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20 July 2009

Offer by
Astaire Securities PLC
on behalf of
Astaire Group PLC
to acquire
Dowgate Capital PLC

Astaire holds or has received acceptances for 75.80% of total voting rights: Offer Declared Wholly Unconditional

On 22 June 2009, Astaire Securities PLC on behalf of Astaire Group PLC ("Astaire") announced an offer to acquire the entire issued, and to be issued, share capital of Dowgate Capital PLC ("Dowgate") which Astaire did not already own (the "Offer").

Astaire is now pleased to announce that the Offer is unconditional in all respects and will remain open for acceptance until further notice.

As at 5.00 p.m. (London time) on 17 July 2009 Astaire had received valid acceptances in respect of 25,612,961 Dowgate Shares representing 64.86 per cent. of the total voting rights of Dowgate. This total includes acceptances received in respect of 6,667,281 Dowgate Shares (representing approximately 16.9 per cent. of the total voting rights of Dowgate) which are subject to irrevocable undertakings. Of the acceptances, 12,983,575 Dowgate Shares accepted the Basic Offer and 12,629,386 Dowgate Shares accepted the Alternative Offer.

Prior to the Offer, Astaire held 4,316,794 Dowgate Shares, representing approximately 10.93 per cent. of the total voting rights of Dowgate. Accordingly, as at 5.00 p.m. (London time) on 17 July 2009, Astaire owned, or had received valid acceptances in respect of, 29,929,755 Dowgate Shares, representing approximately 75.80 per cent. of the total voting rights of Dowgate.

Extension of Offer Period

The Board of Astaire announces that the Offer, which remains subject to the terms and conditions set out or referred to in the Offer Document, is being extended and will remain open for acceptance until further notice.

Proposed Cancellation of Admission to AIM and Compulsory Acquisition

Now that Astaire owns or has received valid acceptances in respect of approximately 75.80 per cent. of the total voting rights of Dowgate, Astaire will today procure that Dowgate makes application to the London Stock Exchange for the cancellation of admission to trading on AIM of the Dowgate Shares. Dowgate is required to give at

least 20 business days notice of any such cancellation, which would take effect without approval by Dowgate Shareholders.

Cancellation of the admission to trading of Dowgate Shares on AIM would significantly reduce the liquidity and marketability of any Dowgate Shares not acquired by Astaire through the Offer and the value of any such Dowgate Shares may be affected as a consequence. In addition, certain protections afforded to shareholders in an AIM listed company will no longer be available.

In addition, if sufficient acceptances are received under the Offer, Astaire intends to apply the provisions of sections 979 to 982 (inclusive) of the 2006 Act to acquire compulsorily any remaining Dowgate Shares.

Acceptance Procedure

If you hold your Dowgate Shares in certificated form (that is, not in CREST), to accept the Offer you should complete, sign and return the Form of Acceptance (together with your share certificate(s) and any other documents of title) as soon as possible by Neville Registrars, Neville House, 18 Laurel Lane, Halesowen, B63 3DA. Additional Forms of Acceptance are available from Neville Registrars by telephoning 0121 585 1131.

If you hold your Dowgate Shares in uncertificated form (that is, in CREST), to accept the Offer you should follow the procedure for Electronic Acceptance through CREST so that the TTE Instruction settles as soon as possible. If you are a CREST sponsored member, you should refer to your CREST sponsor before taking any action as only your CREST sponsor will be able to send the necessary TTE Instructions to Euroclear in relation to your Dowgate Shares.

Further details of the acceptance procedure can be found in the Offer Document. Copies of the Offer Document, the Form of Acceptance are available on Astaire's website, www.astairegroup.co.uk, and from the offices of Memery Crystal LLP, 44 Southampton Buildings, London, WC2A 1AP during normal business hours on any business day throughout the period during which the Offer remains open for acceptance.

Issue of New Astaire Shares and Admission to trading on AIM

15,473,869 New Astaire Shares have been allotted to accepting Dowgate Shareholders pursuant to the terms of the Offer. Further announcements will be made in respect of New Astaire Shares allotted pursuant to acceptances of the Offer received after 5.00 p.m. on 17 July 2009.

Application has been made for the 15,473,869 New Astaire Shares to be admitted to trading on AIM and dealings are expected to commence on 27 July 2009.

Astaire now has 193,407,470 ordinary shares of 0.1p each in issue with ISIN GB0031729194.

Interests in Relevant Securities

Save as disclosed above, neither Astaire nor any of the directors of Astaire, nor, so far as the directors of Astaire are aware, any person acting in concert with Astaire for the purposes of the Offer has any interest in, right to subscribe for, or has borrowed or lent any Dowgate Shares or securities convertible or exchangeable into Dowgate Shares (“Dowgate Securities”), nor does any such person have any short position (whether conditional or absolute and whether in money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery in relation to the Dowgate Securities.

Terms used in this announcement have the same meaning given to them in the Offer Document.

A copy of this announcement is available on Astaire’s website at www.astairegroup.co.uk.

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The Astaire Directors accept responsibility for the information contained in this announcement. To the best of the knowledge and belief of the Astaire Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Announcement for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

The availability of the Offer to Dowgate Shareholders not resident in or citizens of the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are citizens or in which they are resident. Such persons should inform themselves about and observe any applicable legal or regulatory requirements of any such relevant jurisdiction.

In particular, the Offer is not being made, directly or indirectly, in, into or from or by the use of the mails of or any means or instrumentality (including, without limitation, by means of facsimile transmission, telex, telephone, internet or other forms of electronic communication) of interstate or foreign commerce of, or by any facility of a

national, state or other securities exchange of, any Prohibited Jurisdiction, or in any other jurisdiction if to do so would constitute a violation of the relevant laws of such jurisdiction and the Offer, when made, will not be capable of acceptance by any such use, means, instrumentality or facility from or within any Prohibited Jurisdiction where to do so would constitute a breach of any relevant securities laws of that Prohibited Jurisdiction. Accordingly, copies of this announcement are not being, and must not be, mailed or otherwise distributed or sent in or into or from any Prohibited Jurisdiction or any such other jurisdiction. Doing so may render invalid any purported acceptance of the Offer. Astaire will retain the right to permit the Offer to be accepted and any sale of any securities pursuant to the Offer to be completed if, in its sole discretion, it is satisfied that the transaction in question can be undertaken in compliance with applicable law and regulation.

Any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about, and observe any applicable legal or regulatory requirements. Further information in relation to overseas Dowgate Shareholders are set out in the Offer Document.

This announcement is not intended to be and does not constitute, or form part of, an offer or an invitation to purchase or subscribe for any securities. The Offer will be made solely by way of the Offer Document, and, where appropriate, the related Form of Acceptance which together will contain the full terms and conditions of the Offer, including details of how the Offer may be accepted.

Astaire Securities plc and Fairfax I.S. plc, which are authorised and regulated in the United Kingdom by the Financial Services Authority, are acting exclusively for Astaire Group plc and no-one else in connection with the Offer and will not be responsible to anyone other than Astaire Group plc for providing the protections afforded to their respective customers, nor for providing advice in relation to the Offer or any other matter referred to in this announcement.