



Ogilvy & Mather and Scangroup Partnership in Sub-Saharan Africa

Nairobi, 30th April 2010. Ogilvy & Mather Worldwide and Scangroup Limited have agreed to create a Pan-African joint venture via a share swap transaction, subject to regulatory and shareholder approvals, in order to strengthen a common expansion and growth strategy for Sub-Saharan Africa. Scangroup is an associate of the WPP Group.

The Sub-Saharan Africa joint venture, Ogilvy Africa, is borne out of a shared vision to ensure Ogilvy & Mather and Scangroup's African operations are well positioned to offer real breadth and depth of marketing services right across the African continent.

Ogilvy South Africa will exchange its shareholdings in its operations outside South Africa for a combination of Scangroup shares and cash consideration, as will Koome Mwambia for his shareholding in the Ogilvy Kenya business. Koome Mwambia will remain as CEO of Ogilvy East Africa. All Ogilvy operations in East Africa including creative, strategy, PR, media planning, media strategy and buying will remain under the Ogilvy East Africa unit, and will not interface in any way with those of Scangroup. As WPP associate networks, both Ogilvy Africa and Scangroup agencies will co-exist but be expected to compete the way all WPP agencies operate globally. A new Ogilvy Africa CEO will be appointed to coordinate and service pan-African clients, as well as manage network affiliates across the markets from Johannesburg and Nairobi.

As **Nunu Ntshingila, Ogilvy South Africa CEO**, explains, "Since the mid 1990's, Ogilvy South Africa has been active in the development of a world-class Pan-African communication network. We've invested in partnerships with quality affiliates, in training and in the management of the network. We've done this based on our deep-seated confidence in Africa as a continent of opportunity. We now need to take this initiative to a new level, and to do this we need to combine our strengths with Scangroup and WPP. As a partnership, we believe this represents an unbeatable combination on the continent, and we're excited by the possibilities going forward. We're confident that this will result in positive benefits for our clients, our people and our affiliate partners."

Miles Young, Global CEO of Ogilvy & Mather, said, "I passionately believe that sub-Saharan Africa is one of the last great frontiers in global communications - and that it will be one of the most fertile. Now is the time to invest, ahead of the curve, just as we have done in other developing geographies. Africa's growing middle class, its increasing political stability, its fast economic growth and its attractive talent base make it a critical component of any truly global business strategy. This partnership creates the first African powerhouse in the marketing services business - and it is a defining moment."

Bharat Thakrar, CEO, Scangroup, said, "We're seeing a distinct increase in demand from clients seeking both truly pan-African support as well as best-in-class marketing services. In embarking on a joint venture with Ogilvy & Mather, the partnership lends our networks the much needed thrust to form a truly Pan-African agency group with products and services comparable only to the world's finest in the integrated marketing communications space".

"By joining forces with Ogilvy & Mather across Sub-Saharan Africa, Scangroup's ambition to pitch our regional success across the continent is now a reality. The ultimate conclusion of this deal will deliver a wide range of benefits to key stakeholders, a larger, more robust and knowledge-rich network for clients, a stronger, more successful organisation guaranteeing great careers for employees, and a commercially strong and more profitable investment for Scangroup shareholders".

About Ogilvy Africa | Ogilvy Africa has the largest advertising and communication network in Africa. The network consists of a combination of equity held companies and affiliate partners. A majority equity stake is held in Kenya and minority equity stakes are held in Nigeria, Namibia, Ivory Coast, Senegal, Cameroon, Gabon and Burkina Faso. Affiliate relationships are held in a further 14 countries. The network provides services to a number of key Ogilvy multinational clients together with numerous local clients in the specific markets. In Kenya, Ogilvy operates 5 agencies; Ogilvy Advertising, Blueprint Marketing Ogilvy PR and media planning and buying agencies Mindshare and Ogilvy Africa Media [Kenya].

For more information about Ogilvy & Mather, please visit www.ogilvy.com

About WPP | WPP is the world's leading communications services group. Through its operating companies, the Group provides a comprehensive range of advertising and marketing services including advertising; media investment management; consumer insight; public relations and public affairs; branding and identity; healthcare communications; direct, digital, promotion and relationship marketing and specialist communications. The company employs over 138,000 people (including associates) in 2,400 offices in 107 countries.

For more information, visit www.wpp.com.

WPP currently holds a 27.5% stake in Scangroup Limited which it acquired in 2008. The capital injection made by WPP in 2008 has been used for Scangroup's expansion into Sub-Saharan Africa. In the last 3 years, Scangroup has optimised its position within the WPP Group network of companies and has entered into joint ventures with, amongst others, Millward Brown and Hill & Knowlton.

About Scangroup | Scangroup Limited is the first and only marketing services company to be quoted on the Nairobi Stock Exchange. It is the holding company for advertising agencies Scanaad Kenya, Uganda and Tanzania, JWT Kenya & Tanzania, Grey East Africa, and Redsky; media planning and buying companies Media Initiative East Africa and Mediacom; public relations company Hill and Knowlton East Africa; event management and experiential marketing company Roundtrip; marketing research company Millward Brown and digital agency Squad Digital.

For more information, please visit www.scangroup.biz

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