

11 December 2014

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

Acquisition of Publicasity

Porta Communications PLC (AIM: PTCM), the international marketing and communications group, today announces the acquisition of ICAS Holdings Limited and its 100% owned subsidiary which trades as Publicasity for consideration of £2,808,000. Publicasity, a consumer public relations company specialising in the food & drink, travel & tourism, retail, home and fashion sectors, is run by Zoe Ward-Waring and Tom Hargreaves.

The agency's 28 staff will relocate to Porta's head office in Basinghall Street following the completion of the acquisition, and will work alongside Porta's existing consumer PR company, Thirteen Communications, to offer a significant new area of expertise.

In 2013 Publicasity produced profit before tax of £527,567 on a gross profit (fee income) of £3,073,712. Total assets less current liabilities were £2,165,714, including cash of £382,986.

Details of the acquisition

The consideration of £2,808,000 is satisfied as to £702,000 in cash, £702,000 in loan notes, with the balance of £1,404,000 provided in the form of 14,040,000 Porta ordinary 10p shares at 10p each. The loan notes carry a coupon of 6 per cent and are redeemable for cash 12 months from the date of issue.

The share consideration is subject to a 24 month lock-in period with a further 12 month orderly market period. A further 2,457,000 Ordinary Shares may be issued as additional consideration should certain conditions be satisfied. However, both parties do not expect additional consideration shares to be issued at this time.

Commenting on the acquisition, Porta Chief Executive David Wright said:

"Publicasity will work alongside Thirteen Communications to create a far bigger and more diversified consumer PR offering within Porta. This acquisition along with the previous acquisitions of WSM Print & Design and Digital, Redleaf Polhill and PPS made in 2014, mean that Porta is successfully progressing its acquisition strategy to supplement the strong organic growth in our existing dynamic businesses. The acquisition of Publicasity should greatly enhance our ability to build a successful leading international brand given the quality of both teams and is expected to be earnings enhancing in 2015."

Zoe Ward-Waring, Managing Director of Publicasity, said:

"After 36 years of trading as a successful independent business, we now feel the time is right to become part of something much bigger and more integrated especially given the convergence of corporate and consumer amongst brands. Joining Porta is a fantastic opportunity for Publicasity to really strengthen our position in the market and be able to offer our clients a wider breadth of services and our colleagues even greater career opportunities."

Application has been made to AIM for the consideration shares to be admitted to trading and admission is expected to take place on 17 December 2014. On admission of the

consideration shares, the Company will have 267,573,895 shares in issue. For the purposes of the Financial Conduct Authority's Disclosure and Transparency Rules ("DTRs"), the issued ordinary share capital of the Company following this allotment consists of 267,573,895 ordinary shares with voting rights attached (one vote per share). There are no shares held in treasury. This total voting rights figure may be used by shareholders as the denominator for the calculations by which they will determine whether they are required to notify their interests in, or a change to their interest in, the Company under the DTRs.

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Notes to Editors:

- Porta has two divisions:
 - **Public Relations** – financial and corporate communications, consumer public relations, 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 include: Newgate Communications, Newgate Threadneedle, Newgate PPS, Redleaf Polhill, Thirteen Communications, TTMV and 21:12 Communications
- Further information is available at www.portacommunications.plc.uk