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14 May 2008

FirstGroup plc (“FirstGroup” or the “Company”)

## PROPOSED PLACING OF UP TO 43.7 MILLION SHARES

FirstGroup today announces its intention to conduct a bookbuilt, non pre-emptive placing (the “Placing”) of up to 43.7 million new ordinary shares of 5 pence each in the capital of FirstGroup (the “Placing Shares”).

The proceeds of the Placing will be used to refinance part of the debt raised to finance the acquisition of Laidlaw International, Inc., which was announced on 9 February 2007, and which completed on 1 October 2007. The effect of the issue will be to strengthen the capital structure of the Company and its Group, at a time when it continues to invest for growth and to enhance shareholder value.

The Placing Shares are being placed, subject to the terms and conditions of the Placing Agreement, at a price (the “Placing Price”) to be agreed with the Company at the close of the bookbuilding process. The Placing Shares will represent a maximum of approximately 9.99 per cent. of FirstGroup’s current issued share capital. There has been no equity fund raising exercise by FirstGroup in the 12 months immediately preceding the date of this announcement.

JPMorgan Cazenove Limited (“JPMorgan Cazenove”) is acting as sole bookrunner to the Placing, and JPMorgan Cazenove and HSBC Bank plc (“HSBC”) (together, the “Joint Lead Managers”) are acting as joint lead managers. Demand for the Placing Shares, together with the Placing Price, will be determined through a bookbuilding process (the “Bookbuilding”). The books will open with immediate effect. It is expected that the books will close no later than 5.30 p.m. on 14 May 2008 and allocations are expected to be announced, together with the Placing Price, as soon as practicable thereafter. JPMorgan Cazenove reserves the right to close the Bookbuilding and announce allocations at any earlier or later time (with the consent of the Company). The Placing will take place in accordance with the terms and conditions set out in the Appendix to this announcement.

The Placing Shares will, when issued, be credited as fully paid and will rank equally in all respects with the existing ordinary shares of 5 pence each in the capital of the Company (“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 will be made for the Placing Shares to be admitted to the Official List maintained by the UK Listing Authority and to be admitted to trading by the London Stock Exchange plc on its market for listed securities (together, “Admission”).



This announcement is not for release, publication or distribution, directly or indirectly, in or into the United States, Canada, South Africa, Australia, Japan or any jurisdiction in which the same would be unlawful. This announcement does not constitute an offer to sell or issue, or the solicitation of an offer to buy or subscribe for, securities in the United States, Canada, South Africa, Australia or Japan or any jurisdiction in which such offer or solicitation is unlawful and should not be relied upon in connection with any decision to acquire Placing Shares or other securities in the capital of the Company. There will be no public offer of Placing Shares in the United States, the United Kingdom or elsewhere.

The distribution of this announcement and the offering or sale of the Placing Shares in certain jurisdictions may be restricted by law. No action has been taken by the Company or the Joint Lead Managers that would permit an offering of the Placing Shares or possession or distribution of this announcement or any other offering or publicity material relating to the 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 the Joint Lead Managers to inform themselves about, and to observe, any such restrictions.

This announcement is only addressed to and directed at persons in member states of the European Economic Area (“EEA”) who are “qualified investors” (“Qualified Investors”) within the meaning of Article 2(1)(e) of the EU Prospectus Directive (Directive 2003/71/EC) (the “Prospectus Directive”). Any person in the EEA who acquires any securities in the Placing or to whom any offer of securities is made will be deemed to have acknowledged and agreed that they are such a Qualified Investor.

In the case of any securities acquired by a financial intermediary as that term is used in Article 3(2) of the Prospectus Directive, such financial intermediary will also be deemed to have represented and warranted that the securities acquired by it in the Placing have not been acquired on a non-discretionary basis on behalf of, nor have they have been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of securities to the public other than an offer or resale in a member state of the EEA which has implemented the Prospectus Directive to Qualified Investors or in circumstances in which the prior consent of JPMorgan Cazenove has been given to each such proposed offer or resale.

The Company and the Joint Lead Managers and their respective affiliates, will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

Certain statements in this announcement are forward-looking statements. Such statements speak only as at the date of this announcement, are based on current expectations and beliefs and, by their nature, are subject to a number of known and unknown risks and uncertainties that could cause actual results and performance to differ materially from any expected future results or performance expressed or implied by the forward-looking statement. The information contained in this announcement is subject to change without notice and neither the Company nor the Joint Lead Managers assume any responsibility or obligation to update publicly or review any of the forward-looking statements contained herein.

This announcement has been issued by and is the sole responsibility of the Company. JPMorgan Cazenove, HSBC and their respective affiliates and agents shall have no liability for any information contained in it relating to the Company.

JPMorgan Cazenove, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting exclusively for the Company and no one else in connection with the Placing and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for providing advice in relation to the Placing or in relation to the contents of this announcement or for any other transaction, arrangement or matters referred to in this announcement.

HSBC is acting exclusively for the Company and no one else in connection with the Placing and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for providing advice in relation to the Placing or in relation to the contents of this announcement or for any other transaction, arrangement or matters referred to in this announcement.

#### APPENDIX: TERMS AND CONDITIONS

#### IMPORTANT INFORMATION ON THE PLACING FOR INVITED PLACEES ONLY.

MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING. THIS ANNOUNCEMENT, THIS APPENDIX AND THE TERMS AND CONDITIONS SET OUT HEREIN ARE FOR INFORMATION PURPOSES ONLY AND ARE 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 PERSONS WHO: (A) IN THE UNITED KINGDOM FALL WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, AS AMENDED (“THE ORDER”) OR ARE PERSONS FALLING WITHIN ARTICLE 49(2)(a) TO (d) (“HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC”) OF THE ORDER; AND (B) ARE QUALIFIED INVESTORS WITHIN THE MEANING OF SECTION 86(7) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000, AS AMENDED (“FSMA”); AND (C) HAVE BEEN INVITED TO PARTICIPATE IN THE PLACING BY JPMORGAN CAZENOVE OR HSBC (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS “RELEVANT PERSONS”).

THIS ANNOUNCEMENT AND THIS APPENDIX AND THE TERMS AND CONDITIONS SET OUT HEREIN MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. PERSONS DISTRIBUTING THE ANNOUNCEMENT AND THIS APPENDIX MUST SATISFY THEMSELVES THAT IT IS LAWFUL TO DO SO. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS APPENDIX AND THE TERMS AND CONDITIONS SET OUT HEREIN RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS. THIS ANNOUNCEMENT AND THIS

APPENDIX DO NOT THEMSELVES CONSTITUTE AN OFFER FOR SALE OR SUBSCRIPTION OF ANY SECURITIES IN THE COMPANY. THE PLACING SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”) OR UNDER THE LAWS OF ANY STATE OF THE UNITED STATES, AND MAY NOT BE OFFERED, SOLD OR TRANSFERRED, DIRECTLY OR INDIRECTLY, WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND THE SECURITIES LAWS OF ANY APPLICABLE STATE. IN THE UNITED STATES, THE OFFERING IS BEING MADE ONLY TO A LIMITED NUMBER OF “QUALIFIED INSTITUTIONAL BUYERS” IN RELIANCE ON RULE 144A UNDER THE SECURITIES ACT.

THIS ANNOUNCEMENT IS ONLY ADDRESSED TO AND DIRECTED AT PERSONS IN MEMBER STATES OF THE EUROPEAN ECONOMIC AREA WHO ARE “QUALIFIED INVESTORS” WITHIN THE MEANING OF ARTICLE 2(1)(E) OF THE PROSPECTUS DIRECTIVE.

If a Placee indicates to JPMorgan Cazenove or HSBC that it wishes to participate in the Placing by making an oral offer to acquire Placing Shares it will be deemed to have read and understood this Appendix and the announcement of which it forms part in their entirety and to be making such offer on the terms and conditions, and to be providing the representations, warranties, agreements and acknowledgements, contained in this Appendix. In particular each such Placee represents, warrants and acknowledges that it is a Relevant Person and undertakes that it will acquire, hold, manage and dispose of any Placing Shares that are allocated to it for the purposes of its business only. Further, each such Placee represents, warrants and agrees that (a) if it is a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, that the Placing Shares subscribed for and/or purchased by it in the Placing will not be acquired on a non-discretionary basis on behalf of, nor will they be acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of securities to the public other than an offer or resale in a member state of the EEA which has implemented the Prospectus Directive to Qualified Investors, or in circumstances in which the prior consent of JPMorgan Cazenove has been given to each such proposed offer or resale; and (b) it is outside the United States and is subscribing for the Placing Shares in an “offshore transaction”, within the meaning of Regulation S under the Securities Act; or if it is not outside the United States, it is, or is purchasing the Placing Shares for an account with respect to which it exercises sole investment discretion and that it (and any such account) is a qualified institutional buyer ('QIB') as such term is defined in Rule 144A under the Securities Act and has duly executed an investment letter in the form provided to it and has delivered the same to JPMorgan Cazenove or HSBC (together the “Managers”).

This Appendix and the announcement of which it forms part do not constitute an offer to sell or issue or the invitation or solicitation of an offer to buy or subscribe for Placing Shares in any jurisdiction including, without limitation, the United Kingdom, the United States, Canada, South Africa, Australia or Japan. This announcement and the information contained herein is not for release, publication or distribution, directly

or indirectly, to persons in the United States, Canada, South Africa, Australia or Japan or any jurisdiction in which the same is unlawful.

In particular, the Placing Shares referred to in this Announcement have not been and will not be registered under the Securities Act and may not be offered, sold or transferred within the United States except pursuant to an exemption from, or as part of a transaction not subject to, the registration requirements of the Securities Act. Any offering to be made in the United States will be made to a limited number of QIBs or to a non-US person (under Regulation S) in a transaction exempt from registration under the Securities Act. The Placing Shares are being offered and sold outside the United States in accordance with Regulation S under the Securities Act. The Placing Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the United States 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.

The distribution of this announcement and the placing of Placing Shares in certain other jurisdictions may be restricted by law. No action has been taken by the Joint Lead Managers or the Company 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 the Placing Shares in any jurisdiction where action for that purpose is required. Persons into whose possession this announcement comes are required by the Joint Lead Managers and the Company to inform themselves about and to observe any such restrictions.

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

JPMorgan Cazenove has been appointed sole bookrunner to the Placing and JPMorgan Cazenove and HSBC have been appointed as joint lead managers to the Placing. JPMorgan Cazenove, HSBC and JPMSL (together the “Banks”) entered into a placing agreement (the “Placing Agreement”) with the Company whereby the Joint Lead Managers have, on the terms and subject to the conditions set out therein, undertaken to use all their reasonable endeavours as agents of the Company to procure Placees to subscribe for the Placing Shares. Upon execution of terms of sale by the Company and the Banks following completion of the Bookbuilding (the “Terms of Sale”), JPMSL will, on the terms and subject to the conditions of the Placing Agreement, be required to subscribe for any Placing Shares not otherwise placed with Placees by the Joint Lead Managers.

The Placing Shares will, when issued, be credited as fully paid and will rank equally in all respects with the existing issued 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. In this Appendix, unless the context otherwise requires, “Placee” means a Relevant Person (including individuals, funds or others) by whom or on whose behalf a commitment to subscribe for Placing Shares has been given.

#### Application for listing and admission to trading

Application will be made for the Placing Shares to be admitted to the Official List maintained by the UK Listing Authority and to be admitted to trading by the London Stock Exchange plc on its market for listed securities (together, "Admission"). It is expected that Admission will take place and that dealings in the Placing Shares will commence no later than 19 May 2008.

#### Bookbuilding

Commencing today, JPMorgan Cazenove will be conducting the Bookbuilding to determine demand for participation in the Placing. The Joint Lead Managers will seek to procure Placees as part of this Bookbuilding. This Appendix gives details of the terms and conditions of, and the mechanics of participation in, the Bookbuilding and the Placing. No commissions will be paid to Placees or by Placees in respect of any Placing Shares.

#### Principal terms of the Bookbuilding

1. By participating in the Bookbuilding and the Placing, Placees will be deemed to have read and understood this announcement and this Appendix in their entirety and to be participating and making an offer for Placing Shares on the terms and conditions, and to be providing the representations, warranties, acknowledgements and undertakings, contained in this Appendix.
2. The Joint Lead Managers are arranging the Placing as agents of the Company.
3. The Joint Lead Managers and/or their affiliates are entitled to enter bids as principals in the Bookbuilding.
4. A person eligible to participate in the Placing should communicate its bid by telephone to its usual sales contact at JPMorgan Cazenove. Any bid should state the number of Placing Shares for which the person wishes to subscribe or the total monetary amount which it is offering to subscribe for Placing Shares.
5. JPMorgan Cazenove reserves the right not to accept bids or to accept bids in part rather than in whole. The acceptance of bids shall be at JPMorgan Cazenove's absolute discretion.
6. The Bookbuilding will establish a single price (the "Placing Price") payable to JPMorgan Cazenove or HSBC, as appropriate, by all Placees. Any discount to the market price of the Ordinary Shares will be determined in accordance with the Listing Rules as published by the Financial Services Authority pursuant to Part IV of FSMA, and the guidelines supported by the Association of British Insurers and National Association of Pension Funds.
7. The Bookbuilding is expected to close no later than 5.30 p.m. on 14 May 2008. The timing of the closing of the books, pricing and allocations is at the discretion of JPMorgan Cazenove and the Company. JPMorgan Cazenove may, at its sole discretion, accept bids that are received after the Bookbuilding has closed.
8. If successful, each Placee's allocation will be confirmed to it orally by JPMorgan Cazenove or HSBC following the close of the Bookbuilding, and a conditional

contract note will be dispatched as soon as possible thereafter. Oral confirmation from JPMorgan Cazenove or HSBC to such Placee, following completion of the Bookbuilding, will constitute a legally binding commitment upon such Placee to subscribe for the number of Placing Shares allocated to it on the terms and conditions set out in this Appendix and in accordance with the Company's Memorandum and Articles of Association. Each Placee will have an immediate, separate, irrevocable and binding obligation, owed to JPMorgan Cazenove or HSBC, as appropriate, 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.

9. The Company will make a further announcement following the close of the Bookbuilding detailing the Placing Price and the number of Placing Shares to be issued (the "Pricing Announcement"). It is expected that such announcement will be made as soon as practicable after the close of the Bookbuilding.

10. A bid in the Bookbuilding will be made on the terms and conditions in this Appendix and will be legally binding on the Placee by which, or on behalf of which, it is made and will not be capable of variation or revocation after the close of the Bookbuilding.

All obligations under the Placing will be subject to the fulfilment of the conditions referred to below under "Conditions of the Placing".

#### Conditions of the Placing

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

The Banks' obligations under the Placing Agreement are conditional on, inter alia:

(a) Admission occurring not later than 8.00 a.m. on 19 May 2008 (or such other time and/or date as the Company and the JPMorgan Cazenove may agree);

(b) the warranties contained in the Placing Agreement (the "Warranties") being true and accurate and not misleading at all times before Admission;

(c) to the extent material in the context of the Placing, the Company complying with its obligations under the Placing Agreement to the extent the same fall to be performed prior to Admission; and

(d) the Terms of Sale having been executed by the Company, prior to Admission and the publication of the Pricing Announcement through a Regulatory Information Service by not later than 6.30pm on 14 May 2008 or such other time and/or date as the Company and JPMorgan Cazenove may agree.

If the conditions in the Placing Agreement, including those described above, are not fulfilled or (where applicable) waived by the Banks in accordance with the Placing Agreement within the relevant time period or such later time and/or date as the Banks may agree, the Placing will lapse and a Placee's rights and obligations hereunder shall cease and determine at such time and no claim can be made by or on behalf of any Placee in respect thereof.

By participating in the Bookbuilding and Placing, each Placee agrees that its rights hereunder are conditional upon the Placing Agreement becoming unconditional in all respects and that its rights and obligations will terminate only in the circumstances described above and will not be capable of rescission or termination by it after oral confirmation by JPMorgan Cazenove or HSBC following the close of the Bookbuilding. The Banks may in their absolute discretion and upon such terms as they think fit waive fulfilment of any of the conditions (in whole or part) in the Placing Agreement or extend the time provided for fulfilment of any such conditions. The Banks reserve the right to waive or to extend the time and/or date for fulfilment of the relevant conditions of the Placing Agreement. Any such extension or waiver will not affect Placees' commitments as set out in this Appendix. None of the Banks nor 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 fulfilment of any condition in the Placing Agreement.

By participating in the Placing each Placee agrees that the exercise by the Company or the Banks of any right or other discretion under the Placing Agreement shall be within the absolute discretion of the Company and the Banks (as the case may be) and that neither the Company nor the Banks need make any reference to such Placee and that neither the Company nor the Banks 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.

#### Right to terminate under the Placing Agreement

JPMorgan Cazenove may at anytime before Admission terminate the Placing Agreement if (and in summary) it is of the opinion that there has been a material adverse change in or affecting the operations, financial or other conditions, trading position or results of operations of FirstGroup and its subsidiaries, or that a “force majeure” event as specified in the Placing Agreement has occurred, in each case, which would in its opinion be likely to materially prejudice the success of the Placing. By participating in the Placing, each Placee agrees with each of the Joint Lead Managers that the exercise by JPMorgan Cazenove of this right of termination shall be within its absolute discretion and that it need make no reference to any Placee and shall have no liability to any Placee whatsoever in connection with any such exercise.

#### No Prospectus

No prospectus has been or will be submitted to be approved by the FSA in relation to the Placing Shares and the Placees' commitments will be made solely on the basis of the information contained in this announcement. Each Placee, by accepting a participation in the Placing, agrees that the contents of this announcement are exclusively the responsibility of the Company, confirms that it has neither received nor relied on any other information, representation, warranty or statement made by or on behalf of JPMorgan Cazenove, HSBC or the Company or any other person, and that none of JPMorgan Cazenove, HSBC nor the Company nor any other person will be liable for any Placee's decision to participate in the Placing based on any such information, representation, warranty or statement. 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 and with respect to

the Placing Shares. Nothing in this paragraph shall exclude the liability of any person for fraudulent misrepresentation.

#### Registration and Settlement

Settlement of transactions in the Placing Shares following Admission will take place within the CREST system, subject to certain exceptions. JPMorgan Cazenove, HSBC and the Company reserve the right to require settlement for and delivery of the Placing Shares to Placees by such other means that they deem necessary if delivery or settlement is not possible within the CREST system within the timetable set out in this announcement or would not be consistent with the regulatory requirements in the Placee's jurisdiction.

Each Placee allocated any Placing Shares in the Placing will be sent a conditional contract note confirming the contract concluded upon acceptance of such Placee's earlier oral offer and also confirming the number of Placing Shares allocated to it, the Placing Price and the aggregate amount owed by such Placee to JPMorgan Cazenove or HSBC, as appropriate. Settlement will be on a T+3 basis and settlement is therefore expected to take place on 19 May 2008. Interest is chargeable daily on payments to the extent that value is received after the due date from Placees at the rate of 5 percentage points above prevailing LIBOR. Each Placee is deemed to agree that if it does not comply with these obligations, JPMorgan Cazenove or HSBC, as appropriate may sell any or all of the Placing Shares allocated to it on its behalf and retain from the proceeds, for its own account and benefit, an amount equal to the aggregate amount owed by the Placee plus any interest due. By communicating a bid for Placing Shares, each Placee confers on JPMorgan Cazenove or HSBC, as appropriate, all such authorities and powers necessary to carry out any such sale and agrees to ratify and confirm all actions which JPMorgan Cazenove or HSBC, as appropriate, lawfully takes in pursuance of such sale.

The relevant Placee will, however, remain liable for any shortfall below the aggregate amount owed by it and may be required to bear any stamp duty or stamp duty reserve tax (together with any interest or penalties) which may arise upon any transaction in the Placing Shares on such Placee's behalf.

If Placing Shares are to be delivered to a custodian or settlement agent, Placees should ensure that the conditional contract note is copied and delivered immediately to the relevant person within that organisation. Placees will not be entitled to receive any fee or commission in connection with the Placing.

#### Representations and Warranties

By participating in the Placing, each prospective Placee (and any person acting on such Placee's behalf):

1. represents and warrants that it has read this Appendix and the announcement of which it forms part in their entirety and undertakes not to redistribute them;
2. represents and warrants that the only information upon which it has relied in committing itself to subscribe for the Placing Shares is that contained in this announcement, for which neither JPMorgan Cazenove nor HSBC accepts any responsibility, such information being all that it deems necessary to make an

investment decision, and confirms that it has neither received nor relied on any other information, representation, warranty or statement made by or on behalf of the Company or JPMorgan Cazenove or HSBC and acknowledges that neither JPMorgan Cazenove nor HSBC nor the Company will be liable for any Placee's decision to commit itself to subscribe for Placing Shares based on any other information, representation, warranty or statement. Each Placee further represents and warrants that it has relied exclusively on its own investigation of the business, financial or other position of the Company in deciding to subscribe for Placing Shares. Nothing in this paragraph shall exclude the liability of any person for fraudulent misrepresentation;

3. represents and warrants that if it has received any confidential price sensitive information about the Company in advance of the Placing, it has not (a) dealt in the securities of the Company; (b) encouraged or required another person to deal in the securities of the Company; or (c) disclosed such information to any person, prior to the information being made generally available;

4. if the Placing Shares were offered to it in the United States, represents and warrants that in making its investment decision, (i) it has relied on its own examination of the Company and the terms of the Placing, including the merits and risks involved, (ii) it has made its own assessment of the Company, the Placing Shares and the terms of the Placing based on such information as is publicly available, (iii) it has consulted its own independent advisors or otherwise has satisfied itself concerning, without limitation, the effects of United States federal, state and local income tax laws and foreign tax laws generally and the US Employee Retirement Income Security Act of 1974, the US Investment Company Act of 1940, as amended, and the Securities Act and (iv) it has received all information that it believes is necessary or appropriate in order to make an investment decision in respect of the Company and the Placing Shares;

5. acknowledges that the Placing Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the United States or any other United States regulatory authority;

6. acknowledges that the Placing Shares are being offered and sold to it in a transaction not involving any public offering in the United States within the meaning of the Securities Act, and represents and warrants that it is either (i) a QIB and it has duly executed an investment letter in the form provided to it by either of the Joint Lead Managers, or (ii) purchasing the Placing Shares in an 'offshore transaction' in accordance with Regulation S under the Securities Act, and if it is a QIB, (i) it is subscribing for the Placing Shares for its own account, or for one or more accounts as to each of which it exercises sole investment discretion and each of which accounts is a QIB, for investment purposes, and not with a view to any distribution or for resale in connection with the distribution thereof, in whole or in part, in the United States and (ii) it has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its investment in the Placing Shares, and it and any accounts for which it is subscribing Placing Shares (i) are each able to bear the economic risk of its or their investment in the Placing Shares, (ii) will not look to the Company or the Joint Lead Managers for all or part of any such loss or losses it or they may suffer, (iii) are able to sustain a complete loss on its or their investment in

the Placing Shares, (iv) have no need for liquidity with respect to its or their investment in the Placing Shares and (v) have no reason to anticipate any change in its or their circumstances, financial or otherwise, which may cause or require any sale or distribution by it or them of all or any part of the Placing Shares;

7. acknowledges that the Placing Shares have not been and will not be registered under the Securities Act or with any State or other jurisdiction of the United States, nor approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the United States or any other United States regulatory authority, and agrees not to reoffer, resell, pledge or otherwise transfer the Placing Shares except (i) outside the United States in offshore transactions in accordance with Regulation S under the Securities Act, (ii) in the United States to QIBs pursuant to Rule 144A under the Securities Act, or (iii) pursuant to Rule 144 under the Securities Act, and in any case in compliance with all applicable laws and further agrees to notify any transferee to whom it subsequently reoffers, resells, pledges or otherwise transfers the Placing Shares of the foregoing restrictions on transfer;

8. if it is a US Placee, acknowledges that no representation has been made as to the availability of Rule 144 or any other exemption under the Securities Act for the reoffer, resale, pledge or transfer of the Placing Shares;

9. if it is a US Placee, acknowledges and understands that the Placing Shares are being offered and sold in the United States in reliance on an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and are 'restricted securities' within the meaning of Rule 144(a) (3) under the Securities Act and represents and warrants on its own behalf and on behalf of any accounts for which it is acting that, so long as the Placing Shares are restricted securities, it will not deposit the Placing Shares into any unrestricted depository facility in the United States established or maintained by any depository bank in respect of the Ordinary Shares;

10. represents and warrants that so long as the Placing Shares are "restricted securities" within the meaning of Rule 144A(a)(3) under the Securities Act, it will not deposit the Placing Shares into a depository receipt facility maintained by any depository bank in respect of the Company's Ordinary Shares;

11. represents and warrants that it is not, and at the time the Placing Shares are subscribed and purchased will not be, subscribing on behalf of a resident of Australia, Canada, South Africa or Japan;

12. acknowledges that the Placing Shares have not been and will not be registered under the securities legislation of 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 those jurisdictions;

13. represents and warrants that it, and any person acting on its behalf, is entitled to subscribe for and/or purchase Placing Shares under the laws of all relevant jurisdictions which apply to it and that it has fully observed such laws and obtained all such governmental and other guarantees and other consents which may be required thereunder and complied with all necessary formalities;

14. where it is subscribing for Placing Shares for one or more managed accounts, represents and warrants that it is authorised in writing by each managed account (i) to subscribe for the Placing Shares for each managed account, (ii) to make on its behalf the representations, warranties, acknowledgements and agreements in this Appendix and the announcement of which it forms part, and (iii) to execute and deliver an investment letter relating to the Placing in the form provided to it by JPMorgan Cazenove or HSBC, as appropriate on behalf of each managed account. Each Placee agrees to indemnify and hold the Company, JPMorgan Cazenove, HSBC 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 and warranties in this paragraph 14. Each Placee agrees that the provisions of this paragraph 14 shall survive the resale of the Placing Shares by or on behalf of the managed accounts;

15. represents and warrants that 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 liability 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 a 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;

16. if it is in the United Kingdom, represents and warrants that it has complied with its obligations in connection with money laundering and terrorist financing under the Proceeds of Crime Act 2002, the Terrorism Act 2000 and the Money Laundering Regulations 2003 (the "Regulations") and, if it is 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;

17. represents and warrants that it and any person acting on its behalf falls within section 86(7) of FSMA, being a qualified investor, and within Article 19(5) and/or 49(2) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) and is otherwise a Relevant Person and undertakes that it will acquire, hold, manage and dispose of any Placing Shares that are allocated to it for the purposes of its business only;

18. if it is a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, represents and warrants that the Placing Shares subscribed for and/or purchased by it in the Placing will not be acquired on a non-discretionary basis on behalf of, nor will they be acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of securities to the public other than an offer or resale in a member state of the EEA which has implemented the Prospectus Directive to Qualified Investors, or in circumstances in which the prior consent of JPMorgan Cazenove has been given to each such proposed offer or resale;

19. represents and warrants that it has not offered or sold and, prior to the expiry of a period of six months from the commencement of trading of the Placing Shares, will not offer or sell any Placing Shares to persons in the United Kingdom except to qualified investors (as defined in section 86(7) of FSMA) or otherwise in circumstances which have not resulted and which will not result in an offer of

transferable securities to the public in the United Kingdom within the meaning of Section 85(1) of FSMA;

20. represents and warrants that it has not offered or sold and will not offer or sell any Placing Shares to persons in the EEA 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 any member state of the EEA within the meaning of the Prospectus Directive including any relevant implementing measures in any member state.

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

22. represents and warrants that it is not acting in concert (within the meaning given in the City Code on Takeovers and Mergers) with any other Placee or any other person in relation to the Company;

23. represents and warrants that it has complied and will comply with all applicable provisions of FSMA with respect to anything done by it in relation to the Placing Shares in, from or otherwise involving the United Kingdom;

24. represents and warrants that it has all necessary capacity and has obtained all necessary consents and authorities to enable it to commit to this participation and to perform its obligations in relation thereto (including, without limitation, in the case of any person on whose behalf it is acting, all necessary consents and authorities to agree to the terms set out or referred to in this announcement (including this Appendix));

25. undertakes that it will pay JPMorgan Cazenove or HSBC, as appropriate, for the Placing Shares acquired by it in accordance with the terms of this announcement (including this Appendix) on the due time and date set out herein, failing which the relevant Placing Shares may be sold to other persons at such price as JPMorgan Cazenove or HSBC, as appropriate, may determine and without liability to such Placee, and that it will remain liable for any shortfall between the net proceeds of such sale and the aggregate amount owed by it and may be required to bear any stamp duty or stamp duty reserve tax (together with any interest or penalties due pursuant to the terms set out or referred to in this announcement) which may arise upon the sale of such Placee's Placing Shares on its behalf;

26. acknowledges that participation in the Placing is on the basis that, for the purposes of the Placing, it is not and will not be a client of JPMorgan Cazenove or HSBC and that neither JPMorgan Cazenove nor HSBC has any duties or responsibilities to it for providing the protections afforded to its clients nor for providing advice in relation to the Placing nor in respect of any representations, warranties, undertakings or indemnities contained in the Placing Agreement or the contents of this Announcement;

27. undertakes that the person who it specifies for registration as holder of the Placing Shares will be (i) itself or (ii) its nominee, as the case may be. Neither JPMorgan Cazenove nor HSBC nor the Company will be responsible for any liability to stamp duty or stamp duty reserve tax resulting from a failure to observe this requirement. Each Placee and any person acting on behalf of the Placee agrees to subscribe on the basis that the Placing Shares will be allotted to the CREST stock account of JPMorgan Cazenove on behalf of the Joint Lead Managers who will hold them as nominee on behalf of the Placee until settlement in accordance with its standing settlement instructions;

28. undertakes to pay any capital duty, stamp duty or stamp duty reserve tax and all other stamp, issue, securities, transfer, registration, documentary or other similar duties or taxes payable or otherwise required to be paid in respect of the allotment, issue, delivery or transfer of the Placing Shares or any interest therein to or by it, or the acquisition or disposal of, or in connection with any agreement to subscribe or for the allotment, issue, delivery or transfer of, the Placing Shares or any interest therein to it or by it pursuant to or as a result of the arrangements contemplated by the Placing Agreement or this Appendix or in connection with the issue, execution or delivery of the Placing Agreement or this Appendix and any interest or penalties payable in respect thereof and to indemnify (on an after tax basis) and hold harmless the Banks, the Company and their respective agents to the extent that the Banks and/or the Company pay or are or become liable to pay any amount in respect of such duties and taxes. References in this paragraph 28 to Placing Shares include any interest in, or rights to allotment of, or rights to subscribe for or options to subscribe, Placing Shares. No Bank shall be liable to pay any amount pursuant to this paragraph 28;

29. acknowledges that any agreements entered into by it pursuant to these terms and conditions shall be governed by and construed in accordance with the laws of England and it submits (on behalf of itself and on behalf of any Placee on whose behalf it is acting) to the exclusive jurisdiction of the English courts as regards any claim, dispute or matter arising out of any such contract, except that enforcement proceedings in respect of the obligation to make payment for the Placing Shares (together with any interest chargeable thereon) may be taken by JPMorgan Cazenove and/or HSBC 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;

30. agrees that the Company, JPMorgan Cazenove, HSBC and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings which are given to each of JPMorgan Cazenove and HSBC on its own behalf and on behalf of the Company and are irrevocable; and

31. agrees to indemnify and hold the Company, JPMorgan Cazenove and HSBC 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.

No UK stamp duty or stamp duty reserve tax should be payable to the extent that the Placing Shares are issued into CREST to, or to the nominee of, a Placee who holds those shares beneficially (and not as agent or nominee for any other person) within the CREST system and registered in the name of such Placee or such Placee's nominee provided that the Placing Shares are not issued to a person whose business is or includes issuing depositary receipts or the provision of clearance services or to an agent or nominee for any such person.

Any arrangements to issue or transfer the Placing Shares into a depositary receipts system or a clearance service or to hold the Placing Shares as agent or nominee of a person to whom a depositary receipt may be issued or who will hold the Placing Shares in a clearance service, or any arrangements subsequently to transfer the Placing Shares, may give rise to UK stamp duty and/or stamp duty reserve tax, for which neither the Company nor JPMorgan Cazenove nor HSBC will be responsible and the Placee to whom (or on behalf of whom, or in respect of the person for whom it is participating in the Placing as an agent or nominee) the allocation, allotment, issue or delivery of Placing Shares has given rise to such UK stamp duty or stamp duty reserve tax undertakes to pay such UK stamp duty or stamp duty reserve tax forthwith and to indemnify on an after-tax basis and to hold harmless the Company, JPMorgan Cazenove, and HSBC in the event that the Company and/or JPMorgan Cazenove and/or HSBC has incurred any such liability to UK stamp duty or stamp duty reserve tax.

Stamp, registration, documentary, transfer and similar taxes or duties payable outside the UK will be the responsibility of the relevant Placee and the Placee, or the Placee's nominee, in respect of whom (or in respect of the person for whom it is participating in the Placing as an agent or nominee) the allocation, allotment, issue or delivery of Placing Shares has given rise to such non-UK stamp, registration, documentary, transfer or similar taxes or duties undertakes to pay such taxes and duties forthwith and to indemnify on an after-tax basis and to hold harmless the Company and JPMorgan Cazenove and HSBC in the event that any of the Company and/or JPMorgan Cazenove and/or HSBC has incurred any such liability to such taxes or duties.

All times and dates in this announcement may be subject to amendment. JPMorgan Cazenove shall notify the Placees and any person acting on behalf of the Placees of any changes.

JPMorgan Cazenove, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting exclusively for the Company and no one else in connection with the Placing and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for providing advice in relation to the Placing or in relation to the contents of this announcement or for any other transaction, arrangement or matters referred to in this announcement.

HSBC is acting exclusively for the Company and no one else in connection with the Placing and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for providing advice in relation to the Placing or in relation to the contents of this announcement or for any other transaction, arrangement or matters referred to in this announcement.

