



News Release

Hirco PLC ("Hirco" or the "Company")

August 25, 2010

Dividend Update

LONDON – Hirco PLC (AIM:HRCO), an investment vehicle for Hiranandani, India's largest developer of prestigious mixed-use townships, today announced the following update.

In the interim results announcement on 21 May this year, the Board of Hirco referenced the combination of the global recession's impact on the projects in which the Company is invested, the debt covenants applicable to the project investments and the consequent extension of the timescales for completion of the projects. These pressures continue to affect the ability of the Company to make distributions of cash to shareholders.

The Board continues to urge the project companies, which are independent of Hirco, to discuss with their lenders modifications to the lending terms to permit earlier release of cash. To date the Board understands that there has been no resolution of this matter.

In light of the covenants within the project companies' loan documentation, it remains challenging to forecast with any degree of certainty the timing of cash distributions. Therefore the Board currently considers it prudent to assume that there will be no cash distributions to shareholders before 2013.

About Hirco

Hirco PLC is an investment vehicle that invests in India with Hiranandani, India's largest developer of prestigious mixed-use townships for the country's increasingly affluent middle class. Its modern, large-scale developments – combining high-quality residential, commercial and retail components with green space and social and recreational facilities – are strategically located in suburban areas outside major city centres.

Hirco shares are traded on the London Stock Exchange's AIM market under the symbol HRCO. At the time of its admission to trading on AIM in December 2006, Hirco was the largest-ever real estate investment company IPO on the AIM and that year's largest IPO on AIM.

For further information about the Company, please visit www.hircopl.com.

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