

Acquisition

14/04/2008

Avesco Group plc ('Avesco' or the 'Group'), the international media services group, announces that it has acquired the entire issued share capital of Telecast Communications (UK) Limited, together with certain of its subsidiaries (the 'Charter Broadcast Group', an outside broadcast services group), for an initial consideration of £2.1m together with a contingent payment relating to the sale of an outside broadcast vehicle owned by the Australian subsidiary of the Charter Broadcast Group. The initial £2.1m consideration has been paid in full in cash on completion from the Group's existing resources. A further payment will be required to be made by Avesco in the event that the outside broadcast vehicle is sold within two months of the date of this announcement, such payment being equivalent to the net profits on the sale (less certain deductions) with payment being made from the profit arising.

The Charter Broadcast business will be combined with Avesco's existing Presteigne business and the division as enlarged by the acquisition will be renamed Presteigne Charter. The acquisition is expected to be immediately earnings enhancing.

Charter Broadcast has a strong reputation for its technical expertise and enjoys long-standing relationships within the television industry. The acquisition will enhance the Group's existing broadcast services activities in Europe and provide a local presence in each of the Australian and Far Eastern markets.

Charter Broadcast specialises in the provision of custom-built and serviced television broadcast equipment systems and digital radio camera systems, as well as individual equipment items, to television production companies and broadcasters. Charter Broadcast has supplied broadcast equipment and related services to many of the world's top entertainment and sporting events including the Olympics; the Football, Rugby and Cricket World Cups; the Australian, French and US Tennis Opens; Oxford and Cambridge Boat Race; and the television series 'I'm A Celebrity Get Me Out of Here' and 'Springwatch'.

Originally formed in 1989, Charter Broadcast is headquartered in Borehamwood, UK, and operates additional full service offices in Australia and Singapore. In calendar year 2007, the Charter Broadcast group achieved an unaudited consolidated operating loss of £0.5m on aggregate revenues of £9.1m. As at 31 December 2007, the Charter Broadcast Group had unaudited assets of £8.4m. The cyclical nature of the major sporting events broadcast market means that Charter Broadcast typically achieves higher turnover in even years versus odd years.

The Avesco Group expects to announce its interim results for the six months to 31 March 2008 in late June. A full update on trading will be given at that point but the Board believes that the Group's financial performance for the full year will be in line with market expectations.

Commenting on the acquisition, Ian Martin, CEO of Avesco, said;

'Our primary focus continues to be on the organic development of the Group and to maximise the potential of our businesses. That said, the general economic uncertainty has seemingly reduced valuations of businesses to a level that creates opportunities for

acquisitions to add value to the Group. Charter Broadcast is such an opportunity.

'The Charter Broadcast Group has a strong market reputation that will benefit from being consolidated within Avesco. The new Presteigne Charter operation will be able to offer a wider range of products and services to more customers. We are excited by the acquisition of Charter Broadcast and the potential it creates.'

Enquiries:

Avesco Group plc
01293 583400
Ian Martin (Chief Executive)
John Christmas (Finance Director)

FinnCap
020 7600 1658
Clive Carver/Charles Cunningham

Weber Shandwick Financial
020 7067 0700
Terry Garrett /John Moriarty