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9 March 2006

Catlin Group Limited

Issue of equity

Catlin Group Limited (“Catlin” or the “Group”), the international property and casualty insurer and reinsurer, today announces a bookbuilt cash placing (the “Placing”) of up to 7,704,900 new common shares, representing approximately 5 per cent. of the Group’s issued stockholders’ equity.

Catlin has also released today its preliminary results for the year ended 31 December 2005, contained in a separate announcement.

The funds raised from the Placing, together with plans to raise approximately \$150 million of subordinated debt in the coming months, will provide Catlin with additional financial flexibility to take advantage of the underwriting opportunities Catlin sees in 2006 and beyond while further strengthening the Group’s capital position. Catlin has withstood an unprecedented level of hurricane loss in 2005 and its stockholders’ equity, which has been unimpaired by this loss, remains strong.

2006 is likely to present good new underwriting opportunities across many parts of the Group’s portfolio and it expects growth in all of its platforms, not least at Catlin US and in the network of overseas offices. To ensure that it is well positioned to develop these opportunities, it is proposing to increase its capital by placing up to 7,704,900 new common shares, approximately 5 per cent. of the Group’s share capital. The Group also intends to improve its debt structure in the coming months, raising approximately \$150 million of subordinated debt, giving further financial flexibility.

Stephen Catlin, CEO of Catlin, said:

“We see significant underwriting opportunities in 2006 and beyond. The raising of this capital will give us further strength and financial flexibility to take advantage of these opportunities.”

JPMorgan Cazenove Limited (“JPMorgan Cazenove”) is acting as Sole Bookrunner and Joint Lead Manager for the Placing. UBS Limited (“UBS” or “UBS Investment Bank”) is acting as Joint Lead Manager for the Placing. In this announcement, reference to the “Managers” shall denote JPMorgan Cazenove and UBS.

The proposed issue of up to 7,704,900 new common shares of \$0.01 each in the share capital of the Company (the “Placing Shares”) will take place at a price established through an accelerated bookbuilding process (the “Bookbuilding Process”). It is expected that the books will close no later than 4.30 p.m. on 9 March 2006 and pricing and allocations are expected to be set as soon as practicable thereafter. JPMorgan Cazenove reserves the right to close the bookbuilding process and announce pricing and allocations at any earlier or later time. The

Placing will take place in accordance with the terms and conditions set out in the Appendix to this announcement.

The Placing Shares will be credited as fully paid and will rank equally in all respects with the existing common shares of \$0.01 each in the share capital of the Company ("Common Shares"), including the right to receive all dividends and other distributions declared, made or paid after the date of issue of the Placing Shares, including (without limitation) the final dividend referred to in the Company's preliminary results announcement of earlier today. Application will be made to the Financial Services Authority (the "FSA") for the Placing Shares to be admitted to the Official List maintained by the FSA and to trading by the London Stock Exchange plc (the "Exchange") on its market for listed securities ("Admission").

Placees who wish to hold their investment in the Company in uncertificated form will not be issued with Common Shares but with dematerialised depositary interests issued by Capita IRG Trustees Limited (the "Depositary") as depositary in respect of underlying Common Shares. The Depositary Interests are created pursuant to and issued on the terms of a deed poll executed by the Depositary in favour of the holders of Depositary Interests from time to time. The underlying Common Shares will be issued by the Company to the Depositary and will be subject to the existing depositary agreement between the Company and the Depositary. Full details of these depositary arrangements are contained in the listing particulars published by the Company at the time of its original listing. References to Placing Shares in this announcement should, as the context requires, be construed as including the Common Shares and the Common Shares in the form of such Depositary Interests.

Settlement for any Placing Shares issued pursuant to the Placing, as well as Admission, is expected to take place on 14 March 2006.

This summary should be read in conjunction with the full text of the following announcement.

The Placing Shares have not been registered under the U.S. Securities Act of 1933 and may not be offered or sold in the United States absent registration or an applicable exemption from registration under the Securities Act and applicable state securities laws. This announcement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any state in which such offer, solicitation or sale would be unlawful. Catlin does not propose to offer or sell the Placing Shares to the public in the United States.

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This announcement does not constitute an invitation to underwrite, subscribe for or otherwise acquire or dispose of any Common Shares. Past performance is no guide to future performance and any investment decision to buy Placing Shares must be made solely on the basis of Publicly Available Information (as defined in the Appendix). Persons needing advice should consult an independent financial adviser.

This announcement is not for publication or distribution, directly or indirectly, in or into the United States, Canada, Australia, Japan, South Africa or any jurisdiction in which the same would be unlawful. This announcement is for information only and does not constitute an offer or invitation to acquire or dispose of Shares in the United States or any jurisdiction in which the same would be unlawful. The shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the requirements of the Securities Act. There will be no public offer of 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, JPMorgan Cazenove or UBS that would permit an offering of such shares or possession or distribution of this announcement or any other offering or publicity material relating to such shares in any jurisdiction where action for that purpose is required. Persons into whose possession this announcement comes are required by the Company, JPMorgan Cazenove and UBS to inform themselves about, and to observe, any such restrictions.

This announcement is the sole responsibility of the Company. 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 JPMorgan Cazenove or UBS or by any of their respective 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 hereby expressly disclaimed.

JPMorgan Cazenove, which is authorised and regulated by the FSA, is acting for the Company in connection with the Placing and no one else and will not be responsible to anyone other than the Company for providing the protections afforded to clients of JPMorgan Cazenove nor for providing advice in relation to the Placing.

UBS is acting for the Company in connection with the Placing and no one else and will not be responsible to anyone other than the Company for providing the protections afforded to clients of UBS nor for providing advice in relation to the Placing.

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. THE ANNOUNCEMENT, THIS APPENDIX AND THE TERMS AND CONDITIONS SET OUT HEREIN ARE FOR INFORMATION PURPOSES ONLY AND ARE DIRECTED ONLY AT PERSONS WHO: (A) HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS FALLING WITHIN ARTICLE 19(1) 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"); (B) ARE QUALIFIED INVESTORS WITHIN THE MEANING OF SECTION 86(7) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 ("FSMA"); AND (C) HAVE BEEN INVITED TO PARTICIPATE IN THE PLACING BY JPMORGAN CAZENOVE OR UBS (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "RELEVANT PERSONS"). 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. 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 APPENDIX DOES NOT ITSELF CONSTITUTE AN OFFER FOR SALE OR SUBSCRIPTION OF ANY SECURITIES IN THE COMPANY.

If you have been invited and choose to participate in the Placing by making an oral offer to acquire Placing Shares you 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 and acknowledgements, contained in this Appendix. In particular you represent, warrant and acknowledge that you are a Relevant Person. Further, you represent and agree that you are either (a) a "qualified institutional buyer" (as defined in Rule 144A under the Securities Act) or (b) you are outside the United States and are subscribing for Placing Shares in an "offshore transaction" (within the meaning of Regulation S). See the "Representations and Warranties" section below in this Appendix for further representations and warranties you will be deemed to make by participating in the Bookbuilding. Qualified institutional buyers will be deemed to have made certain additional representations, warranties and acknowledgements contained in an investor letter in a form provided to them on behalf of the Managers.

This Appendix and the announcement of which it forms part do not constitute an offer to sell or the invitation or solicitation of an offer to buy or subscribe for Common Shares in the United States, Canada, Australia, Japan, South Africa or in any jurisdiction in which such offer or solicitation is unlawful (the "Restricted Jurisdictions") and the information contained herein is not for publication or distribution, directly or indirectly, to persons in any Restricted Jurisdiction (except to qualified institutional buyers to whom offers may be made in accordance with the terms of the Placing Agreement (as defined below)). In particular, this appendix and the announcement of which it forms part are not an offer for sale of the securities in the United States, and the securities may not be sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended. Accordingly, the Placing Shares may not (unless an exemption under the relevant securities

laws is applicable) be offered, sold, resold or delivered, directly or indirectly, in or into the United States, Canada, Australia, Japan, South Africa or any other jurisdiction outside the United Kingdom. Overseas Shareholders (including, without limitation, nominees and trustees) who have a contractual or other legal obligation to forward a copy of this Appendix or the announcement of which it forms part to a jurisdiction outside the United Kingdom should seek appropriate advice before taking any action.

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 JPMorgan Cazenove, UBS or the Company that would permit an offer of such Common Shares or possession or distribution of this announcement or any other offering or publicity material relating to such Common Shares in any jurisdiction where action for that purpose is required. Persons into whose possession this announcement comes are required by JPMorgan Cazenove, UBS and the Company to inform themselves about and to observe any such restrictions.

Details of the Placing Agreement, the Placing Shares and Depositary Interests

JPMorgan Cazenove has been appointed sole bookrunner and joint lead manager to the Placing. UBS has been appointed joint lead manager to the Placing. JPMorgan Cazenove, UBS and J.P. Morgan Securities Ltd. (together the "Banks") have entered into a placing agreement (the "Placing Agreement") with the Company whereby JPMorgan Cazenove and UBS have, on the terms and subject to the conditions set out therein, undertaken to use their respective reasonable endeavours as agents of the Company to procure Placees to subscribe for the Placing Shares. The Placing is not underwritten, save as to settlement risk by Placees. Underwriting of such settlement risk is by J.P. Morgan Securities Ltd. in respect of Placees procured by JPMorgan Cazenove and by UBS in respect of Placees procured by it. Any subscription amounts received by JPMorgan Cazenove and/or UBS in respect of the Placing Shares are received as agent for and on behalf of the Company in accordance with the terms of the Placing Agreement.

The Placing Shares will be credited as fully paid and will rank equally in all respects with the existing issued Common Shares including the right to receive all dividends and other distributions declared, made or paid in respect of such Common Shares after the date of issue of the Placing Shares, including (without limitation) the final dividend referred to in the Company's preliminary results announcement of earlier today. In this Appendix, unless the context otherwise requires, "Placee" or "you" 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.

Placees who wish to hold their investment in the Company in uncertificated form will not be issued with Common Shares but with Depositary Interests issued by Capita IRG Trustees Limited as the Depositary. The Depositary Interests are created pursuant to and issued on the terms of a deed poll executed by the Depositary in favour of the holders of the Depositary Interests from time to time (the "Deed Poll"). The underlying Common Shares will be issued by the Company to the Depositary and will be subject to the existing depositary agreement between the Company and the Depositary (the "Depositary Agreement"). Full details of these depositary arrangements are contained in the listing particulars published by the Company at the time of its original listing.

Application for listing and admission to 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 the Exchange for admission to trading of the Placing Shares on its market for listed securities. It is expected that Admission will take place and that dealings in the Placing Shares will commence no later than 14 March 2006.

Bookbuilding

Commencing today, JPMorgan Cazenove will be conducting an accelerated bookbuilding process (the "Bookbuilding Process") for participation in the Placing. JPMorgan Cazenove and UBS as Managers will seek to procure Placees as part of this Bookbuilding Process. This Appendix gives details of the terms and conditions of, and the mechanics of participation in, the Bookbuilding Process. No commissions will be paid to Placees or by Placees in respect of any Placing Shares.

Principal terms of the Bookbuilding Process

1. JPMorgan Cazenove and UBS are arranging the Placing as agents of the Company.
2. Participation will only be available to persons invited to participate by JPMorgan Cazenove and UBS.
3. JPMorgan Cazenove and UBS are entitled to enter bids as principal in the Bookbuilding Process.
4. The Bookbuilding Process will establish a single price (the "Placing Price") payable by all Placees. The Placing Price will be agreed between JPMorgan Cazenove and the Company following completion of the Bookbuilding Process and any discount to the market price of the Common Shares will be determined in accordance with the Listing Rules and IPC guidelines.
5. Once you have been invited to bid in the Bookbuilding Process, you should communicate your bid to your usual sales contact at JPMorgan Cazenove or UBS, as the case may be. Your bid should state the number of Placing Shares for which you wish to subscribe or the total monetary amount which you are offering to subscribe for Placing Shares at either the Placing Price which is ultimately established by the Company and JPMorgan Cazenove or at prices up to a price limit specified in your bid.
6. 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.
7. The Bookbuilding Process is expected to close no later than 4.30 p.m. on 9 March 2006, but may be closed earlier or later at the sole discretion of JPMorgan Cazenove. JPMorgan Cazenove may, at its sole discretion, accept bids that are received after the Bookbuilding Process has closed.
8. If successful, your allocation will be confirmed to you orally following the close of the Bookbuilding Process, and a conditional contract note will be dispatched as soon as possible thereafter. Oral confirmation from JPMorgan Cazenove or UBS (as the case

may be) to you, following completion of the Bookbuilding Process, will constitute a legally binding commitment upon you to subscribe for the number of Placing Shares allocated to you on the terms and conditions set out in this Appendix and in accordance with the Company's Memorandum and Articles of Association and Bye-laws and (where applicable) the Deed Poll and the Depositary Agreement.

9. The Company will make a further announcement following the close of the Bookbuilding Process detailing the number of Placing Shares to be issued and the price at which the Placing Shares have been placed (the "Pricing Announcement"). It is expected that such announcement will be made by as soon as practicable after the close of the Bookbuilding Process.
10. A bid in the Bookbuilding Process 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 Process.

Conditions of the Placing

The Placing is conditional, inter alia, on

- (a) admission of the Placing Shares to the Official List becoming effective and the admission of the Placing Shares to trading on the Exchange's market for listed securities becoming effective and the commencement of trading of the Placing shares on such market following admission by no later than 8.00 a.m. on 14 March 2006 (or such later time and/or date as the Company and the Banks 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) the Company complying with its obligations under the Placing Agreement; and
- (d) the Deed Poll and the Depositary Agreement not having been terminated.

If (i) the conditions above are not satisfied or (where applicable) waived by the Banks within the stated time period or (ii) the Placing Agreement is terminated in the circumstances specified below, the Placing will lapse and your rights and obligations hereunder shall cease and determine at such time and no claim can be made by you in respect thereof.

By participating in the Bookbuilding Process you agree that your rights hereunder are conditional upon the Placing Agreement becoming unconditional in all respects and that your rights and obligations will terminate only in the circumstances described above (or otherwise in circumstances in which the Banks may be entitled to terminate the Placing Agreement) and will not be capable of rescission or termination by you. The Banks reserve the right (with the agreement of the Company) to waive or to extend the time and/or date for fulfilment of any of the conditions in the Placing Agreement. Any such extension or waiver will not affect Placees' commitments. None of the Banks 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 it may make as to whether or not to waive or to extend the time and/or date for the satisfaction of any condition in the Placing Agreement.

Right to terminate under the Placing Agreement

The Banks may by notice in writing to the Company prior to commencement of trading in the Placing Shares terminate their obligations under the Placing Agreement if (inter alia):

- (a) any Warranty is not true or accurate, or is misleading, by reference to facts and circumstances at any time prior to Admission in a way that is material in the context of the Placing;
- (b) the Company fails in any material respect to comply with its obligations under the Placing Agreement;
- (c) in the opinion of the Banks, there has been a material adverse change in or affecting the Company's group taken as a whole; or
- (d) in the opinion of the Banks there has been, in any way that would prejudice the success of the Placing: (i) a change in national or international financial, political, economic or stock market conditions; (ii) an incident of terrorism, outbreak or escalation of hostilities, war, declaration of martial law or other calamity or crisis; (iii) a suspension or material limitation in trading of securities generally on any stock exchange; or (iv) any change in currency exchange rates or exchange controls or a disruption of settlement systems or a material disruption in commercial banking.

By participating in the Bookbuilding Process you agree with the Banks that the exercise by them of any right or termination or other discretion under the Placing Agreement shall be within their absolute discretion and that the Banks need make no reference to you, and shall have no liability to you whatsoever, in connection with such discretion or any exercise of it.

No Prospectus

Invitations to subscribe for the Placing Shares are being made to a limited number of specifically invited persons only and will not be offered in such a way as to require a prospectus in the United Kingdom. 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, the Pricing Announcement, and any information publicly announced to a Regulatory Information Service by or on behalf of the Company prior to the date of this announcement (together, the "Publicly Available Information"). In addition, as the Placing Shares are not being offered in such a way in the United Kingdom so as to require a prospectus, then, pursuant to the provisions of the Companies Act 1981 of Bermuda, the Company will not be required to publish and file a prospectus with the Registrar of Companies in Bermuda in reliance upon the Company's exemption from filing in the United Kingdom under the provisions of, and a regulated by, the Financial Services Authority. Each Placee, by accepting a participation in the Placing, agrees that the contents of this announcement and the Company's results announcement of earlier today are exclusively the responsibility of the Company, that it has neither received nor relied on any other information, representation, warranty or statement made by or on behalf of JPMorgan Cazenove, UBS and the Company, and that JPMorgan Cazenove and UBS will not be liable for any Placee's decision to accept this invitation 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. 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. Each of JPMorgan Cazenove and UBS reserves the right to require settlement for and delivery of the Placing Shares to Placees procured by it by such other means that it deems 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.

If you are allocated any Placing Shares in the Bookbuilding Process you will be sent a conditional contract note confirming the contract concluded upon acceptance of your earlier oral offer and also confirming the Placing Price and the aggregate amount due in respect of your allocation of Placing Shares. Settlement will be on a T+3 basis and settlement is therefore expected to take place on 14 March 2006. Interest is chargeable daily on payments to the extent that value is received after the due date at the rate of 5 percentage points above prevailing LIBOR. If you do not comply with these obligations, JPMorgan Cazenove or UBS (as the case may be) may sell your Placing Shares on your behalf and retain from the proceeds, for its own account and benefit, an amount equal to the Placing Price plus any interest due. You will, however, remain liable for any shortfall below the Placing Price and you 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 your behalf. If Placing Shares are to be delivered to a custodian or settlement agent, please ensure that the conditional contract note is copied and delivered immediately to the relevant person within that organisation. You will not be entitled to receive any fee or commission in connection with the Placing.

Representations and Warranties

By participating in the Bookbuilding Process you (and any person acting on your behalf):

1. represent and warrant that you have read this Appendix and the announcement of which it forms part and undertake not to redistribute it;
2. represent and warrant that the only information upon which you have relied in committing yourself to subscribe for the Placing Shares is that contained in this announcement and the Company's results announcement of earlier today for which the Managers accept no responsibility and confirm that you have neither received nor relied on any other information, representation, warranty or statement made by or on behalf of the Company or the Managers;
3. you represent and warrant that you are not, and at the time the Placing Shares are subscribed and purchased will not be, subscribing on behalf of a resident of Australia, Canada, Japan, South Africa, the United States (other than a U.S. resident that is a qualified institutional buyer to whom offers may be made in accordance with the terms of the Placing Agreement) or any other Restricted Jurisdiction;

4. acknowledge that the Placing Shares have not been and will not be registered under the securities legislation of Australia, Canada, Japan, South Africa, the United States or any other Restricted Jurisdiction and, subject to certain exceptions, may not be offered, sold, taken up, renounced or delivered or transferred, directly or indirectly, within Australia, Canada, Japan, South Africa, the United States or any other Restricted Jurisdiction;
5. represent and warrant that you are entitled to subscribe for and/or purchase Placing Shares under the laws of all relevant jurisdictions which apply to you and that you have 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;
6. where you are subscribing for Placing Shares for one or more managed accounts, represent and warrant that you are 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 and agreements in this Appendix and the announcement of which it forms part, and (iii) to receive on its behalf any investment letter relating to the Placing in the form provided to you by JPMorgan Cazenove or UBS, as the case may be. You agree to indemnify and hold the Company, the Managers 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 6. You agree that the provisions of this paragraph 6 shall survive the resale of the Placing Shares by or on behalf of the managed accounts;
7. acknowledge that the Placing Shares have not been and will not be registered under the Securities Act, or under the securities laws of any state of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirement of the Securities Act.
8. represent and warrant that you (a) are subscribing for the Placing Shares in an "Offshore Transaction" in accordance with Regulation S or a "qualified institutional buyer" acquiring the Placing Shares pursuant to Rule 144A and (b) are not purchasing the Placing Shares with a view to distributing such shares in the United States;
9. represent and warrant that the issue to you, or the person specified by you 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);
10. if you are in the UK, you represent and warrant that you have complied with your obligations in connection with money laundering under the Proceeds of Crime Act 2002, the Terrorism Act 2003 and the Money Laundering Regulations 2003 (the "Regulations") and, if you are making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by you to verify the identity of the third party as required by the Regulations;
11. represent and warrant that you fall within section 86(7) of FSMA, being a qualified investor, and within Article 19 and/or 49 of the Financial Services and Markets Act

2000 (Financial Promotion) Order 2005 and undertake that you will acquire, hold, manage or dispose of any Placing Shares that are allocated to you for the purposes of your business;

12. represent and warrant that you have 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 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) of FSMA, as amended;
13. represent and warrant that you have 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;
14. represent and warrant that you are 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;
15. represent and warrant that you have complied and will comply with all applicable provisions of FSMA with respect to anything done by you in relation to the Placing Shares in, from or otherwise involving the United Kingdom;
16. represent and warrant that you have all necessary capacity and have obtained all necessary consents and authorities to enable you to commit to this participation and to perform your obligations in relation thereto (including, without limitation, in the case of any person on whose behalf you are acting, all necessary consents and authorities to agree to the terms set out or referred to in this announcement);
17. undertake that you will pay for the Placing Shares acquired by you in accordance with the terms of this announcement on the due time and date set out herein, failing which the relevant Placing Shares may be placed with other subscribers at such price as JPMorgan Cazenove or UBS (as the case may be) may determine;
18. acknowledge that participation in the Placing is on the basis that, for the purposes of the Placing, you are not and will not be a client of JPMorgan Cazenove or UBS and neither of them has any duties or responsibilities to you for providing the protections afforded to their respective 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;
19. undertake that the person who you specify 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. None of JPMorgan Cazenove, UBS and 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 or UBS (as the case may be) who will hold them as nominee on behalf of the Placee until settlement in accordance with its standing settlement instructions;

20. undertake 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 you, 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 you or by you 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 21 to Placing Shares include any interest in, or rights to allotment of, or rights to subscribe for or options to subscribe, Placing Shares. Neither Bank shall be liable to pay any amount pursuant to this paragraph 21;
21. acknowledge that any agreements entered into by the Placee pursuant to these terms and conditions shall be governed by and construed in accordance with the laws of England and you submit (on behalf of yourself and on behalf of any Placee on whose behalf you are acting) to the exclusive jurisdiction of the English courts as regards any claim, dispute or matter arising out of any such contract.

The Company, JPMorgan Cazenove, UBS and others will rely upon the truth and accuracy of the foregoing representations, warranties and acknowledgements.

You agree to indemnify and hold harmless the Company and the Banks from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach by you (or any person on whose behalf you are acting) of the representations, warranties, acknowledgements, agreements and undertakings in this Appendix and further agree that the provisions of this Appendix shall survive after completion of the Placing.