

21 June 2011**ASCENDANT POWERS UP
EVO ELECTRIC**

Ascendant, the corporate finance boutique focused on growth businesses, completed its **third** transaction of 2011 advising EVO Electric Limited (“EVO Electric” or the “Company”) on a direct investment by GKN plc (“GKN”), the formation of a joint venture (“JV”) with GKN Driveline and the licensing of EVO Electric’s technology to that JV.

EVO Electric is a pioneer in advanced electric drive solutions for the automotive sector. It was spun out from Imperial College London in 2006 with financial backing from investors including Imperial Innovations. Since then, the Company has established itself as a supplier of high-torque, high-power motors, generators and integrated drive systems to manufacturers including Jaguar Land Rover, Lotus Cars, Nissan and a range of other clients in the automotive, military and marine industries. EVO Electric’s Axial Flux technology is unique in the industry, offering a powerful combination of weight, volume, efficiency, control and manufacturing advantages, which in turn translate into lighter, smaller and more efficient hybrid and electric drivetrains.

A key component of transaction is a direct investment by GKN in EVO Electric by which GKN will acquire a 25.1% stake in the Company.

The JV – known as GKN EVO eDrive Systems – will develop, manufacture and sell Axial Flux electric motors and drive systems for use in hybrid and electric vehicles. Headquartered in the UK, it will leverage state-of-the-art technology and expertise in hybrid, plug-in hybrid and electric drivetrains from both partners. The JV aims to capture a share of the rapidly growing market for hybrid and electric vehicle systems. According to a recent study by McKinsey & Co consultants, the global market for electric motors alone could be worth over €20bn by 2020.

David Latimer, CEO of EVO Electric said:

“This alliance with one of the automotive world’s leading Tier One suppliers and a leader in electric-drive axle and transmission technology represents a major breakthrough for us. It will be pivotal in establishing EVO as a key player in the fast-growing global market for electric drive components.”

Nigel Stein, CEO of GKN Driveline said:

“This strategic addition will enhance GKN Driveline’s ability to meet its customers’ needs in drivetrain electrification. It is aligned with our strategy of supporting vehicle manufacturers as they search for fuel savings and reduced CO2 emissions through hybrid and electric drive vehicles.”

ABOUT EVO ELECTRIC

EVO Electric Limited (www.evo-electric.com) develops and manufactures advanced electric machines, drive systems and other integrated products for a wide range of transportation and mobile power applications. Its core competence is the development, design and integration of high torque electric motors and generators based on Axial Flux technology, an ultra efficient, low weight alternative to conventional electric machines.

EVO is backed by Imperial Innovations plc (AIM: IVO), which creates, builds and invests in pioneering technologies. Imperial Innovations supports scientist-entrepreneurs in the commercialisation of their ideas and has exclusive access to scientific and technological developments coming out of Imperial College London, one of the world's leading research institutions.

ABOUT GKN DRIVELINE

GKN Driveline is the world's leading supplier of automotive driveline components and systems. As a global company serving the world's leading vehicle manufacturers, GKN Driveline develops, builds and supplies an extensive range of automotive driveline components – for use in the smallest ultra low-cost car to the most sophisticated premium vehicle demanding the most complex driving dynamics.

GKN Driveline is a leading global producer of CVJ Systems, AWD Systems, TransAxle Solutions and eDrive Systems. (www.gkndriveline.com)

ABOUT THE GKN GROUP

GKN plc is a global engineering business serving mainly the automotive, aerospace and land systems markets. It has operations in more than 30 countries, around 40,000 employees in subsidiaries and joint ventures and had sales of £5.4 billion in the year to 31 December 2010. GKN plc is listed on the London Stock Exchange (LSE: GKN). (www.gkn.com)

ABOUT ASCENDANT

Ascendant specialises in advisory services for growth businesses. With a wealth of experienced staff, Ascendant provides a wide range of services including advice on fund raising, mergers, acquisitions, disposals, exit planning, MBOs and licensing. For further details contact:

Stuart McKnight - Managing Director
or via smcknight@ascendant.co.uk

+44 (0)20 7993 8700

Or visit www.ascendant.co.uk