



Issue date: 6 March 2008

**NVM FUNDS FURTHER ACQUISITIONS IN PALADIN GROUP TO CREATE A
MAJOR FORCE IN PROPERTY SERVICES MARKET**

Paladin Group, which successfully underwent development funding by NVM Private Equity in 2006, has secured further backing from the investors and acquired electrical testing business, Phoenix Electrical, plus a number of letting agents. The acquisitions are part of an on-going buy-and-build strategy aimed at creating a major new force in the property services market.

Paladin Group is a Bath based property services company operating through four subsidiaries; Touchstone (property management services), Castle Estates (high street letting agency network), Calbarrie (health and safety testing) and Maintenance UK (property maintenance services). NVM initially invested in the group two years ago in order to fund the acquisition of Castle Estates.

NVM has provided a further £1.5 million to fund the latest acquisition of Phoenix Precision Electric Limited, based in Beverley, East Yorkshire. The move cements Calbarrie's position as one of the leading providers of electrical testing services nationwide.

The investment, in association with Paladin's trade investor Colliers CRE plc and bank funding provided by HSBC, also supported the acquisition of a number of lettings businesses in North Buckinghamshire. This is part of a progressive development of the Castle Estates business, aimed at expanding outwards geographically from its existing offices and achieving real critical mass in each of the areas in which it operates.

Martin Green, Director of NVM comments: “We are delighted to be further backing a strong management team and successful business. Paladin has grown strongly since our original investment. These acquisitions are a key part of our strategy for growth and will, we believe, offer significance synergistic benefits”.

Tim Saunders, Chief Executive, Paladin Group adds: “I am pleased that our existing funders have continued to support our acquisition plans, despite the credit crunch and the somewhat uncertain economic outlook. This reflects the strong performance of the business following its acquisition of the Castle group companies in 2006”.

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NVM Private Equity Limited (NVM)

NVM is independently owned with over 20 years' experience of investing in UK businesses. Our managers live and work on the ground in regional business communities across the UK. NVM manages over £190m of funds and is a generalist investor specialising in making equity investments in UK unquoted companies. We consider opportunities requiring between £2m and £10m. www.nvm.co.uk