



Date: 1 April 2009

On behalf of: International Marketing & Sales Group Limited (“IMSG” or “the Company”)

## International Marketing & Sales Group Limited

### ▪ Update on Structure and Strategy

International Marketing & Sales Group Limited (AktieTarget: IMSG), (“IMSG” or “the Company”) the emerging markets focused sales and marketing company, today provides the following update for shareholders:

“We are writing to update you on the current situation at IMSG and to clarify the ongoing changes in the company’s structure and strategy. As you must be aware, we are going through extremely difficult, indeed exceptional times like many businesses in today’s unfavourable economic environment. With the inability of IMSG to raise money from investors or to obtain further borrowing from banks, the company, as previously communicated, is renegotiating its forward commitments and reducing its holdings in the previous investments by decreasing future payments or disposing of such assets if possible and beneficial.

“Below is a short summary of the exact steps taken by IMSG recently in order to restructure its business to focus purely on profit generating businesses through the economic downturn. We are pleased to inform you about the considerable progress we have made so far in the reduction of our forward commitments.

“We have, in the last few days, completed the disposal of Candid Marketing, our business in India, which was achieved via a Management Buyout (MBO). The MBO, which is effective immediately, was led by the current Indian Managing Director. IMSG had acquired a 66% stake in Candid Marketing in June 2006 for a consideration of 3.9m USD. The disposal was for 900k USD, with the first payment received on March 31, 2009 and the second payment to be received in October 2009.

“We have also disposed of our holding in Pragma, the UK based consultancy business, for a consideration of 500k USD. Pragma traded above expectation in 2008 and is an attractive and successful business, but with significant further payments due to the previous owners of Pragma which we consider we will not be able to finance, we had no alternative but to dispose of our holding. IMSG acquired 100% of Pragma in August 2007 for an initial consideration of 1.2m GBP in cash and 300k GBP in IMSG shares.

“The holding in Friends Advertising group (Romania) has been reduced to 20% in return for cancelling all further commitments. IMSG will receive 20% of any 2008 dividends when they are declared. Friends Group was acquired in August 2007 for an initial consideration of 1.9m EUR. In September 2008 additional payments were made by IMSG as part of the First Stage Price being 120k EUR in cash and 394k EUR in IMSG shares.

“The holding in EY ZHN (Greece) has been reduced to 15% in return for cancellation of all future payments. IMSG acquired EYZHN in July 2008 for an initial consideration of 640k EUR in cash and 320k EUR in IMSG shares.

“We are currently in negotiation to dispose of One2Remember in Russia, which suffered losses in 2008 and is unlikely to generate sales in the short-medium term, taking into consideration the type of the business specialization (premium events) and the market trends.

“More negotiations have taken place regarding other IMSG assets and possible actions to free up more capital and resources.

“Thus we have achieved a significant reduction in our forward commitments which had reached 39m USD in early 2008. Our current estimate is that our forward commitments stand at under 5m USD, spread over the next 4 years, which represents a very positive result and considerable progress for the company.

“IMSG’s bank borrowing has also been reduced to reach 12.9m USD. We are currently in discussions with the bank aimed at easing or rescheduling the payment terms for some of this amount.

“Although we did witness a significant cost saving from delisting from AIM and we consider the Swedish Stock Exchange to be a better option for an emerging markets focused business, trading conditions are still very poor. Nevertheless the Board remains strongly focused on retaining any value that it can for shareholders.

“As far as IMSG’s core business activity is concerned, we can assure you that the majority of retained business units are trading profitably on a month by month basis, and, what is most important to us, are constantly winning more new work and clients. We remain convinced of the highest quality of our staff and management and of the significant marketing and sales opportunities in the emerging markets, which we expect to expand rapidly in the long term at the first signs of an economic recovery. We have a deep understanding, however, that in order to be able to exploit these opportunities further we need to be of a certain critical size, thus we believe the best option is to grow again organically from a reduced size without access to either banking or shareholding funds.”

**For Further Information, please contact:**

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**Notes to Editors**

- IMSG was founded in 1996 and is listed on AktieTorget in Sweden.
- The Group’s clients include multinational and first tier local companies operating in FMCG, telecommunications, retail trade, banking and finance, automotive, consumer electronics and pharmaceutical industries.
- Further information about the Group is available on its website at: <http://www.imsg.co.uk>