

HIRCO REPORTS STRONG SALES AT HIRANANDANI PALACE GARDENS

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Hirco plc (“Hirco”), one of India’s largest real estate investment companies, announced today that sales activity of residential units at its Chennai township investment, Hiranandani Palace Gardens, has been stronger than originally anticipated at the time of the IPO both in terms of sales volume of residential units and the level of pricing achieved.

As of 15th May 2007, sales consideration has been accepted on approximately 591,872 square feet or 33% of the residential square footage that is currently available in Phase I, at an average price of Rs 3,129 (₹38.76) per square foot. This pricing represents a significant premium over the Year 1 residential projections of Rs 2,510 (₹31.09) per square foot. At the current level of sales activity achieved at Hiranadani Palace Gardens, Hirco’s sales consideration is approximately 10 months ahead of schedule.

Priya Hiranandani-Vandrevala, Chief Executive of Hirco commented, “We are delighted at the market’s response to the quality product we offer at Palace Gardens. The level of sales uptake is significantly stronger than expected, reflecting the strength of the Hiranandani brand and underlines the strong quality of our product which targets India’s young professional and blue chip corporates.”

Master planning for Hiranandani Palace Gardens has been completed and construction is expected to commence in the third quarter of 2007.

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About the Company

Hirco was formed in 2006 to co-invest in large scale mixed-use township developments in suburban areas outside city centres in India. These townships will be predominately residential and provide high quality affordable housing for India's growing young and affluent working population.

At the time of its admission to trading, Hirco was the largest ever real estate investment company IPO on AIM and the largest AIM IPO in 2006. To date, Hirco has invested approximately £126 million, which represents 35% of the net funds raised at the time of the IPO.

Further information about the company can be found at www.hircopl.com.