

FOR IMMEDIATE RELEASE
26th March 2008



**Eatonfield Group plc (“Eatonfield” or “the Group”)
(AIM:EFD)**

Purchase of 83 acre site in Lanarkshire

Eatonfield Group plc, the commercial property developer and house builder, is pleased to announce that it has exchanged contracts to purchase the Birkwood Hospital site, a former NHS site at Lesmahagow in Lanarkshire, which has been unoccupied since 2002. The deal is expected to complete before the end of May 2008.

The 83 acre site is currently the subject of two planning applications. Once regenerated, it will provide a multi-million pound development for both residential housing and care facilities. The development is ideally located, being on a secluded site five minutes from the M74 and some 20 miles south of Glasgow, host to the 2014 Commonwealth Games.

Eatonfield expects a significant uplift in valuation with the appropriate planning consents, and a further considerable capital appreciation. The site has the potential for a gross development value of up to £40m. The purchase will be financed with a facility from the Group’s existing lenders.

This site is the second **investment** property opportunity acquired by Eatonfield in the last 6 months. Together, these opportunities underpin the Company’s expected profitability in the short to medium term.

Eatonfield Chief Executive, Rob Lloyd commented:

“We are delighted to announce this purchase, which is the culmination of over three years’ work. Following on from the Corus development, this project again increases the average size of the developments being undertaken by Eatonfield and demonstrates our ability to apply our skills to much larger sites. We have a local team of consultants working alongside the local authorities to ensure the successful completion of the project.

For further information, please contact:

Eatonfield Group plc
Rob Lloyd, Chief Executive 01352 757008

Evolution Securities
Joanne Lake/Angus Gladish 0113 243 1619

Buchanan Communications
Nicola Cronk/ Susanna Gale 020 7466 5000

Notes to Editors:

About Eatonfield Group plc

Eatonfield's key strengths lie in its property management knowledge and expertise and the ability to successfully identify and acquire sites which may require change of use or which, due to their current size or usage, do not present obvious development potential.

In addition, Eatonfield is committed to its eco-friendly building strategy and it is the Group's intention to obtain BRE EcoHomes ratings for all its residential developments. The Eco-homes are designed in accordance with the BRE EcoHomes rating system, focusing on both energy efficiency and the use of sustainable construction materials.