

HUNTSWORTH

Growing Companies Investor Day London

18 June 2009

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Group Overview

Huntsworth Group

Huntsworth is an international group
focussed on

Public Relations and

Healthcare Communications

The Huntsworth Strategy

- Huntsworth is building an international public relations group which has alongside it, due to the specialist needs of the healthcare sector, an integrated healthcare communications offering
- As the business grows and markets return to normal, we will pay particular attention to organic growth by attracting and incentivising the best possible talent and investing in new technologies
- Financially, we emphasise cash generation and margin performance – even when markets are depressed – looking to provide good returns for shareholders in EPS and dividend flow

Huntsworth Group

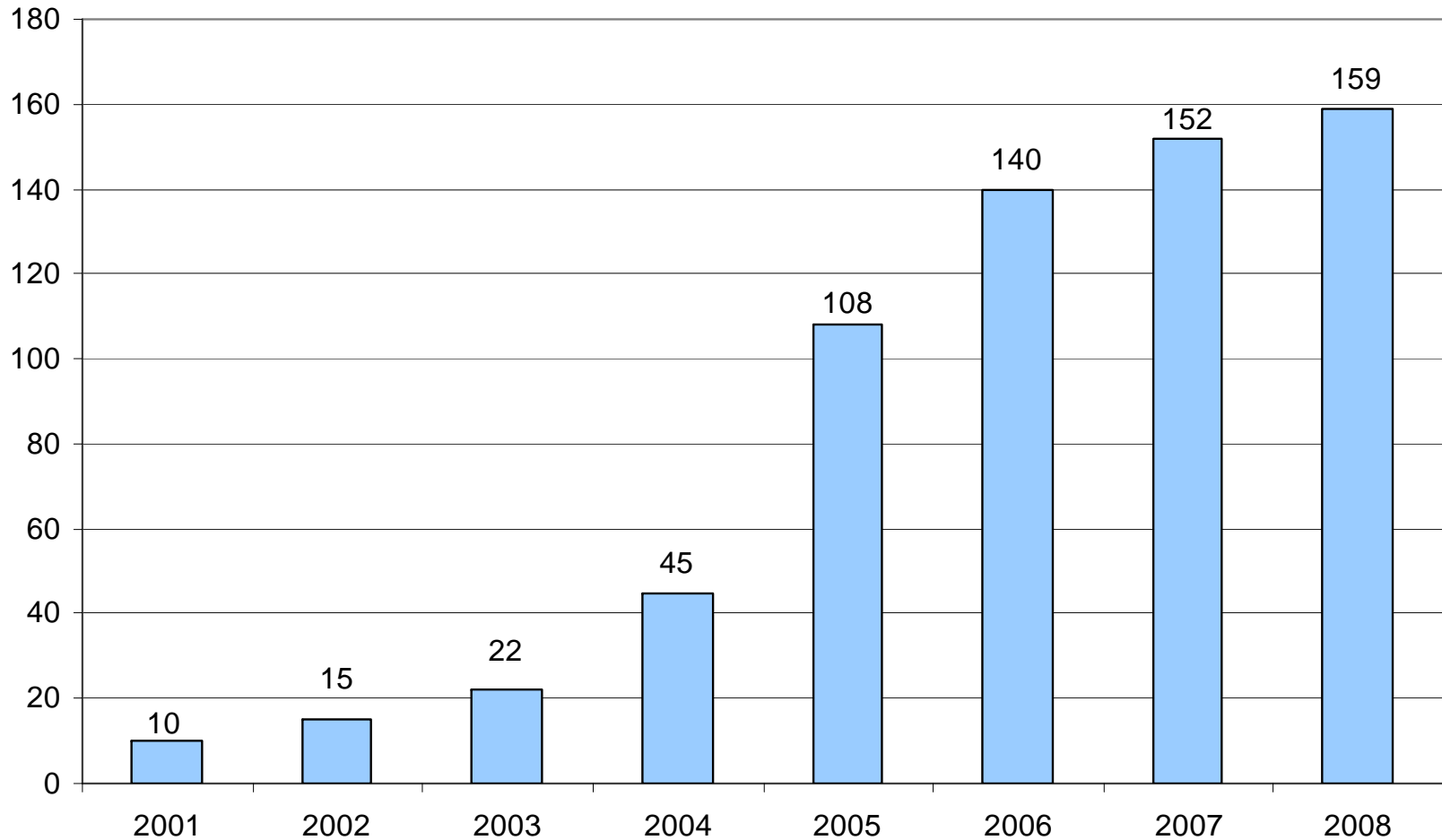
- Some of the world's leading PR and Healthcare brands
- 69 principal offices in 29 countries
- Approximately 1, 650 employees
- 2,500 clients including:
 - 49 companies in the FTSE 100
 - 101 in the Fortune 500
 - 111 in the Eurotop 300
 - 39 of the top 50 pharmaceutical companies in the world

What We Do

- **Corporate PR (23% of revenues)** builds and maintains the corporate reputation of organisations with key stakeholders
- **Consumer PR (21%)** relates to promotion and awareness of the brand and engagement with consumers
- **Financial PR (15%)** incorporates investor relations and corporate finance activity (deal led projects)
- **Integrated healthcare (26%)** covers a breadth of communications disciplines including analytics, marketing, advertising, medical communications, PR and sales training and has over 300 science qualified staff

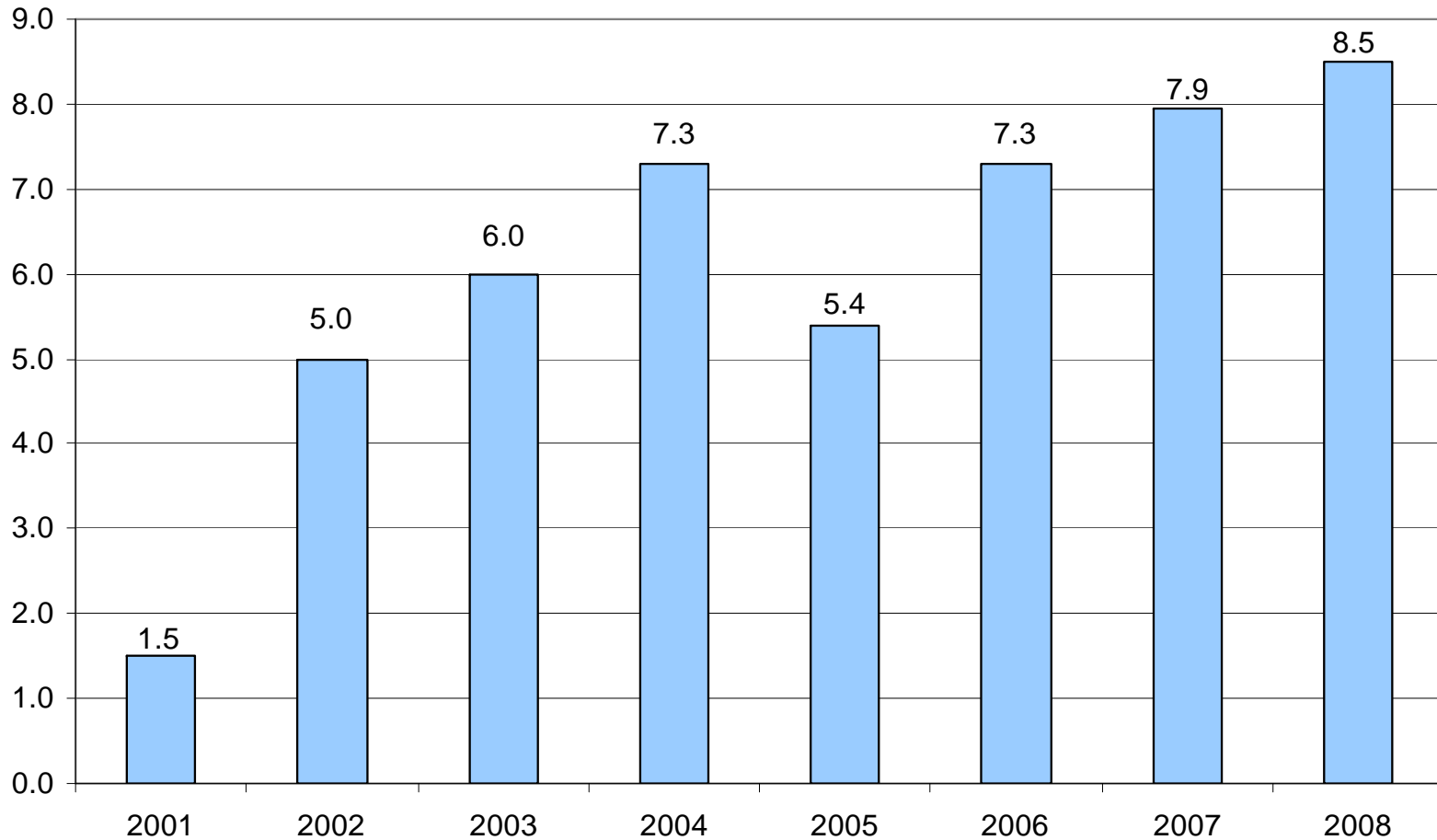
Financial Highlights

Eight Year Revenue Growth (£m)



There have been no acquisitions since July 2007

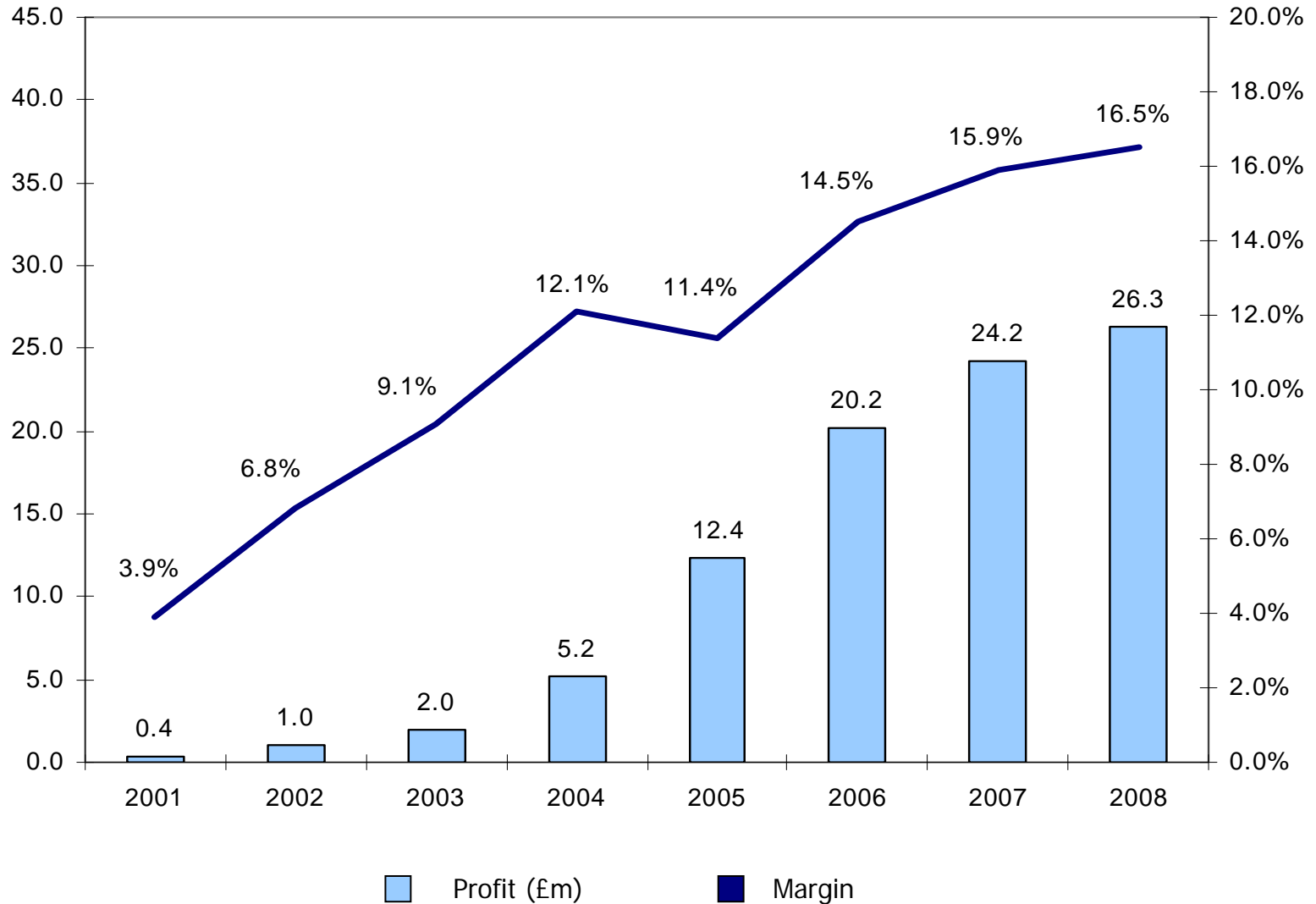
Eight year EPS Growth (pence)



Acquisition of Incepta and de-gearing of marketing services between 2005 – 2006

2006 onwards includes circa £2.6m share incentive charges

How We Manage Our Margins



Strong Balance Sheet

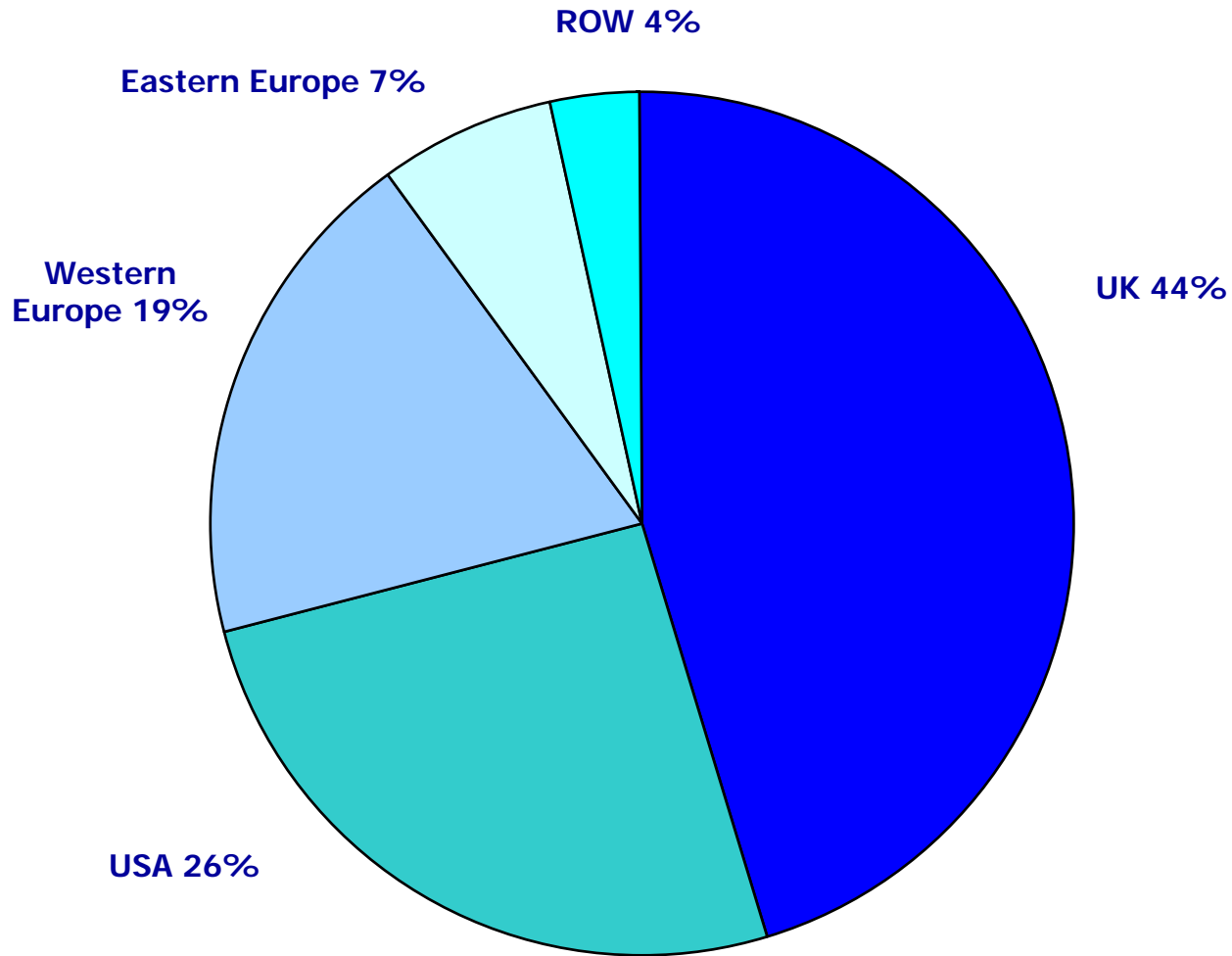
- Current group net debt at end of 2008 was £33.5m down by £20.6m from £54.1m at the end of 2007
- £82.5m loan facility available to July 2012
 - reducing from £90m in 2010 and
 - £87m in 2011 as term repaid
- Net debt to EBITDA ratio of 1.1 (Covenant < 3)
- Interest cover of 6.7 (Covenant > 4)
- Progressive dividend policy

Group Portfolio Effect

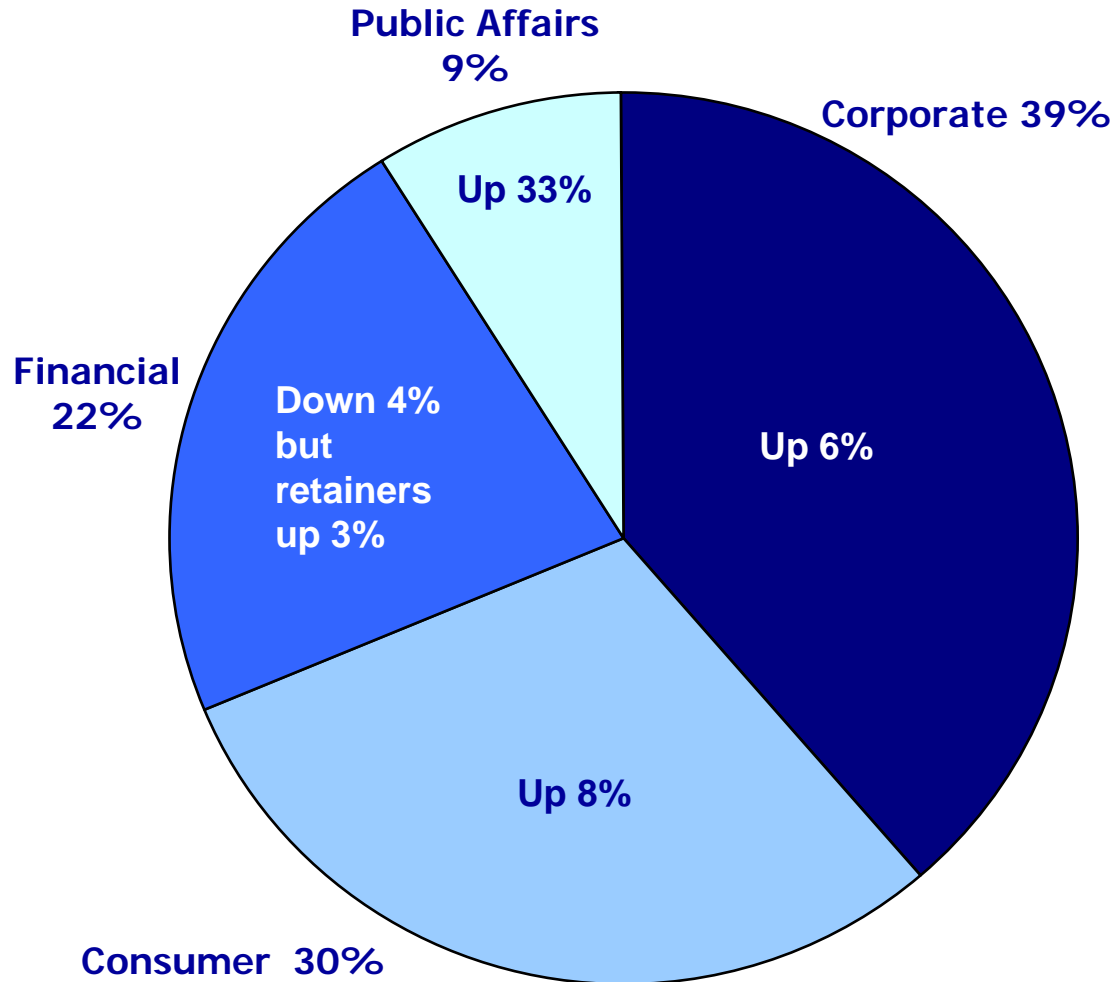
Group Portfolio Effect

- Broad geographic profile will provide opportunities
- Broad spread across practice areas will provide some resilience
- Revenue broadly spread across industry sectors spreading risk
- No dominance of any individual client

Revenue by Geographic Region



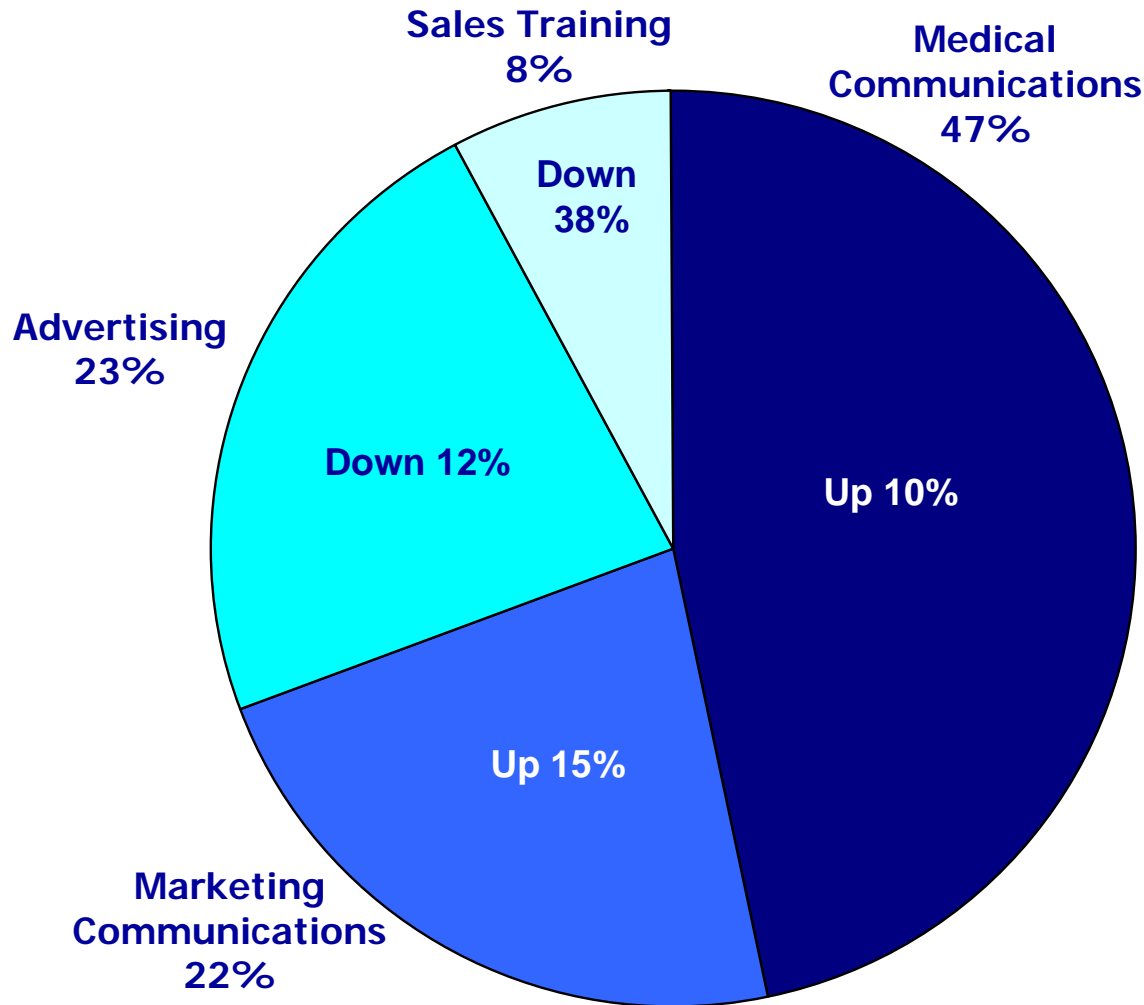
PR Revenue Broadly Spread



Overall organic PR revenue growth 5% in 2008

- Financial down due to M&A and IPO activity, but core retainer base up
- Consumer up mainly due to growth in projects
- Public Affairs up due to strong demand for advice driven by political change
- Further opportunities will come from government campaigns & digital communication

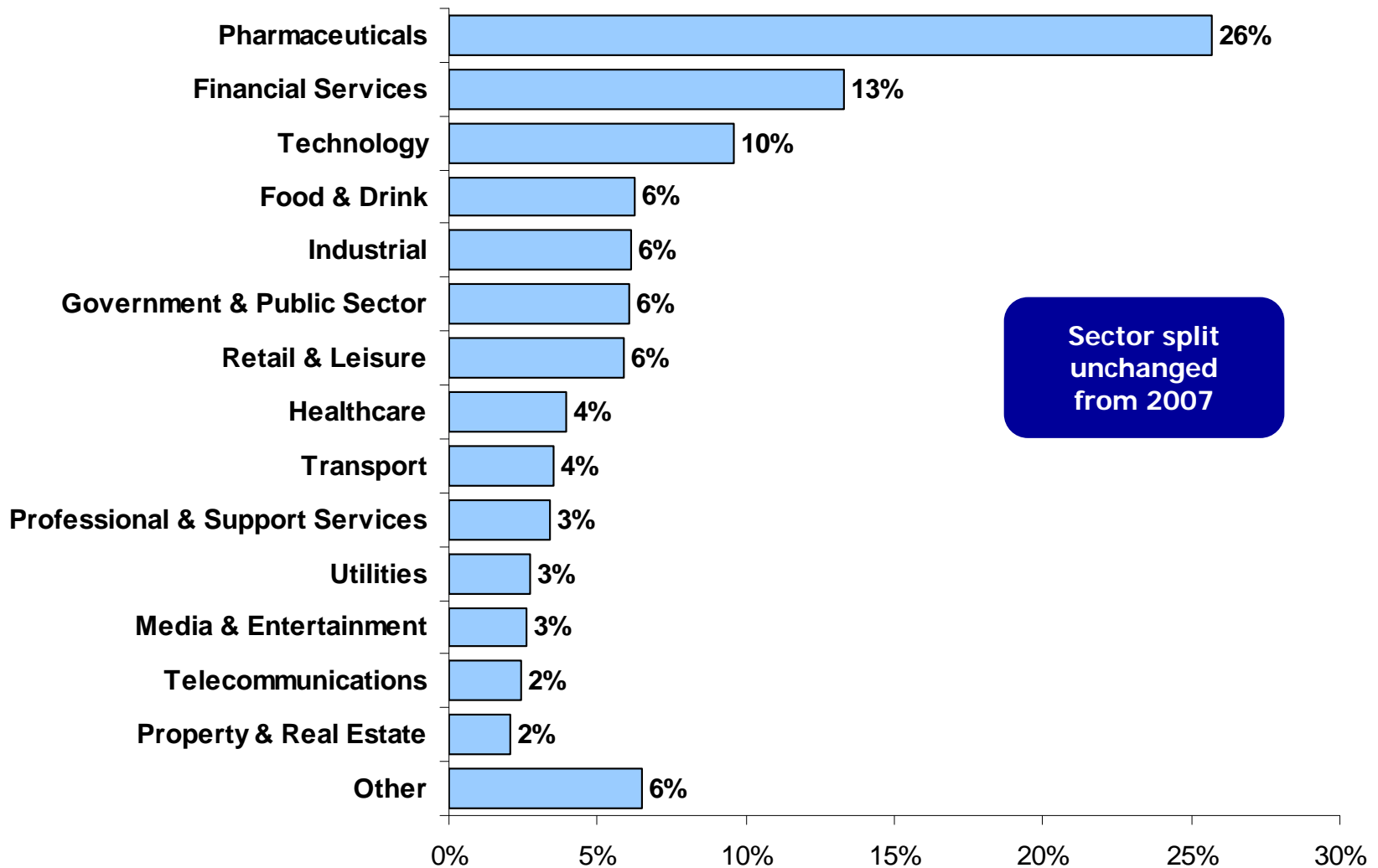
Huntsworth Health Revenue



Huntsworth Health organic revenue down 1% but core areas up in 2008

- Core healthcare markets showing continued demand for specialist skills
- Digital marketing communications have benefitted from the downturn in advertising
- Sales training (3% of Group revenues) expected to return to growth in 2009

Group Revenue broadly spread across Industry Sectors



Strength of Client Portfolio

	PR	Huntsworth Health	Total Group
Revenue split	74%	26%	100%
Number of employees at 31.12.08	1,245	405	1,650
Average fee per client	£49k	£96k	£53k
Top clients as a % Group revenue			
Top client	1.1%	0.9%	1.1%
Top 10 clients	6.7%	5.9%	7.8%
Top 25 clients	12.3%	10.8%	14.8%

Public Relations

Opportunities for Public Relations

Market Drivers

PR Opportunity

Globalisation of brands and businesses



Global network, increasing ability to win and manage global accounts

Growth of internet & digital



Ability of PR to communicate to niche audiences

Communications still developing quickly: more sophisticated, more professional; more integrated



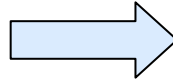
Spend focused on companies with global network, developed franchises and professional management

Huntsworth Health

Opportunities for Huntsworth Health

Market Drivers

Changing landscape with globalisation and consolidation



Huntsworth Health Opportunity

Preferred provider status with many clients already

Increasing requirement for high science "evidence based" communications



Highly scientific staff – over 60% have primary or secondary science degrees

Patients have increasing influence on choice of medicines



Key routes of patient communication are PR and interactive media, with 8% revenues coming from digital work

Drug pipeline



2007 saw lowest ever FDA approvals

Drug pipeline strong

Summary & Outlook

Summary

- Strong full year revenue, PBT and EPS reported
- Operating margins at 21.0% and 16.5% after central costs
- Cash conversion of 110%
- Strong Balance Sheet
- Proposed final dividend of 2.0p, up 8%

Outlook

- 83% of 2009 revenue committed to date – up from 74% last year
- New Business pipeline and pitch activity strong
- Tightly managed Group with ability to flex costs and maintain strong margins
- Cash has remained strong post year end
- Well balanced portfolio of businesses with international profile
- USD and Euro options protect 2009 profits