

This document is important and requires your immediate attention. If you are in any doubt about what action you should take, you are recommended to consult your stockbroker, solicitor, accountant or other financial adviser. If you have sold or transferred all your shares, you should send this document together with any accompanying documents to the purchaser or to the stockbroker or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

Registered number: 07063562

Registered office: Unit 60, The Runnings, Cheltenham, Gloucestershire, GL51 9NW

20 August 2010

SUPERGROUP PLC

Dear Shareholder

Notice of Annual General Meeting ('AGM')

I have pleasure in sending you the Notice of this year's AGM to be held at The Cheltenham Ladies' College, Bayshill Road, Cheltenham, Gloucestershire, GL50 3EP, on 23 September 2010 at 11.30 a.m. The AGM is the Board's opportunity to present the Company's performance to shareholders and to listen and respond to your questions. This letter explains the business to be conducted at the AGM. Full details of the meeting and the resolutions that will be put to shareholders are set out in the enclosed Notice of Meeting.

Resolution 1 – To receive the Annual Report

The directors ask that shareholders receive the Annual Report and accounts for the period ended 2 May 2010, together with the report of the auditors.

Resolution 2 – Approval of the Directors' Remuneration Report

In accordance with the Companies Act 2006, the Remuneration Report (as set out in the Annual Report), sets out the pay and benefits received by each of the directors for the period ending 2 May 2010.

Resolutions 3 to 12 - Election of directors

The Company's Articles of Association require directors to retire at the next AGM following their appointment and offer themselves for election. Given that this is the Company's first AGM, all the directors are retiring and offering themselves for election.

Biographical details of all directors can be found in the Annual Report.

Resolutions 13 and 14 - Appointment of the auditors and authority for the directors to determine their remuneration

On the recommendation of the Audit Committee, the Board proposes that PricewaterhouseCoopers LLP be appointed as the auditors of the Company, to hold office until the conclusion of the next general meeting at which accounts are laid before the Company. Resolution 14 proposes that the directors be authorised to determine the level of the auditors' remuneration.

Resolution 15 - Authority to allot shares

In connection with the Company's recent listing, shareholders authorised the directors, under section 551 of the Companies Act 2006, to allot ordinary shares and grant other share rights without the prior consent of shareholders. It is proposed to seek renewal of this authority and to so authorise the directors for the period until the AGM in 2011 or if sooner 1 November 2011. The £1,317,909 nominal amount of the ordinary shares to which this authority relates represents approximately 33 per cent of the nominal amount of issued share capital of the Company as at the date hereof. As at the date of this Notice no shares are held by the Company in treasury.

Resolution 16 - Disapplication of pre-emption rights

Also in connection with the Company's recent listing, the directors were empowered to allot ordinary shares for cash without first being required to offer such shares to existing shareholders pursuant to section 561 of the Companies Act 2006. It is proposed that this authority also be renewed for the same period as the authority under Resolution 15. The £197,686 nominal amount of ordinary shares to which this authority relates represents approximately 5 per cent of the issued share capital of the Company as at the date hereof.

Resolution 17 - Share Buyback Authority

This special resolution seeks authority for the Company to make market purchases of its own shares. If passed, the resolution gives authority for the Company to purchase up to 7,907,455 ordinary shares, representing approximately 10 per cent of the Company's issued share capital as at the date hereof.

The resolution specifies the minimum and maximum prices which may be paid for any shares purchased under this authority. The authority will expire at the AGM in 2011 or if sooner 1 November 2011.

The directors only intend to exercise the authority to purchase shares where they consider that such purchases will be in the best interests of shareholders generally and will result in an increase in earnings per share.

The Company may either cancel any shares it purchases under this authority or transfer them into treasury (and subsequently sell or transfer them out of treasury or cancel them).

Resolution 18 - Long-Term Incentive Plan (to be known as a Performance Share Plan)

Following a review of market practice, the Remuneration Committee has concluded that it needs to introduce a competitive, market consistent long-term incentive arrangement to enable it to recruit, retain and incentivise senior management within the Group. The SuperGroup Performance Share Plan has been designed to reward management appropriately for achieving the Company's strategic objectives and to provide an appropriate level of long-term performance pay. Resolution 18 is being put forward to approve the SuperGroup Performance Share Plan, the main terms of which are summarised in the Appendix to this Notice.

Resolution 19 – Notice Period for General Meetings

The Company's Articles of Association, state that the notice period for a general meeting (other than an AGM) shall be 14 clear days' notice. Under the Companies Act 2006, the notice period for general meetings of a company has been extended to 21 days, with the ability for companies to reduce this period to 14 days (other than for an AGM). Resolution 19 seeks approval for a shorter notice period. This would not be used as a matter of routine for a general meeting of shareholders, but only where the directors believed that the business of a particular meeting merited a 14 day notice period. If approved by shareholders, the authority will apply until the conclusion of the 2011 AGM of the Company.

Dividend

As stated in the Annual Report, no dividend will be proposed in respect of the financial period ended on 2 May 2010.

Form of Proxy

You will find enclosed a Proxy form to enable you to cast your vote in respect of the AGM. You are asked to complete and return it in the reply paid envelope provided to the Company's Registrar as soon as possible and, in any event, not less than 48 hours before the time for holding the AGM.

For those shareholders who hold their shares in the Nominee Service you will find enclosed a Form of Instruction to enable you to cast your vote in respect of the AGM. You are asked to complete and return it in the reply paid envelope provided to the Company's Registrar as soon as possible, and in any event, not less than four business days before the time for holding the AGM.

The return of either the Proxy form or Form of Instruction will not prevent you from attending the AGM and voting in person should you so wish, but please see further details in the 'Notes' section of this document and on the respective voting forms.

Your vote is important to us – you can:

- register your Proxy vote electronically by logging on to our Registrars' website;
- complete and return the enclosed Proxy form or Form of Instruction;
- attend and vote at the AGM.

Voting

The voting form enclosed invites you to vote in one of three ways for each resolution: 'for', 'against' or 'vote withheld'.

Recommendation

The directors believe that the proposals set out in the Notice of Meeting are in the best interests of the Company and its shareholders and recommend you give them your support by voting in favour of all of the resolutions, as they intend to in respect of their own shareholdings.

Yours sincerely



Peter Bamford
Chairman

NOTICE OF ANNUAL GENERAL MEETING

SUPERGROUP PLC

NOTICE OF MEETING

Notice is hereby given that the Annual General Meeting of SUPERGROUP PLC will be held at The Cheltenham Ladies' College, Bayshill Road, Cheltenham, Gloucestershire, GL50 3EP on 23 September 2010 at 11.30 a.m. for the purposes set out below:

Resolutions 1 to 15 and 18 will be proposed as ordinary resolutions and resolutions 16, 17 and 19 will be proposed as special resolutions.

- 1 To receive the Company's Annual Report of the directors and auditors for the financial period ended 2 May 2010.
- 2 To approve the Remuneration Report.
- 3 To elect Peter Bamford as a director.
- 4 To elect Julian Dunkerton as a director.
- 5 To elect James Holder as a director.
- 6 To elect Chas Howes as a director.
- 7 To elect Theofilos Karpathios as a director.
- 8 To elect Diane Savory as a director.
- 9 To elect Keith Edelman as a director.
- 10 To elect Steven Glew as a director.
- 11 To elect Ken McCall as a director.
- 12 To elect Indira Thambiah as a director.
- 13 To appoint PricewaterhouseCoopers LLP as auditors of the Company to hold office until the conclusion of the next general meeting at which accounts are laid before the Company.
- 14 To authorise the directors to fix the remuneration of the auditors.
- 15 The directors be generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 (the 'Act') to allot shares in the Company or grant rights to subscribe for or to convert any securities into shares in the Company up to a maximum aggregate nominal amount of £1,317,909; provided that this authority shall expire on the date of the next annual general meeting of the Company after the passing of this resolution or, if earlier, 1 November 2011, save that the Company may before such expiry make an offer or agreement which would or might require shares to be allotted or rights to subscribe for, or to convert any security into, shares to be granted after such expiry and the directors may allot shares or grant rights to subscribe for, or to convert any security into shares, in pursuance of such an offer or agreement as if the authority conferred had not expired. This resolution revokes and replaces all unexercised authorities previously granted to the directors to allot shares or grant rights for or to convert any securities into shares but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities.
- 16 THAT subject to and conditional on the passing of resolution 15, the directors be empowered pursuant to section 570 of the Act to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority given by resolution 15 as if section 561(1) of the Act did not apply to any such allotment provided that this power shall be limited to:
 - (i) the allotment of equity securities in connection with a rights issue or any other offer to holders of ordinary shares in proportion (as nearly as practicable) to their respective holdings and to holders of other equity securities as required by the rights of those securities or as the directors otherwise consider necessary, but subject to such exclusions or other arrangements as the directors deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange;
 - (ii) the allotment (otherwise than pursuant to sub-paragraph (i) above) of equity securities up to an aggregate nominal value of £197,686;

and this authority shall expire on the date of the next annual general meeting of the Company after the passing of this resolution or, if earlier, 1 November 2011 save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of such an offer or agreement as if the power conferred hereby has not expired.

- 17 THAT the Company be and is hereby generally and unconditionally authorised to make market purchases (within the meaning of Section 693(4) of the Companies Act 2006 (the "Act") of ordinary shares of 5p each in the capital of the Company ("ordinary shares") provided that:
- (a) the maximum number of ordinary shares which may be purchased is 7,907,455 ordinary shares;
 - (b) the maximum price (excluding expenses) which may be paid for any ordinary shares is the higher of (i) an amount equal to 5% above the average of the middle market quotations for an ordinary share as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the ordinary share is purchased and (ii) the amount stipulated by article 5(1) of the Buy-Back and Stabilisation Regulations 2003 (being the higher of the price of the last independent trade and the highest current independent bid for an ordinary share on the trading venues where the market purchases by the Company will be carried out pursuant to the authority conferred by this Resolution 17);
 - (c) the authority to purchase conferred by this resolution shall expire on the date of the annual general meeting of the Company or, if earlier, 1 November 2011 save that the Company may, before such expiry, enter into a contract to purchase ordinary shares under which such purchases will or may be completed or executed wholly or partly after the expiration of this authority and may make a purchase of ordinary shares in pursuance of any such contract; and
 - (d) all ordinary shares purchased pursuant to the said authority shall be either:
 - (i) cancelled immediately upon completion of the purchase; or
 - (ii) held, sold, transferred or otherwise dealt with as treasury shares in accordance with the provisions of the Act.
- 18 THAT the rules of the SuperGroup Performance Share Plan (the "Plan"), referred to in the Chairman of the Board's letter to shareholders dated 18 August 2010 and produced in draft to this meeting and, for the purposes of identification, initialed by the Chairman, be approved and the directors be authorised to:
- (a) make such modifications to the Plan as they may consider appropriate to take account of the requirements of best practice and for the implementation of the Plan and to adopt the Plan as so modified and to do all such other acts and things as they may consider appropriate to implement the Plan; and
 - (b) establish further plans based on the Plan but modified to take account of local tax, exchange control or securities laws in overseas territories, provided that any shares made available under such further plans are treated as counting against the limits on individual or overall participation in the Plan.
- 19 THAT a general meeting other than an annual general meeting may be called on not less than 14 clear days' notice.

By order of the Board,



Wendy Edwards

Company Secretary

20 August 2010

Registered office:

Unit 60, The Runnings, Cheltenham, Gloucestershire, GL51 9NW

NOTES:-

- 1 A member entitled to attend and vote is entitled to appoint a proxy or proxies to attend, speak and vote on his/her behalf at the meeting. If more than one proxy is appointed each proxy must be appointed in respect of different shares held by that member. A proxy need not be a member of the Company. A form of proxy is enclosed. The appointment of a proxy will not prevent a shareholder from subsequently attending and voting at the meeting in person, in which case any votes cast by the proxy will be excluded.
- 2 To be effective the signed instrument appointing a proxy, and (failing prior registration) any letter or power of attorney under which it is executed (or a duly certified copy thereof) must be deposited at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, not less than 48 hours before the AGM. (Please refer to the section overleaf regarding holders within the Nominee Service).

As an alternative to completing the hard copy proxy form, shareholders can appoint a proxy electronically by going to the following website www.eproxyappointment.com. You will be asked to enter the Control Number, the Shareholder Reference Number (SRN) and PIN as provided on your proxy card and agree to certain terms and conditions.

For either format of proxy to be valid it must be received not less than 48 hours before the time for holding the meeting. Further details relating to the appointment of proxies are included in the proxy form.

Shareholders in the Nominee Service must complete the enclosed Form of Instruction. If you or someone appointed by you wish to attend the meeting then please ensure that your or his or her name is entered in the box provided on the back of the form. This will enable Computershare Company Nominees Limited (CCNL) to appoint you as its proxy to attend, speak and vote at the AGM. If you are not attending the meeting then please complete the form leaving the appointment box blank. You will then be deemed to instruct CCNL to appoint the chairman of the meeting to vote on your behalf. Please read the additional notes on the Form of Instruction before completing the form, which must be returned to Computershare Investor Services PLC at the address stated in Note 2, not later than four business days before the AGM.

The same electronic voting option as detailed above is available for shareholders in the Nominee Service. Please see the Form of Instruction for further details.

- 3 CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM and any adjournment by using the procedures described in the CREST Manual (www.euroclear.com/CREST). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider, should refer to their CREST sponsor or voting service provider, who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual. All messages relating to the appointment of a proxy or an instruction to a previously appointed proxy must be transmitted so as to be received by the Company's agent (ID. number 3RA50) 48 hours before the meeting. It is the responsibility of the CREST member concerned to take such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat a CREST Proxy Instruction as invalid in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

- 4 Additional information regarding the meeting is also available from www.supergroup.co.uk.

- 5 Copies of all contracts of service or letters of appointment under which Directors of the Company are engaged by the Company or any of its subsidiaries are available for inspection at the Company's registered office during business hours on any weekday (Saturdays, Sundays and public holidays excluded) and will also be available for inspection at the place of the meeting from fifteen minutes before it is held until its conclusion. A copy of the draft rules of the SuperGroup Performance Share Plan will be available for inspection at Hewitt New Bridge Street at 6 More London Place, London SE1 2DA during normal business hours on any weekday (Saturdays, Sundays and English public holidays excluded) until the close of the AGM and at the place of the meeting from fifteen minutes before it is held until its conclusion.

- 6 There are no current outstanding options under any share option scheme to subscribe for shares in the Company. The Company currently does not hold any treasury shares. As at 19 August 2010 (the latest practicable date before publication of this Notice of Meeting) the Company's issued share capital consisted of 79,074,556 ordinary shares carrying one vote each. Therefore, the total voting rights in the Company as at 19 August 2010 are 79,074,556.

- 7 Any person to whom this Notice of Meeting is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a 'Nominated Person') may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a Proxy for the AGM. If a Nominated Person has no such Proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights. The statement of the rights of shareholders in relation to the appointment of proxies in paragraphs 1, 2 and 3 above does not apply to Nominated Persons. The rights described in these paragraphs are only exercisable by shareholders of the Company.

- 8 Any corporation who is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided they do not do so in respect of the same shares.

- 9 Under section 527 of the Companies Act 2006 members meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the AGM; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Companies Act 2006. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on a website.

- 10 Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those shareholders registered in the register of members of the Company as at 6.00 p.m. on 21 September 2010 (or if the meeting is adjourned by 6.00 pm on the day that is two working days prior to the adjourned meeting) shall be entitled to attend or vote at the same time meeting in respect of the number of shares registered in their name at that time. Changes to entries on the relevant register of securities after 6.00 p.m. on the relevant day shall be disregarded in determining the rights of any person to attend or vote at the meeting.

- 11 Under Section 319A of the Companies Act 2006, members (or their proxies) attending the meeting will be entitled to ask questions relating to the business of the meeting. However, the Company is not obliged to answer a question raised at the meeting if: (i) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; (ii) the answer has already been given on a website in the form of an answer to a question; or (iii) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

- 12 Shareholders may not use any electronic address provided in this Notice or any related documents (including the Form of Proxy) to communicate with the Company for any purpose other than expressly stated.

APPENDIX TO NOTICE OF AGM

SUMMARY OF THE PRINCIPAL TERMS OF THE SUPERGROUP PERFORMANCE SHARE PLAN (the 'Plan')

Operation

The Remuneration Committee of the Board of Directors of the Company (the '**Committee**') will supervise the operation of the Plan.

Eligibility

Any employee (including an Executive Director) of the Company and its subsidiaries will be eligible to participate in the Plan at the discretion of the Committee. It is the current intention that initial awards under the Plan will be made to senior below-Board executives ('Senior Executives') and that participation of Executive Directors in the Plan in future years will be reviewed by the Committee on an ongoing basis.

Grant of awards

The Committee may grant awards to acquire ordinary shares in the Company ('**shares**') within six weeks following the Company's announcement of its results for any period. The Committee may also grant awards within six weeks of shareholder approval of the Plan or at any other time when the Committee considers there are exceptional circumstances which justify the granting of awards. It is intended that the first awards will be made shortly following the adoption of the Plan.

The Committee may grant awards as conditional shares or as nil (or nominal) cost options. The Committee may also decide to grant cash-based awards of an equivalent value to share-based awards or to satisfy share-based awards in cash, although it does not currently intend to do so. An award may not be granted more than 10 years after shareholder approval of the Plan.

No payment is required for the grant of an award. Awards are not transferable, except on death. Awards are not pensionable.

Individual limit

An employee may not receive awards in any financial year over shares having a market value in excess of 200 per cent. of his annual base salary in that financial year. In practice, awards are generally expected to be significantly below this maximum level. In exceptional circumstances, such as recruitment or retention, this limit is increased to 300 per cent of an employee's annual base salary.

Performance conditions

The vesting of awards granted to Senior Executives (and Executive Directors should they participate in future years) will be subject to performance conditions set by the Committee.

For the initial awards to be granted under the Plan, performance will be measured over a period of three financial years ending the 2012/2013 financial year. 70% of an award will be based on earnings per share ('EPS') and 30% of an award will be based on a total shareholder return ('TSR'), as follows:

- 25% of the EPS-related part of an award will vest for average annual EPS growth of 15% per annum in excess of the Retail Prices Index ('RPI'), increasing on a straight-line basis to 100% vesting for EPS growth of at least 30% per annum in excess of RPI; and
- 25% of the TSR-related part of an award will vest if the Company's TSR is ranked at the median of a bespoke group of companies, increasing on a straight-line basis to 100% vesting if the Company's TSR is ranked at the upper quartile of the comparator group.

In addition to the TSR performance condition, the Committee must also be satisfied that there has been an improvement in the Company's underlying financial performance.

Performance against each target would be assessed independently.

The Committee can set different performance conditions from those described above for future awards provided that, in the reasonable opinion of the Committee, the new targets are not materially less challenging in the circumstances than those described above.

The Committee may also vary the performance conditions applying to existing awards if an event has occurred which causes the Committee to consider that it would be appropriate to amend the performance conditions, provided the Committee considers the varied conditions are fair and reasonable and not materially less challenging than the original conditions would have been but for the event in question.

Vesting of awards

Awards normally vest three years after grant to the extent that the applicable performance conditions (see above) have been satisfied and provided the participant is still employed in the Company's group. Awards in the form of nil (or nominal) cost options will normally be exercisable up until the tenth anniversary of grant unless they lapse earlier.

Dividend equivalents

The Committee may decide that participants will receive a payment (in cash and/or shares) on or shortly following the vesting or exercise of their awards, of an amount equivalent to the dividends that would have been paid on those shares between the time when the awards were granted and the time when they vest. This amount may assume the reinvestment of dividends.

Leaving employment

As a general rule, an award will lapse upon a participant ceasing to hold employment or be a director within the Company's group. However, if a participant ceases to be an employee or a director because of his death, ill-health, injury, disability, retirement, his employing company or the business for which he works being sold out of the Company's group or in other circumstances at the discretion of the Committee, then his award will vest on the date when it would have vested if he had not ceased such employment or office. The extent to which an award will vest in these situations will depend upon two factors: (i) the extent to which the performance conditions have been satisfied at that time; and (ii) the pro-rating of the award to reflect the reduced period of time between its grant and vesting, although the Committee can decide not to pro-rate an award if it regards it as inappropriate to do so in the particular circumstances.

If a participant ceases to be an employee or director in the Company's group for one of the 'good leaver' reasons specified above, the Committee can decide that his award will vest when he leaves, subject to: (i) the extent to which the performance conditions have been satisfied by reference to the date of cessation; and (ii) pro-rating by reference to the time of cessation as described above.

Corporate events

In the event of a takeover or winding up of the Company (not being an internal corporate reorganisation) all awards will vest early subject to: (i) the extent that the performance conditions have been satisfied at that time; and (ii) the pro-rating of the awards to reflect the reduced period of time between their grant and vesting, although the Committee can decide not to pro-rate an award if it regards it as inappropriate to do so in the particular circumstances.

In the event of an internal corporate reorganisation awards will be replaced by equivalent new awards over shares in a new holding company unless the Committee decides that awards should vest on the basis which would apply in the case of a takeover.

If a demerger, special dividend or other similar event is proposed which, in the opinion of the Committee, would affect the market price of shares to a material extent, then the Committee may decide that awards will vest on the basis which would apply in the case of a takeover as described above.

Participants' rights

Awards of conditional shares and options will not confer any shareholder rights until the awards have vested or the options have been exercised and the participants have received their shares.

Rights attaching to Shares

Any shares allotted when an award vests or is exercised will rank equally with shares then in issue (except for rights arising by reference to a record date prior to their allotment).

Variation of capital

In the event of any variation of the Company's share capital or in the event of a demerger, payment of a special dividend or similar event which materially affects the market price of the shares, the Committee may make such adjustment as it considers appropriate to the number of shares subject to an award and/or the exercise price payable (if any).

Overall Plan limits

The Plan may operate over new issue shares, treasury shares or shares purchased in the market.

In any 10 calendar year period, the Company may not issue (or grant rights to issue) more than:

- (a) 10 per cent of the issued ordinary share capital of the Company under the Plan and any other employee share plan adopted by the Company; and
- (b) 5 per cent of the issued ordinary share capital of the Company under the Plan and any other executive share plan adopted by the Company.

Treasury shares will count as new issue shares for the purposes of these limits unless institutional investors decide that they need not count. Shares issued or to be issued under awards or options granted before the Company was listed on the London Stock Exchange will not count towards these limits.

Alterations to the Plan

The Committee may, at any time, amend the Plan in any respect, provided that the prior approval of shareholders is obtained for any amendments that are to the advantage of participants in respect of the rules governing eligibility, limits on participation, the overall limits on the issue of shares or the transfer of treasury shares, the basis for determining a participant's entitlement to, and the terms of, the shares or cash to be acquired and the adjustment of awards.

The requirement to obtain the prior approval of shareholders will not, however, apply to any minor alteration made to benefit the administration of the Plan, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants or for any company in the Company's group. Shareholder approval will also not be required for any amendments to any performance condition applying to an award.

Overseas Plans

The shareholder resolution to approve the Plan will allow the Board to establish further plans for overseas territories, any such plan to be similar to the Plan, but modified to take account of local tax, exchange control or securities laws, provided that any shares made available under such further plans are treated as counting against the limits on individual and overall participation in the Plan.