

Press Announcement

The Ulster Bank Diageo Venture Fund backs acquisition of Xtra-vision

Irish retail chain has 186 stores and employs 1,400 throughout Ireland

Deal values Xtra-vision at up to €32million

28 August 2009: NCB Ventures, acting on behalf of The Ulster Bank Diageo Venture Fund (the “Fund”) and in conjunction with Pageant Holdings (a company controlled by clients of NCB Wealth Management), has completed the acquisition of Xtra-vision, Ireland’s leading home entertainment business, from Blockbuster Inc, the US-headquartered provider of in-home movie and game entertainment.

Birchhall Investments Limited (“Birchhall”), a newly incorporated Irish company, was established to acquire Xtra-vision on behalf of the Fund and Pageant Holdings and its board will include Michael Murphy and Leo Hamill, representing the interests of The Ulster Bank Diageo Venture Fund, and Peter O’Grady Walshe and Nick Furlong, directors of Pageant Holdings.

Xtra-vision is one of Ireland’s best known retail brands and has a leading position in the rental and sale of both films and games in Ireland and a growing presence in music, mobile telephony and consumer electronics. With 186 stores located throughout the Republic of Ireland and Northern Ireland, Xtra-vision employs 1,400 full-time and part-time employees across the island of Ireland. Xtra-vision has been acquired debt-free and generated profits before tax of €6.2 million in the 52 week period ended 4 January 2009. Birchhall has acquired Xtra-vision for a purchase price of up to €32 million dependent on the performance of the business for the 52 week period ending 3 January 2010.

“We’re pleased to have participated in this acquisition, which adds one of Ireland’s leading brands to the Fund’s portfolio of investments,” said Michael Murphy, Managing Partner of NCB Ventures. “We look forward to working with the management team at Xtra-vision to build on its success and grow the business long-term. We think there are great opportunities to build on Xtra-vision’s high brand recognition and visibility in the home entertainment market in Ireland.”

NCB Ventures, the manager of the €75m Ulster Bank Diageo Venture Fund, is the private equity arm of NCB Group and has €94 million under management. The Fund invests across a range of sectors and all stages of development and has previously invested in 25 Irish businesses taking them from early stages of development through to trade sale and IPO. The Fund also backs management teams undertaking MBOs; implementing “buy and build” strategies; or effecting recapitalisations and spin outs.

NCB Venture’s investment team comprises Michael Murphy, Leo Hamill, Will Prendergast, Nicky Fitzgerald and Derek Crawley.

Issued on behalf of NCB Ventures