

recovery

Intelligent business recovery solutions from Christie + Co

Hotels
Public Houses
Restaurants
Leisure
Care
Retail

While the majority of UK businesses will be relieved to see the back of 2008, the first half of this year is expected to provide further challenging trading conditions as the economy continues to be buffeted by the ongoing impact of the credit crunch.

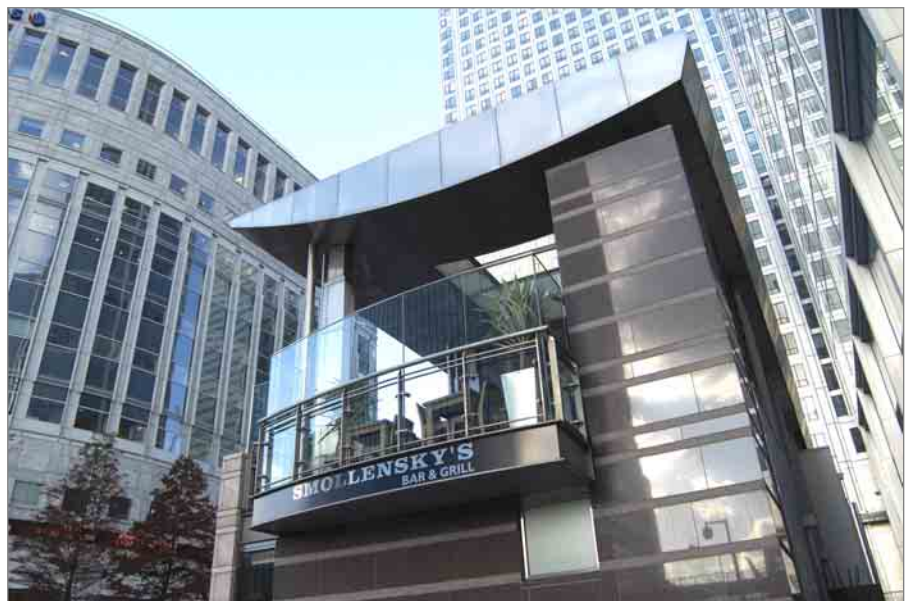
Experian, the data specialist, has forecast that 440 retailers will collapse in the first four months of 2009, whilst the Prime Minister Gordon Brown has admitted that the recession could last until 2011 unless further urgent action is taken to boost the global economy.

This week Waterford Wedgwood, the china and crystal firm, became the latest well-known name to call in the administrators. Over the past month Whittard of Chelsea, the coffee and tea specialist, The Officers Club, the discount menswear chain, and USC, the branded clothing chain have also fallen into administration.

A number of businesses in the pub, restaurant, hotel, care, leisure and retail sectors, in which Christie + Co operates, have already collapsed under the increasing pressure, and it is forecast that several more will fall by the wayside in the coming months. The need for professional and up-to-the-minute business advice is more imperative than ever.

Christie + Co's reputation as a business broker is well established, but the current market conditions are enabling us to demonstrate our capabilities as professional consultants and advisors — who can provide valuable input at various stages of business distress.

Christie + Co's dedicated Bank Support & Business Recovery Unit focuses on working with clients to reduce liability and enhance asset value.



Smollensky's, Canary Wharf

We provide support and decision making assistance — whatever stage of concern or distress a business has reached. We are able to provide advice relating to a broad range of issues, including business performance; property marketing and disposal; interim asset management; portfolio valuation; estate rationalisation; higher alternative use value options, and the transfer or sale of debt.

Overleaf is an overview of some of the recovery and advisory projects on which Christie + Co has recently worked, together with opinion on some of the key issues affecting UK businesses.

We hope you find this newsletter both interesting and beneficial.

Hotels

As trading fundamentals come under increasing pressure in the hotel sector, management contracts with seasoned operators, which can bring new dynamics to already well-established businesses, are becoming more attractive.

Christie + Co advised Sir Hugh and Lady Anna Blackett, who this week awarded the management contract to operate the award-winning Matfen Hall Hotel, Golf and Spa Resort in Northumberland, to Prima Hotels, the luxury hotel company.

Prima Hotels, which was founded in 1998 by Liam Walshe, currently operates five luxury hotels in England and Scotland. In September 2007 it acquired Nunsmere Hall Hotel in Cheshire for an undisclosed sum through Christie + Co.

Pubs

The UK's pub sector continues to be heavily impacted by the squeeze on consumer spending, the affects of the smoking ban, and below-cost selling in the off-trade.

Before Christmas, Peninsula Inns, the Devon-based pub group, entered administration citing a combination of these factors as the reason for its demise. Christie + Co worked alongside administrators BDO Stoy Hayward in an advisory role, which helped to place 12 of the 18 pubs run by Peninsula inns into the hands of new company — Enlighten Inns.

Over the festive period, Premium Bars & Restaurants, the operator of the Living Room chain, had its shares suspended as it looked to finalise the terms of its short term funding agreements, whilst Globe Pub Company, the tenanted pub operator, is believed to be close to breaching its financial covenants.

Retail

Just before Christmas Christie + Co was instructed by administrators KPMG to sell convenience store operator Nearby Stores Limited.

The company operated an estate of 33 leasehold convenience stores located across the South and South West of England. In just over a fortnight, we completed the sale of 13 of the former Nearby sites to Southern Co-operatives, and are currently in negotiations regarding the remaining 20 sites, with several interested parties.



Nearby Stores

Restaurants

The squeeze on consumer spending has started to impact the full range of restaurant operators, from local independent sites to high-profile chefs such as Tom Aiken, as businesses struggle to meet supplier demands and rental deadlines.

+ Acting on behalf of administrators BDO Stoy Hayward, Christie + Co sold the Smollensky's restaurants in Canary Wharf and on the Strand in London, to Kornicis Group, the investment vehicle of Nick Tamblin, the former Chief Executive of Chorian, backed by NBGI Private Equity, for an undisclosed sum.



Smollensky's

Complementary services



Christie + Co is a member of Christie Group, which offers a portfolio of complementary professional business services. These include stock control and inventory services, which are provided by Venners and Orridge.



Founded in 1896, Venners is the UK's largest and longest established stock audit company servicing the hospitality sector. The company's services include liquor & food stocktaking, a range of health & safety services, including fire risk assessments and food safety audits, plus inventory listings and valuations.



Orridge was founded in 1846 as a stocktaking provider to the pharmacy sector. The company now employs more than 1,000 employees and supports clients in a number of different sectors including pharmacy, retail, warehouse/distribution and supermarkets. Orridge's services have expanded in line with the growth of the business. Two of the company's latest offerings include on-shelf-availability and supply chain optimisation.

To hear more about Christie + Co's intelligent business recovery solutions, please contact:

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To read more about Christie + Co's intelligent business recovery solutions, please visit www.christiecorporate.com