

Evolve Capital Plc

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Astaire Group Plc
46 Worship Street
London EC2A 2EA

6 September 2011

Dear Sirs

Acquisition of Astaire Group Plc

The parties to this letter agreement confirm that they intend that Evolve Capital Plc ("**Evolve**") acquire the interests in ordinary shares in Astaire Group Plc ("**Astaire**") which it does not already own. Such acquisition is to be implemented under a scheme of arrangement of Astaire in accordance with Part 26 of the Companies Act 2006 and the City Code on Takeovers and Mergers (the "**Scheme**"). The Scheme will be substantially on the terms of the attached scheme document which includes a circular to shareholders of Astaire (the "**Scheme Document**").

The parties have agreed to take certain steps to implement the Scheme, as set out in this letter agreement.

Subject as provided in this letter agreement, each of the parties to it (which shall mean Evolve and Astaire) agree with and undertake to each other that they shall co-operate with each other and take or cause to be taken all steps which are within their respective capacities and powers reasonably necessary to implement the Scheme and to achieve the satisfaction of the conditions to the Scheme as soon as reasonably practicable and in accordance with the contents of the Scheme Document, and to keep the other informed about and to consult the other in relation to the progress of the implementation of the Scheme.

To (and only to) the extent that the provisions of this letter agreement conflict with the provisions of the Scheme Document or City Code on Takeovers and Mergers (the "**Code**"), such other provisions shall prevail.

To the extent that any provision of this letter agreement is found by any court or competent authority to be invalid, unlawful or unenforceable in any jurisdiction, that provision shall be deemed not to be a part of this letter agreement, it shall not affect the enforceability of the remainder of this letter agreement nor shall it affect the validity, lawfulness or enforceability of that provision in any other jurisdiction.

This letter agreement shall be binding upon and enure for the benefit of the successors in title of the parties but shall not be assignable by any party without the prior written consent of the other.

Each party shall execute such documents and take such steps as the other party may reasonably require to fulfil the provisions of and to give to each party the full benefit of this letter agreement.

Time is of the essence as regards every obligation of the parties to this letter agreement.

Any party may, in whole or in part, release, compound, compromise, waive or postpone, in its absolute discretion, any right granted to it in this letter agreement by any other party without in any way prejudicing or affecting its rights in respect of that or any other liability or right not so released, compounded, compromised, waived or postponed.

No single or partial exercise, or failure or delay in exercising any right, power or remedy by either party shall constitute a waiver by that party of, or impair or preclude any further exercise of, that or any right, power or remedy arising under this letter agreement or otherwise.

The rights and remedies reserved to either party under any provision of this letter agreement or in any document to be executed pursuant to it shall be in addition and without prejudice to any other rights or remedies available to it whether under this letter agreement or any such document or by statute common law or otherwise, including under the Code.

Subject to the Code and the terms of the Scheme, the obligations and liabilities of each party shall not be affected by any time forbearance, indulgence, release or compromise given to it by the other party, nor by any other matter or circumstance which (but for this paragraph) would operate to or affect any such obligations except an express written release by the party to whom the relevant obligations and liabilities are owed or due.

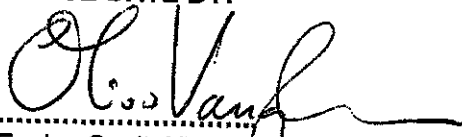
The parties agree and acknowledge that:

nothing in this letter agreement is intended to benefit any person who is not a party to it (a **"Non-Party"**) and accordingly, except as aforesaid, no Non-Party has any right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this agreement; and

no consent of any Non-Party shall be required for any rescission of or amendment to this letter agreement.

This letter agreement and all disputes and matters arising in connection with it shall be governed by and construed in accordance with English Law and the parties irrevocably submit themselves to the exclusive jurisdiction of the English Courts.

EXECUTED AND DELIVERED BY THE PARTIES AS THEIR RESPECTIVE DEEDS ON THE ABOVE DATE BY:



.....
Evolve Capital Plc acting by a director

In the presence of: **DIANA VAUGHAN**



.....
Astaire Group Plc acting by a director

In the presence of:

ALISON BROCKENSHA

