

11 February 2015

**Porta Communications plc
("Porta" or "the Porta Group")**

Trading update

Highlights

- Revenue expected to be close to 30 per cent higher than the previous financial year
- Fee income expected to almost double
- Approximately 35 per cent expected EBITDA growth
- PR division experiencing a strong year across all jurisdictions
- Advertising agency 21:12 gaining traction in core markets

Porta Communications plc, the AIM quoted international marketing and communications business, announces that for the year ended 31 December 2014 the Group continued to show strong growth in revenue and fee income.

During the period revenue is expected to be close to 30 per cent higher than the previous year, while fee income should almost double. On a like-for-like basis revenue should be around 20 per cent higher and fee income almost 75 per cent higher than the previous year. Adjusted EBITDA growth is expected to increase by nearer to 35 per cent as the Group absorbs the impact of negative currency movements and continues to invest heavily in its future growth.

PR Division

Newgate, the international public relations brand, experienced a strong year across all jurisdictions, but particularly in Australia which has built a leading brand in 18 months. Such was the success here that the impact of the weak Australian dollar will affect Group profits before tax by approximately £200,000.

Redleaf PR, which was consolidated by the Group during the year, has also been an impressive performer, trading ahead of budgets on a month by month basis.

Advertising Division

21:12, the financial and charities agency formed in January 2013, has started to gain traction in its core markets and performance is expected to improve in 2015.

Despite a restructuring and cost reduction program TTMV the media and creative agency has not performed in line with its budgets. As a result the Group has elected to expand Summit, a business wholly owned by Porta that also operates in Tunbridge Wells. Summit will take on further creative and account management capacity, creating a much more manageable unit. At the same time trading in TTMV will be discontinued and management do not anticipate any cash obligations associated with this to be borne by Porta. This will have an immediate, positive

impact in the current year which is expected to result in a turnaround from losses to a reasonable profit in this business.

Recent Acquisitions

PPS and Publicasity have already been integrated into the Group head office and are successfully pitching for new business alongside other parts of the Group.

The Board anticipates further strong growth in 2015 throughout the Group while margins are also expected to improve with its recent acquisitions operating from one central location.

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Notes to Editors:

- Porta has two divisions:
 - Public Relations** - financial, corporate, consumer, public affairs and research
 - Advertising** - marketing communications, digital services and media planning and buying
- The Group currently has offices in Aberdeen, Abu Dhabi, Beijing, Brisbane, Bristol, Brussels, Canberra, Cardiff, Edinburgh, Frankfurt, Hong Kong, London, Manchester, Melbourne, Singapore and Sydney
- The brands and companies it owns are: Newgate Communications, Newgate Threadneedle, Newgate PPS, Redleaf Polhill, Thirteen Communications, Publicasity, 21:12 Communications and Summit
- Further information is available at www.portacommunications.plc.uk