

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or as to the action you should take, you are recommended immediately to seek your own independent financial advice from your stockbroker, bank manager, solicitor, accountant or other appropriately qualified independent financial adviser authorised under the Financial Services and Markets Act 2000 or, if you are in a country outside the United Kingdom, another appropriately authorised independent financial adviser.

If you were a Shareholder and have sold or otherwise transferred all your Shares, please send this document, together with the accompanying Form of Proxy (but not any accompanying personalised Tender Form), as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. However, neither this document nor any accompanying document(s) should be forwarded or transmitted to or in any Restricted Jurisdiction or any other jurisdiction outside the United Kingdom where to do so may violate any legal or regulatory requirement. If you are an existing holder of Shares and you have sold or transferred part only of your registered holding of Shares, please contact the stockbroker, bank or other agent through whom the sale or transfer was effected.

The availability of the Tender Offer to Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdiction in which they are located. Persons who are not resident in the United Kingdom should read paragraph 7 ("Overseas Shareholders") in Part 3 of this document and should inform themselves about, and observe, any applicable legal or regulatory requirements.

This document does not constitute or form part of any offer to purchase, or invitation to sell, Shares in any jurisdiction in which such offer or invitation is unlawful. Without prejudice to the foregoing generality, the Tender Offer is not being made, directly or indirectly, in or into, or by use of the mails, any means or instrumentality (including, without limitation, facsimile transmission, email, other electronic transmission or telephone) of interstate or foreign commerce or any facility of a national, state or other securities exchange, of a Restricted Jurisdiction and the Tender Offer cannot be accepted by any such use, means, instrumentality, facility or otherwise or from within a Restricted Jurisdiction.

DUNEDIN ENTERPRISE INVESTMENT TRUST PLC

(Incorporated in Scotland under the Companies Acts 1948 to 1967 with registered number SC052844)

(An investment company under section 833 of the Companies Act 2006)

TENDER OFFER FOR UP TO 5 PER CENT. OF THE SHARES IN ISSUE, NEW PERFORMANCE FEE AND NOTICE OF GENERAL MEETING

A notice convening a general meeting of Dunedin Enterprise Investment Trust PLC is set out in Part 8 of this document. That meeting will be held at the offices of Dunedin LLP at Dukes Court, 32 Duke Street St James's, London SW1Y 6DF, on Thursday, 8 November 2012 commencing at 10.00 a.m. To be valid for use at the General Meeting, the accompanying Form of Proxy should be completed, signed and returned in accordance with the instructions printed on it as soon as possible and, in any event, so as to be received by not later than 10.00 a.m. on Tuesday, 6 November 2012. If you hold your Shares in CREST, you may appoint a proxy by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in the notes at the end of the notice convening the General Meeting in Part 8 of this document and such appointment should be transmitted as soon as possible and, in any event, so as to be received by not later than 10.00 a.m. on Tuesday, 6 November 2012.

The Tender Offer will close at 3.00 p.m. on Thursday, 8 November 2012 and will only be available to Shareholders on the Register at the close of business on Thursday, 8 November 2012. Shareholders wishing to tender Shares held in certificated form for purchase in the Tender Offer should ensure that their completed Tender Forms, together with their share certificate(s) and/or other documents of title in respect of the Shares tendered, are returned by or (during normal business hours) by hand to Corporate Actions, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, so as to be received by not later than 3.00 p.m. on Thursday, 8 November 2012. Shareholders wishing to tender Shares held in uncertificated form (that is in CREST) for purchase in the Tender Offer should arrange for the Shares tendered to be transferred into escrow by not later than 3.00 p.m. on Thursday, 8 November 2012 as described in paragraph 4.3.1 of Part 3 of this document.

If they want the votes attached to their Shares held through the Alliance Trust Savings Products to be cast at the General Meeting, Alliance Trust Savings Product Investors should complete and return the Form of Direction in accordance with the instructions printed on it as soon as possible and, in any event, so as to be received by not later than 5.00 p.m. on Thursday, 1 November 2012. Alliance Trust Savings Limited will be writing to Alliance Trust Savings Product Investors with regard to the action that they will need to take if they wish to tender Shares held through the Alliance Trust Savings Products in the Tender Offer.

If you do not wish to tender any of your Shares do not complete or return a Tender Form or transfer any Shares to escrow. You are, however, requested to complete and return your Form of Proxy (or appoint a proxy electronically) as soon as possible.

Your attention is drawn to the information paragraphs under the sub-heading "Risk Factors" on page 6 of this document, which sets out the risk factors associated with the Tender Offer. However, this document should be read in its entirety.

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Cantor Fitzgerald, which is authorised and regulated in the United Kingdom by the FSA, is acting solely as financial adviser for Dunedin Enterprise Investment Trust PLC and for no one else, including any recipient of this document, in connection with the Proposals and other matters referred to in this document and will not be responsible to anyone other than Dunedin Enterprise Investment Trust PLC for providing the protections afforded to clients of Cantor Fitzgerald or for affording advice in relation to the Proposals or any other matter referred to in this document. Nothing in this paragraph shall serve to exclude or limit any responsibilities that Cantor Fitzgerald may have under FSMA or the regulatory regime established under FSMA.

N+1 Brewin, which is authorised and regulated in the United Kingdom by the FSA, is acting solely as sponsor for Dunedin Enterprise Investment Trust PLC and for no one else, including any recipient of this document, in connection with the Proposals and will not be responsible to anyone other than Dunedin Enterprise Investment Trust PLC for providing the protections afforded to clients of N+1 Brewin or for affording advice in relation to the Proposals or any other matter referred to in this document. Nothing in this paragraph shall serve to exclude or limit any responsibilities that N+1 Brewin may have under FSMA or the regulatory regime established under FSMA.

EXPECTED TIMETABLE

2012

Latest date and time for receipt of Forms of Direction for General Meeting	5.00 p.m. on Thursday, 1 November
Latest time and date for receipt of Forms of Proxy and appointments of proxies utilising CREST electronic proxy appointment service for General Meeting	10.00 a.m. on Tuesday, 6 November
General Meeting	10.00 a.m. on Thursday, 8 November
Latest time and date for receipt of Tender Forms and TTE Instructions in CREST for Tender Offer	3.00 p.m. on Thursday, 8 November
Record date for Tender Offer	close of business on Thursday, 8 November
Result of Tender Offer announced	Friday, 9 November
Payments through CREST made in respect of Shares held in uncertificated form successfully tendered	Monday, 12 November
CREST accounts settled in respect of unsold tendered Shares held in uncertificated form	Monday, 12 November
Cheques despatched in respect of Shares held in certificated form successfully tendered	by Thursday, 15 November
Balancing certificates despatched in respect of unsold tendered Shares held in certificated form	by Wednesday, 21 November

Notes:

1. *Each of the times and dates referred to in the expected timetable above and elsewhere in this document may be extended or brought forward without further notice. If any of the above times and/or dates change, the revised time(s) and/or date(s) will be notified to Shareholders by an announcement through a Regulatory Information Service.*
2. *All times referred to in this document are, unless otherwise stated, references to London time.*

PART 1

LETTER FROM THE CHAIRMAN

Dunedin Enterprise Investment Trust PLC

*(Incorporated in Scotland under the Companies Acts 1948 to 1967 with registered number SC052844)
(An investment company under section 833 of the Companies Act 2006)*

Directors
David Gamble (*Chairman*)
Liz Airey
Duncan Budge
Brian Finlayson
Federico Marescotti

Registered Office
Saltire Court
20 Castle Terrace
Edinburgh
EH1 2EN

16 October 2012

To Shareholders and Alliance Trust Savings Product Investors

Dear Shareholders and Alliance Trust Savings Product Investors

Introduction

On 31 August 2012, your Board announced that it was proposing to return, in accordance with the Company's distribution policy, approximately £6.8 million in cash realised from the sales of the Company's investments in Capula, WFEL and Capiton IV (one of the European Fund investments) to Shareholders via a tender offer for up to 5 per cent. of the Shares currently in issue, at a price of 500p per Share, equivalent to an 11.7 per cent. discount to the NAV per Share (adjusted for the special dividend paid on 28 September 2012) of 566.2p as at 30 June 2012. Under the Companies Act 2006, the Tender Offer requires Shareholder approval.

The sale of Capiton IV represented another step in enacting the change of the Company's strategy to focus on investments in the lower tier of the UK mid-market managed by its Investment Manager, which was approved by Shareholders in November 2011. Your Directors believe that selling the European Fund investments ahead of their maturity (and release from the associated undrawn original commitments) should have two important benefits, namely:

- expediting the refocusing of the Company's portfolio on investments that fall within the UK lower mid-market, which represents Dunedin's core expertise; and
- a material and sustained reduction in the Company's unfunded commitments in the longer term.

Accordingly, to align Dunedin's interests with those of Shareholders with regard to completing the Company's exit from its European Fund investments ahead of their maturity (and release of associated undrawn original commitments), your Board is proposing to introduce a one-off performance-related realisation fee that:

- recognises that secondary market transactions in interests of existing private equity funds typically take place at a discount to their net asset value¹; and
- takes into account the loss of management fees and potential for carried interest that Dunedin would have benefitted from if the European Fund investments were held to maturity.

¹ The semi-annual secondary market pricing study for the first half of 2012 undertaken by Cogent Partners, a leading secondary sell-side adviser to institutional investors in private equity, shows that during the six months ended 30 June 2012 buyout fund pricing remained stable with an average high first round bid for buyout funds of 85 per cent. of net asset value (compared to 86 per cent. in the six months ended 31 December 2011).

Following the sale of Capiton IV, the Company has four remaining European Fund investments with an aggregate carrying value of £17.8 million as at 30 June 2012 and associated undrawn original commitments of £26.2 million. The proposed Performance Fee will be calculated by reference to the value realised from the sale of Capiton IV and the remaining European Fund investments between 1 July 2012 and 31 December 2014 and will be capped at 1 per cent. of the Company's NAV. This arrangement is intended to provide an incentive for the Investment Manager to realise the remaining European Fund investments over this period at the best possible price, with an additional incentive to do so earlier in the period.

The proposed Performance Fee constitutes a related party transaction between the Company and its Investment Manager, and is classified as a smaller related party transaction for the purposes of the Listing Rules. Subject to certain information, confirmations and undertakings being given to the FSA in advance of the listed company entering into the transaction, smaller related party transactions do not require shareholder approval under the Listing Rules. Although the Performance Fee is a smaller related party transaction and no other changes are being made to the fees payable by the Company to the Investment Manager, the Directors believe that it is good corporate governance for the Performance Fee to be approved by Shareholders. Accordingly, the Directors have elected to comply with the Listing Rules' requirement that certain alterations to investment management fee arrangements be approved by an ordinary resolution passed at a general meeting of the Company (with only Independent Shareholders being entitled to vote on that resolution).

The purpose of this document is to provide you with the terms and conditions, and explain the mechanics, of the Tender Offer (including explaining how you may tender some or all of your Shares, should you wish to do so) and to explain the background to, and provide details of, the Performance Fee.

The Directors have convened a general meeting of the Company to seek Shareholder approval of the Performance Fee and the Tender Offer. The notice convening that general meeting, which will be held at the offices of Dunedin LLP at Dukes Court, 32 Duke Street St James's, London SW1Y 6DF, at 10.00 a.m. on Thursday, 8 November 2012, is set out in Part 8 of this document.

Your Board is recommending Shareholders to vote in favour of the resolutions to be proposed at the General Meeting. However, this letter is not a recommendation for Shareholders or Alliance Trust Savings Product Investors to tender their Shares pursuant to the Tender Offer. Whether or not Shareholders or Alliance Trust Savings Product Investors tender their Shares will depend on, among other things, their view of the Company's prospects and their own individual circumstances, including their tax position, on which they should seek their own independent advice.

The Tender Offer

Terms of the Tender Offer

The Tender Offer is being made to Shareholders (other than Restricted Shareholders) by Cantor Fitzgerald for up to 1,355,507 Shares, representing 5 per cent. of the Company's current issued share capital, at a price of 500p per Share, which represents:

- a discount of 14.1 per cent. to the NAV per Share of 582.2p as at 30 June 2012 (being the latest date prior to the publication of this document as at which the Company's NAV has been calculated) and a discount of 11.7 per cent. to that NAV per Share (adjusted for the special dividend paid on 28 September 2012) of 566.2p as at 30 June 2012; and
- a premium of 30.5 per cent. to the closing mid-market price on 12 October 2012.

Pursuant to the Tender Offer, Shareholders (other than Restricted Shareholders) will be able to tender up to 5 per cent. of their holdings (rounded down to the nearest whole number of Shares), with such tenders being satisfied in full. Shareholders (other than Restricted Shareholders) will also be able to tender Shares in excess of their Basic Entitlement, but such excess tenders will only be satisfied on a *pro rata* basis to the extent that other Shareholders tender less than (or none of) their Basic Entitlement. The number of Shares to be purchased pursuant to the Tender Offer will not in any event exceed 1,355,507 Shares, representing 5 per cent. of the Shares in issue at the date of this document.

The Tender Offer will be implemented by means of on-market purchases by Cantor Fitzgerald, which will, as principal, purchase the Shares tendered (subject to the overall limit of the Tender Offer) at the Tender Price and, on the completion of those purchases and in accordance with the Purchase Agreement, sell them on to the Company at the Tender Price by way of an on-market transaction (all of these transactions will be carried out on the London Stock Exchange's Main Market). The Shares that the Company purchases from Cantor Fitzgerald will be cancelled and the number of Shares in issue reduced accordingly. The Company will fund that purchase from its existing cash resources.

The Tender Offer is conditional on the Tender Offer Resolution being passed at the General Meeting. It is also subject to certain further conditions, which are set out in paragraph 3.1 of Part 3 of this document. In addition, the Tender Offer may be terminated in certain circumstances as set out in paragraph 3.2 of Part 3 of this document.

Your attention is drawn to the letter from Cantor Fitzgerald in Part 2 of this document and to Part 3 of this document, which constitute the terms and conditions of the Tender Offer.

Overseas Shareholders

The making of the Tender Offer to persons outside the United Kingdom may be prohibited or affected by the relevant laws of the overseas jurisdiction. Shareholders with registered or mailing addresses outside the United Kingdom or who are citizens or nationals of, or resident in, a jurisdiction other than the United Kingdom should read paragraph 7 of Part 3 of this document. It is the responsibility of all Overseas Shareholders to satisfy themselves as to the observance of any legal requirements in their jurisdiction, including, without limitation, any relevant requirements in relation to the ability of such persons to complete and return a Tender Form.

Taxation

The attention of Shareholders is drawn to Part 5 of this document, which sets out a general guide to certain aspects of current UK law and HM Revenue & Customs published practice. **Shareholders who are in any doubt as to their tax position or who are subject to tax in a jurisdiction other than the United Kingdom should consult an appropriate independent professional adviser.**

Risk Factors

Shareholders should consider carefully the specific risks described below, in addition to the other information set out in this document, when considering the Proposals. The following risks are those risks which the Directors consider to be material as at the date of this document. Additional risks and uncertainties which were not known to the Directors at the date of this document or that the Directors considered at the date of this document to be immaterial may also materially and adversely affect the Company's business, financial condition or results or prospects.

- Past performance (including in relation to realisations) is not, and should not be relied on as, a guide to the likely future performance of the Company. Accordingly, the Company's future performance may be materially different, either to the benefit or detriment of Shareholders, to the Company's past performance.
- The discount to NAV at which Shares currently trade may not reduce as a result of the Tender Offer (or otherwise) and may increase.
- The lower number of Shares in issue following completion of the Tender Offer may reduce secondary market liquidity in the Shares which could, accordingly, adversely affect a Shareholder's ability to sell their Shares in the market.

The Performance Fee

When Shareholders approved, in November 2011, the change of the Company's strategy to focus on investments in the lower tier of the UK mid-market managed by its Investment Manager, the Board stated that *"the Company's existing third party managed fund investments may be held to maturity, although the Directors will consider earlier sales of all or any of those investments, together with any associated undrawn commitments, if the Directors believe that any such sales on the terms proposed are in the best interests of Shareholders as a whole"*.

As I explained in my introduction to this letter, your Directors believe that selling the European Fund investments ahead of their maturity (and the release from the associated undrawn original commitments) should have important benefits for Shareholders. Accordingly, your Board is

proposing to introduce a one-off performance-related realisation fee that is intended to align the Investment Manager's interests with those of Shareholders with regard to completing the Company's exit from its European Fund investments ahead of their maturity.

It is proposed that the Performance Fee will be calculated by reference to the consideration received on sales of European Fund investments during the period commencing on 1 July 2012 and ending on 31 December 2014 (or, if earlier, following the sale of the last of the European Fund investments) relative to their then carrying values and the release of associated undrawn original commitments. Under the proposal:

- no Performance Fee will be payable if, at the end of the Performance Period, the Aggregate Gross Proceeds from the sales of European Fund investments during the Performance Period is equal to or less than 85 per cent. of the Aggregate Carrying Values of such investments at the times of the respective sales;
- subject to the cap referred to below, the Performance Fee will be calculated on a sliding scale basis, commencing at the rate of 0.5 per cent. if the Aggregate Gross Proceeds exceed 85 per cent. of the Aggregate Adjusted Carrying Values and increasing on a straight line sliding scale to a maximum rate of 1.5 per cent. if the Aggregate Gross Proceeds equal (or exceed) 100 per cent. of the Aggregate Adjusted Carrying Values;
- the actual amount of the Performance Fee will be calculated by applying the relevant rate to the aggregate of the following:
 - 100 per cent. of the Aggregate Gross Proceeds from the sales of European Fund investments completed between 1 July 2012 and 31 December 2013 (both dates inclusive) plus 100 per cent. of the aggregate amount of the associated undrawn original commitments from which the Company is released as a result of such sales; and
 - 80 per cent. of the Aggregate Gross Proceeds from the sales of European Fund investments completed in the calendar year 2014 plus 80 per cent. of the aggregate amount of the associated undrawn original commitments from which the Company is released as a result of such sales; and
- the Performance Fee will be capped at 1.0 per cent. of the Company's NAV (before accruing for the Performance Fee) as at the latest date in respect of which the Company has published its NAV per Share prior to payment of the Performance Fee.

The gross proceeds from the sale of Capiton IV, which was announced on 13 August 2012, were €4.2 million and the Company was released from the associated undrawn original commitment of €10.8 million. Since it took place during the Performance Period, that sale will be taken into account when calculating whether a Performance Fee is payable. If that was the only European Fund investment sold during the Performance Period, the Performance Fee payable at the end of the Performance Period would be £0.18 million, equivalent to 0.1 per cent. of the Company's NAV at 30 June 2012.

Following the sale of Capiton IV, the Company now has four European Fund investments with an aggregate carrying value of £17.8 million as at 30 June 2012 and associated undrawn original commitments of £26.2 million. Since 30 June 2012, £4.6 million has been drawn down in respect of the original commitments relating to these European Fund investments.

The introduction of the Performance Fee is conditional only on resolution 2, set out in the notice convening the General Meeting, being passed.

Further details of the Performance Fee, including an illustration of the amounts that could be payable in respect of it, are set out in Part 4 of this document.

General Meeting

Both the Performance Fee and the Tender Offer are subject to Shareholder approval at a general meeting of the Company, which has been convened for 10.00 a.m. on Thursday, 8 November 2012 and will be held at the offices of Dunedin LLP at Dukes Court, 32 Duke Street St James's, London SW1Y 6DF. The notice convening the General Meeting is set out in Part 8 of this document. As set out in that notice, the following resolutions will be proposed at the General Meeting:

- **Resolution 1 – Tender Offer:** Resolution 1 will, if passed, authorise the Company to buy back Shares pursuant to the Tender Offer.
- **Resolution 2 – Performance Fee:** Resolution 2 will, if passed, approve the Performance Fee by amending the Management Agreement so as to incorporate the Performance Fee.

Resolution 1 will be proposed as a special resolution, which means that, for that resolution to be passed, at least three-quarters of the votes cast on it must be in favour of it.

Resolution 2, being the resolution to approve a related party transaction for the purpose of the Listing Rules, will be proposed as an ordinary resolution. For resolution 2 to be passed, more than half of the votes cast on it must be in favour of that resolution. Neither Dunedin nor any of its associates beneficially owns any Shares.

Action to be Taken

Shareholders

To Vote at the General Meeting

If you are a Shareholder, you will find enclosed with this document a Form of Proxy for use at the General Meeting. Please complete the Form of Proxy and return it by post to the address set out on it as soon as possible and, in any event, so as to be received by not later than 10.00 a.m. on Tuesday, 6 November 2012.

Shareholders who hold their Shares in CREST may appoint a proxy by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in the notes at the end of the notice convening the General Meeting in Part 8 of this document and such appointment should be transmitted as soon as possible and, in any event, so as to be received by not later than 10.00 a.m. on Tuesday, 6 November 2012.

The completion and return of a Form of Proxy, or the appointment of a proxy utilising the CREST electronic proxy appointment service, will not prevent a Shareholder from attending the General Meeting and voting in person if they wish to do so.

To Tender Shares in the Tender Offer

Shareholders are not obliged to tender any Shares and Shareholders who do not wish to participate in the Tender Offer need take no action.

Shareholders who hold their Shares in certificated form will also find accompanying this document a personalised Tender Form for use in connection with the Tender Offer. Such Shareholders who wish to tender some or all of the Shares registered in their name at the Record Date should complete the Tender Form in accordance with the instructions printed on it and in paragraph 4.2 of Part 3 of this document. The completed Tender Form together with the relevant share certificate(s) and/or other document(s) of title should be sent to the Receiving Agent by post or (during normal business hours only) delivered by hand to Corporate Actions, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, so as to be received by not later than 3.00 p.m. on Thursday, 8 November 2012. A prepaid envelope is enclosed for this purpose (for use within the UK only).

Shareholders who hold their Shares in uncertificated form (i.e. in CREST) who wish to take advantage of the Tender Offer should comply with the procedures set out in paragraph 4.3.1 in Part 3 of this document in respect of transferring uncertificated Shares to escrow through CREST. To do so they should ensure that their CREST nominee, custodian, broker or financial adviser has been advised to send the TTE Instruction through CREST so as to settle by not later than 3.00 p.m. on Thursday, 8 November 2012.

Full details of the procedure for tendering Shares are set out in paragraph 4 of Part 3 of this document and, in respect of Shares held in certificated form, in the Tender Form.

Shareholders should note that, once tendered, Shares may not be sold, transferred, charged or otherwise disposed of other than in accordance with the Tender Offer.

Alliance Trust Savings Product Investors

To Vote at the General Meeting

If you hold your Shares through any of the Alliance Trust Savings Products, you will find enclosed with this document a Form of Direction for use in connection with the General Meeting. Please

complete the Form of Direction and return it by post to the address set out on it as soon as possible and, in any event, so as to be received not later than 5.00 p.m. on Thursday, 1 November 2012.

To Tender Shares in the Tender Offer

Alliance Trust Savings Product Investors are not obliged to tender any Shares and Shareholders who do not wish to participate in the Tender Offer need take no action.

Alliance Trust Savings Limited will be writing to Alliance Trust Savings Product Investors to explain the action they will need to take if they wish to tender some or all of the Shares held by them through the Alliance Trust Savings Products.

General

A Shareholder Helpline has been established by the Company's registrar, Equiniti Limited, on 0871 384 2954 or, if calling from outside the United Kingdom, +44 121 415 0245. Lines are open from 8.30 a.m. to 5.30 p.m. (London time) Monday to Friday (except UK public holidays). Calls from within the UK to 0871 384 2954 are charged at 8p per minute from a BT landline (excluding VAT) and calls from outside the UK to +44 121 415 0245 will be charged at the applicable international rate (different charges may apply to calls from mobile telephones). Calls may be recorded and randomly monitored for security and training purposes. For legal reasons, the Receiving Agent will not be able to give advice on the merits of the Tender Offer or provide legal, financial, investment or tax advice and, accordingly, if you require such advice, you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under FSMA immediately or, if you are in a jurisdiction outside the United Kingdom, another appropriately authorised independent financial adviser.

The Board makes no recommendation to Shareholders or Alliance Trust Savings Product Investors as to whether or not to tender their Shares pursuant to the Tender Offer. Whether or not Shareholders or Alliance Trust Savings Product Investors decide to tender their Shares will depend on, among other things, their view of the Company's prospects and their own individual circumstances, including their tax position, on which they should seek their own independent advice. None of the Directors will be tendering any of their Shares pursuant to the Tender Offer.

Recommendation

The Board, which has been so advised by its financial adviser, Cantor Fitzgerald, considers the amendment of the Management Agreement to incorporate the Performance Fee to be fair and reasonable insofar as Shareholders are concerned. Furthermore, the Board, which has received advice from Cantor Fitzgerald, considers that the proposed amendment to the Management Agreement to introduce the Performance Fee and the Tender Offer are in the best interests of Shareholders as a whole. In providing advice to the Board, Cantor Fitzgerald has taken into account the Board's commercial assessments.

The Board recommends that Shareholders vote in favour of the resolutions to be proposed at the General Meeting as those Directors who hold beneficial interests in Shares intend to do in respect of their own beneficial holdings of 163,830 Shares, representing 0.6 per cent. of the Voting Share Capital.

Yours faithfully

David Gamble
Chairman

PART 2

LETTER FROM CANTOR FITZGERALD



Cantor Fitzgerald Europe
17 Crosswall
London, EC3N 2LB

16 October 2012

To Shareholders

Dear Sir or Madam

TENDER OFFER

Introduction

As explained in the letter from your Chairman in Part 1 of this document, Shareholders (other than Restricted Shareholders) are being given the opportunity to tender some or all of their Shares for purchase pursuant to the Tender Offer, subject to the scaling back of tenders in excess of the entitlement of each Shareholder to tender up to 5 per cent. of the Shares registered in such Shareholder's name at the Record Date rounded down to the nearest whole number of Shares, on the basis set out below and in Part 3 of this document. The purpose of this letter is to summarise the principal terms and conditions of the Tender Offer.

The Tender Offer

Cantor Fitzgerald hereby invites Shareholders (other than Restricted Shareholders) on the Register at the Record Date to tender Shares for purchase by Cantor Fitzgerald, as principal, for cash at a price of 500p per Share.

Each Shareholder (other than Restricted Shareholders) will be entitled to have accepted pursuant to the Tender Offer valid tenders to Cantor Fitzgerald in respect of up to 5 per cent. of the number of Shares registered in their name in the Register at the close of business on Thursday, 8 November 2012, rounded down to the nearest whole number of Shares. In addition, Shareholders (other than Restricted Shareholders) may tender Shares in excess of their Basic Entitlement but any such excess tenders will only be satisfied to the extent that other Shareholders have not validly tendered all or any part of their Basic Entitlement, as the case may be. Tenders in excess of the Basic Entitlement will only be satisfied on a *pro rata* basis to the extent that other Shareholders validly tender less than (or none of) their Basic Entitlement, with *pro rata* entitlements being rounded down to the nearest whole number of Shares. The number of Shares to be purchased pursuant to the Tender Offer will not in any event exceed 1,355,507 Shares, representing 5 per cent. of the Shares in issue at the date of this document.

The Tender Offer is being made on the terms and subject to the conditions set out in Part 3 of this document and also, in the case of Shareholders holding their Shares in certificated form, in the Tender Form, the terms of which form part of the terms of the Tender Offer.

Procedure for Tendering Shares

Shareholders are not obliged to tender any Shares and participation in the Tender Offer is a matter for each Shareholder to decide, and will be influenced by their own individual financial and tax circumstances, their investment objective and their view of the Company's prospects. Shareholders who do not wish to participate in the Tender Offer need take no action. The rights of Shareholders who choose not to tender any of their Shares will be unaffected by the Tender Offer.

Shareholders (other than Restricted Shareholders) who hold their Shares in certificated form and who wish to tender Shares should complete the Tender Form in accordance with the instructions set out in it and in paragraph 4.2 of Part 3 of this document and return the completed Tender Form by post or (during normal business hours) by hand to Corporate Actions, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, so as to be received as soon as possible and in any event by not later than 3.00 p.m. on Thursday, 8 November 2012. Such Shareholders should also return with their Tender Form the share certificate(s) and/or other documents of title in respect of their Shares tendered which are in certificated form.

Shareholders (other than Restricted Shareholders) who hold their Shares in uncertificated form (i.e. in CREST) and who wish to tender Shares should not complete a Tender Form and should instead arrange for their Shares to be transferred to escrow by sending a TTE Instruction in respect of such Shares, as described in sub-paragraph 4.3.1 of Part 3 of this document, as soon as possible and in any event so as to settle by not later than 3.00 p.m. on Thursday, 8 November 2012.

Full details of the procedure for tendering Shares are set out in paragraph 4 of Part 3 of this document and, in respect of Shares held in certificated form, in the Tender Form. A Shareholder who tenders Shares in the Tender Offer will be deemed to have appointed Equiniti Limited as their agent in respect of the sale of Shares to Cantor Fitzgerald pursuant to the Tender Offer. Accordingly, Cantor Fitzgerald will issue a contract note to Equiniti Limited on behalf of all Shareholders for the sale of Shares pursuant to the Tender Offer.

Shareholders should note that, once tendered, Shares may not be sold, transferred, charged or otherwise disposed of other than in accordance with the Tender Offer.

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under FSMA immediately or, if you are in a jurisdiction outside the United Kingdom, another appropriately authorised independent financial adviser.

Validity of Tenders

Tender Forms and TTE Instructions which are received by the Receiving Agent after 3.00 p.m. on Thursday, 8 November 2012 or which at that time are incorrectly completed or not accompanied by all relevant documents or instructions may be rejected and returned to the relevant Shareholders or their appointed agents, together with any accompanying share certificate(s) and/or other document(s) of title.

Cantor Fitzgerald reserves the right to treat as valid Tender Forms and TTE Instructions which are not entirely in order and which are not accompanied (in the case of Shares held in certificated form) by the relevant share certificate(s) and/or other document(s) of title or a satisfactory indemnity in lieu thereof.

Settlement

Subject to the Tender Offer becoming unconditional, payment of the consideration to which Shareholders are entitled pursuant to valid tenders accepted by Cantor Fitzgerald will be made in pounds sterling:

- in the case of Shares held in certificated form, by cheques despatched by Thursday, 15 November 2012; or
- in the case of Shares held in uncertificated form, will be settled through CREST on Monday, 12 November 2012 or as soon as practicable thereafter;

as described in paragraph 6 of Part 3 of this document.

Overseas Shareholders

The availability of the Tender Offer to Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdiction in which they are located and this document does not constitute or form part of any offer to purchase, or invitation to sell, Shares in any jurisdiction in which such offer or invitation is unlawful. Without prejudice to the foregoing generality, the Tender Offer is not available to Shareholders with registered or mailing addresses in Restricted Jurisdictions or who are citizens or nationals of, or resident in, a Restricted Jurisdiction.

Shareholders with registered or mailing addresses outside the United Kingdom and the Restricted Jurisdictions who wish to accept the Tender Offer should also read paragraph 7 of Part 3 of this document and should satisfy themselves that they have fully observed any applicable legal requirements under the laws of the relevant jurisdiction.

Conditions of the Tender Offer

The Tender Offer is conditional, *inter alia*, on the passing of the Tender Offer Resolution at the General Meeting on Thursday, 8 November 2012, or such later date (not being later than Thursday, 22 November 2012) as the Company and Cantor Fitzgerald may agree. The Tender Offer is also conditional on the other matters specified in paragraph 3.1 of Part 3 of this document.

Termination of the Tender Offer

The Tender Offer may be terminated in the circumstances described in paragraph 3.2 of Part 3 of this document. In particular, the Board has reserved the right to require that Cantor Fitzgerald does not proceed with the Tender Offer if it concludes, at any time prior to the announcement of the result of the Tender Offer, that the implementation of the Tender Offer or the subsequent purchase by the Company of the Shares purchased by Cantor Fitzgerald pursuant to the Tender Offer is no longer in the best interests of the Company and Shareholders as a whole.

The City Code on Takeovers and Mergers

Shareholders should note the important information in paragraph 1 of Part 6 of this document relating to certain provisions of the Takeover Code, which is relevant to purchases of Shares on or after 31 August 2012.

Further Information

Your attention is drawn to the information contained in the rest of this document, including, in particular, the terms and conditions of the Tender Offer in Part 3 of this document and the information regarding taxation in Part 5 of this document.

General

This letter is not a recommendation to Shareholders to sell or not sell Shares in the Tender Offer.

Yours faithfully

Sue Inglis
Managing Director, Corporate Finance
For and on behalf of Cantor Fitzgerald Europe

PART 3

TERMS AND CONDITIONS OF THE TENDER OFFER

1. Introduction

- 1.1 All Shareholders (other than Restricted Shareholders) on the Register at the Record Date may tender Shares for purchase by Cantor Fitzgerald (acting as principal) on the terms and subject to the conditions set out in this document and, in the case of Shares held in certificated form, in the Tender Form. **Shareholders are not obliged to tender any Shares and Shareholders who do not wish to participate in the Tender Offer need take no action.**
- 1.2 Shares purchased by Cantor Fitzgerald pursuant to the Tender Offer will be purchased by Cantor Fitzgerald as principal and such purchases will be market purchases in accordance with rules of the London Stock Exchange and UK Listing Authority. Immediately following completion of the Tender Offer, Cantor Fitzgerald shall sell such Shares to the Company, at a price per Share equal to the Tender Price, pursuant to the Purchase Agreement. Purchases of Shares by the Company pursuant to the Purchase Agreement will also be market purchases in accordance with rules of the London Stock Exchange and UK Listing Authority. All of the Shares purchased by the Company pursuant to the Purchase Agreement in connection with the Tender Offer will be cancelled.

2. Terms of the Tender Offer

- 2.1 Pursuant to the Tender Offer and subject to the terms and conditions set out in this Part 3 and, in the case of Shares held in certificated form, the Tender Form, each Shareholder (other than Restricted Shareholders) on the Register at the Record Date:
- (i) will be entitled to sell to Cantor Fitzgerald up to 5 per cent. of the number of Shares registered in their name in the Register at the Record Date (such entitlement being rounded down to the nearest whole number of Shares) at the Tender Price; and
 - (ii) will be entitled to tender to Cantor Fitzgerald any whole number of Shares registered in their name in the Register at the Record Date in excess of their Basic Entitlement at the Tender Price;
- provided that the maximum number of Shares purchased by Cantor Fitzgerald pursuant to the Tender Offer will not exceed 1,355,507 Shares, equivalent to 5 per cent. of the Voting Share Capital as at 12 October 2012.
- 2.2 If a Shareholder validly tenders a number of Shares less than or equal to their Basic Entitlement, such tender will be satisfied in full (subject to the Tender Offer not having lapsed or been terminated in accordance with paragraph 3 of this Part 3) (a "**Satisfied Tender**"). If any Shareholder validly tenders a number of Shares in excess of their Basic Entitlement (an "**Excess Tender**"), such Excess Tender will be (subject to the Tender Offer not having lapsed or been terminated in accordance with paragraph 3 of this Part 3):
- (i) satisfied in full if (a) the aggregate number of Shares which are the subject of all Excess Tenders is less than or equal to (b) the maximum number of Shares to be purchased pursuant to the Tender Offer after deducting the aggregate number of Shares which are the subject of all Satisfied Tenders; or
 - (ii) scaled back by the ratio of (a) the maximum number of Shares to be purchased pursuant to the Tender Offer after deducting the aggregate number of Shares which are the subject of all Satisfied Tenders to (b) the aggregate number of Shares which are the subject of all Excess Tenders and the number of Shares resulting from such scaling back being rounded down to the nearest whole number.
- 2.3 The Tender Offer will close at 3.00 p.m. on Thursday, 8 November 2012 and no tenders received after that time will be accepted unless otherwise approved by Cantor Fitzgerald (with the consent of the Company). The results of the Tender Offer and, if applicable, the extent to which Excess Tenders will be scaled-back, are expected to be announced through a Regulatory Information Service on or around Friday, 9 November 2012.

- 2.4 All tenders of Shares held in certificated form must be made on the personalised Tender Form, duly completed in accordance with the instructions set out in paragraph 4.2 of this Part 3 and in the Tender Form (which together constitute part of the terms of the Tender Offer) and such tenders will be valid only when the procedures contained in this document and in the Tender Form are complied with. All tenders of Shares held in uncertificated form must be made by the input and settlement of an appropriate TTE Instruction in CREST in accordance with the instructions set out in paragraph 4.3.1 of this Part 3 and the relevant procedures in the CREST Manual (which together constitute part of the terms of the Tender Offer) and such tenders will be valid only when the procedures contained in this document and in the relevant parts of the CREST Manual are complied with. Tender Forms once duly completed (for Shares held in certificated form) and submitted to the Receiving Agent and TTE Instructions which have settled (for Shares held in uncertificated form) will become irrevocable and cannot be withdrawn.
- 2.5 All Shares successfully tendered pursuant to the Tender Offer will be purchased by Cantor Fitzgerald, as principal:
- (i) at the Tender Price;
 - (ii) free of all commissions and dealing charges;
 - (iii) with full title guarantee;
 - (iv) free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third party rights of any nature; and
 - (v) together with all rights attaching thereto, on or after Thursday, 8 November 2012, including the right to receive all dividends and other distributions declared, paid or made after that date.
- The consideration for each tendered Share purchased by Cantor Fitzgerald pursuant to the Tender Offer will be paid in pounds sterling in accordance with the settlement procedures set out in paragraph 6 of this Part 3.
- 2.6 If only part of a holding of Shares is sold pursuant to the Tender Offer (whether pursuant to scaling back tenders in excess of the Basic Entitlement or otherwise), the relevant Shareholder will be entitled to receive the following:
- (i) where the Shares are held in certificated form, a certificate in respect of the balance of the unsold Shares; and
 - (ii) where the Shares are held in uncertificated form, the transfer by the Receiving Agent by TFE Instruction to the original available balance of those unsold Shares or the credit of the balance of the Shares by the Receiving Agent by an ARAN message.
- 2.7 If any tendered Shares are not purchased because of an invalid tender, the lapse or termination of the Tender Offer or otherwise:
- (i) where the Shares are held in certificated form, the relevant Tender Form and share certificate(s) and/or document(s) of title will be returned by post to the person or agent whose name and address (outside the Restricted Jurisdictions) is set out in Box 3 in the Tender Form or, if none is set out, to the tendering Shareholder; and
 - (ii) where the Shares are held in uncertificated form, the Receiving Agent will provide instructions to Euroclear to transfer all Shares held in escrow by TFE Instruction to the original available balance to which those Shares relate;
- within 10 Business Days of the tender having been determined to be invalid or the Tender Offer lapsing or having been terminated.
- 2.8 All documents and remittances sent by or to Shareholders and all instructions made by or on behalf of Shareholders in CREST relating to the Tender Offer will be sent or made (as the case may be) at the risk of the relevant Shareholder. In particular, the failure of any person to receive a copy of this document or, where applicable, the Tender Form shall not invalidate any aspect of the Tender Offer.
- 2.9 All questions as to the number of Shares tendered and the validity, form, eligibility (including the time of receipt) and acceptance for payment of any tender of Shares pursuant to the Tender Offer will be determined by Cantor Fitzgerald, in its sole discretion, which

determination shall be final and binding on all parties except as otherwise required under applicable law. Cantor Fitzgerald reserves the absolute right to reject any or all tenders it determines not to be in proper form or the acceptance or payment for which may, in the opinion of Cantor Fitzgerald, be unlawful. Cantor Fitzgerald also reserves the absolute right to waive any of the terms or conditions of the Tender Offer (other than the conditions referred to in paragraph 3.1 of this Part 3) and any defect or irregularity in the tender of any particular Shares or any particular holder thereof. Unless Cantor Fitzgerald determines otherwise, no tender of Shares will be deemed to be validly made until all defects or irregularities have been cured or waived. In the event of a waiver, the consideration pursuant to the Tender Offer will not be despatched (in respect of Shares held in certificated form) or made by way of CREST payment (in respect of Shares held in uncertificated form) to the relevant Shareholder until after (in the case of Shares held in certificated form) the Tender Form is complete in all respects and the share certificate(s) and/or other document(s) of title satisfactory to Cantor Fitzgerald have been received or (in the case of Shares in uncertificated form) the relevant TTE Instruction has settled. None of the Receiving Agent, Cantor Fitzgerald, the Company or any other person is or will be obliged to give notice of any defects or irregularities in any tender and none of them will incur any liability for failure to give any such notice.

- 2.10 The terms of the Tender Offer (including the times and dates referred to in this document) shall have effect subject to such non-material modifications as the Company and Cantor Fitzgerald may from time to time agree. Any such modification will be announced as soon as practicable through a Regulatory Information Service.
- 2.11 For the avoidance of doubt, entitlements pursuant to the Tender Offer will apply to each registered Shareholder and, accordingly, a registered Shareholder who holds Shares for multiple beneficial owners may decide the allocation of such entitlements between such beneficiaries at their own discretion.

3. Conditions and Termination of the Tender Offer

- 3.1 The Tender Offer is conditional on the following (together, the "**Conditions**"):
 - (i) the passing of the Tender Offer Resolution by not later than Thursday, 8 November 2012 or such later date (not being later than Thursday, 22 November 2012) as the Company and Cantor Fitzgerald may agree;
 - (ii) Cantor Fitzgerald being satisfied that the Company has sufficient distributable profits (for the purposes of the Companies Act 2006) to effect the purchase of all of the Shares as are to be purchased by it pursuant to the Purchase Agreement;
 - (iii) Cantor Fitzgerald being satisfied that, at all times up to immediately prior to the announcement of the result of the Tender Offer, the Company has complied with its obligations, and is not in breach of any of the representations and warranties given by it, pursuant to the Purchase Agreement; and
 - (iv) the Tender Offer not having been terminated in accordance with paragraph 3.2 of this Part 3 prior to the fulfilment of the conditions referred to in sub-paragraphs (i) to (iii) (inclusive) above.

Cantor Fitzgerald will not purchase (or enter into any commitment or contract to purchase) any Shares pursuant to the Tender Offer unless all of the Conditions have been satisfied. The purchase by Cantor Fitzgerald of Shares pursuant to the Tender Offer will only occur once all of the Conditions have been satisfied. The Conditions may not be waived by Cantor Fitzgerald or the Company. If any of the Conditions are not satisfied by 7.00 a.m. on Friday, 9 November 2012 (or such later time and date as the Company and Cantor Fitzgerald may agree), the Tender Offer will lapse.

- 3.2 The Board reserves the right to compel Cantor Fitzgerald to terminate the Tender Offer at any time prior to announcement of the results of the Tender Offer if it concludes that the implementation of the Tender Offer or the subsequent purchase by the Company of the Shares purchased by Cantor Fitzgerald pursuant to the Tender Offer is no longer in the best interests of the Company and Shareholders as a whole or if the purchase of Shares by Cantor Fitzgerald pursuant to the Tender Offer or the subsequent purchase by the Company of such

Shares may have adverse fiscal or other consequences (whether by reason of any change in legislation, practice, circumstances or otherwise) for the Company or Shareholders as a whole which were previously unexpected. If the Tender Offer is terminated, the Company will make an announcement through a Regulatory Information Service that such is the case.

4. Procedure for Tendering Shares

4.1 Overview

There are different procedures for tendering Shares depending on whether the Shares are held in certificated or uncertificated form (i.e. in CREST).

Shareholders who wish to tender Shares held in certificated form must complete and return the personalised Tender Form in accordance with the instructions in paragraph 4.2 of this Part 3 and in the Tender Form. A Shareholder who wishes to tender Shares held in certificated form but under different designations must complete and return a separate Tender Form for each designation (further copies of the Tender Form may be obtained on request from Corporate Actions, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, or by telephone from the Shareholder Helpline referred to below). The relevant share certificate(s) and/or other documents of title should also be returned with the relevant Tender Form.

Shareholders who wish to tender Shares held in uncertificated form must send a TTE Instruction in accordance with the procedure set out in paragraph 4.3.1 of this Part 3. A Shareholder who wishes to tender Shares held in uncertificated form but under different member account IDs must send a separate TTE Instruction for Shares each member account ID.

A tender will only be valid when the procedures contained in this paragraph 4 and, where the tendered Shares are held in certificated form, in the Tender Form are complied with.

Shareholders who are in any doubt as to how to complete the Tender Form or as to the procedure for tendering Shares should telephone the Shareholder Helpline on 0871 384 2954 or, if calling from outside the United Kingdom, +44 121 415 0245. Lines are open from 8.30 a.m. to 5.30 p.m. (London time) Monday to Friday (except UK public holidays). Calls from within the UK to 0871 384 2954 are charged at 8p per minute from a BT landline (excluding VAT) and calls from outside the UK to +44 121 415 0245 will be charged at the applicable international rate (different charges may apply to calls from mobile telephones). Calls may be recorded and randomly monitored for security and training purposes. For legal reasons, the Receiving Agent will not be able to give advice on the merits of the Tender Offer or provide legal, financial, investment or tax advice and, accordingly, if Shareholders require such advice, they should consult their stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under FSMA immediately or, if they are in a jurisdiction outside the United Kingdom, another appropriately authorised independent financial adviser. Shareholders who are CREST sponsored members should consult their CREST sponsor before taking any action.

4.2 Shares Held in Certificated Form (i.e. not in CREST)

To participate in the Tender Offer, a Shareholder holding Shares in certificated form must complete and return the Tender Form in accordance with the instructions in this paragraph 4.2 and in the Tender Form.

Completed Tender Forms, together with the relevant share certificate(s) and/or other document(s) of title, should be either sent by post in the accompanying reply-paid envelope (for use in the UK only) or (during normal business hours only) delivered by hand to the Receiving Agent at Corporate Actions, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, as soon as possible and, in any event, so as to be received by not later than 3.00 p.m. on Thursday, 8 November 2012. Tenders received after that time will be accepted only at the sole discretion of Cantor Fitzgerald (with the consent of the Company).

A reply-paid envelope for use in the UK only is enclosed with this document. Any Tender Form received in an envelope postmarked from any of the Restricted Jurisdictions or

otherwise appearing to the Receiving Agent to have been sent from any of the Restricted Jurisdictions will be rejected as an invalid tender. Further provisions relating to Overseas Shareholders are contained in paragraph 7 of this Part 3.

Duly completed Tender Forms sent by any of the means set out above and received signed and complete in all respects by the prescribed time will be treated as tenders of Shares in accordance with the terms and conditions of the Tender Offer. No acknowledgement of receipt of documents will be given.

The completed Tender Form should be accompanied by the relevant share certificate(s) and/or other document(s) of title. If the share certificate(s) and/or other document(s) of title are not readily available (for example, if they are with a stockbroker, bank or other agent) or are lost, the Tender Form should nevertheless be completed and returned in accordance with the instructions above so as to be received by the Receiving Agent at Corporate Actions, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, by not later than 3.00 p.m. on Thursday, 8 November 2012 together with any share certificate(s) and/or other document(s) of title that may be available, accompanied by a letter stating that the (remaining) share certificate(s) and/or other document(s) of title will be forwarded as soon as possible thereafter and, in any event, so as to be received by not later than 3.00 p.m. on Thursday, 8 November 2012.

Shareholders who have lost their share certificate(s) and/or other document(s) of title should complete a letter of indemnity, which can be obtained by writing to Corporate Actions, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, or contacting the Shareholder Helpline, and return it with the Tender Form in accordance with the instructions above so as to be received by the Receiving Agent at Corporate Actions, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, by not later than 3.00 p.m. on Thursday, 8 November 2012. A fee may be payable by the Shareholder in respect of each letter of indemnity.

Where a letter of indemnity in respect of any unavailable share certificate(s) and/or other document(s) of title and such certificate(s) and/or other document(s) are subsequently found or obtained, such certificate(s) and/or other document(s) should be sent by post or (during normal business hours only) delivered by hand to Corporate Actions, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, immediately.

By signing and returning the Tender Form, Shareholders will be deemed to have appointed the Receiving Agent as their agent in respect of the purchase of Shares by Cantor Fitzgerald pursuant to the Tender Offer. Accordingly:

- (i) the Receiving Agent, acting as agent for such Shareholders, will effect such procedures as are required to transfer their Shares to Cantor Fitzgerald pursuant to the Tender Offer; and
- (ii) Cantor Fitzgerald will issue a contract note to the Receiving Agent on behalf of Shareholders whose Shares are so purchased and will remit the cash consideration to the Receiving Agent with instructions that such consideration be remitted in accordance with the instructions set out in the Tender Form.

4.3 *Shares Held in Uncertificated Form (i.e. in CREST)*

4.3.1 *Completion of TTE Instruction*

To participate in the Tender Offer, a Shareholder holding Shares in uncertificated form must take (or procure to be taken) the action set out below to transfer (by means of a TTE Instruction) the number of Shares they wish to tender pursuant to the Tender Offer to the escrow account, specifying Equiniti Limited (in its capacity as a CREST receiving agent under its participant ID and member account ID referred to below) as the escrow agent, as soon as possible and in any event so that the transfer to escrow settles by not later than 3.00 p.m. on Thursday, 8 November 2012.

A Shareholder who is a CREST sponsored member should refer to their CREST sponsor before taking any action. Their CREST sponsor will be able to confirm details of such Shareholder's participant ID and the member account ID under which their Shares are held. In addition, only such Shareholder's CREST sponsor will be able to

send the TTE Instruction to Euroclear in relation to the Shares which they wish to tender.

To tender Shares held in uncertificated form, a Shareholder must send (or, if they are a CREST sponsored member, procure that their CREST sponsor sends) a TTE Instruction to Euroclear in relation to such Shares, which must be properly authenticated in accordance with Euroclear's specifications for transfers to escrow and must contain, in addition to other information that is required for the TTE Instruction to settle in CREST, the following details:

- (i) the ISIN number of the Shares (this is GB0005776561);
- (ii) the number of Shares to be transferred to an escrow balance;
- (iii) the Shareholder's participant ID;
- (iv) the Shareholder's member account ID;
- (v) the participant ID of the escrow agent, Equiniti Limited, in its capacity as a CREST receiving agent (this is 6RA64);
- (vi) the member account ID of the escrow agent (this is RA111401);
- (vii) the corporate action number for the Tender Offer (this is allocated by CREST and can be found by viewing the relevant corporate action details in CREST);
- (viii) the intended settlement date for the transfer to escrow (this should be as soon as possible and in any event not later than 3.00 p.m. on Thursday, 8 November 2012);
- (ix) input with standard delivery instruction of priority 80; and
- (x) a contact name and telephone number in the event of queries (this should be inserted in the shared note field).

After settlement of the TTE Instruction, a Shareholder will not be able to access the Shares concerned in CREST for any transaction or for charging purposes, notwithstanding that they will be held by the Receiving Agent as the Shareholder's escrow agent until completion, lapse or termination of the Tender Offer. If the Tender Offer becomes unconditional by 7.00 a.m. on Monday, 12 November 2012 (or such later time and date as the Company and Cantor Fitzgerald may agree), the Receiving Agent will transfer the Shares which are accepted for purchase by Cantor Fitzgerald pursuant to the Tender Offer to itself as the agent of Cantor Fitzgerald, returning any Shares not successfully tendered to the Shareholders concerned.

Shareholders are recommended to refer to the CREST Manual for further information on the CREST procedures outlined in this paragraph 4.3.1.

Shareholders should note that Euroclear does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in connection with a TTE Instruction and its settlement (in particular, settlement cannot take place on weekends, bank holidays or other times at which the CREST system is non-operational and TTE Instructions should be input accordingly). Shareholders should therefore ensure that all necessary action is taken by them (or by their CREST sponsor) to enable a TTE Instruction relating to their Shares to settle prior to 3.00 p.m. on Thursday, 8 November 2012. In this connection, Shareholders are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

An announcement through a Regulatory Information System will be made if any of the details contained in this paragraph 4.3.1 are altered.

The input and settlement of a TTE Instruction in accordance with this paragraph 4.3.1 shall constitute an offer to Cantor Fitzgerald to sell to it the number of Shares transferred to the escrow account referred to above.

By inputting a TTE Instruction in accordance with this paragraph 4.3.1, Shareholders will be deemed to have appointed the Receiving Agent as their agent in respect of the purchase of Shares by Cantor Fitzgerald pursuant to the Tender Offer. Accordingly:

- (i) the Receiving Agent, acting as agent for such Shareholders, will effect such procedures as are required to transfer their Shares to Cantor Fitzgerald pursuant to the Tender Offer; and

- (ii) Cantor Fitzgerald will issue a contract note to the Receiving Agent on behalf of Shareholders whose Shares are so purchased and will remit the cash consideration to the Receiving Agent with instructions that such consideration be remitted in accordance with the instructions set out in the Tender Form.

4.3.2 *Deposits of Shares into, and Withdrawals of Shares from, CREST*

Normal CREST procedures (including timings) apply in relation to any Shares that are, or are to be, converted from uncertificated to certificated form, or from certificated to uncertificated form, during the course of the Tender Offer (whether such conversion arises as a result of a transfer of Shares or otherwise). Shareholders who are proposing to convert any such Shares are recommended to ensure that the conversion procedures are implemented in sufficient time to enable the person holding or acquiring the Shares as a result of the conversion to take all necessary steps in connection with such person's participation in the Tender Offer (in particular, as regards delivery of the share certificates and/or other documents of title or transfers to an escrow balance as described in paragraphs 4.2 and 4.3.1 respectively of this Part 3) prior to 3.00 p.m. on Thursday, 8 November 2012.

4.4 **Validity of Tenders**

4.4.1 *Shares Held in Certificated Form*

Cantor Fitzgerald reserves the right to treat as valid only Tender Forms which are received entirely in order by 3.00 p.m. on Thursday, 8 November 2012 and which are accompanied by the relevant share certificate(s) and/or other document(s) of title, or an indemnity acceptable to Cantor Fitzgerald in lieu thereof, in respect of the entire number of Shares tendered.

4.4.2 *Shares Held in Uncertificated Form*

A Tender Form which is received in respect of Shares held in uncertificated form will not constitute a valid tender and will be disregarded. Shareholders holding Shares in uncertificated form who wish to tender such shares should note that a TTE Instruction will be a valid tender as at Thursday, 8 November 2012 only if it has settled on or before 3.00 p.m. on that date.

4.5 **General**

4.4.1 Notwithstanding the receipt of a valid Tender Form or settlement of a TTE Instruction, as applicable, the Tender Offer may lapse or be terminated in accordance with paragraph 3 of this Part 3.

4.5.2 The decision of Cantor Fitzgerald as to which Shares have been validly tendered shall be conclusive and binding on all Shareholders.

4.5.3 Once tendered, Shares may not be sold, transferred, charged or otherwise disposed of.

5. **Tender Representations and Warranties**

5.1 ***Shareholders Tendering Shares Held in Certificated Form***

Each Shareholder by whom, or on whose behalf, a Tender Form is completed and returned (including a Tender Form which is treated by Cantor Fitzgerald as valid) irrevocably undertakes, represents, warrants and agrees to and with Cantor Fitzgerald (so as to bind such Shareholder and their personal representatives, heirs, successors and assigns) that:

- (i) the execution of the Tender Form shall constitute an offer to sell to Cantor Fitzgerald such number of Shares as is inserted, or deemed to be inserted, in either Box 1A (being the Basic Entitlement) or Box 1B in the Tender Form (or deemed to be tendered in accordance with sub-paragraph (ii) or (iii) below), in each case on and subject to the terms and conditions set out or referred to in this document and the Tender Form;
- (ii) if neither Box 1A nor Box 1B in the Tender Form have been completed, or if Cantor Fitzgerald determines (in its absolute discretion) that Box 1 in the Tender Form has not been validly completed (for example, if both Box 1A and Box 1B have been completed) and provided that the Tender Form is otherwise in order, such Shareholder will be deemed to have tendered all of the Shares that are evidenced by the share certificate(s) and/or other document(s) of title, or an indemnity acceptable to Cantor

- Fitzgerald in lieu thereof, accompanying the Tender Form or, if less, the number of Shares registered in their name in the Register at the Record Date;
- (iii) if the Receiving Agent has not received the share certificate(s) and/or other document(s) of title, or an indemnity acceptable to Cantor Fitzgerald in lieu thereof, in respect of the tendered Shares by 3.00 p.m. on Thursday, 8 November 2012, Cantor Fitzgerald may deem (in its absolute discretion) that such Shareholder has only tendered the number of Shares in respect of which share certificate(s) and/or other document(s) of title, or an indemnity acceptable to Cantor Fitzgerald in lieu thereof, have been received;
 - (iv) the completion and return of the Tender Form shall, subject to the Tender Offer becoming unconditional, constitute the irrevocable appointment of any director or officer of Cantor Fitzgerald or the Receiving Agent as such Shareholder's attorney and/or agent (the "**Attorney**"), and an irrevocable instruction and authority to the Attorney to:
 - (a) complete and execute any and all instrument(s) of transfer and/or other document(s) and take any and all actions which, in the Attorney's absolute discretion, are necessary or expedient in relation to the Shares referred to in sub-paragraph (i) above in favour of Cantor Fitzgerald or such other person or persons as Cantor Fitzgerald may direct; and
 - (b) deliver such instrument(s) and/or other document(s) at the discretion of the Attorney, together with the share certificate(s) and/or other document(s) of title relating to such Shares, for registration within six months of the Tender Offer becoming unconditional and to take any and all other actions which, in the Attorney's opinion, are necessary or expedient for the purpose of, or in connection with, the Tender Offer and to vest in Cantor Fitzgerald, its nominee(s) or such other person(s) as Cantor Fitzgerald may direct such of the Shares as are successfully tendered;
 - (v) if the appointment of attorney and/or agent provision under sub-paragraph (iv) above shall be unenforceable or invalid or shall not operate so as to afford any director or officer of Cantor Fitzgerald the benefit or authority expressed to be given therein, such Shareholder shall with all practicable speed do all such acts and things and execute all such documents that may be required to enable Cantor Fitzgerald to secure the full benefits of sub-paragraph (iv) above;
 - (vi) such Shareholder will deliver to the Receiving Agent their share certificate(s) and/or other document(s) of title in respect of the Shares referred to in sub-paragraph (i) above, or an indemnity acceptable to Cantor Fitzgerald in lieu thereof or will procure the delivery of such certificate(s), other document(s) and/or indemnity to the Receiving Agent as soon as possible thereafter and, in any event, by not later than 3.00 p.m. on Thursday, 8 November 2012;
 - (vii) without prejudice to the generality of sub-paragraph 5.3(vi) of this Part 3:
 - (a) such Shareholder has not received or sent copies or originals of this document, the Tender Form or any related documents in, into or from a Restricted Jurisdiction and has not otherwise utilised in connection with the Tender Offer, directly or indirectly, the mails, any means or instrumentality (including, without limitation, facsimile transmission, email, other electronic transmission and telephone) of interstate or foreign commerce or any facility of a national, state or other securities exchange of a Restricted Jurisdiction;
 - (b) neither this document nor the Tender Form has been mailed or otherwise sent in, into or from a Restricted Jurisdiction; and
 - (c) such Shareholder is accepting the Tender Offer from outside any Restricted Jurisdiction;
 - (viii) the despatch of a cheque to such Shareholder in accordance with paragraph 6.1.1 of this Part 3 will discharge fully Cantor Fitzgerald's obligation to pay such Shareholder the consideration to which they are entitled under the Tender Offer;
 - (ix) the Tender Form takes effect as a deed on execution;
 - (x) the instructions, terms and other provisions in the Tender Form form part of the terms and conditions of the Tender Offer; and

- (xi) the Tender Offer will be governed by and construed in accordance with English law and the execution of the Tender Form constitutes such Shareholder's submission to the jurisdiction of the courts of England and Wales in relation to all matters arising out of or in connection with the Tender Offer or the Tender Form.

A reference in this paragraph 5.1 to a "**Shareholder**" includes a reference to the person or persons executing the Tender Form and, in the event of more than one person executing a Tender Form, the provisions of this paragraph 5.1 will apply to them jointly and to each of them.

5.2 ***Shareholders Tendering Shares Held in Uncertificated Form***

Each Shareholder by whom, or on whose behalf, a TTE Instruction which is treated by Cantor Fitzgerald as valid, irrevocably undertakes, represents, warrants and agrees to and with Cantor Fitzgerald (so as to bind such Shareholder and their personal representatives, heirs, successors and assigns) that:

- (i) the input of the TTE Instruction shall constitute an offer to sell to Cantor Fitzgerald such number of Shares as are specified in the TTE Instruction or deemed to be tendered, in each case on and subject to the terms and conditions set out or referred to in this document and the TTE Instruction;
- (ii) the input of the TTE Instruction, shall, subject to the Tender Offer becoming unconditional, constitute the irrevocable appointment of any director or officer of Cantor Fitzgerald or the Receiving Agent as such Shareholder's agent (the "**Agent**"), and an irrevocable instruction and authority to the Agent to:
 - (a) complete and execute any and all instrument(s) of transfer and/or other document(s) and take any and all actions (including inputting instructions into Euroclear) which, in the Agent's absolute discretion, are necessary or expedient in relation to the Shares referred to in sub-paragraph (i) above in favour of Cantor Fitzgerald or such other person or persons as Cantor Fitzgerald may direct; and
 - (b) deliver such instrument(s) and/or other document(s) at the discretion of the Agent or input any instructions into Euroclear relating to such Shares for registration within six months of the Tender Offer becoming unconditional and to take any and all other actions which, in the Agent's opinion, are necessary or expedient for the purpose of, or in connection with, the Tender Offer and to vest in Cantor Fitzgerald, its nominee(s) or such other person(s) as Cantor Fitzgerald may direct such of the Shares as are successfully tendered;
- (iii) if the appointment of agent provision under sub-paragraph (ii) above shall be unenforceable or invalid or shall not operate so as to afford any director or officer of Cantor Fitzgerald the benefit or authority expressed to be given therein, such Shareholder shall with all practicable speed do all such acts and things and execute all such documents that may be required to enable Cantor Fitzgerald to secure the full benefits of sub-paragraph (ii) above;
- (iv) if, for any reason, any Shares in respect of which a TTE Instruction has been made are prior to 3.00 p.m. on Thursday, 8 November 2012, converted into certificated form, the electronic tender in respect of such Shares shall cease to be valid and such Shareholder shall then comply with the procedures for tendering Shares held in certificated form as set out in paragraph 4.2 of this Part 3 in respect of the Shares so converted, if they wish to make a valid tender of such Shares pursuant to the Tender Offer;
- (v) without prejudice to the generality of sub-paragraph 5.3(vi) of this Part 3:
 - (a) such Shareholder has not received or sent copies or originals of this document or any related documents in, into or from a Restricted Jurisdiction and has not otherwise utilised in connection with the Tender Offer, directly or indirectly, the mails, any means or instrumentality (including, without limitation, facsimile transmission, email, other electronic transmission and telephone) of interstate or foreign commerce or any facility of a national, state or other securities exchange, of a Restricted Jurisdiction at the time of the input of and settlement of the relevant TTE Instruction;

- (b) the TTE Instruction has not been sent from a Restricted Jurisdiction; and
- (c) such Shareholder is accepting the Tender Offer from outside any Restricted Jurisdiction;
- (vi) the creation of a payment obligation in favour of such Shareholder's payment bank in accordance with the CREST payment arrangements in accordance with paragraph 6.1.2 of this Part 3 will, to the extent of the obligations so created, discharge fully Cantor Fitzgerald's obligation to pay such Shareholder the consideration to which they are entitled pursuant to the Tender Offer; and
- (vii) the Tender Offer will be governed by and construed in accordance with English law and the input of the TTE Instruction constitutes such Shareholder's submission to the jurisdiction of the courts of England and Wales in relation to all matters arising out or in connection with the Tender Offer.

5.3 ***All Shareholders Tendering Shares***

Each Shareholder by whom, or on whose behalf, a Tender Form is completed and returned (including a Tender Form which is treated by Cantor Fitzgerald as valid) or a TTE Instruction which is treated by Cantor Fitzgerald as valid, irrevocably undertakes, represents, warrants and agrees to and with Cantor Fitzgerald (so as to bind such Shareholder and their personal representatives, heirs, successors and assigns) that:

- (i) in consideration of Cantor Fitzgerald agreeing to process their tender, such Shareholder will not revoke their tender;
- (ii) such Shareholder has full power and authority to tender, sell, assign or transfer the Shares in respect of which the offer referred to in sub-paragraph 5.1(i) (in the case of Shares held in certificated form) or sub-paragraph 5.2(i) (in the case of Shares held in uncertificated form) is accepted (together with all rights attaching thereto) and, when the same are purchased by Cantor Fitzgerald, Cantor Fitzgerald as principal will purchase such Shares as are successfully tendered with full title guarantee and free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third party rights of any nature and together with all rights attaching thereto, on or after Thursday, 8 November 2012, including the right to receive all dividends and other distributions declared, paid or made after that date;
- (iii) such Shareholder agrees to ratify and confirm each and every act or thing which may be done or effected by Cantor Fitzgerald and/or the Receiving Agent or any of their respective directors or officers or any person nominated by Cantor Fitzgerald or the Receiving Agent or any of their respective directors or officers in the proper exercise of their powers and/or authorities in accordance with the terms and conditions of the Tender Offer;
- (iv) all powers of attorney and authorities on the terms conferred by or referred to in this Part 3 or, in the case of Shares held in certificated form, in the Tender Form are given by way of security for the performance of the obligations of such Shareholder and are irrevocable in accordance with section 4 of the Powers of Attorney Act 1971;
- (v) such Shareholder shall do all such acts and things as shall be necessary or expedient and execute any additional documents deemed by Cantor Fitzgerald to be desirable, in each case in order to complete the purchase of such Shares as are successfully tendered and/or to perfect any of the authorities expressed to be given in accordance with the terms and conditions of the Tender Offer;
- (vi) such Shareholder has observed the laws of all relevant jurisdictions, obtained any requisite consents and complied with all applicable formalities, and that the invitation pursuant to the Tender Offer may be made to them, under the laws of the relevant jurisdictions, and has not taken or omitted to take any action which would otherwise result in Cantor Fitzgerald or the Company acting in breach of any applicable legal or regulatory requirement in respect of the purchase by Cantor Fitzgerald of the Shares successfully tendered by them in accordance with the Tender Offer; and
- (vii) such Shareholder consents to the assignment by Cantor Fitzgerald of all such benefit as Cantor Fitzgerald may have in any covenants, representations and warranties in respect of the Shares which are successfully tendered pursuant to the Tender Offer.

6. Settlement of Consideration

- 6.1 Payment of the consideration to which any Shareholder is entitled pursuant to a valid tender accepted by Cantor Fitzgerald will be made in pounds sterling as follows:

6.1.1 *Shares Held in Certificated Form*

Where an accepted tender relates to Shares held in certificated form:

- (i) a cheque drawn on a branch of a UK clearing bank for the consideration due will be despatched by the Receiving Agent (on behalf of Cantor Fitzgerald) on or as soon as practicable by Thursday, 15 November 2012 by first class post to the person or agent whose name and address (not being an address in a Restricted Jurisdiction) is set out in Box 1 or Box 3 of the Tender Form or, if none is set out, to the registered address of the tendering Shareholder or, in the case of joint holders, the address of the first named; and
- (ii) notwithstanding sub-paragraph (i) above, payment of the consideration due will be made only after timely receipt by the Receiving Agent of a properly completed Tender Form and the share certificate(s) and/or other document(s) of title, or an indemnity acceptable to Cantor Fitzgerald in lieu thereof, in respect of the Shares successfully tendered.

6.1.2 *Shares Held in Uncertificated Form*

Where an accepted tender relates to Shares held in uncertificated form:

- (i) the consideration due will be paid on or around Monday, 12 November 2012 by the Receiving Agent (on behalf of Cantor Fitzgerald) procuring the creation of a CREST payment obligation in favour of the tendering Shareholder's payment bank in accordance with the CREST payment arrangements.
- (ii) notwithstanding sub-paragraph (i) above, payment of the consideration due will be made only after the relevant TTE Instruction has settled.

- 6.2 Under no circumstances will interest be paid on the consideration to which any Shareholder is entitled pursuant to a valid tender accepted by Cantor Fitzgerald regardless of any delay in making payment of such consideration.

7. Overseas Shareholders

- 7.1 The making of the Tender Offer in, or to persons resident in, jurisdictions outside the United Kingdom or to persons who are citizens, residents or nationals of other countries other than the United Kingdom may be affected by the laws of the relevant jurisdiction. Shareholders who are not resident in the United Kingdom, or who are citizens, residents or nationals of countries outside the United Kingdom, should inform themselves about and observe any applicable legal requirements. It is the responsibility of any Overseas Shareholder wishing to take up the Tender Offer to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental or other consents which may be required, the compliance with other necessary formalities and the payment of any transfer or other taxes or other requisite payments due in such jurisdiction. Any Overseas Shareholder will be responsible for payment of any such transfer or other taxes or other requisite payments by whomsoever payable and the Company, Equiniti Limited, Cantor Fitzgerald and any person acting on their behalf shall be fully indemnified and held harmless by such Shareholder on an after-tax basis for any such transfer or other taxes or other requisite payments such person may be required to pay. No steps have been taken to qualify the Tender Offer or to authorise the extending of the Tender Offer or the distribution of this document or the Tender Form in any territory outside the United Kingdom.
- 7.2 In particular, the Tender Offer is not being made, directly or indirectly, in, into or from, or by use of the mail or by any means or instrumentality (including, without limitation, facsimile transmission, email, other electronic transmission and telephone) of interstate or foreign commerce, or of any facility of a national securities exchange, of a Restricted Jurisdiction and the Tender Offer cannot be accepted by any such use, means, instrumentality, facility or otherwise from within a Restricted Jurisdiction. Accordingly, copies of this document, the Tender Form and any related documents are not being, and must not be, mailed or otherwise

distributed or sent in, into or from a Restricted Jurisdiction, including to Shareholders with registered addresses in a Restricted Jurisdiction or to persons who are custodians, nominees or trustees holding Shares for persons in a Restricted Jurisdiction. Persons receiving such documents (including without limitation custodians, nominees or trustees) should not distribute, send or mail them in, into or from a Restricted Jurisdiction or use such mail or any such means, instrumentality, facility or otherwise in connection with the Tender Offer, and doing so will render invalid any related purported acceptance of the Tender Offer. Persons wishing to accept the Tender Offer should not use such mail or any such means, instrumentality or facility for any purpose, directly or indirectly, relating to acceptance of the Tender Offer. Envelopes containing Tender Forms should not be postmarked in or otherwise despatched from a Restricted Jurisdiction. All accepting Shareholders must provide addresses outside a Restricted Jurisdiction for the remittance of cash or the return of documents lodged pursuant to the Tender Offer.

7.3 A Shareholder will be deemed not to have accepted the Tender Offer if:

- (i) such Shareholder is unable to make the representations and warranties set out in sub-paragraphs 5.1(vii) and 5.3(vi) (in respect of Shares held in certificated form) or sub-paragraphs 5.2(v) and 5.3(vi) (in respect of Shares held in certificated form) of this Part 3;
- (ii) in respect of Shares held in certificated form, such Shareholder inserts in the Tender Form the name and address of a person or agent in a Restricted Jurisdiction to whom they wish the consideration to which they are entitled pursuant to the Tender Offer to be sent; or
- (iii) the Tender Form received from such Shareholder is in an envelope postmarked in, or which otherwise appears to the Receiving Agent or Cantor Fitzgerald to have been sent from a Restricted Jurisdiction.

Cantor Fitzgerald reserves the right, in its absolute discretion, to investigate, in relation to any acceptance, whether the representations and warranties referred to in sub-paragraph (i) above given by, or on behalf of, any Shareholder are correct and, if such investigation is undertaken and as a result Cantor Fitzgerald determines (for any reason) that such representations and warranties are not correct, such acceptance shall not be valid.

7.4 If, in connection with making the Tender Offer, notwithstanding the restrictions described in this paragraph 7, any person (including, without limitation, custodians, nominees and trustees), whether pursuant to a contractual or legal obligation or otherwise, forwards this document, a Tender Form or any related documents in, into or from a Restricted Jurisdiction or uses the mails, any means or instrumentality (including, without limitation, facsimile transmission, email, other electronic transmission and telephone) of interstate or foreign commerce or any facility of a national, state or other securities exchange of any Restricted Jurisdiction in connection with such forwarding, such persons should:

- (i) inform the recipient of such fact;
- (ii) explain to the recipient that such action may invalidate any purported acceptance by the recipient; and
- (iii) draw the attention of the recipient to this paragraph 7.

7.5 The provisions of this paragraph 7 and any other terms of the Tender Offer relating to persons resident in jurisdictions outside the United Kingdom or to persons who are citizens, residents or nationals of countries other than the United Kingdom may be waived, varied or modified as regards specific Shareholders or on a general basis by Cantor Fitzgerald in its absolute discretion but only if Cantor Fitzgerald is satisfied that such waiver, variance or modification will not constitute or give rise to a breach of applicable securities or other law.

7.6 The provisions of this paragraph 7 supersede any terms of the Tender Offer inconsistent herewith.

7.7 **Overseas Shareholders should inform themselves about and observe any applicable legal or regulatory requirements. Any Overseas Shareholder in any doubt about their position should consult their professional adviser in the relevant jurisdiction.**

8. Miscellaneous

- 8.1 Except as contained in this document, no person has been authorised to give any information or make any representations with respect to the Company or the Tender Offer and, if given or made, such other information or representations should not be relied on as having been authorised by the Company or Cantor Fitzgerald.
- 8.2 Neither the Company nor Cantor Fitzgerald shall have any liability to any person as a result of exercising, or not exercising, any discretion conferred on them or either of them in accordance with the terms and conditions of the Tender Offer.
- 8.3 The provisions of the Contracts (Rights of Third Parties) Act 1999 do not apply to this document or the Tender Form.

PART 4

FURTHER DETAILS OF THE PERFORMANCE FEE

1. Key Terms

1.1 Hurdle

No Performance Fee will be payable unless, at the end of the Performance Period, the Aggregate Gross Proceeds exceed 85 per cent. of the Aggregate Adjusted Carrying Values.

1.2 Rate

Subject to the cap referred to below, the Performance Fee will be calculated on a sliding scale basis, commencing at the rate of 0.5 per cent. if the Aggregate Gross Proceeds exceed 85 per cent. of the Aggregate Adjusted Carrying Values and increasing on a straight line sliding scale to a maximum rate of 1.5 per cent. if the Aggregate Gross Proceeds equal (or exceed) 100 per cent. of the Aggregate Adjusted Carrying Values.

1.3 Quantum

The actual amount of the Performance Fee will be calculated by applying the relevant rate to the aggregate of the following:

- (i) 100 per cent. of the Aggregate Gross Proceeds from sales completed between 1 July 2012 and 31 December 2013 (both dates inclusive) plus 100 per cent. of the amount of the associated undrawn original commitments from which the Company is released as a result of such sales; and
- (ii) 80 per cent. of the Aggregate Gross Proceeds from sales completed between 1 January 2014 and 31 December 2014 (both dates inclusive) plus 80 per cent. of the amount of the associated undrawn original commitments from which the Company is released as a result of such sales.

1.4 Cap

The Performance Fee shall not exceed 1.0 per cent. of the Company's NAV (before accruing for the Performance Fee) as at the latest date in respect of which the Company has published its NAV per Share prior to payment of the Performance Fee. Furthermore, if the Aggregate Gross Proceeds minus the Performance Fee would equal an amount less than 85 per cent. of the Aggregate Adjusted Carrying Values, then the Performance Fee shall be reduced so that the Aggregate Gross Proceeds minus the Fee equals 85 per cent. of the Aggregate Adjusted Carrying Values.

1.5 Payment

If the hurdle referred to above is met, the Performance Fee (subject to the cap referred to above) will be payable as soon as practicable following the end of the Relevant Period.

1.6 General

All valuations, proceeds and other amounts will be expressed in sterling using the exchange rates prevailing at the close of business on the dates they are calculated, paid, received or released (as appropriate) for the purpose of the Performance Fee. For the avoidance of doubt, Dunedin shall not be entitled to any Performance Fee in respect of disposals of the Company's interests in European Funds completed after the expiry of the Relevant Period.

2. Illustration

For illustrative purposes only, the table below shows the Performance Fee that would be payable based on the following bases and assumptions:

- (i) the aggregate value of the European Fund investments as at 30 June 2012 was £21.1 million (with associated undrawn original commitments of £35.0 million);
- (ii) the Company disposes of all of its European Fund investments (including being released from all associated undrawn original commitments) during the Performance Period;

- (iii) there are no changes in the values of the European Fund investments between 30 June 2012 and their respective sales;
- (iii) no commitments are drawn down, and no distributions are received, in respect of the European Fund investments during the Performance Period (resulting in the Aggregate Adjusted Carrying Values being £21.1 million);
- (v) the exchange rate of €1 : £0.80906 (being the rate of exchange as at 30 June 2012) remains constant throughout the Performance Period; and
- (vi) there is no change in the value of the Company's NAV as at 30 June 2012 (being £157.8 million) and the value of the Company's NAV (before accruing for the Performance Fee) as at the latest date in respect of which the Company has published its NAV per Share prior to payment of the Performance Fee.

Performance Fee Payable if All European Fund Investments Sold Between 1 July 2012 and 31 December 2013 (Based on 100% of Aggregate Gross Proceeds + 100% of Aggregate Amount of Associated Undrawn Original Commitments Released)							
Weighted Average Discount/Premium to Valuation Achieved on Sale (%)	Aggregate Gross Proceeds (£m)	Undrawn Original Commitment Released (£m)	Fee Rate (%)	Fee Payable (Before Cap) (£m)	Cap (£'000)	Fee Payable (After Cap) (£'000)	As % of 30-Jun-12 Net Assets
-15.0	17.9	35.0	0.5	264.4	0.0	0.0	0.0
-13.5	18.3	35.0	0.6	319.2	316.5	316.5	0.2
-12.5	18.5	35.0	0.7	356.1	527.5	356.1	0.2
-10.0	19.0	35.0	0.8	449.5	1,055.0	449.5	0.3
-7.5	19.5	35.0	1.0	544.7	1,582.5	544.7	0.3
-5.0	20.0	35.0	1.2	641.6	2,110.0	641.6	0.4
-2.5	20.6	35.0	1.3	740.3	2,637.5	740.3	0.5
0.0	21.1	35.0	1.5	840.8	3,165.0	840.8	0.5
2.5	21.6	35.0	1.5	848.7	3,692.5	848.7	0.5

Performance Fee Payable if All European Fund Investments Sold in 2014 (Based on 80% of Aggregate Gross Proceeds + 80% of Aggregate Amount of Associated Undrawn Original Commitments Released)							
Weighted Average Discount/Premium to Valuation Achieved on Sale (%)	Aggregate Gross Proceeds (£m)	Undrawn Original Commitment Released (£m)	Fee Rate (%)	Fee Payable (Before Cap) (£m)	Cap (£'000)	Fee Payable (After Cap) (£'000)	As % of 30-Jun-12 Net Assets
-15.0	17.9	35.0	0.5	211.5	0.0	0.0	0.0
-13.5	18.3	35.0	0.6	255.4	316.5	255.4	0.2
-12.5	18.5	35.0	0.7	284.9	527.5	284.9	0.2
-10.0	19.0	35.0	0.8	359.6	1,055.0	359.6	0.2
-7.5	19.5	35.0	1.0	435.7	1,582.5	435.7	0.3
-5.0	20.0	35.0	1.2	513.3	2,110.0	513.3	0.3
-2.5	20.6	35.0	1.3	592.2	2,637.5	592.2	0.4
0.0	21.1	35.0	1.5	672.6	3,165.0	672.6	0.4
2.5	21.6	35.0	1.5	678.9	3,692.5	678.9	0.4

PART 5

UK TAXATION

The information set out in this Part 5 does not constitute tax advice and is intended only as a guide to current United Kingdom law and HM Revenue & Customs ("HMRC") published practice (which are both subject to change at any time, possibly with retrospective effect). Such information relates only to certain limited aspects of the United Kingdom taxation treatment of Shareholders who are resident or, if individuals, ordinarily resident in the UK for UK tax purposes, who are the beneficial owners of their Shares and who hold their Shares as investments (and not as assets to be realised in the course of a trade, profession or vocation). They may not relate to certain Shareholders (such as dealers in securities). Shareholders in any doubt as to their taxation position should consult an appropriate professional adviser without delay.

1. Taxation of Chargeable Gains

A Shareholder who sells Shares to Cantor Fitzgerald pursuant to the Tender Offer should be treated, for the purposes of UK taxation, as though the Shareholder has sold them in the normal way through the market to a third party. Accordingly, and subject to paragraph 2 of this Part 5, such a sale by a Shareholder who is resident or ordinarily resident in the UK for tax purposes may, depending on that Shareholder's personal circumstances and the availability of any exemptions, reliefs and allowable losses, may give rise to a chargeable gain (or allowable loss) for the purposes of UK taxation of chargeable gains.

Shareholders who are not resident or ordinarily resident in the UK for tax purposes will not normally be liable to UK taxation on chargeable gains arising from the sale of their Shares unless those Shares are held through a UK permanent establishment, although they may be subject to foreign taxation depending on their personal circumstances.

Individual Shareholders who are temporarily neither resident nor ordinarily resident in the UK for tax purposes may be liable to capital gains tax under tax anti-avoidance legislation.

2. Transactions in Securities

Chapter 1 of Part 13 of the Income Tax Act 2007 (in respect of individual Shareholders) and Part 15 of the Corporation Tax Act 2012 (in respect of corporate Shareholders) (together, the **"tax advantage provisions"**) permit HMRC to counteract tax advantages arising from certain transactions in securities. The tax advantage provisions do not apply where the relevant Shareholder can show that the transaction was entered into for genuine commercial reasons and did not involve, as one of its main objects, the obtaining of a tax advantage.

If HMRC sought to apply the tax advantage provisions in respect of the Tender Offer, then some individual UK resident (or ordinarily resident) Shareholders and trustees selling their Shares pursuant to the Tender Offer might be liable to taxation as if they had received income, rather than capital.

No application has been made to HMRC for clearance that the tax advantage provisions shall not apply to any sale of Shares pursuant to the Tender Offer. **Shareholders are, however, advised to take independent professional advice as to the potential application of the tax advantage provisions in the light of their own particular motives and circumstances.**

3. Stamp Duty and Stamp Duty Reserve Tax ("SDRT")

The sale of Shares pursuant to the Tender Offer will not give rise to any liability to stamp duty or SDRT for selling Shareholders.

Stamp duty or SDRT at the rate of 0.5 per cent. of the aggregate Tender Price of the Shares purchased by the Company pursuant to the Purchase Agreement (rounded up to the nearest £5 in the case of stamp duty only) will be payable by the Company on its purchase of such Shares from Cantor Fitzgerald.

PART 6

ADDITIONAL INFORMATION

1. The City Code on Takeovers and Mergers

Under Rule 9 of the Takeover Code ("**Rule 9**"), any person or group of persons deemed to be acting in concert who acquires 30 per cent. or more of the voting shares of a company to which the Takeover Code applies is normally required by the Panel to make a general offer to shareholders of that company to acquire their shares. Rule 9 also provides that any person or group of persons deemed to be acting in concert who own between 30 per cent. and 50 per cent. of the voting shares of a company to which the Takeover Code applies will be unable, without the Panel's consent, to acquire, either individually or together, any further voting rights in the company without being required to make a general offer to shareholders of that company to acquire their shares.

Under Rule 37.1 of the Takeover Code, when a company purchases its own voting shares, a resulting increase in the percentage of voting rights carried by shareholdings of its directors and persons acting in concert with them is treated as an acquisition for the purpose of Rule 9. A shareholder not acting in concert with the directors of that company will not normally incur an obligation to make a general offer under Rule 9, if, as a result of the purchase of its own shares by that company, that shareholder comes to exceed the percentage limits set out in Rule 9. However, this exception will not apply when a shareholder not acting in concert with the company's directors has purchased shares at a time when that shareholder had reason to believe that such a purchase of its own shares by the company would take place.

A Shareholder not acting in concert with the Directors may, therefore, incur an obligation under Rule 9 to make a general offer to Shareholders to acquire their Shares if, as a result of the purchase by the Company of its own Shares from other Shareholders, that Shareholder comes to hold or acquire 30 per cent. or more of the Shares following the Tender Offer and that Shareholder has purchased Shares on or after 31 August 2012, being the date when that Shareholder had reason to believe that the Company would purchase its own Shares pursuant to the Tender Offer.

2. Material Contracts

- 2.1 By an investment management agreement between (i) the Company and (ii) Dunedin LLP dated 1 August 2008, subsequently amended by a supplemental agreement dated 5 May 2011 and by a letter of variation dated 30 April 2012 and novated to the Investment Manager with effect from 30 April 2012 pursuant to a novation agreement dated 30 April 2012, the Company has appointed the Investment Manager to act as investment manager of the Company, including to manage the assets of the Company in accordance with the Company's investment objective and guidelines from time to time.

Under the terms of the Management Agreement, subject to the overall supervision of the Directors, the Investment Manager has discretion without prior reference to the Company, to buy, sell and otherwise manage investments for the account of the Company.

The Investment Manager is entitled to the following management fees:

- (i) in relation to the Company's investments in funds managed by Dunedin, the same fees as paid by third party investors in such funds;
- (ii) in relation to the Company's investment in the Fund of Funds Limited Partnership, 1.5 per cent. on the value of that investment plus 0.5 per cent. on undrawn commitments to third party funds;
- (iii) in relation to all of the Company's other investments, 1.5 per cent. of the value of those investments; and
- (iii) in relation to cash balances, 0.5 per cent. of such balances as are not committed through the Fund of Funds Limited Partnership

The Management Agreement may be terminated at any time by either party giving 18 months' notice of termination. The Management Agreement may also be terminated, in certain circumstances, on 12 months' notice.

The Management Agreement may also be terminated by the Company by written notice with immediate effect and no compensation being payable, if, inter alia, the Investment Manager ceases to be an authorised person under FSMA or becomes insolvent, is wound up, has a receiver appointed over the whole or a substantial part of its assets, is liquidated, persistently fails to comply with the reasonable instructions of the Directors or is in breach of its material obligations and fails to remedy the same within 30 days of receiving notice requiring it to do so.

The Management Agreement contains indemnity provisions in favour of the Investment Manager against all claims and demands except where there has been fraud, negligence, wilful default or bad faith on the part of the Investment Manager or where the Investment Manager is in breach of the Management Agreement.

- 2.2 By a purchase agreement between the Company and Cantor Fitzgerald dated 16 October 2012, the Company has agreed to purchase from Cantor Fitzgerald, as an on-market purchase and at an amount per Share equal to the Tender Price, all of the Shares purchased by Cantor Fitzgerald pursuant to the Tender Offer, such purchase and sale to be completed immediately following the purchase of those Shares by Cantor Fitzgerald.

Under the Purchase Agreement, which is conditional on the Tender Offer becoming unconditional in all respects and not lapsing or terminating in accordance with its terms, the Company shall pay an amount equal to the Tender Price multiplied by the number of Shares successfully tendered to a non-interest bearing account with the Receiving Agent in the name of the Company as soon as practicable after the Tender Offer has closed so as to be received in cleared funds by not later than 2.00 p.m. on Friday, 9 November 2012 (or such later date as may be agreed in writing by Cantor Fitzgerald and the Company).

The Purchase Agreement contains representations and warranties from the Company in favour of Cantor Fitzgerald and incorporates an indemnity in favour of Cantor Fitzgerald in respect of any liability which it may suffer in relation to its performance pursuant to the Tender Offer.

The Purchase Agreement also contains certain representations, warranties and undertakings from Cantor Fitzgerald in favour of the Company concerning its authority to enter into the agreement and to make the purchase of Shares pursuant to the Tender Offer.

- 2.3 Save as disclosed in paragraph 2.1 of this Part 6, neither the Company nor any of its subsidiaries has entered into:
- (i) any material contract (not being a contract entered into in the ordinary course of business) in the two years immediately preceding the date of this document; or
 - (ii) any other contract (not being a contract entered into in the ordinary course of business) which contains any provision under which it has any obligation or entitlement which is material to the Group as at the date of this document;

which Shareholders would reasonably require to make an informed assessment of how to vote on resolution 2 (being the resolution to approve the Performance Fee) set out in the notice convening the General Meeting in Part 8 of this document.

3. Substantial Share Interests

As at 12 October 2012, so far as known to the Company the persons set out in the table below had interests, directly or indirectly, in the issued Shares which were notifiable under the Companies Act 2006 and/or the FSA's Disclosure and Transparency Rules.

	<i>No. of Shares Held</i>	<i>% of Issued Shares</i>
Legal & General Group PLC	7,347,054	27.10
Alliance Trust Savings	3,666,978	13.53
Baillie Gifford Diversified Growth Fund	1,415,720	5.22
East Riding of Yorkshire Council	1,162,926	4.29
Brewin Dolphin	1,154,316	4.12
Cayenne Asset Management	1,116,589	4.12

4. No Significant Change

- 4.1 Pursuant to the Company's announcement on 31 August 2012 that there was outstanding at that date approximately £13.9 million available for distribution to Shareholders, representing £8.4 million of capital and £5.5 million, a special dividend of 16p per Share (in aggregate, £4.3 million) was paid on 28 September 2012 to Shareholders on the register at the close of business on 7 September 2012, thereby reducing the Company's net assets by £4.3 million (equivalent to approximately 2.7 per cent. of the Company's net assets as at 30 June 2012, being the last date as at which the Company has announced its NAV). The Board also confirmed, in the announcement on 31 August 2012:
- (i) the proposed Tender Offer;
 - (ii) that the balance of the capital then available to be returned to Shareholders in accordance with the Company's distribution policy could be used to fund Share buy-backs in the coming months or will be otherwise returned to Shareholders in due course in accordance with the distribution policy; and
 - (iii) in order to continue to deliver on the strategy approved by Shareholders, the Company had committed a further amount of up to £25 million (equivalent to up to 15.8 per cent. of the Company's net assets at 30 June 2012) to the Investment Manager's next limited partnership fund, bringing the Company's total potential commitment to that fund to £50 million.
- 4.2 Save as disclosed in paragraph 4.1 of this Part 6, there has been no significant change in the financial or trading position of the Group since 30 June 2012 (the end of the last financial period of the Company for which consolidated unaudited interim financial information has been published).

5. General

- 5.1 Apart from the responsibilities and liabilities, if any, which may be imposed on Cantor Fitzgerald by FSMA or the regulatory regime established under FSMA, Cantor Fitzgerald accepts no responsibility whatsoever for the contents of this document or for any other statement made or purported to be made by it or on its behalf in connection with the Company or the Tender Offer. Cantor Fitzgerald accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to earlier in this paragraph) which it might otherwise have in respect of this document or any such statement. Cantor Fitzgerald has given and not withdrawn its written consent to the issue of this document with the inclusion of its letter and with the references to its name in the form and context in which they are included.
- 5.2 N+1 Brewin has given and not withdrawn its written consent to the issue of this document with the inclusion of its name in the form and context in which it is included.
- 5.3 Assuming the Tender Offer is subscribed in full, the costs in connection with the Tender Offer are estimated to be approximately £140,000 (inclusive of stamp duty and VAT) and will be payable by the Company.
- 5.4 There were no Shares held in treasury as at the date of this document.

6. Documents Available for Inspection

Copies of the following documents will be available for inspection at the offices of Dunedin LLP, Dukes Court, 32 Dukes Street St James's, London, SW1Y 6DF, during normal business hours on weekdays (Saturdays, Sundays and public holidays excepted) from the date of this document until the completion, lapse or termination of the Tender Offer and also at the General Meeting:

- (i) the articles of association of the Company as at the date of this document;
- (ii) the annual report and accounts of the Company for the financial years ended 31 December 2009, 31 December 2010 and 31 December 2011;
- (iii) the interim report of the Company for the six months ended 30 June 2012;

- (iv) the draft supplemental agreement proposed to be entered into by the Company and the Investment Manager referred to in resolution 2 set out in the notice convening the General Meeting in Part 8 of this document, the purpose of which is to incorporate the Performance Fee into the Management Agreement;
- (v) the Purchase Agreement;
- (vi) the consent letters referred to in paragraph 5.1 and 5.2 of this Part 6; and
- (vii) this document.

PART 7

DEFINITIONS

The following definitions apply throughout this document unless the context otherwise requires:

"Adjusted Carrying Value"	in relation to a European Fund investment sold during the Performance Period, the aggregate of (i) the value of that investment, based on the latest valuation of the underlying fund provided to investors in that fund by the manager of that fund prior to the date on which the Company enters into a legally binding commitment to sell that investment (or, if that agreement provides for the price to be adjusted or agreed at a later date, then prior to that later date) ² , adjusted (if necessary) by adding the amount of any commitments drawn down by, and deducting the amount of any distributions received from, the underlying fund since that latest valuation and (ii) the amount of any distributions received from the underlying fund during the period commencing on 1 July 2012 and ending on the date immediately preceding the sale of the investment
"Aggregate Adjusted Carrying Values"	the aggregate Adjusted Carrying Values of all European Fund investments sold during the Performance Period
"Aggregate Gross Proceeds"	the aggregate Gross Proceeds from all sales of European Fund investments completed during the Performance Period
"Alliance Trust Savings Product Investors"	investors in Shares through the Alliance Trust Product Range
"Alliance Trust Savings Product Range"	in order to facilitate investment in the Company, the arrangements put in place for the Company to be part of Alliance Trust Savings Limited's product range, which includes an Investment Dealing Account, Stocks & Shares ISA and SIPP
"ARAN message"	a registrar's adjustment message (as defined in the CREST Manual)
"Basic Entitlement"	in the case of each Shareholder (other than Restricted Shareholders), the entitlement to tender in the Tender Offer up to 5 per cent. of the Shares registered in the Register in such person's name at the Record Date rounded down to the nearest whole number of Shares
"Board"	the board of Directors, including any duly constituted committee thereof
"Business Day"	any day other than a Saturday, Sunday or public holiday in England and Wales on which clearing banks in London are open for general banking business
"Cantor Fitzgerald"	Cantor Fitzgerald Europe
"certificated" or "in certificated form"	not in uncertificated form
"Company"	Dunedin Enterprise Investment Trust PLC
"CREST"	the facilities and procedures for the time being of the relevant system of which Euroclear has been approved as operator pursuant to the CREST Regulations

² The Company's NAV is calculated on a quarterly basis and its investments in third party funds are valued by reference (and without applying any discount or premium) to the latest valuations of the underlying funds provided to investors in those funds by the managers of those funds.

"CREST Manual"	the compendium of documents entitled CREST Manual issued by Euroclear from time to time and comprising the CREST Reference Manual, the CREST Central Counterparty Service Manual, the CREST International Manual, CREST Rules, CCSS Operations Manual and the CREST Glossary of Terms
"CREST member"	a person who has been admitted by Euroclear as a system-member (as defined in the CREST Regulations)
"CREST participant"	a person who is, in relation to CREST, a system participant (as defined in the CREST Regulations)
"CREST Regulations"	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755)
"CREST sponsor"	a CREST participant admitted to CREST as a CREST sponsor, being a sponsoring system participant (as defined in the CREST Regulations)
"CREST sponsored member"	a CREST member admitted to CREST as a sponsored member
"Directors"	the directors of the Company, whose names appear on page 4 of this document
"Dunedin" or "Investment Manager"	Dunedin LLP
"European Fund investments"	the Company's interests in Egeria Private Equity Fund III, FSN Capital III LP, Capiton IV ³ , Innova/5 LP and Realza Capital Fondo FCR
"Euroclear"	Euroclear UK & Ireland Limited, the operator of CREST
"Form of Direction"	the form of direction issued by Alliance Trust Savings Limited for use by Alliance Trust Savings Product Investors in connection with the General Meeting
"Form of Proxy"	the form of proxy issued by the Company for use by Shareholders in connection with the General Meeting
"FSA"	Financial Services Authority
"FSMA"	the Financial Services and Markets Act 2000
"General Meeting"	the general meeting of the Company convened for 10.00 a.m. on Thursday, 8 November 2012 (or any adjournment of that meeting), notice of which is set out in Part 8 of this document
"Group"	the Company and its subsidiaries
"Gross Proceeds"	in relation to a European Fund investment sold during the Performance Period, the aggregate of (i) the gross consideration received by the Company in respect of the sale of that investment and (ii) the amount of any distributions received from the underlying fund in respect of that investment during the period commencing on 1 July 2012 and ending on the date immediately preceding the sale of the investment
"Independent Shareholders"	Shareholders excluding, if it were to hold Shares, Dunedin
"Listing Rules"	the listing rules made by the FSA pursuant to section 73A of FSMA
"London Stock Exchange"	London Stock Exchange plc

³ This investment was sold in August 2012 for a consideration of €4.2 million. In addition, the Company was released from the associated undrawn original commitment of €10.8 million.

"Management Agreement"	the investment management agreement between the Company and the Investment Manager, details of which are set out in paragraph 2.1 of Part 6 of this document
"member account ID"	the identification code or number attached to any member account in CREST
"NAV"	in relation to the Company, the net asset value of the Company as calculated by the Company in accordance with the Company's normal accounting policies or, in relation to a Share, the net asset value of the Company as so calculated divided by the number of Shares in issue on the relevant date of calculation (excluding any Shares held in treasury)
"N+1 Brewin"	Nplus1 Brewin LLP
"Overseas Shareholders"	a Shareholder who is resident in, or a citizen of, a jurisdiction outside the United Kingdom
"Panel"	the Panel on Takeovers and Mergers
"participant ID"	the identification code or membership number used in CREST to identify a particular CREST member or other CREST participant
"Performance Fee"	the proposed new performance fee described under the heading "The Performance Fee" in Part 1 and in Part 4 of this document
"Performance Period"	the period commencing on 1 July 2012 and ending on the earlier of (i) the date on which the Company completes the process of selling its European Fund investments (in conjunction with being released from all associated undrawn original commitments) or (ii) 31 December 2014
"Proposals"	the Performance Fee and/or the Tender Offer (as the context may require)
"Purchase Agreement"	the agreement dated 16 October 2012 between the Company and Cantor Fitzgerald whereby the Company has agreed to purchase from Cantor Fitzgerald, as an on-market purchase and at an amount per Share equal to the Tender Price, all of the Shares purchased by Cantor Fitzgerald pursuant to the Tender Offer as summarised in paragraph 2 of Part 6 of this document
"Receiving Agent"	Equiniti Limited
"Record Date"	the record date for the Tender Offer, being the close of business on Thursday, 8 November 2012
"Register"	the register of Shareholders
"Regulatory Information Service"	a regulatory information service approved by the FSA and on the list of regulatory information services maintained by the FSA
"Restricted Jurisdiction"	any of the following jurisdictions: Australia; Canada; Japan; New Zealand; the Republic of South Africa; or the United States
"Restricted Shareholder"	a Shareholder who is a resident in, or a citizen or national of, a Restricted Jurisdiction or any other jurisdiction where the mailing of this document or the Tender Form in, into or from such jurisdiction would constitute a violation of the laws of such jurisdiction
"Shareholders"	holders of Shares
"Shares"	ordinary shares of 25p each in the capital of the Company
"Takeover Code"	The City Code on Takeovers and Mergers
"Tender Form"	the tender form issued by the Company for use by Shareholders in connection with the Tender Offer

"Tender Offer"	the invitation by Cantor Fitzgerald to Shareholders (other than Restricted Shareholders) to tender, in aggregate, up to 1,355,507 Shares, representing 5 per cent. of the Shares in issue at the date of this document, for purchase on the terms and subject to the conditions set out in this document and, where applicable, the Tender Form
"Tender Offer Resolution"	the special resolution (being resolution 1) to be proposed at the General Meeting in relation to the Tender Offer
"Tender Price"	500p per Share
"TFE Instruction"	a transfer from escrow instruction (as defined by the CREST Manual)
"TTE Instruction"	a transfer to escrow instruction (as defined by the CREST Manual)
"uncertificated form" or "in uncertificated form"	recorded in the Register as being held in uncertificated form in CREST and title to which may be transferred by means of CREST
"United Kingdom" or "UK"	the United Kingdom of Great Britain and Northern Ireland
"United States" or "US"	the United States of America, its jurisdictions and possession, any state of the United States and the District of Columbia
"Voting Share Capital"	the issued share capital of the Company

Notes:

1. *All references in this document to "£", "pounds sterling" and "pence" (including the abbreviation "p") are to the lawful currency of the United Kingdom.*
2. *All references in this document to 12 October 2012 should be regarded as the being references to the latest practicable date prior to the publication of this document.*

PART 8

NOTICE OF GENERAL MEETING

Dunedin Enterprise Investment Trust PLC

*(Incorporated in Scotland under the Companies Acts 1948 to 1967 with registered number SC052844)
(An investment company under section 833 of the Companies Act 2006)*

Notice is hereby given that a general meeting of Dunedin Enterprise Investment Trust PLC will be held at 10.00 a.m. on Thursday, 8 November 2012 at the offices of Dunedin LLP at Dukes Court, 32 Duke Street St James's, London SW1Y 6DF, for the purpose of considering and, if thought fit, passing the following resolutions which will be proposed, in the case of resolution 1, as a special resolution and, in the case of resolution 2, as an ordinary resolution:

Special Resolution

1. That:
 - (i) the Company be and is hereby authorised in accordance with section 701 of the Companies Act 2006 (the "**2006 Act**") to make market purchases (within the meaning of section 693 of the 2006 Act) of its ordinary shares of 25p each (the "**Shares**") pursuant to the tender offer (the "**Tender Offer**") on the terms set out in the circular to shareholders of the Company dated 16 October 2012 (a copy of which is produced to the meeting and signed by the chairman of the meeting for the purpose of identification) (the "**Circular**"), provided that:
 - (a) the maximum number of Shares hereby authorised to be purchased shall be 1,355,507;
 - (b) the price which may be paid for a Share shall be 500p (which shall be both the maximum price and the minimum price for the purposes of section 701 of the 2006 Act); and
 - (c) unless renewed, the authority hereby conferred shall expire on the earlier of (1) the completion of the Tender Offer or (2) the anniversary of one year from the date of passing of this resolution;
 - (ii) the Company's authority to make market purchases of its Shares (within the meaning of section 693 of the 2006 Act) approved by Shareholders at the annual general meeting of the Company held on 18 May 2012 shall continue in effect and shall not be affected by the passing of this resolution nor shall any part of that authority be utilised in connection with the Tender Offer; and
 - (iii) words and expressions defined in Part 7 of the Circular shall have the same meanings when used in this resolution.

Ordinary Resolution

2. That the supplemental agreement proposed to be entered into by the Company and Dunedin LLP in the form produced to the meeting and signed for the purpose of identification by the chairman of the meeting (the purpose of which is to incorporate the Performance Fee into the Management Agreement) be and is hereby approved (and words and expressions defined in the circular to shareholders of the Company dated 16 October 2012 have the same meanings when used in this resolution).

By order of the Board
Dunedin LLP
Company Secretary
16 October 2012

Registered Office
Saltire Court
20 Castle Terrace
Edinburgh
EH1 2EN

Notes

1. **Website Giving Information Regarding the General Meeting**

Information regarding the General Meeting, including the information required by section 311A of the Companies Act 2006, is available from www.dunedinenterprise.com.

2. **Entitlement to Attend and Vote**

Only Shareholders registered in the Company's register of Shareholders at 6.00 p.m. on Tuesday, 6 November 2012 (or, if the General Meeting is adjourned, at 6.00 p.m. on the day two business days prior to the adjourned meeting) shall be entitled to attend and vote at the General Meeting in respect of the number of Shares registered in their name at that time. Changes to entries on the register of Shareholders after 6.00 p.m. on Tuesday, 6 November 2012 (or, if the General Meeting is adjourned, at 6.00 p.m. on the day two business days prior to the adjourned meeting) shall be disregarded in determining the rights of any person to attend, speak and vote at the General Meeting.

3. **Attending the General Meeting in Person**

A Shareholder who wishes to attend the General Meeting in person should arrive at the venue for the General Meeting in good time to allow their attendance to be registered. As they may be asked to provide evidence of their identity prior to being admitted to the General Meeting, it is advisable for Shareholders to have some form of identification with them.

4. **Appointment of Proxies**

- 4.1 A Shareholder of the Company at the time set out in note 2 above is entitled to appoint a proxy to exercise all or any of their rights to attend, speak and vote at the General Meeting. A proxy does not need to be a Shareholder of the Company but must attend the General Meeting to represent the Shareholder. A proxy may only be appointed using the procedures set out in these notes and the notes on the Form of Proxy.
- 4.2 A Shareholder may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different Shares. A Shareholder cannot appoint more than one proxy to exercise rights attached to the same Shares. If a Shareholder wishes to appoint more than one proxy, they should contact the Company's registrar Equiniti Limited (the "**Registrar**"), on 0871 384 2954 (calls to this number cost 8p per minute (excluding VAT) from a BT landline, other providers' costs may vary). Overseas Shareholders should call + 44 121 415 0245. Lines open 8.30 a.m. to 5.30 p.m., Monday to Friday.
- 4.3 If a Shareholder wishes a proxy to speak on their behalf at the General Meeting, the Shareholder will need to appoint their own choice of proxy (not the chairman of the General Meeting) and give their instructions directly to them. Such an appointment can be made using the Form of Proxy or through CREST.
- 4.4 A Shareholder may instruct their proxy to abstain from voting on a resolution to be considered at the General Meeting by marking the "Vote Withheld" option in relation to that resolution when appointing their proxy. It should be noted that an abstention is not a vote in law and will not be counted in the calculation of the proportion of votes "For" or "Against" that resolution.
- 4.5 Appointment of a proxy will not preclude a Shareholder from attending the General Meeting and voting in person.
- 4.6 A person who is not a Shareholder of the Company but has been nominated by a Shareholder to enjoy information rights does not have a right to appoint any proxies under the procedures set out in these notes and should read note 9 below.

5. **Appointment of Proxy Using Hard-copy Form of Proxy**

The notes on the Form of Proxy explain how to direct a proxy how to vote, or abstain from voting, on the resolutions to be considered at the General Meeting. To appoint a proxy using the Form of Proxy, the Form of Proxy must be completed and signed and sent or delivered to Equiniti, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, so as to be received by the Registrar by not later than 10.00 a.m. on Tuesday, 6 November 2012. In the case of a Shareholder which is a company, the Form of Proxy must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or other authority under which the Form of Proxy is signed (or a duly certified copy of such power or authority) must be included with the Form of Proxy.

6. **Appointment of Proxy through CREST**

- 6.1 CREST members who wish to appoint a proxy or proxies for the General Meeting by utilising the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual, which can be reviewed at www.euroclear.com/CREST. CREST personal

members or other CREST sponsored members and those CREST members who have appointed (a) voting service provider(s) should refer to their CREST sponsor or voting service provider(s) who will be able to take the appropriate action on their behalf.

- 6.2 In order for a proxy appointment made via CREST to be valid, the appropriate CREST message (a **"CREST Proxy Instruction"**) must be properly authenticated in accordance with the specifications of Euroclear and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must be transmitted so as to be received by the Registrar (RA19) by not later than 10.00 a.m. on Tuesday, 6 November 2012. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Registrar is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
- 6.3 CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed (a) voting service provider(s), to procure that their CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
- 6.4 The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

7. Appointment of Proxy by Joint Members

In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of Shareholders in respect of the joint holding (the first-named being the most senior).

8. Corporate Representatives

A Shareholder which is a corporation may authorise a person or persons to act as its representative(s) at the General Meeting. In accordance with the provisions of the Companies Act 2006 (as amended by the Companies (Shareholders' Rights) Regulations 2009), each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual Shareholder, provided that they do not do so in relation to the same Shares. It is therefore no longer necessary to nominate a designated corporate representative.

9. Nominated Persons

A person who has been nominated under section 146 of the Companies Act 2006 to enjoy information rights (a **"Nominated Person"**):

- (i) may have a right under an agreement between the Nominated Person and the Shareholder who has nominated them to have information rights (the **"Relevant Member"**) to be appointed or to have someone else appointed as a proxy for the General Meeting; and
- (ii) if they either do not have such a right or if they have such a right but do not wish to exercise it, may have a right under an agreement between them and the Relevant Member to give instructions to the Relevant Member as to the exercise of voting rights.

A Nominated Person's main point of contact in terms of their investment in the Company remains the Relevant Member (or, perhaps, their custodian or broker) and they should continue to contact them (and not the Company) regarding any changes or queries relating to their personal details and their interest in the Company (including any administrative matters). The only exception to this is where the Company expressly requests a response from the Nominated Person.

10. Questions at the General Meeting

Under section 319A of the Companies Act 2006, the Company must cause to be answered any question relating to the business being dealt with at the General Meeting put by a Shareholder attending the General Meeting unless (i) answering the question would interfere unduly with the preparation for the General Meeting or involve the disclosure of confidential information, (ii) the answer has already been given on the Company's website in the form of an answer to a question or (iii) it is undesirable in the interests of the Company or the good order of the General Meeting that the question be answered.

11. *Issued Shares and Total Voting Rights*

At the date of this document, the Company's issued share capital comprised 27,110,142 Shares, none of which were held in treasury. Each Share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company at the date of this document was 27,110,142.

12. *Disclosure Obligations*

Any person holding 3 per cent. or more of the total voting rights of the Company who appoints a person other than the chairman of the General Meeting as their proxy will need to ensure that both they and their proxy complies with their respective disclosure obligations under the FSA's Disclosure and Transparency Rules.

13. *Communication*

Any electronic address provided either in this notice of General Meeting or any related documents (including the Form of Proxy) to communicate with the Company may not be used for any purposes other than those expressly stated.