



Latitude for growth backed by private equity firm Vitruvian

London, 21 December 2007 - **Latitude Group**, the award-winning internet search engine marketing company, has received financial backing from private equity investor **Vitruvian Partners** in a management buy-out. Ernst & Young advised **Latitude Group**.

Management of the Warrington and London-based business have received backing from Vitruvian in a deal which re-capitalises the business in order to fund a rapid growth programme.

Latitude has seen turnover rise from £500,000 in 2002 to more than £30m in 2006, meanwhile, headcount has risen from eight in 2002 to more than 100 in 2007.

Latitude is led by chief executive officer Dylan Thwaites, winner of the Ernst & Young Technology and Communications Entrepreneur of the Year award in 2006. The management team also includes chief financial officer Julie Moran, chief operations officer Richard Gregory, and chief technology officer Rob Shaw.

Dylan Thwaites commented on the transaction: "This is a fantastic development for Latitude and its clients. This will help us fund future expansion through acquisition and internal growth. We will be looking at new geographic markets and diversification into other digital marketing products including further development of social media and display advertising. All with a view to providing our clients with an even better and more complete service"

On the choice of Vitruvian as a partner, Thwaites said: "Vitruvian are ideal backers for Latitude. We share the same entrepreneurial values and we were impressed with their experience and knowledge of the digital marketing arena."

The business' powerful growth comes on the back of the strongly performing UK internet advertising market, in which online advertising spend is expected to reach £2.75bn in 2007 according to the Internet Advertising Bureau (IAB).



This follows a 52 per cent hike in paid search to £1.166bn in 2006, which accounted for 56 per cent of all online advertising expenditure.

Latitude is the UK's largest independent search engine marketing specialist offering both **paid** and **organic search services**, with household-name clients including Tesco Finance, House of Fraser, Kwik-Fit Insurance, Crystal Lakes & Ski, Alliance and Leicester, William Hill and Bank of Ireland.

Vitruvian Partners is a recently formed London-based private equity firm dedicated to investing in middle-market buyouts, growth buyouts and growth capital across a range of industries in Northern Europe.

Ian Riley, a managing partner of Vitruvian Partners, commented: "Latitude represents a successful, entrepreneurial company in a dynamic, high growth market and we are excited to become a partner with the management team to support their expansion plans."

Latitude was advised by M&A and tax teams from the Manchester and London offices of Ernst & Young.

Elaine O'Donnell, M&A partner who led the Ernst & Young team, commented: "Latitude is clearly a fast-growth company in a dynamic sector, with a highly ambitious development strategy. There was considerable interest in the business and Vitruvian emerged as the ideal investment partner to drive and facilitate this growth, working within a very challenging timeframe. Vitruvian will provide ongoing sector expertise which will act as a powerful springboard for Latitude's further growth."

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About Latitude

With offices in London and Cheshire and more than 100 employees, Latitude's unrivalled **pay-per-click** advertising and **search engine optimisation** expertise enable its clients to obtain and retain top search engine rankings. Latitude is the largest agency of its type in the UK, and third-largest in the world.

In 2007 the agency won the Netimperative 'Search Campaign of the Year' award, reached a top ten position in Deloitte's Technology **Fast 50** league table and a top 50 position in Deloitte's Technology Fast 500 EMEA Ranking, and was shortlisted for two National Business Awards. In 2006 the agency won the Media Momentum Award as Britain's fastest growing digital media company, and was shortlisted again in 2007. Also in 2006, Latitude's chief executive officer, Dylan Thwaites, was named by Ernst & Young as its **Technology & Communications Entrepreneur of the Year**.