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**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document, or the action you should take, you are recommended to seek your own financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser who, if you are taking advice in the United Kingdom, is duly authorised under the Financial Services and Markets Act 2000.**

If you have sold or otherwise transferred all of your ordinary shares in International Public Partnerships Limited (“**the Company**”), you should send this document, together with the accompanying Form of Proxy, at once to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee.

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# INTERNATIONAL PUBLIC PARTNERSHIPS LIMITED

(incorporated in Guernsey with registered no 45241)

**Circular to Shareholders  
and  
Notice of Annual General Meeting**

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**Your attention is drawn to the letter from the Chairman of the Board of Directors of the Company, which is set out in Part 1 of this document and which contains your Board's recommendation that you vote in favour of each of the resolutions to be proposed at the Annual General Meeting referred to below. The whole of the text of this document should be read.**

Notice of the Annual General Meeting of the Company to be held at 2.45pm on 21 June 2012 at the offices of Heritage International Fund Managers Limited, Lefebvre Place, Lefebvre Street, St Peter Port, Guernsey is set out in Part 2 of this document.

A Form of Proxy is enclosed with this notice. To be effective, the instrument appointing a proxy (together with any power of attorney or other authority under which it is executed or a duly certified copy of such power) must be sent to the Company's Registrar, Capita Registrars Limited, 34 Beckenham Road, Beckenham, Kent BR3 4TU, England, by 2.45pm on 19 June 2012.

Dated 25 May 2012

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## EXPECTED TIMETABLE

Deadline for receipt of Form of Proxy	2.45pm on 19 June 2012
Annual General Meeting	2.45pm on 21 June 2012
Admission and commencement of dealings in the New Shares issued pursuant to the Issue	25 June 2012

**References to times in this document are to times in London, United Kingdom unless otherwise stated.**

**The above times and/or dates may be subject to change and, in the event of such change, the revised times and/or dates will be notified to Shareholders by an announcement through a Regulatory Information Service.**

# PART 1: LETTER FROM THE CHAIRMAN

## INTERNATIONAL PUBLIC PARTNERSHIPS LIMITED

(incorporated in Guernsey with registered number 45241)

### Directors

Keith Dorrian (Chairman)  
Rupert Dorey  
Giles Frost  
Carol Goodwin  
John Whittle

Registered Office  
Heritage Hall  
PO Box 225  
Le Marchant Street  
St Peter Port  
Guernsey  
GY1 4HY

25 May 2012

To the Shareholders:

Dear Shareholder

### Introduction

This Circular is being sent to Shareholders to convene the Annual General Meeting of the Company on 21 June 2012. Part 2 of this Circular contains the Notice of Annual General Meeting which sets out the resolutions to be proposed at the meeting (the “**Resolutions**”). As with last year’s notice of annual general meeting, explanatory notes and certain other information on the Annual General Meeting follow the Notice of Annual General Meeting, and can be found in Part 3 of this Circular.

The first ten Resolutions are substantially the same as the resolutions proposed to Shareholders at the Company’s annual general meeting on 25 May 2011. However, Resolution 11 is new and relates to the Company’s intention to raise new equity capital through the issue of New Shares pursuant to a Placing, Open Offer and Offer for Subscription at an Issue Price of 116.25 pence per New Share (the “**Issue**”). Resolution 11 (the “**Issue Pre-Emption Resolution**”) is a resolution to disapply the pre-emption rights contained in the Company’s Articles in relation to the Issue to enable the Issue to be made on a non-pre-emptive basis.

Shareholders should note that the Issue Pre-Emption Resolution is different and entirely separate from Resolution 10, which is substantially similar to the resolution approved by Shareholders on 25 May 2011 to disapply of the pre-emption rights in the Company’s Articles in relation to future tap issues and payments of incentive fee to the Company’s investment adviser.

A Prospectus relating to the Issue and which contains further details of the Issue will be sent separately to Qualifying Shareholders only. The Issue is conditional on the passing by Shareholders of the Issue Pre-Emption Resolution, although it is not conditional on the passing of any other Resolution. Part 3 of this Circular contains more details on the Issue.

### Notice of Annual General Meeting

Set out in Part 2 of this Circular is the notice convening the Annual General Meeting of the Company to be held at 2.45pm on 21 June 2012 at the offices of Heritage International Fund Managers Limited, Lefebvre Place, Lefebvre Street, St Peter Port, Guernsey.

### Action to be taken

**Shareholders should read the whole of this document carefully. If Shareholders are unsure as to the contents of this document or as to what action they should take, they are recommended to seek immediately their own personal financial advice from an appropriately qualified independent adviser authorised pursuant to the Financial Services and Markets Act 2000.**

Enclosed with this Circular is a Form of Proxy for use by the Shareholders at the Annual General Meeting. Whether or not Shareholders intend to attend the Annual General Meeting, Shareholders should return the Form of Proxy (together with any power of attorney or other authority under which it is executed or a duly certified copy of such power) to the Company’s Registrar, Capita Registrars Limited, 34 Beckenham Road, Beckenham, Kent BR3 4TU, England, as soon as possible and in any event not later than 2.45pm on 19 June 2012. Completion and return of the Form of Proxy will not prevent Shareholders entitled to attend and vote at the Annual General Meeting from attending and voting in person at the Annual General Meeting, should they wish to do so.

### **Recommendation and Directors' Voting Intentions**

The Board considers that the Resolutions and the Issue are in the best interests of the Company and its Shareholders as a whole and accordingly the Directors unanimously recommend all Shareholders to vote in favour of each of the Resolutions as they (or their related persons as applicable) intend to do in respect of their own beneficial holdings in the Company's share capital set out below.

	Ordinary Shares of 0.01p each held	Percentage of total issued share capital
Keith Dorrian*	44,205	0.008%
Rupert Dorey**	493,687	0.092%
Giles Frost	275,000	0.051%
Carol Goodwin***	33,983	0.006%
John Whittle*	34,875	0.007%

\* Shares held through a retirement annuity trust.

\*\* All shares are owned by Mr Dorey's spouse.

\*\*\* Shares held through an investment company.

### **Documents available for inspection**

Copies of the Prospectus and this Circular will be available for inspection during normal business hours on any day (Saturdays, Sundays and public holidays excepted) at the registered office of the Company and at the offices of Hogan Lovells International LLP at Atlantic House, Holborn Viaduct, London EC1A 2FG up to and including the close of business on 21 June 2012.

Yours faithfully

**Keith Dorrian**

Chairman

# PART 2: NOTICE OF ANNUAL GENERAL MEETING

**INTERNATIONAL PUBLIC PARTNERSHIPS LIMITED** (registered in Guernsey with Registration Number 45241) (the “**Company**”)

**NOTICE is hereby given that the Annual General Meeting of the Company is to be held at Lefebvre Place, Lefebvre Street, St Peter Port, Guernsey, at 2.45pm on 21 June 2012 for the transaction of the following business:**

## **Ordinary Resolutions**

1. To receive and adopt the audited accounts, the Directors' report, and the Auditors' report for the period ended 31 December 2011.
2. To approve the Directors' remuneration for the period ended 31 December 2011.
3. To re-appoint Rupert Dorey as Director of the Company, retiring in accordance with the Company's articles of incorporation (the “**Articles**”).
4. To re-appoint Giles Frost as Director of the Company, retiring in accordance with the UKLA Listing Rules.
5. To note and sanction an interim dividend in respect of the six months ended 30 June 2011 of 2.925 pence per share and an interim dividend in respect of the six months ended 31 December 2011 of 2.925 pence per share which are in line with the statements made in the Company's Prospectus dated 16 December 2009.
6. To reappoint Ernst & Young LLP, of Royal Chambers, St Julians Avenue, St. Peter Port, Guernsey, GY1 4AF as Auditors of the Company and to hold office until the next Annual General Meeting.
7. To authorise the Directors to determine Ernst & Young LLP's remuneration.
8. THAT, in accordance with Article 108A of the Articles, the Board may, in respect of dividends declared for any financial period or periods of the Company ending prior to the annual general meeting of the Company to be held in 2013, offer the holders of the ordinary shares in the capital of the Company of par value 0.01 penny each (the “**Ordinary Shares**”) the right to elect to receive further Ordinary Shares, credited as fully paid, in respect of all or any part of such dividend or dividends declared in respect of any such period or periods.

## **SPECIAL RESOLUTIONS**

9. To approve that the Company generally be and is hereby authorised for the purposes of section 315 of the Companies (Guernsey) Law, 2008 as amended (the “**Law**”) to make market acquisitions (as defined in the Law) of Ordinary Shares provided that:
  - (a) The maximum number of Ordinary Shares authorised to be purchased shall be 14.99 per cent. of the Ordinary Shares in issue immediately following this annual general meeting (excluding treasury shares);
  - (b) The minimum price (exclusive of expenses) which may be paid for such shares is £0.01 per Ordinary Share;
  - (c) The maximum price (exclusive of expenses) payable by the Company which may be paid for Ordinary Shares shall be the higher of (i) 5 per cent. above the average market value for the five business days before the purchase is made and (ii) the higher of the price of the last independent trade and the highest independent bid at the time of the purchase for any number of Ordinary Shares on the trading venue where the purchase price is carried out;
  - (d) The authority hereby conferred shall (unless previously renewed or revoked) expire at the end of the annual general meeting of the Company to be held in 2013 or, if earlier, the date falling eighteen months from the passing of this resolution;
  - (e) The Company may make a contract to purchase its own Ordinary Shares under the authority hereby conferred prior to the expiry of the above authority which will or may be executed wholly or partly after the expiry of such authority, and may make a purchase of its own Ordinary Shares in pursuance of any such contract; and
  - (f) any Ordinary Share acquired by the Company pursuant to the above authority may, subject to the requirements of the Law, be held as a treasury share in accordance with the Law or be cancelled by the Company.
10. THAT the Directors of the Company from time to time (the “**Board**”) be and are hereby generally empowered in accordance with Article 40(4) of the Articles (in substitution for any existing such power or authority other than pursuant to resolution 11) to allot up to:
  - (i) the aggregate number of Ordinary Shares as represent less than 10 per cent. of the number of Ordinary Shares already admitted to trading on the London Stock Exchange's main market for listed securities immediately following the passing of this resolution and
  - (ii) such number of Ordinary Shares as may be agreed between the Company and the provider from time to time of investment advisory services to the Company (the “**Investment Adviser**”) in lieu of a cash payment in respect of the Investment Adviser's entitlement to an incentive fee (if any) pursuant to the investment advisory agreement between the Company and the Investment Adviser prevailing at the time, in each case as if the pre-emption provisions contained in Article 40(1) of the Articles did not apply to any such allotment, provided that this power shall (unless previously revoked, varied or renewed by the Company) expire on the conclusion of the annual general meeting of the Company to be held in 2013, save that the Company may make prior to such expiry any offer or agreement which would or might require shares to be allotted after expiry of such period and the Board may allot Ordinary Shares pursuant to such an offer or agreement notwithstanding the expiry of the authority given by this resolution.

11. THAT the Board be and are generally empowered in accordance with Article 40(4) of the Articles (in substitution for any existing such power or authority other than pursuant to resolution 10) to allot up to 232,258,065 Ordinary Shares for cash, as if the pre-emption provisions contained in Article 40(1) of the Articles did not apply to any such allotment, provided that:

- (a) this power shall (unless previously revoked, varied or renewed by the Company) expire on the conclusion of the annual general meeting of the Company to be held in 2013, save that the Company may make prior to such expiry any offer or agreement which would or might require shares to be allotted after expiry of such period and the Board may allot shares pursuant to such an offer or agreement notwithstanding the expiry of the authority given by this resolution; and
- (b) this power shall be limited to the allotment of ordinary shares of 0.01 pence each in the Company's capital in connection with the placing, open offer and offer for subscription (as such terms are defined in the prospectus issued by the Company dated 24 May 2012, a copy of which is produced to the meeting and initialled by the Chairman for the purposes of identification).

25 May 2012

*Registered office:*  
 Heritage Hall  
 PO Box 225  
 Le Merchant Street  
 St Peter Port  
 Guernsey

By order of the Board  
 Heritage International Fund Managers Limited,  
 Company Secretary

Notes:

1. A member who is entitled to attend, speak and vote at the meeting is entitled to appoint one or more proxies to attend, speak and vote on behalf of him. The proxy need not be a member of the Company.
2. A Form of Proxy is enclosed with this notice. To be effective, the instrument appointing a proxy (together with any power of attorney or other authority under which it is executed or a duly certified copy of such power) must be sent to the Company's Registrar, Capita Registrars Limited, 34 Beckenham Road, Beckenham, Kent BR3 4TU, England, by 2.45pm on 19 June 2012. A corporation may execute a proxy under its common seal or by the hand of a truly authorised officer or other agent. Completion and return of the Form of Proxy will not preclude shareholders from attending and voting in person at the meeting.
3. An ordinary resolution of the members means a resolution passed by a simple majority.
4. A special resolution of the members means a resolution passed by a majority of not less than 75%.
5. The Form of Proxy is valid for use at the Annual General Meeting and any adjournment thereof.
6. More than one proxy may be appointed provided each proxy is appointed to exercise the rights attached to different shares. A member who wishes to appoint more than one proxy may obtain additional Forms of Proxy from Capita Registrars and must indicate clearly on each proxy form the number of shares it is instructing that proxy in respect of.
7. A member is not entitled to take part in the Annual General Meeting or vote at the same (whether personally or by representative or proxy) unless the following conditions have been satisfied: (i) all calls and amounts due from him to the Company have been paid; (ii) in respect of any Ordinary Shares he has acquired, he has been registered as their holder; and (iii) if and for so long as the Directors determine, he or any other person appearing to be interested in the Ordinary Shares held by him has complied with any notice requiring the disclosure of Shareholders' interests.
8. In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, only those members entered on the register of members of the Company at close of business on 19 June 2012 shall be entitled to attend or vote at the meeting in respect of the number of shares registered in their name at that time. Changes to entries on the register of members after that time shall be disregarded in determining the rights of any person to attend or vote at that meeting.
9. The register of directors' interests kept by the Company shall be open to the inspection of any member of the Company between the hours of 10.00am and noon for a period beginning fourteen days before and ending three days after the Annual General Meeting and from the commencement until the conclusion of the Annual General Meeting.
10. The total issued share capital of the Company as at the date of this Notice is 534,234,191 ordinary shares of 0.01p each. Pursuant to the Company's Articles, every member (being an individual) present in person or by proxy or (being a corporation) present by a duly authorised representative shall have one vote on a show of hands, and one vote per Ordinary Share (or fraction of an Ordinary Share held by him) on a poll (other than the Company itself where it holds its own shares as treasury shares).
11. As at the date of this Notice of Annual General Meeting, there are no outstanding warrants and/or options to subscribe for Ordinary Shares.

# PART 3: EXPLANATORY NOTES

## **Directors' remuneration report - resolution 2**

Guernsey-registered companies are not obliged to prepare and publish a Directors' Remuneration Report. However, the Company has included details of its Directors' remuneration within the annual report and accounts and an ordinary resolution will be put to shareholders seeking approval of the Directors' remuneration.

## **Scrip dividends - resolution 8**

This resolution renews the power, given by the Company's Shareholders at the last annual general meeting, for the Board to offer Shareholders the right to elect to receive further Ordinary Shares, credited as fully paid, instead of cash in respect of all or any part of any dividend (a scrip dividend). The Board believes that the ability for shareholders to receive future dividends from the Company wholly or partly in the form of new ordinary shares in the Company will be advantageous for the Company as it will benefit from the ability to retain cash which would otherwise be paid as dividends. It may also benefit certain shareholders depending on their tax status.

## **Market purchases - resolution 9**

This resolution renews the share buy-back authority that was given by the Company's shareholders at last year's annual general meeting. Resolution 9 gives the Board authority to make market purchases of the Company's own shares, up to 14.99 per cent. of the Company's issued share capital (as at the time immediately following the passing of the resolution) and subject to minimum and maximum purchase prices. This authority will only be invoked if, after taking proper advice, the Directors consider that benefits will accrue to shareholders generally.

## **Disapplication of pre-emption rights for tap issues and investment adviser's fee - resolution 10**

This resolution, a standard resolution for investment companies listed under Chapter 15 of the UK Listing Rules, renews the authority given to the Board at last year's general meeting to allot Ordinary Shares for cash without first offering them to existing holders on a pro rata basis. The number of shares allotted under part (i) of this power must be less than 10 per cent. of the number of Ordinary Shares admitted to trading on London Stock Exchange plc's main market for listed securities immediately following the passing of this resolution.

The Board does not currently intend to allot shares under part (i) of the power other than to take advantage of opportunities in the market as they arise, and only if they believe it would be advantageous to the Company's shareholders to do so. The Board also confirms that no allotment of new shares will be made unless the lowest market offer price of the shares is at least a premium to the latest published net asset value. This also applies to the issue of Ordinary Shares, credited as fully paid, in lieu of all or any part of the cash payment in respect of the Investment Adviser's entitlement to an incentive fee (if any). The Board believes that the ability to issue Ordinary Shares in these circumstances may be advantageous for the Company as it will benefit from the ability to retain cash which would otherwise be paid to the Investment Adviser.

## **Disapplication of pre-emption rights in relation to the Issue - resolution 11**

### **Background to and reasons for the Issue**

The Company is targeting a fundraising of £180 million, with the ability to increase the size of the fundraising by a further 50 per cent., by way of an issue of New Shares which will rank pari passu in all respects with Existing Ordinary Shares. The Company expects to deploy the Issue proceeds first in repayment of the Company's existing debt facility (in respect of which approximately £18.1 million is currently outstanding) and then to the extent repayment is not required to acquire Further Investments. While the Company retains its focus on providing long term sustainable income to investors coupled with capital growth generated by the Company's existing portfolio, the Company believes that additional value can be created for Shareholders by continuing to acquire further investments. The Company considers that there are a number of potential investment opportunities available to the Company which could be value accretive to investors and fall within the Company's core investment criteria. The Issue will provide the Company with funds to capitalise on these opportunities.

The Directors believe that raising additional capital will benefit both new Shareholders and Existing Shareholders as, to the extent that further investments are acquired at attractive prices, this benefit will be shared across all Shareholders. Specifically the Directors believe that the Issue will have the following benefits:

- The Company will be able to seek to acquire further investments (including the pipeline investments that are described in the Prospectus) that it believes will further diversify the Company's asset base.
- The Company will be able to repay existing borrowings, which will then be available for re-drawing.
- Both Existing Shareholders and new investors will have the opportunity to subscribe for further Shares in the Company.
- The market capitalisation of the Company will increase, and the secondary market liquidity in the Company's Shares is expected to be enhanced.
- The Company's fixed running costs will be spread across a wider Shareholder base.

The maximum number of New Shares that can be allotted under the Issue to which the disapplication would apply is 232,258,065, which equals 43.47 per cent. of the Company's total issued share capital as at the date of this circular.

### **Overview of the Issue**

The Issue Price at which New Shares would be issued pursuant to the Issue is 116.25 pence per New Share. The Issue Price represents a discount of 0.6 per cent. to the closing price of 116.9 pence per Existing Ordinary Share as at the close of business on 22 May 2012 (being the latest practicable date prior to the publication of this document) and a premium of 0.9 per cent. to the Estimated Net Asset Value per Existing Ordinary Share (as at 17 May 2012).

The Issue comprises a Placing, an Open Offer and an Offer for Subscription. The Placing and Offer for Subscription are subject to scaling back at the discretion of the Directors in favour of each other and in favour of the Open Offer.

Application has been made for the New Shares to be admitted to the premium segment of the Official List and to trading on the London Stock Exchange's main market for listed securities. The New Shares to be issued pursuant to the Issue will rank pari passu in all respects with the Existing Ordinary Shares.

### ***The Open Offer***

The Open Offer will be made to Qualifying Shareholders at the Issue Price, on the terms and subject to the conditions of the Open Offer, on the basis of:

#### **1 New Share for every 6 Existing Ordinary Shares held on the Record Date**

Qualifying Shareholders that take up all of their Open Offer Entitlements may also apply under the Excess Application Facility for additional New Shares that they would otherwise not be entitled to. The Excess Application Facility will be comprised of Open Offer Shares which are not taken up by Qualifying Shareholders pursuant to their Open Offer Entitlement, fractional entitlements under the Open Offer and any New Shares that the Directors determine should be reallocated from the Placing and/or the Offer for Subscription to satisfy demand from Qualifying Shareholders in preference to prospective new investors under the Placing and/or the Offer for Subscription.

The Open Offer is being made on a pre-emptive basis to Qualifying Shareholders. The Open Offer is not subject to scaling back from either the Placing or the Offer for Subscription. The Directors have the discretion to scale back the Placing and/or the Offer for Subscription in favour of the Open Offer by reallocating New Shares that would otherwise be available under the Placing and/or the Offer for Subscription to be available to Qualifying Shareholders through the Excess Application Facility under the Open Offer.

The Directors have the discretion to determine the basis of allotment between Qualifying Shareholders under the Excess Application Facility, any scaling back of the Placing and/or the Offer for Subscription and any increase in the size of the Issue (up to 50 per cent. of the targeted amount). In exercising this discretion, the Directors generally intend to give priority to Existing Shareholders over prospective new Shareholders, although the Directors will seek to balance the benefits to the Company of allowing Existing Shareholders to maintain or increase the size of their relative Shareholdings with expanding the Shareholder base of the Company.

### ***The Placing and the Offer for Subscription***

The Offer for Subscription is only being made to the public in the United Kingdom. Neither the Placing nor the Offer for Subscription is being made on a pre-emptive basis to Existing Shareholders. As noted above, the Directors have the discretion to scale back the Placing and/or the Offer for Subscription in favour of Existing Shareholders under the Open Offer. Any New Shares that are available under the Open Offer and are not taken up by Qualified Shareholders pursuant to their Open Offer Entitlements under the Excess Application Facility will be reallocated to and be available for subscription under the Placing and/or the Offer for Subscription.

### ***Rationale for the structure of the Issue***

The Company examined a number of options for raising equity and has concluded that the combination of the Placing, the Open Offer and the Offer for Subscription allows Existing Shareholders to participate in the Issue by subscribing for their Open Offer Entitlements on a pre-emptive basis as well as applying for further New Shares under the Open Offer (by virtue of the Excess Application Facility), while providing the Company with the flexibility to raise the desired quantum of equity capital via the combined Placing and Offer for Subscription from new investors.

### ***Matters requiring Shareholder approval relating to the Issue***

Under Article 40(1) of the Company's Articles, the Company may not allot any Shares for cash to any person unless it has made an offer to each Shareholder to allot to that Shareholder on the same or more favourable terms a proportion of those Shares which is as nearly as practicable equal to the proportion of the aggregate of all Shares of such class in issue represented by Shares of such class held by such Shareholder.

The Placing and the Offer for Subscription will not be on a pre-emptive basis and the Open Offer is being made on terms other than those prescribed in the Company's Articles. As such, the pre-emption right in Article 40(1) described above needs to be disapplied to allow the Company to proceed with the Issue pursuant to the Issue Pre-emption Resolution. Under the Articles, this must be approved by a special resolution of the Company (being 75 per cent. of Shareholders in attendance at the Annual General Meeting on a show of hands or, if a poll is demanded, those voting by number of Ordinary Shares held, whether in person or by proxy).

# PART 4: DEFINITIONS

The following definitions apply throughout this document unless the context requires otherwise:

<b>“Annual General Meeting”</b>	means the annual general meeting of the Company to be held on 21 June 2012 (or any adjournment thereof), notice for which is set out in Part 2 of this document;
<b>“Articles”</b>	means the articles of incorporation of the Company in force from time to time;
<b>“Circular”</b>	means this document;
<b>“Company”</b>	means International Public Partnerships Limited, a company incorporated under the laws of Guernsey with registered number 45241;
<b>“Directors” or “Board”</b>	means the directors from time to time of the Company (or, where the context so requires, any duly constituted committee thereof), and <b>“Director”</b> is to be construed accordingly;
<b>“Estimated Net Asset Value”</b>	means the estimated net asset value based on unaudited financial information, but using the same methodology as is used for the half-yearly net asset values as calculated by the Company’s investment adviser, as at 17 May 2012;
<b>“Excess Application Facility”</b>	means the arrangement pursuant to which Qualifying Shareholders may apply for additional New Shares in excess of their Open Offer Entitlement (Excess Shares) in accordance with the terms and conditions of the Open Offer;
<b>“Excess Shares”</b>	means: (a) New Shares that are not taken up by Qualifying Shareholders pursuant to their Open Offer Entitlement and are available to other Qualifying Shareholders; together with (b) New Shares that the Directors have reallocated from the Placing and/or Offer for Subscription to be available to Qualifying Shareholders, and in each case that are offered to Qualifying Shareholders under the Excess Application Facility;
<b>“Excluded Shareholders”</b>	means Shareholders with a registered address in or who are located in the United States or one of the Excluded Territories;
<b>“Excluded Territories”</b>	means Australia, Canada, Japan, South Africa and New Zealand and any other jurisdiction where the extension or availability of the Open Offer (and any other transaction contemplated thereby) would breach any applicable law or regulation;
<b>“Existing Ordinary Share”</b>	means an Ordinary Share that is in issue as at the date of this Circular;
<b>“Existing Shareholder”</b>	means a holder of an Existing Ordinary Share;
<b>“Form of Proxy”</b>	means the form of proxy for use by Shareholders in respect of the Annual General Meeting;
<b>“FSA”</b>	means the UK Financial Services Authority;
<b>“Issue”</b>	means the issue of New Shares pursuant to the Placing, the Open Offer and the Offer for Subscription which is conditional (inter alia) on the passing of the Issue Pre-emption Resolution at the Annual General Meeting;
<b>“Issue Pre-emption Resolution”</b>	means the resolution to be proposed at the Annual General Meeting in connection with the Issue disapplying pre-emption rights in respect of the Issue;
<b>“Issue Price”</b>	means 116.25 pence per New Share;
<b>“London Stock Exchange”</b>	means London Stock Exchange plc;
<b>“New Shares”</b>	means the Ordinary Shares to be issued under the terms set out in the Prospectus and having the rights set out in the Articles and <b>“New Share”</b> shall be construed accordingly;
<b>“Offer for Subscription”</b>	means the offer for subscription to the public in the UK of New Shares on the terms set out in the Prospectus and (where applicable) in the Subscription Form;
<b>“Official List”</b>	means the official list maintained by the UK Listing Authority;

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<b>“Open Offer”</b>	means the offer to Qualifying Shareholders, constituting an invitation to apply for New Shares, on the terms and subject to the conditions set out in the Prospectus and, in the case of Qualifying Non-CREST Shareholders, the Open Offer Application Form;
<b>“Open Offer Application Form”</b>	means the personalised application form on which Qualifying Non-CREST Shareholders who are registered on the register of members of the Company as at the Record Date may apply for New Shares (including Excess Shares under the Excess Application Facility) under the Open Offer;
<b>“Open Offer Entitlement”</b>	means the entitlement of Qualifying Shareholders to apply for Open Offer Shares on the basis of 1 Open Offer Share for every 6 Existing Ordinary Shares held and registered in their names on the Record Date;
<b>“Open Offer Shares”</b>	means the New Shares being offered in aggregate to Qualifying Shareholders pursuant to the Open Offer together, where the context requires, with Excess Shares available under the Excess Application Facility;
<b>“Ordinary Shares”</b>	means ordinary shares of 0.01 penny each in the capital of the Company;
<b>“Placing”</b>	means the placing of New Shares pursuant to the Issue Agreement;
<b>“Prospectus”</b>	means the prospectus for the Company in relation to the Issue dated on or around the date of this Circular;
<b>“Qualifying Non-CREST Shareholders”</b>	means Qualifying Shareholders holding Existing Ordinary Shares in certificated form;
<b>“Qualifying Shareholders”</b>	means holders of Existing Ordinary Shares on the register of members of the Company at the Record Date, other than the Excluded Shareholders;
<b>“Record Date”</b>	means the close of business on 23 May 2012;
<b>“Regulatory Information Service”</b>	means a regulatory information service approved by the FSA and on the list of Regulatory Information Services maintained by the FSA;
<b>“Resolutions”</b>	means, collectively, the resolutions to be proposed at the Annual General Meeting;
<b>“Share”</b>	means a share of any class in the capital of the Company;
<b>“Shareholder”</b>	means a registered holder of a Share;
<b>“Subscription Form”</b>	means the subscription form attached to the Prospectus for use in connection with the Offer for Subscription;
<b>“UK” or “United Kingdom”</b>	means the United Kingdom of Great Britain and Northern Ireland;
<b>“UK Listing Authority” or “UKLA”</b>	means the FSA in its capacity as a competent authority for listing in the UK pursuant to Part VI of the Financial Markets and Services Act 2000 (as amended); and
<b>“US” or “United States”</b>	means the United States of America its territories and possessions any state of the United States and the District of Columbia.



