PHILLIPS
de PURY & COMPANY

PRESS RELEASE

PHILLIPS de PURY & COMPANY ANNOUNCES PARTNERSHIP WITH MERCURY GROUP

FOR IMMEDIATE RELEASE

London — October 6 — Phillips de Pury & Company, the international contemporary art company, is pleased to announce today that it has entered into a strategic partnership with leading Russian luxury company Mercury Group, with immediate effect. Mercury Group will acquire control of the company from the partners of Phillips de Pury & Company and Simon de Pury will remain Chairman and an important shareholder in the company.

Simon de Pury, Chairman of Phillips de Pury & Company says: "We have seen tremendous growth in the company over the last four years and this partnership with a major player in the luxury sector will allow us to provide a unique platform to new and fast growing markets. Russia has clearly emerged as an important art market and there is no doubt that my vision for the company and Mercury Group's vision are aligned. This is a fantastic opportunity for the global reach of Phillips de Pury & Company to become even stronger. We now look forward to the future with a significantly enhanced capital base and exciting growth prospects."

Preliminary discussions between Phillips de Pury & Company and Mercury Group began in July 2007 and have now concluded just over a year later, with a comprehensive agreement to further the scope of the business. Phillips de Pury & Company has seen continued success in the sale of contemporary art, design and photography, reporting 80% growth from half year 2007/2008 in sales volume in contemporary art auctions alone. Phillips de Pury & Company operates across four selling platforms: auctions, private treaty sales, selling exhibitions and building private collections in the collecting categories of contemporary art, photographs, design, editions and jewelry.

Mercury Group is Russia's largest luxury retail company whose holdings include The Tretyakov Projezd, the Barvikha Luxury Village and TSUM department store, high-end retail properties in the Moscow area that house fashion and jewelry brands such as Gucci, Prada, Giorgio Armani, Dolce & Gabbana, Rolex and Graff as well as showrooms for Ferrari, Maserati and Bentley.

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