



Close Brothers Group plc

22 January 2008

Close Brothers Group plc ("Close Brothers" or the "Company")

Statement in response to announcement by Cenkos Securities plc ("Cenkos")

The Board of Close Brothers notes the announcement made by Cenkos earlier today withdrawing its indicative offer for Close Brothers.

On 8 January 2008, the Board of Close Brothers received an improved indicative proposal from Cenkos and Landsbanki (together the "Consortium") at 1025 pence per Close Brothers share. On the basis of this revised proposal, Close Brothers engaged in comprehensive discussions with Cenkos and Landsbanki in order to understand and advance the Consortium's proposal. During this engagement, Close Brothers was furnished with details of the conditions that the Consortium would need to satisfy in order to deliver a simultaneous takeover and breakup of the Company, in particular the requirements that would need to be met in order for the Consortium to obtain financing for its indicative proposal. The Board of Close Brothers concluded that there was considerable uncertainty surrounding the deliverability of the Consortium's indicative proposal, especially in the light of current market volatility.

On 17 January, Cenkos stipulated that a precondition of the Consortium's ongoing engagement was the execution of an agreement restricting Close Brothers' flexibility to investigate a transaction with other parties. This agreement, inter alia, would prevent Close Brothers from soliciting offers for the Company or any of its divisions, prevent the Company from agreeing a break fee arrangement with any third party and would deliver a substantial work fee to the Consortium for each week it continued due diligence. Given the considerable uncertainty surrounding the deliverability of the Consortium's indicative proposal and the potential interest of third parties, the Board of Close Brothers concluded that it would not be in shareholders interests to restrict the Company's flexibility by entering into such an agreement. As a result, Cenkos has decided to withdraw from discussions with Close Brothers.

The Board of Close Brothers remains committed to delivering maximum value for shareholders and can confirm that it remains in discussions with a number of parties regarding potential offers for Close Brothers. These discussions remain at an early stage and, particularly in light of current market volatility, there can be no certainty that they will lead to an offer.

Further announcements will be made as and when appropriate

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