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ASX/MEDIA RELEASE

PHOTON GROUP UK ACQUIRES A LEADING UK COMMUNICATIONS AND BRAND MARKETING BUSINESS; CORPORATE EDGE

Photon Group (ASX: PGA) today announced that its UK Holding Company, Photon Group (UK) has acquired Corporate Edge, one of the UK's most successful and profiled communications and brand marketing businesses.

Corporate Edge specialises in corporate communications, focusing on on-line media delivering corporate responsibility reports and on-line reporting; and corporate branding, through strategy, naming and implementation. Corporate Edge will continue to develop its expertise in branding, corporate communications and interactive communications.

Executive Chairman of Photon, Tim Hughes said, "Corporate Edge is a natural complement to the Photon Group and expands our growing footprint in the UK market. It is an established, market-leading business with clients that include some of the largest brand names in the UK, across various sectors."

Chris Wood, Chairman of Corporate Edge said "We are delighted to join the Photon Group which is on its way to becoming one of the world's leading marketing services companies. Having built our market position since the company's inception in 1997, this is a logical progression for Corporate Edge, allowing us to develop further international opportunities in corporate communications and branding."

The initial purchase price is an upfront cash payment of \$A,15,651,255 to be funded from existing debt facilities, plus additional deferred payments tied to the earnings of Corporate Edge through to 2010.

The acquisition is subject to finalisation of the transaction documentation. It is anticipated that completion of the acquisition will occur within the next month.

Over the next 12 months, the acquisition of Corporate Edge is expected to be accretive to Photon's earnings per share.

Photon is a specialist marketing services company comprised of five strategic divisions: Strategic Intelligence, Integrated Communications & Digital, Experiential & Field Marketing, Internet Marketing & Communications and Specialised Communications

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