

20th June 2005

**RAB Capital plc**  
**Acquisition of Cross Asset Management**

RAB Capital plc (“RAB” or “the Company”), the investment management company, today announces that it has agreed to acquire Cross Asset Management Limited (“Cross”).

The transaction is subject to regulatory approval by the Financial Services Authority.

Roddy Campbell and David Linsley founded Cross in 1998, and are its major shareholders. Cross manages the Cross Europe Fund, a European event driven equity fund, which has in excess of \$200 million assets under management (“AuM”) and an excellent track record since inception. RAB will also take on the management contract for the Cross Credit Fund, a European event-driven credit strategy with \$30 million AuM.

Cross Europe Fund, which is one of the oldest European event-driven funds, has been managed since inception by Roddy Campbell, who will continue to manage both the Europe Fund and, together with Dan Worth, the Cross Credit Fund. Five employees of Cross, including Roddy Campbell, will join RAB, and David Linsley will assume a non-executive role in respect of certain RAB funds.

Commenting on today’s announcement, RAB Executive Chairman Michael Alen-Buckley said:

“This is our first strategic acquisition since RAB went public a year ago. Roddy Campbell is one of the best event-driven managers in the business, and we will be acquiring a top team, giving us another strong, scaleable, and non-correlated product for our portfolio. This demonstrates that RAB can attract high quality managers with proven track records, bringing value to the group.

Roddy Campbell, founder of Cross Asset Management, said:

“I have known RAB since they started. I am very excited by the opportunity of combining our businesses. Joining RAB and moving our European Funds onto their operational and marketing platform will enable me to concentrate fully on portfolio management, which is what I do best. I started Cross Europe Fund nearly seven years ago, and look forward to the next seven years being even more successful for our investors.”

Under the agreement, on completion of the proposed transaction (“Completion”) RAB will pay a consideration comprising cash of £1.8 million, the issue of 10.5 million ordinary shares and 4 million options, the terms of such options to be similar to RAB’s existing option schemes. There will be a further cash payment in respect of Cross’s net assets, estimated at £2 million, which will be subject to the completion of due diligence on the closing balance sheet. This amounts to an aggregate consideration, valuing RAB ordinary shares at 50 pence (for illustrative purposes), of approximately £9.5 million.

An application will be made to the London Stock Exchange for 10.5 million ordinary shares, with a nominal value of £0.001 each, to be admitted to trading on AIM. Admission is expected once regulatory approval is obtained.

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**For further information:**

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**Notes for Editors**

**RAB Capital plc**

RAB Capital is a London-based investment management company. The Company was founded in 1999, and floated on AIM in March 2004. As at 31<sup>st</sup> December 2004 it had \$1.75 billion of assets under management.

RAB Capital currently manages eleven single strategy hedge funds: Europe, Special Situations, High Yield, UK, North American, Japan, Energy; Emerging Europe, European Loan, Energy/Commodity and Octane. In addition, RAB Capital has an internal fund-of-funds, RAB Fairseat, and an external fund-of-funds, RAB Strancally. RAB Capital also manages an AIM-listed closed-end investment company, the RAB Special Situations Company, and provides advisory and distribution services within the hedge fund industry.

RAB Capital's philosophy is to find highly talented investment managers and provide them with an environment where they can successfully dedicate themselves to running focused investment strategies. RAB Capital has 67 employees, 29 of whom are investment professionals.

RAB Capital plc is authorised and regulated by the Financial Services Authority.

The Company is a constituent of the FTSE AIM UK 50 Index.

[www.rabcap.com](http://www.rabcap.com)

### **Cross Asset Management Limited**

Cross Asset Management is a London-based investment management company, founded in 1998 by Roddy Campbell and David Linsley. Its principal fund is Cross Europe Fund, a European event-driven fund which is in its seventh year and has compounded at approximately 10% per annum since inception.