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**Acquisition of Harrison significantly expands YouGov's presence  
in US corporate market research  
– complements established US polling business and online panel**

**Highlights**

- YouGov plc, the online market research agency, announced today that it has reached conditional agreement to acquire Harrison Group ("Harrison"), one of the USA's leading marketing and strategic research consulting firms, for an initial consideration of US\$6 million. Further amounts are payable over the next three years, estimated at around \$7 million, subject to Harrison achieving performance targets.
- Harrison is a leading US market research agency, with a reputation for high quality work and an impressive corporate client list. Its specialities include concept evolution, forecasting, segmentation, branding, business consulting and market modelling across multiple sectors, with a particular emphasis on the interactive entertainment and wealth sectors.
- Combined with YouGov's existing US operations, the acquisition will double the scale of the US business and create a strong platform for future growth.
- The YouGov Board believes that the enlarged group will benefit from:
  - a significantly expanded addressable market opportunity within the \$8bn corporate market research sector in North America
  - a large combined customer base, including a significant number of blue-chip organisations
  - the opportunity to leverage YouGov's proprietary technology and analytics
  - the addition of Harrison's Survey of Affluence and Wealth in America and the newly released American Pantry study to YouGov's suite of syndicated products
  - Harrison's use of YouGov's panel for its research work over time
  - greater scale so as better to meet the growing demands of the combined customer base.

**Background to and reasons for the Acquisition**

YouGov has made good progress developing its business in the US. It has a high quality engaged panel, a track record for accuracy through its polling, and recognition amongst the academic community for its methodology. Its syndicated products, including BrandIndex, have grown sales as well as customers, who understand the competitive advantage they can derive from real time, accurate data. YouGov's Marketing Insights group, which includes Clear Horizons, acquired in April 2009, has extended YouGov's offer to the corporate market research business where its organic development is also progressing well. The addition of Harrison will provide immediate growth in scale in this important market and is consistent with the Group's strategy of expanding its commercial market research business in the USA.

Harrison is a profitable agency with a strong reputation and excellent client base. It was founded in 1996 by Doug Harrison previously a senior executive with Yankelovich Partners who remains the Chief Executive Officer, and now has 35 staff serving over 60 corporate clients. Harrison's specialism's include concept evolution, forecasting, segmentation, branding, business consulting, and market modelling for some of America's top businesses within the financial services, software, technology, automotive, real estate development, and consumer goods sectors. It is a market leader in "greenlighting" work for interactive entertainment companies. Harrison has developed innovative syndicated products in particular, the annual Survey of Affluence and Wealth in America, produced in collaboration with American Express Publishing which has become one of the most valued resources for the luxury goods market and Harrison has recently released the American Pantry Study with Deloitte to reveal how the recession has shaped American consumers' attitudes and behaviours.

In the current calendar year, custom research projects are expected to represent approximately 85% of Harrison's revenue while syndicated work will account for approximately 15%.

Harrison conducts almost all of its research studies through online methods around the world and currently outsources this to third-party providers. A substantial proportion of this data collection is expected to switch progressively to YouGov's existing US panel and, where appropriate, its international panels, in the period after the transaction.

With the addition of Harrison, YouGov employees now number over 80 in the U.S., with more than 450 worldwide.

The basic purchase consideration payable for Harrison will be 6 times the EBITDA achieved by Harrison in the calendar year 2010, of which \$6 million is payable as an initial amount on completion of the transaction. There will also be a further payment contingent on strong EBITDA growth targets being achieved in the calendar years 2011 and 2012. Based on Harrison's current business plans, the total consideration payable is expected to be approximately \$13m. The acquisition will be funded from YouGov's existing cash resources.

For the year ended 31 December 2009, Harrison reported revenues of approximately US\$9.6 million and adjusted EBITDA of US\$0.3 million. On a trailing 12 months basis to 31 March 2010, Harrison's pro-forma revenues were US\$10.6 million and its adjusted EBITDA was US \$1.0 million\*. The net assets at 31 March 2010 were approximately US\$2 million. The Board of YouGov believes that the acquisition of Harrison will be earnings enhancing in the first full year following completion.

Shareholders holding 98.75% of the shares have already entered into the agreement or consented to the transaction contemplated thereby. The purchase agreement is conditional upon, among other customary closing conditions, the agreement and related consents being signed by shareholders representing 97 per cent of Harrison.

**Commenting on the acquisition, Stephan Shakespeare, CEO of YouGov, said:**

"Harrison is highly complementary to YouGov's existing US business and this acquisition is consistent with YouGov's strategy of scaling up the Group's commercial market research business in the USA. It gives us immediate scale in the corporate research market through a business with an excellent reputation for quality and with a superb client list. We are very proud to add Harrison to our growing US and global network."

**Doug Harrison, Chief Executive Officer and Chairman of Harrison, said:**

"We see joining the YouGov group as an excellent opportunity to develop our business and meet our clients' growing need for global research resources and capabilities. We will benefit from YouGov's high quality US panel and their cutting edge research technology and analytics. For our part, we look forward to working with YouGov to grow our combined corporate research business in the USA and develop innovative research products together."

**Doug Rivers, Chief Executive Officer of YouGov USA said:**

"The acquisition of Harrison will boost YouGov's rapidly expanding market research business in the U.S. Harrison's expertise in addressing corporate branding and segmentation issues will help us further to develop our range of syndicated products which provide accurate real time data to corporate decision makers. We share a vision of how innovations in research can produce solutions to real business problems."

**Enquiries:**

**YouGov plc**

Stephan Shakespeare / Alan Newman +44 (0)20 7012 6000

**Harrison Group**

Doug Harrison +1 203 573 0400

**Financial Dynamics**

Charles Palmer / Nicola Biles +44 (0)20 7831 3113

**Grant Thornton Corporate Finance –  
Nominated Adviser**

Gerry Beaney / Colin Aaronson +44 (0)20 7383 5100

**Numis**

James Serjeant/ Nick Westlake +44 (0)20 7260 1000

**De Silva + Phillips – advisers to H**

Marti Frucci +1 212 686 9700

**About Harrison Group** ([www.harrisongroupinc.com](http://www.harrisongroupinc.com)) Harrison is one of the country's leading marketing and strategic research consulting firms. Headquartered in Waterbury, Connecticut, Harrison specializes in concept evolution, forecasting, segmentation, branding, business consulting, and market modelling for some of America's top corporations, including financial services, software, auto, technology and packaged goods firms, retailers, luxury brands, pharmaceutical manufacturers and interactive entertainment companies.

**About YouGov plc**

YouGov is an international, full-service research company primarily using online panels to provide quantitative and qualitative research across a range of industries, including consumer products,

financial services, public sector, technology and telecom and media. YouGov's full service offerings span added-value consultancy, syndicated and product offers, market intelligence reports, omnibus and field and tab services.

YouGov has been acclaimed as one of the world's most accurate pollsters and dominates Britain's media polling. One of the most quoted agencies in Britain, YouGov has a well-documented and published track record illustrating the success of its survey methods and quality of its client service work.

For further information visit <http://corp.yougov.com>.

*\*The financial information provided on Harrison for the year ended 31 December 2009 has been drawn from the audited financial statements of Harrison. The pro-forma information for the 12 months ended 31 March 2010 has been drawn from the unaudited financial statements for that period which have been drawn up on a basis consistent with the accounting policies which will be applied following the acquisition by YouGov plc.*

*EBITDA is defined as Earnings before Interest, Taxes, Depreciation and Amortisation. Adjusted EBITDA is defined as EBITDA as adjusted for certain non-recurring revenues and costs.*