

New Star Financial Opportunities Fund Limited
NSF Securities Limited
11 November 2005

Result of open offer

The Board of NSF Securities Limited is pleased to announce the results of the placing and open offer of 14,175,000 New Zero Dividend Preference Shares of 25p each.

Applications have been received from Qualifying Shareholders in respect of 3,829,374 New Zero Dividend Preference Shares. The balance of 10,345,626 New Zero Dividend Preference Shares has been placed with investors procured by Winterflood Securities. Therefore, subject to the remaining conditions to the placing agreement being satisfied, 14,175,000 New Zero Dividend Preference Shares will be issued raising approximately £20.2 million net of expenses.

As set out in the circular to shareholders and subsequent to the Extraordinary General Meeting held on 2 November 2005 the Board of New Star Financial Opportunities Fund Limited now intends, following admission, to repay the full balance of approximately £20.3 million remaining on the Bank Loan by the end of November 2005. Following repayment of the Bank Loan, it is not intended that the Group incurs any further fixed or long-term bank borrowings in the future other than for short-term liquidity purposes.

Application has been made to the UKLA for the New Zero Dividend Preference Shares to be admitted to the Official List and to the London Stock Exchange for the New Zero Dividend Preference Shares to be admitted to trading on its market for listed securities. Application has also been made to the Channel Islands Stock Exchange for the New Zero Dividend Preference Shares to be admitted to the Official List of the Channel Islands Stock Exchange. It is expected that such admissions will become effective and that dealings will commence on 17 November 2005.

The New Zero Dividend Preference Shares will rank pari passu in all respects with the existing Zero Dividend Preference Shares and, following this issue of new shares NSF Securities Limited will have 24,675,000 Zero Dividend Preference Shares in issue.

Enquiries:

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Winterflood Securities Limited which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting for NSF Securities Limited in relation to its issue of shares and for no other person and will not be responsible to any other person other than these companies for providing the protections offered to customers of Winterflood Securities or for providing advice in relation to the issue.