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If you have sold or transferred all your shares in Johnson Matthey Public Limited Company, you should pass this document and the accompanying documents to the purchaser or transferee or to the person through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee.



Johnson Matthey

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Telephone 020 7269 8400 Fax 020 7269 8433

17 June 2008

Dear Shareholder

2008 Annual General Meeting

The 2008 annual general meeting of the Company ("AGM") is to be held at The Institution of Engineering and Technology (The Lecture Theatre), 2 Savoy Place, London WC2R 0BL on Tuesday 22 July 2008 at 11.00 am. The formal Notice convening the meeting is set out on pages 5 to 8 of this document.

This circular provides you with an explanation of the resolutions to be proposed at the AGM and of the action you should take.

Resolution 1 – Report and accounts

Resolution 1 is an ordinary resolution under which the Company's annual accounts for the financial year ended 31 March 2008 together with the directors' report and the auditors' report are received. Shareholders will have either received a copy of the 2008 Annual Report with this circular or obtained a copy from the Company's website. Further copies will be available at the AGM. A copy may also be viewed on the Company's website, at www.matthey.com.

Resolution 2 – Directors' remuneration report

Resolution 2 is an ordinary resolution to receive and approve the directors' remuneration report for the year ended 31 March 2008.

This resolution is in compliance with The Directors' Remuneration Report Regulations 2002 which require quoted companies to put their directors' remuneration report to a vote at their annual general meeting. The directors' remuneration report, which summarises the Company's policy on directors' remuneration, is shown on pages 45 to 51 of the 2008 Annual Report.

Resolution 3 – Dividend declaration

Resolution 3 is an ordinary resolution by which shareholders are asked to declare a dividend. The directors recommend a final dividend of 26.0 pence per ordinary share in respect of the year ended 31 March 2008, payable to shareholders on the register at the close of business on 13 June 2008.

Resolutions 4 to 7 – Election and re-election of directors

Resolution 4 is an ordinary resolution which deals with the election of Mrs DC Thompson, who was appointed to the board with effect from 1 September 2007.

Resolutions 5 to 7 are ordinary resolutions which deal with the re-election of Mr DW Morgan, Mr AM Thomson and Mr RJW Walvis who, retiring by rotation, offer themselves for re-election.

Biographical details of all the directors are set out on pages 36 and 37 of the 2008 Annual Report. Biographical details of the directors standing for election and re-election are as follows:

D C Thompson (Age 47) Non-executive Director

Appointed a non-executive director on 1 September 2007. Currently Chief Executive of Drax Group plc. Joined the board of Drax Group plc as Chief Executive in 2005. Prior to joining Drax she was head of the European business of the global power generation firm, InterGen. First starting her career in banking, she has had senior management roles in the UK, Asia and Africa. She is a member of the Management Development and Remuneration, Audit and Nomination Committees.

D W Morgan MA, ACA (Age 50) Executive Director

Executive Director, Group Corporate Development. Joined Johnson Matthey in 1988 as a Division Finance Director. Appointed an executive director in August 1999. Responsible for the group's corporate development activities and legal and secretarial affairs. In addition, assumed board level responsibility for the Company's central research activities in August 2002. Currently a member of the International Advisory Board of Conduit Ventures Limited.

A M Thomson MA, CA (Age 61) Non-executive Director

Appointed a non-executive director in September 2002. Currently Chairman of Bodycote International Plc and a non-executive director of Alstom S.A. (France). Until his retirement in 2006 he was Finance Director of Smiths Group plc. Mr Thomson is also Junior Vice President and Chairman of the Technical Policy Board of the Institute of Chartered Accountants of Scotland. He is Senior Independent Director, Chairman of the Audit Committee and a member of the Management Development and Remuneration and Nomination Committees.

R J W Walvis (Age 61) Non-executive Director

Appointed a non-executive director in September 2002. Currently a non-executive director of British Energy Group plc, Associated British Ports Holdings Ltd, Balfour Beatty plc and Chairman of the Supervisory Board of Allianz Nederland Group NV. He was previously Chairman, Global Corporate Centre, Shell International Limited and prior to that held a series of senior management positions within the Royal Dutch Shell Group. He is Chairman of the Management Development and Remuneration Committee and a member of the Audit and Nomination Committees.

The board considers Mrs Thompson, Mr Thomson and Mr Walvis to be independent directors and, following formal evaluation (as referred to on page 41 of the 2008 Annual Report), that their performance continues to be effective and to demonstrate commitment to the role of non-executive director, including commitment of time for board and committee meetings.

As explained in the Nomination Committee Report on page 43 of the 2008 Annual Report, during the year the board approved the extension of the terms of appointment of Mr Thomson and Mr Walvis to 23 September 2011 and 23 September 2010 respectively. As announced on 1 April 2008, following the retirement of Mr CD Mackay on 31 March 2008, Mr Thomson was appointed Senior Independent Director and Mr Walvis was appointed Chairman of the Management Development and Remuneration Committee with effect from 1 April 2008.

Resolutions 8 and 9 – Auditors

Resolutions 8 and 9 are ordinary resolutions to reappoint KPMG Audit Plc as auditor of the Company until the conclusion of the next general meeting at which accounts are laid before the Company and to provide that their remuneration be determined by the directors.

Resolution 10 – Political donations

Resolution 10 is an ordinary resolution relating to the rules on political donations contained in the Companies Act 2006 (the "2006 Act"). Political donations by the Company to any political parties, independent election candidates or political organisations or the incurring by the Company of political expenditure are prohibited unless authorised by shareholders in advance. Under the legislation, the terms political donation, political party and political organisation are capable of wide interpretation. Sponsorship, subscriptions, payment of expenses, paid leave for employees fulfilling public duties and support for bodies representing the business community in policy review or reform may fall within these definitions.

During the year the Company did not make any political donations or incur any political expenditure and has no intention either now or in the future of making any political donation or incurring any political expenditure in respect of any political party, political organisation or independent election candidate. However, to avoid inadvertently contravening the 2006 Act, the board is putting forward resolution 10 to renew the authority granted by shareholders at the last annual general meeting of the Company (with certain technical amendments required by the political donations provisions in the 2006 Act which replace the provisions in the Companies Act 1985 from 1 October 2007). As permitted under the 2006 Act, resolution 10 has also been extended to cover any political donations made, or political expenditure incurred, by any subsidiaries of the Company.

Resolution 11 – Authority to allot relevant securities

Resolution 11 is an ordinary resolution to renew the authority of the directors to allot securities under section 80 of the Companies Act 1985 (the “1985 Act”). At the annual general meeting in July 2007, the directors’ authority to allot securities was extended to the conclusion of the next annual general meeting following that meeting. It is now proposed to extend that authority so that it applies until the conclusion of the next annual general meeting of the Company in 2009 and so that the maximum aggregate nominal value of securities which may be allotted will be £70,876,387, which is the nominal value of the existing authorised unissued ordinary share capital as at 30 May 2008 and represents 33.02% of the Company’s issued ordinary share capital as at 30 May 2008 (excluding treasury shares). As at 30 May 2008, the latest practicable disclosure date before publication of this circular, the Company held 5,997,877 treasury shares, which represents 2.79% of the Company’s issued ordinary share capital (excluding treasury shares) as at that date. The directors have no present intention of exercising the authority.

Resolution 12 – Dis-application of pre-emption rights

Resolution 12 is a special resolution to renew the authority of the directors, under section 95 of the 1985 Act, to allot equity securities for cash without first offering them pro-rata to existing shareholders as otherwise required by section 89 of the 1985 Act. The authority sought is limited to issues of equity securities: (a) in connection with a rights issue or (b) otherwise than in connection with a rights issue, up to an aggregate nominal amount of £11,033,680 (being equivalent to 5% of the Company’s issued ordinary share capital as at 30 May 2008 including treasury shares). The board confirms its intention not to issue more than 7.5% of the Company’s issued ordinary share capital for cash other than to existing shareholders in any rolling three year period. The renewed authority would expire at the conclusion of the next annual general meeting of the Company in 2009. The directors may use the statutory authority to allot shares without complying with section 89 of the 1985 Act in relation to a sale of treasury shares.

Resolution 13 – Purchase of own shares

Resolution 13 is a special resolution to renew the authority granted to the directors at the annual general meeting in July 2007 for the Company to make purchases of its own ordinary shares through the market. The renewed authority would expire at the conclusion of the next annual general meeting of the Company in 2009. The maximum aggregate number of ordinary shares which may be purchased would be 21,467,573, which represents 10% of the Company’s issued ordinary share capital as at 30 May 2008 (excluding treasury shares).

The minimum price that could be paid for an ordinary share would be 100p and the maximum price would be an amount equal to 105% of the average of the middle market quotations for an ordinary share of the Company as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the ordinary share was contracted to be purchased, in each case excluding expenses.

The total number of options held over ordinary shares under the Company’s executive share option schemes was 4,764,206 as at 30 May 2008, representing 2.22% of the Company’s issued ordinary share capital as at 30 May 2008 (excluding treasury shares). This would increase to 2.47% if the authority to buy back shares under this resolution were to be used in full.

It is the Company’s present intention that any shares purchased under the authority sought by resolution 13 would be held by the Company as treasury shares. Any such shares held in treasury for the purpose of the Company’s employee share schemes would count towards the limits in such schemes.

The directors would only exercise the authority sought by resolution 13 after taking account of the overall financial position of the Company and in circumstances where they believed that to do so would result in an increase in earnings per share and be in the best interests of shareholders generally.

Resolution 14 – Adoption of new Articles of Association

Resolution 14 is a special resolution to adopt new Articles of Association. These incorporate amendments to the current Articles of Association to reflect the provisions of the 2006 Act which came, or will come, into effect in 2007 and 2008. As the 2006 Act will not be fully in force until October 2009, and therefore it is not yet possible to fully reflect the 2006 Act changes, it is anticipated that shareholders will be asked to approve further changes to the Articles of Association at the annual general meeting of the Company in 2009.

The principal changes in the new Articles of Association proposed to be adopted at the 2008 AGM relate to shareholder meetings and resolutions, directors' indemnities, transfers of shares and directors' conflicts of interest. For a more detailed explanation of these and other amendments please refer to Appendix 1 to this circular on page 9.

The provisions of the 2006 Act regarding shareholder meetings and resolutions came into force in October 2007, replacing the corresponding provisions of the 1985 Act. The new Articles of Association incorporate amendments in relation to meetings and resolutions to ensure consistency with the 2006 Act.

From 1 October 2008, under the 2006 Act a director has a statutory duty to avoid a situation where he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the company's interests. The 2006 Act allows directors of public companies to authorise conflicts or potential conflicts where the articles of association contain a provision allowing this authorisation. It is proposed that the Company's new Articles of Association should include such a provision.

A copy of the current Articles of Association and the proposed new Articles of Association that reflect these amendments will be available for inspection during normal business hours (Saturdays, Sundays and public holidays excepted) at the Company's registered office at 40-42 Hatton Garden, London EC1N 8EE up until the close of the meeting. Copies will also be available at The Institution of Engineering and Technology (The Lecture Theatre), 2 Savoy Place, London WC2R 0BL on the morning of the meeting from 10.00 am until its conclusion.

Action to be taken

Whether or not you are able to attend the AGM, you are requested either to complete a form of proxy and return it in accordance with the instructions set out on the form to the Company's registrars, Equiniti, as soon as possible and, in any event, so as to arrive by no later than 11.00 am on Sunday 20 July 2008, or to register the appointment of a proxy electronically by logging onto Equiniti's website at www.sharevote.co.uk. Electronic proxy appointments must also be received by Equiniti by no later than 11.00 am on Sunday 20 July 2008. Proxy voting in respect of uncertificated shares may also be registered through CREST – see note 4 on page 7 of this circular. The completion and return of a form of proxy or the giving of an electronic proxy instruction will not preclude you from attending and voting in person at the AGM if you so wish.

Please note that in order to better facilitate effective and representative voting by the Company's members at the AGM (including by way of proxy), voting on all resolutions at the AGM will be conducted on a poll, rather than on a show of hands. This approach has been adopted by a number of other FTSE 100 companies to better reflect the voting rights of members and their appointed proxies. Poll voting will be carried out by electronic means and the voting procedure will be explained at the meeting.

Recommendation

The directors consider that all the proposed resolutions set out in the Notice of Annual General Meeting following this letter are in the best interests of the Company and of its shareholders as a whole and they unanimously recommend that you vote in favour of them, as the directors intend to do in respect of their own beneficial holdings of shares in the Company.

Yours faithfully



Sir John Banham
Chairman



Johnson Matthey

Notice of Annual General Meeting

Notice is hereby given that the one hundred and seventeenth Annual General Meeting of Johnson Matthey Public Limited Company will be held at The Institution of Engineering and Technology (The Lecture Theatre), 2 Savoy Place, London WC2R 0BL on Tuesday 22 July 2008 at 11.00 am to consider and, if thought fit, to pass the following resolutions:

Ordinary Resolutions:

1. That the Company's annual accounts for the financial year ended 31 March 2008 together with the directors' report and the auditors' report on those accounts be received.
2. That the directors' remuneration report for the year ended 31 March 2008 and the auditors' report on the auditable part of the directors' remuneration report be received and approved.
3. That a final dividend of 26.0 pence per ordinary share in respect of the year ended 31 March 2008 be declared and payable to members on the register at the close of business on 13 June 2008.
4. That Mrs DC Thompson, who was appointed to the board since the last annual general meeting and who retires in accordance with the Company's Articles of Association, be elected a director of the Company.
5. That Mr DW Morgan, who retires by rotation, be re-elected a director of the Company.
6. That Mr AM Thomson, who retires by rotation, be re-elected a director of the Company.
7. That Mr RJW Walvis, who retires by rotation, be re-elected a director of the Company.
8. That KPMG Audit Plc be re-appointed as auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next general meeting at which accounts are laid before the Company.
9. That the remuneration of the auditors be determined by the directors.
10. That in accordance with sections 366 and 367 of the Companies Act 2006 (the "2006 Act"), the Company and all companies which are subsidiaries of the Company during the period when this resolution 10 has effect be authorised to:
 - a. make political donations to political parties or independent election candidates, as defined in the 2006 Act, not exceeding £50,000 in total;
 - b. make political donations to political organisations other than political parties, as defined in the 2006 Act, not exceeding £50,000 in total; and
 - c. incur political expenditure, as defined in 2006 Act, not exceeding £50,000 in total

during the period beginning with the date of the passing of this resolution and ending on 31 July 2009 or, if sooner, the conclusion of the annual general meeting of the Company to be held in 2009 provided that the authorised sums referred to in paragraphs (a), (b) and (c) above, may be comprised of one or more amounts in different currencies which, for the purposes of calculating the said sums, shall be converted into pounds sterling at the exchange rate published in the London edition of the Financial Times on the date on which the relevant donation is made or expenditure incurred (or the first business day thereafter) or, if earlier, on the day in which the Company enters into any contract or undertaking in relation to the same.

11. That the directors be and they are generally and unconditionally authorised for the purposes of section 80 of the Companies Act 1985 to exercise all the powers of the Company to allot relevant securities (within the meaning of that section) up to an aggregate nominal amount of £70,876,387 provided that this authority is for a period expiring at the conclusion of the next annual general meeting of the Company after the passing of the resolution but the Company may, before such expiry, make offers or agreements which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities in pursuance of any such offers or agreements notwithstanding that the authority conferred by this resolution has expired. This authority is in substitution for all subsisting authorities, to the extent unexercised, and all such authorities are hereby revoked.

Special Resolutions:

12. That, subject to the passing of resolution 11 above, the directors be and they are empowered pursuant to section 95 of the Companies Act 1985 (the "1985 Act") to allot equity securities (within the meaning of sections 94(2) to 94(3A) of the 1985 Act) wholly for cash pursuant to the authority conferred by resolution 11 above or by way of a sale of treasury shares as if section 89(1) of the 1985 Act did not apply to any such allotment or sale, provided that this power shall be limited to the allotment of equity securities:
- a. in connection with an offer of such securities by way of rights to holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings of such shares, but subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to treasury shares, fractional entitlements or any legal or practical problems under the laws of any territory or the requirements of any regulatory body or stock exchange; and
 - b. otherwise than pursuant to sub-paragraph (a) above up to an aggregate nominal amount of £11,033,680
- and shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution, save that the Company may, before such expiry, make offers or agreements which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of any such offers or agreements notwithstanding that the power conferred by this resolution has expired.
- This power applies in relation to a sale of shares which is an allotment of equity securities by virtue of section 94(3A) of the 1985 Act as if, in the first paragraph of this resolution, the words "pursuant to the authority conferred by resolution 11 above" were omitted.
13. That, in accordance with Chapter VII of Part V of the Companies Act 1985 (the "1985 Act"), the Company be generally and unconditionally authorised to make market purchases (as defined in section 163(3) of the 1985 Act) of its own ordinary shares on such terms and in such manner as the directors may from time to time determine, provided that:
- a. the maximum aggregate number of ordinary shares hereby authorised to be purchased is 21,467,573 (representing 10% of the Company's issued ordinary share capital as at 30 May 2008, excluding treasury shares);
 - b. the minimum price which may be paid for an ordinary share is 100p (excluding expenses);
 - c. the maximum price which may be paid for an ordinary share is an amount equal to 105% of the average of the middle market quotations for an ordinary share of the Company 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 contracted to be purchased (excluding expenses); and
 - d. unless previously renewed, revoked or varied, the authority hereby conferred shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution, but a contract or contracts of purchase may be made before such expiry which will or may be executed wholly or partly thereafter and a purchase of shares may be made in pursuance of any such contract.
14. That the new Articles of Association of the Company, in the form produced to the meeting and initialled by the Chairman for the purposes of identification, shall be and are hereby adopted in substitution for and to the exclusion of the existing Articles of Association of the Company.

By order of the Board:

Johnson Matthey Public Limited Company
Registered Number: 33774

Simon Farrant
Company Secretary
17 June 2008

Registered Office:
40-42 Hatton Garden
London EC1N 8EE

NOTES

1. Voting at the meeting

Voting on all resolutions set out in the Notice of Annual General Meeting will be conducted on a poll rather than on a show of hands. Poll voting will be carried out by electronic means and the voting procedure will be explained at the meeting.

2. Appointment of proxies

A member entitled to attend and vote at the meeting convened by the Notice set out above is entitled to appoint a proxy to exercise all or any of his rights to attend and to speak and vote on his behalf at the meeting. A member may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. A proxy need not be a member of the Company. To be effective, a form of proxy must be lodged at the offices of the Company's registrars, Equiniti, Aspect House, Spencer Road, Lancing, West Sussex BN99 6GR so as to be received no later than 11.00 am on Sunday 20 July 2008. Completion of a form of proxy does not preclude a member from subsequently attending and voting at the meeting in person if he so wishes.

3. Electronic proxy appointment via Equiniti's website

Members who prefer to register the appointment of their proxy electronically via the internet can do so through Equiniti's website at www.sharevote.co.uk. Full details of the procedure are given on the website. The Voting ID, Task ID and Shareholder Reference Number printed on the form of proxy will be required in order to use this electronic proxy appointment system. Alternatively, members who have already registered with Equiniti's on-line portfolio service, Shareview, can appoint their proxy electronically by logging onto their portfolio at www.shareview.co.uk and clicking on 'Company Meetings'. A proxy appointment made electronically will not be valid if sent to any address other than those provided or if received after 11.00 am on Sunday 20 July 2008.

Members who return a form of proxy or register the appointment of a proxy electronically will still be able to attend the meeting and vote in person if they so wish.

4. Electronic proxy appointment through CREST

CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so by following the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ("EUI") specifications and must contain the information required for such appointment or instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID 7RA01) by the latest time(s) for receipt of proxy appointments specified in the Notice of meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) 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.

5. Nominated persons

A copy of this Notice has been sent for information only to persons who have been nominated by a member to enjoy information rights under section 146 of the Companies Act 2006 ("Nominated Persons"). The statement of rights of members in relation to the appointment of proxies in Note 2 above does not apply to Nominated Persons. The rights described in that paragraph can only be exercised by members of the Company. Nominated Persons may have a right under an agreement with the registered member who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if Nominated Persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights.

6. Entitlement to attend and vote

In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, only those shareholders entered on the Company's register of members no later than 6.00 pm on Sunday 20 July 2008 or, if the meeting is adjourned, shareholders entered on the Company's register of members no later than 6.00 pm on the date two days prior to the adjourned meeting, shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their name at that time. Changes to entries on the register of members after 6.00 pm on Sunday 20 July 2008 (or after 6.00 pm on the date two days prior to any adjourned meeting) shall be disregarded in determining the rights of any person to attend or vote at the meeting.

7. Total voting rights

As at 30 May 2008, being the last practicable date prior to the publication of this Notice, the Company's issued share capital (excluding treasury shares) consisted of 214,675,736 ordinary shares, carrying one vote each. Therefore, the total number of voting rights of the Company as at 30 May 2008 was 214,675,736.

8. Corporate representatives

In order to facilitate voting by corporate representatives at the meeting, arrangements will be put in place at the meeting so that (i) if a corporate shareholder has appointed the chairman of the meeting as its corporate representative to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the meeting, then on a poll those corporate representative will give voting directions to the chairman and the chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and (ii) if more than one corporate representative for the same corporate shareholder attends the meeting but the corporate shareholder has not appointed the chairman of the meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives (www.icsa.org.uk) for further details of this procedure.

9. Documents available for inspection

The following documents are available for inspection at the registered office of the Company during normal business hours. They will also be available at The Institution of Engineering and Technology (The Lecture Theatre), 2 Savoy Place, London WC2R 0BL from 10.00 am on Tuesday 22 July 2008 until the conclusion of the meeting:

- The register of interests of the directors in the share capital of the Company.
- The contracts of service of the executive directors with the Company and any subsidiary undertakings.
- The non-executive directors' letters of appointment.
- Deeds of indemnity in favour of the directors.
- The full terms of the proposed new Articles of Association.

Appendix 1 to this circular, which forms a part of this Notice of Annual General Meeting, summarises the main features of the proposed new Articles of Association but should not be taken as affecting the interpretation of the detailed terms of the new Articles of Association. The directors reserve the right up to the time of the Annual General Meeting to make such amendments or additions as they may consider necessary or desirable, provided that such amendments and additions do not conflict in any material respect with the summary set out in Appendix 1.

APPENDIX 1

EXPLANATORY SUMMARY OF PROPOSED AMENDMENTS TO BE INCORPORATED IN NEW ARTICLES OF ASSOCIATION

The Companies Act 2006 (the “2006 Act”), which is replacing the Companies Act 1985 (the “1985 Act”) is being implemented in stages and will be fully in force by 1 October 2009. As it did last year, under resolution 14 the Company is proposing to adopt new Articles of Association (the “Articles”) which will reflect certain further changes in company law brought about by the 2006 Act (some of which are already in force, and others of which are to come into effect on or before 1 October 2008), as well as some minor technical or clarifying changes.

As well as those changes, the Articles include some other modernising and clarificatory amendments, including, where appropriate, tracking the wording of the Department for Business, Enterprise and Regulatory Reform (“BERR”) model form articles for public companies, which are replacing the Table A articles under the 1985 Act on which many of the Company’s current articles are based.

Set out below is a summary of the principal changes.

1. Variation of rights (Article 12)

Article 12 has been amended by changing the reference to an “extraordinary” resolution to a “special” resolution (as the former concept no longer exists under the 2006 Act), and by making it clear that treasury shares are not included in calculating relevant thresholds. Similar changes have been made to other relevant provisions of the Articles.

2. Transfer of shares (Articles 36 and 37)

Under the 2006 Act, a company must either register a transfer or give the transferee notice of, and reasons for, its refusal to register the transfer. Any registration of a transfer or notice of refusal must be made or given as soon as practicable and in any event within two months from the date that the transfer is lodged with the Company. The new Articles reflect these requirements.

3. Alteration of capital (Article 48)

Minor drafting amendments have been made to Article 48 to clarify that the board has discretion to deal with fractional entitlements and that such discretion is subject to any resolution under Article 47.

4. Notice of general meetings (Articles 51, 52 and 53)

The provisions in the new Articles dealing with the convening of general meetings and the length of notice required to convene general meetings are in line with the relevant provisions of the 2006 Act. In particular, a general meeting (other than the annual general meeting) to consider a special resolution can now be convened on 14 days’ notice whereas previously 21 days’ notice was required.

5. Quorum (Article 54)

Article 54 has been amended to make it clear that two persons who are proxies for the same member or representatives of the same body corporate can constitute a quorum.

6. Attending and speaking at meetings (Article 58)

Article 58 of the new Articles now provides that the chairman of the meeting may permit non-members or persons who are not entitled to exercise the rights of members to attend and, at the chairman’s discretion, speak at a general meeting.

7. Amendment to resolutions (Articles 60 and 61)

These articles adopt the approach of BERR in its model articles relating to amendments to resolutions. Minor amendments have been made to other provisions to accord with the BERR approach.

8. Polls (Article 62)

Article 62 has been amended to clarify that a poll may be demanded before a show of hands, as well as immediately after the result of a show of hands, and to give the directors as well as the chairman of the meeting the right to demand a poll.

9. Votes of members, proxies and corporate representatives (Articles 69, 73, 74, 75, 79 and 81)

Under the 2006 Act, proxies are entitled to vote on a show of hands as well as on a poll, and members may appoint a proxy to exercise all or any of their rights to attend, speak and vote at meetings. Multiple proxies may be appointed provided that each proxy is appointed to exercise the rights attached to a different share or shares. The new Articles reflect these new proxy rights. The 2006 Act also provides for multiple corporate representatives to be appointed and the Articles therefore refer to the right to appoint multiple corporate representatives.

10. Receipt of appointments of proxy and termination of proxy authority (Article 78)

Article 78(c) provides that proxies for a poll to be taken after the date of a meeting or adjourned meeting must be received not less than 24 hours, or such shorter time as the directors may determine, before the time of the poll. The deadlines for receipt of termination of proxy authority have been brought into line with the deadlines for receipt of proxies. Article 78 also permits the directors to specify, in a notice of meeting, that in determining the time for delivery of proxies, no account shall be taken of non-working days.

11. Directors' appointments, interests and conflicts of interest (Articles 108 and 109)

The 2006 Act sets out directors' general duties which largely codify the existing law but with some changes. Under the 2006 Act, from 1 October 2008 a director has a statutory duty to avoid a situation where he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the company's interests. The requirement is very broad and could apply, for example, if a director becomes a director of another company or a trustee of another organisation. The 2006 Act allows directors of public companies to authorise conflicts and potential conflicts where appropriate, if the articles of association contain a provision to this effect. The 2006 Act also allows the articles to contain other provisions for dealing with directors' conflicts of interest to avoid a breach of duty.

Article 108, which is the provision for dealing with conflicts in the Company's current articles, allowing directors to be interested in transactions and to be an officer of or employed by or interested in a body corporate in which the Company is interested, has been amended so that it confirms that such interests, offices or employment will not infringe the conflicts duty as codified in the 2006 Act.

New Article 109 gives the directors authority to approve conflict situations including other directorships held by the Company's directors and includes other provisions to allow conflicts of interest to be dealt with in a similar way to the current position.

There are safeguards that will apply when directors decide whether to authorise a conflict or potential conflict. First, only directors who have no interest in the matter being considered will be able to take the relevant decision. Second, in taking the decision the directors must act in a way they consider, in good faith, will be most likely to promote the Company's success. The directors will be able to impose limits or conditions when giving authorisation if they think this is appropriate.

The proposed new Article 109 also contains provisions relating to confidential information, attendance at board meetings and availability of board papers to protect a director from being in breach of duty if a conflict of interest or potential conflict of interest arises. These provisions will only apply where the position giving rise to the potential conflict has previously been authorised by the directors.

It is the board's intention to report annually on the Company's procedures for ensuring that the board's powers of authorisation of conflicts are operated effectively and that the procedures have been followed.

12. Directors' gratuities and pensions (Article 111)

Article 111 has been amended to delete references to section 719 of the Companies Act 1985 (which has been repealed) and update the language of the article (for example, to refer to civil partners).

13. Quorum (Article 113)

The proposed amendment to Article 113, which deals with the quorum requirement for board meetings, clarifies that a director cannot count in the quorum for a matter or resolution on which he is not entitled to vote but he may count in the quorum for the other matters or resolutions to be considered or voted on at the meeting.

14. Permitted interests and voting (Article 118)

The provisions which previously deemed certain interests of a director's connected persons to be the interests of the director himself for the purposes of this article have been deleted. There is no requirement in the 2006 Act to include such a provision and the 2006 Act contains a much wider definition of "connected person" of a director. The director and the Company must still take a view each time a matter is being considered as to whether the interests of the director's connected persons mean that the director should be treated as interested for the purposes of this article.

15. The seal (Article 123)

Article 123 provides that instruments (other than share certificates) to which the seal is affixed shall be signed by two authorised persons or by a director in the presence of a witness, whereas previously the requirement was for signature by either the director and secretary or two directors.

16. Power to indemnify directors (Article 149)

The directors' indemnity provision has been amended to make it clear that the Company may, subject to the provisions of the 2006 Act, indemnify a director of an associated company that is the trustee of an occupational pension scheme, taking advantage of the qualifying pension scheme indemnity provision in the 2006 Act.

