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Aegis Group plc
Isobar becomes number one in Russia with acquisition of AdWatch

Aegis Group plc ("Aegis"), the marketing communications group, today announces the acquisition of AdWatch in Russia. AdWatch has gross assets of €9.5m.

AdWatch is the leading independent digital marketing agency in Russia. Founded in 2000 and headquartered in Moscow, its expertise covers strategic planning, online media planning and buying, creative services, website design and build, online PR and below-the-line services and other digital marketing solutions. AdWatch works for a number of Russian and multi-national brands, with clients including Microsoft, VTB Bank, SUN Interbrew, Canon and Rolf.

The acquisition of Adwatch will make Isobar number one in online media in Russia. AdWatch and its 76 staff will become part of Isobar's 3,200-strong global digital network, helping it to double in staff numbers over the past 15 months, and accelerating delivery of its full-service digital offering globally.

Russia is seeing major growth in advertising expenditure, with spending across all media is predicted to increase by 20% in both 2008 and 2009, with online advertising predicted to grow by over 50%. A shift towards digital consumption means that Russia's online users now stands at 25 million and is growing at over 25% annually.

Commenting on the acquisition, Robert Lerwill, ceo of Aegis, said:

"The recent growth of Russia has made Europe's 'Big Five' markets a 'Big Six'. It has the largest population and economy of Central and Eastern Europe, one of our key growth regions. AdWatch brings us a significant competitive advantage in a market where demand for digital services is outstripping supply. It will enable us to boost our services in Russia rapidly, bringing an experienced and excellent team on the ground to make Isobar the market leader."

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