



21st November 2007

PRESS RELEASE

Embargoed until 00:01am 22nd November

GVA Grimley LLP restructures to drive growth plans

GVA Grimley LLP, a leading independent UK commercial property consultancy, today announces that it has secured a £40m investment from Lloyds TSB Development Capital ("LDC"), the leading mid-market private equity provider, as part of a restructuring that will prepare GVA Grimley for the next stage of its strategic growth.

The restructuring involves GVA Grimley converting from being a limited liability partnership (LLP) into a limited company (Ltd) with effect from 28th November 2007.

As a consequence of this change, GVA Grimley's Equity Partners and in due course Non-Equity Partners, together with a number of other senior employees, will collectively own the majority of the equity in the Company, with LDC becoming a substantial minority shareholder.

Bob Barnett, Chief Executive of GVA Grimley explains the background:

"The current 71 Equity Partners have enjoyed the benefits of over 15 years of sustained growth in income and profits arising from our loyal client base and outstanding people. We have ambitious plans for the future and we now wish to share our equity more widely to include all of our 165 non Equity Partners who will be invited to become shareholders in the new company. We are also delighted that we will be able to grant shares to the leaders of our HR, IT, Facilities, Finance and Marketing teams who have each played their part in helping us achieve our recent success".

“We have successfully expanded by merger and acquisition, with several small but very successful businesses, the most recent being leading regional firms of Lamb & Edge in Newcastle and Osmond Tricks in Bristol”.

“We will continue to expand organically and by acquisition and we anticipate that the opportunities that we will have to achieve this growth will be larger than ever before. As an LLP it is difficult for us to acquire large businesses without changing our capital and funding structure. LDC will help facilitate our continued growth and their investment is a testament to the diversity and stability of our business”.

“I am delighted to welcome LDC as our first external shareholder. The similarity between our two cultures and our regional structures marks LDC out as an ideal partner for our firm”.

In the year to 30 April 2007 GVA Grimley generated total revenues of £148m, of which 67% derived from consultancy services and around 50% was generated by the regional offices outside London.

Bob Barnett reports:

“In the first six months of the current financial year the firm’s revenues have grown by over 12% from this time last year. Whilst there is uncertainty in some transactional markets especially investment, all our consulting business areas are trading well ahead of budget. We are optimistic about the next 12 months which reflects our consulting and regional strengths”.

Tim Farazmand, Managing Director of LDC in London, commented:

“The opportunity to invest in a business of this quality does not come along very often. GVA Grimley has a strong consulting base coupled with vibrant investment and transactional teams and we are delighted to be supporting it in its next growth phase. The firm has an outstanding reputation with its clients, the profile of which is second to none, a strong track record of profitable growth and an experienced and successful management team, supported by the massive strength in depth of a 236 partner firm”.

“We are confident that GVA Grimley’s strong regional offices, growing London presence, broad client base and high proportion of stable consultancy revenue offer an excellent platform for growth. We look forward to working with the enlarged shareholder group to achieve further success.”

Steve Halbert, Head of Mergers & Acquisitions at KPMG Corporate Finance, who has advised GVA Grimley throughout, comments:

“This is a market leading and very innovative transaction for a Partnership. It reorganises GVA Grimley’s capital structure and widens ownership to include all non equity Partners and other senior management. It has taken several months of hard work by the management team and the Equity Partners to achieve a structure which enables the ownership of the business to be widened and to change the funding arrangements of the business and they should be congratulated for their ambition and vision.

“GVA Grimley now has a structure in place that will enable it to continue to expand with the assistance of outside capital but whilst retaining majority ownership for the Partners. I am delighted to have been involved in helping GVA Grimley deliver this complex deal with LDC”

GVA Grimley Ltd will continue to be run by its executive, which consists of Bob Barnett (Chief Executive), Malcolm Whetstone (Managing Director) and Donald Smith (Finance Director). Tim Farazmand and Darryl Eales, Chief Executive of LDC, will join the Board as non-executive directors.

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Issued on behalf of GVA Grimley and LDC by The Hogarth Partnership

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Advisors to GVA Grimley included:

Steve Halbert, KPMG (lead advisor and Head of M&A)
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Notes to Editors

Background on GVA Grimley (www.gvagrimley.co.uk)

GVA Grimley, which can trace its history back to 1827, is the seventh largest commercial property consultancy in the UK by revenue. It provides a full range of property-related advice, consultancy and transaction services, through 19 National Business Units, to a broad range of blue chip clients (property occupiers, owners, lenders, managers and investors). Services include transaction advisory, planning development and regeneration, rating, building and project management consultancy, investment, management and valuation. GVA Grimley also offers specialist advice in areas such as telecoms, corporate consultancy, education, healthcare, retail, contamination, insolvency, plant and machinery and the automotive and roadside sectors.

GVA Grimley has 12 regional offices across the UK with over 1,200 staff - of which 70% are fee earners.

GVA Grimley is a principal shareholder of GVA Worldwide, an independent partnership of property advisors operating globally.

Background on LDC (www.ldc.co.uk)

LDC is part of the Lloyds TSB Group and is authorised and regulated by the Financial Services Authority.

The firm invests in a broad range of sectors, including electrical, financial services, healthcare, IT & software, leisure & media, retail, specialist engineering and support services.

LDC is one of the most active private equity companies in the UK mid-market. Recent transactions include investments with British Salt, Cable Management Group, Commercial First, Direct Group, Kimberly Access, Penn Pharmaceuticals, Picture Production Company and MB Aerospace plus exits from ANC Group, Apollo Group, ghd and Cardsave.

LDC has twelve offices – Birmingham, Bristol, Edinburgh, Leeds, Liverpool, London (2), Manchester, Newcastle, Nottingham, Reading and Southampton.