Investment In Added Value Starts To Pay Off For TNS

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First half results show return to growth for US custom business

September 3rd 2007 - UKTNS chief exec David LowdenTNS has reported organic growth of 5.9% and a return to growth for its troubled US custom business in the first half of 2007.

Revenue was Â£497.4m, up from Â£480.5m last year. Adjusted operating profit was Â£45.4m, up 8.9%, and adjusted operating margin was 9.1%.

Chief executive David Lowden said: â€œEffective implementation of our strategy has delivered a good performance.â€•

Lowden told investors that momentum was good, and that it would be â€œreasonable to expectâ€• growth of more than 5% for the second half. Full-year underlying revenue growth â€“ with the effects of acquisitions and currency changes excluded â€“ is on course to exceed last year, and adjusted operating margin is set to improve, he said.

North American revenue fell slightly again, but underlying growth was 4.5% and the US custom business grew by approximately 3.5%. Underlying growth in the UK was 8.2%, outperforming the flat UK market.

Lowden told investors that the firmâ€™s strategy of positioning itself as an â€˜added valueâ€™ provider in the US and the UK w proving successful, and that incremental investments in the US were delivering the right results. He said: â€œWe should be looking for faster growth as those investments really start to come home.â€•

Growth in the first half for the new Asia Pacific, Latin America, Middle East and Africa region was 9%.

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(SeeÂ article in original context)