

First Quench administration: update

Friday, 27th November, 2009

The joint administrators of First Quench Retailing (“First Quench”), which trades as Threshers, Wine Rack, The Local, Haddows, Bottoms Up and Victoria Wine, have announced the closure of a further 391 stores, resulting in 2,140 redundancies.

These stores are due to close by 20th December at the latest, depending on stock levels.

Richard Fleming, UK Head of Restructuring and joint administrator, said: “Unfortunately, despite the initial high level of interest, it remains difficult for buyers to complete deals in the current tough market.

“However, we are still in talks regarding the sale of over 100 stores and hope to be able to make a further announcement about this shortly. We also remain hopeful that some of the 391 stores announced today might still be sold as going concerns before the closure process is completed, but with stock now running low in the remaining stores it has been necessary to make plans to close them.”

The administrators have today announced two sales of parts of the business: the sale of 13 stores and the Wine Rack brand to Venus Wine & Spirits Merchants Plc and the sale of eight stores to SEP Properties Ltd.

In addition to the going concern sales, Christie & Co*, which is marketing the stores not sold as part of the sale of business, has already received around 500 offers for individual units or small groups of stores since they launched the piecemeal disposal process last Friday. Further details of the available stores can be found at www.christie.com/fqr or by calling 0844 412 3255.

A full list of stores which are closing can be found at www.threshergroup.com and liquidation sales at the 391 stores included in the latest phase of closures will start on Tuesday 1st December. Liquidation sales are continuing within the remaining 126 stores announced as closing on 5th November and 381 stores announced as closing on 20th November. 247 stores have now closed.

-Ends-

Notes to editors:

Richard Fleming, Mick McLoughlin and Ian Corfield of KPMG were appointed joint administrators to First Quench on Thursday 29th October 2009. First Quench originally operated around 1,200 stores as the Threshers, Wine Rack, The Local, Haddows, Bottoms Up and Victoria Wine brands, employing approximately 6,300 people.

Further information:

More detailed information for stakeholders, such as landlords, employees and creditors, is available at <http://www.threshergroup.com/>.

The administrators have set up a general query helpline number and email address:

0844 576 8862 / fqinfo@kpmg.co.uk.

For further information on the Christie & Co sales process, please

contact: [*www.christie.com/fqr](http://www.christie.com/fqr) / 0844 4123255

Interested buyers should contact Michael Maccallum or Louise Ingham at KPMG on either 020 7311 8582 or 020 7694 3459

For further press information on the administration and going concern sale, please contact:

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