

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 transferee or agent through whom you acted for forwarding to the transferee.



3i Group plc

Notice of Annual General Meeting 2006





Letter from the Chairman

3i Group plc

*(an investment company (as defined in section 266 of the Companies Act 1985 (as amended))
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 your copy of the Annual Report and Accounts of 3i Group plc ("the Company") for the year to 31 March 2006, together with this booklet containing the Notice of Annual General Meeting and a map showing the location of the Meeting. The Meeting will be held at The Institution of Engineering and Technology (formerly The Institution of Electrical Engineers), Savoy Place, London WC2R 0BL on Wednesday 12 July 2006 at 10.30 am.

The Directors are recommending a final dividend of 9.7p per share. Subject to approval at the Annual General Meeting on 12 July 2006, this dividend will be paid to shareholders on 21 July 2006.

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 Board intends to return a further £700 million to shareholders in the coming year by way of a bonus issue of listed B shares which is currently expected to take place in July. We will of course be sending a notice of the Extraordinary General Meeting relating to this return of capital to you in due course.

In the Report you will find detailed information on 3i's performance during the year, the key elements of 3i's strategy, detailed information about our Buyout, Growth Capital and Venture Capital businesses, and some illustrative examples of our portfolio. I hope this information will give you a useful overview of the Company and its marketplace.

If you have access to the internet, our investor relations website at 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. At 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 e-mail us at ir@3igroup.com.

Yours sincerely



Baroness Hogg

10 May 2006

Notice of Annual General Meeting

Notice is hereby given that the thirty-third Annual General Meeting of 3i Group plc ("the Company") will be held at The Institution of Engineering and Technology (formerly The Institution of Electrical Engineers), Savoy Place, London WC2R 0BL on Wednesday 12 July 2006 at 10.30 am to transact the business set out below.

In accordance with the Listing Rules of the UK Listing Authority, Resolution 2 (Remuneration report), Resolutions 9 and 10 (Renewal of "Donations" and "EU political expenditure" authority), Resolution 11 (Directors' participation in co-investment arrangements), Resolution 12 (Increase in limit on shares held in the Employee Trust) and Resolution 15 (Purchase of own shares) are special business. The remaining resolutions are ordinary business.

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 2006, 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 2006.
- 3 To declare a final dividend of 9.7p per share, payable to those shareholders whose names appear on the Register of Members at close of business on 23 June 2006.
- 4 To reappoint Mme C J M Morin-Postel as a Director of the Company.
- 5 To reappoint Mr M J Queen as a Director of the Company.
- 6 To reappoint Mr F D Rosenkranz as a Director of the Company.
- 7 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.
- 8 To authorise the Board to fix the Auditors' remuneration.
- 9 THAT, in accordance with section 347C of the Companies Act 1985 ("the 1985 Act"), the Company be and it is hereby authorised to make Donations to EU political organisations not exceeding £12,000 in total and incur EU political expenditure not exceeding £12,000 in total, in each case in the period ending on the earlier of 11 October 2007 and the conclusion of the Annual General Meeting of the Company to be held in 2007. For the purposes of this Resolution, the terms "Donations", "EU political organisations" and "EU political expenditure" have the meanings ascribed thereto in Part XA of the 1985 Act.
- 10 THAT, in accordance with section 347C of the Companies Act 1985 ("the 1985 Act"), 3i plc, a wholly owned subsidiary of the Company, be and it is hereby authorised to make Donations to EU political organisations not exceeding £12,000 in total and incur EU political expenditure not exceeding £12,000 in total, in each case in the period ending on the earlier of 11 October 2007 and the conclusion of the Annual General Meeting of the Company to be held in 2007. For the purposes of this Resolution, the terms "Donations", "EU political organisations" and "EU political expenditure" have the meanings ascribed thereto in Part XA of the 1985 Act.
- 11 THAT executive Directors be and they are hereby authorised to participate in the co-investment arrangements described in the notes relating to this Resolution 11 set out in the Notice of Annual General Meeting dated 10 May 2006.
- 12 THAT for the purposes of clause 7.2 of the Deed dated 25 May 1994 establishing The 3i Group Employee Trust, the trustees of that Trust be and they are hereby authorised to acquire or agree to acquire shares in the capital of the Company as though the limit set out in that clause referred to 5% rather than 2.5% of the number of shares in issue.
- 13 THAT, in substitution for all subsisting 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 £97,497,000 PROVIDED THAT this authority shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2007 or, if earlier, 11 October 2007, 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:

14 THAT, subject to the passing of Resolution 13 above and in substitution for all subsisting 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) for cash pursuant to the authority conferred by Resolution 13 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, 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, but 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 £14,624,000,

and shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2007 or, if earlier, 11 October 2007, 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.

15 THAT the Company be generally and unconditionally authorised, in accordance with Article 7 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 55,057,000 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 2007 or, if earlier, 11 October 2007 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.

By order of the Board

A W W Brierley

Secretary

10 May 2006

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 and, on a poll, to vote instead of the member. 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 (Lloyds TSB Registrars, The Causeway, Worthing, BN99 6ZJ) at least 48 hours before the appointed time of the Meeting (that is to say, no later than 10.30 am on 10 July 2006). Proxy appointment and voting directions may be registered electronically by contacting the 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 10.30 am on 10 July 2006). 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 6 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.

In order to attend or vote at the Meeting, a member must be entered on the Company's Register of Members at 6.00 pm on 10 July 2006. 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.

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, 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.

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 51 to 59 of the 2006 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 5.5p per share paid on 4 January 2006. The special dividend of 40.7p per share paid on 22 July 2005 was also paid as an interim dividend.

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 9.7p per share in respect of the year to 31 March 2006. If approved, the final dividend will be paid on 21 July 2006 to shareholders who were on the Register of Members at close of business on 23 June 2006.

Resolutions 4 to 6 inclusive (Reappointment of Directors) 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, Mme C J M Morin-Postel, Mr M J Queen and Mr F D Rosenkranz. Mme C J M Morin-Postel, Mr M J Queen and Mr F D Rosenkranz are eligible for, and seek, reappointment.

Biographical details of the three Directors seeking reappointment are set out on page 42 of the 2006 Report and Accounts. Mr M J Queen is an executive Director. Mme C J M Morin-Postel and Mr F D Rosenkranz are non-executive Directors. The Board is satisfied that, on their respective appointments and to date, these non-executive Directors 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 2006, it considers the Directors seeking reappointment to be highly effective and committed.

Mme C J M Morin-Postel was appointed to the Board as a non-executive Director in 2002 and is seeking reappointment following her first three year term as a non-executive Director. Mme Morin-Postel has wide financial and industrial experience and strong knowledge of international markets, including continental Europe.

Mr M J Queen was appointed to the Board as an executive Director in 1997. Mr Queen was Group Finance Director between 1997 and 2005, and has had extensive experience within the Company since joining in 1987. He is currently responsible for Growth Capital investment.

Mr F D Rosenkranz was appointed to the Board as a non-executive Director in 2000 and has served as a non-executive Director for two three year terms. Subject to reappointment by shareholders at the AGM, Mr Rosenkranz has agreed to serve as a Director for a further year until the conclusion of the 2007 AGM. Mr Rosenkranz has experience of the management of global businesses at the highest level, which has proved of great benefit to the Board.

Resolutions 7 and 8 (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 7 proposes that Ernst & Young LLP be reappointed. Resolution 8 gives authority to the Board to determine the Auditors' remuneration. The remuneration will then be disclosed in the next Accounts of the Company.

Resolutions 9 and 10 (Renewal of “Donations” and “EU political expenditure” authority) The Company has no intention of changing its current policy of not making donations to political parties or campaigns. Resolutions 9 and 10 concern the Political Parties, Elections and Referendums Act 2000 (“the Act”), certain provisions of which came into effect on 16 February 2001 and now form part of the Companies Act 1985 (as amended). The Act requires that any “Donations” to “EU political organisations” by a company in excess of an aggregate of £5,000 or “EU political expenditure” be authorised by the Company’s shareholders. These resolutions are intended to authorise normal activities which, as a result of the wide definitions under the Act, may be construed as EU political expenditure or a Donation to an EU political organisation. For example, some normal public relations and marketing expenditure could fall within these definitions. These resolutions do not purport to authorise any particular donation or expenditure but are in general terms as required by the Act. Resolution 9 is to approve expenditure and donations by the Company and Resolution 10 is to approve expenditure and donations by its wholly owned subsidiary, 3i plc. Any donations or expenditure in excess of £200, falling within the ambit of the Act, will be disclosed in the next Annual Report in compliance with the Act.

Resolution 11 (Directors’ participation in co-investment arrangements) This resolution is to approve the participation of executive Directors who are responsible for investment businesses in the co-investment plan, the rules of which are summarised in the Appendix. The Chief Executive and the Finance Director will not be eligible to participate in this plan.

Background: Long-term incentives are a key feature of remuneration packages within the private equity and venture capital industry as well as for many employees of the Company and its subsidiaries (the “Group”). For these staff, variable compensation (including long-term incentives) is intended to form a significant proportion of total reward.

Most of the Company’s private equity and venture capital competitors offer senior employees carried interest arrangements under which participants share directly in the profits on investments which they manage, subject to achieving a minimum rate of return.

Accordingly, in 2004, the Company adopted a carried interest plan for senior investment executives. At the 2004 AGM, shareholders approved the participation of executive Directors in these carried interest arrangements. Currently, the only Director to whom this applies is Mr Queen. Mr Queen participated in carried interest arrangements for 2005/06 and will participate in these arrangements going forward.

Carried interest arrangements provide alignment between the interests of the Company and executives by incentivising executives on the basis of the performance of the assets they manage. However, carried interest arrangements do not (in general) require executives to put their own money directly at risk (although precise details can vary outside the UK). Many of the Company’s private equity and venture capital competitors offer senior employees co-investment arrangements under which participants are invited to invest their own money alongside that of the private equity house and/or external investors. In addition, investors in private equity funds (such as the unquoted funds managed by the Group) often expect the executives responsible for those funds to be incentivised with arrangements giving them a direct interest in the financial performance of the fund, thereby aligning their interests with those of the investors.

The Company’s new co-investment arrangements: The Company has therefore introduced The 3i Group Co-investment Plan (the “Plan”) for senior investment executives below Board level with effect from 1 April 2006. The Plan sets out the structure under which the Group’s principal existing, and future, co-investment arrangements relating to new investments made after 31 March 2006 are to be co-ordinated. In line with best industry practice, in future, such executives will normally only be awarded carried interest if they agree to put their own money at risk by participating in the Company’s new co-investment arrangements pursuant to the Plan.

Under the Plan, executives will invest their own money in the co-investment arrangement or arrangements relating to the business area(s) in which they work or for which they have responsibility (each a “Co-investment Arrangement”). Co-investment Arrangements will be organised by business line, sector and/or geography with each Co-investment Arrangement investing in all investments made by the Group in that area over a specified time period (usually two years). While arrangements in some countries may have to be calibrated to meet different jurisdictional requirements, in the UK the Group will not normally provide more than two-thirds of the amount for co-investment, and the UK participants will normally provide one third. Proceeds realised on investments made by the Co-investment Arrangements will be applied first in paying to the Group a sum equal to the amount provided by the Group, together with a sum to meet management costs and a preferential rate of return fixed by the Remuneration Committee (currently 2% over LIBOR (or equivalent) per annum compound). Beyond that point, participants will share (in proportion to their investment) in the profits and losses made on those investments in the same way as the Group and its funds under management. The proportion of the Group’s total investment to be taken up by the Co-investment Arrangements will be fixed by the Remuneration Committee from time to time. For the arrangements which took effect on 1 April 2006, the Co-investment Arrangements will take up 1% (2% in the case of the US Growth Co-investment Arrangement) of the total investment made by the Group, its funds under management and the Co-investment Arrangements.

Proposed Director participation: Shareholder approval is sought by this Resolution 11 to enable executive Directors responsible for investment businesses to participate in the Plan. If this approval is given, the policy referred to above of only awarding carried interest to executives who have taken up the opportunity to participate in Co-investment Arrangements will be extended to such executive Directors.

Proposed Participation of Mr M J Queen: This year the only executive Director eligible to participate in carried interest arrangements is Mr M J Queen and accordingly Mr M J Queen is the only executive Director to whom co-investment arrangements are intended to apply this year. It is intended that he should participate in the Co-investment Arrangements appropriate to his current responsibilities for the Group’s global growth capital and infrastructure investments. Accordingly, it is proposed that this year he will participate in the Global Growth 2006-08 Co-investment Arrangement under the Plan.

Resolution 12 (Increase in limit on shares held in the Employee Trust) Guidelines issued by the Association of British Insurers provide that the prior approval of shareholders should be obtained before 5% or more of a company’s share capital at any one time may be held within an employee benefit trust.

In 1994 the Company established an Employee Benefit Trust (“The 3i Group Employee Trust”) to hold shares in the Company for the purposes of awards under the Group’s share plans. The trust deed provides that without prior shareholder approval the Trustees may not acquire shares which would lead them to hold more than 2.5% of the Company’s issued shares. In order to preserve flexibility for the trustees to acquire further shares in future it is considered appropriate to increase this limit as permitted by ABI guidelines.

The resolution set out in the Notice of Meeting would increase the limit from 2.5% of the Company's shares in issue to 5% of the Company's shares in issue.

Resolution 13 (Renewal of authority to allot shares) The purpose of Resolution 13 is to renew the Directors' power to allot shares. 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 13 empowers the Board to allot shares with an aggregate nominal value of up to £97,497,000 being approximately one third of the Company's issued ordinary share capital as at 10 May 2006. The authority would last until the earlier of the Annual General Meeting in 2007 and 11 October 2007.

As at 10 May 2006, the Company did not hold any shares in treasury.

Resolution 14 (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 14 is to allow the Board to allot shares, or sell any treasury shares (should it elect to hold any), for cash other than in accordance with section 89 in connection with rights issues and other pre-emptive offers, or otherwise up to a maximum aggregate nominal amount of £14,624,000, representing approximately 5% of the Company's issued share capital as at 10 May 2006. The Board considers this authority appropriate in order to have the flexibility to issue shares, for example to finance business opportunities. The authority would last until the earlier of the Annual General Meeting in 2007 and 11 October 2007.

Resolution 15 (Renewal of authority to purchase own shares) The purpose of Resolution 15 is to renew the authority granted at the Extraordinary General Meeting in 2005 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 55,057,000 ordinary shares which represented approximately 10% of the Company's issued ordinary share capital as at 10 May 2006.

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 2007. Ordinary shares that are 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 10 May 2006 was 18,831,772. This represents 6.44% 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 7.93% of the issued share capital as reduced following those repurchases.

There were no warrants to subscribe for the Company's shares outstanding at 10 May 2006. A warrant is a binding agreement by a company to issue shares to the person who holds the warrant.

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 6, the Director proposed for reappointment in each resolution and, in the case of Resolution 11, the executive Directors who are interested in that Resolution) unanimously recommend that members vote in favour of each resolution.

Electronic communications with shareholders Shareholders may elect to receive shareholder communications electronically in future by registering their details via www.3igroup.com/e-comms. 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 Report and Accounts, rather than receiving hard copies. Shareholders may also make proxy appointments and give voting instructions electronically via the internet link above.

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 10.30 am on 10 July 2006).

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 7RA01) 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.

Appendix

A summary of the rules of The 3i Group Co-investment Plan

3i Group plc ("the Company") and its subsidiaries (together "the Group") have established or are in the course of establishing various arrangements approved by the Remuneration Committee to provide a mechanism whereby certain of their staff are able to co-invest in investments made by the Group.

The 3i Group Co-investment Plan ("the Plan") governs and provides for the future administration of these co-investment arrangements and provides for the establishment of future co-investment arrangements which may from time to time be required (each a "Co-investment Arrangement").

- 1 Governance of the Plan** Decisions in relation to the participation of any executive Director of the Company shall be taken by the Remuneration Committee which consists of independent non-executive Directors. Decisions in relation to the participation of any other employee of the Group shall be taken by the Chief Executive.
- 2 Eligible participants** All employees of the Group (other than the Chief Executive and the Finance Director) ("Eligible Employees") are eligible to participate in a Co-investment Arrangement save that executive Directors of the Company are not eligible to participate in a Co-investment Arrangement unless and until the approval of the shareholders of the Company in General Meeting has been obtained to the participation of executive Directors in the Plan. Subject to the foregoing, Eligible Employees may be invited or permitted to participate in a Co-investment Arrangement either directly or indirectly through a trust or other vehicle established for that and/or other purposes (each a "Personal Holding Vehicle").

In addition, an executive Director of the Company will not, without approval of the Shareholders of the Company in General Meeting, be able to participate in any Co-investment Arrangement which starts after 11 July 2016.

- 3 Purpose** The purpose of the Plan is to provide a structure for setting up incentive arrangements comparable to those available elsewhere in the private equity and venture capital industry so as to enable the Group to recruit and retain quality investment professionals. The Plan is intended to be flexible to respond to changing market norms.
- 4 Structure** The Plan is implemented through each relevant Co-investment Arrangement.

Each Co-investment Arrangement comprises one or more English limited partnerships or similar vehicles (each a "Co-investment Partnership") which will invest in a proportion of certain private equity and venture capital investments alongside the Group and/or funds managed by the Group over a specified investment period (a "vintage" or a "vintage period"). The proportion of investments made by the Co-investment Partnership in relation to each Co-Investment Arrangement will be set by the Remuneration Committee.

Each Co-investment Partnership is managed by a subsidiary of the Company.

A subsidiary of the Company is the general partner of each Co-investment Partnership. The limited partners of the Co-investment Partnership are: the selected Eligible Employees who become limited partners ("Participants") in the Co-investment Partnership (either directly or through a Personal Holding Vehicle); the Trust (see below); and, where the Group provides funding for the Co-investment Partnership, the Company or another member of the Group.

The Group may provide funding for the Co-investment Partnership and the Remuneration Committee will specify the portion (if any) of such funding to be provided by the Group. Amounts may be drawn down from the Group at different times to amounts drawn down from the Participants.

Each Participant will be required to advance cash to the Co-investment Partnership in respect of their participation in separate tranches as specified in the limited partnership agreement that constitutes the Co-investment Partnership.

Where, from time to time and for whatever reason, it is not considered practicable or desirable to establish such structures, the Remuneration Committee may approve variations to such structures or alternative arrangements intended to have a similar or comparable overall economic effect.

- 5 Relevant pools and vintages** Each Co-investment Arrangement reflects a separate pool of investments.
A pool represents the investments made during a vintage period in a particular geographic location or by a specific team or business line or may be a combination of these or other factors.
The Remuneration Committee determines the relevant pools and vintage periods from time to time.
- 6 Term** The term of each Co-investment Partnership will be such period as the Remuneration Committee may approve (subject to earlier termination by the Company).

If, at the end of the life of a Co-investment Partnership, all of the investments have not been realised then, unless the term of the partnership is extended with the consent of the Company, a liquidating trustee will be appointed in place of the manager to realise all the remaining assets of the Co-investment Partnership and distribute the proceeds to its participants. It is likely that the liquidating trustee would also be a member of the Group. The proceeds of such realisations would be distributed in accordance with the terms of the relevant limited partnership agreement (see "performance conditions" below).

- 7 **Performance conditions** Participants will not be entitled to receive distributions from the Co-investment Partnership (other than sums to meet certain tax liabilities) unless, if the Group provides funding for the Co-investment Partnership, the Group has first received an amount equal to such funding and a return thereon, the terms of which will be established by the Remuneration Committee. The Remuneration Committee may agree to a variation to this priority arrangement in such circumstances as it considers appropriate.
- The frequency of distributions by the Co-investment Partnership will be determined by the Remuneration Committee and distributions to Participants may be paid into an escrow account while any funding provided by the Group to the Co-investment Partnership remains outstanding or capable of being drawn down.
- 8 **Termination of employment** The interest of a Participant in a Co-investment Arrangement who ceases to be an employee of the Group may be subject to reduction in accordance with rules applicable to such Co-investment Arrangement depending on the time and circumstances of the Participant's departure.
- 9 **Trust** An employee benefit trust ("the Trust") has been established for the benefit of Group employees and it is also a participant in each Co-investment Partnership. The Trust forms part of the mechanism for the implementation of the Plan.
- The Trust has an interest in each Co-investment Arrangement (and is therefore a limited partner in each Co-investment Partnership). Where applicable, it may, in effect, transfer all or part of its interest in any Co-investment Arrangement to a new recruit or to someone who is to have an increased interest at any time. Whenever a Participant leaves the Group, any divested interest will also be, in effect, transferred to the Trust and the Trust will accordingly make payment from distributions received from the Co-investment Partnership to such ex-Participant of an amount not exceeding market value, as provided for in the constitutional documents in respect of the relevant Co-investment Arrangement, of the divested interest.
- 10 **Documents** The Plan consists of its Rules (of which this Appendix is a summary) and is implemented through the constituting documents of the Co-investment Arrangements together with the Deed constituting the Trust.
- 11 **Variation** The limited partnership agreements (or similar) constituting each Co-investment Partnership will contain provisions as to their amendment which mean that their terms may not be amended in a way which prejudices the Group without its consent.
- The Plan may be amended by the Board or the Remuneration Committee of the Company. However, no provision of the Plan or of any Co-investment Arrangement relating to:
- (a) the persons to whom, or for whom, benefits are provided;
 - (b) limitations on the benefits subject to the Plan;
 - (c) the maximum entitlement for any Participant; or
 - (d) the basis for determining a Participant's entitlement to, and the terms of, benefits to be provided and for the adjustment thereof,
- will be altered to the advantage of any Director of the Company without the prior approval of shareholders in General Meeting (except for minor amendments to benefit the administration of the Plan or any Co-investment Arrangement and for amendments to take account of changes in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants in the Plan, the Company or other members of the Group).
- 12 **Non-pensionable** Benefits under the Plan and under the Co-investment Arrangements are non-pensionable.

Summary of the existing and intended Co-investment Arrangements

Pool	Vintage
Co-investment arrangements already established as at 10 May 2006	
Pan-European Buyouts	2006-08
Co-investment arrangements in course of being established as at 10 May 2006	
Asia Growth	2006-08
Global Growth	2006-08
Global Venture	2006-08
Oil, Gas & Power	2006-08
Pan-European Growth	2006-08
US Growth	2006-08

Documents on display

A copy of the Rules of the Plan, the principal documents in respect of the Co-investment Arrangements listed above as having already been established under the Plan and the Deed constituting the Trust will be available for inspection 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) until the close of the Annual General Meeting and at the place of the Annual General Meeting itself for not less than 15 minutes prior to and during the meeting.

How to find the Annual General Meeting venue

The Institution of Engineering and Technology (formerly The Institution of Electrical Engineers)

Savoy Place
London WC2R 0BL

Telephone +44 (0)20 7240 1871
Fax +44 (0)20 7344 5707

If you have any queries or concerns regarding finding the Annual General Meeting venue, please telephone 3i on +44 (0)20 7975 3228 for assistance.

By train The nearest train stations are at Charing Cross and Waterloo.

From Charing Cross: turn right along the Strand and keep walking until you reach the Savoy Hotel on your right. The first road on your right, after the Savoy Hotel, is Savoy Street. Turn right down Savoy Street. At the bottom of Savoy Street turn right into Savoy Place. The Institution is the first building on your right.

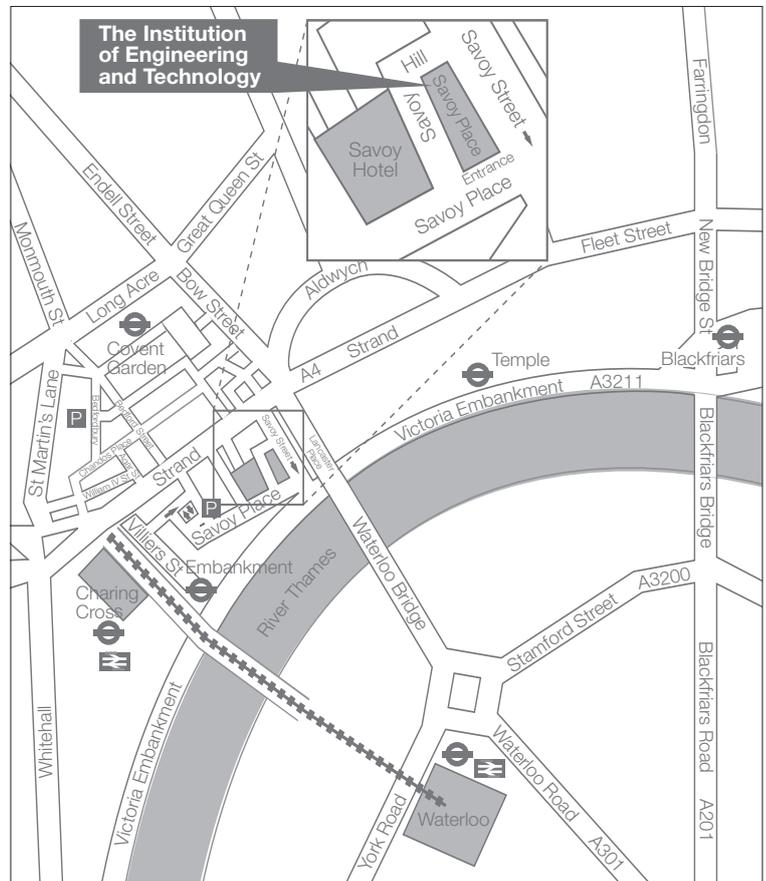
From Waterloo: either walk from Waterloo Road across Waterloo Bridge to the Strand, or take a bus from Waterloo Road over Waterloo Bridge towards the Strand and Aldwych, alighting at Lancaster Place just after crossing the river. Then turn left along the Strand, take the first left down Savoy Street. At the bottom of Savoy Street turn right into Savoy Place. The Institution is the first building on your right.

By underground The nearest underground stations are Charing Cross and Embankment. Charing Cross is served by the Bakerloo and Northern lines. Embankment is served by the Bakerloo, Circle, District and Northern lines.

From Charing Cross: follow the directions given above.

From Embankment: follow the "Way out" sign for Embankment Pier which will direct you down four steps to the Embankment. At the bottom of the steps, turn left and walk along the Embankment. The river should be on your right and Victoria Embankment Gardens should be on your left. Keep walking, passing the Obelisk on your right on the opposite side of the road, until you reach the bridge (Waterloo Bridge). Just before the bridge, stop and turn to your left. A few yards in front of you, on the corner of Savoy Place and Savoy Street, you will find The Institution.

Parking The nearest car park is the Savoy Adelphi Garage (tel +44 (0)20 7836 4838) in Savoy Place. Please note, it is signposted simply as "Adelphi Parking". There is also an NCP car park (tel +44 (0)20 7300 5500) in Bedfordbury, just off St Martin's Lane, at the Charing Cross end of The Strand.



Key

 Underground

 Parking

 One way

 Train

3i Group plc

16 Palace Street, London SW1E 5JD, UK

Telephone +44 (0)20 7928 3131

Fax +44 (0)20 7928 0058

Website www.3igroup.com