

OFFERING CIRCULAR DATED 30 APRIL 2009



ANGLO AMERICAN plc

(incorporated in England and Wales with registered number 03564138)

U.S.\$1,700,000,000

4.00 per cent. Convertible Bonds due 2014

convertible into Ordinary Shares of

ANGLO AMERICAN plc

Issue Price: 100 per cent.

Joint Bookrunners and Joint Lead Managers

Goldman Sachs International

Morgan Stanley

Co-Lead Managers

BNP PARIBAS

UBS Investment Bank

This Offering Circular (the “Offering Circular”) comprises listing particulars given in compliance with the listing rules made under Section 73A of the Financial Services and Markets Act 2000 (the “FSMA”) by the UK Listing Authority (the “UKLA”) for the purpose of giving information with regard to Anglo American plc (the “Issuer”, the “Company” or “Anglo American”), the Issuer and its subsidiaries taken as a whole (the “Group”) and the U.S.\$1,700,000,000 4.00 per cent Convertible Bonds due 2014 (the “Bonds”). Applications have been made to the Financial Services Authority in its capacity as competent authority under the FSMA for the Bonds to be admitted to the Official List of the UKLA (the “Official List”) and to be admitted to trading on the Professional Securities Market of the London Stock Exchange plc (the “London Stock Exchange”). References in this Offering Circular to the Bonds being “listed” (and all related references) shall mean that the Bonds have been admitted to the Official List and have been admitted to trading on the Professional Securities Market. The Professional Securities Market is an unregulated market for the purposes of Directive 2004/39/EC (the Markets in Financial Instruments Directive). The Issuer’s Ordinary Shares are listed on the Official List, and trade on the London Stock Exchange’s market for listed securities under the symbols “AA LLN<Equity>” and “AALL”. This Offering Circular is to be read in conjunction with all the documents which are incorporated by reference herein (see “Documents incorporated by reference”).

The Issuer accepts responsibility for the information contained in this Offering Circular. To the best of the knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Each of the Managers (as defined in “Subscription and Sale”) is acting for the Issuer and no one else in connection with the offering and will not regard any other person (whether or not as a recipient of this document) as its client in relation to the offering and will not be responsible to anyone other than the Issuer for providing the protections afforded to clients of the Managers, or for providing advice in relation to the offering, the contents of this Offering Circular or any transaction or arrangement or other matter referred to in this Offering Circular.

This Offering Circular does not constitute an offer of, or an invitation by or on behalf of the Issuer or the Managers or the Trustee (as defined in “Overview”) to subscribe or purchase, any of the Bonds or the ordinary shares of the Issuer (the “Ordinary Shares”). The distribution of this Offering Circular and the offering of the Bonds and/or the Ordinary Shares in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuer and the Managers to inform themselves about and to observe any such restrictions. For a description of certain further restrictions on offers and sales of Bonds and/or the Ordinary Shares and on distribution of this Offering Circular, see “Subscription and Sale”.

No person is authorised in connection with the issue, offering or sale of the Bonds to give any information or to make any representation not contained in this Offering Circular and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of the Issuer or the Managers or the Trustee. Neither the delivery of this Offering Circular nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer since the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that the information contained in it or any other information supplied in connection with the Bonds is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The Bonds and the Ordinary Shares have not been and will not be registered under the United States Securities Act of 1933 (the “Securities Act”) and are subject to U.S. tax law requirements. Subject to certain

exceptions, the Bonds may not be offered, sold or delivered within the United States or to or for the account or benefit of U.S. persons.

The Bonds will initially be represented by a temporary global bond (the “Temporary Global Bond”) without interest coupons, which will be deposited with a common depository on behalf of Euroclear Bank S.A./N.V. (“Euroclear”) and Clearstream Banking, *société anonyme* (“Clearstream, Luxembourg”) on or about 7 May 2009. Interests in the Temporary Global Bond will be exchangeable for interests in a permanent global bond (the “Global Bond”) without interest coupons on or after a date which is expected to be 17 June 2009 upon certification as to non-US. beneficial ownership. The Global Bond will be exchangeable for definitive Bonds in bearer form in the denomination of U.S.\$100,000 in the limited circumstances set out in the Global Bond. See “Summary of Provisions relating to the Bonds while in Global Form”.

None of the Issuer or the Managers or the Trustee is providing any advice or recommendation in this Offering Circular on the merits of the purchase, subscription for, or investment in, the Bonds or the Ordinary Shares or the exercise of any rights conferred by the Bonds or the Ordinary Shares.

The Bonds are securities which, because of their nature, are normally bought and traded by a limited number of investors who are particularly knowledgeable in investment matters. This Offering Circular has been prepared on the basis that any purchaser of Bonds is a person or entity having sufficient knowledge and experience of financial matters as to be capable of evaluating the merits and risks of the purchase. Before making any investment decision with respect to the Bonds, prospective investors should consult their own counsel, accountants or other advisers and carefully review and consider their investment decision in the light of the foregoing. An investment in the Bonds is only suitable for financially sophisticated investors who are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses which may result therefrom.

No representation or warranty, express or implied, is made by any of the Managers or the Trustee as to the accuracy, completeness or sufficiency of the information set out or incorporated in this Offering Circular, and nothing set out or incorporated in this Offering Circular is, or shall be relied upon as, a promise, representation or warranty by any of the Managers or the Trustee.

This Offering Circular (including the information incorporated by reference herein) is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer, the Trustee or any of the Managers that any recipient of this Offering Circular should purchase the Bonds. Each potential purchaser of Bonds should determine for itself the relevance of the information set out or incorporated by reference in this Offering Circular and its purchase of Bonds should be based upon such investigations as it deems necessary.

In connection with this issue, each of the Managers and any of their respective affiliates acting as an investor for its own account may take up Bonds and in that capacity may retain, purchase or sell for its own account such securities and any securities of the Issuer or related investments and may offer or sell such securities or other investments otherwise than in connection with this issue. Accordingly, references in this document to the Bonds being issued, offered or placed should be read as including any issue, offering or placement of securities to the Managers and any of their affiliates acting in such capacity. The Managers do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

In connection with the issue of the Bonds, Goldman Sachs International (the “Stabilising Manager”) (or person(s) acting on behalf of the Stabilising Manager) may over-allot Bonds or effect transactions with a view to supporting the market price of the Bonds at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager (or any person(s) acting on behalf of the Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or

after the date on which adequate public disclosure of the final terms of the offer of the Bonds is made. Such stabilisation action, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the Bonds and 60 days after the date of the allotment of the Bonds. Any stabilisation action or over-allotment must be conducted by the Stabilising Manager (or any person(s) acting on behalf of the Stabilising Manager) in accordance with all applicable law and rules.

All references in this document to “pounds”, “pounds sterling”, “sterling”, “£”, “pence”, “penny” and “p” are to the lawful currency of the United Kingdom. All references to “dollars”, “U.S. dollars” and “U.S.\$” are to the lawful currency of the United States. All references to “euro” and “Euro” are to the lawful currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Union, as amended from time to time.

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DOCUMENTS INCORPORATED BY REFERENCE

This Offering Circular should be read and construed in conjunction with:

- (a) the audited consolidated financial statements of the Issuer for the financial year ended 31 December 2007, together with the audit report thereon, which can be found at pages 85 to 135 of the Issuer's Annual Report for the financial year ended 31 December 2007; and
- (b) the audited consolidated financial statements of the Issuer for the financial year ended 31 December 2008 (the "2008 Financial Statements"), together with the audit report thereon, which can be found at pages 81 to 135 of the Issuer's Annual Report for the financial year ended 31 December 2008,

each of which has been previously published and filed with the Financial Services Authority.

Such documents shall be incorporated in, and form part of this Offering Circular, save that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Offering Circular to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Offering Circular.

Any documents themselves incorporated by reference in the documents incorporated by reference in this Offering Circular shall not form part of this Offering Circular.

Copies of documents incorporated by reference in this Offering Circular may be obtained (without charge) from the registered office of the Issuer.

OVERVIEW

The following is a summary of the principal features of the Bonds and is qualified in its entirety by the detailed information appearing elsewhere in this Offering Circular and, in particular, “Terms and Conditions of the Bonds”. Potential purchasers of the Bonds are urged to read this Offering Circular in its entirety. Terms used in this overview and not otherwise defined shall have the meanings given to them in “Terms and Conditions of the Bonds”.

Issuer	Anglo American plc
Bonds	U.S.\$1,700,000,000 4.00 per cent. Convertible Bonds due 2014.
The Offering	The Bonds are being offered by the Managers outside the United States in compliance with Regulation S.
Closing Date	The Bonds are expected to be issued on 7 May 2009 (the “Closing Date”).
Issue Price	100 per cent. of the principal amount of the Bonds.
Final Maturity Date	7 May 2014 (the “Final Maturity Date”).
Final Redemption	Unless previously purchased and cancelled, redeemed or converted, the Bonds will be redeemed on the Final Maturity Date at their principal amount together with unpaid accrued interest.
Redemption at the option of the Issuer	<p>On giving not less than 45 nor more than 60 days’ notice (an “Optional Redemption Notice”) in accordance with the Conditions, the Issuer may (subject to the right of the Issuer set out in the Conditions to elect to redeem the Bonds in sterling subject to the satisfaction of certain conditions at a price calculated as set out in the Conditions) redeem all, but not some only, of the Bonds for the time being outstanding at their principal amount, together with accrued but unpaid interest (if any) to the date fixed for redemption as specified in the Optional Redemption Notice served by the Issuer:</p> <p>(i) at any time on or after 22 May 2012, if on each of not less than 20 dealing days during any period of 30 consecutive dealing days ending not earlier than the fifth dealing day prior to the giving of the relevant Optional Redemption Notice, the Volume Weighted Average Price of an Ordinary Share exceeds 130 per cent. of the Conversion Price in effect (or deemed to be in effect) on each such dealing day; or</p> <p>(ii) at any time if prior to the date the relevant Optional Redemption Notice is given, Conversion Rights shall have been exercised and/or purchases (and corresponding cancellations) and/or redemptions effected in respect of 85 per cent. or more in principal amount of the Bonds originally issued.</p> <p>See “Terms and Conditions of the Bonds — Redemption and Purchase — Redemption at the Option of the Issuer”.</p>

Redemption at the option of the Bondholders upon a Change of Control

Unless the Bonds have been previously redeemed, purchased and cancelled or converted, each Bondholder shall have the right, at such Bondholder's option, following the occurrence of a Change of Control to require the Issuer (subject to the right of the Issuer set out in the Conditions to elect to redeem the Bonds in sterling subject to the satisfaction of certain conditions at a price calculated as set out in the Conditions) to redeem such Bondholder's Bonds at their principal amount together with accrued but unpaid interest (if any) to the date for redemption. See "Terms and Conditions of the Bonds — Redemption at the Option of Bondholders Upon a Change of Control".

Interest

The Bonds will bear interest from and including the Closing Date at the rate of 4.00 per cent. per annum. Interest will be payable on the Bonds in equal instalments semi-annually in arrear on 7 May and 7 November in each year, commencing 7 November 2009.

Form and Denomination

The Bonds will be in bearer form in the denomination of U.S.\$100,000 each with Coupons attached. The Bonds will initially be represented by the Temporary Global Bond which will be deposited with a common depository for Euroclear and Clearstream, Luxembourg.

Interests in the Temporary Global Bond will be exchangeable for interests in the Global Bond on or after a date which is expected to be 17 June 2009 upon certification as to non-U.S. beneficial ownership.

The Global Bond will be exchangeable in whole, but not in part, in certain limited circumstances described therein, for definitive Bonds in bearer form with Coupons, serially numbered, in denominations of U.S.\$100,000 each.

Ranking of the Bonds

The Bonds and Coupons constitute (subject to the provisions of the negative pledge as described below) unsecured obligations of the Issuer ranking *pari passu*, without any preference among themselves. The payment obligations of the Issuer in respect of the Bonds and the Coupons shall, save for such exceptions as may be provided by applicable legislation and subject to the provisions of the negative pledge as described below, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations. See "Terms and Conditions of the Bonds — Form, Denomination, Title and Status".

Negative Pledge

The Bonds will have the benefit of a negative pledge, as described in "Terms and Conditions of the Bonds — Negative Pledge".

Cross Acceleration

The Bonds will have the benefit of a cross acceleration clause, as described in "Terms and Conditions of the Bonds — Events of Default".

Conversion

Each Bond shall entitle the holder (such right a “Conversion Right”) to convert such Bond into Ordinary Shares at the then applicable Conversion Price. The Conversion Right may be exercised at any time from and including 17 June 2009 to the close of business (at the place where the relevant Bond is deposited for conversion) on (i) the date falling ten days prior to the Final Maturity Date or (ii) if the Bonds are called for redemption prior to the Final Maturity Date, up to (and including) the seventh day prior to the relevant date fixed for redemption, subject as provided in the Conditions.

The initial Conversion Price is £18.6370 (equivalent to U.S.\$27.7561) per Ordinary Share.

The Conversion Price is subject to adjustment as provided in “Terms and Conditions of the Bonds — Conversion of Bonds”, including in respect of any Dividend or distribution made by the Issuer. If a Change of Control shall occur, the Conversion Price will be adjusted for a specified period as described in “Terms and Conditions of the Bonds — Conversion of Bonds — Adjustment of Conversion Price”.

Taxation

Payments in respect of Bonds will be made subject to any withholding or deduction for any taxation as is required by law. The Issuer will not be required to pay any additional or further amounts to Bondholders in respect of such withholding or deduction. See “Terms and Conditions of the Bonds — Taxation”.

Lock up

Subject to certain exceptions, the Issuer has agreed not to issue and to procure that none of its subsidiaries will issue Ordinary Shares or certain related securities for a period of 90 days from and including 16 April 2009. See “Subscription and Sale”.

Governing Law

The Bonds and the Trust Deed constituting the Bonds will be governed by English law.

Trustee

The Law Debenture Trust Corporation p.l.c.

Listing and Trading

The Issuer has applied for the Bonds to be admitted to the Official List of the UK Listing Authority and application has been made to the London Stock Exchange for the Bonds to be admitted to trading on the Professional Securities Market of the London Stock Exchange.

The Ordinary Shares trade on the London Stock Exchange’s market for listed securities under the symbols “AAL LN <Equity>” and “AAL.L”.

ISIN:

XS0424806734

Common Code:

042480673

Use of Proceeds

General corporate purposes.

RISK FACTORS

Prospective investors should consider carefully the risks set forth below and the other information contained in this Offering Circular prior to making any investment decision with respect to the Bonds. Each of the risks highlighted below could have a material adverse effect on the business, operations, financial condition or prospects of the Issuer, which, in turn, could have a material adverse effect on the amount of principal and interest which investors will receive in respect of the Bonds. In addition, each of the risks highlighted below could adversely affect the trading price of the Bonds or the Ordinary Shares or the rights of investors under the Bonds or the Ordinary Shares and, as a result, investors could lose some or all of their investment.

Prospective investors should note that the risks described below are not the only risks the Issuer faces. The Issuer has described only those risks relating to its operations that it considers to be material. There may be additional risks that they currently consider not to be material or of which it is not currently aware, and any of these risks could have the effects set forth above.

Prospective investors should read the entire Offering Circular, together with the documents incorporated by reference herein. Words and expressions defined in the "Terms and Conditions of the Bonds" below or elsewhere in this Offering Circular have the same meanings in this section.

Investing in the Bonds involves certain risks. Prospective investors should consider, among other things, the following:

Factors that may affect the Issuer's ability to fulfil its obligations under the Bonds

Risks related to the Group's business

The business, results of operations, cash flows and financial condition of the Group may be adversely affected by commodity price fluctuations and the continuation of poor economic conditions.

Commodity prices are determined primarily by international markets and global supply and demand. Fluctuations in commodity prices give rise to commodity price risk across the Group. Historically, such prices have been subject to substantial variation and in 2008 there was a very rapid and significant reduction in commodity prices during the second half of the year. The continuation of severe global economic conditions may continue to exert downward pressure on commodity prices, which could result in material and adverse declines in the Group's revenues, results of operations, cash flows and financial condition.

Adverse and volatile economic conditions can also limit the Group's visibility in terms of anticipated revenues and costs, and can affect the Group's ability to implement planned projects. In December 2008, for example, the Group announced that it was reducing planned capital expenditures for 2009 by 50 per cent. in response to a changing economic outlook. In addition, rating agencies and industry analysts are likely to take such conditions into account when assessing the business and creditworthiness of the Group, and any adverse determinations, including ratings downgrades, may make it more difficult for the Group to raise capital in the future and may adversely affect the market price of the Bonds.

If the global economic environment remains weak for the medium to long term, the ability of the Group to grow or maintain revenues in future years may be adversely affected, and at certain long-term price levels for a given commodity, certain of the Group's extractive operations with respect to that commodity may not be economic. Such developments could have a materially adverse effect on the Group's business, operational results, cash flows and financial condition.

The business of the Group may be adversely affected by liquidity and counterparty risk.

The Group is exposed to liquidity risk arising from the need to finance its ongoing operations and growth. During 2008 and continuing into 2009, global credit markets have been severely constrained, and the Group's ability to obtain funding has been significantly reduced. Furthermore, the cost of obtaining funding has increased significantly.

In February 2009, both Standard & Poor's Ratings Services and Moody's Investor Services downgraded the Group's long-term corporate and senior unsecured debt ratings to BBB (negative outlook) and Baa1 (negative outlook), respectively. Both the recent downgrade and any further lowering of the Group's credit rating may have a negative impact on its ability to obtain funding and may increase the cost of financing.

If the Group is unable to obtain sufficient credit, either due to banking and capital market conditions generally, or due to factors specific to its business, the Group may not have sufficient cash to develop new projects, fund acquisitions or meet ongoing financing needs, which in turn could materially and adversely affect the revenues, operating results, cash flows and financial condition of the Group.

In order to meet debt service obligations, including payments of interest and principal on the Bonds, the Group will need to refinance such indebtedness or use proceeds from operating cash flows or disposals of assets. There can be no assurance, however, that such proceeds will be sufficient or that refinancing will be available on commercially viable terms. Any failure to meet the Group's debt service obligations would have a material adverse effect on the Group's financial condition and could result in a loss of all or part of investors' investment in the Bonds.

In addition, the Group is exposed to counterparty risk from customers or holders of cash that could result in financial losses should those counterparties become unable to meet their obligations to the Group. Furthermore, the Treasury operations of the Group's joint ventures and associates, including De Beers, are independently managed and may expose the Group to liquidity, counterparty and other financial risks.

Should the Group's counterparties be unable to meet their obligations to the Group, or should the treasury operations of the Group's joint ventures or associates incur losses, its operating results, cash flows and financial condition could be materially and adversely affected.

The Group may be adversely affected by currency exchange rate fluctuations.

Because of the global nature of the Group's business, it is exposed to currency risk principally where transactions are not conducted in U.S. dollars or where assets and liabilities are not U.S. dollar-denominated. The majority of the Group's sales revenue is denominated in U.S. dollars, while the majority of operating costs are influenced by the currencies of the countries where the Group's operations are located and by the currencies in which the costs of imported equipment and services are denominated. The South African rand, Chilean peso, Brazilian real, Australian dollar, euro, sterling and U.S. dollar are the most important currencies influencing the Group's operating costs and asset valuations. Fluctuations in the exchange rates of these currencies may adversely affect the Group's operating results, cash flows or financial condition to a material extent.

Inflation may have an adverse effect on the Group's results of operations and cash flows.

Because the Group generally cannot control the market price at which commodities it produces are sold, it may be unable to pass through increased costs of production to its customers. As a result, it is possible that significantly higher future inflation in the countries in which the Group operates may increase future operational costs without a corresponding increase in the U.S. dollar price of the commodities it produces, or a concurrent depreciation of the local currency against the U.S. dollar.

Cost inflation in the mining sector is more apparent during periods of high commodity prices because demand for mining-related products and services can tend to exceed supply during such periods, although such inflation can occur at any point in the commodity cycle. A lag in the reduction of input costs relative to declining commodity prices will have a similar negative effect on the Group's operations. Any such increased costs or delays in cost reductions may adversely affect the Group's profit margins, cash flows and results of operations, and such effects could be material.

Safety, health and environmental exposures and related regulations may expose the Group to increased litigation, compliance costs, interruptions to operations, unforeseen environmental remediation expenses and loss of reputation.

Mining is a hazardous industry and is highly regulated by safety, health and environmental laws. Failure to provide a safe working environment may result in government authorities forcing closure of mines on a temporary or permanent basis or refusing mining right applications. A failure to achieve the required high levels of safety management can result in harm to the Group's employees, the communities near the Group's operations, and the environment. As a consequence, the Group could face fines and penalties, liability to employees and third parties for injury, statutory liability for environmental remediation, and other financial consequences, which may be significant. The Group is currently subject to ongoing litigation relating to several of these areas of risk, and may face additional litigation in the future. The Group could also suffer impairment of its reputation, industrial action or difficulty in recruiting and retaining skilled employees. Any future changes in laws, regulations or community expectations governing the Group's operations could result in increased compliance and remediation costs.

Any of the foregoing developments could have a materially adverse effect on the Group's results of operations, cash flows or financial condition.

Existing and proposed legislation and regulation affecting greenhouse gas emissions may adversely affect certain of the Group's operations.

Anglo American is a large user of energy and one of the key commodities it produces is coal. Various regulatory measures aimed at reducing greenhouse gas emissions and improving energy efficiency may affect the Group's operations and customer demand for its products over time. Policy developments at an international, regional, national and sub-national level, including those related to the 1997 Kyoto Protocol and emissions trading systems, such as the Emissions Trading System of the European Union, could adversely affect the profitability of the Group's greenhouse gas-intensive and energy-intensive assets.

Actions by governments or political instability in the countries in which the Group operates could adversely affect the Group's business.

The Group's businesses may be affected by political or regulatory developments in any of the countries and jurisdictions in which the Group operates. These may include changes to fiscal regimes or other regulatory regimes that may result in restrictions on the export of currency, expropriation of assets, imposition of royalties and requirements for local ownership or beneficiation. Political instability can also result in civil unrest or nullification of existing agreements, mining leases, or permits. Any of these risks may materially and adversely affect the Group's results of operations, cash flows and financial condition or deprive the Group of the economic benefits of ownership of its assets. In January 2008, for example, the Venezuelan Ministry of Basic Industries and Mining issued a notice cancelling 13 of the exploration and exploitation concessions of Anglo American's subsidiary, Minera Loma de Níquel ("MLdN") due to MLdN's alleged failure to fulfil certain conditions of the concessions. See "Anglo American plc — Litigation — Proceedings in Venezuela".

The Group's operations and development projects could be adversely affected by shortages of, as well as lead times to deliver, certain key inputs.

The inability to obtain, in a timely manner, strategic consumables, raw materials, mining and processing equipment could have an adverse impact on results of operations and the Group's financial condition. The strong commodity cycle witnessed in recent years increased demand for such supplies, resulting in periods when supplies were not always available to meet demand when required or causing costs to increase above normal inflation rates. Any interruption to the Group's supplies or increase in costs would adversely affect the Group's operating results and cash flows, and such effects could be material.

The use of mining contractors at certain of the Group's operations may expose those operations to delays or suspensions in mining activities.

Mining contractors are used at a number of the Group's operations to perform various operational tasks, including carrying out mining activities and delivering ore to processing plants. In periods of high commodity prices, demand for contractors may exceed supply resulting in increased costs or lack of availability of key contractors. Disruptions of operations or increased costs also can occur as a result of disputes with contractors or a shortage of contractors with particular capabilities. Additionally, because the Group does not have the same control over contractors as it does over employees, there is a risk that contractors will not operate in accordance with the Group's safety standards or other policies. To the extent that any of the foregoing risks materialise, the Group's operating results and cash flows could be adversely affected, perhaps materially.

The Group may have less reserves than its estimates indicate.

The Group's Mineral Resources and Ore Reserves estimates are stated as of 31 December 2008 and are subject to a number of assumptions, including the price of commodities, production costs and recovery rates. Fluctuations in the variables underlying the Group's estimates may result in material changes to the Group's reserve estimates in the future, and such changes may have a materially adverse impact on the financial condition and prospects of the Group.

Failure to discover new reserves, enhance existing reserves or adequately develop new projects could adversely affect the Group's business.

Exploration and development are costly, speculative and often unproductive, but are necessary for the Group's business. Failure to discover new reserves, to maintain the Group's existing mineral rights, to enhance existing reserves or to extract resources from such reserves in sufficient amounts and in a timely manner could materially and adversely affect the Group's results of operations, cash flows, financial condition and prospects. In addition, the Group may not be able to recover the funds it spends identifying new mining opportunities through its exploration programme.

Increasingly stringent requirements relating to regulatory, environmental and social approvals can result in significant delays in construction of the Group's facilities and may adversely affect the economics of new mining projects, the expansion of existing operations and, consequently, the Group's results of operations, cash flows and financial condition, and such effects could be material.

Damage to or breakdown of a physical asset, including due to fire, explosion or natural catastrophe may adversely affect the Group's operating results and result in loss of revenue, loss of cash flow or other losses.

Damage to or breakdown of a physical asset, including as a result of fire, explosion or natural catastrophe, can result in a loss of assets and subsequent financial losses. The Group's operations are exposed to natural risks such as earthquake, extreme weather conditions, failure of mining pit slopes and tailing dam walls, and other

natural phenomena. The Group's insurance with respect to catastrophic event risk may not be sufficient to cover its financial loss flowing from an event, and insurance is not available or is unavailable on economically viable terms for many risks the Group may face. The occurrence of events for which the Group is not insured, or for which its insurance is insufficient, may materially and adversely affect the Group's revenues, operating results, cash flows and financial condition.

The Group's operations and development projects could be adversely affected by shortages of appropriately skilled employees, for whom the Group competes with mining and other companies to recruit, develop and retain.

The ability to recruit, develop and retain appropriate skills for the Group is made difficult by global competition for skilled labour, particularly in periods of high commodity prices when demand for such personnel typically increases. The failure to retain skilled employees or to recruit new staff may lead to increased costs, interruptions to existing operations and delay of new projects.

Labour disruptions could have an adverse effect on the Group's results of operations, cash flows and financial condition.

There is a risk that strikes or other types of conflict with unions or employees may occur at any one of the Group's operations or in any of the geographic regions in which the Group operates. A significant portion of the Group's workforce is unionised, especially in South Africa and South America. Labour disruptions may be used not only for reasons specific to the Group's business, but also to advocate labour, political or social goals. Any labour disruptions could increase operational costs and decrease revenues, and if such disruptions are material, they could adversely affect, possibly significantly, the Group's results of operations, cash flows and financial condition.

Adverse market conditions could affect the Group's ability to carry out certain transactions that are important to its business.

Beyond the direct impact on the Group's business, falling commodity prices and the lack of available credit markets could prevent the Group from carrying out certain transactions that are important to the Group's business. In particular, the Group may be unable to complete black economic empowerment ("BEE") transactions in South Africa because BEE partners may be unable to finance their investments or be required to restructure their investments. The Group may also face other consequences, such as a reduced ability to find suitable joint venture partners or to find buyers for businesses or assets the Group may wish to sell. The Group's inability to carry out important transactions may have an adverse effect on the Group's business and financial condition.

Failure to meet production, construction, delivery and cost targets can adversely affect both operational performance and the Group's ability to implement projects in a timely and efficient manner, resulting in increased costs.

Failure to meet production targets can result in increased unit costs, and such increases may be especially pronounced at operations with higher levels of fixed costs. Unit costs may exceed forecasts, adversely affecting performance and results of operations. In addition, failure to meet project delivery times and costs could have a negative effect on operational performance and lead to increased costs or reductions in revenue and profitability. Such increases could materially and adversely affect the economics of a project, and consequently the Group's results of operations, cash flows and financial condition.

The Group may not achieve projected benefits of acquisitions.

The Group has undertaken a number of acquisitions in the recent past, including the Minas-Rio Project in Brazil. See “Anglo American plc — Recent Developments”. With any such transaction there is the risk that any benefits or synergies identified at the time of acquisition may not be achieved as a result of changing or incorrect assumptions or materially different market conditions, resulting in adverse effects on financial performance, production volumes or product quality. Furthermore, the Group could find itself liable for past acts or omissions of the acquired business without any adequate right of redress.

Restrictions in the Group’s ability to access necessary infrastructure services, including transportation and utilities, may adversely affect the Group’s operations.

Inadequate supply of the critical infrastructure elements for mining activity could result in reduced production or sales volumes, which could have a negative effect on the Group’s financial performance. Disruptions in the supply of essential utility services, such as water and electricity, can halt the Group’s production for the duration of the disruption and, when unexpected, may cause loss of life or damage to its mining equipment or facilities, which may in turn affect its ability to recommence operations on a timely basis. Adequate provision of transportation services, in particular rail services and timely port access, are critical to getting the Group’s products to market and disruptions to such services may affect the Group’s operations. The Group is largely dependent on third party providers of utility and transportation services and therefore their provision of services, maintenance of networks and expansion and contingency plans are outside the Group’s control.

During 2008, the Group experienced power outages in several of the regions in which it operates, including most significantly in South Africa, where electrical power supply problems experienced in early 2008 caused substantial disruption to mining operations across the country. At present it is difficult to forecast accurately the impact of any new instances, continuation or exacerbation of power shortages, either in South Africa or in other regions, in the near or long term. However, any such events are likely to affect adversely the Group’s production volumes and may increase the Group’s costs, which would in turn adversely affect the Group’s results of operations and cash flows, and such effects could be material.

Failure to manage relationships with local communities, government and non-government organisations could adversely affect future growth potential of the Group.

As a consequence of public concern about the perceived ill effects of economic globalisation, businesses generally and in particular large multinational corporations such as the Group face increasing public scrutiny of their activities. In addition, the Group operates in several countries where ownership of rights in respect of land and resources is uncertain and where disputes in relation to ownership or other community matters may arise. These disputes are not always predictable and may cause disruption to projects or operations. The Group’s operations can also have an impact on local communities, including the need, from time to time, to relocate communities or infrastructure networks such as railways and utility services. Failure to manage relationships with local communities, government and non-government organisations may adversely affect the Group’s reputation, as well as its ability to bring projects into production, which could in turn affect the Group’s revenues, results of operations and cash flows, potentially in a material manner.

The Group faces certain risks from the high infection rates of HIV/AIDS that may adversely affect its business and the communities in which it operates.

The Group recognises that the HIV/AIDS epidemic in sub-Saharan Africa is a significant threat to economic growth and development in that region and affects its business. In addition to the costs associated with the provision of anti-retroviral therapy to employees and occupational health services (both of which will increase if the incidence of HIV/AIDS spreads), there is a risk that the recruitment and retention of the skilled

personnel needed to maintain and grow the Group's business in southern Africa (and other regions where HIV/AIDS is a major social issue), will not be possible. If this occurs, the Group's business would be adversely affected.

The Group's non-controlled assets may not comply with its standards.

Some of the Group's operations are controlled and managed by joint venture partners, associates or by other companies. Management of non-controlled assets may not comply with the Group's standards, for example, on safety, health and environmental matters or on financial or other controls and procedures. This may lead to higher costs and lower production and adversely affect the Group's results of operations, cash flows, financial condition or reputation.

Certain factors may affect the Group's ability to support the carrying value of its property, plants and equipment, acquired properties, investments and goodwill on its balance sheet.

The Group reviews and tests the carrying value of its assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. If there are indications that impairment may have occurred, the Group prepares estimates of expected future cash flows for each group of assets. Expected future cash flows are inherently uncertain, and could materially change over time. They are significantly affected by reserve and production estimates, together with economic factors such as spot and forward commodity prices, discount rates, currency exchange rates, estimates of costs to produce reserves and future capital expenditure.

If any of these uncertainties occur, either alone or in combination, it could require Anglo American's management to recognise an impairment, which could materially and adversely affect the results of operations or financial condition of the Group.

Inaccurate assumptions in respect of critical accounting judgments could adversely affect financial results.

In the course of preparing financial statements, Anglo American's management necessarily makes judgments and estimates that can have a significant impact on the Group's financial statements. The most critical of these relate to estimation of the useful economic life of assets and ore reserves, impairment of assets, restoration, rehabilitation and environmental costs and retirement benefits. The use of inaccurate assumptions in calculations for any of these estimates could have a significant impact on the Group's results of operations and financial condition.

Factors which are material for the purpose of assessing the market risks associated with the Bonds

There is no established trading market for the Bonds and one may not develop.

The Bonds will be new securities for which there currently is no established trading market. The Bonds have not been and will not be registered under the Securities Act and will be subject to restrictions on resale. See "Subscription and Sale". There can be no assurance regarding the future development of a market for either the Bonds or the ability of holders of the Bonds to sell their Bonds or the price at which such holders may be able to sell their Bonds. If such a market were to develop, the Bonds could trade at a price that may be lower than the initial offering price depending on many factors, including prevailing interest rates, the Group's operating results and the market for similar securities. Therefore, there can be no assurance as to the liquidity of any trading market for the Bonds or that an active market for the Bonds will develop. The Issuer has applied to list the Bonds on the Official List and for admission to trading on the London Stock Exchange's Professional Securities Market. However, the listing and admission to trading may not be approved or, if approved, may not be maintained.

The holding company structure of the Group means that the claims of creditors of subsidiaries of Anglo American will generally have priority over claims on the Bonds.

Anglo American is a holding company and derives the majority of its operating income and cash flow from its subsidiaries. It must rely upon distributions from its subsidiaries to generate funds necessary to meet its obligations under the Bonds. The Bonds will constitute (subject to the provisions of Condition 2) unsecured obligations of the Issuer and will rank *pari passu* with all other future unsecured and unsubordinated obligations of the Issuer. These obligations will also be structurally subordinated to the holders of secured and unsecured debt and other creditors of subsidiaries of the Issuer.

Investors in the Bonds may have limited recourse against the independent auditors.

The independent auditors' reports incorporated by reference herein, include language limiting the auditors' scope of duty in relation to such reports and the various financial statements to which they relate. In particular, the audit report of Deloitte LLP, with respect to the 2008 Financial Statements, in accordance with guidance issued by The Institute of Chartered Accountants in England and Wales, provides as follows: "This report is made solely to the Company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed."

The Bonds may not be a suitable investment for all investors.

Each potential investor in the Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained or incorporated by reference in this Offering Circular;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact such investment will have on its overall investment portfolio;
- (iii) understand thoroughly the terms of the Bonds and be familiar with the behaviour of financial markets in which they participate; and
- (iv) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The Bonds may be redeemed prior to maturity.

The Conditions provide that the Bonds are redeemable at the Issuer's option in certain limited circumstances and accordingly the Issuer may choose to redeem the outstanding Bonds at times when prevailing interest rates may be relatively low. In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security bearing an effective interest rate as high as that of the Bonds.

Modification, waivers and substitution.

The Trust Deed will contain provisions for calling meetings of Bondholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Bondholders including Bondholders

who did not attend and vote at the relevant meeting and Bondholders who voted in a manner contrary to the majority.

The Terms and Conditions of the Bonds provide that the Trustee may, without the consent of Bondholders or Couponholders, (i) agree to any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Trust Deed or the Bonds; (ii) determine that any Event of Default or Potential Event of Default shall not be treated as such; or (iii) agree to the substitution of a Newco or any subsidiary of the Issuer as principal debtor under the Bonds in place of the Issuer, in the circumstances described in Condition 13.

Risks attached to the exercise of Conversion Rights.

At any point when the Bonds are outstanding, depending on the performance of the Ordinary Shares, the value of the Ordinary Shares may be substantially lower than when the Bonds were initially purchased. In addition, because there will be a delay between when Conversion Rights are exercised and when Ordinary Shares are delivered, the value of the Ordinary Shares to be delivered may vary substantially between the date on which Conversion Rights are exercised and the date on which such Ordinary Shares are delivered.

There is a limited period for, and there are costs associated with, the exercise of Conversion Rights.

A Bondholder will, subject as more fully described herein under “Terms and Conditions of the Bonds”, have the right to convert his or her Bonds into Ordinary Shares. Conversion Rights may be exercised, subject as provided herein, at any time on or after 17 June 2009 up to: (a) the close of business (at the place where such Bond is deposited for conversion) ten days prior to the Final Maturity Date; or (b) if the Bonds have been called for redemption by the Issuer before the Final Maturity Date, up to (and including) the close of business seven days prior to the date fixed for redemption. If the Conversion Rights are not exercised by Bondholders during this period, the Bonds will be redeemed at their principal amount on the Final Maturity Date, together with unpaid accrued interest, unless the Bonds are previously purchased and cancelled or redeemed in accordance with the Conditions.

Bondholders have limited anti-dilution protection.

The Conversion Price at which the Bonds may be converted into Ordinary Shares will be adjusted in the event that there is a consolidation, reclassification or subdivision of the Ordinary Shares, capitalisation of profits, the payment of any dividend or the making of a distribution by the Issuer, rights issue or grant of other subscription rights or other adjustment, including a spin-off event, which affects the Ordinary Shares, but only in the situations and only to the extent provided under “Terms and Conditions of the Bonds – Conversion of Bonds”. There is no requirement that there should be an adjustment for every corporate or other event that may affect the value of the Ordinary Shares. Events in respect of which no adjustment is made may adversely affect the value of the Ordinary Shares and, therefore, adversely affect the value of the Bonds.

Bondholders will bear the risk of fluctuation in the price of the Ordinary Shares.

The market price of the Bonds is expected to be affected by fluctuations in the market price of the Ordinary Shares and it is impossible to predict whether the price of the Ordinary Shares will rise or fall. Trading prices of the Ordinary Shares will be influenced by, among other things, the financial position of the Issuer, its results of operations and political, economic, financial and other factors. Any decline in the market price of the Ordinary Shares may have an adverse effect on the market price of the Bonds.

The future issue of Ordinary Shares by the Issuer or the disposal of Ordinary Shares by any substantial shareholders of the Issuer or the perception that such issues or sales may occur may significantly affect the trading price of the Bonds and the Ordinary Shares. The Issuer has agreed to certain restrictions on its ability

to issue or dispose of Ordinary Shares or related securities for a period of 90 days from and including 16 April 2009. Except for such restrictions and the undertakings of the Issuer described in “Terms and Conditions of the Bonds – 10. Undertakings”) there is no restriction on the Issuer’s ability to issue Ordinary Shares, and there can be no assurance that the Issuer will not issue Ordinary Shares or that any substantial shareholder will not dispose of, encumber, or pledge its Ordinary Shares or related securities.

EU Savings Directive.

Under EC Council Directive 2003/48/EC on the taxation of savings income (the “Savings Directive”), Member States are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident, or to certain limited types of entities established, in another Member State. However, for a transitional period, Belgium, Luxembourg and Austria may instead (unless during that period they elect otherwise) operate a withholding system in relation to such payments (subject to a procedure whereby, on meeting certain conditions, the beneficial owner of the interest or other income may request that no interest be withheld) (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland).

On 15 September 2008, the European Commission issued a report to the Council of the European Union on the operation of the Savings Directive, which included the European Commission’s advice on the need for changes to the Savings Directive. On 13 November 2008, the European Commission published a more detailed proposal for amendments to the Savings Directive, which included a number of suggested changes. If any of those proposed changes are made in relation to the Savings Directive, they would amend or broaden the scope of the requirements described above.

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of tax were to be withheld from that payment, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to the Bonds as a result of the imposition of such withholding tax. The Issuer is required to maintain a Paying Agent in a Member State that will not be obliged to withhold or deduct tax pursuant to the Savings Directive.

Change of law.

The Conditions are based on English law in effect as at the date of this Offering Circular. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of this Offering Circular.

Exchange rate risks and exchange controls.

The Issuer will pay principal and interest on the Bonds in U.S. dollars, and, in certain specified circumstances, in sterling (the “Specified Currencies” and each, a “Specified Currency”). This presents certain risks relating to currency conversions if an investor’s financial activities are denominated principally in a currency or currency unit (the “Investor’s Currency”) other than the Specified Currencies. These include the risk that exchange rates may significantly change (including changes due to devaluation of a Specified Currency or revaluation of the Investor’s Currency) and the risk that authorities with jurisdiction over the Investor’s Currency may impose or modify exchange controls. An appreciation in the value of the Investor’s Currency relative to a Specified Currency would decrease (i) the Investor’s Currency-equivalent yield on the Bonds, (ii) the Investor’s Currency equivalent value of the principal payable on the Bonds and (iii) the Investor’s Currency equivalent market value of the Bonds. Government and monetary authorities may impose (as some

have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Interest rate risks.

Investment in the Bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds.

The Global Bond is held by or on behalf of Euroclear and Clearstream, Luxembourg.

The Bonds will be represented by the Global Bond. The Global Bond will be deposited with a common depositary for Euroclear and Clearstream, Luxembourg. Except in certain limited circumstances described in the Global Bond, investors will not be entitled to receive Bonds in definitive form. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Global Bond. While the Bonds are represented by the Global Bond, investors will be able to trade their beneficial interests in the Global Bond only through Euroclear and Clearstream, Luxembourg.

The Issuer will discharge its payment obligations under the Bonds by making payments to the common depositary for Euroclear and Clearstream, Luxembourg for distribution to their accountholders. A holder of a beneficial interest in the Global Bond must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under and otherwise to exercise its rights in respect of the Bonds. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Bond.

Legal investment considerations may restrict certain investments.

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) the Bonds are legal investments for it, (ii) the Bonds can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of the Bonds. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of the Bonds under any applicable risk-based capital or similar rules

TERMS AND CONDITIONS OF THE BONDS

The following, subject to completion and amendment, is the text of the Terms and Conditions of the Bonds which is incorporated by reference into the Global Bond and will be endorsed on the Bonds in definitive form (if issued).

The issue of the U.S.\$1,700,000,000 4.00 per cent. Convertible Bonds due 2014 (the “Bonds”, which expression shall, unless otherwise indicated, include any Further Bonds) was (save in respect of any such Further Bonds) authorised by resolutions of a committee of the Board of Directors of Anglo American plc (the “Issuer”) passed on 15 April 2009 and 29 April 2009, respectively. Such committee was duly constituted by resolutions of the Board of Directors of the Issuer passed on 14 April 2009. The Bonds are constituted by a trust deed dated 7 May 2009 (the “Trust Deed”) between the Issuer and The Law Debenture Trust Corporation p.l.c. (the “Trustee”, which expression shall include all persons for the time being appointed as the trustee or trustees under the Trust Deed) as trustee for the Bondholders (as defined below). The statements set out in these Terms and Conditions (the “Conditions”) are summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the forms of the Bonds and the interest coupons relating to them (the “Coupons”). The Bondholders and Couponholders (as defined below) are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and those provisions applicable to them which are contained in the Paying and Conversion Agency Agreement dated 7 May 2009 (the “Agency Agreement”) relating to the Bonds between the Issuer, the Trustee and Deutsche Bank AG, London Branch (the “Principal Paying and Conversion Agent”, which expression shall include any successor as Principal Paying and Conversion Agent under the Agency Agreement) and the Paying and Conversion Agents for the time being (such persons, together with the Principal Paying and Conversion Agent, being referred to below as the “Paying and Conversion Agents”, which expression shall include their successors as Paying and Conversion Agents under the Agency Agreement).

Copies of the Trust Deed and the Agency Agreement are available for inspection at the office of the Trustee at Fifth Floor, 100 Wood Street, London EC2V 7EX, and at the specified offices of the Paying and Conversion Agents.

Capitalised terms used but not defined in these Conditions shall have the meanings attributed to them in the Trust Deed unless the context otherwise requires or unless otherwise stated.

1 Form, Denomination, Title and Status

(a) Form and Denomination

The Bonds are in bearer form in the principal amount of U.S.\$100,000 each with Coupons attached on issue.

(b) Title

Title to the Bonds and Coupons will pass by delivery. The holder of any Bond or Coupon will (except as otherwise required by law or as ordered by a court of competent jurisdiction) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or its theft or loss or anything written on it) and no person will be liable for so treating the holder.

(c) *Status*

The Bonds and Coupons constitute (subject to Condition 2) unsecured obligations of the Issuer ranking *pari passu*, without any preference among themselves. The payment obligations of the Issuer in respect of the Bonds and the Coupons shall, save for such exceptions as may be provided by applicable legislation and subject to Condition 2, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.

2 Negative Pledge

So long as any of the Bonds remains outstanding (as defined in the Trust Deed), the Issuer shall not create or permit to subsist any mortgage, charge, pledge, lien or other form of encumbrance or security interest (“**Security**”) upon the whole or any part of its undertaking or assets, present or future, to secure any Relevant Debt, or any guarantee or indemnity in respect of any Relevant Debt unless, at the same time or prior thereto, the Issuer’s obligations under the Bonds, the Coupons and the Trust Deed either (a) are secured equally and rateably therewith to the satisfaction of the Trustee, or (b) have the benefit of such other Security, guarantee, indemnity or other arrangement as the Trustee in its absolute discretion shall deem to be not materially less beneficial to the Bondholders or as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Bondholders.

“**Relevant Debt**” means any present or future indebtedness which is in the form of, or represented by, bonds, notes, debentures, loan stock or other securities which are, with the consent of the person issuing the same, for the time being quoted, listed or ordinarily dealt in on any stock exchange, over-the-counter or other established securities market and having an original maturity of more than one year from its date of issue.

3 Definitions

In these Conditions, unless otherwise provided:

“**Additional Ordinary Shares**” has the meaning provided in Condition 5(c).

“**Bondholder**” means the holder of any Bond.

“**business day**” means, in relation to any place, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets are open for business in that place.

a “**Change of Control**” shall occur if an offer is made to all (or as nearly as may be practicable all) Shareholders (or all (or as nearly as may be practicable all) such Shareholders other than the offeror and/or any associate of the offeror (as defined in Section 988(1) of the Companies Act)), to acquire all or a majority of the issued ordinary share capital of the Issuer or if any person proposes a scheme with regard to such acquisition (other than an Exempt Newco Scheme) and (such offer or scheme having become or been declared unconditional in all respects or having become effective) the right to cast more than 50 per cent. of the votes which may ordinarily be cast on a poll at a general meeting of the Issuer has or will become unconditionally vested in any person and/or any associate of that person (as defined in Section 988(1) of the Companies Act).

“**Change of Control Conversion Price**” has the meaning provided in Condition 5(b)(x).

“**Change of Control Notice**” has the meaning provided in Condition 5(g).

“**Change of Control Period**” means the period commencing on the occurrence of a Change of Control and ending 60 calendar days following the Change of Control or, if later, 60 calendar days following the date on which a Change of Control Notice is given to Bondholders as required by Condition 5(g).

“**Change of Control Put Date**” has the meaning provided in Condition 6(d).

“**Change of Control Put Exercise Notice**” has the meaning provided in Condition 6(d).

“**Closing Date**” means 7 May 2009.

“**Companies Act**” means the Companies Act 2006.

“**Conversion Date**” has the meaning provided in Condition 5(h).

“**Conversion Notice**” has the meaning provided in Condition 5(h).

“**Conversion Period**” has the meaning provided in Condition 5(a).

“**Conversion Price**” has the meaning provided in Condition 5(a).

“**Conversion Right**” has the meaning provided in Condition 5(a).

“**Couponholder**” means the holder of any Coupon.

“**Current Market Price**” means, in respect of an Ordinary Share at a particular date, the average of the daily Volume Weighted Average Price of an Ordinary Share on each of the five consecutive dealing days ending on the dealing day immediately preceding such date; provided that if at any time during the said five-dealing-day period the Volume Weighted Average Price shall have been based on a price ex-Dividend (or ex- any other entitlement) and during some other part of that period the Volume Weighted Average Price shall have been based on a price cum-Dividend (or cum- any other entitlement), then:

- (a) if the Ordinary Shares to be issued or transferred and delivered do not rank for the Dividend (or entitlement) in question, the Volume Weighted Average Price on the dates on which the Ordinary Shares shall have been based on a price cum-Dividend (or cum- any other entitlement) shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of any such Dividend or entitlement per Ordinary Share as at the date of first public announcement of such Dividend (or entitlement), in any such case, determined on a gross basis and disregarding any withholding or deduction required to be made on account of tax, and disregarding any associated tax credit; or
- (b) if the Ordinary Shares to be issued or transferred and delivered do rank for the Dividend (or entitlement) in question, the Volume Weighted Average Price on the dates on which the Ordinary Shares shall have been based on a price ex-Dividend (or ex- any other entitlement) shall for the purpose of this definition be deemed to be the amount thereof increased by an amount equal to the Fair Market Value of any such Dividend or entitlement per Ordinary Share as at the date of first public announcement of such Dividend (or entitlement), in any such case, determined on a gross basis and disregarding any withholding or deduction required to be made on account of tax, and disregarding any associated tax credit,

and provided further that if on each of the said five dealing days the Volume Weighted Average Price shall have been based on a price cum-Dividend (or cum- any other entitlement) in respect of a Dividend (or other entitlement) which has been declared or announced but the Ordinary Shares to be issued or transferred and delivered do not rank for that Dividend (or other entitlement) the Volume Weighted Average Price on each of such dates shall for the purposes of this definition be deemed to be the amount thereof reduced by an amount

equal to the Fair Market Value of any such Dividend or entitlement per Ordinary Share as at the date of the first public announcement of such Dividend or entitlement, in any such case, determined on a gross basis and disregarding any withholding or deduction required to be made on account of tax, and disregarding any associated tax credit,

and provided further that, if the Volume Weighted Average Price of an Ordinary Share is not available on one or more of the said five dealing days (disregarding for this purpose the proviso to the definition of Volume Weighted Average Price), then the average of such Volume Weighted Average Prices which are available in that five-dealing-day period shall be used (subject to a minimum of two such prices) and if only one, or no, such Volume Weighted Average Price is available in the relevant period the Current Market Price shall be determined by an Independent Financial Adviser.

“**dealing day**” means a day on which the Relevant Stock Exchange or relevant market is open for business and on which Ordinary Shares, Securities or Spin-Off Securities (as the case may be) may be dealt in (other than a day on which the Relevant Stock Exchange or relevant market is scheduled to or does close prior to its regular weekday closing time).

“**Dividend**” means any dividend or distribution to Shareholders (including a Spin-Off) whether of cash, assets or other property, and however described and whether payable out of share premium account, profits, retained earnings or any other capital or revenue reserve or account, and including a distribution or payment to holders upon or in connection with a reduction of capital (and for these purposes a distribution of assets includes without limitation an issue of Ordinary Shares or other Securities credited as fully or partly paid up by way of capitalisation of profits or reserves), provided that:

(a) where:

- (1) a Dividend in cash is announced which is to be, or may at the election of a Shareholder or Shareholders be, satisfied by the issue or delivery of Ordinary Shares or other property or assets, or where a capitalisation of profits or reserves is announced which is to be, or may at the election of a Shareholder or Shareholders be, satisfied by the payment of cash, then the Dividend in question shall be treated as a cash Dividend of an amount equal to the greater of (i) the Fair Market Value of such cash amount and (ii) the Current Market Price of such Ordinary Shares as at (a) in the case of Current Market Price of such Ordinary Shares, the Effective Date in respect of the relevant Dividend or, as the case may be, the record date or other due date for establishment of entitlement in respect of the relevant capitalisation or, (b) in the case of Fair Market Value of such other property or assets, as at the date of the first public announcement of such Dividend or capitalisation, or, in any such case, if later, the date on which the number of Ordinary Shares (or amount of such other property or assets, as the case may be) which may be issued or delivered is determined; or
- (2) there shall be any issue of Ordinary Shares by way of capitalisation of profits or reserves (including any share premium account or capital redemption reserve) where such issue is or is expressed to be in lieu of a Dividend (whether or not a cash Dividend equivalent or amount is announced or would otherwise be payable to Shareholders, whether at their election or otherwise), the Dividend in question shall be treated as a cash Dividend of an amount equal to the Current Market Price of such Ordinary Shares as at the Effective Date in respect of the relevant Dividend or, as the case may be, the record date or other due date for establishment of entitlement in respect of the relevant capitalisation or, if later, the date on which the number of Ordinary shares to be issued or delivered is determined;

(b) any issue of Ordinary Shares falling within Condition 5(b)(ii) shall be disregarded;

- (c) a purchase or redemption or buy back of share capital of the Issuer by or on behalf of the Issuer or any of its Subsidiaries shall not constitute a Dividend unless, in the case of a purchase or redemption or buy back of Ordinary Shares by or on behalf of the Issuer or any of its Subsidiaries, the weighted average price per Ordinary Share (before expenses) on any one day (a “Specified Share Day”) in respect of such purchases or redemptions or buy backs (translated, if not in the Relevant Currency, into the Relevant Currency at the Prevailing Rate on such day) exceeds by more than 5 per cent. the average of the closing prices of the Ordinary Shares on the Relevant Stock Exchange (as published by or derived from the Relevant Stock Exchange) on the five dealing days immediately preceding the Specified Share Day or, where an announcement (excluding, for the avoidance of doubt for these purposes, any general authority for such purchases, redemptions or buy backs approved by a general meeting of Shareholders or any notice convening such a meeting of Shareholders) has been made of the intention to purchase, redeem or buy back Ordinary Shares at some future date at a specified price or where a tender offer is made, on the five dealing days immediately preceding the date of such announcement or the date of first public announcement of such tender offer (and regardless of whether or not a price per Ordinary Share, a minimum price per Ordinary Share or a price range or formula for the determination thereof is or is not announced at such time), as the case may be, in which case such purchase, redemption or buy back shall be deemed to constitute a Dividend in the Relevant Currency to the extent that the aggregate price paid (before expenses) in respect of such Ordinary Shares purchased, redeemed or bought back by the Issuer or, as the case may be, any of its Subsidiaries (translated where appropriate into the Relevant Currency as provided above) exceeds the product of (i) 105 per cent. of the average closing price of the Ordinary Shares determined as aforesaid and (ii) the number of Ordinary Shares so purchased, redeemed or bought back;
- (d) if the Issuer or any of its Subsidiaries shall purchase, redeem or buy back any depositary or other receipts or certificates representing Ordinary Shares, the provisions of paragraph (c) above shall be applied in respect thereof in such manner and with such modifications (if any) as shall be determined in good faith by an Independent Financial Adviser; and
- (e) where a dividend or distribution is paid or made to Shareholders pursuant to any plan implemented by the Issuer for the purpose of enabling Shareholders to elect, or which may require Shareholders, to receive dividends or distributions in respect of the Ordinary Shares held by them from another person or person other than (or in addition to) the Issuer, such dividend or distribution shall for the purposes of these Conditions be treated as a dividend or distribution made or paid to Shareholders by the Issuer, and the foregoing provisions of this definition, and the provisions of these Conditions shall be construed accordingly.

“**Effective Date in respect of the relevant Dividend**” means (for the purposes of the definition of “**Dividend**”) the first date on which the Ordinary Shares are traded ex- the relevant Dividend or entitlement on the Relevant Stock Exchange.

“**Exempt Newco Scheme**” means a Newco Scheme where, immediately after completion of the relevant Scheme of Arrangement, the ordinary shares of Newco or depositary or other receipts or certificates representing ordinary shares of Newco are (1) admitted to trading on the Relevant Stock Exchange or (2) admitted to listing on such other regulated, regularly operating, recognised stock exchange or securities market as the Issuer or Newco may determine.

“**Extraordinary Resolution**” has the meaning provided in the Trust Deed.

“**Fair Market Value**” means, with respect to any property on any date, the fair market value of that property as determined by an Independent Financial Adviser provided that (i) the Fair Market Value of a cash Dividend

shall be the amount of such cash Dividend; (ii) the Fair Market Value of any other cash amount shall be the amount of such cash; (iii) where Securities, Spin-Off Securities, options, warrants or other rights are publicly traded in a market of adequate liquidity (as determined by an Independent Financial Adviser), the Fair Market Value (a) of such Securities or Spin-Off Securities shall equal the arithmetic mean of the daily Volume Weighted Average Prices of such Securities or Spin-Off Securities and (b) of such options, warrants or other rights shall equal the arithmetic mean of the daily closing prices of such options, warrants or other rights, in the case of both (a) and (b) during the period of five dealing days on the relevant market commencing on such date (or, if later, the first such dealing day such Securities, Spin-Off Securities, options, warrants or other rights are publicly traded) or such shorter period as such Securities, Spin-Off Securities, options, warrants or other rights are publicly traded; (iv) where Securities, Spin-Off Securities, options, warrants or other rights are not publicly traded (as aforesaid), the Fair Market Value of such Securities, Spin-Off Securities, options, warrants or other rights shall be determined by an Independent Financial Adviser, on the basis of a commonly accepted market valuation method and taking account of such factors as it considers appropriate, including the market price per Ordinary Share, the dividend yield of an Ordinary Share, the volatility of such market price, prevailing interest rates and the terms of such Securities, Spin-Off Securities, options, warrants or other rights, including as to the expiry date and exercise price (if any) thereof. Such amounts shall, in the case of (i) above, be translated into the Relevant Currency (if declared or paid or payable in a currency other than the Relevant Currency) at the rate of exchange used to determine the amount payable to Shareholders who were paid or are to be paid or are entitled to be paid the cash Dividend in the Relevant Currency; and in any other case, shall be translated into the Relevant Currency (if expressed in a currency other than the Relevant Currency) at the Prevailing Rate on that date. In addition, in the case of (i) and (ii) above, the Fair Market Value shall be determined on a gross basis and disregarding any withholding or deduction required to be made on account of tax, and disregarding any associated tax credit.

“**Final Maturity Date**” means 7 May 2014.

“**Fixed Rate of Exchange**” means £1.00 = U.S.\$1.4893.

“**Further Bonds**” means any further Bonds issued pursuant to Condition 17 and consolidated and forming a single series with the then outstanding Bonds.

“**Independent Financial Adviser**” means an independent financial institution of international repute appointed at its own expense by the Issuer and approved in writing by the Trustee or, if the Issuer fails to make such appointment and such failure continues for a reasonable period (as determined by the Trustee in its sole discretion) and the Trustee is indemnified and/or secured and/or prefunded to its satisfaction against the costs, fees and expenses of such adviser and otherwise in connection with such appointment, appointed by the Trustee (without liability for so doing) following notification to the Issuer.

“**Interest Payment Date**” has the meaning provided in Condition 4(a).

“**London Stock Exchange**” means the London Stock Exchange plc.

“**Newco Scheme**” means a scheme of arrangement or analogous proceeding (“Scheme of Arrangement”) which (i) effects the interposition of a limited liability company (“Newco”) between the Shareholders of the Issuer immediately prior to the Scheme of Arrangement (the “Existing Shareholders”) and the Issuer; (ii) in respect of which the Issuer and the Trustee agree, immediately prior to the implementation of such Newco Scheme, to make such amendments to the Conditions and the Trust Deed as are necessary, in the opinion of the Trustee, to ensure that (a) the Bonds may be converted into or exchanged for ordinary shares in Newco (or depositary or other receipts representing such ordinary shares) *mutatis mutandis* in accordance with and subject to these Conditions and the Trust Deed and (b) the Trust Deed and the Conditions (including, without limitation, the adjustment provisions (in Condition 5), the Events of Default (in Condition 9) and the

Undertakings (in Condition 10)) provide at least the same protections and benefits to the Trustee and the Bondholders following the implementation of such Newco Scheme as they provided to the Trustee and the Bondholders prior to the implementation of the Newco Scheme, *mutatis mutandis*; provided that (A) only ordinary shares of Newco or depositary or other receipts or certificates representing ordinary shares of Newco are issued to Existing Shareholders; (B) immediately after completion of the Scheme of Arrangement the only shareholders of Newco or, as the case may be, the only holders of depositary or other receipts or certificates representing ordinary shares of Newco are Existing Shareholders; (C) immediately after completion of the Scheme of Arrangement, Newco is (or one or more wholly owned Subsidiaries of Newco are) the only shareholder of the Issuer; (D) all Subsidiaries of the Issuer immediately prior to the Scheme of Arrangement (other than Newco, if Newco is then a Subsidiary of the Issuer) are Subsidiaries of the Issuer (or of Newco) immediately after completion of the Scheme of Arrangement; and (E) immediately after completion of the Scheme of Arrangement the Issuer (or Newco) holds, directly or indirectly, the same percentage of the ordinary share capital and equity share capital of those Subsidiaries as was held by the Issuer immediately prior to the Scheme of Arrangement.

“**Optional Redemption Date**” has the meaning provided in Condition 6(b).

“**Optional Redemption Notice**” has the meaning provided in Condition 6(b).

“**Ordinary Shares**” means fully paid ordinary shares in the capital of the Issuer currently with a par value of U.S. cents 54 86/91 each.

a “**person**” includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, unincorporated association, limited liability company, organisation, trust, state or agency of a state (in each case whether or not being a separate legal entity).

“**Presentation Date**” means a day which:

- (a) is or falls after the relevant due date for payment, but, if the due date for payment is not or was not a business day in London and New York, is or falls after the next following such business day; and
- (b) is a business day in the place of the specified office of the Paying and Conversion Agent at which the Bond or Coupon is presented for payment.

“**Prevailing Rate**” means, in respect of any currencies on any day, the spot rate of exchange between the relevant currencies prevailing as at or about 12 noon (London time) on that date as appearing on or derived from the Relevant Page or, if such a rate cannot be determined at such time, the rate prevailing as at or about 12 noon (London time) on the immediately preceding day on which such rate can be so determined or if such rate cannot be so determined by reference to the Relevant Page, the rate determined in such other manner as an Independent Financial Adviser shall prescribe.

“**Reference Date**” means, in relation to a Retroactive Adjustment, the date as of which the relevant Retroactive Adjustment takes effect or, in any such case, if that is not a dealing day, the next following dealing day.

“**Relevant Currency**” means sterling or, if at the relevant time or for the purposes of the relevant calculation or determination, the London Stock Exchange is not the Relevant Stock Exchange, the currency in which the Ordinary Shares are quoted or dealt in on the Relevant Stock Exchange at such time.

“**Relevant Date**” means, in respect of any Bond or Coupon, whichever is the later of:

- (i) the date on which payment in respect of it first becomes due; and

- (ii) if any amount of the money payable is improperly withheld or refused the date on which payment in full of the amount outstanding is made or (if earlier) the date on which notice is duly given by the Issuer to the Bondholders in accordance with Condition 16 that, upon further presentation of the Bond or Coupon, where required pursuant to these Conditions, being made, such payment will be made, provided that such payment is in fact made as provided in these Conditions.

“**Relevant Page**” means the relevant page on Bloomberg or such other information service provider that displays the relevant information.

“**Relevant Stock Exchange**” means the London Stock Exchange or if at the relevant time the Ordinary Shares are not at that time listed and admitted to trading on the London Stock Exchange, the principal stock exchange or securities market on which the Ordinary Shares are then listed, admitted to trading or quoted or accepted for dealing.

“**Retroactive Adjustment**” has the meaning provided in Condition 5(c).

“**Scheme of Arrangement**” has the meaning provided in the definition of “Newco Scheme”.

“**Securities**” means any securities including, without limitation, Ordinary Shares, or options, warrants or other rights to subscribe for or purchase or acquire Ordinary Shares.

“**Shareholders**” means the holders of Ordinary Shares.

“**Specified Date**” has the meaning provided in Conditions 5(b)(vii) and (viii).

“**Spin-Off**” means:

- (a) a distribution of Spin-Off Securities by the Issuer to Shareholders as a class; or
- (b) any issue, transfer or delivery of any property or assets (including cash or shares or securities of or in or issued or allotted by any entity) by any entity (other than the Issuer) to Shareholders as a class or, in the case of or in connection with a Newco Scheme, Existing Shareholders as a class (but excluding the issue and allotment of ordinary shares (or depositary or other receipts or certificates representing such ordinary shares) by Newco to Existing Shareholders as a class), pursuant in each case to any arrangements with the Issuer or any of its Subsidiaries.

“**Spin-Off Securities**” means equity share capital of an entity other than the Issuer or options, warrants or other rights to subscribe for or purchase equity share capital of an entity other than the Issuer.

“**Subsidiary**” has the meaning provided in Section 1159 of the Companies Act.

“**UK Listing Authority**” means the Financial Services Authority in its capacity as competent authority for the purposes of the Financial Services and Markets Act 2000.

“**U.S.\$**”, “**U.S. dollars**” and “**U.S. cents**” mean the lawful currency for the time being of the United States of America.

“**Volume Weighted Average Price**” means, in respect of an Ordinary Share, Security or, as the case may be, a Spin-Off Security on any dealing day, the order book volume-weighted average price of an Ordinary Share, Security or, as the case may be, a Spin-Off Security published by or derived (in the case of an Ordinary Share) from Bloomberg page VAP or (in the case of a Security (other than Ordinary Shares) or Spin-Off Security) from the principal stock exchange or securities market on which such Securities or Spin-Off Securities are then listed or quoted or dealt in, if any or, in any such case, such other source as shall be determined to be appropriate by an Independent Financial Adviser on such dealing day, provided that if on any such dealing day such price is not available or cannot otherwise be determined as provided above, the Volume Weighted

Average Price of an Ordinary Share, Security or a Spin-Off Security, as the case may be, in respect of such dealing day shall be the Volume Weighted Average Price, determined as provided above, on the immediately preceding dealing day on which the same can be so determined or as an Independent Financial Adviser might otherwise determine in good faith to be appropriate.

“£” and “sterling” means the lawful currency for the time being of the United Kingdom.

References to “ordinary share capital” has the meaning provided in Section 832 of the Income and Corporation Taxes Act 1988 and “equity share capital” has the meaning provided in Section 548 of the Companies Act.

References to any act or statute or any provision of any act or statute shall be deemed also to refer to any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made thereunder or under such modification or re-enactment.

References to any issue or offer or grant to Shareholders or Existing Shareholders “as a class” or “by way of rights” shall be taken to be references to an issue or offer or grant to all or substantially all Shareholders or Existing Shareholders, as the case may be, other than Shareholders or Existing Shareholders, as the case may be, to whom, by reason of the laws of any territory or requirements of any recognised regulatory body or any other stock exchange or securities market in any territory or in connection with fractional entitlements, it is determined not to make such issue or offer or grant.

In making any calculation or determination of Current Market Price or Volume Weighted Average Price, such adjustments (if any) shall be made as an Independent Financial Adviser considers appropriate to reflect any consolidation or sub-division of the Ordinary Shares or any issue of Ordinary Shares by way of capitalisation of profits or reserves, or any like or similar event.

For the purposes of Conditions 5 (a), (b), (c), (h) and (i) and Condition 10 only, (a) references to the “issue” of Ordinary Shares or Ordinary Shares being “issued” shall include the transfer and/or delivery of Ordinary Shares, whether newly issued and allotted or previously existing or held by or on behalf of the Issuer or any of its Subsidiaries, and (b) Ordinary Shares held by or on behalf of the Issuer or any of its respective Subsidiaries (and which, in the case of Condition 5(b)(iv) and (vi), do not rank for the relevant right or other entitlement) shall not be considered as or treated as “in issue” or “issued” or entitled to receive the relevant Dividend, right or other entitlement.

References in these Conditions to listing on the London Stock Exchange (or like or similar references) shall be construed as admission to the Official List of the UK Listing Authority and admission to trading on the EEA Regulated Market of the London Stock Exchange and references to “EEA Regulated Market” means a market as defined by Article 4.1(14) of Directive 2004/39/EC of the European Parliament and of the Council on markets in financial instruments.

4 Interest

(a) Interest Rate

The Bonds bear interest from (and including) the Closing Date at the rate of 4.00 per cent. per annum calculated by reference to the principal amount thereof and payable semi-annually in arrear in equal instalments on 7 May and 7 November in each year (each an “Interest Payment Date”), commencing with the Interest Payment Date falling on 7 November 2009.

The amount of interest payable in respect of a Bond in respect of any period which is shorter than an Interest Period shall be calculated on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed.

“**Interest Period**” means the period beginning on (and including) the Closing Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

(b) *Accrual of Interest*

Each Bond will cease to bear interest (i) where the Conversion Right shall have been exercised by a Bondholder, from the Interest Payment Date immediately preceding the relevant Conversion Date or, if none, the Closing Date (subject in any such case as provided in Condition 5(j)) or (ii) where such Bond is redeemed or repaid pursuant to Condition 6 or Condition 9, from the due date for redemption or repayment thereof unless, upon due presentation thereof, payment of the principal in respect of the Bond is improperly withheld or refused, in which event interest will continue to accrue at the rate specified in Condition 4(a) (both before and after judgment) until whichever is the earlier of (a) the day on which all sums due in respect of such Bond up to that day are received by or on behalf of the relevant holder, and (b) the day seven days after the Trustee or the Principal Paying and Conversion Agent has notified Bondholders of receipt of all sums due in respect of all the Bonds up to that seventh day (except to the extent that there is failure in the subsequent payment to the relevant holders under these Conditions).

5 Conversion of Bonds

(a) *Conversion Period and Conversion Price*

Subject to and as provided in these Conditions, each Bond shall entitle the holder to convert such Bond into new and/or existing Ordinary Shares as determined by the Issuer, credited as fully paid (a “Conversion Right”).

The number of Ordinary Shares to be issued or transferred and delivered on exercise of a Conversion Right in respect of a Bond shall be determined by dividing the principal amount of such Bond to be converted (translated into sterling at the Fixed Rate of Exchange) by the conversion price (the “Conversion Price”) in effect on the relevant Conversion Date.

The initial Conversion Price is £18.6370. The Conversion Price is subject to adjustment in the circumstances described in Condition 5(b).

A Bondholder may exercise the Conversion Right in respect of a Bond by delivering such Bond, together with a Conversion Notice (as defined below), to the specified office of any Paying and Conversion Agent in accordance with Condition 5(h).

Subject to and as provided in these Conditions, the Conversion Right in respect of a Bond may be exercised, at the option of the holder thereof, at any time subject to any applicable fiscal or other laws or regulations and as hereinafter provided) from 17 June 2009 to the close of business (at the place where the relevant Bond is delivered for conversion) on the date falling ten days prior to the Final Maturity Date (both days inclusive) or, if such Bond is to be redeemed pursuant to Condition 6(b) prior to the Final Maturity Date, then up to (and including) the close of business (at the place aforesaid) on the seventh day before the date fixed for redemption thereof pursuant to Condition 6(b) unless there

shall be a default in making payment in respect of such Bond on such date fixed for redemption, in which event the Conversion Right shall extend up to (and including) the close of business (at the place aforesaid) on the date on which the full amount of such payment becomes available for payment and notice of such availability has been duly given in accordance with Condition 16 or, if earlier, the Final Maturity Date or, if the Final Maturity Date is not a London business day, the immediately preceding London business day; provided that, in each case, if such final date for the exercise of Conversion Rights is not a business day at the place aforesaid, then the period for exercise of Conversion Rights by Bondholders shall end on the immediately preceding business day at the place aforesaid.

Conversion Rights may not be exercised (i) following the giving of notice by the Trustee pursuant to Condition 9 or (ii) in respect of a Bond in respect of which the relevant Bondholder has exercised its right to require the Issuer to redeem that Bond pursuant to Condition 6(d).

The period during which Conversion Rights may (subject as provided below) be exercised by a Bondholder is referred to as the “**Conversion Period**”.

Conversion Rights may only be exercised in respect of the whole of the principal amount of a Bond.

Fractions of Ordinary Shares will not be issued or delivered on exercise of Conversion Rights or pursuant to Condition 5(c) and no cash payment or other adjustment will be made in lieu thereof. However, if the Conversion Right in respect of more than one Bond is exercised at any one time such that Ordinary Shares to be delivered on conversion or pursuant to Condition 5(c) are to be registered in the same name, the number of such Ordinary Shares to be delivered in respect thereof shall be calculated on the basis of the aggregate principal amount of such Bonds being so converted and rounded down to the nearest whole number of Ordinary Shares.

The Issuer will procure that Ordinary Shares to be issued or delivered on exercise of Conversion Rights will be issued or delivered to the holder of the Bonds completing the relevant Conversion Notice or his nominee. Such Ordinary Shares will be deemed to be issued or delivered as of the relevant Conversion Date. Any Additional Ordinary Shares to be issued or transferred and delivered pursuant to Condition 5(c) will be deemed to be issued or delivered as of the relevant Reference Date.

(b) *Adjustment of Conversion Price*

Upon the happening of any of the events described below, the Conversion Price shall be adjusted as follows:

- (i) If and whenever there shall be a consolidation, reclassification or subdivision in relation to the Ordinary Shares, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such consolidation, reclassification or subdivision by the following fraction:

$$\frac{A}{B}$$

where:

A is the aggregate number of Ordinary Shares in issue immediately before such consolidation, reclassification or subdivision, as the case may be; and

B is the aggregate number of Ordinary Shares in issue immediately after, and as a result of, such consolidation, reclassification or subdivision, as the case may

be.

Such adjustment shall become effective on the date the consolidation, reclassification or subdivision, as the case may be, takes effect.

- (ii) If and whenever the Issuer shall issue any Ordinary Shares credited as fully paid to the Shareholders by way of capitalisation of profits or reserves (including any share premium account or capital redemption reserve) other than (1) where any such Ordinary Shares are or are to be issued instead of the whole or part of a Dividend in cash which the Shareholders would or could otherwise have elected to receive, (2) where the Shareholders may elect to receive a Dividend in cash in lieu of such Ordinary Shares or (3) where any such Ordinary Shares are or are expressed to be issued in lieu of a Dividend (whether or not a cash Dividend equivalent or amount is announced or would otherwise be payable to Shareholders, whether at their election or otherwise), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such issue by the following fraction:

$$\frac{A}{B}$$

where:

A is the aggregate number of Ordinary Shares in issue immediately before such issue; and

B is the aggregate number of Ordinary Shares in issue immediately after such issue.

Such adjustment shall become effective on the date of issue of such Ordinary Shares.

- (iii) If and whenever the Issuer shall pay or make any Dividend to Shareholders, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A - B}{A}$$

where:

A is the Current Market Price of one Ordinary Share on the Effective Date; and

B is the portion of the Fair Market Value of the aggregate Dividend attributable to one Ordinary Share, with such portion being determined by dividing the Fair Market Value of the aggregate Dividend by the number of Ordinary Shares entitled to receive the relevant Dividend (or, in the case of a purchase, redemption or buy back of Ordinary Shares or any depositary or other receipts or certificates representing Ordinary Shares by or on behalf of the Issuer or any Subsidiary of the Issuer, by the number of Ordinary Shares in issue immediately following such purchase, redemption or buy back, and treating as not being in issue any Ordinary Shares, or any Ordinary Shares represented by depositary or other receipts or certificates, purchased, redeemed or bought back).

Such adjustment shall become effective on the Effective Date or, if later, the first date upon which the Fair Market Value of the relevant Dividend is capable of being determined as provided herein.

“**Effective Date**” means, in respect of this sub-paragraph (b)(iii), the first date on which the Ordinary Shares are traded ex-the relevant Dividend on the Relevant Stock Exchange or, in the case of a purchase, redemption or buy back of Ordinary Shares or any depositary or other receipts or certificates representing Ordinary Shares, the date on which such purchase, redemption or buy back is made or, in the case of a Spin-Off, on the first date on which the Ordinary Shares are traded ex-the relevant Spin-Off on the Relevant Stock Exchange.

For the purposes of the above, Fair Market Value shall (subject as provided in paragraph (a) of the definition of “Dividend” and in the definition of “Fair Market Value”) be determined as at the Effective Date.

- (iv) If and whenever the Issuer shall issue Ordinary Shares to Shareholders as a class by way of rights, or shall issue or grant to Shareholders as a class by way of rights, any options, warrants or other rights to subscribe for or purchase Ordinary Shares, or any Securities which by their terms of issue carry (directly or indirectly) rights of conversion into, or exchange or subscription for, any Ordinary Shares (or shall grant any such rights in respect of existing Securities so issued), in each case at a price per Ordinary Share which is less than 95 per cent. of the Current Market Price per Ordinary Share on the Effective Date, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such issue or grant by the following fraction:

$$\frac{A+B}{A+C}$$

where:

- A is the number of Ordinary Shares in issue on the Effective Date;
- B is the number of Ordinary Shares which the aggregate consideration (if any) receivable for the Ordinary Shares issued by way of rights, or for the Securities issued by way of rights, or for the options or warrants or other rights issued by way of rights and for the total number of Ordinary Shares deliverable on the exercise thereof, would purchase at such Current Market Price per Ordinary Share; and
- C is the number of Ordinary Shares to be issued or, as the case may be, the maximum number of Ordinary Shares which may be issued upon exercise of such options, warrants or rights calculated as at the date of issue of such options, warrants or rights or upon conversion or exchange or exercise of rights of subscription or purchase in respect thereof at the initial conversion, exchange, subscription or purchase price or rate.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this sub-paragraph (b)(iv), the first date on which the Ordinary Shares are traded ex-rights, ex-options or ex-warrants on the Relevant Stock Exchange.

- (v) If and whenever the Issuer shall issue any Securities (other than Ordinary Shares or options, warrants or other rights to subscribe for or purchase any Ordinary Shares) to Shareholders as a class by way of rights or grant to Shareholders as a class by way of rights any options, warrants or other rights to subscribe for or purchase any Securities (other than Ordinary Shares or

options, warrants or other rights to subscribe for or purchase Ordinary Shares), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such issue or grant by the following fraction:

$$\frac{A - B}{A}$$

where:

- A is the Current Market Price of one Ordinary Share on the first day on which the terms of such issue or grant are publicly announced; and
- B is the Fair Market Value on the date of such announcement (or, if that is not a dealing day, the immediately preceding dealing day) of the portion of the rights attributable to one Ordinary Share.

Such adjustment shall become effective on the first date on which the Ordinary Shares are traded ex-rights, ex-options or ex-warrants on the Relevant Stock Exchange.

- (vi) If and whenever the Issuer shall issue (otherwise than as mentioned in sub-paragraph (b)(iv) above) wholly for cash or for no consideration any Ordinary Shares (other than Ordinary Shares issued on conversion of the Bonds or on the exercise of any rights of conversion into, or exchange or subscription for or purchase of, Ordinary Shares) or issue or grant (otherwise than as mentioned in sub-paragraph (b)(iv) above) wholly for cash or for no consideration any options, warrants or other rights to subscribe for or purchase any Ordinary Shares (other than the Bonds, which term shall for this purpose include any Further Bonds), in each case at a price per Ordinary Share which is less than 95 per cent. of the Current Market Price per Ordinary Share on the date of the first public announcement of the terms of such issue or grant, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such issue or grant by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is the number of Ordinary Shares in issue immediately before the issue of such Ordinary Shares or the grant of such options, warrants or rights;
- B is the number of Ordinary Shares which the aggregate consideration (if any) receivable for the issue of such Ordinary Shares or, as the case may be, for the Ordinary Shares to be issued or otherwise made available upon the exercise of any such options, warrants or rights, would purchase at such Current Market Price per Ordinary Share; and
- C is the number of Ordinary Shares to be issued pursuant to such issue of such Ordinary Shares or, as the case may be, the maximum number of Ordinary Shares which may be issued upon exercise of such options, warrants or rights calculated as at the date of issue of such options, warrants or rights.

Such adjustment shall become effective on the date of issue of such Ordinary Shares or, as the case may be, the grant of such options, warrants or rights.

- (vii) If and whenever the Issuer or any Subsidiary of the Issuer or (at the direction or request of or pursuant to any arrangements with the Issuer or any Subsidiary of the Issuer) any other company, person or entity (otherwise than as mentioned in sub-paragraphs (b)(iv), (b)(v) or (b)(vi) above) shall issue wholly for cash or for no consideration any Securities (other than the Bonds which term shall for this purpose exclude any Further Bonds) which by their terms of issue carry (directly or indirectly) rights of conversion into, or exchange or subscription for, Ordinary Shares (or shall grant any such rights in respect of existing Securities so issued) or Securities which by their terms might be redesignated as Ordinary Shares, and the consideration per Ordinary Share receivable upon conversion, exchange, subscription or redesignation is less than 95 per cent. of the Current Market Price per Ordinary Share on the date of the first public announcement of the terms of issue of such Securities (or the terms of such grant), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such issue or grant by the following fraction:

$$\frac{A+B}{A+C}$$

where:

- A is the number of Ordinary Shares in issue immediately before such issue or grant (but where the relevant Securities carry rights of conversion into or rights of exchange or subscription for Ordinary Shares which have been issued, purchased or acquired by the Issuer or any Subsidiary of the Issuer (or at the direction or request or pursuant to any arrangements with the Issuer or any Subsidiary of the Issuer) for the purposes of or in connection with such issue, less the number of such Ordinary Shares so issued, purchased or acquired);
- B is the number of Ordinary Shares which the aggregate consideration (if any) receivable for the Ordinary Shares to be issued or otherwise made available upon conversion or exchange or upon exercise of the right of subscription attached to such Securities or, as the case may be, for the Ordinary Shares to be issued or to arise from any such redesignation would purchase at such Current Market Price per Ordinary Share; and
- C is the maximum number of Ordinary Shares to be issued or otherwise made available upon conversion or exchange of such Securities or upon the exercise of such right of subscription attached thereto at the initial conversion, exchange or subscription price or rate or, as the case may be, the maximum number of Ordinary Shares which may be issued or arise from any such redesignation;

provided that if at the time of issue of the relevant Securities or date of grant of such rights (as used in this sub-paragraph (b)(vii), the "Specified Date") such number of Ordinary Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time (which may be when such Securities are converted or exchanged or rights of subscription are exercised or, as the case may be, such Securities are redesignated or at such other time as may be provided), then for the purposes of this sub-paragraph (b)(vii), "C" shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Specified Date and as if such conversion, exchange, subscription, purchase or acquisition or, as the case may be, redesignation had taken place on the Specified Date.

Such adjustment shall become effective on the date of issue of such Securities or, as the case may be, the grant of such rights.

- (viii) If and whenever there shall be any modification of the rights of conversion, exchange, subscription, purchase or acquisition attaching to any such Securities (other than the Bonds, which term shall for this purpose include any Further Bonds) as are mentioned in sub-paragraph (b)(vii) above (other than in accordance with the terms (including terms as to adjustment) applicable to such Securities upon issue) so that following such modification the consideration per Ordinary Share receivable has been reduced and is less than 95 per cent. of the Current Market Price per Ordinary Share on the date of the first public announcement of the proposals for such modification, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such modification by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is the number of Ordinary Shares in issue immediately before such modification (but where the relevant Securities carry rights of conversion into or rights of exchange or subscription for, or purchase or acquisition of, Ordinary Shares which have been issued, purchased or acquired by the Issuer or any Subsidiary of the Issuer (or at the direction or request or pursuant to any arrangements with the Issuer or any Subsidiary of the Issuer) for the purposes of or in connection with such issue, less the number of such Ordinary Shares so issued, purchased or acquired);
- B is the number of Ordinary Shares which the aggregate consideration (if any) receivable for the Ordinary Shares to be issued or otherwise made available upon conversion or exchange or upon exercise of the right of subscription, purchase or acquisition attached to the Securities so modified would purchase at such Current Market Price per Ordinary Share or, if lower, the existing conversion, exchange, subscription, purchase or acquisition price or rate of such Securities; and
- C is the maximum number of Ordinary Shares which may be issued or otherwise made available upon conversion or exchange of such Securities or upon the exercise of such rights of subscription, purchase or acquisition attached thereto at the modified conversion, exchange, subscription, purchase or acquisition price or rate but giving credit in such manner as an Independent Financial Adviser shall consider appropriate for any previous adjustment under this sub-paragraph (b)(viii) or sub-paragraph (b)(vii) above;

provided that if at the time of such modification (as used in this sub-paragraph (b)(viii), the "Specified Date") such number of Ordinary Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time (which may be when such Securities are converted or exchanged or rights of subscription, purchase or acquisition are exercised or at such other time as may be provided), then for the purposes of this sub-paragraph (b)(viii), "C" shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Specified Date and as if such conversion, exchange, subscription, purchase or acquisition had taken place on the Specified Date.

Such adjustment shall become effective on the date of modification of the rights of conversion, exchange, subscription, purchase or acquisition attaching to such Securities.

- (ix) If and whenever the Issuer or any Subsidiary of the Issuer or (at the direction or request of or pursuant to any arrangements with the Issuer or any Subsidiary of the Issuer) any other company, person or entity shall offer any Securities in connection with which Shareholders as a class are entitled to participate in arrangements whereby such Securities may be acquired by them (except where the Conversion Price falls to be adjusted under sub-paragraphs (b)(ii), (b)(iii), (b)(iv), (b)(vi) or (b)(vii) above or (b)(x) below (or would fall to be so adjusted if the relevant issue or grant was at less than 95 per cent. of the Current Market Price per Ordinary Share on the relevant dealing day) or under sub-paragraph (b)(v) above), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before the making of such offer by the following fraction:

$$\frac{A-B}{A}$$

where:

- A is the Current Market Price of one Ordinary Share on the date on which the terms of such offer are first publicly announced; and
- B is the Fair Market Value on the date of such announcement of the portion of the relevant offer attributable to one Ordinary Share.

Such adjustment shall become effective on the first date on which the Ordinary Shares are traded ex-rights on the Relevant Stock Exchange.

- (x) If a Change of Control shall occur, then upon any exercise of Conversion Rights where the Conversion Date falls during the Change of Control Period, the Conversion Price (the “Change of Control Conversion Price”) shall be adjusted by dividing the Conversion Price in force immediately prior to such Change of Control by a figure calculated in accordance with the formula and subsequent proviso set out below:

$$A \times \frac{C}{B}$$

where:

- A is the average of the historical prices of a Bond at market close on each dealing day, expressed as a percentage of the nominal amount thereof, during the Calculation Period as quoted by three independent financial institutions of international repute appointed by the Issuer for such purpose;
- B is the average of the daily highest and lowest quoted prices of an Ordinary Share during the Calculation Period as derived from the Official List of the UK Listing Authority; and
- C is the average Conversion Price (as adjusted from time to time) during the Calculation Period,

provided that no increase of the Conversion Price shall be made pursuant to this Condition 5(b)(x).

“**Calculation Period**” means a period of 15 consecutive dealing days ending on the fifth day prior to the Commencement Date; and

“**Commencement Date**” means the commencement of an offer period (as determined in accordance with the Takeover Code (as defined in the Trust Deed)) and being an offer period in respect of which or in relation to which a Change of Control occurs, provided that if the Commencement Date would otherwise have occurred less than 90 days after the end of a previous offer period (as determined in accordance with the Takeover Code), then the Commencement Date shall be the commencement of such previous offer period (determined as above).

- (xi) If the Issuer determines that an adjustment should be made to the Conversion Price as a result of one or more circumstances not referred to above in this Condition 5(b) (even if the relevant circumstance is specifically excluded from the operation of subparagraphs 5(b)(i) to 5(b)(x)), the Issuer shall, at its own expense and acting reasonably, request an Independent Financial Adviser to determine as soon as practicable what adjustment (if any) to the Conversion Price is fair and reasonable to take account thereof and the date on which such adjustment (if any) should take effect and upon such determination such adjustment (if any) shall be made and shall take effect in accordance with such determination, provided that an adjustment shall only be made pursuant to this subparagraph 5(b)(xi) if such Independent Financial Adviser is so requested to make such a determination not more than 21 days after the date on which the relevant circumstance arises and if the adjustment would result in a reduction of the Conversion Price.

Notwithstanding the foregoing provisions:

- (a) where the events or circumstances giving rise to any adjustment pursuant to this Condition 5(b) have already resulted or will result in an adjustment to the Conversion Price or where the events or circumstances giving rise to any adjustment arise by virtue of any other events or circumstances which have already given or will give rise to an adjustment to the Conversion Price or where more than one event which gives rise to an adjustment to the Conversion Price occurs within such a short period of time that, in the reasonable opinion of the Issuer, a modification to the operation of the adjustment provisions is required to give the intended result, such modification shall be made to the operation of the adjustment provisions as may be advised by an Independent Financial Adviser to be in its opinion appropriate to give the intended result; and
- (b) such modification shall be made to the operation of these Conditions as may be advised by an Independent Financial Adviser to be in its opinion appropriate (i) to ensure that an adjustment to the Conversion Price or the economic effect thereof shall not be taken into account more than once and (ii) to ensure that the economic effect of a Dividend is not taken into account more than once.

For the purpose of any calculation of the consideration receivable or price pursuant to sub-paragraphs (b)(iv), (b)(vi), (b)(vii) and (b)(viii), the following provisions shall apply:

- (a) the aggregate consideration receivable or price for Ordinary Shares issued for cash shall be the amount of such cash;
- (b) (x) the aggregate consideration receivable or price for Ordinary Shares to be issued or otherwise made available upon the conversion or exchange of any Securities shall be deemed to be the

consideration or price received or receivable for any such Securities and (y) the aggregate consideration receivable or price for Ordinary Shares to be issued or otherwise made available upon the exercise of rights of subscription attached to any Securities or upon the exercise of any options, warrants or rights shall be deemed to be that part (which may be the whole) of the consideration or price received or receivable for such Securities or, as the case may be, for such options, warrants or rights which are attributed by the Issuer to such rights of subscription or, as the case may be, such options, warrants or rights or, if no part of such consideration or price is so attributed, the Fair Market Value of such rights of subscription or, as the case may be, such options, warrants or rights as at the date of the first public announcement of the terms of issue of such Securities or, as the case may be, such options, warrants or rights, plus in the case of each of (x) and (y) above, the additional minimum consideration receivable or price (if any) upon the conversion or exchange of such Securities, or upon the exercise of such rights or subscription attached thereto or, as the case may be, upon exercise of such options, warrants or rights and (z) the consideration receivable or price per Ordinary Share upon the conversion or exchange of, or upon the exercise of such rights of subscription attached to, such Securities or, as the case may be, upon the exercise of such options, warrants or rights shall be the aggregate consideration or price referred to in (x) or (y) above (as the case may be) divided by the number of Ordinary Shares to be issued upon such conversion or exchange or exercise at the initial conversion, exchange or subscription price or rate;

- (c) if the consideration or price determined pursuant to (a) or (b) above (or any component thereof) shall be expressed in a currency other than the Relevant Currency, it shall be converted into the Relevant Currency at the Prevailing Rate on the date of the first public announcement of the terms of issue of such Ordinary Shares or, as the case may be, Securities;
- (d) in determining the consideration or price pursuant to the above, no deduction shall be made for any commissions or fees (howsoever described) or any expenses paid or incurred for any underwriting, placing or management of the issue of the relevant Ordinary Shares or Securities or options, warrants or rights, or otherwise in connection therewith; and
- (e) the consideration or price shall be determined as provided above on the basis of the consideration or price received, receivable, paid or payable regardless of whether all or part thereof is received, receivable, paid or payable by or to the Issuer or another entity.

(c) *Retroactive Adjustments*

If the Conversion Date in relation to the conversion of any Bond shall be after the record date in respect of any consolidation, reclassification or sub-division as is mentioned in Condition 5(b)(i), or after the record date or other due date for the establishment of entitlement for any such issue, distribution, grant or offer (as the case may be) as is mentioned in Condition 5(b)(ii), (iii) (iv), (v) or (ix), or after the date of the first public announcement of the terms of any such issue or grant as is mentioned in Condition 5(b)(vi) and (vii) or of the terms of any such modification as is mentioned in Condition 5(b)(viii), but before the relevant adjustment to the Conversion Price becomes effective under Condition 5(b) (such adjustment, a “Retroactive Adjustment”), then the Issuer shall (conditional upon the relevant adjustment becoming effective) procure that there shall be issued or transferred and delivered to the converting Bondholder, in accordance with the instructions contained in the Conversion Notice, such additional number of Ordinary Shares (if any) (the “Additional Ordinary Shares”) as, together with the Ordinary Shares issued or to be transferred and delivered on conversion of the relevant Bonds, is equal to the number of Ordinary Shares which would have been required to

be issued or delivered on conversion of such Bond if the relevant adjustment to the Conversion Price had been made and become effective immediately prior to the relevant Conversion Date.

(d) *Decision of an Independent Financial Adviser*

If any doubt shall arise as to whether an adjustment falls to be made to the Conversion Price or as to the appropriate adjustment to the Conversion Price, and following consultation between the Issuer and an Independent Financial Adviser, a written opinion of such Independent Financial Adviser in respect thereof shall be conclusive and binding on the Issuer, the Bondholders and the Trustee, save in the case of manifest error.

(e) *Share or Option Schemes*

No adjustment will be made to the Conversion Price where Ordinary Shares or other Securities (including rights, warrants and options) are issued, offered, exercised, allotted, appropriated, modified or granted to, or for the benefit of, employees or former employees (including directors holding or formerly holding executive office or the personal service company of any such person) or their spouses or relatives, in each case, of the Issuer or any of its Subsidiaries or any associated company or to a trustee or trustees to be held for the benefit of any such person, in any such case pursuant to any share or option scheme.

(f) *Rounding Down and Notice of Adjustment to the Conversion Price*

On any adjustment, the resultant Conversion Price, if not an integral multiple of £0.01, shall be rounded down to the nearest whole multiple of £0.01. No adjustment shall be made to the Conversion Price where such adjustment (rounded down if applicable) would be less than one per cent. of the Conversion Price then in effect. Any adjustment not required to be made and/or any amount by which the Conversion Price has been rounded down, shall be carried forward and taken into account in any subsequent adjustment, and such subsequent adjustment shall be made on the basis that the adjustment not required to be made had been made at the relevant time and/or, as the case may be, that the relevant rounding down had not been made.

Notice of any adjustments to the Conversion Price shall be given by the Issuer to Bondholders in accordance with Condition 16 and to the Trustee promptly after the determination thereof.

The Conversion Price (as translated into U.S. dollars at the Fixed Rate of Exchange) shall not in any event be reduced to below the nominal value of the Ordinary Shares. The Issuer undertakes that it shall not take any action, and shall procure that no action is taken, that would otherwise result in an adjustment to the Conversion Price to below such nominal value or any minimum level permitted by applicable laws or regulations.

(g) *Change of Control*

Within 14 calendar days following the occurrence of a Change of Control, the Issuer shall give notice thereof to the Trustee and to the Bondholders in accordance with Condition 16 (a “**Change of Control Notice**”). The Change of Control Notice shall contain a statement informing Bondholders of their entitlement to exercise their Conversion Rights as provided in these Conditions and their entitlement to exercise their rights to require redemption of their Bonds pursuant to Condition 6(e).

The Change of Control Notice shall also specify:

- (i) all information material to Bondholders concerning the Change of Control;

- (ii) the Conversion Price immediately prior to the occurrence of the Change of Control and the Change of Control Conversion Price;
- (iii) the closing price of the Ordinary Shares as derived from the Relevant Stock Exchange as at the latest practicable date prior to the publication of the Change of Control Notice;
- (iv) the last day of the Change of Control Period;
- (v) the Change of Control Put Date;
- (vi) whether or not the Issuer has made an election pursuant to Condition 6(e); and
- (vii) such other information relating to the Change of Control as the Trustee may require.

The Trustee shall not be required to monitor or take any steps to ascertain whether a Change of Control or any event which could lead to a Change of Control has occurred or may occur and will not be responsible or liable to Bondholders or any other person for any loss arising from any failure by it to do so.

(h) *Procedure for exercise of Conversion Rights*

Conversion Rights may be exercised by a Bondholder during the Conversion Period by delivering the relevant Bond to the specified office of any Paying and Conversion Agent, during its usual business hours, accompanied by a duly completed and signed notice of conversion (a “Conversion Notice”) in the form (for the time being current) obtainable from any Paying and Conversion Agent. Conversion Rights shall be exercised subject in each case to any applicable fiscal or other laws or regulations applicable in the jurisdiction in which the specified office of the Paying and Conversion Agent to whom the relevant Conversion Notice is delivered is located.

If such delivery is made after the end of normal business hours or on a day which is not a business day in the place of the specified office of the relevant Paying and Conversion Agent, such delivery shall be deemed for all purposes of these Conditions to have been made on the next following such business day.

Any determination as to whether a Conversion Notice has been duly completed and properly delivered shall be made by the relevant Paying and Conversion Agent and shall, save in the case of manifest error, be conclusive and binding on the Issuer, the Trustee, the Paying and Conversion Agents and the relevant Bondholder.

A Conversion Notice, once delivered, shall be irrevocable.

The conversion date in respect of a Bond (the “Conversion Date”) shall be the business day in London immediately following the date of the delivery of the relevant Bond and the Conversion Notice as provided in this Condition 5(h) and, if applicable, the making of any payment to be made as provided below.

Each Bond should be delivered upon exercise of Conversion Rights together with all Coupons relating to it which mature on or after the relevant Conversion Date, failing which the relevant holder will be required to pay the full amount of any such missing Coupon. Each amount so paid will be repaid in the manner specified in Condition 7 against presentation and surrender (or, in the case of part payment only, endorsement) of the relevant missing Coupon at any time after the relevant Conversion Date and before the expiry of 10 years after the Relevant Date in respect of the relevant Bond (whether or not a Coupon would otherwise have become void pursuant to Condition 11), but not thereafter.

A Bondholder exercising Conversion Rights must pay directly to the relevant authorities any taxes and capital, stamp, issue and registration and transfer taxes and duties arising on conversion (other than any taxes or capital, stamp, issue and registration and transfer taxes and duties payable in the United Kingdom in respect of the issue or transfer and delivery of any Ordinary Shares in respect of such exercise (including any Additional Ordinary Shares), which shall be paid by the Issuer). If the Issuer shall fail to pay any taxes and capital, stamp, issue and registration and transfer taxes and duties payable for which it is responsible as provided above, the relevant holder shall be entitled to tender and pay the same and the Issuer as a separate and independent stipulation, covenants to reimburse and indemnify each Bondholder in respect of any payment thereof and any penalties payable in respect thereof.

Such Bondholder must also pay all, if any, taxes imposed on it and arising by reference to any disposal or deemed disposal of a Bond or interest therein in connection with the exercise of Conversion Rights by it. The Trustee shall not be responsible for determining whether such taxes or capital, stamp, issue and registration and transfer taxes and duties are payable or the amount thereof and it shall not be responsible or liable for any failure by the Issuer to pay such taxes or capital, stamp, issue and registration and transfer taxes and duties.

The Ordinary Shares will not be available for issue (i) to, or to a nominee or agent for, Euroclear Bank S.A./N.V. or Clearstream Banking, société anonyme or any other person providing a clearance service within the meaning of Section 96 of the Finance Act 1986 of the United Kingdom or (ii) to a person, or nominee or agent for a person, whose business is or includes issuing depositary receipts within the meaning of Section 93 of the Finance Act 1986 of the United Kingdom, in each case at any time prior to the “abolition day” as defined in Section 111(1) of the Finance Act 1990 of the United Kingdom.

Ordinary Shares to be delivered on exercise of Conversion Rights (including any Additional Ordinary Shares) will be delivered in uncertificated form through the dematerialised securities trading system operated by Euroclear UK & Ireland Limited, known as CREST, unless at the relevant time the Ordinary Shares are not a participating security in CREST. Where Ordinary Shares are to be delivered through CREST, they will be delivered to the account specified by the relevant Bondholder in the relevant Conversion Notice by not later than seven London business days following the relevant Conversion Date (or, in the case of any Additional Ordinary Shares, not later than seven London business days following the Reference Date). Where Ordinary Shares are to be delivered in certificated form, a certificate in respect thereof will be dispatched by mail free of charge (but uninsured and at the risk of the recipient) to the relevant Bondholder or as it may direct in the relevant Conversion Notice within 14 days following the relevant Conversion Date or, as the case may be, the Reference Date.

(i) *Ordinary Shares*

- (i) Ordinary Shares (or any Additional Ordinary Shares) issued or transferred and delivered on exercise of Conversion Rights will be fully paid and will in all respects rank *pari passu* with the fully paid Ordinary Shares in issue on the relevant Conversion Date or, in the case of Additional Ordinary Shares, on the relevant Reference Date, except in any such case for any right excluded by mandatory provisions of applicable law and except that such Ordinary Shares or, as the case may be, Additional Ordinary Shares will not rank for (or, as the case may be, the relevant holder shall not be entitled to receive) any rights, distributions or payments the record date or other due date for the establishment of entitlement for which falls prior to the relevant Conversion Date or, as the case may be, the relevant Reference Date.

- (ii) Save as provided in Condition 5(j), no payment or adjustment shall be made on exercise of Conversion Rights for any interest which otherwise would have accrued on the relevant Bonds since the last Interest Payment Date preceding the Conversion Date relating to such Bonds (or, if such Conversion Date falls before the first Interest Payment Date, since the Closing Date).

(j) *Interest on Conversion*

If any notice requiring the redemption of the Bonds is given pursuant to Condition 6(b) on or after the fifteenth London business day prior to a record date in respect of any Dividend or distribution payable in respect of the Ordinary Shares which has occurred since the last Interest Payment Date (or in the case of the first Interest Period, since the Closing Date) where such notice specifies a date for redemption falling on or prior to the date which is 14 days after the Interest Payment Date next following such record date, interest shall accrue at the rate provided in Condition 4(a) on Bonds in respect of which Conversion Rights shall have been exercised and in respect of which the Conversion Date falls after such record date and on or prior to the Interest Payment Date next following such record date in respect of such Dividend or distribution, in each case from and including the preceding Interest Payment Date (or, if such Conversion Date falls before the first Interest Payment Date, from the Closing Date) to but excluding such Conversion Date. The Issuer shall pay any such interest by not later than 14 days after the relevant Conversion Date by transfer to a U.S. dollar account with a bank in London in accordance with instructions given by the relevant Bondholder in the relevant Conversion Notice.

(k) *Purchase or Redemption of Ordinary Shares*

The Issuer or any Subsidiary of the Issuer may exercise such rights as it may from time to time enjoy to purchase or redeem or buy back any shares of the Issuer (including Ordinary Shares) or any depositary or other receipts or certificates representing the same without the consent of the Bondholders or Couponholders.

(l) *No Duty to Monitor*

The Trustee shall not be under any duty to monitor whether any event or circumstance has happened or exists which may require an adjustment to be made to the Conversion Price or as to the amount of any adjustment actually made and will not be responsible or liable to the Bondholders for any loss arising from any failure by it to do so.

6 Redemption and Purchase

(a) *Final Redemption*

Unless previously purchased and cancelled, redeemed or converted as herein provided, the Bonds will, subject to Condition 6(e), be redeemed at their principal amount on the Final Maturity Date. The Bonds may only be redeemed at the option of the Issuer prior to the Final Maturity Date in accordance with Condition 6(b)).

(b) *Redemption at the Option of the Issuer*

On giving not less than 45 nor more than 60 days' notice (an "Optional Redemption Notice") to the Trustee, the Principal Paying and Conversion Agent and to the Bondholders in accordance with Condition 16, the Issuer may, subject to an election by it pursuant to Condition 6(e), redeem all but not

some only of the Bonds on the date (the “Optional Redemption Date”) specified in the Optional Redemption Notice at their principal amount, together with accrued but unpaid interest to such date:

- (i) at any time on or after 22 May 2012 (the “First Call Date”), if on each of not less than 20 dealing days during any period of 30 consecutive dealing days ending not earlier than the fifth dealing day prior to the giving of the relevant Optional Redemption Notice, the Volume Weighted Average Price of an Ordinary Share exceeds 130 per cent. of the Conversion Price in effect (or deemed to be in effect) on each such dealing day; or
- (ii) at any time if prior to the date the relevant Optional Redemption Notice is given, Conversion Rights shall have been exercised and/or purchases (and corresponding cancellations) and/or redemptions effected in respect of 85 per cent. or more in principal amount of the Bonds originally issued (which shall for this purpose include any Further Bonds).

For the purposes of Condition 6(b)(i), if on any dealing day in such 30 dealing day period the Volume Weighted Average Price on such dealing day shall have been quoted cum-Dividend (or cum-any other entitlement), the Volume Weighted Average Price of an Ordinary Share on such dealing day shall be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of any such Dividend or entitlement per Ordinary Share as at the date (or, if that is not a dealing date, the immediately preceding dealing day) of first public announcement of such Dividend (or entitlement).

(c) *Optional Redemption Notices*

Any Optional Redemption Notice shall be irrevocable. Any such notice shall specify (i) the Optional Redemption Date, which shall be a London business day, (ii) the Conversion Price, the aggregate principal amount of the Bonds outstanding and the closing price of the Ordinary Shares as derived from the Relevant Stock Exchange, in each case as at the latest practicable date prior to the publication of the Optional Redemption Notice, (iii) the last day on which Conversion Rights may be exercised by Bondholders, (iv) the amount of accrued interest payable on the Optional Redemption Date and (v) if the Issuer is electing to make payment in sterling pursuant to Condition 6(e), that such election is being made.

(d) *Redemption at the Option of Bondholders Upon a Change of Control*

Following the occurrence of a Change of Control, the holder of each Bond will have the right to require the Issuer to redeem that Bond on the Change of Control Put Date at, subject to Condition 6(e), its principal amount, together with accrued and unpaid interest to such date. To exercise such right, the holder of the relevant Bond must deliver such Bond, together with, subject to Condition 7(c), all Coupons relating to it which mature after the Change of Control Put Date, to the specified office of any Paying and Conversion Agent, together with a duly completed and signed notice of exercise in the form for the time being current obtainable from the specified office of any Paying and Conversion Agent (a “Change of Control Put Exercise Notice”), at any time during the Change of Control Period. The “Change of Control Put Date” shall be the fourteenth calendar day after the expiry of the Change of Control Period.

Payment in respect of any such Bond shall be made by transfer to a U.S. dollar or, if the Issuer has given prior notice to the Bondholders in the Change of Control Notice, sterling account with a bank in London as specified by the relevant Bondholder in the relevant Change of Control Put Exercise Notice.

A Change of Control Put Exercise Notice, once delivered, shall be irrevocable and the Issuer shall redeem all Bonds the subject of Change of Control Put Exercise Notices delivered as aforesaid on the Change of Control Put Date.

(e) Issuer option to redeem in sterling

The principal amount of the Bonds to be paid by the Issuer on the due date (the “Redemption Date”) for redemption of the Bonds, together with any accrued but unpaid interest up to (but excluding) the Redemption Date (together, the “Redemption Amount”) will be payable in accordance with these Conditions in U.S. dollars unless the Issuer elects to make payment in sterling, in which case the Issuer shall:

- (i) in the case of redemption in accordance with Condition 6(a), give not less than 20 nor more than 60 days notice prior to the Final Maturity Date to the Trustee and the Principal Paying and Conversion Agent and to the Bondholders in accordance with Condition 16; or
- (ii) in the case of redemption in accordance with Condition 6(b), give notice thereof in the Optional Redemption Notice; or
- (iii) in the case of redemption in accordance with Condition 6(d), give notice thereof to Bondholders in the Change of Control Notice, as the case may be.

The sterling amount payable shall in respect of each Bond be calculated by multiplying the Redemption Amount per Bond in U.S. dollars by 1.005 and converting such U.S. dollar amount into sterling at the Prevailing Rate on the second London business day prior to the relevant Redemption Date and rounding the resulting figure, if necessary, to the nearest £0.01, with £0.005 being rounded upwards. Such calculation shall be made by the Issuer. If the Issuer so elects to pay in sterling, the Issuer shall deliver to the Trustee on the Redemption Date a certificate signed by two authorised signatories (as defined in the Trust Deed) of the Issuer stating the amount in sterling to be paid in respect of each U.S.\$100,000 principal amount of Bonds and stating that such calculation complies with this Condition 6(e).

(f) Purchase

Subject to the requirements (if any) of any stock exchange on which the Bonds may be admitted to listing and trading at the relevant time and subject to compliance with applicable laws and regulations, the Issuer or any Subsidiary of the Issuer may at any time purchase any Bonds (provided that all unmatured Coupons relating to them are purchased therewith or attached thereto) in the open market or otherwise at any price. Such Bonds may be held, reissued, resold or, at the option of the Issuer, surrendered to the Principal Paying and Conversion Agent for cancellation.

(g) Cancellation

All Bonds which are redeemed or in respect of which Conversion Rights are exercised will be cancelled (together with all relative unmatured Coupons attached to the Bonds or surrendered with the Bonds) and may not be reissued or resold. Bonds purchased by the Issuer or any of its Subsidiaries may be surrendered to the Principal Paying and Conversion Agent for cancellation and if so surrendered, shall be cancelled forthwith and may not be reissued or re-sold.

(h) *Multiple Notices*

If more than one notice of redemption is given pursuant to this Condition 6, the first of such notices to be given shall prevail.

7 **Payments**

(a) *Principal*

Payment of principal in respect of the Bonds and payment of accrued interest payable on a redemption of the Bonds (other than on an Interest Payment Date) will be made against presentation and surrender (or in the case of partial payment only, endorsement) of the Bond, at the specified office of any Paying and Conversion Agent.

(b) *Interest and other amounts*

- (i) Payments of interest due on an Interest Payment Date will be made against presentation and surrender (or in the case of partial payment only, endorsement) of the relevant Coupons, at the specified office outside the U.S. of any of the Paying and Conversion Agents.
- (ii) Payments of all amounts other than as provided in Condition 7(a) and (b)(i) will be made as provided in these Conditions.

(c) *Coupons*

Each Bond should be presented for payment together with all relative unmatured Coupons, failing which the full amount of any relative missing unmatured Coupon (or, in the case of payment not being made in full, the proportion of the full amount of the missing unmatured Coupon which the amount so paid bears to the total amount due) will be deducted from the amount due for payment. Each amount so deducted will be paid in the manner mentioned above against presentation and surrender (or, in the case of part payment only, endorsement) of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date in respect of the relevant Bond (whether or not the Coupon would otherwise have become void pursuant to Condition 11) or, if later, five years after the date on which the Coupon would have become void pursuant to Condition 11, but not thereafter.

(d) *Payments*

Each payment in respect of the Bonds pursuant to Condition 7(a) and (b)(i) will be made by transfer to a U.S. dollar account maintained by the payee with a bank in London or, if the Issuer elects to make payment in sterling pursuant to Conditions 6(e), by transfer to a sterling account maintained by the payee with a bank in London.

(e) *Payments subject to fiscal laws*

All payments in respect of the Bonds are subject in all cases to any applicable fiscal or other laws and regulations.

(f) *Presentation Date*

A holder shall be entitled to present a Bond or Coupon for payment only on a Presentation Date and shall not be entitled to any further interest or other payment if the due date for payment is not a Presentation Date or if the relevant Bond or Coupon is presented for payment after the due date.

(g) *Paying and Conversion Agents, etc.*

The initial Paying and Conversion Agents and their initial specified offices are listed below. The Issuer reserves the right under the Agency Agreement at any time, with the prior written approval of the Trustee, to vary or terminate the appointment of any Paying and Conversion Agent and appoint additional or other Paying and Conversion Agents, provided that it will (i) maintain a Principal Paying and Conversion Agent and (ii) maintain a Paying and Conversion Agent (which may be the Principal Paying and Conversion Agent) with a specified office in a European Union member state that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other European Union Directive implementing the conclusions of the ECOFIN council meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive. Notice of any change in the Paying and Conversion Agents or their specified offices will promptly be given by the Issuer to the Bondholders in accordance with Condition 16.

(h) *No Charges*

None of the Paying and Conversion Agents shall make or impose on a Bondholder any charge, expense or commission in relation to any payment or conversion in respect of the Bonds.

(i) *Fractions*

When making payments to Bondholders, if the relevant payment is not of an amount which is a whole multiple of the smallest unit of the relevant currency in which such payment is to be made, such payment will be rounded down to the nearest unit.

8 Taxation

All payments made by or on behalf of the Issuer in respect of the Bonds and the Coupons will be made subject to and after deduction or withholding for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of the United Kingdom or any political subdivision or any authority thereof or therein having power to tax required to be made by law. The Issuer will not be required to pay any additional or further amounts in respect of such deduction or withholding.

9 Events of Default

If any of the following events (each an “Event of Default”) occurs and is continuing, the Trustee at its discretion may, and if so requested in writing by the holders of at least one-quarter in principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution and provided in each case that it is indemnified and/or secured and/or prefunded to its satisfaction shall, give notice to the Issuer at its registered office that the Bonds are, and they shall thereby immediately become due and repayable at their principal amount together with accrued interest (if any) to the date of payment:

- (a) if default is made in the payment of any principal or interest due in respect of the Bonds or any of them and the default continues for a period of seven days in the case of principal and fourteen days in the case of interest; or
- (b) if the Issuer fails to perform or observe any of its other obligations under these Conditions or the Trust Deed or fails to perform or observe any obligation under Condition 10 which would, but for the provision of applicable law, be a breach thereof and (except in any case where, in the opinion of the Trustee, the failure is incapable of remedy when no such continuation or notice as is hereinafter mentioned will be required) the failure continues for the period of 30 days (or such longer period as the Trustee may permit) next following the service by the Trustee on the Issuer of notice requiring the same to be remedied; or
- (c) (i) any other present or future indebtedness of the Issuer for or in respect of moneys borrowed becomes due and payable prior to its stated maturity by reason of any event of default (howsoever described), or (ii) any such indebtedness is not paid when due or if later, as the case may be, at the end of any applicable grace period, or (iii) the Issuer fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised, except to the extent in any instance that the existence or enforceability of the relevant obligation is being disputed in good faith by it by appropriate proceedings provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this paragraph (c) have occurred and is continuing equals or exceeds U.S.\$100,000,000 (or its equivalent in any other currency or currencies); or
- (d) if any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer over all or a substantial part of its property or assets for an amount at the relevant time in excess of U.S.\$100,000,000 (or its equivalent in any other currency or currencies) becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, administrative receiver, manager or other similar person) unless such enforcement is discharged within 60 days or is the subject of a bona fide dispute; or
- (e) if the Issuer is unable to pay its debts as they fall due or threatens to stop payment of its debts, except for the purpose of and followed by a solvent reconstruction, amalgamation, reorganisation, merger or consolidation on terms previously approved in writing by the Trustee or by an Extraordinary Resolution of the Bondholders; or
- (f) if the Issuer takes any corporate action for its winding-up, dissolution, administration or re-organisation or if a receiver, liquidator, administrator, administrative receiver, trustee or similar officer is appointed in respect of it or of all or a substantial part of its revenues and assets, except for the purpose of and followed by a solvent reconstruction, amalgamation, reorganisation, merger or consolidation on terms previously approved in writing by the Trustee or by an Extraordinary Resolution of the Bondholders;

provided that the Trustee shall have certified that, in its opinion, such event is materially prejudicial to the interests of the Bondholders.

10 Undertakings

Whilst any Conversion Right remains exercisable, the Issuer will, save with the approval of an Extraordinary Resolution or with the prior written approval of the Trustee where, in its opinion, it is not materially prejudicial to the interests of the Bondholders to give such approval:

- (a) other than in connection with a Newco Scheme, not issue or pay up any Securities, in either case by way of capitalisation of profits or reserves, other than:
- (i) by the issue of fully paid Ordinary Shares to Shareholders and other holders of shares in the capital of the Issuer which by their terms entitle the holders thereof to receive Ordinary Shares or other shares or Securities on a capitalisation of profits or reserves; or
 - (ii) by the issue of Ordinary Shares paid up in full (in accordance with applicable law) and issued wholly, ignoring fractional entitlements, in lieu of the whole or part of a cash dividend; or
 - (iii) by the issue of fully paid equity share capital (other than Ordinary Shares) to the holders of equity share capital of the same class and other holders of shares in the capital of the Issuer which by their terms entitle the holders thereof to receive equity share capital (other than Ordinary Shares); or
 - (iv) by the issue of Ordinary Shares or any equity share capital to, or for the benefit of, any employee or former employee, director or executive holding or formerly holding executive office of the Issuer or any of its Subsidiaries or any associated company or to trustees or nominees to be held for the benefit of any such person, in any such case pursuant to an employee, director or executive share or option scheme whether for all employees, directors, or executives or any one or more of them,

unless, in any such case, the same constitutes a Dividend or otherwise gives (or, in the case of an issue or payment up of Securities in connection with a Change of Control, will give) rise (or would, but for the provisions of Condition 5(f) relating to roundings or the carry forward of adjustments, give rise) to an adjustment to the Conversion Price or is (or, in the case of any issue or payment up of Securities in connection with a Change of Control, will be) otherwise taken into account for the purposes of determining whether such an adjustment should be made;

- (b) not modify the rights attaching to the Ordinary Shares with respect to voting, dividends or liquidation nor issue any other class of equity share capital carrying any rights which are more favourable than the rights attaching to the Ordinary Shares but so that nothing in this Condition 10(b) shall prevent:
- (i) any consolidation, reclassification or subdivision of the Ordinary Shares; or
 - (ii) any modification of such rights which is not, in the opinion of an Independent Financial Adviser, materially prejudicial to the interests of the holders of the Bonds; or
 - (iii) any issue of equity share capital where the issue of such equity share capital results, or would, but for the provisions of Condition 5(f) relating to roundings or the carry forward of adjustments or, where comprising Ordinary Shares, the fact that the consideration per Ordinary Share receivable therefor is at least 95 per cent. of the Current Market Price per Ordinary Share, otherwise result, in an adjustment to the Conversion Price; or
 - (iv) without prejudice to any rule of law or legislation (including regulations made under Sections 783, 784(3), 785 and 788 of the Companies Act or any other provision of that or any other legislation), the conversion of Ordinary Shares into, or the issue of any Ordinary Shares in, uncertificated form (or the conversion of Ordinary Shares in uncertificated form to certificated form) or the amendment of the Articles of Association of the Issuer to enable title to securities in the Issuer (including Ordinary Shares) to be evidenced and transferred without a written instrument or any other alteration to the Articles of Association of the Issuer made in connection with the matters described in this Condition 10(b) or which is

- supplemental or incidental to any of the foregoing (including any amendment made to enable or facilitate procedures relating to such matters and any amendment dealing with the rights and obligations of holders of Securities, including Ordinary Shares, dealt with under such procedures); or
- (v) any issue of equity share capital or modification of rights attaching to the Ordinary Shares, where prior thereto the Issuer shall have instructed an Independent Financial Adviser to determine what (if any) adjustments should be made to the Conversion Price as being fair and reasonable to take account thereof and such Independent Financial Adviser shall have determined either that no adjustment is required or that an adjustment resulting in a decrease in the Conversion Price is required and, if so, the new Conversion Price as a result thereof and the basis upon which such adjustment is to be made and, in any such case, the date on which the adjustment shall take effect (and so that the adjustment shall be made and shall take effect accordingly); or
 - (vi) without prejudice to Conditions 5(b)(x) and 6(d), the amendment of the articles of association of the Issuer following a Change of Control to ensure that any Bondholder exercising its Conversion Right after the occurrence of a Change of Control will receive the same consideration for the Ordinary Shares of the Issuer as it would have received had it exercised its Conversion Right at the time of the Change of Control;
- (c) procure that no Securities (whether issued by the Issuer or any Subsidiary of the Issuer or procured by the Issuer or any Subsidiary of the Issuer to be issued or issued by any other person pursuant to any arrangement with the Issuer or any Subsidiary of the Issuer) issued without rights to convert into, or exchange or subscribe for, Ordinary Shares shall subsequently be granted such rights exercisable at a consideration per Ordinary Share which is less than 95 per cent. of the Current Market Price per Ordinary Share at the close of business on the last dealing day preceding the date of the first public announcement of the proposed inclusion of such rights unless the same gives rise (or would, but for the provisions of Condition 5(f) relating to roundings or the carry forward of adjustments, give rise) to an adjustment to the Conversion Price and that at no time shall there be in issue Ordinary Shares of differing nominal values, save where such Ordinary Shares have the same economic rights;
 - (d) not make any issue, grant or distribution or take or omit to take any other action if the effect thereof would be that, on the exercise of Conversion Rights, Ordinary Shares could not, under any applicable law then in effect, be legally issued as fully paid;
 - (e) not reduce its issued share capital, share premium account, or any uncalled liability in respect thereof, or any non-distributable reserves, except:
 - (i) pursuant to the terms of issue of the relevant share capital; or
 - (ii) by means of a purchase or redemption of share capital of the Issuer to the extent, in any such case, permitted by applicable law; or
 - (iii) as permitted by Section 610(2) and (3) of the Companies Act; or
 - (iv) where the reduction does not involve any distribution of assets; or
 - (v) solely in relation to a change in the currency in which the nominal value of the Ordinary Shares is expressed; or
 - (vi) a reduction of its share premium account to facilitate the writing off of goodwill arising on consolidation which requires the confirmation of the High Court and which does not involve

the return, either directly or indirectly, of an amount standing to the credit of the share premium account of the Issuer and in respect of which the Issuer shall have tendered to the High Court such undertaking as it may require prohibiting, so long as any of the Bonds remains outstanding, the distribution (except by way of capitalisation issue) of any reserve which may arise in the books of the Issuer as a result of such reduction; or

- (vii) to create distributable reserves; or
- (viii) pursuant to a Newco Scheme; or
- (ix) by way of transfer to reserves as permitted under applicable law; or
- (x) where the reduction is permitted by applicable law and the Trustee is advised by an Independent Financial Adviser, acting as an expert, that the interests of the Bondholders will not be materially prejudiced by such reduction; or
- (xi) where the reduction is permitted by applicable law and results (or, in the case of a reduction in connection with a Change of Control, will result) in (or would, but for the provisions of Condition 5(f) relating to roundings or the carry forward of adjustments, result in) an adjustment to the Conversion Price or is (or, in the case of a reduction in connection with a Change of Control, will be) otherwise taken into account for the purposes of determining whether such an adjustment should be made,

provided that, without prejudice to the other provisions of these Conditions, the Issuer may exercise such rights as it may from time to time be entitled pursuant to applicable law to purchase, redeem or buy back its Ordinary Shares and any depositary or other receipts or certificates representing Ordinary Shares without the consent of Bondholders;

- (f) if any offer is made to all (or as nearly as may be practicable all) Shareholders (or all (or as nearly as may be practicable all) Shareholders other than the offeror and/or any associates of the offeror (as defined in Section 988(1) of the Companies Act or any modification or re-enactment thereof)) to acquire the whole or any part of the issued Ordinary Shares, or if any person proposes a scheme with regard to such acquisition (other than a Newco Scheme), give notice of such offer or scheme to the Bondholders at the same time as any notice thereof is sent to the Shareholders (or as soon as practicable thereafter) that details concerning such offer or scheme may be obtained from the specified offices of the Paying and Conversion Agents and, where such an offer or scheme has been recommended by the board of directors of the Issuer, or where such an offer has become or been declared unconditional in all respects or such scheme has become effective, use all reasonable endeavours to procure that a like offer or scheme is extended to the holders of any Ordinary Shares issued during the period of the offer or scheme arising out of the exercise of the Conversion Rights by the Bondholders and/or to the holders of the Bonds (which like offer or scheme of arrangement in respect of such Bondholders shall entitle any such Bondholder to receive the same type and amount of consideration it would have received had it held the number of Ordinary Shares to which such Bondholder would be entitled assuming he were to exercise his Conversion Rights in the relevant Change of Control Period);
- (g) in the event of a Newco Scheme, take (or shall procure that there is taken) all necessary action to ensure that (to the satisfaction of the Trustee) as soon as reasonably practicable after completion of any Scheme of Arrangement:
 - (i) such amendments are made to these Conditions and the Trust Deed as are necessary, in the opinion of the Trustee, to ensure that the Bonds may be converted into or exchanged for

ordinary shares in Newco *mutatis mutandis* in accordance with and subject to these Conditions and the Trust Deed (and the Trustee shall (at the expense of the Issuer) be obliged to concur in making any such amendments provided that the Trustee shall not be obliged to concur in making any such amendments if in the opinion of the Trustee doing so would impose more onerous obligations upon it or expose it to further liabilities or reduce its protections);

- (ii) the Trust Deed and the Conditions (including, without limitation, the adjustment provisions (in Condition 5), the Events of Default (in Condition 9) and the Undertakings (in Condition 10)) provide at least the same protections and benefits to the Trustee and the Bondholders following the implementation of such Newco Scheme as they provided to the Trustee and the Bondholders prior to the implementation of the Newco Scheme, *mutatis mutandis*; and
 - (iii) the ordinary shares of Newco are (A) admitted to the Relevant Exchange or admitted to listing on another regulated, regularly operating, recognised stock exchange or securities market or (B) are listed, quoted or dealt on any other stock exchange or securities market on which the Ordinary Shares may then be listed or quoted or dealt in;
- (h) use all reasonable endeavours to ensure that the Ordinary Shares issued upon exercise of Conversion Rights will, as soon as is practicable, be admitted to listing and to trading on the Relevant Stock Exchange and will be listed, quoted or dealt in, as soon as is practicable, on any other stock exchange or securities market on which the Ordinary Shares may then be listed or quoted or dealt in;
 - (i) for so long as any Bond remains outstanding, use all reasonable endeavours to ensure that its issued and outstanding Ordinary Shares shall be admitted to listing on the Relevant Stock Exchange;
 - (j) at all times keep available for issue, free from pre-emptive rights out of its authorised but unissued capital, sufficient authorised but unissued Ordinary Shares to enable the exercise of all Conversion Rights, and all other rights of subscription and exchange for Ordinary Shares, to be satisfied in full; and
 - (k) procure that it shall not become domiciled or resident in or subject generally to the taxing authority of any jurisdiction (other than the United Kingdom) unless it would not thereafter be required pursuant to then current laws and regulations to withhold or deduct for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of such jurisdiction or any political subdivision thereof or therein having power to tax in respect of any payment on or in respect of the Bonds.

The Issuer has undertaken in the Trust Deed to deliver to the Trustee annually a certificate of two authorised signatories of the Issuer, as to there not having occurred an Event of Default or Potential Event of Default (as defined in the Trust Deed) since the Closing Date or the date of the last such certificate or if such event has occurred as to the details of such event. The Trustee will be entitled to rely on such certificate and shall not be obliged to independently monitor compliance by the Issuer with the undertakings set forth in this Condition 10 or otherwise in the Trust Deed, nor be liable to any person for not so doing.

11 Prescription

Claims against the Issuer for payment in respect of the Bonds or Coupons shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of such payment subject to Conditions 5(h) and 7(c).

Claims in respect of any other amounts payable in respect of the Bonds shall be prescribed and become void unless made within 10 years following the due date for payment thereof.

12 Replacement of Bonds and Coupons

If any Bond or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of any Paying and Conversion Agent subject to all applicable laws and stock exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Bonds or Coupons must be surrendered before replacements will be issued.

13 Meetings of Bondholders, Modification and Waiver, Substitution

(a) Meetings of Bondholders

The Trust Deed contains provisions for convening meetings of Bondholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of these Conditions or any provisions of the Trust Deed. Such a meeting may be convened by the Issuer or the Trustee and shall be convened by the Issuer if requested in writing by Bondholders holding not less than 10 per cent. in principal amount of the Bonds for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution will be one or more persons holding or representing a clear majority in principal amount of the Bonds for the time being outstanding, or at any adjourned meeting one or more persons being or representing Bondholders whatever the principal amount of the Bonds so held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to change the Final Maturity Date or the First Call Date (other than deferring the First Call Date) or the dates on which interest is payable in respect of the Bonds, (ii) to modify the circumstances in which the Issuer or Bondholders are entitled to redeem the Bonds pursuant to Condition 6 (b) or (d), (iii) to reduce or cancel the principal amount of, or interest on, the Bonds or to reduce the amount payable on redemption of the Bonds, (iv) to modify the basis for calculating the interest payable in respect of the Bonds, (v) to modify the provisions relating to, or cancel, the Conversion Rights (other than pursuant to or as a result of any amendments to these Conditions and the Trust Deed made pursuant to and in accordance with the provisions of Condition 10(g) (“Newco Scheme Modification”), and other than a reduction to the Conversion Price), (vi) to increase the Conversion Price (other than in accordance with these Conditions or pursuant to a Newco Scheme Modification), (vii) to change the currency of the denomination or any payment in respect of the Bonds, (viii) to change the governing law of the Bonds, the Trust Deed or the Agency Agreement (other than in the case of a substitution of the Issuer (or any previous substitute or substitutes) under Condition 13(c)) or (ix) to modify the provisions concerning the quorum required at any meeting of Bondholders or the majority required to pass an Extraordinary Resolution, in which case the necessary quorum will be one or more persons holding or representing not less than two-thirds or at any adjourned meeting not less than one-third, in principal amount of the Bonds for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Bondholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders.

The Trust Deed provides that a resolution in writing signed by or on behalf of the holders of not less than 90 per cent. of the aggregate principal amount of Bonds outstanding shall for all purposes be as

valid and effective as an Extraordinary Resolution passed at a meeting of Bondholders duly convened and held.

No consent or approval of Bondholders or Couponholders shall be required in connection with any Newco Scheme Modification.

(b) Modification and Waiver

The Trustee may agree, without the consent of the Bondholders or the Couponholders, to (i) any modification of any of the provisions of the Trust Deed, any trust deed supplemental to the Trust Deed, the Agency Agreement, any agreement supplemental to the Agency Agreement, the Bonds, the Coupons or these Conditions which in the Trustee's opinion is of a formal, minor or technical nature or is made to correct a manifest error or an error which, in the opinion of the Trustee, is proven, or to comply with mandatory provisions of law, and (ii) any other modification to the Trust Deed, any trust deed supplemental to the Trust Deed, the Agency Agreement, any agreement supplemental to the Agency Agreement, the Bonds, the Coupons or these Conditions (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed, any trust deed supplemental to the Trust Deed, the Agency Agreement, any agreement supplemental to the Agency Agreement, the Bonds, the Coupons or these Conditions which is, in the opinion of the Trustee, not materially prejudicial to the interests of the Bondholders. The Trustee may, without the consent of the Bondholders or Couponholders, determine any Event of Default or a Potential Event of Default should not be treated as such, provided that in the opinion of the Trustee, the interests of Bondholders will not be materially prejudiced thereby. Any such modification, authorisation, waiver or determination shall be binding on the Bondholders and the Couponholders and, if the Trustee so requires, shall be notified to the Bondholders promptly in accordance with Condition 16.

(c) Substitution

The Trustee may, without the consent of the Bondholders or Couponholders, agree to the substitution of a Newco in place of the Issuer as principal debtor under the Bonds, the Coupons and the Trust Deed for the purposes of and in connection with a Newco Scheme as provided in Condition 10(g) or to the substitution in place of the Issuer (or any previous substitute or substitutes under this Condition) as the principal debtor under the Bonds, the Coupons and the Trust Deed of any Subsidiary of the Issuer subject to (a) the Bonds being unconditionally and irrevocably guaranteed by the Issuer, (b) except in case of a Newco Scheme where the provisions of Condition 10(g) will apply, the Bonds continuing to be convertible or exchangeable into Ordinary Shares as provided in these Conditions *mutatis mutandis* as provided in these Conditions, with such amendments as the Trustee shall consider appropriate provided that in any such case, (c) the Trustee being satisfied that the interests of the Bondholders will not be materially prejudiced by the substitution, and (d) certain other conditions set out in the Trust Deed being complied with. In the case of such a substitution the Trustee may agree, without the consent of the Bondholders or Couponholders, to a change of the law governing the Bonds and/or the Trust Deed provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Bondholders. Any such substitution shall be binding on the Bondholders and Couponholders and shall be notified to the Bondholders promptly in accordance with Condition 16.

(d) Entitlement of the Trustee

In connection with the exercise of its functions (including but not limited to those referred to in this Condition) the Trustee shall have regard to the interests of the Bondholders as a class and, in particular

but without limitation, shall not have regard to the consequences of the exercise of its trusts, powers or discretions for individual Bondholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory, and the Trustee shall not be entitled to require, nor shall any Bondholder be entitled to claim, from the Issuer or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Bondholders.

14 Enforcement

The Trustee may at any time, at its discretion and without notice, take such proceedings against the Issuer as it may think fit to enforce the provisions of the Trust Deed, the Bonds and the Coupons, but it shall not be bound to take any such proceedings or any other action in relation to the Trust Deed, the Bonds or the Coupons unless (i) it shall have been so directed by an Extraordinary Resolution of the Bondholders or so requested in writing by the holders of at least one-quarter in principal amount of the Bonds then outstanding, and (ii) it shall have been indemnified and/or secured and/or prefunded to its satisfaction. No Bondholder or Couponholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails so to do within a reasonable period and the failure shall be continuing.

15 The Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including relieving it from taking proceedings unless indemnified and/or secured and/or prefunded to its satisfaction. The Trustee is entitled to enter into business transactions with the Issuer and any entity related to the Issuer without accounting for any profit and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer and/or any of the Issuer's Subsidiaries, to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Bondholders and to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith. The Trustee may rely, without liability to the Bondholders or Couponholders, on a report, confirmation or certificate or any advice of any accountants, financial advisers or financial institution, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee shall be obliged to accept and be entitled to rely on any such report, confirmation or certificate or advice where the Issuer procures delivery of the same pursuant to its obligation to do so under any provision of these Conditions or the Trust Deed and such report, confirmation or certificate or advice shall be binding on the Issuer, the Trustee, the Bondholders and Couponholders in the absence of manifest error.

16 Notices

All notices regarding the Bonds will be valid if published in one leading daily newspaper in the United Kingdom (which is expected to be the *Financial Times*) or, if this is not possible, in one other leading English language daily newspaper with general circulation in Europe and (so long as the Bonds are listed on the London Stock Exchange and the Rules of the London Stock Exchange so permit or require) given by filing a notice with a Regulatory Information Service approved by the UK Listing Authority. The Issuer shall also ensure that all notices are duly published in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Bonds are for the time being listed. Any such notice

shall be deemed to have been given on the date of such publication or, if required to be published in more than one newspaper or in more than one manner, on the date of the first such publication in all the required newspapers or in each required manner. If publication as provided above is not practicable, notice will be given in such other manner, and shall be deemed to have been given on such date, as the Trustee may approve.

Couponholders will be deemed for all purposes to have notice of the contents of any notice given to the Bondholders in accordance with this Condition.

17 Further Issues

The Issuer may from time to time without the consent of the Bondholders and the Couponholders create and issue further notes, bonds or debentures either having the same terms and conditions in all respects as the outstanding notes, bonds or debentures of any series (including the Bonds and, in such case, referred to herein as the “**Further Bonds**”) or in all respects except for the first payment of interest on them and the first date on which conversion rights may be exercised and so that such further issue shall be consolidated and form a single series with the outstanding notes, bonds or debentures of any series (including the Bonds) or upon such terms as to interest, conversion, premium, redemption and otherwise as the Issuer may determine at the time of their issue. Any further notes, bonds or debentures forming a single series with the outstanding notes, bonds or debentures of any series (including the Bonds) constituted by the Trust Deed or any deed supplemental to it shall, and any other notes, bonds or debentures may, with the consent of the Trustee, be constituted by a deed supplemental to the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Bondholders and the holders of notes, bonds or debentures of other series in certain circumstances where the Trustee so decides.

18 Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Bonds under the Contracts (Rights of Third Parties) Act 1999.

19 Governing Law

The Trust Deed, the Agency Agreement, the Bonds and the Coupons and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.

SUMMARY OF PROVISIONS RELATING TO THE BONDS WHILE IN GLOBAL FORM

The Temporary Global Bond and the Global Bond contain provisions which apply to the Bonds while they are in global form, some of which modify the effect of the terms and conditions of the Bonds set out in this document. The following is a summary of certain of those provisions. References to the Conditions are to a Condition of the relevant Bonds.

1 Exchange

The Temporary Global Bond is exchangeable in whole or in part (free of charge to the holder) for interests in the Global Bond on or after a date which is expected to be 17 June 2009 upon certification as to non-U.S. beneficial ownership in the form set out in the Temporary Global Bond. The Global Bond is exchangeable in whole but not in part (free of charge to the holder) for the Definitive Bonds described below (i) if the Global Bond is held on behalf of a clearing system and such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so, or (ii) if the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Bonds represented by such Global Bond in definitive form and a certificate to such effect signed by two Authorised Signatories (as defined in the Trust Deed) of the Issuer is delivered to the Trustee. Thereupon (in the case of (i) above) the holder of the Global Bond may give notice to the Trustee and the Principal Paying and Conversion Agent, and (in the case of (ii) above) the Issuer may give notice to the Principal Paying and Conversion Agent and the Bondholders, of its intention to exchange the Global Bond for Definitive Bonds (as defined below) on or after the Exchange Date (as defined below) specified in the notice.

On or after the Exchange Date (as defined below) the holder of the Global Bond may (or, in the case of (ii) above, shall) surrender the Global Bond to or to the order of the Principal Paying and Conversion Agent. In exchange for the Global Bond the Issuer shall deliver, or procure the delivery of, an equal aggregate principal amount of duly executed and authenticated definitive Bonds (the "Definitive Bonds") (having attached to them all Coupons in respect of interest which has not already been paid on the Global Bond), security printed in accordance with any applicable legal and stock exchange requirements substantially in the form set out in Schedule 1 to the Trust Deed. On exchange in full of the Global Bond, the Issuer will procure that it is cancelled.

"Exchange Date" means a day falling not less than 60 days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Principal Paying and Conversion Agent is located and, except in the case of exchange pursuant to (i) above, in the city in which the relevant clearing system is located.

2 Payments

No person shall be entitled to receive any payment on the Temporary Global Bond unless exchange for the relevant interest in the Global Bond is improperly withheld or refused. Payments of principal and interest in respect of the Global Bond will be made against presentation for endorsement and, if no further payment falls to be made on it, surrender of the Global Bond to or to the order of the Principal Paying and Conversion Agent or such other Paying and Conversion Agent as shall have been notified to the Bondholders for this purpose. A record of each payment so made will be endorsed in the appropriate schedule to the Global Bond,

which endorsement will be *prima facie* evidence that such payment has been made. Condition 7(g) will apply to the Definitive Bonds only.

3 Notices

So long as the Bonds are represented by the Global Bond and the Global Bond is held on behalf of a clearing system, notices to Bondholders may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions provided that, so long as the Bonds are admitted to the Official List and admitted to trading on the Professional Securities Market, the notice requirements of the UKLA and the London Stock Exchange plc have been complied with. Any such notice shall be deemed to have been given to the Bondholders on the day following the day on which notice is delivered to such clearing system.

4 Prescription

Claims against the Issuer in respect of principal and interest on the Bonds represented by the Global Bond will become void unless it is presented for payment within a period of ten years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date (as defined in the Conditions).

5 Meetings

The holder of the Global Bond will be treated at any meeting of Bondholders as having one vote in respect of each U.S.\$100,000 in principal amount of Bonds.

6 Purchase and Cancellation

Cancellation of any Bond represented by the Global Bond required by the Conditions to be cancelled following its purchase will be effected by reduction in the principal amount of the Global Bond.

7 Accountholders

For so long as any Bonds are represented by the Global Bond and the Global Bond is held by or on behalf of the common depository for Euroclear and/or Clearstream, Luxembourg, each person who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular principal amount of Bonds (each an “Accountholder”) (in which regard any book entry certificate or other document issued by the clearing system as to the principal amount of Bonds standing to the account of any person shall be conclusive and binding for all purposes) shall be treated as the holder of such principal amount of such Bonds for all purposes (including for the purposes of any quorum requirements of, or the right to demand a poll at, meetings of the Bondholders) other than with respect to the payment of principal and interest on such principal amount of such Bonds, the right to which shall be vested, as against the Issuer and the Trustee, solely in the bearer of the Global Bond in accordance with and subject to its terms and the Trust Deed. Each Accountholder must look solely to its relevant clearing system for its share of each payment made to the bearer of the Global Bond.

8 Conversion Rights

The Conversion Rights in respect of the Bonds may be exercised at any time during the Conversion Period by the relevant Accountholder giving notice to the Principal Paying and Conversion Agent in accordance with the standard procedures for Euroclear and/or Clearstream, Luxembourg (which may include notice being given on such Accountholder's instructions by Euroclear and/or Clearstream, Luxembourg or any common depositary for them to the Principal Paying and Conversion Agent by electronic means) and in a form acceptable to Euroclear and/or Clearstream, Luxembourg, of the principal amount of Bonds in respect of which Conversion Rights are exercised and at the same time presenting or procuring the presentation of the Global Bond to the Principal Paying and Conversion Agent for endorsement of exercise within the time limits specified in Condition 5.

9 Redemption at the Option of the Bondholders

The Bondholders' put option in Condition 6(d) may be exercised by the holder of the Global Bond giving notice to the Principal Paying and Conversion Agent in accordance with the standard procedures of Euroclear and/or Clearstream, Luxembourg (which may include notice being given on such Accountholder's instructions by Euroclear and/or Clearstream, Luxembourg or any common depositary for them to the Principal Paying and Conversion Agent by electronic means) and in a form acceptable to Euroclear and/or Clearstream, Luxembourg of the principal amount of Bonds in respect of which such option is exercised and at the same time presenting or procuring the presentation of the Global Bond to the Principal Paying Agent for endorsement of exercise within the time limits specified in Condition 6(d).

10 Euroclear and Clearstream, Luxembourg

References in the Global Bond and this summary to Euroclear and Clearstream, Luxembourg shall be deemed to be references to any other clearing system approved by the Trustee.

USE OF PROCEEDS

The net proceeds from the issue of the Bonds will be applied by the Issuer for its general corporate purposes.

ANGLO AMERICAN plc

Introduction

Anglo American plc (“Anglo American”) was incorporated on 14 May 1998 with limited liability under the Companies Act 1985 and registered in England and Wales under the registered number 03564138 and is the holding company of the group of companies comprising Anglo American and its subsidiaries, joint ventures and associates (the “Group”), which was created in 1999 from the combination of Anglo American Corporation of South Africa Limited and Minorco S.A. and is one of the world’s largest mining and natural resource groups. Anglo American’s principal and registered office is located at 20 Carlton House Terrace, London SW1Y 5AN, England and the telephone number of its registered office is: +44 20 7968 8888.

Principal Activities of the Group

Anglo American is a global leader in mining. The Group has a strong track record in mining and processing natural resources. Through its subsidiaries, joint ventures and associates, it is a world leader in platinum group metals and diamonds, with significant interests in coal, and base and ferrous metals. The Group also currently has an industrial minerals business. The Group is geographically diverse, with operations in Africa, South and North America, Australia, Europe and Asia.

Anglo American’s businesses comprise:

Platinum – Anglo American is one of the world’s largest primary producers of platinum, through its subsidiary Anglo Platinum Limited, located in South Africa, accounting for approximately 39 per cent. of the global platinum supply in 2008.

Diamonds – Anglo American’s diamond interest is represented by its 45 per cent. shareholding in De Beers the world’s largest supplier and marketer of gem diamonds.

Base Metals – Anglo American’s portfolio primarily comprises copper, nickel, zinc and niobium operations. Anglo American’s base metal businesses operate in South America, southern Africa and Ireland.

Ferrous Metals – Anglo Ferrous Metals’ businesses produce iron ore, manganese and steel products. Its operations are mainly in South Africa, South America, Canada and Australia.

Coal – Anglo Coal is one of the world’s largest private sector coal producers and exporters. Its operations are in South Africa, Australia, Canada, Colombia and Venezuela.

Industrial Minerals – Tarmac is the leading UK producer of aggregates and asphalt and a leading producer of ready-mixed concrete. Its operations are primarily in the UK as well as in continental Europe and the Middle East. In 2007, Anglo American announced plans to sell Tarmac. The sale process has been delayed until current credit market conditions improve. However, the Tarmac Group continues to be managed to maximise shareholder value while options for its sale are being explored.

Board of Directors

The Directors of Anglo American plc and their functions and principal directorships outside the Group are as follows:

Name	Title	Principal activities outside the Group
Cynthia Carroll	Chief Executive	Non-Executive Director of BP plc and De Beers s.a.
René Médori	Finance Director	Non-Executive Director of De Beers s.a., DB Investments and Scottish and Southern Energy plc.
Sir Mark Moody-Stuart	Non-Executive Director, Chairman	Director of HSBC Holdings plc, Accenture Ltd and Saudi Aramco, member of the board of the UN Global Compact and Chairman of the Global Compact Foundation.
David Challen	Senior Independent Non-Executive Director	Vice Chairman of Citigroup European Investment Bank, a Non-Executive Director of Smiths Group plc and Deputy Chairman of the UK Takeover Panel.
Sir CK Chow	Non-Executive Director	CEO of MTR Corporation and Non-Executive Chairman of Standard Chartered Bank (Hong Kong) Limited
Dr. Chris Fay*	Non-Executive Director	Non-Executive Chairman of Brightside Group plc, Iofina plc and Stena International S.à. r.l.
Sir Rob Margetts*	Non-Executive Director	Non-Executive Chairman of Legal & General Group Plc, Ensus Ltd, Ordinance Survey and The Energy Technologies Institute and Non-Executive Director of Falck Renewables and Neochimiki S.A.
Nicky Oppenheimer	Non-Executive Director	Chairman of De Beers s.a.
Fred Phaswana	Non-Executive Director	Non-Executive Chairman of Transnet Limited and a Non-Executive Director of Naspers.
Dr Mamphela Ramphele	Non-Executive Director	Chair of Circle Capital Ventures and Non-Executive Director of Mediclinic & Business Partners S.A.
Professor Karel Van Miert	Non-Executive Director	A member of the Supervisory Boards of RWE, Philips NV, Munich Re and Vivendi Universal. A member of the Advisory Boards of Goldman Sachs, Eli Lilly and a member of the Boards of Solvay s.a. and Agfa-Gevaert.

Name	Title	Principal activities outside the Group
Peter Woicke	Non-Executive Director	A member of the Board of Saudi Aramco and Chairman of the International Save the Children Alliance.

* At the Annual General Meeting held on 15 April 2009 it was announced that Dr. Chris Fay and Sir Rob Margetts would be standing down from the Board in due course, as and when new members are appointed to the Board.

The business address of each of the above is 20 Carlton House Terrace, London SW1Y 5AN.

No potential conflicts of interest exist between the Directors' duties to Anglo American and their private interests or other duties.

Financial Statements

The financial statements of the Group are consolidated and prepared under International Financial Reporting Standards adopted by the European Union. The financial statements are presented in U.S. dollars.

Deloitte LLP have audited Anglo American's financial statements, without qualification, in accordance with generally accepted auditing standards in the United Kingdom for the financial year ended 31 December 2008.

Litigation

Proceedings in South Africa

Anglo American South Africa Limited ("AASA"), a wholly owned subsidiary of Anglo American, is a defendant in eleven separate lawsuits, each one on behalf of a former mineworker (or his dependents or survivors) who allegedly contracted silicosis working for gold mining companies in which AASA was a shareholder and to which AASA provided various technical and administrative services. The aggregate amount of the eleven claims is less than U.S.\$3 million, although if these claims are determined adversely to AASA, there are a substantial number of additional former mineworkers who may seek to bring similar claims. The first trial of these claims is expected to be by means of arbitration in 2010, but the arrangements have not yet been agreed.

AASA has a number of defences to liability and intends to contest these claims vigorously, although it is not possible to predict the outcome of litigation or the amount of liability that could arise from the existing or possible future claims.

Proceedings in Venezuela

In January 2008 Minera Loma de Niquel ("MLdN") was notified of the intention of the Venezuelan Ministry of Basic Industries and Mining ("MIBAM") to cancel 13 of its exploration and exploitation concessions due to MLdN's alleged failure to fulfil certain conditions of the concessions. These concessions do not include the concessions where the current mining operations and the metallurgical facilities are located. MLdN believes that it has complied with the conditions of these concessions and has lodged administrative appeals against the notices of termination and is waiting for a response from MIBAM. MLdN may in future undertake further appeals, including with Venezuela's Supreme Court, if MIBAM's ruling does not adequately protect its interests.

Anglo American and MLdN continue to strive to resolve this matter by way of constructive dialogue; however Anglo American and MLdN believe that there is a valid legal basis to reverse the notices of termination and will pursue all appropriate legal and other remedies and actions to protect their respective interests both under Venezuelan and international law. As such, Anglo American anticipates restoration of

these concessions and renewal of those that expire in 2012. As a result the Group continues to consolidate MLdN and no impairment has been recorded for the year ended 31 December 2008.

In a separate development, the environmental permit for slag deposition expired on 23 November 2008. Pending reissuance of the permit, MLdN implemented a short term contingency plan to allow operations to continue by storing the slag in various locations in the plant area. On 23 December 2008, MLdN suspended operations but a satisfactory temporary alternative operating and deposition approach was developed which enabled operations to restart on 28 January 2009.

As at 31 December 2008 Anglo American's interest in the book value of MLdN, including its mineral rights, was U.S.\$443 million (as included in the Group's balance sheet). In the 12 months to 31 December 2008, MLdN's production and contribution to Group operating profits were respectively, 10,900 tonnes of nickel in ferronickel and U.S.\$30 million.

Recent developments

Anglo American inherited a 1978 agreement with Codelco, the Chilean state mining company, when it acquired Disputada de Las Condes (since renamed Anglo American Sur) in 2002. The agreement grants Codelco the right, subject to certain conditions and limitations, to acquire up to 49 per cent. minority interest in Anglo American Sur, the wholly owned Group company that owns the Los Bronces and El Soldado copper mines and the Chagres smelter. These conditions include limiting the window for exercising the right to once every three years in the month of January until January 2027. The right was not exercised in 2009. The next such window is January 2012. The calculations of the price at which Codelco can exercise its right are complex and confidential but do, *inter alia*, take account of company profitability over a five year period.

On 5 August 2008 the Group acquired a 63.3 per cent. shareholding in Anglo Ferrous Brazil S.A., which holds a 51 per cent. interest in the Minas-Rio iron ore project ("Minas-Rio") and a 70 per cent. interest in the Amapá iron ore system ("Amapá"), at a price of Brazilian Real \$28.147 (approximately U.S.\$18.056) per share. At that time the Group committed to extend the offer to the minority shareholders of Anglo Ferrous Brazil S.A. This offer was formally made on 31 October 2008 and as a result the Group's shareholding in Anglo Ferrous Brazil S.A. as at 31 December 2008 was 98.9 per cent. Total cash paid to acquire a controlling and subsequent minority interests was U.S.\$5.5 billion. This transaction followed on from the prior year acquisition of a 49 per cent. interest in each of Minas-Rio and LLX Minas Rio, which owns the port of Acu. As a result of these transactions the Group's effective shareholding in each of the operating entities at 31 December 2008 was 99.4 per cent. in Minas-Rio, 49 per cent. in LLX Minas-Rio and 69.2 per cent. in Amapá.

On 17 March 2009, Anglo American announced the sale of its remaining 11.3 per cent. shareholding in AngloGold Ashanti for U.S.\$1.28 billion. Consistent with Anglo American's stated intention to dispose of this non-core holding, Anglo American no longer owns any shares in AngloGold Ashanti. This was preceded by disposals totalling 15.5 million shares (proceeds of U.S.\$434 million) during the early part of 2009 and the more substantial sale of 67.1 million shares in October 2007 (for U.S.\$2.9 billion) which took the Group's shareholding from 41.6 per cent. to 17.3 per cent. As a result of the October 2007 transaction AngloGold Ashanti was considered a discontinued operation (and presented as such) and had been accounted for as a financial asset investment through to the final disposal in March 2009.

DESCRIPTION OF THE ORDINARY SHARES

The following summarises certain provisions of the Articles of Association of the Issuer (the "Articles"). This summary does not purport to be complete and is subject to and is qualified in its entirety by reference to the Articles.

Share capital

As at the date of this Offering Circular, the Issuer's authorised share capital is U.S.\$1,000,000,000, comprising 1,820,000,000 new ordinary shares of 54 ⁸⁶/₉₁ U.S. cents each and 50,000 5 per cent. cumulative preference shares of £1 each in the Issuer, each credited as fully-paid.

Summary of Share Rights

The following is a summary of the rights attaching to Ordinary Shares in accordance with the Articles. This summary does not purport to be complete and is subject to, and qualified in its entirety by reference to, the Articles.

Voting Rights

Subject to the Articles generally and to any special rights or restrictions as to voting attached by or in accordance with the Articles to any class of shares, on a show of hands every member who is present in person at a general meeting shall have one vote and on a poll every member who is present in person and every proxy present who has been duly appointed by a member entitled to vote on the resolution or by proxy shall have one vote for every share of which he is the holder. No member shall, unless the Directors otherwise determine, be entitled in respect of any share held by him to vote either personally or by proxy at a shareholders' meeting or to exercise any other right conferred by membership in relation to shareholders' meetings if any call or other sum presently payable by him to the Issuer in respect of that share remains unpaid.

Transfer of Shares

- (a) All transfers of shares which are in certificated form may be effected by transfer in writing in any usual or common form or in any other form acceptable to the Directors and may be under hand only. The instrument of transfer shall be signed by or on behalf of the transferor and (except in the case of fully-paid shares) by or on behalf of the transferee. The transferor shall remain the holder of the shares concerned until the name of the transferee is entered in the register. All transfers of shares which are in uncertificated form may be effected by means of a relevant system (as defined in the Regulations).
- (b) The Directors may decline to recognise any instrument of transfer relating to shares in certificated form unless it:
 - (i) is in respect of only one class of share; and
 - (ii) is lodged at the transfer office (duly stamped if required) accompanied by the relevant share certificate(s) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do).
- (c) The Directors may, in the case of shares in certificated form, in their absolute discretion refuse to register any transfer of shares (not being fully-paid shares) provided that, where any such shares are admitted to the Official List, such discretion may not be exercised in such a way as to prevent dealings

in the shares of that class from taking place on an open and proper basis. The Directors may also refuse to register an allotment or transfer of shares (whether fully paid or not) in favour of more than four persons jointly.

- (d) If the Directors refuse to register an allotment or transfer they shall within two months after the date on which:
- (i) the letter of allotment or transfer was lodged with the Issuer (in the case of shares held in certificated form); or
 - (ii) the Operator-instruction (as defined in the Regulations) was received by the Issuer (in the case of shares held in uncertificated form),

send to the allottee or transferee notice of the refusal giving reasons for the refusal.

Dividends

- (a) The Issuer may by ordinary resolution declare dividends to be paid to the members but no such dividend shall exceed the amount recommended by the Directors. If and so far as in the opinion of the Directors the profits of the Issuer justify such payments, the Directors may pay the fixed dividends on any class of shares carrying a fixed dividend expressed to be payable on fixed dates on the half-yearly or other dates prescribed for the payment thereof and may also from time to time pay interim dividends on shares of any class of such amounts and on such dates and in respect of such periods as they think fit. Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide, all dividends shall (as regards any shares not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid pro rata according to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid. For this purpose, no amount paid on a share in advance of calls shall be treated as paid on the share.
- (b) No dividend shall be paid otherwise than out of profits available for distribution under the provisions of the Companies Act, the Regulations and every other enactment, statutory instrument, regulation or order to the extent the same is in force, concerning companies and affecting the Issuer (the “Statutes”).
- (c) Any dividend unclaimed after a period of 12 years from the date on which such dividend became due for payment shall be forfeited and shall revert to the Issuer.
- (d) The Directors may offer to ordinary shareholders the right to receive, in lieu of dividend (or part thereof), an allotment of Ordinary Shares credited as fully paid.
- (e) Where a Related DAS Dividend (as defined in the Articles) has been declared by Anglo South Africa (Pty) Limited (for so long as it is a subsidiary of the Issuer) or any other South African subsidiary for the time being of the Issuer (a “Qualifying Subsidiary”) on the dividend access share then, other than in respect of the Excess Amount, no dividend shall be declared or payable on Ordinary Shares in respect whereof the holders are entered on the branch register of members of the Issuer maintained in South Africa pursuant to Section 129 of the Companies Act on the record date for such dividend specified in accordance with Article 118 (the “Relevant Shares”).

“Excess Amount” means the amount by which the dividend that would otherwise have been declared or payable on the Relevant Shares but for this paragraph exceeds the amount which a holder of a Relevant Share is entitled to receive as a beneficiary under the terms of the DAS Trust (as such term is defined in the Articles) or will become entitled to receive, in the case of a dividend declared by a

Qualifying Subsidiary which is conditional upon a dividend being declared on the Ordinary Shares, upon such condition being satisfied provided that:

- (i) if such amount is receivable in a currency other than the currency in which such dividend is declared or paid, such holder shall, for the purposes of calculating the Excess Amount, be deemed to be entitled to receive an amount expressed in the currency in which such dividend is declared or paid calculated by converting the amount so receivable into such currency using such exchange rates for such currency conversion as the Directors may determine; and
- (ii) for the purposes of calculating the Excess Amount, account shall be taken of the amount of any South African tax credit associated with the Related DAS Dividend and of any amount of any tax required to be withheld at source, or deducted, from (x) the Related DAS Dividend or (y) any distribution by the DAS Trust and account shall be taken of the amount of any tax credit that would have been associated with, or any tax required to be withheld at source, or deducted from, the dividend that would otherwise have been declared or paid on the Relevant Shares but for this paragraph (e) so that holders of Relevant Shares shall be in no better or worse position than had the dividend been declared or paid on the Relevant Shares.

Winding-up

If the Issuer shall be wound up, the liquidator may, with the authority of an extraordinary resolution:

- (a) divide among the members *in specie* or kind the whole or any part of the assets of the Issuer (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he deems fair upon any one or more class or classes of property to be divided and may determine how such division shall be carried out as between the members or different classes of members; and
- (b) vest any part of the assets in trustees upon such trust for the benefit of members as the liquidator shall think fit;

and the liquidation of the Issuer may be closed and the Issuer dissolved but so that no contributory shall be compelled to accept any shares or other property in respect of which there is a liability.

UNITED KINGDOM TAXATION

The comments below are of a general nature based on current United Kingdom law and H.M. Revenue & Customs (“HMRC”) practice and are not intended to be a complete analysis of all tax considerations relating to the Bonds. They do not necessarily apply where the income is deemed for tax purposes to be the income of any other person. They relate only to the position of persons who are the absolute beneficial owners of Bonds and may not apply to certain classes of persons such as dealers or certain professional investors. Any Bondholders who are resident in overseas jurisdictions or who are in doubt as to their own tax position should consult their professional advisers.

1 Withholding Tax on Interest on the Bonds

Payments of interest on the Bonds may be made without withholding or deduction for or on account of United Kingdom income tax provided that the Bonds are and continue to be listed on a “recognised stock exchange” within the meaning of section 1005 of the Income Tax Act 2007. The London Stock Exchange is a “recognised stock exchange”. Securities will be treated as listed on the London Stock Exchange if they are included in the Official List (within the meaning of and in accordance with the provisions of Part 6 of the Financial Services and Markets Act 2000) and are admitted to trading on the London Stock Exchange. Provided, therefore, that the Bonds remain (as is intended) so listed, interest on the Bonds will be payable without withholding or deduction for or on account of United Kingdom income tax.

If the Bonds were at any time to cease to be so listed, interest will generally be paid under deduction of income tax at the basic rate (currently 20 per cent.) subject to any direction to the contrary from HMRC in respect of such relief as may be available pursuant to the provisions of any applicable double taxation treaty. The Terms and Conditions of the Bonds do not provide for any additional payments to be made in this or any other situation.

2 HMRC Information Powers

Bondholders may wish to note that, in certain circumstances, HMRC has power to obtain information (including the name and address of the beneficial owner of the interest) from any person in the United Kingdom who either pays or credits interest to or receives interest for the benefit of a Bondholder. HMRC also has power, in certain circumstances, to obtain information from any person in the United Kingdom who pays amounts on the redemption of securities which are “deeply discounted securities” for the purposes of the Income Tax (Trading and Other Income) Act 2005 to, or receives such amounts for the benefit of, another person, although HMRC has indicated informally that it will not currently exercise this power, but has not provided details as to when it may decide to require that information be provided. Such information may include the name and address of the beneficial owner of the amount payable on redemption. Any information obtained may, in certain circumstances, be exchanged by HMRC with the tax authorities of the jurisdiction in which the Bondholder is resident for tax purposes.

3 EC Directive on the Taxation of Savings Income

Under EC Council Directive 2003/48/EC on the taxation of savings income (the “Directive”), each Member State is required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to, or collected by a person for, an individual resident, or to certain limited types of entities established, in another Member State. However, for a transitional period, Austria, Belgium and Luxembourg may instead (unless during that period they elect otherwise) operate a withholding system in relation to such payments (subject to a procedure whereby, on meeting certain conditions, the beneficial owner of the interest or other income may request that no interest be withheld) (the

ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland).

On 15 September 2008 the European Commission issued a report to the Council of the European Union on the operation of the Directive, which included the Commission's advice on the need for changes to the Directive. On 13 November 2008 the European Commission published a more detailed proposal for amendments to the Directive, which included a number of suggested changes. If any of those proposed changes are made to the Directive, they may amend or broaden the scope of the requirements described above.

4 Taxation of Returns on the Bonds

The tax treatment of a Bondholder that is within the charge to United Kingdom corporation tax will be substantially dependent on the Bondholder's accounting treatment in respect of the Bonds (including, in particular, as to whether the Bonds are to be bifurcated into a host contract and an embedded derivative in the Bondholder's accounts).

Bondholders (whether corporate or non-corporate) are recommended to seek their own professional advice on the tax treatment in their hands of acquiring, holding and exercising rights under the Terms and Conditions of the Bonds.

Subject to the above, Bondholders (other than, in particular, certain trustees) who are not resident in the United Kingdom for tax purposes, and who do not carry on a trade, profession or vocation in the United Kingdom through a United Kingdom permanent establishment, branch or agency in connection with which the return on the Bonds is received or to which the relevant Bonds are attributable, will generally not be liable to United Kingdom tax on the return on the Bonds.

5 Stamp Duty and Stamp Duty Reserve Tax

No United Kingdom stamp duty or stamp duty reserve tax ("SDRT") should be payable on the issue of the Bonds.

No United Kingdom stamp duty will be payable on the transfer by delivery of Bonds. No SDRT will generally be payable on an agreement to transfer the Bonds.

No UK stamp duty or SDRT is payable on any issue of Ordinary Shares other than an issue to issuers of depositary receipts or providers of clearance services (or their nominees or agents (see further below)).

The written conveyance or transfer on sale of an Ordinary Share will be liable to ad valorem stamp duty, generally at the rate of 0.5 per cent. of the amount or value of the consideration for the transfer, and rounded-up to the nearest £5. The purchaser normally pays the stamp duty.

An unconditional agreement to sell an Ordinary Share will generally give rise to a liability on the purchaser to SDRT, at the rate of 0.5 per cent. of the amount or value of the consideration for the sale. If a duly stamped transfer in respect of the agreement is produced within six years of the date that the agreement is entered into or (if later) the date that it becomes unconditional, any SDRT paid is repayable generally with interest, and the SDRT charge is cancelled.

Issues or transfers of Ordinary Shares (1) to, or to a nominee or agent for, a person whose business is or includes issuing depositary receipts within Section 67 or Section 93 of the Finance Act 1986 or (2) to, or to a nominee or agent for, a person providing a clearance service within Section 70 or Section 96 of the Finance Act 1986, will generally be subject to stamp duty or SDRT at 1.5 per cent. of the amount or value of the

consideration or, in certain circumstances, the value of the shares transferred (rounded up to the nearest £5 in the case of stamp duty) unless, in the case of a transfer to a clearance service, the clearance service in question has made an election under Section 97A of the Finance Act 1986 which applies to the Ordinary Shares. Under Section 97A of the Finance Act 1986, clearance services may, provided they meet certain conditions, elect for the 0.5 per cent. rate of stamp duty or SDRT to apply to transfers of securities within such services instead of the 1.5 per cent. rate applying to an issue or transfer of such securities into the clearance service.

Under the CREST system for paperless share transfers, no stamp duty or SDRT will arise on a transfer of Ordinary Shares into the CREST system unless such transfer is made for a consideration in money or money's worth, in which case a liability to SDRT (usually at a rate of 0.5 per cent.) will arise. Paperless transfers of Ordinary Shares within CREST will be liable to SDRT rather than stamp duty.

IF YOU ARE NOT RESIDENT IN THE UK OR ARE SUBJECT TO TAX IN ANY OTHER JURISDICTION OR IF YOU ARE IN ANY DOUBT AS TO YOUR TAX POSITION, YOU SHOULD CONSULT AN APPROPRIATE PROFESSIONAL ADVISER WITHOUT DELAY.

THIS SUMMARY DOES NOT DETAIL THE INCOME TAX, CORPORATION TAX OR CAPITAL GAINS TAX CONSEQUENCES OF A DISPOSAL OR HOLDING OF ORDINARY SHARES.

SUBSCRIPTION AND SALE

Goldman Sachs International and Morgan Stanley & Co. International plc (together, the “Joint Lead Managers”), BNP PARIBAS and UBS Limited (together with the Joint Lead Managers, the “Managers”) have entered into a subscription agreement dated 16 April 2009 with the Issuer (the “Subscription Agreement”). Upon the terms and subject to the conditions contained therein, the Managers have agreed to subscribe and pay for the aggregate principal amount of the Bonds at a subscription price of 100 per cent. of their principal amount (the “Subscription Price”).

The Issuer has agreed to pay to the Managers a commission in consideration of the agreement to act as Managers.

The Issuer has also agreed to reimburse the Managers for certain of their expenses incurred in connection with the management of the issue of the Bonds. The Managers are entitled in certain circumstances to be released and discharged from their obligations under the Subscription Agreement prior to the closing of the issue of the Bonds.

The Issuer has undertaken that during the period of 90 days from and including 16 April 2009, it will not, and will procure that none of its subsidiaries or any other party acting on its or their behalf (other than the Managers) will, without the prior written consent of the Joint Lead Managers, (i) directly or indirectly, issue, offer, pledge, sell, contract to issue or sell, issue or sell any option or contract to purchase, purchase any option or contract to issue or sell, grant any option, right or warrant to purchase or otherwise transfer or dispose of, directly or indirectly any Ordinary Shares or any securities convertible into or exercisable or exchangeable for Ordinary Shares; or (ii) enter into any swap or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, any of the economic consequences of ownership of Ordinary Shares, whether any such swap or transaction described in (i) or (ii) above is to be settled by delivery of Ordinary Shares or such other securities, in cash or otherwise. The foregoing sentence shall not apply to (a) the issue of the Bonds; (b) the issue of Ordinary Shares pursuant to conversion of the Bonds; or (c) upon the exercise of an option or release of awards under any share scheme existing and publicly disclosed on the date of the Subscription Agreement.

Each of the Managers and their respective affiliates have, in the past, performed investment banking and advisory services for the Issuer and the Group for which they have received customary fees and reimbursement of expenses. The Managers and their respective affiliates may, from time to time, engage in further transactions with, and perform services for, the Issuer and the Group in the ordinary course of their respective businesses.

United States

The Bonds and the Ordinary Shares to be issued upon conversion of the Bonds have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act (“Regulation S”).

The Bonds are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder.

Each Manager has agreed that, except as permitted by the Subscription Agreement, it will not offer, sell or deliver the Bonds or the Ordinary Shares to be issued upon conversion of the Bonds (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the Closing Date, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells Bonds during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Bonds or the Ordinary Shares to be issued upon conversion of the Bonds, as the case may be, within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them in Regulation S under the Securities Act.

In addition, until 40 days after the commencement of the offering of the Bonds, an offer or sale of Bonds within the United States by any dealer that is not participating in the offering may violate the registration requirements of the Securities Act.

United Kingdom

Each of the Managers has represented and agreed that:

- (i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (the “FSMA”)) in connection with the issue or sale of any Bonds in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom.

General

No action has been taken by the Issuer or any of the Managers that would, or is intended to, permit a public offer of the Bonds, or possession or distribution of this Offering Circular or any other offering or publicity material relating to the Bonds, in any country or jurisdiction where any such action for that purpose is required. Accordingly, each Manager has undertaken that it will not, directly or indirectly, offer or sell Bonds or have in its possession, distribute or publish any offering circular, prospectus, form of application, advertisement or other document or information in any country or jurisdiction except under circumstances that will, to the best of its knowledge and belief, result in compliance with any applicable laws and regulations and all offers and sales of Bonds by it will be made on the same terms.

Each Manager has further agreed that it will obtain any consent, approval or permission which is, to the best of its knowledge and belief (based on reasonable investigations), required for the offer, purchase or sale by it of Bonds under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such offers, purchase or sales and it will, to the best of its knowledge and belief (based on reasonable investigations), comply with all such laws and regulations.

GENERAL INFORMATION

1. Listing

Application has been made to the UKLA for the Bonds to be admitted to the Official List. Application has been made to the London Stock Exchange for the Bonds to be admitted to trading on its Professional Securities Market. It is expected that admission of the Bonds to the Official List of the UKLA and admission to trading of the Bonds on the Professional Securities Market of the London Stock Exchange will be granted on or around 7 May 2009, subject only to the issue of the Bonds. It is expected that dealings in the Bonds will commence on 8 May 2009.

The Issuer has undertaken to apply to have the Ordinary Shares issuable upon conversion of the Bonds admitted to the Official List of UKLA and admitted to trading on the Regulated Market of the London Stock Exchange.

The listing of the Bonds on the London Stock Exchange will be expressed in U.S. dollars as a percentage of their principal amount (exclusive of accrued interest). Transactions will normally be effected for delivery on the third business day in London after the date of the transaction.

2. Authorisation

The Issuer has obtained all necessary consents, approvals and authorisations in connection with the issue and performance of the Bonds. The creation and issue of the Bonds has been authorised by resolutions of a committee of the Board of Directors of the Issuer dated 15 April 2009 and 29 April 2009. Such committee was duly constituted by resolutions of the Board of Directors of the Issuer passed on 14 April 2009. Pursuant to shareholder resolutions of the Issuer passed on 15 April 2009, authority was conferred on the Directors of the Issuer, amongst other things, to allot relevant securities up to a stated aggregate nominal amount pursuant to the Bonds for the purposes of Section 80 of the Companies Act 1985, as amended, and to allot equity securities pursuant to the terms of the Bonds as if Section 89(1) of the Companies Act 1985 did not apply.

3. Expenses

The Issuer estimates that the amount of costs and expenses related to the issue of the Bonds will be approximately £7,175.

4. Clearing

The Bonds have been accepted for clearance through the Clearstream, Luxembourg and Euroclear systems. The Common Code for the Bonds is 042480673. The International Securities Identification Number (ISIN) for the Bonds is XS0424806734. The address of Euroclear is 1 Boulevard du Roi Albert I, B-1210 Brussels, Belgium, and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855, Luxembourg.

5. Yield

The yield of the Bonds is 4.00 per cent. per annum, calculated on a semi-annual basis. The yield is calculated as at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

6. Governmental, Legal or Arbitration Proceedings

Save as described on pages 62 to 63 in “Anglo American plc — Litigation” there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened, of which the Issuer is aware) during the 12 months before the date of this Offering Circular, which may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuer and/or the Group.

7. Financial and Trading Position

There has been no material adverse change in the prospects of the Issuer and no significant change in the financial or trading position of the Issuer or of the Group, in each case, since 31 December 2008.

8. Auditors

Deloitte LLP of, 2 New Street Square, London EC4A 3BZ, who are Chartered Accountants and Registered Auditors with the Institute of Chartered Accountants in England and Wales. Deloitte LLP have audited the Issuer's financial statements, without qualification, for each of the two financial years ended 31 December 2008. The auditors have no material interest in the Issuer.

In December 2008, Deloitte & Touche LLP changed its legal name to Deloitte LLP. As the consolidated financial statements for the year ended 31 December 2007 were issued in March 2008, the legal name used in the audit report remains as Deloitte & Touche LLP.

9. Documents on Display

Copies of the following documents may be inspected during normal business hours at the offices of the Principal Paying and Conversion Agent (currently at Winchester House, 1 Great Winchester Street, London EC2N 2DB) during the 12 months starting on the date on which this Offering Circular is made available to the public:

- (a) the Memorandum and Articles of Association of the Issuer;
- (b) the audited consolidated annual financial statements of the Issuer as at and for the years ended 31 December 2008 and 2007, respectively, together in each case with the audit report thereon;
- (c) the Trust Deed; and
- (d) the Paying and Conversion Agency Agreement.

In addition, this Offering Circular is available at the website of the Regulatory News Service operated by the London Stock Exchange at www.londonstockexchange.com/en-gb/pricesnews/marketnews.

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