

For immediate release

10 September 2009

Synova acquires Clearwater Care

Synova Capital (“Synova”), a UK private equity fund focused on the lower mid-market, announces the acquisition of Clearwater Care (“Clearwater” or the “Group” or the “Business”), a leading provider of specialist residential care facilities and supported living services for people with learning disabilities (“PLD”).

Clearwater operates 14 care homes, predominately situated in South East England, and is focused on providing specialist services and residential care for adults with complex needs and severe learning disabilities. Synova will support Clearwater with further capital to grow the Business both organically and through acquisition.

As part of the transaction Tony McLean and Philip Arden have been recruited by Synova to join the Group as CEO and CFO respectively. Tony McLean joins from Care Principles where he was Group Director of Operations, having previously held the positions of Chief Executive Officer at Castlebeck Group and at Essex and Herts NHS Trust. Philip Arden was formerly CFO of Hallmark Group, a specialist provider of elderly care. The buy-in team will be joined by the incumbent management team which includes Chairman Martyn Ward and Operations Director Andrew Gee.

Tony McLean, CEO of Clearwater commented: *“Clearwater Care is a first class operator in the PLD market and offers residents high quality care across a range of needs. With Synova’s financial support and the principals’ considerable experience in the residential healthcare sector, we will pursue our strategy of growing the Business through targeted acquisitions and the extension of the Group’s service offering.”*

David Menton, a Managing Partner of Synova Capital added: *“We are backing a proven, successful management team to execute a buy and build strategy in a very fragmented sector. We have already identified a pipeline of potential acquisitions, and we are excited at the prospect of working with the team to grow the Business. We are also pleased that the Group’s lenders, Bank of Ireland, are continuing to support the Business and look forward to working with them on the implementation of our growth strategy.”*

-Ends-

Notes to Editors:

1. Synova Capital and Clearwater Care were advised by: Corporate Finance - KPMG led by Andrew Nicholson; Commercial DD - PwC led by Andrew McKechnie; Financial DD - Ernst & Young led by Cary Wilson; Legal - Travers Smith led by Edmund Reed; Property DD - Christie + Co led by Martin Robb.
2. Synova Capital invests in UK lower mid-market growth opportunities with a particular focus on companies valued at between £10m and £50m. Key verticals include business and support services, financial services, consumer and leisure and healthcare.
3. Further information is available from www.synova-capital.com/portfolio/clearwater-care
4. Tony McLean, Clearwater’s buy-in CEO was previously a CEO of Castlebeck Group and more recently Director of Operations at Care Principles Group. Tony brings 28 years of healthcare experience in both the private and public sectors, having trained professionally as a General Nurse, Psychiatric Nurse and Health Visitor then progressing within the NHS to CEO of Essex & Herts Community NHS Trust.

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