

NORTHGATE plc – A HIDDEN GEM

An index to unearth hidden stock market gems created by Grant Thornton from the FTSE All-Share index and reported in the Sunday Times (3rd February, 2008) listed Northgate plc as one of the top three hidden gems.

Grant Thornton starts its calculations for the Hidden Gems index by examining a company's cash flow generation over three years and uses up to three years of analysts' forecasts. The market rating is then calculated by dividing the share price by the average annual cash flow per share. A firm's performance is also compared against its sector to produce a Hidden Gem index score. The top 6 are set out in the following table. Also contained in Grant Thornton's top 50 of Hidden Gems were some well-known names like Mothercare (ranked 13), Yell Group (28), British Airways (30), BSKyB (33), Carphone Warehouse (36) and Speedy Hire (42).

| Rank | Company | Market Value, £m | Market Rating | Hidden Gem Score |
|----------|---------------------|------------------|---------------|------------------|
| 1 | Creston | 33.53 | 2.1 | 40.9 |
| 2 | Clarkson | 165.44 | 7.5 | 20.5 |
| 3 | Northgate | 487.2 | 1.7 | 19.3 |
| 4 | Hunting | 850.85 | 12.4 | 14.2 |
| 5 | Expro International | 1,002.01 | 9.9 | 12.7 |
| 6 | Charter | 1,108.55 | 7.5 | 12.1 |

Source: Grant Thornton's index created from the FTSE All-Share index, excluding banking, insurance and financial companies, companies with less than four years of historic cash flow per share data and all companies with negative cash flow.

Steve Smith the Chief Executive of Northgate plc commented "hopefully publicity generated from items like this index will help to generate further interest from potential investors, by highlighting what good value we are at our current share price."