

M&C Saatchi profits slip as it books £8.4m costs fighting takeover

A [diverting](#) and marketing giant M&C Saatchi said it has spent £8.4 million fighting off two takeover moves over the past six months as it reported shrinking profits.

Shares in the company slipped on Wednesday morning after it said statutory pre-tax profits tumbled to £0.3 million for the six months to June 30, from £4.8 million over the same period last year.

M&C Saatchi said this was largely pushed down by costs from the ongoing takeover battle.

The group, which is particularly well known for its political advertisements for the [Conservative Party](#), has fielded takeover approaches from Next Fifteen Communications and rival Advanced Advt, the investment vehicle of its largest shareholder Vin Murria.

In May, M&C Saatchi initially agreed to a £310 million takeover move by Next Fifteen but pulled its support a month later after the suitor's share value plunged, impacting the value of the deal.

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Results to be proud of under any circumstances, but particularly with the distraction of a hostile takeover

Murria's fourth and most recent takeover approach valued the group at £253.6million and was described as "derisory" by chairman Gareth Davis.

Meetings were due to take place last month with shareholders regarding the Next Fifteen takeover offer but were delayed.

The firm's chief executive, Moray MacLennan, hailed its latest trading performance amid the battle for ownership.

He said: "Results to be proud of under any circumstances, but particularly with the distraction of a hostile takeover.

"Looking forward, the counter-cyclical nature of key growth businesses, together with a global efficiency programme, gives confidence in our strong standalone future and the outlook for the remainder of 2022 and into 2023."

M&C Saatchi revealed that net revenues increased by 9.6% over the past half-year to £129.4 million compared with the same period last year.

The firm said it delivered growth with new and existing clients including [Barclays](#), [Samsung](#) and Pepsico.