

Press Release



4th April 2005

New World Corporate Finance Advises on the acquisition of First Retail

New World Corporate Finance, the M&A boutique, advised on the acquisition of The Northkey Group, including First Retail UK Limited ("First"), one of the leading sporting goods retailers in the Health & Fitness industry, by First Sports Group Ltd, a new company formed by Daniel and Leo Gestetner.

First is a leading service provider to the UK premium health club market and operates sports goods and clothing retail operations from 77 sites at Esporta, David Lloyd and Holmes Place clubs. It operates from a combination of Pro-shops - traditional on-site shops and First Cubes - a smaller newly developed format. The core product offering is fitness / sportswear, swimwear and swimming equipment, footwear and rackets.

First Pro shop, David Lloyd Chigwell



First Cube, David Lloyd Woking



The acquisition provides the business with the financial and managerial resources to capitalise on the success of the First Cubes concept with an aggressive roll-out planned over the next 2-3 years.

As a result of the acquisition, First has been re-capitalised and will have the necessary finance to fund future growth. In particular, c.£2m has been injected into the business which will be used to support both existing operations and the roll-out of new sites.

Simon Bentley, ex-Chief Executive and Chairman of Blacks Leisure Group plc, has invested in the business and joins the board as Non-Executive Chairman.

Press Release



Notes

New World Corporate Finance

Stephen Altman and Nigel Berger founded NWCF, a UK-based M & A boutique specialising in providing mergers and acquisitions advisory services to UK businesses, in March 2000.

Stephen Altman, managing director, qualified as a Chartered Accountant with Arthur Andersen & Co in 1987 and has 16 years experience in corporate finance having worked at BNP Paribas, PWC and Deloitte & Touche.

Nigel Berger, director, qualified and worked as a corporate lawyer with the firm Cameron McKenna until 1997 before reading for a Masters degree in Finance at London Business School. He subsequently joined the corporate finance team at BNP Paribas in 1998.

New World Corporate Finance is authorised and regulated by the Financial Services Authority

Simon Bentley

Simon was Chairman and Chief Executive of Blacks Leisure Group plc ("Blacks") for over 12 years and a director of the World Federation of the Sporting Goods Industry (2001 to 2004).

Under Simon's management Blacks developed from a company with c.30 retail outlets in outdoor retail to become a significant retail and wholesale entity handling a number of brands involved in footwear, apparel and accessories with approximately 550 retail outlets across the UK.

Since his departure from Blacks in June 2002 Simon has developed a variety of business interests and has in addition taken on directorships of a number of different companies and organisations.

Daniel and Leo Gestetner

Daniel and Leo Gestetner bought Zoggs, the market leading swimwear and swim equipment brand, in July 2003 and PureLime, a leading designer and producer of high quality clothing for the fast growing women's aerobic and fitness wear market in October 2004.

The First transaction represents Daniel and Leo's third acquisition in less than two years.

Enquiries

Nigel Berger
nigelb@nwcf.com
Tel: 020 7612 1881

Stephen Altman
stephena@nwcf.com
Tel: 020 7612 1880