

THIS ANNOUNCEMENT AND THE INFORMATION CONTAINED HEREIN IS RESTRICTED AND NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN WHOLE OR IN PART, IN OR INTO THE UNITED STATES OF AMERICA, AUSTRALIA, CANADA, SOUTH AFRICA OR JAPAN OR ANY JURISDICTION IN WHICH SUCH RELEASE, PUBLICATION OR DISTRIBUTION IS UNLAWFUL

**Fenner PLC (“Fenner” or “the Company”)**

28 April 2010

**Placing of up to 17,302,233 new ordinary shares**

**Introduction**

Fenner PLC (“Fenner”, the “Group” or the “Company”), the global engineer specialising in reinforced polymer technology, today announces it is placing up to 17,302,233 new ordinary shares of 25 pence each in the capital of the Company (the “Placing Shares”) to institutional investors (the “Placing”) representing in aggregate approximately 9.9 per cent. of the issued share capital of Fenner.

The Placing is being conducted by RBS Hoare Govett Limited (“RBS Hoare Govett”) by way of an accelerated bookbuild (the “Bookbuilding”). The books will open with immediate effect and pricing and allocations are expected to be announced later today, Wednesday, 28 April 2010 shortly after the books have closed.

**Background to and reasons for the Placing**

Fenner has displayed marked resilience during the current downturn. Early and rapidly implemented cost savings and cash controls protected the Group’s profitability and enabled the core infrastructure of the business, including its key service and technical functions, to be maintained.

As the Group emerges from the economic downturn, the benefits of new product developments, its strategic capital expenditure and market share gains are starting to come through. Fenner is now poised for growth, which it intends to enhance with a number of strategic complementary acquisitions with a particular emphasis on the service activities in Conveyor Belting and in the Medical market. Fenner has continued to review potential acquisitions throughout the downturn and is actively pursuing three such acquisitions, which are currently at an advanced stage and are the subject of confirmatory due diligence. Although individually small, the acquisitions in aggregate have the potential to contribute to earnings development and the strategic growth of the Group.

Fenner is undertaking the Placing to provide it with the financial flexibility to continue to finance its acquisitions and to facilitate these strategic initiatives ensuring that borrowings are not at a level perceived to be too high in the aftermath of the world financial crisis.

**The Placing**

The Placing Shares will, when issued, be credited as fully paid and will rank pari passu in all respects with the existing ordinary shares of Fenner, including the right to receive all dividends and other distributions declared, made or paid in respect of such shares after the date of issue.

Application will be made to the UK Listing Authority for the new ordinary shares, to be admitted to the Official List maintained by the UK Listing Authority, and to London Stock Exchange plc for the new ordinary shares to be admitted to trading by London Stock Exchange plc on its main market for listed securities. It is expected that such admissions will become effective by 8.00 a.m. on Tuesday, 4 May 2010.

The full terms and conditions of the Placing are set out in the appendix to this press release.

Mark Abrahams, Chief Executive said:

“Fenner's performance has been good in the first half of this financial year. This has arisen from a combination of market share gains, customer de-stocking coming to an end and underlying market improvement. We are well placed in strong markets and are confident that prospects will continue to improve. The fundraising announced today will help us continue the momentum of our acquisition and organic development programme and benefit from the many growth opportunities available to us across our markets.”

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This announcement does not constitute or form part of an offer to sell or issue or the solicitation of an offer to subscribe for or buy, any Placing Shares to any person in any jurisdiction to whom or in which such offer or solicitation is unlawful and, in particular, is not for publication, release or distribution, in whole or in part, in or into the United States, Canada, Australia, South Africa or Japan.

The Placing Shares have not been and will not be registered under the US Securities Act of 1933, as amended (the "Securities Act") or with any securities regulatory authority or under any securities laws of any state or other jurisdiction of the United States and may not be taken up, offered, sold, resold, transferred, delivered or distributed, directly or indirectly, within, into or from the United States except pursuant to an applicable exemption from, or in a transaction not

subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. The Placing Shares are being offered and sold outside the United States in accordance with Regulation S. There will be no public offer of securities in the United States, the United Kingdom or elsewhere.

The Placing Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission or other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the Placing or the accuracy or adequacy of this Announcement. Any representation to the contrary is a criminal offence in the United States. No money, securities or other consideration from any person inside the United States is being solicited and, if sent in response to the information contained in this announcement, will not be accepted.

The Placing Shares have not been and will not be registered under the applicable securities laws of Canada, Australia, South Africa or Japan and subject to certain exceptions, the Ordinary Shares may not be offered or sold in Canada, Australia, South Africa or Japan or to, or for the account or benefit of, any resident of Canada, Australia, South Africa or Japan. There will be no public offer of securities in Canada, Australia, South Africa or Japan.

This announcement has been issued by Fenner and is the sole responsibility of Fenner. No representation or warranty express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by RBS Hoare Govett by any of its affiliates or agents as to or in relation to the accuracy or completeness of this Announcement or any other written or oral information made available to or publicly available to any interested party or its advisers, and any liability therefor is expressly disclaimed.

RBS Hoare Govett, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting exclusively for Fenner and for no one else in connection with the Bookbuilding and the Placing and will not be responsible to anyone other than Fenner for providing the protections afforded to clients of RBS Hoare Govett nor for providing advice to any other person in relation to the Placing or the Bookbuilding or any other matters referred to in this announcement.

The contents of this announcement are not to be construed as legal, financial or tax advice. If necessary, each recipient of this announcement should consult his, her or its own legal adviser, financial adviser or tax adviser for legal, financial or tax advice.

This announcement contains certain statements that are or may be “forward-looking statements”. These statements typically contain words such as “intends”, “expects”, “anticipates”, “estimates” and words of similar import. All the statements other than statements of historical facts included in this announcement, including, without limitation, those regarding Fenner's expectations, intentions and projections regarding its future performance, anticipated events or trends, Fenner's financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to Fenner's products and services) are forward-looking statements, which are not a guarantee of future performance. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future and therefore undue reliance should not be placed on such forward-looking statements. There are a number of factors that could cause the actual results, performance or achievements of Fenner or those markets and economies to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding Fenner's

present and future business strategies and the environment in which Fenner will operate in the future and such assumptions may or may not prove to be correct. Forward-looking statements speak only as at the date they are made. Neither Fenner nor RBS Hoare Govett nor any other person undertakes any obligation (other than, in the case of Fenner, pursuant to the Listing Rules and the Disclosure and Transparency Rules of the UK Listing Authority) to update publicly any of the information contained in this announcement, including any forward-looking statements or to review any forward-looking statements contained in this announcement, in the light of new information, change in circumstances, future events or otherwise.

#### APPENDIX: TERMS AND CONDITIONS OF THE PLACING

THIS ANNOUNCEMENT, INCLUDING THE APPENDIX AND THE TERMS AND CONDITIONS SET OUT HEREIN (TOGETHER, "THIS ANNOUNCEMENT") AND THE INFORMATION CONTAINED HEREIN IS RESTRICTED AND IS NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN WHOLE OR IN PART, IN OR INTO THE UNITED STATES, CANADA, AUSTRALIA, SOUTH AFRICA OR JAPAN OR ANY JURISDICTION IN WHICH SUCH RELEASE, PUBLICATION OR DISTRIBUTION IS UNLAWFUL

#### IMPORTANT INFORMATION FOR INVITED PLACEEES ONLY REGARDING THE PLACING

MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING. THIS ANNOUNCEMENT IS FOR INFORMATION PURPOSES ONLY AND IS DIRECTED ONLY AT PERSONS WHOSE ORDINARY ACTIVITIES INVOLVE THEM IN ACQUIRING, HOLDING, MANAGING AND DISPOSING OF INVESTMENTS (AS PRINCIPAL OR AGENT) FOR THE PURPOSES OF THEIR BUSINESS AND WHO HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS AND ARE (1) QUALIFIED INVESTORS AS DEFINED IN SECTION 86(7) OF FSMA, BEING PERSONS FALLING WITHIN THE MEANING OF ARTICLE 2.1(e)(i), (ii) OR (iii) OF THE EU PROSPECTUS DIRECTIVE (WHICH MEANS DIRECTIVE 2003/71/EC AND INCLUDES ANY RELEVANT IMPLEMENTING DIRECTIVE MEASURE IN ANY MEMBER STATE (THE "PROSPECTUS DIRECTIVE")) AND (2) IN THE UNITED KINGDOM FALL WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, AS AMENDED OR ARE PERSONS WHO FALL WITHIN ARTICLE 49(2)(a) TO (d) ("HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC") OF THE ORDER (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "RELEVANT PERSONS"). THIS ANNOUNCEMENT MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS ANNOUNCEMENT RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS. PERSONS DISTRIBUTING THIS MUST SATISFY THEMSELVES THAT IT IS LAWFUL TO DO SO. THIS ANNOUNCEMENT DOES NOT ITSELF CONSTITUTE AN OFFER FOR SALE OR SUBSCRIPTION OF ANY SECURITIES IN FENNER PLC.

THE PLACING SHARES HAVE NOT AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OR UNDER THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, AND ABSENT REGISTRATION MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR AS A PART OF A TRANSACTION NOT SUBJECT TO, THE

REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES.

EACH PLACEE SHOULD CONSULT WITH ITS OWN ADVISERS AS TO LEGAL, TAX, BUSINESS AND RELATED ASPECTS OF A PURCHASE OF PLACING SHARES.

This announcement and any offer if made subsequently is only addressed to and directed at persons in member states of the European Economic Area (“EEA”) who are “qualified investors” within the meaning of Article 2(1)(e) of the Prospectus Directive (Directive 2003/71/EC) (“Qualified Investors”).

Persons who are invited to and choose to participate in the Bookbuilding and the Placing-by making an oral or written offer to acquire Placing Shares will be deemed to have read and understood this Appendix in its entirety, to be participating, making an offer and acquiring Placing Shares on the terms and conditions contained herein and to be providing the representations, warranties, acknowledgements and undertakings contained herein.

In this Appendix, unless the context otherwise requires, “Placee” means a Relevant Person, as defined above (including individuals, funds or others) by whom or on whose behalf a commitment to take up Placing Shares has been given. In particular each such Placee represents, warrants and acknowledges that it:

1. is a Relevant Person and undertakes that it will acquire, hold, manage or dispose of any Placing Shares that are allocated to it for the purposes of its business;
2. in the case of a Relevant Person in a member state of the EEA which has implemented the Prospectus Directive (each a “Relevant Member State”) who acquires any Placing Shares pursuant to the Placing:
  - (i) it is a Qualified Investor; and
  - (ii) in the case of any Placing Shares acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive,
    - (a) the Placing Shares acquired by it in the Placing have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than Qualified Investors or in circumstances in which the prior consent of RBS Hoare Govett has been given to each proposed offer or resale; or
    - (b) where Placing Shares have been acquired by it on behalf of persons in any member state of the EEA other than Qualified Investors, the offer of those Placing Shares to it is not treated under the Prospectus Directive as having been made to such persons; and
3. (a)(i) it is not in the United States and (ii) it is not acting for the account or benefit of a person in the United States, unless in the case of this clause (ii), it is acting with investment discretion for such person or, if such person is a corporation or partnership, the person agreeing to purchase the Placing Shares is an employee of such person authorised to make such purchase; (b) it is a dealer or other professional fiduciary in the United States acting on a discretionary basis for a non-US person (other than an estate or trust); in reliance on Regulation S; or (c) it is otherwise acquiring the Placing Shares in an "offshore transaction" meeting the requirements of Regulation S under the Securities Act.

This announcement (including this Appendix) does not constitute or form part of an offer or invitation to underwrite, subscribe for or otherwise acquire or dispose of any securities or investment advice in any jurisdiction including, without limitation, the United Kingdom, the United States, Canada, Australia, South Africa or Japan. This announcement and the information contained herein are not for release, publication or distribution, directly or indirectly, in whole or in part, to persons in the United States, Canada, Australia, South Africa, Japan or in any jurisdiction in which such release, publication or distribution is unlawful.

Any indication in this Announcement of the price at which ordinary shares have been bought or sold in the past cannot be relied upon as a guide to future performance. Persons needing advice should consult an independent financial adviser. No statement in this Announcement is intended to be a profit forecast and no statement in this Announcement should be interpreted to mean that earnings per share of the Company for the current or future financial years would necessarily match or exceed the historical published earnings per share of the Company.

The Placing Shares referred to in this announcement have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be taken up, offered, sold, resold or transferred, delivered or distributed, directly or indirectly, within, into or from the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. The Placing Shares are being offered and sold outside the United States in accordance with Regulation S. There will be no public offer of securities in the United States, the United Kingdom or elsewhere.

The Placing Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission or other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the Placing or the accuracy or adequacy of this Announcement. Any representation to the contrary is a criminal offence in the United States. No money, securities or other consideration from any person inside the United States is being solicited and, if sent in response to the information contained in this announcement, will not be accepted.

The distribution of this announcement and the Placing and/or issue of the Placing Shares in certain jurisdictions may be restricted by law. No action has been taken by the Company or RBS Hoare Govett or any of their respective subsidiaries, branches, associates, holding companies (and subsidiaries of any such holding companies), officers, directors, supervisory board members, employees, representatives, controlling persons, shareholders or agents (together "Affiliates"), that would permit an offer of the Placing Shares or possession or distribution of this announcement or any other offering or publicity material relating to such Placing Shares in any jurisdiction where action for that purpose is required. Persons into whose possession this announcement comes are required by the Company and RBS Hoare Govett to inform themselves about and to observe any such restrictions.

Persons (including, without limitation, nominees and trustees) who have a contractual or other legal obligation to forward a copy of this Announcement should seek appropriate advice before taking any action.

The Placing Shares to be issued pursuant to the Placing will not be admitted to trading on any stock exchange other than the London Stock Exchange. Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this Announcement.

In this Appendix, unless the context otherwise requires, the “Company” means Fenner plc.

### **Details of the Placing Agreement and the Placing Shares**

RBS Hoare Govett has entered into a placing agreement (the “Placing Agreement”) with the Company under which RBS Hoare Govett has undertaken, on the terms and subject to the conditions set out therein, to act as placing agent for the Company and to use its reasonable endeavours to procure Placees to take up the Placing Shares.

The issue of the Placing Shares is to be effected by way of a cashbox placing. The Placing Price (as defined below) will be determined following completion of the Bookbuilding as set out in this Announcement.

The allotment and issue of the Placing Shares will be made by the Company to Placees procured by RBS Hoare Govett (acting as an agent of the Company) in consideration for the transfer to the Company of certain shares in a Jersey-incorporated subsidiary of the Company (“Newco”) by RBS Hoare Govett. The Company, subject to certain exceptions, has agreed not to allot, issue or grant any rights in respect of any of its ordinary shares in the period from the date of this Announcement until 120 days after Admission without RBS Hoare Govett’s prior consent.

The Placing Shares will, when issued, be credited as fully paid and will rank pari passu in all respects with the existing issued ordinary shares of 25 pence per share in the capital of the Company (the “Ordinary Shares”), including the right to receive all dividends and other distributions declared, made or paid in respect of such Ordinary Shares after the date of issue of the Placing Shares.

### **Application for admission to listing and trading**

Application will be made to the FSA for admission of the Placing Shares to the official list maintained by the FSA (the “Official List”) and to London Stock Exchange plc for admission to trading of the Placing Shares on London Stock Exchange plc’s main market for listed securities (together “Admission”). It is expected that Admission will take place on or before Tuesday, 4 May 2010 and that dealings in the Placing Shares on London Stock Exchange plc’s main market for listed securities will commence at the same time.

### **Bookbuilding**

RBS Hoare Govett will today commence the Bookbuilding to determine demand for participation in the Placing by Placees. This Appendix gives details of the terms and conditions of, and the mechanics of participation in, the Placing. No commissions will be paid to Placees or by Placees in respect of any Placing Shares.

RBS Hoare Govett and the Company shall be entitled to effect the Placing by such alternative method to the Bookbuilding as they may, in their sole discretion, determine.

### **Principal terms of the Bookbuilding and Placing**

1. RBS Hoare Govett (whether through itself or any of its Affiliates) is arranging the Placing as an agent of the Company. Participation in the Placing will only be available to persons who may lawfully be, and are, invited by RBS Hoare Govett to participate. RBS Hoare Govett and its Affiliates are entitled to participate as principal in the Placing.

2. The Bookbuilding will establish a single price (the “Placing Price”) payable to RBS Hoare Govett by all Placees whose bids are successful. The Placing Price and the aggregate proceeds to be raised through the Placing will be agreed between RBS Hoare Govett and the Company following completion of the Bookbuilding and any discount to the market price of the ordinary shares of the Company admitted to the Official List and to trading on London Stock Exchange plc’s main market for listed securities will be determined in accordance with the Listing Rules of the UK Listing Authority. The Placing Price and the number of Placing Shares to be issued will be announced (the “Pricing Announcement”) on a Regulatory Information Service following completion of the Bookbuilding.

3. To bid in the Bookbuilding, Placees should communicate their bid by telephone to their usual sales contact at RBS Hoare Govett. Each bid should state the number of Placing Shares in the Company which a prospective Placee wishes to acquire at either the Placing Price which is ultimately established by the Company and RBS Hoare Govett or at prices up to a price limit specified in its bid. Bids may be scaled down by RBS Hoare Govett on the basis referred to in paragraph 6 below.

4. The Bookbuilding is expected to close no later than 3.00 p.m. (GMT) on 28 April 2010 but may be closed earlier or later at the discretion of RBS Hoare Govett. RBS Hoare Govett may, in agreement with the Company, accept bids that are received after the Bookbuilding has closed. The Company reserves the right to reduce or seek to increase the amount to be raised pursuant to the Placing, in its discretion.

5. Allocations will be confirmed orally by RBS Hoare Govett as soon as practicable following the close of the Bookbuilding, and a trade confirmation will be dispatched as soon as possible thereafter. RBS Hoare Govett’s oral confirmation of an allocation will give rise to a legally binding commitment by such person (who will at that point become a Placee) in favour of RBS Hoare Govett and the Company, under which it agrees to acquire the number of Placing Shares allocated to it at the Placing Price on the terms and subject to the conditions set out in this Appendix and the Company’s Memorandum and Articles of Association.

6. Subject to paragraphs 4 and 5 above, RBS Hoare Govett may choose to accept bids, either in whole or in part, on the basis of allocations determined at its discretion (in agreement with the Company) and may scale down any bids for this purpose on such basis as it may determine. RBS Hoare Govett may also, notwithstanding paragraphs 4 and 5 above, subject to the prior consent of the Company (a) allocate Placing Shares after the time of any initial allocation to any person submitting a bid after that time and (b) allocate Placing Shares after the Bookbuilding has closed to any person submitting a bid after that time.

7. A bid in the Bookbuilding will be made on the terms and subject to the conditions in this Appendix and will be legally binding on the Placee on behalf of which it is made and, except with RBS Hoare Govett’s consent, will not be capable of variation or revocation after the time at which it is submitted. Each Placee will also have an immediate, separate, irrevocable and binding obligation, owed to RBS Hoare Govett, to pay to it (or as it may direct) in cleared funds an amount equal to the product of the Placing Price and the number of Placing Shares such Placee has agreed to acquire.

8. Except as required by law or regulation, no press release or other announcement will be made by RBS Hoare Govett or the Company using the name of any Placee (or its agent), in its capacity as Placee (or agent), other than with such Placee’s prior written consent.

9. Irrespective of the time at which a Placee's allocation(s) pursuant to the Placing is/are confirmed, settlement for all Placing Shares to be acquired pursuant to the Placing will be required to be made at the same time, on the basis explained below under "Registration and Settlement".

10. All obligations under the Bookbuilding and Placing will be subject to fulfilment or (where applicable) waiver of, amongst others, the conditions referred to below under "Conditions of the Placing" and to the Placing not being terminated on the basis referred to below under "Termination of the Placing".

11. By participating in the Bookbuilding each Placee will agree that its rights and obligations in respect of the Placing will terminate only in the circumstances described below and will not be capable of rescission or termination by the Placee.

12. To the fullest extent permissible by law, neither RBS Hoare Govett nor any of its Affiliates shall have any liability to Placees (or to any other person whether acting on behalf of a Placee or otherwise). In particular, neither RBS Hoare Govett nor any of its Affiliates shall have any liability (including, to the fullest extent permissible by law, any fiduciary duties) in respect of RBS Hoare Govett's conduct of the Bookbuilding or of such alternative method of effecting the Placing as RBS Hoare Govett and the Company may agree.

### **Registration and Settlement**

If Placees are allocated any Placing Shares in the Placing they will be sent a contract note or electronic confirmation in accordance with the standing arrangements in place with RBS Hoare Govett which will confirm the number of Placing Shares allocated to them, the Placing Price and the aggregate amount owed by them to RBS Hoare Govett and settlement instructions. Each Placee agrees that it will do all things necessary to ensure that delivery and payment is completed in accordance with either the standing CREST or certificated settlement instructions that it has in place with RBS Hoare Govett.

Settlement of transactions in the Placing Shares (ISIN: GB0003345054) following Admission will take place within the CREST system. Settlement through CREST will be on a T+3 basis unless otherwise notified by RBS Hoare Govett and is expected to occur on 4 May 2010.

Settlement will be on a delivery versus payment basis. However, in the event of any difficulties or delays in the admission of the Placing Shares to CREST or the use of CREST in relation to the Placing, the Company and RBS Hoare Govett may agree that the Placing Shares should be issued in certificated form.

RBS Hoare Govett reserves the right to require settlement for the Placing Shares, and to deliver the Placing Shares to Placees, by such other means as it deems necessary if delivery or settlement to Placees is not possible or practicable within the CREST system within the timetable set out in this Announcement or would not be consistent with regulatory requirements in a Placee's jurisdiction.

Interest is chargeable daily on payments not received on the due date in accordance with the arrangements set out above, in respect of either CREST or certificated deliveries, at the rate of 2 percentage points above prevailing LIBOR as determined by RBS Hoare Govett.

Placees agree that if they do not comply with their obligations RBS Hoare Govett may sell any or all of their Placing Shares on their behalf and retain from the proceeds, for its own account and benefit, an amount equal to the Placing Price of each share sold plus any interest due.

Placees will, however, remain liable for any shortfall below the Placing Price and for any stamp duty or stamp duty reserve tax (together with any interest or penalties) which may arise upon the sale of their Placing Shares on their behalf. By communicating a bid for Placing Shares, each Placee confers on RBS Hoare Govett all such authorities and powers necessary to carry out any such sale and agrees to ratify and confirm all actions which RBS Hoare Govett lawfully takes in pursuance of such sale.

If Placing Shares are to be delivered to a custodian or settlement agent, Placees must ensure that, upon receipt, the conditional contract note is copied and delivered immediately to the relevant person within that organisation.

### **Conditions of the Placing**

The Placing is conditional upon the Placing Agreement becoming unconditional and not having been terminated in accordance with its terms.

The obligations of RBS Hoare Govett under the Placing Agreement are, and the Placing is, conditional upon certain conditions, including material compliance by the Company with its obligations under the Placing Agreement, none of the warranties given to RBS Hoare Govett under the Placing Agreement being materially untrue, inaccurate or misleading and no actual or prospective material adverse change affecting the Company having occurred prior to Admission.

If the conditions in the Placing Agreement are not satisfied or (where applicable) waived in accordance with the Placing Agreement within the stated time periods (or such later time and/or date as the Company and RBS Hoare Govett may agree), or the Placing Agreement is terminated in accordance with its terms (see below), the Placing will lapse and each Placee's rights and obligations shall cease and terminate at such time and each Placee agrees that no claim can be made by or on behalf of the Placee (or any person on whose behalf the Placee is acting) in respect thereof.

RBS Hoare Govett may, in its absolute discretion and on such terms as it thinks appropriate, waive fulfilment of, in whole or in part, or extend the time and/or date for fulfilment by the Company of any or all of the conditions to the Placing Agreement (to the extent permitted by law or regulations) by giving notice in writing to the Company save that certain conditions, including the above conditions relating to Admission taking place and the Company's allotment of the Placing Shares, may not be waived. Any such extension or waiver will not affect Placees' commitments as set out in this Appendix.

None of RBS Hoare Govett or any of its Affiliates or the Company shall have any liability to any Placee (or to any other person whether acting on behalf of a Placee or otherwise) in respect of any decision any of them may make as to whether or not to waive or to extend the time and/or date for the satisfaction of any condition to the Placing nor for any decision any of them may make as to the satisfaction of any condition or in respect of the Placing generally.

### **Termination of the Placing Agreement**

RBS Hoare Govett has the right, in its absolute discretion, at any time prior to Admission, to terminate the Placing Agreement—in accordance with the terms of the Placing Agreement in certain circumstances, including a material breach of the warranties given to RBS Hoare Govett in the Placing Agreement or the occurrence of a force majeure event.

If the Placing Agreement is terminated in accordance with its terms, the rights and obligations of each Placee in respect of the Placing as described in this announcement (including this Appendix) shall cease and terminate at such time and no claim can be made by any Placee in respect thereof.

By participating in the Placing, each Placee agrees with the Company and RBS Hoare Govett that the exercise by the Company or RBS Hoare Govett of any right of termination or any other right or other discretion under the Placing Agreement shall be within the absolute discretion of the Company or RBS Hoare Govett (as the case may be) and that neither the Company nor RBS Hoare Govett need make any reference to such Placee and that neither the Company, RBS Hoare Govett nor any of their respective Affiliates shall have any liability to such Placee (or to any other person whether acting on behalf of a Placee or otherwise) whatsoever in connection with any such exercise.

By participating in the Placing, each Placee agrees that its rights and obligations terminate only in the circumstances described above and will not be capable of rescission or termination by it after oral confirmation of such Placee's allocation of Placing Shares by RBS Hoare Govett following the close of the Bookbuilding.

Insofar as Placing Shares are registered in a Placee's name or that of its nominee or in the name of any person for whom a Placee is contracting as agent or that of a nominee for such person, such Placing Shares should, subject as provided below, be so registered free from any liability to UK stamp duty or stamp duty reserve tax.

### **No prospectus**

No prospectus or other offering document has been or will be submitted to be approved by the Financial Services Authority (the "FSA") in relation to the Placing and the Placees' commitments will be made solely on the basis of the information contained in this announcement, the Pricing Announcement and any information publicly announced to a Regulatory Information Service by or on behalf of the Company on or prior to the date of this announcement (the "Publicly Available Information"). Each Placee, by participating in the Placing, agrees that it has neither received nor relied on any information, representation, warranty or statement made by or on behalf of RBS Hoare Govett or the Company other than the Publicly Available Information and neither RBS Hoare Govett, the Company nor any person acting on such person's behalf nor any of their Affiliates has or shall have any liability for any Placee's decision to participate in the Placing based on any other information, representation, warranty or statement which the Placees may have obtained or received. Each Placee acknowledges and agrees that it has relied on its own investigation of the business, financial or other position of the Company in accepting a participation in the Placing. Nothing in this paragraph shall exclude the liability of any person for fraudulent misrepresentation.

### **Representations and further terms**

By submitting a bid in the Bookbuilding, each prospective Placee (and any person acting on such Placee's behalf) represents, warrants, acknowledges, undertakes and agrees (for itself and for any such prospective Placee) that:

1. it has read this Announcement in its entirety and that its purchase of the Placing Shares is subject to and based upon all the terms, conditions, representations, warranties, acknowledgements, agreements and undertakings and other information contained herein;

2. it has not received and will not receive a prospectus or other offering document in connection with the Placing and acknowledges that no prospectus or other offering document has been or will be prepared in connection with the Placing;

3. acknowledges that none of RBS Hoare Govett, the Company, any of their respective affiliates or any person acting on behalf of any of them has provided, and will not provide it, with any material regarding the Placing, the Placing Shares or the Company other than the Placing Documents; nor has it requested any of RBS Hoare Govett, the Company, any of their affiliates or any person acting on behalf of any of them to provide it with any such information;

4. (i) it has made its own assessment of the Company, the Placing Shares and the terms of the Placing based on Publicly Available Information; (ii) none of RBS Hoare Govett, its Affiliates or the Company has made any representation to it, express or implied, with respect to the Company, the Placing or the Placing Shares or the accuracy, completeness or adequacy of the Publicly Available Information; and (iii) it has conducted its own investigation of the Company, the Placing and the Placing Shares, satisfied itself that the information is still current and relied on that investigation for the purposes of its decision to participate in the Placing;

5. the content of this announcement is exclusively the responsibility of the Company and that neither RBS Hoare Govett nor any person acting on its behalf is responsible for or has or shall have any liability for any information, statement or representation relating to the Company contained in this announcement or the Publicly Available Information nor will be liable for any Placee's decision to participate in the Placing based on any information, representation, warranty or statement contained in this announcement, the Publicly Available Information or otherwise. Nothing in this Appendix shall exclude any liability of any person for fraudulent misrepresentation;

6. it is not, and at the time the Placing Shares are acquired will not be, a resident of Australia, Canada, South Africa or Japan, and each of it and the beneficial owner of the Placing Shares is, and at the time the Placing Shares are acquired will be outside the United States and acquiring the Placing Shares in an "offshore transaction" in accordance with Rule 903 or Rule 904 of Regulation S;

7. the Placing Shares have not been registered or otherwise qualified, and will not be registered or otherwise qualified, for offer and sale nor will a prospectus be cleared in respect of any of the Placing Shares under the securities laws of the United States, Australia, Canada, South Africa or Japan and, subject to certain exceptions, may not be offered, sold, taken up, renounced or delivered or transferred, directly or indirectly, within the United States, Australia, Canada or Japan;

8. it and/or each person on whose behalf it is participating:

(i) is entitled to acquire Placing Shares pursuant to the Placing under the laws of all relevant jurisdictions;

(ii) has fully observed such laws;

(iii) has capacity and authority and is entitled to enter into and perform its obligations as an acquirer of Placing Shares and will honour such obligations; and

(iv) has obtained all necessary consents and authorities (including, without limitation, in the case of a person acting on behalf of a Placee, all necessary consents and authorities to agree to

the terms set out or referred to in this Appendix) to enable it to enter into the transactions contemplated hereby and to perform its obligations in relation thereto;

9. the Placing Shares have not and will not be registered under the Securities Act, or under the securities laws of any state of the United States, and are being offered and sold on behalf of the Company in offshore transactions (as defined in Regulation S) in accordance with an exemption from, or transaction not subject to, the registration requirements under the Securities Act;

10. it will not reoffer, sell, pledge or otherwise transfer the Placing Shares except (i) in an offshore transaction in accordance with Rule 903 or 904 of Regulation S; (ii) pursuant to an exemption from, or a transaction not subject to, registration under the Securities Act (if available); or (iii) pursuant to an effective registration statement under the Securities Act and that, in each such case, such offer, sale, pledge or transfer will be made in accordance with any applicable securities laws of any state of the United States;

11. if it is a pension fund or investment company, its acquisition of Placing Shares is in full compliance with applicable laws and regulations;

12. no representation has been made as to the availability of any other exemption under the Securities Act for the reoffer, resale, pledge or transfer of the Placing Shares;

13. participation in the Placing is on the basis that none of RBS Hoare Govett, its affiliates or any person acting on its behalf is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the Placing and that participation in the Placing is on the basis that it is not and will not be a client of RBS Hoare Govett and that RBS Hoare Govett has no duties or responsibilities to a Placee for providing protections afforded to its clients or for providing advice in relation to the Placing nor in respect of any representations, warranties, undertakings or indemnities contained in the Placing Agreement nor for the exercise or performance of any of its rights and obligations thereunder including any rights to waive or vary any conditions or exercise any termination right;

14. it will make payment to RBS Hoare Govett in accordance with the terms and conditions of this announcement on the due times and dates set out in this announcement, failing which the relevant Placing Shares may be placed with others on such terms as RBS Hoare Govett determines;

15. the person who it specifies for registration as holder of the Placing Shares will be (i) the Placee or (ii) a nominee of the Placee, as the case may be. RBS Hoare Govett and the Company will not be responsible for any liability to stamp duty or stamp duty reserve tax resulting from a failure to observe this requirement. It agrees to acquire Placing Shares pursuant to the Placing on the basis that the Placing Shares will be allotted to a CREST stock account of RBS Hoare Govett who will hold them as nominee on behalf of the Placee until settlement in accordance with its standing settlement instructions with it;

16. the allocation, allotment, issue and delivery to it, or the person specified by it for registration as holder, of Placing Shares will not give rise to a stamp duty or stamp duty reserve tax liability under (or at a rate determined under) any of sections 67, 70, 93 or 96 of the Finance Act 1986 (depository receipts and clearance services) and that it is not participating in the Placing as nominee or agent for any person or persons to whom the allocation, allotment, issue or delivery of Placing Shares would give rise to such a liability and that the Placing Shares are not being acquired in connection with arrangements to issue depository receipts or to transfer Placing Shares into a clearance system;

17. it and any person acting on its behalf falls within Article 19(5) and/or 49 (2) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended, and undertakes that it will acquire, hold, manage and (if applicable) dispose of any Placing Shares that are allocated to it for the purposes of its business only;

18. it has not offered or sold and, prior to the expiry of a period of six months from Admission, will not offer or sell any Placing Shares to persons in the United Kingdom prior to Admission except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their business or otherwise in circumstances which have not resulted and which will not result in an offer to the public in the United Kingdom within the meaning of section 85(1) FSMA;

19. it is a qualified investor as defined in section 86(7) of FSMA, being a person falling within Article 2.1(e)(i), (ii) or (iii) of the Prospectus Directive;

20. it has only communicated or caused to be communicated and it will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) relating to Placing Shares in circumstances in which section 21(1) of the FSMA does not require approval of the communication by an authorised person;

21. it has complied and it will comply with all applicable provisions of the FSMA with respect to anything done by it or on its behalf in relation to the Placing Shares in, from or otherwise involving the United Kingdom;

22. it has not offered or sold and will not offer or sell any Placing Shares to persons in the European Economic Area prior to Admission except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purpose of their business or otherwise in circumstances which have not resulted and which will not result in an offer to the public in any member state of the European Economic Area within the meaning of the Prospectus Directive (which means Directive 2003/71/EC and includes any relevant implementing measure in any member state);

23. it has complied with its obligations in connection with money laundering and terrorist financing under the Proceeds of Crime Act 2002 (as amended), the Terrorism Act 2000 (as amended) and the Money Laundering Regulations (2007) (the "Regulations") and, if making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the Regulations;

24. the Company, RBS Hoare Govett and others will rely upon the truth and accuracy of these representations, warranties, acknowledgements and agreements which are given to RBS Hoare Govett on its own behalf and on behalf of the Company and are irrevocable;

25. if it is a financial intermediary as that term is used in Article 3(2) of the Prospectus Directive, the Placing Shares purchased by it in the Placing have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in a member state of the European Economic Area which has implemented the Prospectus Directive other than Qualified Investors, or, in the circumstances in which the prior written consent of RBS Hoare Govett has been given to the offer or resale;

26. the Placing Shares will be issued subject to the terms and conditions of this Appendix; and

27. no action has been or will be taken by any of the Company, RBS Hoare Govett or any person acting on its or their behalf that would, or is intended to, permit a public offer of the Placing Shares in any country or jurisdiction where any action for that purpose is required;

28. its commitment to acquire Placing Shares on the terms set out herein will continue notwithstanding any amendment that may in future be made to the terms and conditions of the Placing and that Placees will have no right to be consulted or require that their consent be obtained with respect to the Company's or RBS Hoare Govett's conduct of the Placing;

29. it has knowledge and experience in financial, business and international investment matters as is required to evaluate the merits and risks of acquiring the Placing Shares. It further acknowledges that it is experienced in investing in securities of this nature and is aware that it may be required to bear, and is able to bear, the economic risk of, and is able to sustain, a complete loss in connection with the Placing. It has relied upon its own examination and due diligence of the Company and its associates taken as a whole, and the terms of the Placing, including the merits and risks involved; and

30. this Appendix and all documents into which this Appendix is incorporated by reference or otherwise validly forms a part will be governed by and construed in accordance with English law. All agreements to acquire shares pursuant to the Bookbuilding and/or the Placing will be governed by English law and submits (on behalf of itself and on behalf of any person on whose behalf it is acting) to the exclusive jurisdiction of the English Courts in relation thereto whether arising out of or in connection with contractual or non-contractual obligations except that proceedings may be taken by RBS Hoare Govett in any jurisdiction in which the relevant Placee is incorporated or in which any of its securities have a quotation on a recognised stock exchange.

By participating in the Placing, each Placee (and any person acting on such Placee's behalf) agrees to indemnify and hold the Company, RBS Hoare Govett and their respective Affiliates harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the representations, warranties, acknowledgements, agreements and undertakings in this Appendix and further agrees that the provisions of this Appendix shall survive after completion of the Placing.

Please also note that the agreement to allot and issue Placing Shares to Placees (or the persons for whom Placees are contracting as agent) free of stamp duty and stamp duty reserve tax in the UK relates only to their allotment and issue to Placees, or such persons as they nominate as their agents, directly by the Company. Such agreement assumes that the Placing Shares are not being acquired in connection with arrangements to issue depositary receipts or to transfer the Placing Shares into a clearance service. If there are any such arrangements, or the settlement related to other dealings in the Placing Shares, stamp duty or stamp duty reserve tax may be payable, for which neither the Company nor RBS Hoare Govett will be responsible. If this is the case, each Placee should seek its own advice and should notify RBS Hoare Govett accordingly. In addition, Placees should note that they will be liable for any capital duty, stamp duty and all other stamp, issue, securities, transfer, registration, documentary or other duties or taxes (including any interest, fines or penalties relating thereto) payable outside the UK by them or any other person on the acquisition by them of any Placing Shares or the agreement by them to acquire any Placing Shares.

When a Placee or any person acting on behalf of the Placee is dealing with RBS Hoare Govett, any money held in an account with RBS Hoare Govett on behalf of such Placee and/or any person acting on behalf of such Placee will not be treated as client money within the meaning of the relevant rules and regulations of the FSA which therefore will not require RBS Hoare

Govett to segregate such money, as that money will be held by it under a banking relationship and not as trustee.

All times and dates in this announcement may be subject to amendment. RBS Hoare Govett will notify Placees and any persons acting on behalf of the Placees of any changes.