

Statement

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LITTLE CHEF RESCUE DEAL SAVES 3,500 JOBS

The Little Chef brand, established in 1958, has today secured its future with specialist turnaround group RCapital, in a deal which will save the majority of the business and assets of The People's Restaurant Group Limited, trading as Little Chef.

RCapital completed the deal after intensive negotiations with the group and PWC, which concluded this morning.

The deal will rescue 193 of the 235 restaurants, saving over **3,500 jobs**. Simon Heath will continue to steer the Little Chef business forward, with a strong operational team in support, and remains committed to realising the success of the Little Chef restaurant business.

Simon comments: "This business has been through incredibly tough times in recent years, but one thing we do know from our existing customers and the media is that Little Chef is a much loved brand. RCapital shares our belief in turning this business around and recognises that there is enormous potential for it to succeed.

"I have no doubt that we now have a huge task ahead, but this is a British icon which has, despite its chequered past, maintained a level of brand integrity. Albeit out of date, the roots of its offer remain relevant and it clearly has a future in today's market place.

I have a team around me who thoroughly understand the restaurant business and who will now move forward with RCapital's team of financial experts to get the business back on track as quickly as possible."

Established in 2004, RCapital is a privately owned firm which in the last few years has become one of the most active players in the turnaround market. They use their own funds, build on the strengths within the business and add expertise in areas which are lacking.

To have your say about the rescue deal please email us at prginfo@littlechef.co.uk