

PRESS RELEASE



ACQUISITION TOPS RECORD YEAR FOR TSG IN SCOTLAND

TSG, the fast-growing IT professional services company, has marked its best ever year in Scotland with the acquisition of The Solution Canvas business, a specialist e-commerce and online trading consultancy.

The deal, which is for an undisclosed sum, adds e-commerce consultancy and services to TSG's portfolio of professional IT products and services for the SME sector. Glasgow-based Solution Canvas specialises in developing bespoke e-commerce software and infrastructure packages for a wide range of clients, including Celtic FC. Founded on 1st January 2005, Solution Canvas works around the Microsoft.net platform, and was the first company in the UK to be awarded 'Customs Development Competency' by Microsoft. Staff will transfer across to TSG with immediate effect, and will be based in TSG's Glasgow office.

TSG also announced that it had recorded its best ever year in Scotland, with profits up 58% and annualised turnover now in excess of £10m. Turnover has increased by over 300% since the company moved into Scotland in 2004, with staffing rising to just over 100 across its 3 Scottish offices. The company provides hardware, software, systems support and related IT services to nearly 2000 SMEs in Scotland.

TSG remains in the market for further acquisitions, and is specifically targeting specialist IT companies that can bring niche expertise to TSG's portfolio of professional IT services.

Commenting on the deal, and the strong performance of the business, Tom O'Hara, Managing Director of TSG in Scotland said: "Acquiring Solution Canvas will enable us to provide clients with access to some of the best e-commerce talent in the UK. E-commerce is going to grow rapidly as companies look for new ways of generating revenue, and look for help with developing their online trading. The skills we have acquired will ensure TSG can help clients develop these new trading opportunities, and also underpins our strategy of being the benchmark for excellence in IT".

Founded four years ago, TSG has annual sales of £33.8m and employs approximately 400 staff across the UK.

Ends

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