



Ashley House PLC
13 June 2008

Ashley House plc (“Ashley House” or “the Company”)

Result of Institutional Placing

On 19 May 2008 Ashley House announced that the Company had entered into a conditional agreement with international investment and specialised fund and asset management group, Babcock & Brown, to acquire a controlling interest in the private sector partner in seven NHS Local Improvement Finance Trust franchises (“the Acquisition”). On 12 June 2008, the Company announced that the Acquisition was duly completed.

Further to this, Babcock & Brown exercised its existing warrant over 7,880,000 ordinary shares of one penny each (“Ordinary Shares”) at an exercise price of 120p per Ordinary Share, and as part of the consideration for the Acquisition, Ashley House issued 8,000,000 Ordinary Shares to Babcock & Brown Investment Holdings Pty Ltd. Following the completion of the Acquisition, Babcock & Brown were interested in 15,880,000 Ordinary Shares representing 36.6 per cent. of the issued share capital of the Company.

Notwithstanding their current intention to remain a long term strategic investor, Babcock & Brown has reduced its strategic investment in Ashley House to 8,680,000 Ordinary Shares representing approximately 20.0 per cent. of the issued share capital. This follows the placing of 7,200,000 Ordinary Shares to institutional investors at a price of 150 pence per share.

Babcock & Brown's current intention is to remain a long term investor in the Company and it has entered into a lock-in agreement pursuant to which it has agreed not to sell any shares other than with the consent of Numis Securities for a period of 12 months following the posting of the circular to Shareholders. Babcock & Brown's holding is also subject to an orderly market provision for a further 12 months following the expiry of the lock-in period.

In addition, on 12 June 2008 the Company received notification that Gail Mosley, who resigned as a director of the Company on 19 May 2008, has disposed of 510,000 Ordinary Shares at a price of 150 pence per share. Gail Mosley now has an interest in 2,125,518 Ordinary Shares, representing approximately 4.9 per cent. of the Company's issued share capital.

Following the completion of the institutional placing, the Company believes that the shareholders set out below hold an interest of 3 per cent. or more in the issued share capital of the Company:

<i>Shareholder</i>	<i>No. Shares</i>	<i>% of issued share capital</i>
Babcock & Brown	8,680,000	20.0
Aviva plc	4,632,589	10.7
Stephen Minion (Executive Deputy Chairman)	3,774,825	8.7
Black Rock Investment Management	2,557,530	5.9
Guinness Peat Group	2,190,338	5.0
Gail Mosely	2,125,518	4.9
Walker Crips Stockbrokers	1,802,600	4.2
Brewin Dolphin	1,446,505	3.3
Close Investments	1,283,800	3.0

The Directors now hold an aggregate of 5,234,429 Ordinary Shares representing 12.1% of the issued share capital of the Company (including Stephen Minion's holding above).

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