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Launch of Flight & Partners with Recovery Fund

London, 12 February 2008 – The launch of a newly authorised investment management company, Flight & Partners, founded by Howard Flight, Mark Warde-Norbury and Permjot Valia is announced today.

Howard Flight, chairman, said today “Flight & Partners is a new investment management business based on collaborating with focused boutiques which have established track records in specialist, niche investment territories. We are announcing the launch of our first fund today for which R Capital has been appointed as adviser. The Flight & Partners Recovery Fund offers sophisticated investors an opportunity to benefit from the more difficult credit market conditions now prevailing. It will provide secured loan finance with attaching equity to companies with turnaround potential.”

The Flight & Partners Recovery Fund is a closed end Guernsey company with a 7-year life and will be capped when it reaches a size of £30 million. The minimum investment is £50,000 and cornerstone investors have indicated they will be investing £10 million. The Fund has been structured to have relatively low risk with a return of approximately 6% over bank base rate from the loan finance provided.

Also, significant potential capital appreciation is anticipated from the 30% equity acquired in investee companies.

Howard Flight added "We've chosen R Capital to be our first fund's investment adviser. They have an impressive track record of successful financial and operational restructurings of medium and smaller size companies facing balance sheet and management problems, but which have sound underlying businesses and recovery potential. "

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Notes to editors –

Flight & Partners - team biographies

Howard Flight has worked for over 35 years in the financial services industry, starting his career at Rothschilds. In the second half of the 1970's he worked for HSBC's merchant bank in Hong Kong and India. On returning to London in 1979 he joined Guinness Mahon and established, what became in 1986, Guinness Flight Global Asset Management, of which he was joint Managing Director until 1998 when it was acquired by Investec. Since then he has been a director of Investec Asset Management. He has recently formed Flight & Partners, which is the FSA regulated Manager of the Flight & Partners Recovery Fund.

Between 1997 and 2005 he was the MP for Arundel & South Downs, during which time he held the Opposition Front Bench briefs of Shadow Economic Secretary, Postmaster General and Chief Secretary to the Treasury. From 1999 to 2004 he had Shadow Treasury responsibilities for Finance Acts, the Financial Services Industry, Financial Regulations and Pensions. In 2004/5 he was Deputy Chairman of the Conservative Party with special responsibility for relations with the City of London.

Currently, Howard Flight is a director of Investec Asset Management, the Investec Global Strategy Fund and the CorporActive Fund; Chairman of CIM Investment Management, of Speymill Property Group and the Loudwater Trust (Pre IPO Fund); a Commissioner of the Guernsey Financial Services Commission and Chairman of the EIS Association. He is also a director of St Helen's Capital and Chairman of Ferranti Ltd. He has a degree in History and Economics from Cambridge and a MBA from the University of Michigan, Ann Arbor.

Mark Warde-Norbury spent 14 years with the investment bank Robert Fleming & Co. and its subsidiary company Save & Prosper Group. As a senior manager in the bank, he helped to launch and manage the Fleming Private Banking operations in the UK and Jersey.

He left Flemings in 1998 to establish Capital Strategy (now St Helen's Capital). He is the Chairman of St Helen's Capital Plc, the specialist small cap institutional broker. In 2004 Mark launched St Helen's Private Equity Plc and in 2005 he launched St Helen's Property Investments Limited, a property investment company.

He is an Associate of The Securities Institute and the author of the publication 'Producing a Successful Business Plan'. He has held directorships in a number of companies including STG Holding Plc, an investment holding company, and HTTP Technology Inc, subsequently renamed Medic Site Inc.

Permjot Valia graduated from Leeds University and pursued a career in marketing, culminating in his appointment as Marketing Director for Ernst Young Entrepreneurial Services in London.

Since 2004, he has been an active business angel investor. He is a member of the Board of the EIS Association and the British Business Angels Association.

He has an MBA and the Investment Management Certificate.

R Capital – investment adviser

R Capital was formed in 2004 by Jamie Constable and Peter Ward since when it has built a successful track record in the turnaround industry. Examples of the company's recent successes have been CPC, Domino Promotions, Herald Electronics, Little Chef, Maccess, MEM

Retail Marketing Services, Odyssey Health Clubs, Retail Profile, Rock Asphalte, Susan Hamilton Group.

Jamie Constable qualified as an accountant with Touche Ross in 1987 and worked as a consultant on turnaround situations in the recession of the late 1980's and early 1990's. The considerable experience gained in this period and subsequently has made Jamie one of the foremost restructuring specialists in the small and middle sized company market.

Peter Ward worked previously as a banker specialising in company restructuring and gained his working knowledge of special loan situations with NatWest. Whilst at the bank, he met Jamie Constable through transactions they worked on together. Peter left the Bank to work with Jamie in 2001. Using his specialist knowledge of debt restructuring, Peter's experience complements Jamie's skill sets.

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