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The Clapham House Group PLC ("Clapham House" or the "Company")

Conditional placing of 3,730,000 new ordinary shares in the Company

Clapham House, the AIM listed restaurant company which operates 58 restaurants across the UK and 15 internationally through two distinct brands: The Real Greek and the Gourmet Burger Kitchen ("GBK"), today announces the conditional placing of 3,730,000 new Ordinary Shares (the "Placing Shares") at 60 pence per share to raise approximately £2.2 million (gross) for the Company (the "Cash Placing") to support a new restaurant opening programme in the financial years ending March 2011 and 2012.

Paul Campbell, Chief Executive commented:

"We slowed our expansion programme over the last two years during the recession. We chose our new sites carefully during this period and will continue to do so. Recent openings have demonstrated good returns on capital and we are therefore now looking to accelerate our GBK openings.

We have already identified a number of locations which we believe have good potential for FY 2011 and 2012. This will drive the continuing growth of GBK, as well as creating employment opportunities within the Company.

This fundraising will facilitate the expansion of the GBK business whilst maintaining headroom in our banking facilities."

Background to the Cash Placing

As announced in the trading update on 25 March 2010, the Company expects to report preliminary results for the financial year ended 28 March 2010 in line with the Board's expectations. GBK delivered a robust performance in the period, particularly given the economic outlook in the UK and The Real Greek traded satisfactorily.

Clapham House continues to concentrate on cost savings. As part of this focus, the Company's head office, with effect from Saturday 8 May 2010, will be moving to smaller premises and its registered office will change to Suite C, 1 Lindsey Street, London EC1A 9HP.

Rents in the UK restaurant sector for new properties have reduced compared to the pre-recession period. The Board believes that there is now an opportunity to step up the opening programme for GBK and to secure five identified sites in attractive locations over the next twelve months.

The increased opening programme described in this announcement is expected to be adjusted PBT neutral in the year ending March 2011, given the likely timing of the openings, and then enhancing in the year ending March 2012.

The Cash Placing

The Company has made arrangements to raise approximately £2.2 million gross (approximately £2.0 million net of expenses) by way of a placing of the Placing Shares at a price of 60 pence per Placing Share ("Placing Price"). The Placing Shares will, when issued, represent approximately 9.1 per cent of the Company's existing issued share capital. The Placing Price represents a discount of approximately 7.7 per cent. to the Closing Price of 65 pence on 5 May 2010 (being the latest practicable date prior to the date of this announcement).

The Company has existing authorities in place to allow the issue of the Placing Shares for cash on a non pre-emptive basis and the Cash Placing therefore does not require additional shareholder approvals. The Cash Placing is conditional, inter alia, on the Placing Agreement not being terminated in accordance with its terms and Admission occurring no later than 12 May (or such later date as the Company and Altium may agree, being no later than 21 May 2010).

On Admission, the Placing Shares will rank pari passu in all respects with the Company's existing issued Ordinary Shares.

Altium is acting as Broker and Nominated Adviser to the Company for the Cash Placing. Pursuant to the terms of a Placing Agreement between the Company and Altium, Altium has undertaken to use its reasonable endeavours to procure places for the Placing Shares at the Placing Price. The Cash Placing is not underwritten.

David Page, Paul Campbell, and Nicholas Wong, respectively the Company's Executive Chairman, Chief Executive and Group Finance Director, Nicholas Donaldson and Tim Woodcock, Non-Executive Directors of the Company, and Capricorn Ventures International Limited, a substantial shareholder in the Company, (the "Related Parties"), will each subscribe for Placing Shares pursuant to the Cash Placing (the "Related Party Subscriptions"). Each of the Related Parties is a "related party" of the Company (as defined by the AIM Rules for Companies) by virtue of their directorships or existing substantial shareholding in the Company. The Related Party Subscriptions are, accordingly, treated as "related party transactions" under the AIM Rules for Companies. The Independent Director, having consulted with Altium in its capacity as Nominated Adviser to the Company, considers that the terms of the related party transactions are fair and reasonable insofar as the Company's shareholders are concerned. The number of Placing Shares placed with Related Parties and their resultant shareholdings following the Cash Placing, assuming the successful placing of all of the Placing Shares, is set out in Appendix 2 to this announcement.

Application is being made for the admission of the Placing Shares to trading on AIM. It is expected that Admission will occur and that dealings will commence on 12 May 2010 at which time it is also expected that the Placing Shares will be enabled for settlement in CREST. Immediately following Admission, and assuming that the Placing is fully subscribed, the Company will have 41,051,796 Ordinary Shares in issue.

Members of the public are not eligible to take part in the Cash Placing. The Cash Placing is only being made to persons falling within articles 19, 43 or 49 of the FPO who are also qualified investors for the purposes of section 86 of FSMA and no other person may participate in the Cash Placing or rely on any communication relating to it.

This announcement and Appendices do not constitute an offer to sell or issue or solicitation of an offer to buy or subscribe for Placing Shares in any Prohibited Territory. This announcement and the information contained herein are not for publication or distribution, directly or indirectly, in or into any Prohibited Territory. The Placing Shares referred to in this announcement have not been and will not be registered under the US Securities Act of 1933 (as amended) or the US Investment Company Act 1940 (as amended) or under the applicable securities laws of any other Prohibited Territory and, unless an exemption under such acts or laws is available, may not be offered for sale or subscription or sold or subscribed directly or indirectly within any Prohibited Territory for the account or benefit of any national, resident or citizen of any Prohibited Territory.

The distribution of this announcement and the appendices and the Cash Placing and/or issue of the Placing Shares in other jurisdictions may be restricted by law and therefore Persons into whose possession this announcement comes, or to whose attention this announcement has been drawn, should inform themselves about and to observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of such jurisdictions.

Altium, which is authorised and regulated by the Financial Services Authority and is a member of the London Stock Exchange, is acting exclusively for the Company in connection with the Cash Placing and is not acting for any other person and will not be responsible to any person other than the Company for providing the protections afforded to its customers or for providing advice on the transactions or arrangements referred to in this announcement.

The Company will announce its preliminary results for the year ending 28 March 2010 on 16 July 2010.

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Appendix 1

In this Announcement (including the Appendices), the following expressions have the following meanings unless inconsistent with the context:

“Admission”	the admission of the Placing Shares to AIM which is expected to occur on 12 May 2010
“AIM”	AIM, a market operated by the London Stock Exchange
“Altium”	Altium Capital Limited (registered number 1072627), whose registered office is at 30 St James’s Square, London SW1Y 4AL
“Cash Placing”	the conditional placing of up to 3,730,000 Placing Shares at the Placing Price on the terms and subject to the conditions of the Placing Agreement and this announcement
“Closing Price”	the closing middle market quotation of an Ordinary Share on 5 May 2010 as derived from the daily official list published by the London Stock Exchange
“Company” or “Clapham House”	The Clapham House Group PLC (registered number 04918500, whose registered office is at 1 Lindsey Street, Suite D Second Floor, London, EC1A 9HP)
“CREST”	the computer based system and procedures which enable title to securities to be evidenced and transferred without a written instrument and which is operated by Euroclear UK & Ireland Limited
“FPO”	Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended)
“FSMA”	the Financial Services and Markets Act 2000 (as amended)
“Independent Director”	David Sykes, a Director of the Company, who is not participating in the Cash Placing
“London Stock Exchange”	London Stock Exchange plc
“Ordinary Shares”	ordinary shares of 10p each in the capital of the Company
“Placee”	each counterparty to a placing letter taking up Placing Shares
“Placing Agreement”	the agreement dated 5 May 2010 between the Company and Altium relating to the Cash Placing

“Placing Price”	60 pence per Placing Share
“Placing Shares”	the 3,730,000 new Ordinary Shares which are the subject of the Cash Placing
“Prohibited Territory”	Australia, Canada, Japan, Republic of Ireland, Republic of South Africa, the United States of America, and their respective territories and possessions and other jurisdictions where local laws or regulations may result in a risk of civil, regulatory or criminal exposure for the Company if information or documentation concerning the Cash Placing were to be sent or made available in that jurisdiction
“Related Parties”	David Page, Paul Campbell, Nicholas Wong, Nicholas Donaldson, Tim Woodcock, and Capricorn Ventures International Limited
“Related Party Subscriptions”	The subscriptions for Placing Shares pursuant to the Cash Placing by the Related Parties

Appendix 2

Related Party Subscriptions

Name	Existing holding	% of Existing ISC	Placing Shares subscribed for	Resultant Shareholding	% of Enlarged ISC
Paul Campbell	256,853	0.69%	83,333	340,186	0.83%
Nick Donaldson	127,147	0.34%	33,333	160,480	0.39%
David Page	1,094,158*	2.93%	98,333	1,192,491	2.90%
Nicholas Wong	18,800	0.05%	26,000	44,800	0.11%
Tim Woodcock	15,916	0.04%	25,000	40,916	0.10%
Capricorn Ventures International Limited	9,302,280	24.93%	1,793,867	11,096,147	27.03%

* David Page's shareholding was previously disclosed as 1,119,158. The Disclosure Rules do not require disclosure for aggregated holdings for family members under the age of 18. Max Page is now 18 years of age and as a result is now deemed the beneficial owner of 25,000 ordinary shares in his own right.