

3.4% Increase in U.S. Advertising Spending for 2005

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TNS MEDIA INTELLIGENCE FORECASTS 3.4 PERCENT INCREASE IN U.S. ADVERTISING SPENDING FOR 2005

NEW YORK, June 28, 2005 – Advertising spending is expected to grow a moderate 3.4 percent to \$145.3 billion¹, according to TNS Media Intelligence (TNS MI), the leading provider of strategic advertising and marketing information. The first half of 2005 is forecasted to grow at a rate of 4.1 percent, and a 2.7 percent growth rate is expected for the second half of the year.

“While the projected 3.4 percent gain for 2005 is behind the 9.8 percent increase that was seen in 2004, we are encouraged to see the advertising industry continue to show growth,” said Steven Fredericks, President and CEO of TNS Media Intelligence.

“We are seeing strong growth in Cable TV, Hispanic Media, the Internet and Consumer/Sunday Magazines; however segments such as Spot TV, Business-to-Business Magazines and Radio are trailing behind their 2004 numbers.” Cable Network TV expenditures are expected to rise 11.6 percent for the year, the highest increase of all media sectors. This increase reflects an ongoing shift of TV budgets as cable networks continue to monetize their audience ratings gains. Hispanic media is also a bright spot on the advertising landscape, with estimated growth of 10.5 percent, compared to 2004.

Internet expenditures are forecast to increase by 7.6 percent after two years of double digit growth in advertising spend. Consumer/Sunday Magazines are expected to advance by 7.5 percent.

TNS MI is forecasting a 0.7 percent increase in total ad spending for the 3rd Quarter and 4.5 percent increase in the 4th Quarter. “The slower 3rd Quarter growth is not surprising, as the 2004 comparison period benefited from the Summer Olympics and a ramp up towards the Presidential election. However, we believe that the rate of growth will improve during the 4th Quarter as advertisers’ confidence in the economy stabilizes and consumer spending continues to expand,” noted Fredericks.

The media category which is estimated to experience the largest decline in advertising expenditures compared to 2004 is Spot TV. This can be attributed to factors such as competition from local cable, and the absence of national elections.

2005 QUARTERLY GROWTH TRENDS¹

Time Period Change Versus 2004

First Half 2005 4.1% (e)
 1st Quarter 2005 4.4 % (e)
 2nd Quarter 2005 3.7% (e)
 Second Half 2005 2.7% (e)
 3rd Quarter 2005 0.7% (e)
 4th Quarter 2005 4.5% (e)
 Full Year 2005 3.4% (e)

Source: TNS Media Intelligence

(e) = Estimate

1. Figures are based on TNS MI internal analyses

GROWTH ESTIMATES FOR 2005 BY INDIVIDUAL MEDIA¹

Media Percent Estimate

CABLE NETWORK TV 11.6 %
 HISPANIC² 10.5 %
 INTERNET³ 7.6 %
 CONSUMER/SUNDAY MAGAZINES 7.5 %
 OUTDOOR 5.5 %
 NEWSPAPER 3.8 %
 SYNDICATION 3.3 %
 NETWORK TV 1.1%

RADIO -0.1%
BUSINESS-TO-BUSINESS MAGAZINES - 0.9 %
SPOT TV - 6.4 %

Source: TNS Media Intelligence

1. Figures are based on TNS MI internal analyses
2. Hispanic includes TV ,consumer magazines and newspapers
3. Does not include paid search advertising

About TNS Media IntelligenceTNS Media Intelligence in the U.S. is the leading provider of strategic advertising and marketinginformation “ across media, brand, industry and market. The company’s tracking technologies collectoccurrence and expenditure data on more than 2.2 million brands spanning 19 media. The U.S.headquarters are located in New York City with sales locations in major markets across the country. For further information, including this and prior press releases, please visit <http://www.tns-mi.com>.

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