

26 October 2006

Digital Marketing Group plc

**First day of Dealings – Admission to AIM and
Acquisition of HSM Limited and Scope Creative Marketing Limited**

Market Capitalisation of approximately £20m

Further to the announcement by Seashell II Limited (“Seashell II”) of its merger with Digital Marketing Group plc (“DMG”) on 23 October 2006, the Directors of DMG, the newly formed digital direct marketing company, are pleased to announce that the acquisitions of both HSM Limited and Scope Creative Marketing Limited (trading as Dig For Fire) have been completed. Consequently, trading in DMG on AIM commenced at 8.00am today.

Highlights:

- Specialist focus on digital direct marketing
- Initial acquisitions completed
- Strategic plan for integration of acquisitions, organic growth and further acquisitions in place
- £7.8m raised for initial acquisitions, working capital and capital for further acquisitions
- Experienced management team and board with exceptional media and marketing services industry experience

Commenting on the admission and completion of acquisitions, Ben Langdon, Chief Executive of DMG said:

“We are delighted to have successfully completed our Admission to AIM as well as the two initial acquisitions of HSM and Scope Creative Marketing. This is an exciting time in DMG’s development and our listing on AIM will provide an exceptional platform for the future growth of the Company, via organic growth and further targeted acquisitions. Opportunities in the digital space are significant as advertisers continue to shift their spend towards “online” direct marketing and we look forward to capturing these opportunities.”

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The AIM ticker is DIGI.

Further information:

DMG aims to provide its clients and the clients of each of the Acquired Businesses with a range of digital direct marketing services, coupled with database marketing skills. By doing this, DMG believes it can offer clients the ability to coordinate both their “online” and “offline” direct marketing strategy and concurrently offer the skills necessary to input, collect, analyse and apply customer data in order to generate more effective digital direct marketing, higher brand-consumer loyalty and improved client profitability.

Strategy

DMG’s development strategy will consist of two key elements:

- “buy and build” through the acquisition of a number of businesses with complementary skills in digital direct marketing; and
- “organic growth” driven by the inherent growth within the Acquired Businesses and the application of a group business development programme.

Buy and build

The acquisition strategy encompasses three elements:

- completion of the Acquisitions, which have activities in “online” marketing, “offline” direct marketing and database marketing and which the Directors and Proposed Directors consider to be cornerstone acquisitions for the Enlarged Group (i.e. providing it with a platform to pursue its objectives);
- addition of further companies in digital marketing, digital media and emerging technologies such as mobile marketing and search optimisation; and
- addition of sector-specific agencies where the opportunity for digital direct marketing is believed to be significant for example the business-to-business sector and the media and entertainment sector.

Organic growth

- In addition to the anticipated growth in the acquired businesses, DMG will implement a marketing and new business development programme to directly target clients who already use digital, direct or database marketing as part of their existing marketing efforts.
- DMG will also implement a rigorous cross referral programme for new business across the existing client base.