

SQW GROUP

Press Release – 2 March 2010

SQW Group set to expand Innovation Centres business following Acquisition

Deal positions Oxford Innovation Centres to become national network

SQW Group today announced that through its subsidiary, Oxford Innovation, a leading operator of innovation centres, it has completed the purchase of the business development operation of Fasset, a specialist operator of regional technology parks.

The acquisition is intended to position Oxford Innovation to expand its innovation centre portfolio into a national network. Fasset has decided to focus on growing its core business of facilities management for technology and business parks.

As well as providing premises and business support through innovation centres, Oxford Innovation assists early stage technology businesses to raise finance through its three business angel investment networks. The company also runs regional innovation advisory programmes including a £9 million programme designed to boost the growth of start-ups and mid-sized firms in the south west.

The deal will see a team of senior managers from Fasset, specialising in business development activity for new centres, join Oxford Innovation. Several innovation and business centres will transfer from Fasset management to become part of the Oxford Innovation portfolio, which will increase to 14 centres housing over 400 start-up and growing companies in locations from Portsmouth to Yorkshire.

Chris Allington, formerly managing director for business development at Fasset, becomes managing director of the Oxford Innovation Centres business and a member of SQW Group's executive board. Matt Harrington joins as commercial director and Dianne Heath joins as programme manager. All three will work closely with an expanded centre management group to grow the Oxford Innovation Centres business.

The centres to be managed by Oxford Innovation in future include Portsmouth Technopole, the landmark building at the gateway to the City of Portsmouth. The Technopole has been managed by Fasset on behalf of owner, Portsmouth Technopole Ltd, for eleven months and occupancy levels have increased to 82%. The centre management team at the Technopole will also transfer to Oxford Innovation.

Ian Laing, the Oxford-based property entrepreneur and SQW Group chairman, said: “The SQW Group Board is delighted with the completion of this agreement which had the unanimous backing of all parties involved. It will position Oxford Innovation to scale up its existing network of innovation and enterprise centres while also developing this successful business platform to include business centres and managed workspace in future.”

Chris Green, chief executive officer of SQW Group, said: “I am confident that Chris Allington will prove to be an outstanding managing director of the Oxford Innovation Centres business division and we look forward to welcoming him and his team. The Fasset approach of developing innovation and managed business space that deliver commercial returns through close engagement with the economic development agenda is an excellent fit for Oxford Innovation.”

Chris Allington, incoming managing director of Oxford Innovation Centres, said: “Whilst I am sad to leave Fasset, I am also very excited by this opportunity to realise the substantial growth potential of the innovation centres network. The team at Oxford Innovation has developed an impressive portfolio of innovation centres and a strong brand. It is a privilege to have been asked to lead the combined organisation and to grow the Oxford Innovation Centres business into a national network.”

Fasset and Oxford Innovation will continue to collaborate on specific projects where Fasset will provide specialist support in facilities and construction management services to Oxford Innovation.

Oxford Innovation is headquartered in Oxfordshire, with additional innovation centres in Greater London, Berkshire, Gloucestershire, Northamptonshire, Portsmouth and Yorkshire.

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Notes for editors

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Photo available on request

Toasting the agreement between SQW Group and Fasset.

L-R: Chris Allington, who is joining the Group as managing director of the Oxford Innovation Centres business division, and Chris Green, SQW Group chief executive officer.

About Oxford Innovation

Oxford Innovation provides services to growing companies, and to government bodies that promote enterprise. The company operates a network of innovation centres that provide flexible office and laboratory space and business support services to technology, knowledge-based and creative companies.

Oxford Innovation also manages three highly successful Investment Networks that link investors with entrepreneurs seeking funding from £20,000 to £2 million. During the last five years, the investment networks have helped around 90 companies raise £19.5m. For more information: www.oxin.co.uk

About SQW Group

Oxford Innovation is part of SQW Group. Other divisions and associated companies include SQW Consulting, which provides consultancy services in sustainable economic and social development to public sector organisations; SQW Energy, which provides energy market design and carbon management services and SQW China, which provides consultancy services for government organisations in China, foreign firms investing in China and Chinese organisations investing overseas.

The Board members of SQW Group are:

- Ian Laing, SQW Group chairman, an investor in Stanhope plc, and property entrepreneur who together with his business partner, Nick Cross, transformed Milton Park, Oxfordshire from a trading estate into Europe's leading mixed use business park (250 acres);
- Sir Michael Lyons, chairman of the BBC Trust;
- Roger Quince, a founder of SQW;
- Sir William Wells, former managing partner of Chestertons, who led the company to a flotation on the London Stock Exchange; and
- Chris Green, Group chief executive officer, who led the merger between SQW and Oxford Innovation in 2006.

For more information: www.sqwgroup.com

About Chris Allington

Chris Allington has a background in chartered engineering and then in purchasing management and supply. The early part of his career was spent specialising in the delivery of cost and change management programmes within manufacturing processes and global supply chains. Following an MBO from IBM in 1994 Chris led a number of restructuring programmes to meet global competitiveness challenges, one of which was to address a surplus property problem.

Chris has a long-standing commitment to the provision of flexible business space to support the development of innovative companies. Under Chris's leadership, Fasset pioneered an innovative fully-serviced property model at Langstone Technology Park, Havant, which was launched in 2000. Over the next five years customers ranging from start-ups and SMEs to large corporates were attracted to the Park, paying an all-inclusive fee including facilities management. In 2005, Langstone Technology Park was substantially let and sold to LaSalle Investment Management for £54.2 million.

In 2006, Chris co-founded Fasset, a property and facilities management company, which continues to handle the management of Langstone Technology Park. At Fasset, Chris was

joint managing director with responsibility for business development and under his leadership the company secured contracts to manage a number of major business parks and business centres.

Chris has a personal passion for economic development having lived through the demise of manufacturing and high technology engineering through the first half of his career. He has been chair of the Hampshire Economic Partnership Investment Land and Property Task Group since its formation in 2003 and until recently chaired the Portsmouth and SE Hants Partnership of which he has been a director since 2005. Chris is also a director of the recently formed PUSH (Partnership for Urban South Hampshire) Employment and Skills Board.