

8 October 2010

**Gresham House Plc
(the "Company")**

Acquisition of further 10% shareholding in Memorial

The Board of Gresham House is pleased to announce that the Company yesterday agreed to acquire a further 10 per cent. shareholding in Memorial Holdings Limited ("Memorial") for £1.712 million ("the "Acquisition"). Following completion of the Acquisition, the Company will hold 15 per cent. of the share capital of Memorial.

The consideration payable for the Acquisition is to be settled by a vendor share placing of 488,000 new ordinary shares of 25 pence each in the Company (the "New Ordinary Shares") at 332.5 pence per New Ordinary Share to raise approximately £1.623 million and the balance in cash out of the Company's own resources.

The sole asset of Memorial, which was incorporated on 11 December 2009, is a 55 acre site which is being developed as a cemetery in Chislehurst, within the London Borough of Bromley, known as Kemnal Manor Memorial Gardens. Cemetery space for interments is becoming scarce within the London Boroughs and the Government estimates that space for burials within the London Boroughs will run out by 2019. The first phase (10 acres) of the site is currently being developed and the cemetery is expected to be operational by the spring of 2011. Revenue streams are expected to show excellent returns once the development becomes fully operational.

The Acquisition is conditional, inter alia, on admission of the New Ordinary Shares to trading on the London Stock Exchange's main market for listed securities ("Admission") and completion of the Vendor Placing. The Company has applied for the New Ordinary Shares to be listed on the Official List and for Admission. Trading in the New Ordinary Shares is expected to commence at 08.00 on 12 October 2010. The New Ordinary Shares will be issued fully paid and will rank in full for any dividends and other distributions declared, paid or made on the ordinary share capital of the Company after Admission.

Following Admission the Company's issued share capital will consist of 5,369,880 Ordinary Shares, all with equal voting rights. As the Company does not hold any Ordinary Shares in Treasury its total number of voting rights equals its issued share capital. Following Admission, the figure above may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company under the FSA's DTR.

Enquiries:

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|------------------------------|-----------------------------------------------------------|---------------|
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