

FOR IMMEDIATE RELEASE

**ELEPHANT CAPITAL PLC (“ELEPHANT CAPITAL” OR “THE COMPANY”)
SETTLEMENT OF CLINTEC CLAIM**

13 December 2012

As reported in Elephant Capital's Interim Results for the period ended 29 February 2012, on 13 March 2012 the Company issued a claim against the founders of Clintec for breach of warranty and misrepresentation under the original share purchase agreement by which the Company made its investment in Clintec in August 2010 (the “**Claim**”).

Elephant Capital had invested GBP8.0 million in Clintec for a 28.57% stake. Clintec's performance rapidly fell short of budget in the months following Elephant Capital's investment. As a result the value of the investment was written down on three occasions to a value of GBP 1.12 million as at 29 February 2012. Elephant Capital would like to report that all parties have now agreed to settle the Claim and other related disputes on the following terms:

- through a Share Transfer Agreement and a Share Buyback Agreement Elephant Capital has divested its holding in Clintec in return for GBP 3.0 million in cash, being GBP1.88 million above its carried value;
- the Company and the founders respectively have agreed to fully and finally settle, release and waive the Claim; and
- the settlement funds were received by Elephant Capital (Tusk Investment 1 Limited) today.

The Company has previously notified to the market that it is committed to returning capital to its shareholders and this settlement will increase the amount it intends to distribute to approximately GBP 8 million. It is the Company's current intention to initiate a return of capital to shareholders in early 2013 at the time of the release of its annual results for the year ended 31 August 2012.

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Notes to editors:

Elephant Capital plc

Elephant Capital plc (previously named Promethean India plc) was launched in April 2007 as an AIM listed fund. The fund invests in private and public equity investments in India and is advised by an India-based advisory team.