



GRAPHITE CAPITAL

News release

25 April 2012

Graphite Capital provides £21m expansion funding for Rex Restaurants, owner of The Wolseley and The Delaunay

Graphite Capital, the UK mid-market private equity specialist, is investing £21 million in Rex Restaurant Associates Limited (Rex), the company owned by Chris Corbin and Jeremy King, widely regarded as London's most successful restaurateurs over the past 30 years.

In 2003 they set up Rex and introduced the highly popular all-day dining European Grand Café concept to London with The Wolseley restaurant on Piccadilly, achieving one of the highest turnovers of any individual restaurant in the UK.

Last December The Delaunay, a Grand Café with a *mittel-European* theme, opened on the corner of Aldwych and Drury Lane to high critical acclaim. It has been the most successful of Corbin and King's openings to date in terms of revenue.

Corbin and King are renowned for some of the capital's most famous restaurants, including Le Caprice, The Ivy and J Sheekey, which they sold in 2003. These restaurants continue to trade well.

Graphite is investing £21 million in Rex which has three ambitious projects in the pipeline. In June, it plans to open Brasserie Zédel, an all-day Parisian brasserie, with an American bar and a live music and cabaret venue. The new restaurant will be on the 20,000 square foot (1,860 square metre) site of the old Atlantic Bar and Grill in the Crown Estate's Quadrant regeneration development just off Piccadilly Circus. September will see the opening of another brasserie on the highly sought after site of the former Oriel café and restaurant on Sloane Square.

In addition, from 2014 Rex will operate a new 5-star boutique hotel, The Beaumont, on Balderton Street in Mayfair, currently being developed in conjunction with the Grosvenor Estate.

Corbin and King are expected to secure additional prime sites, building on their strong reputation for developing and operating iconic venues.

“With a highly experienced and respected management team, in a sector where we have achieved considerable success, Rex perfectly meets Graphite’s key investment criteria,” says Graphite senior partner, Andy Gray. “Arguably the best restaurateurs of their generation, Corbin and King have particularly impressed us with their visionary approach and their attention to detail,” Gray adds.

Graphite has extensive experience across a wide range of leisure investments including Wagamama, the chain of Japanese themed restaurants, The Groucho Club, the UK’s best known arts members’ club and The Third Space, one of London’s premier health and fitness clubs, among others.

Rex chief executive officer, Jeremy King, said: “We are delighted to receive the support of Graphite, whose knowledge and experience of the leisure and property sectors will be invaluable to Rex, as we embark on the next exciting phase of our development.”

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Notes to editors:

About Graphite Capital

Graphite 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. The current fund, Graphite Capital Partners VII, is a £585 million fund raised in 2007, whose other investments include U-POL, a world leader in automotive refinishing products; Alexander Mann Solutions, the largest independent provider of recruitment process outsourcing solutions to blue-chip companies worldwide; London Square, a new house-builder focused on prime sites within the M25; Teaching Personnel, a leading UK educational supply agency, and NFA, the children's fostering agency.

Graphite leisure and property investments

Graphite currently owns a range of leisure and property investments including The Groucho Club, The Third Space, London Square and Park Holidays UK.

Graphite has significant experience of investing across a wide range of leisure investments with a focus on restaurants, health and fitness, travel and accommodation. Leisure sector businesses often have a strong property element so Graphite's knowledge of the property market, combined with its track record in the consumer and retail sectors, gives a wider perspective from which to assess opportunities in these areas.

Advisers on the transaction included:

Legal: SJ Berwin (Richard Lever, Aprajita Dhundia, Ximena Negretti), Macfarlanes (Howard Corney, Will David) and Berwin Leighton Paisner (David Battiscombe, Laura Wild)

Corporate finance: Marechale Capital (Robin Black)

Financial due diligence: Rees Pollock (Jonathan Munday, Phil Vipond)