

Press Release

Close Brothers Group plc

Disposal of UK offshore trust, fund administration, asset management and banking business

10 March 2011

Close Brothers Group plc (“Close Brothers” or “the group”) announces the sale of its trust, fund administration, asset management and banking business in Jersey, Guernsey and the Isle of Man (“the business”) to Kleinwort Benson Channel Islands Holdings Limited for cash consideration of £29.1 million, subject to adjustment by reference to the net assets position of the business at the time of completion.

The disposal will further streamline the Asset Management division and is consistent with the group’s previously stated strategy to focus on its core businesses. The sale is subject to regulatory approval and is expected to complete by the end of the current financial year. The proceeds of the sale will be reinvested in Close Brothers’ other businesses.

The business has 350 employees and operations in Guernsey, Jersey, the Isle of Man and South Africa and in the year to 31 July 2010 recorded an after tax profit of £0.7 million. The sale is expected to generate a loss on disposal of approximately £24.7 million including costs of sale and an £11.2 million impairment of goodwill. A £4.5 million provision for a long-term lease commitment will also be recorded.

At 31 July 2010 the business had gross assets of £622 million, £474 million of funds under management and £566 million of customer deposits. The disposed business currently has approximately £400 million of these deposits placed with the group’s UK banking entity.

Excluding the loss on disposal as set out above, the transaction will not have a material impact on Close Brothers’ earnings in the financial year to 31 July 2011. In addition, once completed the transaction is not expected to have a material effect on the group’s funding position or capital ratios.

Commenting on the transaction, Preben Prebensen, Chief Executive of Close Brothers, said:

“Today’s sale reflects our continued focus on developing our core businesses within Banking, Securities and Asset Management. In Asset Management we are committed to developing our UK based wealth and asset management business and the divestment of the offshore trust, fund administration, asset management and banking activities in the Channel Islands is a further step in this important transformation.”

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