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Chaucer Holdings PLC

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Firm Placing and Placing and Open Offer to raise £75 million (net of expenses)

- Firm Placing of 17,251,680 shares and Placing and Open Offer of 182,748,320 shares
- Issue price of 40 pence per share represents a discount of 14.9% to Chaucer's closing price on 27 January 2009, the last business day before the date of this announcement
- Fully underwritten by Numis Securities and Lloyds TSB Corporate Markets

Reasons for the Firm Placing and the Placing and Open Offer

- Positive outlook driven by market events in 2008, including the US windstorms and the broader global financial crisis, which have impacted the Group as well as the wider insurance industry
- Specifically the outlook for a number of Chaucer's core lines of business is attractive
- £69 million of the net proceeds to be deposited as Funds at Lloyd's to cover net solvency deficits, meet increased capital requirements arising from the movement of sterling against the US dollar and support new business growth
- The additional FAL deposit will enable Chaucer to increase the capacity of syndicate 1084 to £545 million for the 2009 year of account, an increase of £100 million or 22% on the 2008 capacity of £445 million

Future prospects

- Chaucer has taken significant steps to de-risk its investment portfolio by reducing its exposure to equities and hedge funds
- Further de-risking of current investment portfolio is intended during 2009. Chaucer has formally requested the redemption of its remaining absolute bond fund investments and plans to exit from the remaining hedge fund investments as soon as commercially and reasonably practicable
- Given the outlook for underwriting conditions, combined with the rebalancing of Chaucer's investment portfolio, the Board is optimistic about the future prospects of the Group
- Second interim dividend of 3.7 pence per share to existing shareholders, implying a full year distribution for 2008 of 5.5 pence per share
- Commitment to maintain a total dividend of no less than 4.0 pence for each of 2009 and 2010 (in the absence of unforeseen circumstances)

Commenting, Ewen Gilmour, Chief Executive of Chaucer said:

“Market conditions improved at the important January renewals and many of our core classes of business are benefiting from significant rate increases.

2008 saw a very difficult investment environment which had an impact on Chaucer and the insurance industry as a whole. We have significantly de-risked our portfolio, considerably reducing our exposure to both equities and hedge funds, and this de-risking process is on-going.

We believe that the proposed capital raising is necessary if we are to maintain our current underwriting strategy and thereby take advantage of the improving market conditions, which we believe is in the best interests of our shareholders.”

This summary should be read in conjunction with the detailed announcement which follows.

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The Directors of Chaucer are responsible for, and have taken all reasonable care to ensure that, the information contained in this document is, to the best of their knowledge, in accordance with the facts and contains no omission likely to affect the import of such information.

Numis Securities Limited, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting exclusively as sponsor, stockbroker, lead manager and lead underwriter to the Company in connection with the Firm Placing and the Placing and Open Offer and for no one else and will not be responsible to anyone other than the Company for providing the protections afforded to customers of Numis, or for providing advice in relation to the Firm Placing and the Placing and Open Offer or any other matters referred to in this announcement.

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Markets, or for providing advice in relation to the Firm Placing and the Placing and Open Offer or any other matters referred to in this announcement.

Firm Placing and Placing and Open Offer to raise £75 million (net of expenses)

1. Introduction

The Company proposes to raise approximately £75 million (net of expenses) by way of a Firm Placing of 17,251,680 New Ordinary Shares and a Placing and Open Offer of 182,748,320 New Ordinary Shares, in each case at 40 pence per New Ordinary Share. The Firm Placing and the Placing and Open Offer are fully underwritten by Numis and Lloyds TSB Corporate Markets.

The Open Offer gives Qualifying Shareholders holding Existing Ordinary Shares at the close of business on 27 January 2008 the right to apply for their effective pro rata entitlement of the Open Offer Shares. Shareholders will not be entitled to subscribe for any of the Firm Placed Shares.

The Firm Placing and the Placing and Open Offer are conditional upon, amongst other things, Shareholder approval which will be sought at the General Meeting which has been convened for 13 February 2009.

2. Information on the Chaucer Group

Chaucer is an insurance and reinsurance group, headquartered in the UK, with operations in London, Whitstable and Nottingham in the UK, Copenhagen in Denmark and in Singapore. Primarily the Company manages and provides capital to support underwriting activities at Lloyd's. The Chaucer Group manages five active syndicates which have total underwriting capacity of £806 million for 2009 and has an economic interest in £484.5 million of that capacity for 2009.

The majority of Chaucer's syndicate management and capital provision activities are conducted through syndicate 1084 which underwrites marine, aviation, property, specialist lines and motor insurance, and through syndicate 1176 which underwrites nuclear insurance. For the 2008 and prior years of account Chaucer managed and provided capital support for syndicate 4000, which underwrote specialist lines insurance. Chaucer continues to manage those years of account, but has no ongoing underwriting interest in syndicate 4000. In addition, the Group also manages syndicates 1274, 1301 and 4242 on behalf of third party investors and provides limited capital support for the underwriting activities of two of those syndicates, 1274 and 4242.

3. Background to and reasons for the Firm Placing and the Placing and Open Offer

The Board believes that the outlook for underwriting conditions in 2009 and 2010 in a number of Chaucer's core lines of business is attractive and wishes to ensure Chaucer is able to maintain its existing syndicate 1084 business plan for 2009, including the increase in sterling based capacity arising from exchange rate movements, and support further growth from new business. That outlook has been driven by market events in 2008, including the US windstorms and the broader global financial crisis, which have impacted the Group as well as the wider insurance industry.

The estimate for the market-insured losses arising from Hurricane Ike currently stands at between US\$13-21 billion, making it the third costliest US hurricane on record. Current estimates of the market-insured losses for Hurricane Gustav are US\$4-10 billion. It is anticipated that these market-insured losses will result in material premium rate rises in certain international marine and non-marine classes for 2009, compounded by hardening reinsurance prices.

As a result of the global financial crisis, many insurance and reinsurance companies have also experienced significant losses on their investment portfolios over the course of 2008 as asset prices have fallen heavily and credit spreads have widened significantly.

The availability of equity and debt finance, including insurance-linked capital market products such as securitised or collateralised reinsurance and contingent capital arrangements, to provide additional underwriting capital has also diminished significantly, further exacerbating the capacity shortage in the market.

Furthermore, the Board expects that the Lloyd's market will also benefit from an increased volume of business offered to the market in many classes as insureds and reinsureds respond to the problems experienced by a number of major financial companies in 2008 and seek a subscription market solution to mitigate counterparty risk.

Further, the recent significant strengthening of the US dollar against sterling also means that Lloyd's-market insurers writing business in the US, including the Group, are having to reassess their capital requirements for this business.

These factors, combined with the anticipated increased scrutiny of insurance and reinsurance company balance sheets and capital adequacy requirements from credit rating agencies, will, in the opinion of the Board, constrain market capacity in 2009, leading to attractive underwriting conditions.

During 2008, Chaucer suffered from investment losses and claims from the US windstorms and other events as described above, which created an estimated net deficiency in funds at Lloyd's of £35 million. Furthermore, the significant percentage of the Company's income which is US dollar based has required an increase to the sterling denominated capacity for the existing 2009 business plan for Syndicate 1084 from £480 million to £535 million which in turn increases Chaucer's capital requirements by approximately £29 million. Whilst the Group could reduce its underwriting capacity on syndicate 1084 to £400 million, thereby obviating the need to deposit additional FAL, the Board wishes to take advantage of the attractive underwriting conditions it anticipates in 2009 and beyond by raising capital through the Firm Placing and the Placing and Open Offer to increase capacity on syndicate 1084 to £545 million.

4. Current trading and prospects

On 13 November 2008, the Board released an interim management statement in respect of the nine months ended 30 September 2008. Total gross premium income for the full year ended 31 December 2008 is estimated to be £725 million (£551 million in 2007).

At 31 December 2008, Chaucer's estimate of syndicate 1084's loss from Hurricanes Gustav and Ike is US\$65 million, net of reinsurance recoveries and reinstatement premiums.

As at 31 December 2008, the Group's total estimated incurred loss net of reinsurance arising from sub prime related notifications was US\$2.1 million and US\$25 million for syndicate 1084 and syndicate 4000 respectively. The Group's total estimated incurred loss net of reinsurance arising from the circumstances leading to the charges being brought against Bernard L Madoff is US\$3.0 million and US\$14.4 million for syndicate 1084 and syndicate 4000 respectively. While the ultimate loss from the global financial crisis cannot yet accurately be determined, the Board believes the levels of technical provisions held for these anticipated claims to be adequate.

Following the significant strengthening of the US dollar against sterling in 2008, the published results of Chaucer (in common with other Lloyd's quoted vehicles) will be materially affected by the treatment under IFRS of non monetary assets and liabilities (such as unearned premium reserves and deferred acquisition costs). The assets representing the unearned premium and deferred acquisition costs are revalued at year end exchange rates whilst the unearned premium reserves and deferred acquisition costs are maintained at historic rates. This will have the effect of improving the result for the year 31 December 2008 and, in the absence of further exchange rate movements, will adversely affect the result for the year ending 31 December 2009.

It is currently estimated that Chaucer's investment portfolio lost £72 million in the year ending 31 December 2008 representing a total negative return on average funds of 6.7 per cent. (2007

gain of £42 million equivalent to 4.7 per cent. return on average funds). The estimated loss for the second half of 2008 was £73.5 million, of which £69.5 million was attributable to the four months ending 31 October 2008.

The following table analyses the Group's investments held (excluding its £15.0 million investment in Antares) at 31 December 2008 and the investment performance for the period.

	Return 1 January to 31 December 2008	Value as at 31 December 2008
	%	£m
Equities	(38.8)	5.9
Hedge funds	(27.0)	154.7
Absolute return bond funds	(4.6)	332.6
Bonds	(1.8)	249.9
Cash and overseas deposits	3.5	420.1
Total	(6.7)	1,163.2

Source: Unaudited management financial information

During the second half of 2008, many hedge funds suffered substantial redemptions, which caused the liquidation of holdings at distressed prices in order to return capital to investors. Other funds lost the ability to borrow to finance their operations, which caused further asset sales. These events caused big falls in equity and bond prices and the significant further widening of credit spreads. The depreciation of sterling against the dollar in the fourth quarter exacerbated these losses.

The Board has taken significant steps to de-risk its investment portfolio by reducing its exposure to equities and hedge funds. As at 31 December 2008, equity investments comprised 0.5 per cent. of the portfolio, down from 7.0 per cent. as at 30 June 2008, and investments in hedge funds comprised 13.3 per cent. of the portfolio as at 31 December 2008, with outstanding redemption requests reducing exposure to hedge funds by a further 2.5 per cent. None of the investment portfolio was invested in funds managed by Bernard L Madoff Investment Securities LLC or associated companies.

Since 31 December 2008, the Group has exited from the Alliance Bernstein Diversified Yield absolute return bond fund and realised £14.1 million against the year end value of £13.6 million and has formally requested the redemption of the Credit Agricole absolute return bond fund which is expected to realise more than its year end value of £319 million. The latter transaction will complete Chaucer's exit from this asset class.

The Board intends to de-risk the Group's investment portfolio further as soon as reasonably and commercially practicable by exiting from the Group's remaining hedge fund investments and will conduct a thorough review of the balance of the Group's investments with regard to a prudent balance of risk and reward in the fixed interest investment market. Given the further realignment of Chaucer's investment portfolio into lower risk investment classes, the Board anticipates that investment returns for 2009 will be significantly less volatile and therefore more predictable.

The Board anticipates that premium rates across catastrophe-exposed classes (notably for US property, energy and marine) will increase in 2009 and that the prospects for these classes of business are positive. In addition, for non-catastrophe-exposed business, notably in international property, aviation, motor and specialist lines, the Board believes that the market cycle should react positively in 2009.

The Group monitors underwriting conditions by reference not only to headline premium rates, but also to changes in other financial aspects of the cover provided, including policy deductibles, commissions and other relevant coverage amendments. This gives an overall measure of the financial terms of a policy, or the "rate to bottom line". This individual policy information is then aggregated for associated classes of business to provide a relative measure of actual or forecast

underwriting conditions as shown in the table below. The table below sets out a summary of the Group's measurement of the "rate to bottom line" (using 2000 as the base index of 100 for each class) achieved across the main classes of business written by Chaucer in 2007, those estimated in 2008 and those expected in 2009. The previous cycle peak column identifies the Group's estimate of the calendar year in which underwriting conditions were previously most favourable for the classes shown.

	Previous cycle peak	2007 Achieved	2008 Projected	2009 Estimated
Marine	2006	184	181	186
Energy	2006	442	398	448
Aviation	2002	148	145	151
North American Property	2007	233	211	214
International Property	2002	147	138	146
Specialist Lines	2004	171	165	165
Combined (ex. Motor)	2006	197	185	192
Motor	2004	132	140	149
Combined	2006	176	168	175

Note: 2000 = 100

Source: Unaudited management financial information

In view of the perceived outlook for underwriting conditions outlined above, combined with the rebalancing of Chaucer's investment portfolio, the Board is optimistic about the future prospects of the Group.

On 29 November 2008, the Group deposited the funds at Lloyd's required to support the planned £485 million economic interest in underwriting capacity proposed for the 2009 year of account (calculated on the basis of the Group's solvency ratio of 56.1 per cent. for 2009). Owing to exchange rate movements between sterling and the US dollar, the Board estimates that sterling based capacity on the existing syndicate 1084 business plan will increase by £55 million to £535 million, requiring a further deposit of £29 million of FAL. Given the perceived new business opportunities in the market, the Board intends to increase the underwriting capacity of syndicate 1084 by a further £10 million (over and above the £55 million increase referred to above) so that the capacity of syndicate 1084 is £545 million. The Group's solvency ratio is expected to be 53.6 per cent. following this increase. This increase in syndicate 1084 capacity and funding of the net deficiency in FAL would increase the Group's total underwriting interests in 2009 (over that which it would have otherwise have achieved without the Firm Placing and the Placing and Open Offer) by £138 million to £546 million.

5. The Firm Placing and the Placing and Open Offer

The Board is proposing to raise £75 million, net of expenses, through the Firm Placing and the Placing and Open Offer:

(i) to meet the expected requirement to deposit approximately a further £35 million in funds at Lloyd's in respect of the current 2009 Lloyd's business plan to cover the net deficiency in FAL arising from losses sustained in 2008 offset by investment income in FAL and the reduction in the solvency ratio referred to above;

(ii) to provide approximately £29 million of additional funds at Lloyd's to support the Group's share of the £55 million increase in sterling based capacity for the existing syndicate 1084 2009 business plan arising from changes in the exchange rate between sterling and the US dollar;

(iii) to provide approximately £5 million of additional funds at Lloyd's to support the Group's share of a further £10 million increase in syndicate 1084's capacity by way of new business, taking the total capacity of syndicate 1084 for the 2009 year of account to £545 million; and

(iv) to retain £6 million for general working capital purposes to provide additional head room above regulatory capital required to support the planned increase in capacity.

Until utilised, it is anticipated that the Group will invest the net proceeds raised in cash and investment grade short dated fixed interest securities or equivalent.

6. Principal terms of the Firm Placing and the Placing and Open Offer

The Board is proposing to issue up to 200,000,000 New Ordinary Shares, at 40 pence per New Ordinary Share, through the Firm Placing and the Placing and Open Offer. The New Ordinary Shares issued pursuant to the Firm Placing and the Placing and Open Offer will rank pari passu in all respects with the Existing Ordinary Shares as at the date of issue and therefore the New Ordinary Shares will not qualify for the second interim dividend of 3.70 pence per Ordinary Share referred to below.

Upon completion of the Firm Placing and the Placing and Open Offer, the New Ordinary Shares will represent approximately 36.5 per cent. of the Company's Enlarged Issued Share Capital and the Existing Ordinary Shares will represent approximately 63.5 per cent. of the Enlarged Issued Ordinary Share Capital.

Numis has agreed to procure placees for the Firm Placed Shares in accordance with the terms of the Placing Agreement. The Firm Placed Shares are not subject to clawback. Pursuant to the Placing Agreement, Numis has agreed to procure conditional placees for the Open Offer Shares, subject to clawback to satisfy valid applications under the Open Offer from Qualifying Shareholders. Numis has agreed to underwrite in aggregate 175,000,000 New Ordinary Shares and Lloyds TSB Corporate Markets has agreed to underwrite in aggregate 25,000,000 New Ordinary Shares. Consequently, the Firm Placing and the Placing and Open Offer are fully underwritten.

The Issue Price of 40 pence per New Ordinary Share represents a 14.9 per cent. discount to the closing price for an Ordinary Share on 27 January 2009, the last business day before the date of this document. The Open Offer is being made to Qualifying Shareholders, upon and subject to the terms and conditions set out in the Prospectus (to be published shortly), who are being given the opportunity to apply for in aggregate 182,748,320 New Ordinary Shares at the Issue Price pro rata to their current holdings.

7. General Meeting

The allotment of the New Ordinary Shares will require the approval of Shareholders at the General Meeting to be held at Plantation Place, 30 Fenchurch Street, London EC3M 3AD at 10 a.m. on 13 February 2009.

8. Dividend policy

The Company had previously stated its intention, in accordance with its progressive dividend policy, to pay Shareholders a total dividend of 5.50p per share for 2008, an increase of 10 per cent. on the total dividend of 5.00p paid for 2007, and to increase the dividend by a further 10 per cent. in 2009 and 2010.

The Directors have concluded that, in light of the Firm Placing and the Placing and Open Offer, the New Ordinary Shares should not qualify for the 2008 dividend. Consequently, and conditional upon Admission taking place, the Directors have declared a second interim dividend of 3.70p per Existing Ordinary Share and do not intend to declare a final dividend for 2008, resulting in a total dividend of 5.50p per Existing Ordinary Share for 2008. The second interim dividend will be payable on 13 March 2009 to shareholders on the register on 6 February 2009.

The Directors anticipate that, in the absence of unforeseen circumstances, the Company will declare a total dividend of no less than 4.0p per Ordinary Share for 2009 and 2010.

9. Implications of not proceeding with the Firm Placing and the Placing and Open Offer

The Firm Placing and the Placing and Open Offer are conditional, inter alia, upon the passing of the Resolutions at the General Meeting. In the event that Shareholders do not approve the Resolutions, or were the Firm Placing and the Placing and Open Offer not to proceed for any other reason, then the Directors envisage that the Company would need (a) to reduce its underwriting capacity on syndicate 1084 to approximately £400 million (a reduction of approximately 16.7 per cent. from the current 2009 business plan); (b) to cancel the proposed second interim dividend of 3.70p per Existing Ordinary Share; and (c) to reconsider its proposed future dividend policy.

10. Approach regarding a possible merger

Following the announcement by the Company on 23 January 2009 that it was exploring options for raising capital, the Company received an un-solicited indicative proposal from Novae Group plc regarding a potential merger offer for the Company on an all-share, nil premium basis. Whilst the Board intends to explore whether the indicative proposal is likely to result in an offer for the Company which the Board believes to be in the interests of Shareholders, the indicative proposal is subject to a number of conditions, including completion of satisfactory reciprocal due diligence, and so there can be no certainty that the approach will result in an offer being made for the Company. Accordingly, in light of the implications of not proceeding with the Firm Placing and the Placing and Open Offer outlined above, the Board believes that proceeding with the Firm Placing and the Placing and Open Offer remains in the best interests of the Company and the Shareholders as a whole and is therefore recommending that Shareholders vote in favour of the Resolutions at the General Meeting.

11. Timetable

	<u>2009</u>
Record date for Open Offer entitlement	27 January
Announcement and publication of prospectus	28 January
Existing ordinary shares market "ex-rights" for the entitlement to the Open Offer by the London Stock Exchange	8.00 a.m. on 28 January
Publication of Gazette Notice	29 January
Existing Ordinary Shares marked "ex-rights" for the entitlement to the second interim dividend	4 February
Record Date for entitlement to second interim dividend	6 February
Latest time and date for receipt of Forms of Proxy for use at General Meeting of Chaucer	10.00 a.m. on 11 February
Latest time and date for receipt of electronic proxy appointments via the 10 a.m. on CREST system	10.00 a.m. on 11 February
General meeting	10.00 a.m. on 13 February
Latest time and date for acceptance and payment in full and receipt of Application Forms and settlement of the relevant CREST instructions (as appropriate)	11.00 a.m. on 20 February
Admission and commencement of dealings in New Ordinary Shares, fully paid, on the London Stock Exchange	8.00 a.m. on 25 February
Crediting of CREST accounts for New Ordinary Shares in 8.00 a.m. on 25 February uncertificated form (uncertificated holders only)	8.00 a.m. on 25 February

12. Definitions

“Admission”	the admission of the New Ordinary Shares (i) to the Official List of the UKLA becoming effective in accordance with the Listing Rules; and (ii) to trading on the London Stock Exchange’s main market for listed securities becoming effective in accordance with the Admission and Disclosure Standards of the London Stock Exchange (as amended from time to time)
“Antares”	Antares Underwriting Limited
“Application Form”	the application form relating to the Open Offer being sent to the Qualifying Non-CREST Shareholders with the Prospectus
“the Board” or “the Directors”	the directors of the Company comprising: Christopher David Forbes (Senior Independent Director), Martin James Gilbert (Chairman), Ewen Hamilton Gilmour (Chief Executive Officer), Mark Carmichael Graham (Chief Financial Officer), Richard Thomas Scholes (Non-executive Director) and Robert Arthur Stuchbery (Chief Underwriting Officer)
“Capacity”	in relation to a syndicate, the limit for the time being prescribed on the amount of insurance business that is able to be allocated to a particular year of account which is to be accepted by a syndicate, such limit being expressed as the maximum amount of premium income arising out of insurance business underwritten through that syndicate or in relation to a member of Lloyd’s, the member’s OPL
“Chaucer” or “the Company”	Chaucer Holdings PLC
“Chaucer Group” or “the Group”	the Company and its subsidiaries, or any of them, as the case may be
“Enlarged Issued Share Capital”	the 548,092,039 Ordinary Shares which are expected to be in issue following the completion of the Firm Placing and the Placing and Open Offer
“Existing Ordinary Shares”	the Ordinary Shares in issue as at Record Date
“Firm Placed Shares”	The 17,251,680 Ordinary Shares for which Numis has conditionally agreed to procure placees to subscribe at the Issue Price under the Firm Placing
“Firm Placing”	the conditional agreement by Numis to procure placees for the Firm Placed Shares under the Placing Agreement
“FSA”	the Financial Services Authority
“FSMA”	the Financial Services and Markets Act 2000 (as amended)
“funds at Lloyd’s” or “FAL”	funds held in trust at Lloyd’s to support a member’s underwriting activities
“Gazette Notice”	a notice to be published in the London Gazette pursuant to Section 90(5) of CA 1985, to make the Open Offer to Overseas Shareholders

"General Meeting"	the general meeting of the Company convened by notice set out at the end of the Prospectus, and any adjournment thereof
"Issue Price"	40 pence per New Ordinary Share
"Lexicon Partners"	Lexicon Partners Limited
"Listing Rules"	the listing rules made by the UK Listing Authority under section 73A(2) of FSMA, as amended from time to time
"Lloyds TSB Corporate Markets"	the corporate markets division of Lloyds TSB Bank plc
"Lloyd's" or "the Society"	the Society and Corporation of Lloyd's created and governed by the Lloyd's Acts 1871-1982, including the Council of Lloyd's (and its delegates and other persons through whom the Council may act), as the context may require
"London Stock Exchange"	London Stock Exchange plc
"New Ordinary Shares"	the Open Offer Shares and the Firm Placed Shares
"Numis"	Numis Securities Limited
"Official List"	the Official list of the UKLA
"Open Offer"	the offer by the Company to Qualifying Shareholders, constituting an invitation to apply for Ordinary Shares (being the Open Offer Shares) on and subject to the terms and conditions set out in the document and, where relevant, in the Application Form
"Open Offer Entitlement"	an entitlement to apply for Open Offer Shares allocated to a Qualifying Shareholder pursuant to the Open Offer
"Open Offer Shares"	the 182,748,320 Ordinary Shares to be offered to Qualifying Shareholders under the Open Offer
"Ordinary Shares"	ordinary shares of 25 pence each in the capital of the Company (including, if the context requires, New Ordinary Shares)
"Placees"	placees procured by Numis (i) to subscribe for Firm Placed Shares pursuant to the Firm Placing and/or (ii) conditionally to subscribe for Open Offer Shares under the Placing, subject to clawback to satisfy valid applications under the Open Offer by Qualifying Shareholders
"Placing"	the conditional placing of the Open Offer Shares by Numis on the terms of the Placing Agreement
"Prospectus"	The prospectus document which is expected to be published on 28 January 2009 in relation to the Firm Placing and the Placing and Open Offer
"Qualifying CREST Shareholders"	Shareholders whose Ordinary Shares on the register of members of the Company on the Record Date are in uncertificated form
"Qualifying Non-CREST Shareholders"	Shareholders whose Ordinary Shares on the register of members of the Company on the Record Date are in certificated form
"Qualifying Shareholders"	the Qualifying CREST Shareholders and the Qualifying Non-CREST Shareholders

"Record Date"	the record date for the Open Offer, being the close of business on 27 January 2009
"Registrars"	Equiniti Limited
"Resolutions"	the resolutions contained in the notice of General Meeting set out at the end of the Prospectus to be proposed at the General Meeting
"Shareholder"	a holder of Ordinary Shares
"UK Listing Authority" or "UKLA"	the FSA, acting in its capacity as the competent authority for the purposes of Part VI of FSMA
"United Kingdom" or "UK"	the United Kingdom of Great Britain and Northern Ireland
"United States" or "US"	the United States of America, its territories and possessions, any state of the United States and the District of Columbia