

OgilvyPR Acquires iPR to Extend Reach in Financial Communications Practice in Greater China
6 September 2005

Ogilvy Public Relations Worldwide (Ogilvy PR) has made a bold stroke to capitalize on the rapid growth of Greater China stock market listings and merger activity, and further extend the expertise and reach of its specialized financial communications practice.

Ogilvy PR today announced that it has acquired the majority of the Hong Kongbased communications firm iPR ASIA LTD. (iPR). iPR, a respected specialist in financial PR in Greater China, has managed 20% of the initial public offerings (IPOs) on the Hong Kong Stock Exchange so far this year.

“This strengthening of our Ogilvy PR financial offering comes at a time when we’re seeing a confluence of powerful forces in the market,” said Christopher Graves, President (Asia Pacific) of Ogilvy PR. “China is bringing more companies to the equity markets—some US\$17 billion worth expected this year—and many will be listed in Hong Kong. Meanwhile private equity funds have raised billions to buy into Chinese companies,” he added, “and while the world becomes more and more interested in investing in China, China is taking its brands to the world. This acquisition reinforces Ogilvy PR’s leadership at just the right time.” This year, two of the largest initial public offerings in the world were Chinese companies that listed on the Hong Kong Stock Exchange, and the trend is expected to continue.¹

Meanwhile cross-border M&A activity in Asia is back on fire. Deals involving Chinese companies either as a target or as a bidder so far in 2005 have already amounted to twice (US\$27 billion) the amount of the full year 2004 (US\$13 billion).² Chinese companies today need more than financial counsel to succeed; they need issues and crisis management, as well as public affairs expertise and great brand stewardship. Last year, Ogilvy Financial, Ogilvy PR’s specialized financial practice, led communications for Lenovo’s landmark acquisition of the IBM Personal Computing Division and this year handled communications for Focus Media’s successful Nasdaq listing.

“Ogilvy PR’s worldwide network of corporate and financial communications expertise now stretches from Tokyo to Sydney, Hong Kong to London, and Mumbai to New York,” said Matthew Anderson, CEO of both Asia and EAME regions for Ogilvy Public Relations Worldwide. “Our teams are prepared to handle complex, cross-border issues and transactions seamlessly around the world.”

“When it comes to IPOs, Hong Kong now shares center stage with the traditional financial centers of New York and London,” said Graves, adding, “With the increased investor interest in Chinese companies, now more than ever, they need to manage communications and perceptions outside China. The combination of iPR and Ogilvy Financial allows them to get the best counsel on both local and global listings and communications.”

“We have managed the total preparation and communications process for 79 companies listed in Hong Kong since 1999,” said Ellen Kong, managing director and founder of iPR. “Our role is to help prepare them to be publicly traded companies and prepare for the world stage. The listing day is but one big event for a company. We currently retain more than 80% of our listing clients for years after the listing and continue to counsel them on effective investor relations and media strategies.”

iPR represents such leading Chinese and Hong Kong companies as China Minsheng Bank, Shanghai Electric, China Oilfield Services, Shanghai Forte Land, Yanzhou Coal, Lianhua Supermarket, SMIC, Clear Media, Li Ning, Yue Yuen Industrial, Lifestyle International, Sa Sa and Playmates. Graves welcomed Ms. Kong and her iPR colleagues into the Ogilvy PR network, saying: “great partnerships work when they are mutually reinforcing and culturally compatible—iPR Ogilvy is a powerful example of just that.”

Ogilvy PR is not only acknowledged to be the most extensive PR network in Asia, it also has a track record of groundbreaking acquisitions over the past few years: It made the first acquisition of a mainland Chinese PR agency after China joined the WTO; it was the first major international network to enter Vietnam; it acquired a successful technology PR firm in Taiwan (ERA); acquired a significant equity stake in Japan's leading international PR firm (PRAP); and it acquired 5 leading specialist public relations companies in Australia. This strategy has created a deep local expertise supporting a global network.

NOTES: 1. China Shenhua Energy \$2.95 bln; Bank of Communications \$1.88 bln
2. Quoted from Dow Jones Newswires, August 26, 2005

About Ogilvy Public Relations Worldwide

Ogilvy Public Relations Worldwide is a global marketing communications firm, with offices in more than 60 cities around the world. Entering its 25th year providing public relations solutions, Ogilvy Public Relations Worldwide has specialties in consumer marketing, corporate (B2B), healthcare, technology, public affairs, social marketing and entertainment. Through its subsidiary Feinstein Kean Healthcare, Ogilvy Public Relations Worldwide provides communication consulting to biotechnology companies. *The Holmes Report* has named Ogilvy Public Relations Worldwide 2003 International Agency of the Year; marking the fourth consecutive year the firm has been awarded "Agency of the Year." Ogilvy Public Relations Worldwide is part of the WPP Group, one of the world's leading communications services groups (NASDAQ: WPPGY, www.wpp.com). For more information, visit our Web site at www.ogilvypr.com.