

## PROMETHEAN PLC &amp; PROMETHEAN INDIA PLC

## PROMETHEAN INDIA RESTRUCTURING AND NAME CHANGE

The Boards of Promethean India plc ("Promethean India") and Promethean plc are pleased to announce today the restructuring of Promethean India. The restructuring will enable Promethean India to operate completely independently with its own infrastructure.

**Key Points**

- Promethean India and Promethean plc to become independently managed businesses by 29 August 2008 (the "Effective Date").
- Subject to shareholder approval at an EGM to be called in due course, Promethean India will change its name to Elephant Capital plc ("Elephant Capital").
- Elephant Capital LLP ("Investment Manager") will become investment manager to Promethean India in place of Promethean Investments LLP. Elephant Capital LLP will be led by Gaurav Burman and Mohit Burman.
- The investment policies of Promethean India will remain unchanged.
- The Boards of both Promethean India and Promethean plc will remain unchanged.

Commenting on the restructuring, Sir Peter Burt, Chairman of the Promethean India and Promethean plc group said:

*"As Promethean India has evolved, it has become both desirable and obvious that the business should create its own identity. This restructuring and name change simplifies the organisation and gives a clearer focus for both businesses. It also allows Gaurav Burman to concentrate exclusively on building Elephant Capital."*

Gaurav Burman, Director of Promethean India said:

*"Whilst we are delighted to have in place the legal framework for this restructuring, which will give a greater clarity to our growth plans, it is important to emphasise that our investment policies and criteria remain the same. The team responsible for India will be further strengthened and I am looking forward to devoting all of my time to our India business."*

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**Notes to editors:**

***Promethean India***

Promethean India was launched in April 2007 as an AIM listed fund. The Fund invests in private and public equity investments in India and is advised by an India-based investment team.

Four investments have been made to date across a range of sectors including leisure, automotive, mobile payment services and building materials.

**Background**

**Management of Promethean India from the Effective Date**

Under the Restructuring Agreement, Promethean India will cease to be managed by Promethean Investments LLP (a member of the Promethean plc group) from the Effective Date. Gaurav Burman, the lead manager at Promethean Investments LLP responsible for Promethean India will continue managing Promethean India and will cease to be a member of Promethean Investments LLP from the Effective Date.

Gaurav Burman will become a member of Elephant Capital LLP ("Investment Manager") which will be appointed as Promethean India's new investment manager. The Investment Manager will be part of the Promethean India group. The intention is for Elephant Capital LLP to apply for FSA authorisation in due course. The existing individual investment managers and investment policies will remain in place. The investment committee will continue to be responsible for making investment decisions.

The Investment Manager will apply for a foreign institutional investor licence from the Securities and Exchange Board of India ("FII Licence"). Pending the Investment Manager being granted an FII Licence, the Investment Manager will operate under the FII Licence of Promethean Investments LLP and the Investment Manager has agreed to fully indemnify Promethean Investments LLP in respect of any loss that it suffers under this arrangement.

**Structure of the Promethean India group from the Effective Date**

As of the Effective Date, it is anticipated that Promethean India will continue to make its investments through the existing investment structure (an English limited partnership which in turn invests in India through two Mauritian incorporated subsidiaries). The general partner and the carried interest partner of the English limited partnership will be newly incorporated subsidiaries of Promethean India.

Promethean 2 Limited, the Isle of Man incorporated subsidiary of Promethean plc that manages the Mauritius companies through which the English limited partnership invests, will be transferred to Promethean India on the Effective Date.

Promethean India will shortly ask shareholders to vote on a proposal to change its name to "Elephant Capital plc". All of the Promethean India group of companies and those associated companies that bear the "Promethean" name will change their names.

### **Effects of the Restructuring**

The Promethean plc group of companies will have no future liability for and will be indemnified by Promethean India against any losses that may be incurred by it in respect of Promethean India after the Effective Date (other than in respect of any losses that may arise as a result of the fraud, wilful default or negligence of Promethean plc or its associates).

The members of Promethean Investments LLP and Promethean plc will cease to have any future entitlement to any carried interest in respect of Promethean India's investments from the Effective Date. Promethean Investments LLP has waived its entitlement to the management fee in respect of Promethean India from the period commencing 1 March 2008 until the Effective Date. This management fee will be paid to Elephant Capital LLP instead.