

Notice of Annual General Meeting

Notice is hereby given that the eighty first Annual General Meeting of Creston plc (the 'Company') will be held at the offices of Olswang LLP at 90 High Holborn, London WC1V 6XX on 2 September 2009 at 12 noon. You will be asked to consider and, if thought fit, pass the resolutions below. Resolutions 1 to 7 (inclusive) will be proposed as ordinary resolutions and resolutions 8 to 11 (inclusive) will be proposed as special resolutions.

Ordinary business

1. To receive, approve and adopt the Company's Annual Report and Accounts for the financial year ended 31 March 2009, together with the Report of the Directors and the Auditors' Report on those accounts.
2. To receive the Directors' Remuneration Report for the financial year ended 31 March 2009.
3. To re-elect David Marshall as a Director.
4. To re-elect Andrew Dougal as a Director.
5. To reappoint PricewaterhouseCoopers LLP as auditors to hold office from the conclusion of this meeting until the conclusion of the next general meeting of the Company at which accounts are laid.
6. To authorise the Directors to determine the remuneration of the Auditors.

Special business

7. That the Directors be generally and unconditionally authorised under section 80 of the Companies Act 1985 (the '1985 Act') to exercise all the powers of the Company to allot relevant securities (as defined in that section):
 - 7.1 up to an aggregate nominal amount of £2,044,578; and
 - 7.2 comprising equity securities (as defined in section 94 of the 1985 Act), up to an aggregate nominal amount of £4,089,156 (including within such limit any relevant securities issued under paragraph 7.1 above) in connection with an offer by way of a rights issue to:
 - 7.2.1 ordinary shareholders in proportion (as nearly as may be) to their existing holdings; and
 - 7.2.2 holders of other equity securities, if this is required by the rights of those securities or, if the Directors consider it necessary as permitted by the rights of those securities,but subject to such exclusions and other arrangements as the Directors may consider necessary or appropriate in relation to fractional entitlements, record dates, treasury shares or any legal, regulatory or practical problems under the laws of any territory (including the requirements of any regulatory body or stock exchange) or any other matter; and
 - 7.3 such authorities shall expire (unless previously revoked by the Company) at the conclusion of the Annual General Meeting of the Company in 2010 or, if earlier, 15 months from the date of the Annual General Meeting at which this resolution is passed and, in each case, during this period the Company may make an offer or agreement which would or might require relevant securities to be allotted after the authority has expired and the Directors may allot relevant securities in pursuance of any such offer or agreement notwithstanding that this authority has expired; and
 - 7.4 all previous authorities to allot relevant securities, to the extent unused, shall be revoked.
8. That subject to the passing of resolution 7, the Directors shall have the power under section 95 of the 1985 Act to allot equity securities (as defined in section 94 of the 1985 Act) for cash under the authority conferred by resolution 7 as if section 89(1) of the 1985 Act did not apply to the allotment and this power shall be limited to:
 - 8.1 the allotment of equity securities in connection with an offer of equity securities (but, in the case of the authority granted under paragraph 7.2 of resolution 7, by way of a rights issue only) to:
 - 8.1.1 ordinary shareholders in proportion (as nearly as may be) to their existing holdings; and
 - 8.1.2 holders of other equity securities, if this is required by the rights of those securities or, if the Directors consider it necessary as permitted by the rights of those securities,but subject to such exclusions and other arrangements as the Directors may consider necessary or appropriate in relation to fractional entitlements, record dates, treasury shares or any legal, regulatory or practical problems under the laws of any territory (including the requirements of any regulatory body or stock exchange) or any other matter; and
 - 8.2 the allotment (otherwise than under paragraph 8.1) of equity securities up to an aggregate nominal amount of £306,687, being 5 per cent of the issued share capital; and
 - 8.3 this power shall cease to have effect when the authority given by resolution 7 is revoked or expires but during this period the Company may make an offer or agreement which would or might require equity securities to be allotted after this authority expires and the Directors may allot equity securities in pursuance of that offer or agreement notwithstanding that the authority has expired; and
 - 8.4 this power applies in relation to a sale of shares which is an allotment of equity securities by virtue of section 94(3A) of the 1985 Act as if the words "under the authority conferred by resolution 7" were omitted from the introductory wording to this resolution 8.
9. That the Company be, and it is hereby, generally and unconditionally authorised for the purpose of section 166 of the 1985 Act to make one or more market purchases (within the meaning of section 163(3) of the 1985 Act) of Ordinary Shares of 10 pence each in the capital of the Company upon such terms and in such manner as the Directors of the Company shall determine, provided that:

- 9.1 the maximum aggregate number of Ordinary Shares authorised to be purchased is 6,133,733 (representing 10 per cent of the issued share capital of the Company);
 - 9.2 the minimum price which may be paid for such Ordinary Shares is 10 pence per share (exclusive of expenses);
 - 9.3 the maximum price (exclusive of expenses) which may be paid for an Ordinary Share cannot be more than an amount equal to the higher of:
 - 9.3.1 an amount equal to 105 per cent of the average of the closing middle market price for an Ordinary Share as derived from the London Stock Exchange Daily Official List for the five business days immediately prior to the day the purchase is made; and
 - 9.3.2 an amount equal to the higher of the price of the last independent trade of an Ordinary Share and the highest current independent bid for an Ordinary Share as derived from the trading venue or venues where the purchase is carried out.
 - 9.4 unless previously renewed, varied or revoked, the authority hereby conferred shall expire at the conclusion of the next Annual General Meeting of the Company to be held in 2010 or 15 months from the date of the Annual General Meeting at which this resolution is passed, whichever is the earlier; and
 - 9.5 the Company may make a contract or contracts to purchase Ordinary Shares under this authority prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority and may make a purchase of Ordinary Shares in pursuance of any such contract or contracts.
10. That the Articles of Association of the Company be amended by deleting the existing Articles 31 and 39 and replacing them with the following new Articles 31 and 39:
31. Other general meetings
Other general meetings may be convened:
 - 31.1 by the Board whenever it thinks fit and shall be convened by the Board on a request by members in accordance with the Statutes;
 - 31.2 by the members in accordance with the Statutes; or
 - 31.3 in accordance with Article 91."
 39. Period of notice
 - 39.1 Save as permitted or provided by the Statutes, a general meeting must be called by notice of at least 21 clear days in the case of an Annual General Meeting and of at least 14 clear days in the case of any other general meeting."
11. That a general meeting of the Company other than an Annual General Meeting may be called on not less than 14 clear days' notice.

17 July 2009

By order of the Board

City Group P.L.C.
Company Secretary

Registered Office:
30 City Road,
London
EC1Y 2AG

Registered in England and Wales No. 210505

Notice of Annual General Meeting

continued

Notes

- 1 Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. A shareholder may appoint more than one proxy in relation to the Annual General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice. If you do not have a proxy form and believe that you should have one, or if you require additional forms, please contact the Company's Registrars, Proxy Department, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU.
- 2 To be valid any proxy form or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand at The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU no later than 12 noon on 31 August 2009.
- 3 The return of a completed proxy form, other such instrument or any CREST Proxy Instruction (as described in paragraph 9 below) will not prevent a shareholder attending the Annual General Meeting and voting in person if he/she wishes to do so.
- 4 Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
- 5 The statement of the rights of shareholders in relation to the appointment of proxies in paragraphs 1 and 2 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.
- 6 To be entitled to attend and vote at the Annual General Meeting (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the register of members of the Company at 12 noon on 31 August 2009 (or, in the event of any adjournment, 12 noon on the date which is two days before the time of the adjourned meeting). Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
- 7 As at 17 July 2009 (being the last business day prior to the publication of this Notice) the Company's issued share capital consists of 61,337,338 Ordinary Shares, carrying one vote each. The Company holds 52,383 Ordinary Shares in treasury and is not permitted to exercise voting rights in respect of these shares. Therefore, the total voting rights in the Company as at 17 July 2009 are 61,284,955.
- 8 Shareholders may vote electronically by logging onto www.capitashareportal.com. If you have not previously registered to use this service you will need your investor code which can be found on the enclosed proxy form. Once registration has been completed the proxy voting option will be activated.
- 9 CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with the specifications of Euroclear UK & Ireland Limited, (the operator of the CREST system), and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA10) by 12 noon on 1 September 2009. 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 Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK and Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
- 10 The following documents will be available for inspection at the Company's registered office at 30 City Road, London EC1Y 2AG from the date of this Notice until the time of the Annual General Meeting and at the Annual General Meeting from 15 minutes before the Annual General Meeting until it ends:
- 11 Copies of the Executive Directors' service contracts.
- 12 Copies of letters of appointment of the Non-Executive Directors.
- 13 A copy of the existing Articles of Association marked to show the changes being proposed in resolution 10.