



Close Brothers
Close Brothers Group plc

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Close Brothers Launches Specialist German Stockbroker

Connecting German growth companies with London Investors

Close Brothers Group today announces the launch of Close Brothers Seydler Ltd., a stockbroking company that will specialise in marketing small and mid-cap German securities to London-based institutional investors. The new company will be an affiliate of Close Brothers Seydler, the German securities trading firm acquired by Close Brothers in 2005.

“London has the largest pool of international investors focused on continental European and German equities,” said Ernie Ferriday, a founding partner of CB Seydler Ltd, who joined CBG to establish this venture after a more than 20 year career in continental European equities. “However there is very limited opportunity for them to invest in Mittelstand companies, the smaller German companies which form the backbone of the German economy and are very attractive in terms of growth and value.”

CB Seydler is one of the top three securities trading firms in Germany and is a leading execution broker on Xetra and Eurex, the two main electronic exchanges in Germany, as well as on the German regional stock exchanges. It is the market-leading “designated sponsor” [*Betreuer*] in Germany, a role similar to that of corporate broker in the UK context, mandated by more than 160 companies.

“We have especially strong relationships with smaller companies and are strong in growth sectors such as alternative and renewable energy, specialist engineering and real estate,” said Ferriday. “The new venture will bring these companies to London and thus give London investors informed access to the engine-room of the German economy.”

In addition to specialist broking and research services, the new company will play a role in primary placements. Its German affiliate has acted as a selling agent in a number of prominent transactions in renewable energy and real estate, for example: Biogas Nord, Ago, Alta Fides, Informica and Incity. These deals have sometimes been offered to London investors via joint

ventures with London-based brokers but in future the new company will market directly to London institutions, thus significantly improving CBS's distribution capabilities.

“Close Brothers Seydler will be in an unparalleled position to help German clients raise money in the London market through IPOs, secondary offerings and placings,” commented Colin Keogh, CEO of Close Brothers Group. “This is a further exciting stage in our development of the Seydler business since we acquired it in 2005”.

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Notes to Editors

- Close Brothers Seydler AG is one of the top three securities trading firms in Germany. Its particular strengths are in managing the floor trading order books of more than 1,700 foreign equities and bonds listed on the Frankfurt Stock Exchange.
- CBS is the leading market-maker in US equities on Deutsche Börse's electronic order book system and also specialises in OTC trading, the structuring of bond instruments and convertible bonds.
- The Group acts as designated sponsor for over 160 German and international companies, making CBS the market leader by number of mandates.
- CBS focuses currently on the Mittelstand (companies with a market cap of up to Euro 1 billion), typically an undeveloped market from a research and equity capital markets point of view with limited broker and research coverage and thus offering considerable scope for development.