

Northacre PLC – Trading Update 25 February 2008

The Lancasters and The Kensington

With planning consent secured on The Lancasters and The Kensington progress continues for both schemes on schedule with our joint venture partners Minerva Plc who issued an update on these projects in their interim results announced this morning. Construction works on The Lancasters is now well in hand. A significant flow of enquiries has been generated as a result of the feature hoarding. The first phase of passive marketing has already generated secured sales revenue in excess of £100m which represents almost one third of the total number of apartments.

The Warwick and The Vicarage

The Warwick and The Vicarage Gate schemes continue through the planning process - a decision on both sites will be determined later this year. In the case of Warwick Road, it is useful that the Royal Borough of Kensington & Chelsea has now adopted a planning brief and a master plan. The next Vicarage planning inquiry will now be held in May 2008.

Trading

In addition to the progress of our developments, fee income for our operating subsidiaries continues to grow in accordance with our expectations. In particular, some new assignments for interior design services have recently been secured. Although we recognise some downturn in market sentiment, we are, nevertheless, confident that further growth in our business activities will be maintained.

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The Northacre Touch

The Bromptons. The Phillimore's. Observatory Gardens. Earls Terrace. Kings Chelsea. Today these are some of London's finest addresses, acclaimed by civic authorities and designers and valued by discerning individuals who delight in detail and discrete taste.

One company stands behind the revival of these landmark buildings. Over the last 15 years, Northacre has successfully completed and marketed more than £1.5bn of the most challenging sites to the most exacting standards. A track record no other exclusive residential developer and designer can match.

Over the next 5 years, the Northacre team relishes the prospect of applying its unique touch to developing a further £750m of prime residential property. This includes three new highly desirable London addresses, The Lancasters, The Kensington and The Vicarage.