

This document is important and requires your immediate attention. If you are in any doubt about the action you should take, you should consult an independent adviser authorised under the Financial Services and Markets Act 2000 in the United Kingdom, or another appropriately authorised independent adviser. If you have sold or transferred all of your shares in 3i Group plc, please send this document and the accompanying proxy form to the purchaser, transferee or agent through whom you acted for forwarding to the purchaser or transferee.



## 3i Group plc Notice of Annual General Meeting 2008





# Letter from the Chairman

**3i Group plc**

*(an investment company (as defined in section 266 of the Companies Act 1985) registered in England and Wales under No. 1142830)*

**Registered Office:**

16 Palace Street  
London SW1E 5JD

Dear Shareholder

I have pleasure in sending to you this booklet containing the Notice of 2008 Annual General Meeting and a map showing the location of the Meeting. The Meeting will be held at The Queen Elizabeth II Conference Centre, Broad Sanctuary, Westminster, London SW1P 3EE on Wednesday 9 July 2008 at 11.00 am.

The Directors are recommending a final dividend of 10.9p per ordinary share. Subject to approval at the Annual General Meeting on 9 July 2008, this dividend will be paid to shareholders on 18 July 2008.

This year, 15 resolutions are proposed for consideration at the Annual General Meeting. The purpose and reasons for each of the resolutions are explained in the Notes to the Notice of Meeting. I hope that you will find these Notes helpful.

The final resolution asks the shareholders to adopt new Articles of Association primarily to reflect the provisions of the Companies Act 2006. An explanation of the main differences between the proposed and the existing Articles of Association is also set out in the Appendix to the Notice of Meeting.

If you have access to the internet, our investor relations website at [www.3igroup.com](http://www.3igroup.com) includes financial news and other information about 3i which we hope will be of interest to shareholders. If you would like to register to receive shareholder documents electronically in future please visit [www.3igroup.com/e-comms](http://www.3igroup.com/e-comms). At [www.3i.com](http://www.3i.com) you can also find information about companies in which we are invested.

Please do not hesitate to write to me or to our Group Communications Director, at 16 Palace Street, London SW1E 5JD, if you have any comments or questions. Or you can email us at [ir@3igroup.com](mailto:ir@3igroup.com).

Yours sincerely



**Baroness Hogg**  
Chairman

19 May 2008

## Notice of Annual General Meeting

Notice is hereby given that the thirty-fifth Annual General Meeting of 3i Group plc ("the Company") will be held at The Queen Elizabeth II Conference Centre, Broad Sanctuary, Westminster, London SW1P 3EE on Wednesday 9 July 2008 at 11.00 am to transact the business set out below.

**To consider and, if thought fit, pass the following as ordinary resolutions:**

- 1 To receive and consider the Company's Accounts for the year to 31 March 2008, the Directors' report and the Auditors' report on those Accounts and on the auditable part of the Directors' remuneration report.
- 2 To approve the Directors' remuneration report for the year to 31 March 2008.
- 3 To declare a final dividend of 10.9p per ordinary share, payable to those shareholders whose names appear on the Register of Members at close of business on 20 June 2008.
- 4 To reappoint Mr W Mesdag as a Director of the Company.
- 5 To reappoint Mr S P Ball as a Director of the Company.
- 6 To reappoint Sir Robert Smith as a Director of the Company.
- 7 To reappoint Mr O H J Stocken as a Director of the Company.
- 8 To reappoint Ernst & Young LLP as Auditors of the Company to hold office until the conclusion of the next General Meeting at which Accounts are laid before the Members.
- 9 To authorise the Board to fix the Auditors' remuneration.
- 10 THAT the Company and any company which is or becomes a subsidiary of the Company at any time during the period for which this resolution has effect be and is hereby authorised to:
  - (a) make political donations to political parties or independent election candidates not exceeding £20,000 in total;
  - (b) make political donations to political organisations other than political parties not exceeding £20,000 in total; and
  - (c) incur political expenditure not exceeding £20,000 in total,

during the period commencing on the date of the passing of this resolution and ending at the conclusion of the Annual General Meeting of the Company to be held in 2009 or, if earlier, 8 October 2009 PROVIDED THAT the aggregate amount of political donations and political expenditure made or incurred by the Company and its subsidiaries pursuant to this resolution shall not exceed £20,000. Any terms used in this resolution which are defined in part 14 of the Companies Act 2006 shall bear the same meaning for the purposes of this resolution.

- 11 THAT, in substitution of all pre-existing authorities to the extent unused, the Directors be and they are hereby generally and unconditionally authorised to exercise all powers of the Company to allot relevant securities (within the meaning of section 80 of the Companies Act 1985) up to an aggregate nominal amount of £94,235,000 PROVIDED THAT this authority shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2009 or, if earlier, 8 October 2009, save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

**To consider and, if thought fit, pass the following as special resolutions:**

- 12 THAT, subject to the passing of Resolution 11 above and in substitution of all pre-existing authorities to the extent unused, the Directors be and they are hereby empowered pursuant to section 95 of the Companies Act 1985 to allot equity securities (within the meaning of section 94 of the said Act) pursuant to the authority conferred by Resolution 11 above, and/or to allot equity securities where such allotment constitutes an allotment of equity securities by virtue of section 94(3A) of the said Act, for cash as if sub-section (1) of section 89 of the said Act did not apply to any such allotment, 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, or other pre-emptive offer, to holders of ordinary shares in proportion to their respective holdings of such shares, excluding any holder holding shares as treasury shares, and subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or legal or practical problems under the laws of, or the requirements of any regulatory body or any stock exchange in, any territory or otherwise howsoever; and
  - (b) (otherwise than pursuant to sub-paragraph (a) above) up to an aggregate nominal value of £14,135,000,

and shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2009 or, if earlier, 8 October 2009, 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 had not expired.

13 THAT the Company be generally and unconditionally authorised, in accordance with Article 7 of the Company's Articles of Association in effect prior to the adoption of the new form of the Company's Articles of Association pursuant to Resolution 15 below, and, subject to the passing of Resolution 15 below, Article 6 of the Company's Articles of Association, to make market purchases (as defined in section 163(3) of the Companies Act 1985) of its ordinary shares PROVIDED THAT:

- (a) the Company does not purchase under this authority more than 38,274,000 ordinary shares;
- (b) the Company does not pay for each such ordinary share less than the nominal amount of such ordinary share at the time of purchase; and
- (c) the Company does not pay for each such ordinary share more than 105% of the average of the closing mid-market prices of the ordinary shares for the five business days, immediately preceding the date on which the Company agrees to buy the share concerned, based on the share prices published in the Daily Official List of the London Stock Exchange.

This authority shall continue for the period ending on the date of the Annual General Meeting of the Company to be held in 2009 or, if earlier, 8 October 2009 provided that if the Company has agreed, before this authority expires, to purchase ordinary shares where the purchase will or may be executed after this authority expires (either wholly or in part), the Company may complete such purchase as if this authority had not expired.

14 THAT the Company be generally and unconditionally authorised, in accordance with Article 7 of the Company's Articles of Association in effect prior to the adoption of the new form of the Company's Articles of Association pursuant to Resolution 15 below, and, subject to the passing of Resolution 15 below, Article 6 of the Company's Articles of Association, to make market purchases (as defined in section 163(3) of the Companies Act 1985) of its B shares in issue at the date of this notice PROVIDED THAT:

- (a) the Company does not purchase under this authority more than 16,566,194 B shares;
- (b) the Company does not pay for each such B share less than one penny; and
- (c) the Company does not pay for each such B share more than 127p.

This authority shall continue for the period ending on the date of the Annual General Meeting of the Company to be held in 2009 or, if earlier, 8 October 2009, provided that if the Company has agreed, before this authority expires, to purchase B shares where the purchase will or may be executed after this authority expires (either wholly or in part), the Company may complete such purchases as if this authority had not expired.

15 THAT the proposed new form of Articles of Association contained in the document submitted to the Meeting and signed by the Chairman of the Meeting for the purpose of identification be and they are hereby adopted as the Articles of Association of the Company in substitution of, and to the exclusion of, the existing Articles of Association of the Company.

By order of the Board

**K J Dunn**  
Secretary

19 May 2008

## Notes

The Annual General Meeting is a meeting of members (that is to say, shareholders) which the Company must hold each year.

A member entitled to attend and vote at the Meeting may appoint one or more proxies to attend, speak and vote instead of the member, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member.

If you are not a member of the Company but you have been nominated by a member of the Company under section 146 of the Companies Act 2006 to enjoy information rights, you do not have a right to appoint any proxies under the procedures set out in the section headed "Appointment of proxies". Please read the section headed "Nominated Persons" below.

### Appointment of proxies

A proxy need not be a member. The appointment of a proxy will not preclude a member from attending and voting in person at the Meeting, if desired. To be effective, instruments appointing a proxy should be lodged with the Company's Registrars (FREEPOST, SEA10849, Equiniti, Aspect House, Spencer Road, LANCING, BN99 6ZQ) at least 48 hours before the appointed time of the Meeting (that is to say, no later than 11.00 am on 7 July 2008).

Proxy appointment and voting directions may be registered electronically by contacting the [www.sharevote.co.uk](http://www.sharevote.co.uk) website, where full details of the procedure are given. To be valid, such a registration must be received at least 48 hours before the appointed time of the Meeting (that is to say, no later than 11.00 am on 7 July 2008). Members using electronic communications should read the terms and conditions of use carefully. Electronic communication facilities are available to all shareholders and those who use them will not be disadvantaged. Alternatively proxies may be lodged using the CREST proxy voting service (see the note on page 7 headed "Electronic proxy appointment through CREST").

Where members return more than one proxy appointment, either in paper form or by electronic communication, the proxy received last by the Company's Registrars before the latest time for the receipt of proxies will take precedence, regardless of the dates on which the members made the relevant appointment. If the Company's Registrars are unable to determine which was last delivered, none of them shall be treated as valid.

### Nominated Persons

If you are a person who has been nominated under section 146 of the Companies Act 2006 to enjoy information rights (a Nominated Person):

- You may have a right under an agreement between you and the member of the Company who has nominated you to have information rights (the Relevant Member) to be appointed or to have someone else appointed as a proxy for the Meeting.
- If you either do not have such a right or if you have such a right but do not wish to exercise it, you may have a right under an agreement between you and the Relevant Member to give instructions to the Relevant Member as to the exercise of voting rights.
- Your main point of contact in terms of your investment in the Company remains the Relevant Member (or, perhaps, your custodian or broker) and you should continue to contact them (and not the Company) regarding any changes or queries relating to your personal details and your interest in the Company (including any administrative matters). The only exception to this is where the Company expressly requests a response from you.

### Multiple 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 with instructions 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 representatives 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](http://www.icsa.org.uk)) for further details of this procedure. The guidance includes a sample form of representation letter if the Chairman is being appointed as described in (i) above.

### General

Please note that the Annual General Meeting is a private Meeting for shareholders, proxies, duly authorised representatives and the Company's Auditors. Non-shareholders, including spouses and partners and Nominated Persons, are not entitled to admission to the Meeting. Any disabled shareholder may, however, be accompanied and the person accompanying them need not be a shareholder.

In order to attend or vote at the Meeting, a member must be entered on the Company's ordinary share register at 6.00 pm on 7 July 2008. A member will only be entitled to vote in respect of those shares registered in the name of the member at that time. This time has been specified pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001. Changes to entries on the Company's Register of Members after that time will be disregarded in determining the rights of any person to attend or vote at the Meeting.

Copies of the executive Directors' employment contracts and the non-executive Directors' letters of appointment are available for inspection at the Company's Registered Office during normal business hours on each business day and will be at the place of the Annual General Meeting.

At this year's Annual General Meeting, there are 15 resolutions which the members are asked to approve. An explanation of these resolutions is given below.

**Resolution 1 (Report and Accounts)** The Directors must lay the Company's Accounts, the Directors' report and the Auditors' report before the members at a General Meeting. This is a legal requirement after the Directors have approved the Accounts and the Directors' report, and the Auditors have prepared their report.

**Resolution 2 (Remuneration report)** Listed companies are required to prepare a Directors' remuneration report and put a resolution to approve the report to the shareholders at the Annual General Meeting. Shareholders are being asked to approve the Directors' remuneration report, a copy of which is set out on pages 68 to 78 of the 2008 Report and Accounts.

**Resolution 3 (Declaration of dividend)** The Board may, in accordance with the Company's Articles of Association, authorise the payment of interim dividends. This authority was exercised for the interim dividend of 6.1p per ordinary share paid on 2 January 2008.

Any final dividend must be approved by members. The amount to be declared as a final dividend may not exceed the amount recommended by the Directors. The Directors are recommending that the members declare a final dividend of 10.9p per ordinary share in respect of the year to 31 March 2008. If approved, the final dividend will be paid on 18 July 2008 to ordinary shareholders who were on the Register of Members at close of business on 20 June 2008.

**Resolutions 4 to 7 inclusive (Reappointment of Directors)** Under the Company's Articles of Association, any Director appointed by the Board during the year and before the date of the relevant Annual General Meeting must retire. Mr W Mesdag was appointed during the year and therefore retires at the Annual General Meeting. Additionally, a proportion of the Directors retire by rotation at the Annual General Meeting each year and each Director must seek reappointment at least once every three years. There are three Directors who are required to retire this year, Mr S P Ball, Sir Robert Smith and Mr O H J Stocken.

Mr Ball, Mr Mesdag, Mr Stocken and Sir Robert Smith are eligible for, and seek, reappointment. As previously announced, Mr F G Steingraber will be retiring from the Board at this Annual General Meeting and does not seek reappointment.

Biographical details of the four Directors seeking reappointment are set out on page 54 of the 2008 Report and Accounts.

Mr Ball is an executive Director. Mr Mesdag, Mr Stocken and Sir Robert Smith are non-executive Directors. The Board is satisfied that, on their respective appointments and to date, Mr Mesdag, Mr Stocken and Sir Robert Smith were, and are, independent for the purposes of the Combined Code. The Board confirms that, following the formal Board performance evaluation process carried out during the year to 31 March 2008, it considers the Directors seeking reappointment to be highly effective and committed. Each of these Directors has undertaken to make sufficient time available to fulfil their commitments to the Company.

Mr Ball was appointed to the Board as an executive Director in 2005 and assumed responsibility as Finance Director on 1 April 2005. He has held a range of finance director roles in the financial services industry.

Mr W Mesdag was appointed to the Board as a non-executive Director in 2007. He brings a wide and relevant range of experience to 3i with an international perspective.

Sir Robert Smith was appointed to the Board as a non-executive Director in 2004. He has had a distinguished career with long experience of the financial services industry and audit matters.

Mr Stocken was appointed to the Board as a non-executive Director in 1999 and has been Deputy Chairman and Senior Independent Director since 2002. He has wide experience of the financial services industry, and of corporate governance and financial matters.

**Resolutions 8 and 9 (Reappointment and Remuneration of Auditors)** At each Meeting at which Accounts are laid before the members, the Company is required to appoint Auditors to serve from the conclusion of that Meeting until the conclusion of the next such Meeting. The Company's present Auditors, Ernst & Young LLP, have confirmed that they are willing to continue in office for a further year. Resolution 8 proposes that Ernst & Young LLP be reappointed. Resolution 9 gives authority to the Board to determine the Auditors' remuneration. The remuneration will then be disclosed in the next Accounts of the Company.

**Resolution 10 (Political donations and political expenditure authority)** The Company has no intention of changing its current policy of not making donations to political parties or campaigns. Resolution 10 concerns certain provisions of the Companies Act 2006 which require that companies seek shareholder approval for donations to political parties, independent election candidates or political organisations or to incur political expenditure. This resolution is intended to authorise normal activities which, as a result of the wide definitions under the Companies Act 2006, may be construed as donations to political parties, independent election candidates or political organisations or political expenditure. For example, some normal public relations and marketing expenditure could fall within these definitions. This resolution does not purport to authorise any particular political donations or expenditure but is in general terms as required by the Companies Act 2006. The resolution is to approve political donations and expenditure by the Company and any company which is or becomes a subsidiary of the Company at any time during the period for which the resolution has effect.

## Notes continued

**Resolution 11 (Renewal of authority to allot shares)** The purpose of Resolution 11 is to renew the Directors' power to allot shares. Except as referred to below in relation to Resolution 12, the Directors have no present intention of exercising the authority conferred by this resolution.

Section 80 of the Companies Act 1985 provides that the Board may not allot new shares (other than for employee share schemes) without shareholder approval. Resolution 11 empowers the Board to allot shares with an aggregate nominal value of up to £94,235,000 being approximately one-third of the Company's issued ordinary share capital as at 19 May 2008. The authority would last until the earlier of the Annual General Meeting in 2009 and 8 October 2009.

As at 19 May 2008, the Company did not hold any shares in treasury.

**Resolution 12 (Renewal of section 89 authority)** Under section 89 of the Companies Act 1985, if the Board wishes to allot any equity securities, or sell any treasury shares (should it elect to hold any), for cash (other than in connection with an employee share scheme), it must first offer them to existing shareholders in proportion to their shareholdings. The purpose of Resolution 12 is to allow the Board to allot shares, or sell any treasury shares, for cash other than in accordance with section 89:

- (a) in connection with rights issues and other pre-emptive offers; and
- (b) otherwise up to an aggregate nominal amount of £14,135,000, representing approximately 5% of the Company's issued ordinary share capital as at 19 May 2008.

The Board considers the authority referred to in paragraph (a) is appropriate in order to give the Company flexibility to deal with legal or other difficulties should it decide to offer further shares to shareholders by way of a rights issue or other pre-emptive offer.

The Board considers the authority referred to in paragraph (b) above is desirable in order to have the flexibility to issue shares or other equity securities, for example to finance business opportunities. Although the Board has not yet taken a final decision on its use, it is possible that the authority referred to in paragraph (b) above will be utilised as part of the arrangements for the issue of a new convertible bond, as explained below.

On 15 May 2008, the Company announced that it had launched an offering of £430 million 3.625% Convertible Bonds due 2011 (the "New Bonds"). The New Bonds are being issued principally to refinance the €550 million convertible bonds issued by the Company in 2003, which are due for redemption on 1 August 2008. At the same time as the issue of the New Bonds was launched, the Company also entered into certain agreements with Dresdner Kleinwort and Lehman Brothers, who acted as joint bookrunners (the "Joint Bookrunners") of the offering of the New Bonds, in order to offset the Company's exposure in relation to the New Bonds and to increase the effective conversion premium inherent in the issue of the New Bonds. These agreements comprised (i) the purchase by the Company of cash-settled call options at the conversion price of the New Bonds (£11.3181 per share) from the Joint Bookrunners relating to 37,992,243 ordinary shares in the Company (the "Lower Call Options") and (ii) the sale to the Joint Bookrunners of call options over 37,992,244 ordinary shares in the Company (the "Upper Call Options"). The Upper Call Options are divided between options (the "First Upper Call Options") which are to be physically settled by the issue of 18,996,122 ordinary shares by the Company on exercise at a price of £14.0926 per share and options (the "Second Upper Call Options") which are initially to be cash-settled but entitle the Company to elect that they will be physically settled by the issue of 18,996,122 ordinary shares on exercise at a price of £14.0926 per share. The conversion premium above the reference share price under the New Bonds is 28.5%. However, the result of the Lower Call Options and the Upper Call Options is that the effective conversion premium of the transaction as a whole is raised to 60%, thus reducing the potential for dilution of shareholders' interests when compared to the effect of a normal convertible bond.

In entering into the First Upper Call Options, the power conferred upon the Board at the Annual General Meeting held in 2007 to issue equity securities for cash other than pro-rata to existing shareholders up to an aggregate nominal amount of £14,475,000 was utilised. The election by the Company under the Second Upper Call Options that those options will be physically settled by the issue of ordinary shares would utilise the authority referred to in paragraph (b) above.

The authorities to be sought under Resolution 12 will last until the earlier of the Annual General Meeting in 2009 and 8 October 2009.

**Resolution 13 (Renewal of authority to purchase own ordinary shares)** The purpose of Resolution 13 is to renew the authority granted at the Annual General Meeting in 2007 to the Company to purchase its ordinary shares. The Company would make such purchases only where the Directors believed that to do so would result in an increase in total return per ordinary share and is in the best interests of shareholders generally.

The authority is limited to 38,274,000 ordinary shares representing approximately 10% of the Company's issued ordinary share capital as at 19 May 2008.

The Company may purchase ordinary shares at prices which are above the last published net asset value per ordinary share. The maximum price (exclusive of expenses) payable per ordinary share under this authority is 5% above the average closing middle market price per ordinary share for the five business days' immediately preceding the date of any purchase. The minimum price payable per ordinary share under this authority is the nominal value of that ordinary share. Any purchases of ordinary shares made pursuant to this authority will be market purchases.

Any such purchases would be made during the period commencing at the close of the Annual General Meeting and ending on the date of the Company's Annual General Meeting in 2009. Ordinary shares purchased pursuant to this authority are intended to be cancelled and not to be held as treasury shares.

Details of any such ordinary shares purchased pursuant to this authority will be notified to a Regulatory Information Service of the London Stock Exchange no later than one half hour ahead of the start of dealings on the business day following the purchase. Details will also be included in the Company's Annual Report and Accounts in respect of the financial period in which any such purchase takes place.

The total number of options to subscribe for the Company's equity shares outstanding at 19 May 2008 was 8,432,312. This represents 2.2 % of the Company's issued share capital at that date. If the Company bought back the maximum number of shares permitted pursuant to the passing of this resolution, the total number of options to subscribe for equity shares outstanding at that date would represent 2.4% of the issued share capital as reduced following those repurchases.

There were no warrants to subscribe for the Company's shares outstanding at 19 May 2008. A warrant is a binding agreement by a company to issue shares to the person who holds the warrant.

**Resolution 14 (Renewal of authority to purchase own B shares)** The purpose of Resolution 14 is to renew the authority granted to the Company at the Extraordinary General Meeting held on 11 July 2007 to purchase its B shares. In the circular to shareholders accompanying the Notice of that meeting it was stated that the Company expected Future Purchase Offers (as defined in that circular) to be made by a counterparty acting as principal in both July 2008 and July 2009 at 127p per B share. Whilst the Company also stated that there was no certainty that such offers would be made, it will be necessary for the Company to have this authority if the Future Purchase Offer in July 2008 is to be made.

The authority is limited to 16,566,194 B shares, which is the total number of B shares in issue as at 19 May 2008.

The maximum price (exclusive of expenses) payable per B share under this authority is 127p. The minimum price payable per B share under this authority is one penny.

Any such purchases would be made during the period commencing at the close of the Annual General Meeting and ending on the date of the Company's Annual General Meeting in 2009. B shares purchased pursuant to this authority are intended to be cancelled and not to be held as treasury shares.

Details of any such B shares purchased pursuant to this authority will be notified to a Regulatory Information Service of the London Stock Exchange no later than one half hour ahead of the start of dealings on the business day following the purchase. Details will also be included in the Company's Annual Report and Accounts in respect of the financial period in which any such purchase takes place.

**Resolution 15 (Adoption of new Articles of Association)** Resolution 15 proposes the adoption of new Articles of Association. The proposed new Articles are largely similar to the existing Articles of Association and the proposed changes are mainly to reflect the provisions of the Companies Act 2006. A summary of the principal changes is shown in the attached Appendix.

Copies of the following documents may be inspected at the registered office of the Company and at the offices of Slaughter and May, One Bunhill Row, London, EC1Y 8YY during normal business hours on weekdays (Saturdays and public holidays excepted) up to and including the day of the Annual General Meeting, and at the venue for the Meeting from half an hour before the time fixed for the Meeting until the conclusion of the Meeting:

- i) the existing Memorandum and Articles of Association of the Company;
- ii) the new Articles of Association referred to in Resolution 15, marked up to show the differences from the existing Articles of Association; and
- iii) a summary of the principal changes to the Articles referred to in Resolution 15.

**Recommendation** The Directors believe that the proposals set out in the Notice of Meeting are in the best interests of the Company's shareholders as a whole. Accordingly, they (other than, in the case of Resolutions 4 to 7, the Director proposed for reappointment in each resolution) unanimously recommend that members vote in favour of each resolution.

## Notes continued

**Electronic communications with shareholders** Shareholders may elect to receive shareholder communications electronically in future by visiting our Registrars' website at [www.shareview.co.uk/clients/3isignup](http://www.shareview.co.uk/clients/3isignup) and following the instructions there to register. Shareholders will then be emailed, at the appropriate times each year, a link to an electronic copy of the Notice of Annual General Meeting and the Annual Report and Accounts, rather than receiving hard copies. Shareholders may also make proxy appointments and give voting instructions electronically via the internet link above.

Members who have general queries about the Meeting, not including the return of proxies which should be done using the link provided above, should use the following means of communication (no other methods of communication will be accepted):

- calling our shareholder helpline on 0871 384 2031; or
- calling 3i Group plc on 020 7975 3414.

You may not use any electronic address provided either in this Notice of Annual General Meeting or any related documents (including the Chairman's letter and proxy form) to communicate with the Company for any purposes other than those expressly stated.

**Electronic proxy appointment through CREST** CREST members who wish to appoint a proxy or proxies may do so by utilising the CREST electronic proxy appointment service in accordance with the procedures described in the CREST manual. To be valid such an appointment must be received at least 48 hours before the time of the Meeting (that is to say, no later than 11.00 am on 7 July 2008).

In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with CRESTCo's specifications, must contain the information required for such instructions, as described in the CREST Manual, and, regardless of whether it relates to the appointment of a proxy or to an amendment to the instruction given to a previously appointed proxy must be transmitted so as to be received by the Company's agent (ID RA19) by the latest time for receipt of proxy appointments specified above. 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) at which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in regulation 35(5)(a) of the Uncertificated Securities Regulations 2001. Normal system timings and limitations will 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/her 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.

**Issued shares and voting rights** As at 5.00 pm on 19 May 2008 (being the last practicable date prior to the publication of this Notice) the Company's issued share capital comprised 382,791,484 ordinary shares of 73<sup>19/22p</sup> each and 16,566,194 cumulative preference shares ("B shares") of one penny each. Of these, only the ordinary shares carry voting rights at a general meeting of the Company (on the basis of one vote per share) and, therefore, the total number of voting rights in the Company as at 5.00 pm on 19 May 2008 is 382,791,484.

# Appendix

## Summary of principal changes to Articles of Association

The principal changes can be summarised as follows:

### 1. Articles which duplicate statutory provisions

Provisions in the existing Articles of Association (referred to below as the "Current Articles") which replicate provisions contained in the Companies Act 2006 are in the main to be removed in the new Articles of Association (referred to below as the "New Articles"). This is in line with the approach advocated by the Government that statutory provisions should not be duplicated in a company's constitution. Certain examples of such provisions include provisions as to the form of resolutions, the requirement to keep accounting records and provisions regarding the period of notice required to convene general meetings. The main changes made to reflect this approach are detailed below.

### 2. Form of resolution

The Current Articles contain a provision that, where for any purpose an ordinary resolution is required, a special or extraordinary resolution is also effective and that, where an extraordinary resolution is required, a special resolution is also effective. This provision is removed in the new Articles as the concept of extraordinary resolutions has not been retained under the Companies Act 2006. Further, the remainder of the provision is reflected in full in the Companies Act 2006.

The Current Articles enable members to act by written resolution. Under the Companies Act 2006 public companies can no longer pass written resolutions. These provisions have therefore been removed in the New Articles.

### 3. Payment of commission

The Current Articles contain a provision allowing the Company to pay commission or brokerage in connection with the issue of shares. This provision has been added to in the New Articles to allow the Company to satisfy such commission or brokerage by the payment of cash or by the allotment of fully or partly-paid shares or other securities or partly in one way and partly in the other.

### 4. Uncertificated shares

The New Articles provide that, where the Company is entitled by the New Articles or legislation to dispose of or enforce a lien over an uncertificated share, or impose a restriction on it, the Directors may require the holder to change that share to certificated form.

The New Articles also provide that shares held by a member in uncertificated form are to be treated as a separate holding from any shares held in certificated form unless the Directors decide otherwise.

### 5. Share certificates sent at holder's risk

The New Articles provide that a share certificate is sent at the risk of the holder and that the Company is not responsible for a share certificate which is lost or delayed in the course of delivery.

### 6. Calls

The Current Articles provide that a person upon whom a call is made shall remain liable for all calls made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made. The New Articles make clear that such liability is joint and several with the successors in title to such shares.

### 7. Interest on non-payment

The Current Articles state that where a call remains unpaid after it has become due and payable, the person from whom it is due and payable shall pay interest on the amount unpaid. The New Articles provide in addition that such person may be liable to pay all expenses that have been incurred by the Company by reason of such non-payment.

### 8. Rights to decline registration

The New Articles provide that the Board may decline to register any transfer of a certificated share unless the instrument of transfer is duly stamped or duly certified or otherwise shown to the satisfaction of the Board to be exempt from stamp duty. This provision is in addition to the other requirements relating to the registration of transfers set out in the Current Articles.

### 9. Fractions

The Current Articles provide that whenever as a result of a consolidation members would become entitled to fractions of a share, the Board may deal with the fractions as it thinks fit. The New Articles provide that whenever as a result of a consolidation, consolidation and sub-division or sub-division members would become entitled to fractions of a share, the Board may deal with the fractions as it thinks fit.

## Appendix

# Summary of principal changes to Articles of Association continued

### 10. Convening Extraordinary and Annual General Meetings

The provisions in the Current Articles dealing with the convening of general meetings and the length of notice required to convene general meetings are being removed in the New Articles because the relevant matters are provided for in the Companies Act 2006. In particular, an Extraordinary General Meeting to consider a special resolution can be convened on 14 days' notice whereas previously 21 days' notice was required.

### 11. Notice of adjournment

The Current Articles provide that notice of an adjourned meeting shall be given as in the case of an original meeting when a meeting is adjourned for three months or more or indefinitely. This is amended in the New Articles such that notice of the adjourned meeting shall be given as in the case of an original meeting only if the continuation of the adjourned meeting is to take place three months or more after it was adjourned.

### 12. Amendments to resolutions

The Current Articles provide that no amendment to an ordinary resolution may be considered or voted upon unless at least 48 hours prior to the time appointed for holding the meeting at which such ordinary resolution is to be proposed notice in writing of the amendment is lodged at the office of the Company. The New Articles provide that notice must be received at least two working days prior to the date appointed for holding the meeting at which such ordinary resolution is to be proposed.

### 13. Votes of members

Under the Companies Act 2006 proxies are entitled to vote on a show of hands whereas under the Current Articles proxies are only entitled to vote on a poll. The time limits for the appointment or termination of a proxy appointment have been altered by the Companies Act 2006 so that the articles cannot provide that they should be received more than 48 hours before the meeting or, in the case of a poll taken more than 48 hours after the meeting, more than 24 hours before the time for the taking of a poll, with weekends and bank holidays being permitted to be excluded for this purpose. A member may appoint more than one proxy to attend on the same occasion and if he does shall specify the number of shares in respect of which each proxy is entitled to exercise the related votes. The New Articles reflect all these provisions.

### 14. Method of voting

The New Articles state that the chairman of the meeting can demand a poll before a resolution is put to the vote on a show of hands.

### 15. No right to vote where sums overdue on shares

The Current Articles provide that no member shall, unless the Board otherwise decides, be entitled in respect of any share held by him to vote at any general meeting of the Company unless all calls or other sums presently payable by him in respect of that share have been paid. The New Articles provide that, in addition, a member shall not attend at any general meeting or vote upon a poll unless all calls or other sums presently payable by him in respect of that share have been paid.

### 16. Age of Directors on appointment

The Current Articles contain a provision requiring a Director's age to be disclosed if he has attained the age of 70 years or more in the notice convening a meeting at which the Director is proposed to be elected or re-elected. Such provision could now fall foul of the Employment Equality (Age) Regulations 2006 and so has been removed from the New Articles.

### 17. Retirement of Directors by rotation

The Current Articles contain a provision requiring a minimum number of approximately one-third of the Directors to retire at every Annual General Meeting. Such provision is no longer appropriate in view of the Combined Code requirement for Directors to offer themselves for re-election at regular intervals and at least every three years and so has been removed in the New Articles. The New Articles provide that any Director who has been appointed by the Board since the last Annual General Meeting, or who held office at the time of the two preceding Annual General Meetings and who did not retire at either of them, or who (not being Chairman of the Board) has held non-executive office for a continuous period of nine years or more at the date of the Annual General Meeting, is to retire at each Annual General Meeting and offer himself for reappointment.

### 18. Alternate directors

The New Articles provide in the same way as the Current Articles that an alternate director shall not be entitled to receive from the Company any fee in his capacity as an alternate director. However, the New Articles also provide that the Company shall, if so requested by the Director appointing a person as an alternate director, pay to the alternate director any part of the fees or remuneration otherwise due to the Director making the appointment. In addition, the New Articles provide that a person may act as an alternate director to represent more than one Director (but shall count as only one for the purposes of determining whether a quorum is present).

### **19. Directors' fees**

The New Articles provide that each of the Directors shall be paid a fee at such rate as determined by the Board provided that the aggregate of all fees so paid to Directors (excluding amounts payable under any other provision of the New Articles) shall not exceed £1,000,000 per annum or such higher amount as may be decided by ordinary resolution of the Company. Prior to this, the aggregate of all such fees was limited to £800,000 per annum pursuant to an ordinary resolution of the Company passed on 6 July 2005.

### **20. Expenses**

The New Articles provide that the Company may fund a Director's expenditure and that of a director of any holding company of the Company for the purposes permitted under the Companies Acts and may do anything to enable a Director or a director of any holding company of the Company to avoid incurring such expenditure as provided in the Companies Acts.

### **21. Conflicts of interest**

The Companies Act 2006 sets out Directors' general duties which largely codify the existing law but with some changes. Under the Companies Act, from 1 October 2008, a Director must 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 Companies Act 2006 allows Directors of public companies to authorise conflicts and potential conflicts, where appropriate, where the Articles of Association contain a provision to this effect. The Companies Act 2006 also allows the Articles of Association to contain other provisions for dealing with Directors' conflicts of interest to avoid a breach of duty. The New Articles give the Directors authority to approve such situations and include other provisions to allow conflicts of interest to be dealt with in a similar way to the current position.

There are safeguards which 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, and secondly, 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.

It is also proposed that the New Articles should contain provisions relating to confidential information, attendance at Board meetings and availability of Board papers to protect a Director 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.

### **22. Notice of Board meetings**

Under the Current Articles, when a Director is abroad he can request that notices of Directors' meetings are sent to him at a specified address and if he does not do so he is not entitled to receive notice while he is away. This provision has been removed, as modern communications mean that there may be no particular obstacle to giving notice to a Director who is abroad.

### **23. Payment procedure**

The New Articles provide that where two or more persons are entitled by transmission to a share, any one of them may give effectual receipts for any dividends or other money payable or property distributable on or in respect of the share.

### **24. Scrip dividends**

The New Articles provide that the Board may decide how any costs relating to making new shares available in place of a cash dividend will be met, including deciding to deduct an amount from the entitlement of a shareholder.

## Appendix

# Summary of principal changes to Articles of Association continued

### 25. Records to be kept

The provision in the Current Articles requiring the Board to keep accounting records has been removed in the New Articles as this requirement is contained in the Companies Act 2006.

### 26. Method of service

The New Articles contain a provision that, in the case of joint holders of a share, anything to be agreed or specified in relation to any notice, document or other information to be served on or sent or supplied to them may be agreed or specified by any one of the joint holders. Agreement or specification of the senior joint holder (determined by the order the names stand in the register in respect of the joint holding) shall be accepted to the exclusion of the other joint holders. The New Articles also provide that if on three consecutive occasions any notice, document or other information served on or sent or supplied to a member has been returned undelivered, such member is not thereafter entitled to receive notices, documents or other information until he has communicated with the Company and supplied it with new contact details.

### 27. Deemed delivery

Under the Current Articles, any notice or document sent by the Company by post shall be deemed to have been served or delivered on the day following that on which it was put in the post. The New Articles provide that any notice, document or information, if served, sent or supplied by the Company by post, shall be deemed to have been received on the day following that on which it was posted if first class post was used or 48 hours after it was posted if first class post was not used. Any notice, document or other information made available on a website shall be deemed to have been received on the day on which the notice, document or other information was first made available on the website, or, if later, when a notice of availability is received or deemed to have been received.

### 28. Distribution of assets otherwise than in cash

The Current Articles contain provisions dealing with the distribution of assets in kind in the event of the Company going into liquidation. These provisions have been removed in the New Articles on the grounds that a provision about the powers of liquidators is a matter for insolvency law rather than the articles and that the Insolvency Act 1986 confers powers on the liquidator which would enable it to do what is envisaged by the Current Articles.

### 29. Electronic and web communications

Provisions of the Companies Act 2006 enable companies to communicate with members by electronic and/or website communications. The New Articles continue to allow communications to members in electronic form and the terminology has been clarified in this respect to bring it into line with the Companies Act 2006.

### 30. Indemnity of Directors

The Current Articles contain a mandatory indemnity in favour of the Directors in limited circumstances which has been deleted in the New Articles. The Current Articles also permit the Company to indemnify Directors of the Company or of any associated company against any liability and to purchase and maintain insurance against any liability for such Directors. It is proposed that wording is added in the New Articles to clarify that Directors are not accountable for any benefit provided by virtue of any such indemnity or insurance and that the receipt of such benefit does not disqualify any person from being or becoming a Director of the Company.

### 31. General

Generally the opportunity has been taken to bring clearer language into the New Articles.

## How to find the Annual General Meeting venue

The Queen Elizabeth II Conference Centre,  
Broad Sanctuary, Westminster,  
London SW1P 3EE.

Telephone +44 (0)20 7222 5000  
Fax +44 (0)20 7798 4200

If you have any queries or concerns regarding finding the Annual General Meeting venue, please telephone 3i on +44 (0)20 7975 3414 for assistance.

**By train** The nearest train stations are at Charing Cross and Victoria.

From Charing Cross (15 minutes' walk): Exit the station via front exit and turn left into the Strand towards Trafalgar Square. Take the second exit from Trafalgar Square into Whitehall. Continue down to Parliament Square, turn right and cross the road ahead of you so you arrive at the opposite side of Parliament Square, then turn right into Broad Sanctuary. The Centre is located on your right, directly opposite Westminster Abbey.

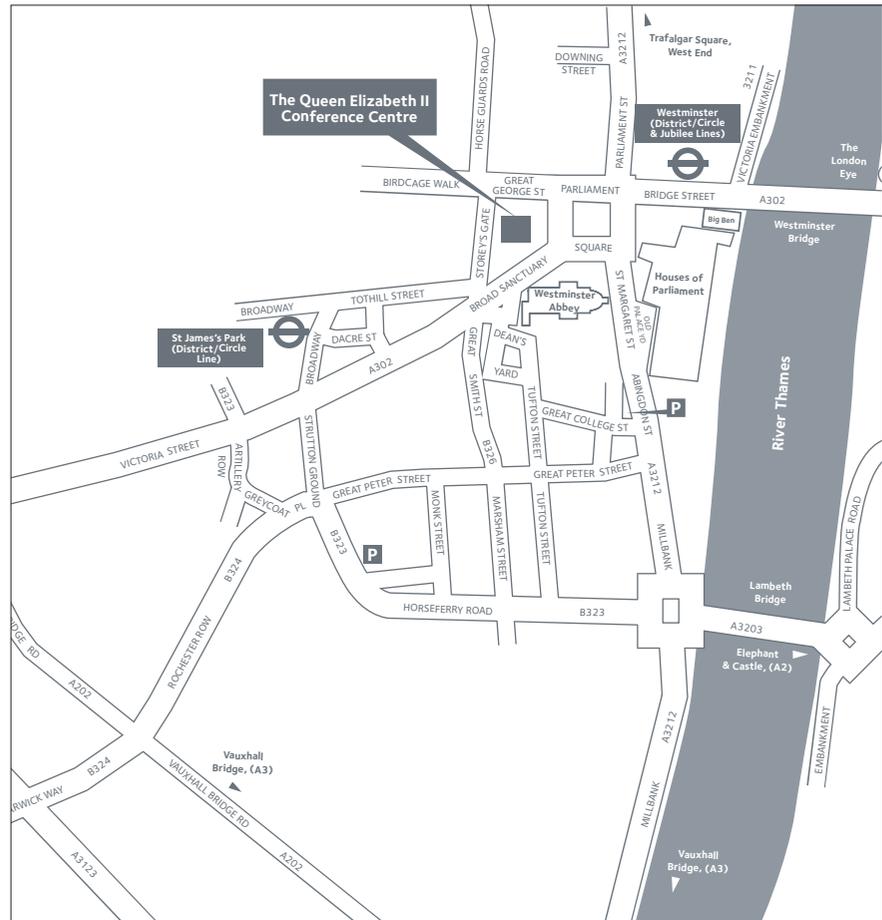
From Victoria: (15 minutes' walk): Exit from the front of the station, and turn right into Victoria Street. At the end of Victoria Street is Broad Sanctuary. The Centre is on the left hand side opposite Westminster Abbey.

**By underground** The nearest underground stations are Westminster, St James's Park and Victoria. Westminster is served by the Jubilee, Circle and District lines. St James's Park is served by the Circle and District lines. Victoria is served by the Victoria, Circle and District lines.

From Westminster (5 minutes' walk): Exit the station via the underground tunnel towards Parliament Square (exit 6). You will come to street level on Parliament Street. Turn left into Parliament Square, turn right and cross the road ahead of you so you arrive at the opposite side of the Square, then turn right into Broad Sanctuary. The Centre is located on your right, directly opposite Westminster Abbey.

From St James's Park (5 minutes' walk): Take the Broadway exit from the tube station and walk straight down Tothill Street. At the end of this street turn left and you will see the Centre directly in front of you.

From Victoria: Follow the directions given above.



### Key

⊖ Underground

P Parking

**By bus** Buses 11, 12, 24, 53, 88, 148, 159, 211 and 453 stop at Parliament Square. Please follow directions from Westminster Tube station to the Centre.

**Parking** The nearest car park is located on the corner of Abingdon Street and Great College Street. There is also an NCP car park in Horseferry Road (tel 0845 050 7080).

The Centre is located within the congestion charging zone. For more information about congestion charging, visit [www.cclondon.com](http://www.cclondon.com).

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