



NEWS RELEASE

**NORTHACRE PLC AND EVANS RANDALL ANNOUNCE 50/50 PARTNERSHIP
TO DEVELOP PRIME LONDON RESIDENTIAL PROJECTS**

**Exclusivity Deal marks UK investment bank's
entrance into prime residential property sector**

London, 19th April 2010 - Northacre plc, the prime London residential property developer and Evans Randall, the privately held UK investment banking and private equity group, have today announced a 50/50 partnership that will mark Evans Randall's entrance into the UK residential property market.

The venture will grant Evans Randall exclusivity to embark on debt raising and to provide equity for future developments in Central London on a project by project basis, with Northacre providing high-end residential design and development expertise. Evans Randall will co-invest in projects, as well as raising equity from its impressive client base in the UK, Europe, the Middle East and the Far East

The partnership will mean that Northacre will be able to take advantage of the numerous opportunities currently available in the Central London market, giving Northacre the advantage of securing these schemes without the uncertainty of the sources of finance, which is presently a challenge for almost all property development companies.

A number of current opportunities are being investigated with the partnership looking at bespoke small-scale developments and longer-term major projects, including joint ventures with third parties, to generate a steady sales pipeline and strong cash-flow. Evans Randall may retain an interest in specific developments to compliment their existing portfolio of iconic, city centre commercial buildings.

Northacre have an unrivalled reputation in the London market and have completed a significant number of large-scale prime developments in and around Kensington and Chelsea, including the The Bromptons, Observatory Gardens and The Phillimores. Northacre is also one of the two development partners on the Lancaster's, a development, of 77 residential apartments on London's Lancaster Gate, W2, scheduled for completion in early summer 2011.

Each of Northacre's projects to date has had a significant positive impact on values in the area surrounding the development. This 'ripple effect' is an important element in making an individual project attractive to owners of other properties in these locations.

Michael Evans, Chairman of Evans Randall, said:

"Our partnership with Northacre signals a strategic move into prime residential property, which we believe will complement our existing commercial property interests. Northacre has been responsible for a large number of the leading prime developments in London's most sought after locations and their experience and professionalism is unrivalled.

Prime Central London residential property has performed well despite the recession with prices rising by up to 20 per cent in the last year. The market has seen strong interest from overseas homebuyers and investors, in part attracted by a favourable exchange rate, demonstrating that there is a sustained global appetite for well-designed, prime residences in central London."

Klas Nilsson, Chairman and CEO of Northacre commented:

"To secure a partnership of this type with Evans Randall in the current difficult financial climate demonstrates the strength of the Northacre Group. This deal will allow our companies to capitalise on our respective skills without diluting the qualities of the Northacre brand. With access to capital from Evans Randall's impressive client base, we can take advantage of the current and future opportunities in the Central London market. We look forward to a long and very successful partnership with Evans Randall."

In the last five years Evans Randall has become a leading investor in landmark commercial real estate assets in both the UK and Western Europe, having acquired a portfolio of more than £5 billion. Its track record in completing transactions quickly and effectively and its strong banking

and equity investor relationships are fundamental to its ability to exploit opportunities offered in the current market.

- Ends -

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Notes for editors:

Evans Randall

Evans Randall is a privately-owned investment banking and private equity group specialising in structured finance, private equity and commercial real estate transactions. Since its formation in September 1993, the UK-based company has arranged or advised on US\$35 billion of transactions, on behalf of both private investors and international corporate clients.

In the real estate sector, Evans Randall sources, arranges, underwrites and manages large-scale commercial and retail property investments on behalf of itself and its investor clients. It targets real estate returns of up to 20% pa and in some cases higher.

Since 2005, Evans Randall has acquired around £5 billion of UK and European property investments on behalf of itself and clients.

Current assets include:

UK

- 5 Canada Square, Bank of America's UK headquarters, at Canary Wharf, London E14
- 50% of 'The Gherkin', Swiss Re's headquarters building at 30 St Mary Axe, London EC3
- HBOS's headquarters at 33 Old Broad Street, London EC2
- The Financial Services Authority's headquarters at Canary Wharf, London E14
- Cisco Systems UK headquarters near Heathrow

Continental Europe

- Königsbau Passagen shopping centre in Stuttgart
- ING Bank's landmark building at Haagse Poort, The Hague
- De Brauw Blackstone Westbroek's new headquarters building in South Axis, Amsterdam
- The Deutsche Telekom Headquarters in Munich

Northacre plc

Over the last 20 years, Northacre has successfully revived and created more than £1.5bn of central London's finest new addresses to critical and commercial acclaim.

It has a track record no other exclusive residential property developer and designer can match.

Northacre's success has been built on a passion for quality at every stage, from planning and development to design and marketing.

Control is vital throughout the process and, as a result, architecture and interior design is kept within the Group. To this end, Nilsson Architects and Intarya are wholly owned by subsidiaries of Northacre PLC.

Nilsson Architects is the first practice to specialise in prime residential development, and is the creative design force behind Northacre's award-winning landmark sites. Over 1m sq. ft. of Grade I and II buildings carry the distinctive Nilsson/Northacre signature.

Intarya provides a bespoke design solution to meet each client's individual tastes and budgetary requirements. Intarya is also responsible for many of the famous dressed to show apartments that have underpinned Northacre's commercial success.

Completed Schemes:

The Bromptons

A listed neo-gothic former NHS hospital in Chelsea transformed and acclaimed as 'the world's finest gated residential scheme'.

Acquired in 1997, planning consent altered to comprise 74 larger family sized apartments

- Two new blocks perfectly replicated in neo-gothic style
- Direct access to two underground car parks and a private spa within a gated private garden
- All apartments sold during construction, achieving £100m in revenue
- Considered one of the world's most desirable residential addresses

90% of revenue secured prior to completion in 2004.

The Phillimores

66 award-winning apartments created in a former Kings College facility designed in the renaissance style.

Formerly known as Queen Elizabeth College

- Contemporary and classical apartments with underground leisure facilities and parking
- Lifestyles Interiors show apartment created within existing building
- Purchase contract secured by Northacre and joint ventured with Westcity Properties
- Two years to secure listed planning consent
- 90% of revenue secured prior to completion in 2004

Observatory Gardens

An award-winning scheme to revive an entire Victorian Terrace in Kensington to create 69 purpose-built apartments.

Original façade fully retained and restored:

- All the modern amenities of a new building, including direct access to an underground car park
- Historic period details retained or sympathetically replaced
- Completed in 1995, sales revenue achieved £40m

Earls Terrace

A derelict Georgian terrace in Kensington rescued and revived to create 23 family houses, which won universal acclaim.