

Announcement

Close Brothers Group plc announces the sale of its Property Funds Management Business to Alpha Real Capital

7 October 2010

Close Brothers Group plc (“Close Brothers”) announces that its Asset Management division has agreed the sale of its property fund management (“PFM”) business to specialist property fund manager Alpha Real Capital LLP (“ARC”). The sale is consistent with the repositioning of the Asset Management division to focus on the development of a high growth UK wealth and asset management business. This follows the deconsolidation of the division’s three private equity businesses during the 2009 financial year.

The PFM business is being sold for nominal consideration and as part of the transaction the PFM team of around 35 staff together with assets and cash with an aggregate value of £0.65 million will transfer to ARC on completion. The transaction will result in a reduction in Close Brothers’ Funds under Management of approximately £560 million but the impact on the profitability of the Asset Management division will be negligible.

The transaction is subject to regulatory approval and relevant third party consents.

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