Media

‘Digital’

Consumers

…content
....so Walker Media?

Focus on retention and protect USP  ...Talent

Build on digital offering across existing client base  ...Talent

Tailored international growth  ...Talent