

10 May 2010

Ten Alps Plc

Acquisition of Grove House - trade media in the farming sector

Multimedia producer Ten Alps ('Ten Alps') (AIM:TAL) announces that it has acquired Grove House Publishing Limited ("Grove House"), a publisher of trade media in the farming sector.

The acquisition fills a key sector gap in Ten Alps' trade media portfolio. Grove House owns titles including *Farm Business*, *The Agronomist*, *Pig and Poultry Marketing* and *Over the Counter*, plus related events and database products. Ten Alps plans to migrate the portfolio across online formats during 2010.

Grove House had revenue of £1.3m for the year ended 31 December 2009, with underlying earnings before interest and tax (EBIT) of £200,000.

The initial consideration is £741,500, satisfied by the issue of new Ten Alps ordinary shares ("New Shares").

On the basis that Grove House's net assets are a minimum of £600,000 (of which an element is in cash as at 30 September 2010), a cash payment of up to a maximum of £400,000 will be due in October 2010.

If Grove House reaches an average EBIT of £568,000 ("Target EBIT") each year for the second and third year following completion, two further payments of £250,000 each will be made in cash and/or shares which is to be mutually agreed, subject to a minimum amount payable of £100,000 over the period. This minimum payment is conditional on Grove House being profitable over those two years.

The maximum consideration payable will therefore be £1.64m, which if paid would represent an overall multiple of 2.9 times Target EBIT.

The directors believe that the acquisition offers strong growth prospects for Ten Alps – as a standalone entity, through online migration of its products by Ten Alps, and through benefits from integration into the Group's central services.

Related Party Transaction

Herald Ventures, across three limited partnerships, owns 53% of the ordinary shares in Grove House. Herald Ventures is managed by Herald Investment Management Limited (Herald). Herald also manages Herald Investment Trust plc which owns 7,485,343 shares in Ten Alps. The acquisition of Grove House is therefore considered a related party transaction under the AIM Rules for Companies. Accordingly, the directors, having consulted with Grant Thornton Corporate Finance (in its capacity as nominated adviser), consider that the terms of the transaction are fair and reasonable insofar as its shareholders are concerned.

In order to satisfy the initial consideration, application has been made for the admission of 3,617,021 New Shares to trading on AIM, which is expected to occur on or about 14 May 2010, and which will rank pari passu with existing ordinary shares in Ten Alps.

Following admission to trading of the New Shares, Ten Alps will have an issued share capital of 73,791,012 ordinary shares of 2 pence each.

www.tenalps.com

Contact

Ten Alps plc

Tel: +44 (0) 20 7878 2311

Alex Connock, CEO

c/o Moira McManus

www.tenalps.com/investors

Grant Thornton Corporate Finance, Nominated Adviser

Tel: +44 (0) 20 7383 5100

Gerry Beaney / Robert Beenstock

www.grantthornton.co.uk

Canaccord Adams, Broker

Tel: +44 (0) 20 7050 6500

Mark Williams / Bhavesh Patel

www.canaccordadams.com