

For Immediate Release

17 March 2015

ELEPHANT CAPITAL PLC
("Elephant Capital")

Disposal of Investment

Elephant Capital (AIM: ECAP) announces that its subsidiaries (together with Elephant Capital, the "**Group**") have sold the Group's remaining holding in Nitco Limited ("**Nitco**").

The Group acquired its holding in Nitco in 2009 for an aggregate cost of GBP 1.39 million. Having previously sold 100,000 Nitco shares through the market for a cash consideration of GBP 0.02 million, since 31 August 2014 (the date of Elephant Capital's most recently notified consolidated balance sheet) the Group has realised its remaining holding of 1,837,747 Nitco shares through a series of market transactions for an aggregate consideration of GBP 0.42 million. The aggregate cost of the shares sold since 31 August 2014 was GBP 1.32 million, and they had a fair value of GBP 0.35 million as at 31 August 2014.

The disposal of the Group's investment in Nitco, which is in line with Elephant Capital's overall disposal strategy, realised a total loss (relative to original cost) of GBP 0.96 million and a total profit (relative to last published fair value prior to sale) of GBP 0.07 million. The Group received dividends of, in aggregate, GBP 0.14 million during the life of the investment.

As noted in the announcement of Elephant Capital's results for the year ended 31 August 2014, which was released on 5 February 2015, approximately 45 per cent of the Group's remaining holding in Nitco was realised prior to that announcement, realising gross proceeds of GBP 0.21 million. Those proceeds were taken into account when determining the Elephant Capital's cash resources in excess of its working capital requirements and, therefore, available to fund market purchases of Elephant Capital shares pursuant to the share buy-back programme also announced on 5 February 2015 (the "**Buy-back Programme**"). The purchase of 5,000,000 shares on 9 March 2015 fully utilised the Company's existing cash resources in excess of its working capital requirements at that time, and accordingly, the Buy-back Programme has been temporarily suspended.

The proceeds from the balance of the remaining holding in Nitco disposed of since 5 February 2015 (being GBP 0.21 million) will be held in GBP and, subject to the Group's working capital requirements, will be returned to shareholders in due course.

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