



News Release

21 February 2008

Alexander Mann Solutions acquires Capital Consulting

Alexander Mann Solutions (AMS), the largest independent provider of recruitment process outsourcing (RPO) solutions to blue-chip companies worldwide, today announced that it has acquired Capital Consulting, a leading RPO player operating in Europe and Asia Pacific.

The deal brings together two of the top players in the high growth recruitment outsourcing market to create the only truly global pureplay RPO proposition. It builds on the operational excellence of both companies, strengthens their competitive offerings and establishes a good platform for growth in the Asia Pacific region. The move also enables the companies to further develop their strategic recruitment services.

The acquisition follows the £100m management buy-out in December of AMS, led by Rosaleen Blair, the Chief Executive, and backed by Graphite Capital, the leading mid-market private equity provider.

Graphite organised the financing through a combination of existing and new debt facilities provided by HSBC. Capital Consulting's turnover rose from £16.9 million in 2005 to £20.0 million in 2007.

Rosaleen Blair will be CEO of the combined company which will operate with two brands, Alexander Mann Solutions and Capital Consulting. She will work together with the management team to drive strategic direction across sectors, products and geographies.

Rosaleen Blair said: "International business leaders recognise that a critical driver of business value is the quality of the people they recruit. The combination of AMS with Capital Consulting brings together two strong brands and a global platform on which to execute our shared vision for the future. Our companies share a belief that outsourcing the recruitment process enables companies to recruit world class people, delivering measurable results. We have both been pioneers in professionalising the recruitment industry and this combination will give us undisputed market leadership on a global basis while also giving us the scale to further the strategic services capabilities of both companies."

Jeremy Tipper, the founder of Capital Consulting said: "The coming together of the two businesses, long recognised as the primary leaders in the market, creates an extraordinary breadth and depth of expertise. Our two companies share a strong cultural affinity; combining our capabilities will provide major companies with unparalleled resourcing solutions to support their strategic and operational goals."

Graphite partner, Mike Tilbury, said: "Building on its 11 year record of strong growth, AMS has a clear strategy for global expansion in spite of the uncertain economic environment. We are pleased to be supporting this acquisition which will strengthen further AMS' market leading position."

Recruitment process outsourcing provides clients with integrated processes throughout the entire resourcing and recruitment cycle from the initial hiring stage through to outplacement. It creates an efficient, cost effective and competitive recruitment operation with better candidates, improved retention rates, enhanced employee productivity and increased job satisfaction.

Ends

For further information, please contact:

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Graphite Capital: Mike Tilbury on
020 7825 5300

Caroline Cecil Associates: Caroline Cecil on
020 7610 4110

Notes to editors:

Alexander Mann Solutions was started in 1996 by Rosaleen Blair, the Veuve Clicquot 2007 Business Woman of the Year, as a venture subsidiary of the Alexander Mann Group, a recruitment firm. A December 2007 management buy-out was backed by Graphite Capital. AMS has grown rapidly and, after disposals, now represents the entire group. It operates in 50 countries with approximately 1000 employees and expects to recruit over 50,000 staff on behalf of its clients in calendar 2008 and manages contractor, internal mobility, referral, graduate and talent programmes. Its clients typically sign-up for multi-year contracts and outsource all of their recruitment, allowing them to focus on running the business. AMS professionals are typically embedded in client companies. www.alexandermannsolutions.com

Capital Consulting has built an impressive reputation as one of the UK's leading pureplay recruitment outsourcing providers. Working in close partnership with high profile clients, such as American Express, Coors, Britvic, PartyGaming, Verizon Business, Jones Lang LaSalle, Vodafone and Freshfields Bruckhaus Deringer, Capital Consulting's team of over 200 recruitment experts across the UK, Europe and Asia delivers competitive advantage in the increasingly challenging market for talent. www.capitalconsulting.com

Graphite Capital is a specialist provider of private equity finance to mid-market companies in the UK. Graphite focuses on management buy-outs and buy-ins, expansion capital, replacement capital and turnaround opportunities. It invests in transactions with enterprise values of £25 million to £200 million.

Graphite manages more than £1.2 billion through three private funds and the publicly quoted Graphite Enterprise Trust PLC. Alexander Mann Solutions was the first acquisition made by Graphite's latest fund, Graphite Capital Partners VII, which raised £555 million in May 2007. Graphite's previous fund invested in fifteen companies including Park Holidays UK, the largest holiday home and caravan park operator in the south of England and Micheldever Tyre Services, the UK's largest wholesaler of car, 4x4 and motorcycle tyres.

In the last two years Graphite has completed eleven exits and refinancings with a total value of over £500 million. These have included Golden Tulip, the superior budget hotels group and Huntress, one of the largest white collar recruitment specialists in the UK. Graphite won the EVCJ financial sponsor of the year award in both 2006 and 2007 and the Global Investor Alternative Asset Manager award in 2007. It was also voted UK private equity firm of the year by readers of Private Equity Online for 2005 and 2006. www.graphitecapital.com

The following parties were involved in the transaction:

For Graphite Capital:

Legal: Olswang (Fabrizio Carpanini, Susan Draper)

Corporate finance adviser: Robert W Baird (David Silver, Nick Cardoza, Peter Augar)

Commercial adviser: Everest (Paul Knowles)

Insurance due diligence: Marsh (Louise Perry)

Finance due diligence: BDO Stoy Hayward (Ian Cooper)

HSBC contacts: Chris Norman, Andrew Mantle, Rebecca Parrot and Neil Sturgeon