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Shore Capital and Corporate Limited, which is authorised and regulated in the United Kingdom by the Financial Services Authority for the conduct of investment business, is acting exclusively for Begbies Traynor Group plc and for no one else in connection with the Proposal described in this document and accordingly will not be responsible to any person other than Begbies Traynor Group plc for providing the protections afforded to clients of Shore Capital and Corporate Limited or for providing advice, in relation to the Proposal or any other matter referred to in this document.

BEGBIES TRAYNOR GROUP PLC

(Incorporated in England and Wales under the Companies Act 1985 with registered number 05120043)

Notice of Annual General Meeting, authority to make purchases of its own shares, approval of the Waiver granted by the Panel on Takeovers and Mergers under Rule 9 of the City Code on Takeovers and Mergers in relation to the purchase of its own shares and proposed reduction of capital

Notice of the Annual General Meeting of the Company to be held at the offices of Begbies Traynor Group plc, 340 Deansgate, Manchester, M3 4LY at 11.00 a.m. on 30 September 2010 is set out at the end of this document.

Shareholders will find attached at the end of this document a Form of Proxy for use in connection with the AGM. Whether or not you intend to attend the AGM in person, you are requested to complete the Form of Proxy in accordance with the instructions thereon and return it signed to the Company's registrars, Computershare Investor Services plc, The Pavilions, Bridgewater Road, Bristol, BS99 6ZY, as soon as possible and in any event, to be valid, so as to be received no later than 11.00 a.m. on 28 September 2010. Completion of a Form of Proxy will not preclude a Shareholder from attending and voting at the meeting in person.

Your attention is drawn to the letter from the Executive Chairman of Begbies Traynor Group plc set out in Part I of this document, which contains a unanimous recommendation by all of the Directors that you vote in favour of the Non-Share Purchase Resolutions to be proposed at the Annual General Meeting.

Your attention is also drawn to the letter from the Independent Directors of Begbies Traynor Group plc set out in Part II of this document, which contains a unanimous recommendation from the Independent Directors that you vote in favour of the Share Purchase Resolution and Waiver Resolution to be proposed at the Annual General Meeting.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Circular and Forms of Proxy posted to Shareholders	20 August 2010
Latest time for receipt of completed Forms of Proxy for AGM	11.00 a.m. on 28 September 2010
Annual General Meeting	11.00 a.m. on 30 September 2010
Expected effective date of the Reduction of Capital	22 October 2010

DEFINITIONS

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

“Act”	the Companies Act 2006, as amended
“AGM Notice” or “Notice of AGM”	the notice convening the AGM set out on pages 25 to 29 of this document
“AIM”	the AIM market of the London Stock Exchange
“AIM Rules for Companies”	the AIM Rules for Companies published by the London Stock Exchange, as amended from time to time
“Annual General Meeting” or “AGM”	the annual general meeting of the Company convened for 11.00 a.m. on 30 September 2010
“A Ordinary Shares”	convertible redeemable A ordinary shares of 3p each in the capital of the Company
“Circular”	This document to posted to be posted to Shareholders on 20 August 2010 to seek Shareholder approval for the resolutions to be proposed at the AGM
“Company’s Registrars”	Computershare Investor Services plc
“Company” or “Bebbies”	Bebbies Traynor Group plc
“Current Articles”	the articles of association of the Company in force as at the date of this document
“Deferred Shares”	deferred shares of 1p each in the capital of the Company
“Directors” or “Board”	the directors of the Company, whose names are set out on page 5 of this document
“Disclosure Rules”	the Disclosure and Transparency Rules published by the Financial Services Authority
“Form of Proxy”	the form of proxy for use at the AGM
“FSMA”	the Financial Services and Markets Act 2000, as amended
“Group”	the Company and any company, partnership, limited liability partnership or limited partnership in which the Company has from time to time any direct or indirect interest (whether as shareholder, member, partner or otherwise) and “member of the Group” shall be constructed accordingly
“High Court”	the High Court of England and Wales
“Independent Directors”	John Gittins, Graham McInnes, Geoffrey Hill and John May being the Directors other than Richard Traynor
“Independent Shareholders”	Shareholders other than Richard Traynor
“London Stock Exchange”	London Stock Exchange plc

“New Articles”	the new articles of association proposed to be adopted by the Company pursuant to resolution 11
“Non Independent Director”	Richard Traynor, Executive Chairman of the Company as at the date of this document
“Non-Share Purchase Resolutions”	the resolutions to be proposed at the AGM, other than the Share Purchase Resolution and the Waiver Resolution, set out in the Notice of AGM
“Ordinary Shares”	ordinary shares of 5p each in the capital of the Company
“Panel”	the Panel on Takeovers and Mergers
“Partner Share Plan”	the Begbies Traynor Group plc 2009 Partner Share Plan
“Proposal”	the proposal for the approval by Independent Shareholders of the Waiver, described in the letter from the Independent Directors set out in Part II of this document
“Reduction of Capital”	the reduction by the sum of £17.343 million of the share premium account of the Company for which approval is being sought by resolution 12, subject to the confirmation of the High Court and matters set out in this document
“Rule 9”	Rule 9 of the Takeover Code
“Shareholders”	holders of Ordinary Shares
“Share Options”	options to subscribe for and awards over Ordinary Shares under the Share Option Schemes
“Share Option Schemes”	the Begbies Traynor Group plc Share Option Scheme and the Begbies Traynor Group plc Employee Share Incentive Plan
“Share Purchase”	the exercise by the Company of the Share Purchase Authority
“Share Purchase Resolution”	resolution 10 set out in the notice of AGM
“Share Purchase Authority”	the authority to make market purchases by the Company of up to 25 per cent. of the issued ordinary share capital of the Company proposed to be granted pursuant to resolution 10
“Shore Capital”	Shore Capital and Corporate Limited
“Takeover Code”	the City Code on Takeovers and Mergers
“Waiver”	the waiver which has been granted by the Panel, conditional upon the approval by the Independent Shareholders of the Waiver Resolution on a poll, of any obligation which would otherwise be imposed on Richard Traynor, as a result of the exercise of the Share Purchase Authority
“Waiver Resolution”	resolution 9 set out in the Notice of Annual General Meeting, which relates to the Waiver

PART I
LETTER FROM THE EXECUTIVE CHAIRMAN OF BEGBIES TRAYNOR GROUP PLC

Begbies Traynor Group plc

(Incorporated in England and Wales under the Companies Act 1985 with registered number 05120043)

Directors

Richard Traynor (Executive Chairman)
John Gittins (Finance Director)*
Graham McInnes (Corporate Development Director)*
Geoffrey Hill (Executive Director)*
John May (Non-Executive Director)*

Registered Office
340 Deansgate,
Manchester,
M3 4LY

* the Independent Directors

20 August 2010

To Shareholders and, for information only, to holders of Share Options and A Ordinary Shares

Dear Shareholder

1. Introduction

I am pleased to invite you to the sixth Annual General Meeting of our Company. You will find set out on pages 25 to 29 of this document, notice of the AGM which will be held at our head office, 340 Deansgate, Manchester M3 4LY at 11.00 a.m. on Thursday 30 September 2010. The purpose of this document is to provide Shareholders with details of the business to be considered at the AGM, and in particular:

- (i) the renewal of the Directors' general authority to allot Ordinary Shares (resolution 6);
- (ii) the renewal of the general disapplication of statutory pre-emption rights which would otherwise apply to the allotment of equity securities for cash which is sought at each annual general meeting (resolution 7);
- (iii) the renewal of the Directors' authority to allot A Ordinary Shares in the Company pursuant to the Partner Share Plan and the disapplication of the statutory pre-emption rights which would otherwise apply to the allotment of such A Ordinary Shares (resolution 8);
- (iv) the approval by the Independent Shareholders of the waiver by the Panel of the obligations under Rule 9 that might otherwise require me to make an offer for the Ordinary Shares I do not already hold following a purchase by the Company of its Ordinary Shares pursuant to the Share Purchase Authority (resolution 9);
- (v) the granting of the Share Purchase Authority (resolution 10);
- (vi) the adoption of the New Articles (resolution 11); and
- (vii) the granting of approval for the proposed Reduction of Capital (resolution 12).

This year Shareholders will be asked to approve 12 resolutions. Resolutions 1 to 6 and 9 will be proposed as ordinary resolutions. This means that more than 50 per cent. of the votes cast must support these resolutions if they are to be passed. Resolutions 7, 8 and 10 to 12 will be proposed as special resolutions. At least 75 per cent. of the votes cast must support these resolutions if they are to be passed.

2. Annual report and accounts (Resolution 1)

Each year the Directors are required to lay before the annual general meeting the annual accounts of the Company together with the Directors' report and auditor's report on those accounts. Enclosed is a copy of the Company's 2010 annual report and accounts. Further copies of the 2010 annual report and accounts will be available at the meeting venue on the day and on the Company's website www.begbies-traynorgroup.com.

3. Directors' remuneration report (Resolution 2)

As well as formally receiving the accounts and the reports of the Directors and auditors thereon, Shareholders will be asked to receive the Directors' remuneration report. The remuneration report is set out in full on pages 12 and 13 of the 2010 annual report and accounts enclosed with this document.

4. Final dividend (Resolution 3)

The Directors are recommending a final cash dividend of 1.9 pence per Ordinary Share, making a total cash dividend in respect of the financial period ended 30 April 2010 of 3.1 pence per Ordinary Share. The final dividend, if approved, will be payable on 29 October 2010 to those Shareholders whose names appear on the register of members of the Company at the close of business on 8 October 2010.

5. Reappointment of director (Resolution 4)

As announced on 7 June 2010, the Company's chief financial officer John Gittins has tendered his resignation as a director and will leave the business on 20 August 2010. May I take this opportunity to thank John for his contribution to the business over the past three years.

Resolution 4 proposes the re-appointment of the Company's non-executive director, John May as a director. This is in accordance with the Current Articles which require one third of the Directors (or the number nearest to but not exceeding one third) to retire by rotation at each annual general meeting subject to an overriding proviso that each Director is subject to re-appointment at intervals of not more than three years. The Director who is retiring by rotation is the Director who has been a Director for the longest period of time since he was last appointed by Shareholders.

6. Reappointment of auditors (Resolution 5)

The Company is required to reappoint auditors at each annual general meeting at which accounts are laid, to hold office until the next such meeting. Therefore, resolution 5 proposes the re-appointment of Deloitte LLP as auditors and, in accordance with normal practice, authorises the Directors to determine the auditors' remuneration.

7. Authority to allot shares (Resolution 6)

The Directors of the Company may only allot shares if they have been authorised to do so by Shareholders in general meeting. Resolution 6 seeks authority from Shareholders to allot Ordinary Shares as follows:

- (a) the first part of resolution 6 renews a similar authority given at last year's annual general meeting and authorises the Directors to allot Ordinary Shares up to an aggregate nominal amount of £1,500,000 (which represents approximately $\frac{1}{3}$ of the issued Ordinary Shares as at 16 August 2010); and
- (b) the second part of resolution 6 authorises the Directors to allot Ordinary Shares up to an aggregate nominal amount of £1,500,000 (representing a further $\frac{1}{3}$ of the issued Ordinary Shares) in connection with rights issues.

These limits are in line with the guidelines issued by the Association of British Insurers ("ABI"). If given, these authorities will expire at the conclusion of the Company's next annual general meeting or on 30 December 2011 (whichever is earlier) and will be in addition to the specific authority sought by resolution 8 to allot A Ordinary Shares in connection with the Partner Share Plan.

There are no present plans to allot shares in the capital of the Company, other than in connection with the Partner Share Plan, the Share Option Schemes and to satisfy consideration obligations in respect of any corporate acquisitions.

8. Disapplication of pre-emption rights (Resolution 7)

The Directors of the Company may only issue new shares for cash other than on a pre-emptive basis if authorised to do so by Shareholders in general meeting. Resolution 7 accordingly seeks certain dis-applications of these statutory pre-emption rights:

- (a) the first part of the resolution renews a similar authority given at last year's annual general meeting and, if passed, would enable the Directors to allot Ordinary Shares for cash on a non pre-emptive basis in limited circumstances pursuant to the authority being sought by the first part of resolution 6. This part of the resolution would enable the Directors to issue Ordinary Shares for cash up to an aggregate nominal amount of £450,000 (which represents approximately 10 per cent. of the Company's issued Ordinary Shares as at 16 August 2010) without having to first offer them to Shareholders in proportion to their existing holdings. The Directors are aware that the guidelines issued by the ABI for Listed Companies suggests that such an authority be limited to 5 per cent. of the issued equity share capital; however, this is generally in the context of companies with greater market capitalisations and such a restriction would, in the opinion of the Directors, render any such issue of limited value on the grounds of the relatively small net proceeds realised and the cost associated with it. In addition, in accordance with normal practice, the first part of resolution 7 would also enable the Board to deal with overseas shareholders and fractional entitlements as it thinks fit in the context of any rights issue or similar pre-emptive offer made pursuant to the authority granted by the first part of resolution 6; and
- (b) the second part of resolution 7 would, if passed, enable the Directors to deal with overseas shareholders and fractional entitlements as they think fit in the context of any rights issue made pursuant to the authority being sought by the second part of resolution 6.

If given, these authorities will expire at the conclusion of the Company's next annual general meeting or on 30 December 2011 (whichever is earlier). The intention of the Directors is to make use of these general disapplications only if it is appropriate to fund further growth and development of the Company. It is the Directors' intention to renew these powers each year.

9. Resolutions required to allot shares under the Partner Share Plan (Resolution 8)

At last year's annual general meeting, Shareholders authorised the issue of non-voting, non-dividend bearing A Ordinary Shares to enable awards to be made to the Group's partners and senior employees under the Partner Share Plan. Following on from the awards made to certain of those partners and senior employees last year, the Company intends to make further awards this year to motivate and incentivise the partners and senior employees to increase the value of the Company.

In order to make awards in the coming year, resolution 8 seeks the authorisations required from Shareholders to allot A Ordinary Shares pursuant to the Partner Share Plan on a non pre-emptive basis. The authorities are being sought in respect of up to 5,000,000 A Ordinary Shares, being the maximum number of A Ordinary Shares which your Board anticipates will be issued under the Partner Share Plan pursuant to the awards proposed to be made in July 2011. If given, these authorities will expire at the conclusion of the Company's next annual general meeting or on 30 December 2011 (whichever is earlier).

10. Adoption of New Articles (Resolution 11)

The Company is asking Shareholders to approve a number of minor amendments to the Current Articles to reflect both the implementation of the remaining provisions of the Act in October 2009 and best practice. The power to borrow in the New Articles is also being amended to remove the current figure of £40,000,000 and replace this with a limit equal to twice the adjusted total capital and reserves of the Company. It is common for companies to link their borrowing authorities to their capital and reserves and a two times multiple is recommended by the ABI. For simplicity, it is proposed to deal with this amendment by adopting the New Articles rather than making a series of amendments to the Current Articles.

A copy of the New Articles showing the proposed changes for which Shareholder approval is being sought by resolution 11 by adoption of the New Articles can be found displayed on the Company's website in the investor relations, shareholder services, shareholders announcements section at www.begbies-traynorgroup.com. A copy of the New Articles will also be available for inspection at the Company's registered office.

11. Reduction in Capital Authority (Resolution 12)

In order for the Company to pay dividends, it must have available sufficient distributable reserves. As at 30 April 2010, the profit and loss account of the Company stood in credit in the sum of £4.998 million. At the same time, the share premium account in the balance sheet of the Company stood at £34.686 million. The Board considers it desirable to re-structure the balance sheet of the Company so as to reduce the amount standing to the share premium account in order to transfer the amount released to the profit and loss account and hence increase the distributable reserves of the Company. There are however a number of procedures to adopt before that can take place as described below.

Share premium arises on the issue by the Company of shares at a premium to their nominal value. The premium is credited to the share premium account of the Company. The share premium account is treated by statute as an undistributable capital reserve, except to the extent that its reduction or cancellation is first approved by Shareholders by special resolution and, in the case of a public limited company, subsequently confirmed by order of the High Court on the application to the High Court by the Company.

If resolution 12 is duly passed at the AGM, it is the intention of the Company thereafter to apply to the High Court for the Reduction of Capital.

In order to obtain the confirmation of the High Court, the Company will need to demonstrate to the satisfaction of the High Court that no creditor of the Company who has not consented to the Reduction of Capital will be prejudiced by it. The Reduction of Capital takes effect upon the order of the High Court confirming it being registered by the Company with the Registrar of Companies.

The Company has already begun enquiries of those of its major creditors whose consent would be required if the Reduction of Capital is to achieve its desired objective, and the Board is of the view that consent will be obtained from all of those from whom it would be desirable to obtain it. For those creditors from whom no consent is available or to whom no approach for consent has been made, the Company may be obliged to provide security acceptable to the High Court in order that the Reduction of Capital can be confirmed on the desired basis, namely that the amount of the Reduction of Capital can be credited to the profit and loss account.

If the Company is unable in the timetable proposed to obtain either a consent from, or unable or unwilling to provide security where it is required for, all such creditors, then the amount of the Reduction of Capital, when confirmed by the High Court, will remain undistributable for the time being until any outstanding consents have been obtained, security where security is requested has been put in place or the relevant obligations have been discharged.

The Board reserves the right to abandon or discontinue any application to the High Court and hence the Reduction of Capital if the Board believes that the terms required to obtain confirmation are unsatisfactory to the Company.

The Reduction of Capital does not, however, affect the voting or dividend rights or the rights on a return of capital of any Shareholder.

12. Share Purchase and Waiver

At the AGM, resolutions will be proposed to grant the Share Purchase Authority and to approve the waiver granted by the Panel, subject to Independent Shareholders' approval on a poll, of any obligations for me to make a general offer for Ordinary Shares arising from the increased percentage of the issued share capital of the Company held by me as a result of purchases by the Company of Ordinary Shares pursuant to that authority. Further details are set out in the letter from the Independent Directors contained in Part II of this document

13. Action to be taken

You will find a Form of Proxy for use in connection with the AGM attached at the end of this document. The Form of Proxy should be completed in accordance with the instructions printed thereon, whether or not you intend to be present at the AGM, and returned to the Company's registrars, Computershare Investor Services plc, The Pavilions, Bridgewater Road, Bristol, BS99 6ZY, as soon as possible and in any event, to be valid, so as to be received no later than 11.00 am on 28 September 2010. Completion and return of the Form of Proxy will not prevent you from attending the AGM and voting in person, if you so wish.

Please note that holders of A Ordinary Shares or Deferred Shares are not, in respect of their holdings of such shares, permitted to vote or submit a proxy in respect of any of the Resolutions proposed at the AGM although they are welcome to attend the meeting.

14. Additional Information

Your attention is drawn to Part III of this document which contains certain additional information in respect of the Company, myself and the Independent Directors, and my interests. Shareholders are advised to read the whole of this document and not rely solely on the summary information set out in this letter.

15. Recommendation

Your Board believes that the Non-Share Purchase Resolutions which are to be proposed at the AGM are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors unanimously recommend that you vote in favour of the Non-Share Purchase Resolutions, as they intend to do in respect of their own beneficial holdings amounting in aggregate to 27,499,901 Ordinary Shares, representing approximately 30.7 per cent. of the current issued ordinary share capital of the Company.

Yours faithfully



Richard Traynor

Executive Chairman

PART II
LETTER FROM THE INDEPENDENT DIRECTORS OF BEGBIES TRAYNOR GROUP PLC

Begbies Traynor Group plc

(Incorporated in England and Wales under the Companies Act 1985 with registered number 05120043)

Directors

Richard Traynor (Executive Chairman)
John Gittins (Finance Director)*
Graham McInnes (Corporate Development Director)*
Geoffrey Hill (Executive Director)*
John May (Non-Executive Director)*

Registered Office
340 Deansgate,
Manchester,
M3 4LY

* the Independent Directors

20 August 2010

To Shareholders and, for information only, to holders of Share Options and A Ordinary Shares

Dear Shareholder

1. Introduction

Your Board is seeking authority from Shareholders for the Company to purchase in the market up to 25 per cent. of the issued Ordinary Shares. Your Board is also seeking the approval by Independent Shareholders of the Waiver. The Waiver has been granted by the Panel, subject to the approval at the AGM by Independent Shareholders on a poll, of any obligation on the part of Richard Traynor to make a general offer to Shareholders under Rule 9 which might otherwise arise upon any exercise by the Company of the Share Purchase Authority. Further details of the proposed Share Purchase Authority and the Waiver being sought by resolutions 9 and 10 are set out in the following sections of this Part II.

The purpose of this Part II is to set out the background to and reasons for the Proposal, to explain why the Independent Directors consider the passing of the Share Purchase Resolution and the Waiver Resolution to be in the best interests of the Company and its Shareholders as a whole and to seek Shareholder approval for the Share Purchase Resolution and the Waiver Resolution which are being proposed at the AGM to be held at 11.00 a.m. on 30 September 2010.

2. Background to and reasons for the proposed Share Purchase Authority

On 8 July 2010 the Company announced its results for the year ended 30 April 2010. During that year, Group net assets increased to £67.2m (2009: £63.7m) of which cash represented £3.1m (2009: £0.2m). Group net assets amounted to £0.75 per Ordinary Share (2009: £0.71). During the financial year, Group revenue from continuing operations increased by 11 per cent. to £69.1m (2009: £62.1m) and Group profit before tax for the year from continuing operations was up 20 per cent. to £8.7m (2009: £7.2m). Basic and fully diluted EPS from continuing operations increased by 17 per cent. to 6.3p (2009: 5.4p) and adjusted basic and diluted EPS¹ from continuing operations increased to 7.8p (2009: 7.7p).

A copy of the 2010 annual report and financial statements is enclosed with this document and the 2009 and 2008 annual report and financial statements are incorporated by reference into this document. For further information please refer to Appendix I.

¹ Earnings before interest, tax and amortisation of intangible assets arising on acquisitions

The Group's strategy is to develop a specialist professional services group by means of both organic growth and acquisition. The Group intends to:

- (i) maintain overall focus on our core activities of mid-market business insolvency and pre-insolvency work;
- (ii) increase focus on international insolvency opportunities; and
- (iii) consider opportunities to invest in existing and additional professional services.

The Independent Directors believe that the current share price (closing mid market price of 63.75p as at 16 August 2010, being the latest practicable date prior to the date of this document) does not reflect the Group's favourable prospects and is lower than Group net assets per share. The intention therefore is to use the distributable reserves of the Company to purchase Ordinary Shares in the market and any Ordinary Shares bought back by the Company would either be cancelled or held in treasury as explained below.

Your Board is accordingly seeking authority from Shareholders at the AGM to purchase the Company's Ordinary Shares in the market. The authority will be limited to a maximum of 22,377,863 Ordinary Shares, representing 25 per cent. of the current issued Ordinary Shares and, as stated in resolution 10, where the Company decides to make market purchases the maximum price payable is 105 per cent. of the average closing offer price (taken from the AIM Appendix to the London Stock Exchange Daily Official List) for the five business days immediately preceding such purchase and the minimum price payable is the nominal value of each Ordinary Share. The Directors would only exercise such authority after considering the benefits of any buyback of Ordinary Shares for Shareholders as a whole.

Ordinary Shares purchased pursuant to the Share Purchase Authority could either be held by the Company in its own name in treasury or cancelled. If such Ordinary Shares are held in treasury, they would in the future either be sold for cash or used to meet the Company's obligations under employee share schemes, or would be cancelled at a later date. Any Ordinary Shares held in treasury by the Company would remain admitted to trading on AIM, although the Company would not be able to attend meetings, exercise any voting rights, or receive any dividend or other distribution (save for any issue of bonus shares) in respect of Ordinary Shares held in treasury. Once any such Ordinary Shares are sold or transferred out of treasury, the new legal owners of the Ordinary Shares would be able to exercise the usual rights from time to time attached to those shares. The Board believes that the ability to hold Ordinary Shares purchased pursuant to the Share Purchase Authority in treasury will allow for greater flexibility and may save the Company some of the costs associated with issuing new Ordinary Shares.

The Board may also seek a further authority to buyback Ordinary Shares if the Share Purchase Authority sought by resolution 10 is approved and subsequently utilised in full or expires before it is utilised in full. Any Ordinary Shares purchased by the Company using any further share purchase authority would either be cancelled or held in treasury as described above. The Directors intend to use the distributable reserves of the Company to effect any buybacks.

3. The Takeover Code requirements

Rule 9 stipulates, *inter alia*, that if (a) any person acquires, whether by a series of transactions over a period of time or not, an interest (as defined in the Takeover Code) in shares which (taken together with shares in which persons acting in concert with him are interested) carry 30 per cent. or more of the voting rights of a company; or (b) any person, together with persons acting in concert with him, is interested in shares which in the aggregate carry not less than 30 per cent. of the voting rights of a company but does not hold shares carrying more than 50 per cent. of such voting rights and such person, or any person acting in concert with him, acquires an interest in any other shares which increases the percentage of shares carrying voting rights in which he is interested; such person or persons acting in concert with him will normally be required to make a general offer to shareholders of that company to acquire the balance of the equity share capital of that company not held by such person or persons acting in concert with him. An offer under Rule 9 must be made in cash (or be accompanied by a full cash alternative) and be at not less than the highest price paid by the person required to make the offer, or any person acting in concert with him, for any interest in shares of the company during the 12 months prior to the announcement of the offer.

Under Rule 37 of the Takeover Code, when a company redeems or purchases its own voting shares, any resulting increase in the percentage of shares carrying voting rights in which a person or group of persons acting in concert is interested will be treated as an acquisition for the purpose of Rule 9 (although a shareholder who is neither a director nor deemed to be acting in concert with a director will not normally incur an obligation to make an offer under Rule 9).

If the Company were to repurchase the maximum number of Ordinary Shares authorised pursuant to the Share Purchase Authority from Independent Shareholders, Richard Traynor's interest in the issued Ordinary Shares would (assuming no other Ordinary Shares were issued) increase to 39.57 per cent. of the voting rights of the Company. This increase in the percentage of Ordinary Shares carrying voting rights in which Richard Traynor is interested would, absent a waiver of Rule 9, trigger a requirement for him to make a general offer to Shareholders under the Takeover Code. As described below, the Company has sought the Waiver in order to avoid the need for such an offer to be made. The Panel normally grants waivers in respect of Rule 9 on the basis that the waiver expires at the same time as the relevant shareholders' authority to buy back shares expires.

4. Current and potential shareholding of Richard Traynor

The aggregate shareholding of Richard Traynor in the Company as at 16 August 2010, being the last practicable date prior to the posting of this document, was 26,561,697 Ordinary Shares, carrying 29.67 per cent. of the voting rights of the Company. The A Ordinary Shares are non-voting and accordingly have not been taken into account in calculating the total number of votes in the Company.

Richard Traynor's shareholding interest in the Company as at 16 August 2010, being the last practicable date prior to the posting of this document, is set out in the table below together with details of the maximum percentage of the Company's voting rights which would be held by Richard Traynor in the Company, on the basis that:

- (i) the Waiver granted by the Panel in relation to the Share Purchase Authority is approved by the Independent Shareholders; and
- (ii) the Share Purchase Authority is utilised in full by purchasing Ordinary Shares from Independent Shareholders.

<i>Shareholder</i>	<i>Number of Ordinary Shares</i>	<i>% of current issued Ordinary Share capital</i>	<i>Share Purchase Authority utilised in full</i>	
			<i>Number of Ordinary Shares</i>	<i>% of issued Ordinary Share capital</i>
Richard Traynor ¹	26,561,697	29.67%	26,561,697	39.57%

Note:

1. Richard Traynor's Ordinary Shares are held as follows: (a) 18,061,617 Ordinary Shares are held by Begbies Traynor National Partnership, a non trading entity owned by Richard Traynor; (b) 5,000,080 Ordinary Shares are held directly by Richard Traynor; (c) 5,000,000 Ordinary Shares are held jointly under a trust by Zena Traynor (wife of Richard Traynor) and Louise Dick, in respect of which there is a declaration of trust in respect of 3,250,000 Ordinary Shares in favour of Zena Traynor. and; (d) 250,000 Ordinary Shares are held by Crescent Trustees Limited the nominee for Richard Traynor's SIPP.

The Company has issued A Ordinary Shares under the Partner Share Plan. The A Ordinary Shares currently in issue may be either redeemed for cash or converted into Ordinary Shares. The decision on how to deliver any value to the holders of A Ordinary Shares rests with Board. In the event that the A Ordinary Shares were converted into Ordinary Shares, which would be no earlier than 21 December 2012 and would require a minimum share price of 120p per Ordinary Share to have been achieved, this would act to dilute Richard Traynor's shareholding in the Company.

5. Dispensation from Rule 9 of the Takeover Code in relation to the repurchase by the Company of its Ordinary Shares

The aggregate shareholding interests of Richard Traynor in the Company as at 16 August 2010, being the last practicable date prior to the posting of this document, was 26,561,697 Ordinary Shares, carrying 29.67 per cent. of the voting rights of the Company. The exercise in full by the Company of the Share Purchase Authority would normally give rise to an obligation to make a general offer to all Shareholders pursuant to Rule 9 as it would result in Richard Traynor's interest in Ordinary Shares increasing through 30 per cent. of the issued Ordinary Shares. **Richard Traynor, should the Share Purchase Authority be utilised in full by purchasing Ordinary Shares from Independent Shareholders, would be interested in shares which carry more than 30 per cent. but would not hold more than 50 per cent. of the Company's voting share capital and, in such circumstances, any further increase in the number of Ordinary Shares by Richard Traynor will be subject to the provisions of Rule 9.**

The Company has applied to the Panel for a waiver of Rule 9 in order to permit the Share Purchase Authority proposed under resolution 10 to be exercised by the Board (if such authority is approved by Shareholders) without triggering an obligation on the part of Richard Traynor to make a general offer to Shareholders. The Panel has agreed, subject to Independent Shareholders' approval on a poll, to waive any obligation for Richard Traynor to make a general offer to all Shareholders where such an obligation would arise as a result of purchases by the Company of up to 22,377,863 Ordinary Shares pursuant to the Share Purchase Authority. The waiver granted by the Panel relates only to any increase in the percentage of Ordinary Shares held by Richard Traynor as a result of purchases by the Company of Ordinary Shares pursuant to the Share Purchase Authority and is conditional on the passing of resolution 9 by the Independent Shareholders of the Company on a poll. As Richard Traynor is interested in the outcome of resolution 9, he will be precluded from voting on that resolution.

6. Intentions of Richard Traynor

Richard Traynor has confirmed to the Board that he is not presently proposing any changes to the Board (other than those changes previously announced and disclosed at page 3 of the 2010 annual report and accounts) or changes to the employment rights of employees of the Company and that his intention, following any increase in his shareholding as a result of any repurchase of Ordinary Shares pursuant to the Share Purchase Authority, is that the business of the Company should continue to be run in substantially the same manner as at present.

More specifically, Richard Traynor has confirmed his intention that the future of the Company's business, the locations of the Company's places of business and the continued employment of its employees and management (and the employees and management of each member of the Group) will not be altered as a result of the Proposal, nor will there be any redeployment of the fixed assets of the Company as a result of the Proposal.

Richard Traynor has also confirmed his intention not to vote in relation to the Waiver Resolution.

7. Annual General Meeting

A notice convening the 2010 AGM to be held at the Company's registered office at 340 Deansgate, Manchester, M3 4LY at 11.00 a.m. on 30 September 2010 is set out on pages 25 to 29 of this document.

8. Action to be taken

You will find a Form of Proxy for use in connection with the AGM attached at the end of this document. The Form of Proxy should be completed in accordance with the instructions printed thereon, whether or not you intend to be present at the AGM, and returned to the Company's registrars, Computershare Investor Services plc, The Pavilions, Bridgewater Road, Bristol, BS99 6ZY, as soon as possible and in any event, to be valid, so as to be received no later than 11.00 am on 28 September 2010. Completion and return of the Form of Proxy will not prevent you from attending the AGM and voting in person, if you so wish.

Please note that holders of A Ordinary Shares or Deferred Shares are not, in respect of their holdings of such shares, permitted to vote or submit a proxy in respect of any of the Resolutions proposed at the AGM although they are welcome to attend the meeting.

9. Additional Information

Your attention is drawn to Part III of this document which contains certain additional information in respect of the Company, Richard Traynor and the Independent Directors, and Richard Traynor's interests. Shareholders are advised to read the whole of this document and not rely solely on the summary information set out in this letter.

10. Recommendation

The Independent Directors, who have been so advised by Shore Capital, consider the Proposal to be fair and reasonable and together with resolution 10 in the best interests of Independent Shareholders and the Company as a whole. In providing advice to the Independent Directors, Shore Capital has taken into account the Independent Directors' commercial assessments. Accordingly, the Independent Directors recommend that the Independent Shareholders vote in favour of resolution 9 and recommend that all Shareholders vote in favour of resolution 10 as they intend to do in respect of their own shareholdings of 938,204 Ordinary Shares, which represents approximately 1.0 per cent. of the issued Ordinary Shares.

My fellow directors and I look forward to seeing you at the meeting.

Yours faithfully,

John Gittins, Graham McInnes, Geoffrey Hill and John May

The Independent Directors

PART III

ADDITIONAL INFORMATION

1. Responsibility

- 1.1 Save for Richard Traynor in relation to the views of the Independent Directors as to the merits of the Waiver Resolution and the recommendation of that resolution, the Directors, whose names are set out on page 5 of this document, accept responsibility for the information contained in this document other than paragraph 6.1 of Part III of this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.2 Richard Traynor accepts responsibility for the information contained in paragraph 6.1 of Part III of this document. To the best of the knowledge and belief of the Richard Traynor (who has taken all reasonable care to ensure that such is the case), the information contained in paragraph 6.1 of Part III of this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Business of the Company

The principal activity of the Company is in the provision of specialist services to businesses and their professional advisers. Begbies works in the areas of corporate finance, corporate recovery and restructuring, personal insolvency, specialist tax advice, commercial finance, investigations, forensic accounting and security risk consulting. The Directors intend to continue conducting the business of the Company and its subsidiaries in the same manner as it is currently conducted and there is currently no plan to introduce any major change to the manner in which the business of the Company and its subsidiaries is being conducted or the terms of engagement of any employees of the Company and its subsidiaries.

3. Directors

- 3.1 The Directors at the date of this document are:

Directors

Richard Traynor (Executive Chairman)
John Gittins (Finance Director)
Graham McInnes (Corporate Development Director)
Geoffrey Hill (Executive Director)
John May (Non-Executive Director)

- 3.2 The business address of the Directors is 340 Deansgate, Manchester, M3 4LY.

4. Absence of concert parties or related parties

- 4.1 The Directors confirm that they are not aware of any agreements, arrangements or understandings (formal or informal) between Richard Traynor (or his immediate family or related trusts) and any of the Directors (or their immediate family or related trusts) or between Richard Traynor (or his immediate family or related trusts) and any of the Shareholders or any person acting in concert with any of the Shareholders.
- 4.2 Each of the Directors has confirmed that it is not his intention to sell any of his shareholdings back to the Company pursuant to the Share Purchase Authority. The Directors also believe that there are no related parties (as defined in the AIM Rules for Companies) from whom Ordinary Shares are proposed to be purchased other than to the extent that any Shareholders of the Company come within the definition of related party set out in the AIM Rules for Companies, in which event the Directors confirm that there is no prior understanding, arrangement or agreement between the Company and any such Shareholder.

5. Interests and dealings of the Directors

5.1 At the close of business on 16 August 2010 (being the latest practicable date prior to the posting of this document), the interests of the Directors and the interests of any other person whose interests in Ordinary Shares the Directors are taken to be interested in pursuant to Part 22 of the Act ("connected persons"), in the issued Ordinary Shares of the Company were as follows:

Name	Ordinary Shares	% of Issued Ordinary Shares
Richard Traynor	26,561,697	29.67%
John Gittins	10,000	0.01%
Graham McInnes	855,704	0.96%
Geoffrey Hill	10,000	0.01%
John May	62,500	0.07%

5.2 The interests of each of the Directors and their connected persons in the Ordinary Shares of the Company in the event that the Board exercises the Share Purchase Authority in its entirety (but on the assumption that no further Ordinary Shares are allotted, whether as a result of vesting or exercise of Share Options, under the Partner Share Plan or otherwise) will be:

Name	Number of Ordinary Shares	% of Current Issued Ordinary Shares ²	% of Issued Ordinary Shares following exercise in full of the Share Purchase Authority ³
Richard Traynor ¹	26,561,697	29.67%	39.57%
John Gittins	10,000	0.01%	0.01%
Graham McInnes	855,704	0.96%	1.27%
Geoffrey Hill	10,000	0.01%	0.01%
John May	62,500	0.07%	0.09%

Note:

- Richard Traynor's Ordinary Shares are held as follows: (a) 18,061,617 Ordinary Shares are held by Begbies Traynor National Partnership, a non trading entity owned by Richard Traynor; (b) 5,000,080 Ordinary Shares are held directly by Richard Traynor; (c) 5,000,000 Ordinary Shares are held jointly under a trust by Zena Traynor (wife of Richard Traynor) and Louise Dick, in respect of which there is a declaration of trust in respect of 3,250,000 Ordinary Shares in favour of Zena Traynor. and; (d) 250,000 Ordinary Shares are held by Crescent Trustees Limited the nominee for Richard Traynor's SIPP.
- The number of Ordinary Shares in issue as at 16 August 2010 (being the latest practicable date prior to the posting of document) is 89,511,452 Ordinary Shares.
- If the entire Share Purchase Authority to buy back up to 25 per cent. of the Company's current issued Ordinary Shares is exercised by the purchase of Ordinary Shares from Shareholders other than Richard Traynor (but on the assumption that no further Ordinary Shares are allotted as a result of the vesting or exercise of Share Options, awards under the Partner Share Plan or otherwise), the Company's issued Ordinary Share capital following such exercise will be 67,133,589 Ordinary Shares.

5.3 At the close of business on 16 August 2010 (being the latest practicable date prior to the posting of this document), Share Options have been granted to Directors and remain outstanding as set out below:

Director	Number of Share Options	Share Option exercise price (pence)	Earliest Exercise/Vesting Date	Exercise Expiry Date
Geoffrey Hill	200,000	61.84	15 July 2013	15 July 2017
Geoffrey Hill	200,000	102.7	23 July 2012	23 July 2016
John Gittins	200,000	102.0	23 July 2012	23 July 2016
Geoffrey Hill	200,000	160.5	11 July 2011	11 July 2015
John Gittins	200,000	160.5	11 July 2011	11 July 2015

5.4 During the period of 12 months preceding the date of this document, the following dealings for value in Ordinary Shares by the Directors and their connected persons have taken place:

Date	Director	Nature of transaction	Number of Ordinary Shares	Price per Ordinary Share (p)
4 May 2010	John May	Purchase	62,500	79
8 September 2009	Richard Traynor	Purchase	250,000	90
8 September 2009	John Gittins	Purchase	10,000	90
8 September 2009	Geoffrey Hill	Purchase	10,000	90

5.5 There have been no dealings for value by Shore Capital Group plc, the parent company of Shore Capital, or any of its subsidiary companies in the share capital of Begbies in the last 12 months.

5.6 Neither Shore Capital Group Limited nor any of its subsidiary companies nor any discretionary clients of Shore Capital Stockbrokers Limited has any interests in the share capital of Begbies save in the capacity as an exempt principal trader.

6. Information on Richard Traynor

6.1 *Richard Traynor (50)*

Richard qualified as an accountant with Arthur Andersen in 1984 and founded Begbies in 1989. Begbies was floated on AIM in 2004, and Richard remains on the Board of the Company in the role of Executive Chairman. Richard specialises in practice management and has considerable experience in financial turnaround and dispute resolution within professional practices. Richard's particular specialisms are construction, the motor trade and professional services.

6.2 At the close of business on 16 August 2010 (being the latest practicable date prior to the posting of this document), Richard Traynor's interest in the issued share capital of the Company was as follows:

Shareholder	Number of Ordinary Shares	% of issued Ordinary Shares
Richard Traynor	26,561,697	29.67%

6.3 During the period of 12 months preceding the date of this document, the following dealings for value in Ordinary Shares by Richard Traynor have taken place:

Date	Shareholder	Nature of transaction	Number of Ordinary Shares	Price per Ordinary Share (p)
8 September 2009	Richard Traynor	Purchase	250,000	90

- 6.4 Richard Traynor's interest in the Ordinary Shares of the Company in the event that the Board exercises the Share Purchase Authority in its entirety by purchasing Ordinary Shares from Independent Shareholders (but on the assumption that no further Ordinary Shares are allotted as a result of exercise of Share Options or vesting of awards under the Partner Share Plan, or otherwise) will be:

<i>Shareholder</i>	<i>Number of Ordinary Shares</i>	<i>% of current issued Ordinary Share capital</i>	<i>Share Purchase Authority utilised in full</i>	
			<i>Number of Ordinary Shares</i>	<i>% of issued Ordinary Share capital</i>
Richard Traynor ¹	26,561,697	29.67%	26,561,697	39.57%

Note:

- Richard Traynor's Ordinary Shares are held as follows: (a) 18,061,617 Ordinary Shares are held by Begbies Traynor National Partnership, a non trading entity owned by Richard Traynor; (b) 5,000,080 Ordinary Shares are held directly by Richard Traynor; (c) 5,000,000 Ordinary Shares are held jointly under a trust by Zena Traynor (wife of Richard Traynor) and Louise Dick, in respect of which there is a declaration of trust in respect of 3,250,000 Ordinary Shares in favour of Zena Traynor. and; (d) 250,000 Ordinary Shares are held by Crescent Trustees Limited the nominee for Richard Traynor's SIPP

7. Directors' service agreements and emoluments

7.1 Richard Traynor

- 7.1.1 Pursuant to a letter of appointment dated 28 September 2004, Mr Traynor was appointed as a director of the Company. The letter of appointment provides for an annual fee of £15,000 and is terminable on 12 months notice given by either party.
- 7.1.2 Pursuant to a supplemental members agreement dated 30 March 2006, Mr Traynor was appointed as an ordinary member of Begbies Traynor (North) LLP. Pursuant to the supplemental members agreement, Mr Traynor is entitled to an annual fixed income of £235,000 plus participation in the executive director bonus scheme. He is also entitled to participate in the Group's permanent health and private medical insurance schemes and to be provided with two motor cars. The supplemental members agreement also provides that Mr Traynor is entitled to 25 working days holiday per year and is terminable by up to 12 months notice by either party.

7.2 John Gittins

Mr Gittins was appointed as a director of the Company pursuant to a service agreement dated 25 June 2007 made between Mr Gittins and Begbies Traynor Limited. Pursuant to the service agreement, Mr Gittins is entitled to annual remuneration of £208,000 and to participate in the executive board director annual bonus scheme. Mr Gittins is also entitled to participate in the Group's private health and permanent health insurance schemes, to receive pension contributions, to be provided with a motor car or annual car allowance of £10,000 and to 30 days holiday per year. The contract is terminable on six months notice given by either party. Mr Gittins has given notice to terminate his service agreement which has been accepted by the Company. It has been agreed that Mr Gittins will leave the Company with effect from 20 August 2010.

7.3 **Geoffrey Hill**

7.3.1 Pursuant to a letter of appointment dated 25 September 2006, Mr Hill was appointed as a director of the Company. Mr Hill is entitled to annual remuneration of £15,000 pursuant to the letter of appointment which is terminable upon three months notice given by either party.

7.3.2 Pursuant to a consultancy agreement dated 24 June 2008 between (1) the Company and (2) Ibis Consult Limited, Ibis Consult Limited provides the services of Mr Hill as a consultant of the Company. The terms of the consultancy agreement require Mr Hill to devote 3.5 days per week to the services provided pursuant to the agreement, for which Ibis Consult Limited receives monthly remuneration of £10,500. The consultancy agreement is terminable on three months notice given by either party. From 1 July 2010 it has been agreed that Mr Hill's monthly remuneration will increase to £11,666.66.

7.3.3 Pursuant to a supplemental members agreement dated 24 June 2008, Mr Hill was appointed as an ordinary member of BTG Tax LLP. The terms of the supplemental members agreement provide that Mr Hill is entitled to an annual fixed income of £15,000 and also to participate in the executive board director annual bonus scheme. Mr Hill is also entitled to participate in the Group's income protection and private medical schemes and to receive a car allowance equal to £10,000 per annum or a motor car. The supplemental members agreement also provides that Mr Hill is entitled to 25 days holiday per year. The supplemental members agreement is terminable on six months notice given by either party.

7.4 **Graham McInnes**

7.4.1 Pursuant to a letter of appointment dated 28 September 2004, Mr McInnes was appointed as a director of the Company. Mr McInnes' remuneration under the letter of appointment is £15,000 per annum. The letter of appointment is terminable on 12 months notice given by either party.

7.4.2 Pursuant to a consultancy agreement dated 28 September 2004 and entered into between (1) Mr McInnes and (2) the Company, Mr McInnes was appointed as a consultant of the Company to provide a maximum 1,200 hours per year of service to the Company. Pursuant to the consultancy agreement, Mr McInnes is entitled to a maximum annual remuneration of £105,000 and to participate in the Group's executive board director annual bonus scheme. The consultancy agreement is terminable on 12 months notice given by either party.

7.5 **John May**

Mr May was appointed as a non-executive director of the Company pursuant to a letter of appointment dated 26 November 2007. Caledonia Investments plc receives remuneration of £25,000 per annum in relation to supplying Mr May's services as a non-executive director of the Company. The letter of appointment is terminable on three months notice given by either party.

7.6 Save as disclosed in this paragraph 7, no contracts of employment have been entered into with any director or amended within the six months prior to the date of this document.

8. **Financial information on the Company**

Enclosed is a copy of the Company's 2010 annual report and accounts. Further copies of the 2010 annual report and accounts will be available at the meeting venue on the day and on the Company's website www.begbies-traynorgroup.com.

The 2009 and 2008 annual reports and financial statements are incorporated by reference into this document. For further information please refer to Appendix I.

9. Material changes

Save as disclosed in this document, there has been no material change in the financial or trading position of the Company since 30 April 2010, being the date to which the Company's last published audited accounts were prepared.

10. Middle market quotations

The middle market quotations for the Ordinary Shares, as derived from the AIM Appendix to the London Stock Exchange Daily Official List, on the first business day of each of the six months immediately preceding the date of this document and on 16 August 2010 (being the latest practicable date prior to the posting of this document) were:

Date	Price per Ordinary Share (p)
1 February 2010	91.00
1 March 2010	80.00
1 April 2010	80.25
4 May 2010	77.50
1 June 2010	62.75
1 July 2010	53.75
2 August 2010	72.00
16 August 2010	63.75

11. Significant shareholdings

As at 16 August 2010 (being the latest practicable date prior to the posting of this document), the following Shareholders have notified the Company, in accordance with the Disclosure Rules, of their interests in the ordinary share capital of the Company:

Shareholder	Ordinary Shares	% of issued Ordinary Shares
Richard Traynor ¹	26,561,697	29.67%
Caledonia Investments	14,000,654	15.64%
Fortelus	7,571,395	8.46%
Gartmore IM	3,044,971	3.40%
Royce & Associates	2,980,900	3.33%
Baille Gifford	2,845,732	3.18%
Royal Bank of Canada	2,764,819	3.09%

Note:

1. Richard Traynor's Ordinary Shares are held as follows: (a) 18,061,617 Ordinary Shares are held by Begbies Traynor National Partnership, a non trading entity owned by Richard Traynor; (b) 5,000,080 Ordinary Shares are held directly by Richard Traynor; (c) 5,000,000 Ordinary Shares are held jointly under a trust by Zena Traynor (wife of Richard Traynor) and Louise Dick, in respect of which there is a declaration of trust in respect of 3,250,000 Ordinary Shares in favour of Zena Traynor. and; (d) 250,000 Ordinary Shares are held by Crescent Trustees Limited the nominee for Richard Traynor's SIPP.

12. General

- 12.1 Shore Capital has given and has not withdrawn its written consent to the issue of this document with the inclusion of its name and the references to it in this document in the form and context in which they appear.
- 12.2 No agreement, arrangement, or understanding (including any compensation arrangement) exists between Richard Traynor, and any of the Independent Directors, recent directors, Shareholders or recent shareholders of the Company having any connection with or dependence upon the Proposal.

12.3 Save as disclosed in paragraphs 5 and 6 of Part III of this document, at the close of business on the disclosure date:

- 12.3.1 Richard Traynor had no interest in, right to subscribe in respect of or short position in relation to, any relevant securities, nor had Richard Traynor dealt in any relevant securities during the disclosure period;
- 12.3.2 no Director (including any members of such Director's immediate family, related trusts or their connected persons) had any interest in, right to subscribe in respect of or short position in relation to any relevant securities, nor had it dealt in any relevant securities during the disclosure period;
- 12.3.3 no person acting in concert with Richard Traynor had any interest in, right to subscribe in respect of or short position in relation to any relevant securities, nor had it dealt in any relevant securities during the disclosure period;
- 12.3.4 there are no relevant securities which Richard Traynor or any person acting in concert with him or his connected persons has borrowed or lent (excluding any borrowed relevant securities which have either been on lent or sold);
- 12.3.5 during the disclosure period no person with whom the Company or any person acting in concert with the Company has a note 11 arrangement has dealt in any relevant securities;
- 12.3.6 the Company has not redeemed or purchased any relevant securities during the disclosure period;
- 12.3.7 neither the Company nor any person acting in concert with the Company had borrowed or lent any relevant securities, save for any borrowed shares which have either been on-lent or sold;
- 12.3.8 neither the Company nor any person acting in concert with the Company had an interest in or a right to subscribe for, or had any short position in relation to, any relevant securities nor had the Company or any person acting in concert with the Company dealt in any relevant securities during the disclosure period; and
- 12.3.9 neither Richard Traynor nor any person acting in concert with him nor his connected persons has with any person any indemnity or option arrangement, or any agreement or understanding, formal or informal, of whatever nature, relating to relevant securities which may be an inducement to deal or refrain from dealing.

In this paragraph 12.3, reference to:

- (1) "acting in concert" has the meaning attributed to it in the Takeover Code;
- (2) "connected person" means in respect of a Director, any other person in whose interests in shares the relevant Director is taken to be interested pursuant to Part 22 of the Act;
- (3) "control" means an interest, or interests, in shares carrying in aggregate 30 per cent. or more of the voting rights of a company, irrespective of whether such interest or interests give de facto control;
- (4) "dealing" or "dealt" includes the following:
 - (i) the acquisition or disposal of securities of the right (conditional or absolute) to exercise or direct the exercise of the voting rights attaching to securities, or of general control of securities;
 - (ii) the taking, granting, acquisition, disposal, entering into, closing out, termination, exercise (by either party) or variation of an option (including a traded option contract) in respect of any securities;
 - (iii) subscribing or agreeing to subscribe for securities;

- (iv) the exercise or conversion, whether in respect of new or existing securities, of any securities carrying conversion or subscription rights;
 - (v) the acquisition of, disposal of, entering into, closing out, exercise (by either party) of any rights under, or variation of, a derivative referenced, directly or indirectly, to securities;
 - (vi) entering into, terminating or varying the terms of any agreement to purchase or sell securities; and
 - (vii) any other action resulting, or which may result, in an increase or decrease in the number of securities in which a person is interested or in respect of which he has a short position.
- (5) “derivatives” include any financial product whose value in whole or in part is determined directly or indirectly by reference to the price of an underlying security;
- (6) “disclosure date” means 16 August 2010, being the latest practicable date prior to the posting of this document;
- (7) “disclosure period” means the period commencing 16 August 2009, being the date 12 months prior to the date of the posting of this document and ending on the disclosure date;
- (8) “note 11 arrangement” means a dealing arrangement including any indemnity or option arrangement and any agreement or understanding formal or informal of whatever nature, relating to relevant securities which might be an inducement to deal or refrain from dealing;
- (9) “relevant securities” means Ordinary Shares and securities carrying conversion or subscription rights into, options (including traded options) in respect of or derivatives referenced to, Ordinary Shares; and
- (10) “short position” means a short position whether conditional or absolute and whether in money or otherwise, and includes any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery.

For the purposes of this paragraph 12.3, a person is treated as “interested” in securities if he has long economic exposure, whether absolute or conditional, to changes in the price of those securities (and a person who only has a short position in securities is not treated as interested in those securities). In particular, a person is treated as “interested” in securities if:

- (i) he owns them;
- (ii) he has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to them or has general control of them;
- (iii) by virtue of any agreement to purchase, option or derivative, he:
 - (a) has the right or option to acquire them or call for their delivery; or
 - (b) is under an obligation to take delivery of them, whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise; or
- (iv) he is party to any derivative:
 - (a) whose value is determined by reference to their price; and
 - (b) which results, or may result, in his having a long position in them.

12.4 The Directors are not aware of any agreement or arrangement or understanding by which the beneficial ownership of any Ordinary Shares acquired by the Company pursuant to the Share Purchase Authority proposed at the AGM will be transferred to any other person. Such shares will, in accordance with the Act, either be held in treasury up to the amounts permitted to be held in treasury by the Act or be cancelled and the issued share capital of the Company reduced by the nominal amount of those Ordinary Shares so purchased.

- 12.5 Neither Richard Traynor, any of his connected persons nor any person acting in concert with his connected persons has any relationship, arrangement or understanding with Shore Capital or any person acting in concert with Shore Capital in relation to the Company or the shares of the Company.
- 12.6 The Directors intend to use distributable reserves of the Company to effect any purchases of Ordinary Shares pursuant to the Share Purchase Authority. There are no other arrangements in place or contemplated by the Directors which, in relation to the Share Purchase Authority, will depend to any significant extent on the business of the Company.
- 12.7 As at 16 August 2010 (being the latest practicable date prior to the posting of this document) the Company had granted Share Options over 1,200,000 Ordinary Shares and had issued 1,853,507 A Ordinary Shares under the Partner Share Plan which it is expected, on vesting, to be satisfied by the issue of Ordinary Shares.
- 12.8 The details of the document and announcements issued in relation to the Proposals will be available for inspection at <http://www.begbies-traynorgroup.com/investor-relations/shareholder-services/shareholder-announcements.aspx>

13. Documents available for inspection

Copies of the following documents will be available for inspection during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) at Shore Capital, Bond Street House, 14 Clifford Street, London W1S 4JU from the date of this document up to the date of the AGM and at the place of meeting for 15 minutes prior to the meeting and during the meeting:

- 13.1 the New Articles;
- 13.2 the audited consolidated accounts of the Company for the financial years ended 30 April 2009 and 30 April 2010;
- 13.3 the consent letter from Shore Capital referred to in paragraph 12.1 above;
- 13.4 the Directors' letters of appointment, consultancy agreements, service agreements and supplemental members agreements referred to in paragraph 7 above; and
- 13.5 this Circular.

20 August 2010

APPENDIX I

FINANCIAL INFORMATION RELATING TO BEGBIES TRAYNOR GROUP PLC

Incorporation of relevant information by reference

The information listed below relating to Begbies is hereby incorporated by reference into this document.

No	Information	Source of information
1.	Turnover, net profit or loss before and after taxation, the charge for tax, extraordinary items, minority interests, the amount absorbed by dividends and earnings and dividends per share for Begbies for the two years ended 30 April 2009 and 30 April 2008	<p>Begbies Annual Report & Accounts 2009, Consolidated Income Statement on page 16 and Note 10 Dividends on page 30.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.</p> <p>http://www.begbies-traynorgroup.com/Files/Begbies%20Traynor%20Group%20plc%20Annual%20Report%20and%20Accounts%202009.pdf</p>
2.	Significant accounting policies together with any points from the notes to the accounts which are of major relevance to an appreciation of the figures	<p>Begbies Annual Report & Accounts 2009, note 2 "Accounting policies" on pages 20 to 24.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.</p> <p>http://www.begbies-traynorgroup.com/Files/Begbies%20Traynor%20Group%20plc%20Annual%20Report%20and%20Accounts%202009.pdf</p>

A copy of the 2010 annual report and financial statements is enclosed with this document. The results for Begbies for the three years ended 30 April 2010 are available free of charge on the Begbies website at <http://www.begbies-traynorgroup.com/investor-relations/financial-information/financial-reports.aspx>

Information in relation to 1 and 2 above has not been published in an inflation adjusted form. The annual reports are available in "read-only" format and can be printed from the Begbies website. Begbies will provide within two business days, without charge, to each person to whom a copy of this document has been delivered, upon their written or verbal request, a copy of any documents incorporated by reference in this document. Copies of any documents incorporated by reference in this document will not be provided unless such a request is made. Written requests for copies of any such document should be directed to: Begbies Traynor Group plc, 340 Deansgate, Manchester, M3 4LY, otherwise Shareholders may telephone the Company on: 0161 837 1700

BEGBIES TRAYNOR GROUP PLC
(Registered in England and Wales No. 05120043)

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the 2010 annual general meeting of Begbies Traynor Group plc ("**Company**") will be held at the offices of Begbies Traynor Group plc, 340 Deansgate, Manchester M3 4LY on 30 September 2010 at 11.00 a.m. for the following purposes:

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

1. To receive the Company's annual accounts and directors' and auditors' reports for the year ended 30 April 2010.
2. To approve the directors' remuneration report for the year ended 30 April 2010.
3. To declare a final dividend for the year ended 30 April 2010 of 1.9 pence per ordinary share in the capital of the Company, to be paid on 29 October 2010 to shareholders whose names appear on the register of members at the close of business on 8 October 2010.
4. To reappoint John May, who retires by rotation, as a director of the Company.
5. To re-appoint Deloitte LLP as auditors of the Company from the conclusion of this meeting until the conclusion of the next general meeting at which accounts are laid before the Company, at a remuneration to be determined by the directors of the Company.
6. That pursuant to section 551 of the Companies Act 2006 ("**Act**"):
 - (a) the directors be and are generally and unconditionally authorised to exercise all the powers of the Company to allot shares in the Company or to grant rights to subscribe for, or to convert any security into, shares in the Company ("**Relevant Securities**"), otherwise than pursuant to paragraph 6(b) of this resolution, up to an aggregate nominal amount of £1,500,000, (such amount to be reduced by the aggregate nominal amount of Relevant Securities allotted pursuant to paragraph 6(b) of this resolution in excess of £1,500,000), provided that (unless previously revoked, varied or renewed) this authority shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution or on 30 December 2011 (whichever is the earlier), save that the Company may make an offer or agreement before the expiry of this authority which would or might require shares to be allotted or rights to subscribe for or to convert any security into shares to be granted after such expiry and the directors may allot shares or grant such rights pursuant to any such offer or agreement as if the authority conferred by this resolution had not expired; and
 - (b) the directors be and are generally and unconditionally authorised to exercise all the powers of the Company to allot equity securities (within the meaning of section 560 of the Act) up to an aggregate nominal amount of £3,000,000 (such amount to be reduced by the aggregate nominal amount of Relevant Securities allotted pursuant to paragraph 6(a) of this resolution) in connection with a rights issue (as defined in the listing rules published by the Financial Services Authority) to holders of ordinary shares in the capital of the Company (as defined in section 560 of the Act but excluding the convertible redeemable A ordinary shares of 3 pence each) ("**Ordinary Shares**") in proportion (as nearly as practicable) to the respective numbers of Ordinary Shares held by them, subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements, record dates or any legal or practical problems under the laws of any territory or the requirements of any regulatory body or stock exchange, provided that (unless previously revoked, varied or renewed) this authority shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution or on 30 December 2011 (whichever is the earlier), save that the Company may make an offer or agreement before the expiry of this authority which would or might

require equity securities to be allotted after such expiry and the directors may allot equity securities pursuant to any such offer or agreement as if the authority conferred by this resolution had not expired.

This authority is in substitution for all existing authorities under section 551 of the Act (which, to the extent unused at the date of this resolution, are revoked with immediate effect).

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

7. That, subject to and conditional upon the passing of resolution 6, pursuant to section 570 of the Companies Act 2006 ("**Act**"):

(a) the directors be and are generally empowered to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority conferred by resolution 6(a) as if section 561 of the Act did not apply to any such allotment, provided that this power shall be limited to:

(i) the allotment of equity securities in connection with an offer of equity securities (whether by way of a rights issue, open offer or otherwise) to holders of ordinary shares in the capital of the Company (as defined in section 560 of the Act but excluding the convertible redeemable A ordinary shares of 3 pence each) ("**Ordinary Shares**") in proportion (as nearly as practicable) to the respective numbers of Ordinary Shares held by them, subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements, record dates or any legal or practical problems under the laws of any territory or the requirements of any regulatory body or stock exchange; and

(ii) the allotment of equity securities for cash (otherwise than pursuant to paragraph (i) above) up to an aggregate nominal amount of £450,000,

provided that (unless previously revoked, varied or renewed) this power shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution or on 30 December 2011 (whichever is the earlier), save that the Company may make an offer or agreement before the expiry of this power which would or might require equity securities to be allotted for cash after such expiry and the directors may allot equity securities for cash pursuant to any such offer or agreement as if the power conferred by this resolution had not expired; and

(b) the directors be and are generally empowered to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority conferred by resolution 6(a) as if section 561 of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities in connection with a rights issue (as defined in the listing rules published by the Financial Services Authority) to holders of Ordinary Shares in proportion (as nearly as practicable) to the respective numbers of Ordinary Shares held by them, subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements, record dates or any legal or practical problems under the laws of any territory or the requirements of any regulatory body or stock exchange, provided that (unless previously revoked, varied or renewed) this power shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution or on 30 December 2011 (whichever is the earlier), save that the Company may make an offer or agreement before the expiry of this power which would or might require equity securities to be allotted for cash after such expiry and the directors may allot equity securities for cash pursuant to any such offer or agreement as if the power conferred by this resolution had not expired.

This power is in substitution for all existing powers under section 570 of the Act (which to the extent unused at the date of this resolution, are revoked with immediate effect).

8. That:
- (a) in addition to the authorisations proposed to be granted by resolution 6, pursuant to section 551 of the Companies Act 2006 ("**Act**") the directors be and are unconditionally authorised to exercise all the powers of the Company to allot convertible redeemable A ordinary shares of 3 pence each ("**A Ordinary Shares**") in the Company or to grant rights to subscribe for A Ordinary Shares, up to an aggregate nominal amount of £150,000 pursuant to the Begbies Traynor Group plc 2009 Partner Share Plan, provided that (unless previously revoked, varied or renewed) such authority shall expire at the conclusion of the next annual general meeting of the Company or on 30 December 2011 (whichever is the earlier) save that the Company may make an offer or agreement before the expiry of this authority which would or might require A Ordinary Shares to be allotted or rights to subscribe for A Ordinary Shares to be granted after such expiry and the directors may allot such shares or grant such rights pursuant to such offer or agreement as if the authority conferred by this resolution had not expired; and
 - (b) in addition to the powers proposed to be granted by resolution 7, pursuant to section 571 of the Act, the directors be and are empowered to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority conferred by resolution 8(a) as if section 561 of the Act did not apply to any such allotment, up to an aggregate nominal amount of £150,000, provided that (unless previously revoked, varied or renewed) this power shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution or on 30 December 2011 (whichever is the earlier), save that the Company may make an offer or agreement before the expiry of this power which would or might require equity securities to be allotted for cash after such expiry and the directors may allot equity securities for cash pursuant to any such offer or agreement as if the power conferred by this resolution had not expired.

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

9. That the waiver by the Panel on Takeovers and Mergers referred to in the circular to shareholders of the Company dated 20 August 2010 ("**Circular**") of any requirement under Rule 9 of the City Code on Takeovers and Mergers for Richard Traynor to make a general offer to the Shareholders of the Company as a result of the market purchase by the Company of up to 22,377,863 ordinary shares of £0.05 each in the Company pursuant to the authorisation granted to the Company by resolution 10, be and is hereby approved.

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

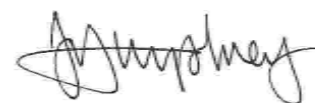
10. That, pursuant to section 701 of the Companies Act 2006 ("**Act**"), the Company be and is generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the Act) of ordinary shares of 5 pence each in the capital of the Company ("**Ordinary Shares**"), provided that:
- (a) the maximum aggregate number of Ordinary Shares which may be purchased is 22,377,863;
 - (b) the minimum price (excluding expenses) which may be paid for an Ordinary Share is 5 pence; and
 - (c) the maximum price (excluding expenses) which may be paid for an Ordinary Share is an amount equal to 105 per cent of the average of the middle market quotations for an Ordinary Share as derived from the AIM Appendix of the Daily Official List of the London Stock Exchange plc for the five business days immediately preceding the day on which the purchase is made,

and (unless previously revoked, varied or renewed) this authority shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution or on 30 December 2011 (whichever is the earlier), save that the Company may

enter into a contract to purchase Ordinary Shares before this authority expires under which such purchase will or may be completed or executed wholly or partly after this authority expires and may make a purchase of Ordinary Shares pursuant to any such contract as if this authority had not expired.

11. That the articles of association produced to the meeting and initialled by the Chairman of the meeting for the purpose of identification ("**New Articles**") be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association.
12. That the share premium account standing in the books of the account of the Company be and the same is hereby reduced by cancelling the sum of £17,343,000 standing to the credit of the share premium account.

By order of the board



.....
John Humphrey
Company Secretary

20 August 2010

Registered office:
340 Deansgate
Manchester M3 4LY

Registered in England and Wales No. 05120043

Notes

Entitlement to attend and vote

1. The right to vote at the meeting is determined by reference to the register of members of the Company. Only those shareholders registered in the register of members of the Company as at 6.00pm on 28 September 2010 (or, if the meeting is adjourned, 6.00pm on the date which is two working days before the date of the adjourned meeting) shall be entitled to attend and vote at the meeting in respect of the number of ordinary shares of 5 pence ("Ordinary Shares") registered in their name at that time. Changes to entries in the register of members after that time shall be disregarded in determining the rights of any person to attend or vote (and the number of votes they may cast) at the meeting.

Proxies

2. A shareholder is entitled to appoint another person as his or her proxy to exercise all or any of his or her rights to attend and to speak and vote at the meeting. A proxy need not be a shareholder of the Company.

A shareholder may appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. Failure to specify the number of shares each proxy appointment relates to or specifying a number which when taken together with the numbers of shares set out in the other proxy appointments is in excess of the number of ordinary shares held by the shareholder may result in the proxy appointment being invalid.

A proxy may only be appointed in accordance with the procedures set out in notes 3 and 4 below and the notes to the proxy form.

The appointment of a proxy will not preclude a shareholder from attending and voting in person at the meeting.

3. A form of proxy is enclosed. When appointing more than one proxy, complete a separate proxy form in relation to each appointment. Additional proxy forms may be obtained by contacting the Company's registrars, Computershare Investor Services Plc at The Pavilions, Bridgewater Road, Bristol BS99 6ZY or the proxy form may be photocopied. State clearly on each proxy form the number of ordinary shares in relation to which the proxy is appointed.

To be valid, a proxy form must be received by post or (during normal business hours only) by hand at the offices of the Company's registrar, Computershare Investor Services Plc at The Pavilions, Bridgewater Road, Bristol BS99 7NH, no later than 11.00 a.m. on 28 September 2010 (or, if the meeting is adjourned, no later than 48 hours before the time of any adjourned meeting).

4. CREST members who wish to appoint a proxy or proxies for the meeting (or any adjournment of it) through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a 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.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message ("**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by Computershare Investor Services Plc (CREST ID 3RA50) no later than 11.00 a.m. on 28 September 2010 (or, if the meeting is adjourned, no later than 48 hours before the time of any adjourned meeting). 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 Computershare Investor Services Plc is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited 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 his or her CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. 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.

The Company may treat a CREST Proxy Instruction as invalid in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Corporate representatives

5. A shareholder which is a corporation may authorise one or more persons to act as its representative(s) at the meeting. 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 (where there is more than one representative and the vote is otherwise than on a show of hands) they do not do so in relation to the same shares.

Biographical details of directors

6. Biographical details of the director who is offering himself for reappointment at the meeting is set out on the Company's website at http://www.begbies-traynorgroup.com/investor-relations/company-information/directors/john-may-non-executive-director_8.aspx.

Resolution 9

7. In order to comply with the City Code on Takeovers and Mergers, resolution 9 shall be taken on a poll.

BEGBIES TRAYNOR GROUP PLC

FORM OF PROXY

Please insert the member(s) full name(s) and address(es) in BLOCK LETTERS

I/We of

being a member/members of Begbies Traynor Group plc hereby appoint the Chairman of the Meeting*, or failing him as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at Begbies Traynor Group plc, 340 Deansgate, Manchester, M3 4LY at 11.00 a.m. on 30 September 2010 and at any adjournment thereof.

*If you wish to appoint your own proxy, delete the words “the Chairman of the Meeting” and insert in BLOCK LETTERS the name of your proxy in the space provided.

Please indicate with an X in the space below how you wish your votes to be cast. If you do not specify how you wish your votes to be cast, then you will be deemed to have authorised your proxy to vote or abstain from voting as he/she thinks fit.

		FOR	AGAINST	ABSTAIN
1.	To receive the annual report and accounts.			
2.	To receive the directors' remuneration report.			
3.	To approve the final cash dividend of 1.9 pence per Ordinary Share.			
4.	To re-appoint John May as a Director.			
5.	To re-appoint Deloitte LLP as auditors and to authorise the Directors to determine their remuneration.			
6.	To authorise the Directors to allot Ordinary Shares.			
7.	To disapply statutory pre-emption rights on the allotment of Ordinary Shares.			
8.	To: (a) authorise the Directors to allot A Ordinary Shares; and (b) disapply statutory pre-emption rights on the allotment of A Ordinary Shares.			
9.	To approve the Waiver.			
10.	To approve the Share Purchase Authority.			
11.	To adopt the New Articles.			
12.	To approve the reduction in share premium account			

Date 2010

Signature

NOTES:

1. A proxy need not be a shareholder of the Company.
2. The appointment of a proxy will not preclude the shareholder from attending and voting at the meeting in person.
3. Richard Traynor shall be entitled to appoint a proxy to attend but not to vote in respect of resolution 9. A proxy appointed by Richard Traynor shall be entitled to attend and vote in respect of resolution 10.
4. This form should be signed by the shareholder or his/her attorney duly authorised in writing. In the case of joint shareholders, the signature of the first named joint shareholder on the register will be accepted to the exclusion of all other joint shareholders.
5. If the shareholder is a corporation the form should be executed, either under seal or under the hand of an officer or attorney duly authorised.
6. To be valid, the form of proxy and any authority under which it is signed (if the form is executed on behalf of the member) must be lodged with the Registrars of the Company, Computershare Investor Services plc, The Pavilions, Bridgewater Road, Bristol, BS99 6ZY at least 48 hours before the time appointed for the Annual General Meeting.
7. To appoint more than one proxy you may photocopy this form. Please indicate the proxy holder's name and the number of ordinary shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of ordinary shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope.
8. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic appointment services may do so for the meeting and any adjournment of the meeting by using the procedures described in the CREST Manual. To be valid, the appropriate CREST message, regardless of whether it constitutes the appointment of a proxy, must be transmitted so as to be received by our agent Computershare Investor Services Plc (CREST ID 3RA50) by not later than 48 hours before the time fixed for the meeting. See the notes to the Notice of Annual General Meeting for further information on the appointment of proxies through CREST.