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If you have sold or transferred all your registered holding of your Existing Ordinary Shares in AssetCo PLC, please forward this document and the accompanying notice of General Meeting and Form of Proxy to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Arden Partners, which is authorised and regulated in the UK by the Financial Services Authority, is acting as nominated adviser, broker and independent adviser for the purposes of the Code to AssetCo PLC and no one else in connection with the proposals described in this document and accordingly will not be responsible to any other person other than AssetCo PLC for providing the protections afforded to its customers or for providing advice in relation to the proposals. Without limiting the statutory rights of any person to whom this document is issued, no representation or warranty, express or implied, is made by Arden Partners as to any of the contents of this document, for which the Directors are responsible.

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ASSETCO PLC

(Incorporated in England and Wales under the Companies Act 1985 with registered number 04966347)

PROPOSALS FOR A SCHEME OF ARRANGEMENT WITH CREDITORS, SHARE CONSOLIDATION, ACQUISITION OF THE PREFERENCE SHARES IN ASSETCO (ABU DHABI) LIMITED, PLACING OF 7 MILLION OF NEW ORDINARY SHARES RAISING £14 MILLION, WAIVER OF RULE 9 MANDATORY OFFER, RULE 21.1 APPROVAL, ADOPTION OF NEW ARTICLES AND NOTICE OF GENERAL MEETING

This document does not constitute a prospectus and nor does it constitute an admission document drawn up in accordance with the AIM Rules.

This document should be read as a whole. Your attention is drawn to the letter from the Chairman of AssetCo PLC which is set out in Part I of this document and which recommends that you vote in favour of the Resolutions to be proposed at the General Meeting.

The New Ordinary Shares will, on Admission, have the same rights (including as to voting, dividends and return of capital) as the Existing Ordinary Shares (following completion of the Capital Reorganisation of the Existing Ordinary Shares) and will rank in full for all dividends and other distributions thereafter declared, made or paid on the ordinary share capital of the Company.

Notice of a General Meeting of the Company to be held at the offices of McGrigors LLP, 5 Old Bailey, London, EC4M 7BA on 26 September 2011 at 10.00 a.m. is set out at the end of this document, and the recommendations of the Directors and the Independent Directors are set out on page 21. To be valid, the accompanying Form of Proxy for use at the General Meeting of the Company must be duly completed, executed and returned, by hand or by post, to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY not less than 48 hours before the time for holding the meeting. The completion and depositing of a Form of Proxy will not preclude any Shareholder from attending and voting in person at the General Meeting should you so wish to. Copies of this document are available from the offices of McGrigors LLP, 5 Old Bailey, London, EC4M 7BA during normal business hours on any weekday (Saturday, Sunday and public holidays excepted) until conclusion of the General Meeting. This document will also be available from the Company's website, www.assetco.com.

The Placing Shares have not been, and will not be, registered under the United States Securities Act of 1933 (the "Securities Act") and may not be offered or sold within the United States (as defined in Regulation S under the Securities Act). The Placing Shares are being offered and sold outside the United States in reliance on Regulation S. This document is not being sent into the United States and does not constitute an offer to sell, or a solicitation or an offer to buy, Placing Shares to or from any Shareholder or any other person in the United States.

The Placing Shares have not been and will not be registered or qualified for distribution to the public under the securities legislation of any province or territory of Australia, Canada, Japan or the Republic of South Africa or in any country, territory or jurisdiction where to do so may contravene local securities law or regulations. Accordingly, the Placing Shares may not, subject to certain exemptions, be offered or sold directly or indirectly in or into, or to any national, citizen or resident of Australia, Canada, Japan or the Republic of South Africa. The distribution of this document in or into other jurisdictions may be restricted by law and therefore persons, into whose possession this document comes, should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdictions. This document is being sent into the Australia, Canada, Japan or the Republic of South Africa only to Shareholders for information in connection with the General Meeting and does not constitute an offer to sell, or a solicitation or an offer to buy, Placing Shares to or from any Shareholder in the Australia, Canada, Japan or the Republic of South Africa.

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EXPECTED TIMETABLE OF EVENTS

2011

Publication of this document		9 September
Latest time and date for receipt of Forms of Proxy	10.00 a.m. on 22 September	
Record date for General Meeting	6.00 p.m. on 22 September	
General Meeting	10.00 a.m. on 26 September	
Scheme Meeting of Scheme Creditors (other than Group Company Creditors) to approve the Scheme	10.00 a.m. on 22 September	
Scheme Meeting of Group Company Creditors	11.00 a.m. on 22 September	
Record date for the Capital Reorganisation	6.00 p.m. on 26 September	
Court hearing to sanction the Scheme ¹		28 September
Scheme expected to become effective		29 September
Admission ²	8.00 a.m. on 30 September	
CREST accounts credited with New Ordinary Shares		30 September
Share certificates will be dispatched by		7 October

¹ The Court will be requested to sanction the Scheme. The date for this hearing has not been settled, although it is expected to take place on or around 28 September 2011. If this date changes, the dates of all subsequent steps, including the effective date of the Scheme and the date of Admission and commencement of dealings in the Enlarged Share Capital on AIM, will be affected.

² Dealings on AIM in the ordinary shares in the Company are currently suspended. Dealings in the Enlarged Share Capital on AIM will commence upon announcement of the Company's audited accounts for the period ended 30 September 2011.

PLACING STATISTICS

Number of Existing Ordinary Shares in issue on the Record Date (immediately before the Capital Reorganisation)	250,712,740
Number of New Ordinary Shares immediately following the Capital Reorganisation	250,712
Number of New Ordinary Shares to be issued pursuant to the Share Exchange	3,750,000
Number of New Ordinary Shares to be issued pursuant to the Placing	7,000,000
Number of Warrants to be issued pursuant to the Placing	3,500,000
Number of New Ordinary Shares in issue immediately following Admission	11,000,712
Percentage of the Enlarged Share Capital represented by the Placing Shares and New Ordinary Shares to be issued pursuant to the Share Exchange	97.7%
Placing Price ³	200p
Gross proceeds of the Placing	£14.0m
Market capitalisation of the Company at the Placing Price, immediately following Admission	£22.0m

³ Immediately following the Capital Reorganisation.

PART I

LETTER FROM THE INTERIM CHAIRMAN

Directors:

Tudor Griffith Davies (*Executive-Director and Interim Chairman*)
Peter David Manning (*Non-Executive Director*)
Andrew Wayne Freemantle (*Non-Executive Director*)
Christopher Harwood Bernard Mills (*Non-Executive Director*)

Registered and Head Office:

800 Field End Road
South Ruislip, Middlesex
HA4 0QH

9 September 2011

To: The holders of Existing Ordinary Shares and, for information only, to the Share Option Holders

Dear Shareholder,

Introduction to the Proposals

AssetCo PLC today announced Proposals which will refinance the Group, including the injection of £14 million of new equity into the Company, enabling the Company to focus on growing its operations in the UAE.

The Proposals are intended to address the Company's current financial issues and to effect a recapitalisation.

The Proposals include:

- A Scheme of Arrangement with Scheme Creditors to compromise and settle all of the Company's liabilities, other than liabilities which are specifically excluded from the Scheme (such as in respect of the Company's UAE operations).
- A capital reorganisation and a 1 for 1,000 share consolidation.
- The exchange of the Subsidiary Preference Shares in consideration for the issue of 3.75 million New Ordinary Shares by the Company.
- A placing of 7 million New Ordinary Shares to raise £14 million (before expenses).
- The approval of the Share Exchange and the Placing for the purposes of Rule 21.1 of the Code.
- A waiver of obligations under Rule 9 of the Code which would otherwise arise from the Share Exchange and Placing.

This Circular sets out the Proposals in more detail, outlines the reasons for the Proposals and explains why the Independent Directors, or where appropriate, the Board consider them to be fair and reasonable as far as Shareholders are concerned and why they recommend that Shareholders vote in favour of the Resolutions required to put the Proposals into effect.

IF THE RESOLUTIONS ARE NOT PASSED OR IF THE SCHEME OF ARRANGEMENT DOES NOT RECEIVE THE APPROVAL OF THE SCHEME CREDITORS AND THE COURT THEN THE COMPANY MAY BE WOUND UP SAVE IN THE EVENT OF AN OFFER BEING RECEIVED. CERTAIN PARTS OF THE GROUP WILL BE UNLIKELY TO BE IN A POSITION TO MEET THEIR LIABILITIES AS THEY FALL DUE, FORCING THE DIRECTORS TO EITHER PLACE ASSETCO PLC INTO ADMINISTRATION, SELL IT ON LESS FAVOURABLE TERMS OR RESULT IN THE COMPANY BEING WOUND UP BY THE COURT. IN SUCH CIRCUMSTANCES, IT IS NOT EXPECTED THAT THE SHAREHOLDERS WOULD RECEIVE MORE THAN NOMINAL VALUE FOR THEIR CURRENT SHAREHOLDING.

Background to the Proposals

Financial position of the Company

The Company evolved from the leasing and asset management subsidiary of British Gas with the intention of becoming an international fire and rescue services business. The business was initially built around a 20 year operational asset management contract with the London Fire and Emergency Planning Authority (“LFEPA”) for London Fire Brigade.

In April 2006, Lincolnshire Fire and Rescue Service signed a 20 year PPP support services contract with the Company for the supply, operational management, maintenance and replacement of their pumping appliances, response and support vehicles, and a full range of operational equipment.

In January 2009, AssetCo (Abu Dhabi) Ltd, a wholly owned subsidiary of the Company, raised £15 million from NAV in the form of zero dividend redeemable preference shares, repayable in five years from issue and with warrants convertible into AssetCo PLC shares at 61.2p each.

In July 2009, AssetCo London Limited, a subsidiary of the Company, secured a 7 year contract to provide a 700 strong firefighter reserve capability to LFEPA. This replaced the reserve firefighting capacity previously provided by the Ministry of Defence.

In March 2010, the Company secured a 3 year £40 million contract to provide an outsourced firefighting service in the UAE, followed by a joint venture in the UAE that delivers fire fighting services to the UAE Air Force.

Between 13 December 2010 and 21 February 2011, the Company made a number of statements addressing a need for additional working capital, discussions on bank financing and the possibility of an equity fundraising.

On 4 February 2011, the Company became aware of a winding up petition by HMRC.

On 3 March 2011, the Company announced an equity placing to raise £16 million (“the March Placing”). On 18 March 2011, prior to the shareholder meeting to approve the March Placing, the Company announced that, due to accelerated creditor demands, the Company was short of working capital. It also stated that a number of Shareholders had indicated that they would be willing to provide additional support up to £10 million.

On 21 March 2011, the Company announced that it would need £3 to 4 million of working capital in addition to the £16 million March Placing. However, three Shareholders (NAV, Utilico Group and Gartmore) had pledged £10 million should it be needed. The Company’s shares were suspended in light of a notice from the then Chief Executive, John Shannon, that he refused to be bound by his irrevocable undertaking to vote in favour of the resolutions authorising and enabling the March Placing. On the same day a court injunction was granted requiring John Shannon to abide by his irrevocable undertaking and the March Placing completed on 22 March 2011.

On 23 March 2011, Tudor Davies was appointed as Interim Executive Chairman of the Company to replace Tim Wightman who stepped down as Chairman and subsequently as a Director on 30 June 2011, and Christopher Mills was appointed as Non-Executive Director of the Company. On 24 March 2011, John Shannon resigned from the Board on request. On 29 March 2011, the Company announced that the winding up petition from HMRC had been dismissed, but a new petitioner, including the previous management, had been substituted onto the petition.

In May 2011, the Company announced that agreement had been reached with the remaining petitioner and the petition had been dismissed. The Company also stated that it had counter claims against previous management; that John Shannon had been dismissed as an employee; and that the main issue which the business faced was that the capital repayment

profile of its loans did not match the long term nature of the Company's contracts and the asset depreciation and capital expenditure profile. The Company also announced that whilst the Group was cash generative and could meet its interest costs, it did not generate sufficient funds to meet the repayment of capital as currently scheduled. The Company noted that its banks were supportive regarding the short term financing situation and were awaiting proposals on a financial restructuring, but in the meantime it was in breach of its banking arrangements. The Company also stated that it was considering all options to realise shareholder value.

On 18 May 2011, the Company announced that the Finance Director, Scott Brown, was leaving the Company with immediate effect.

On 24 May 2011, the Company announced that Northern Bank had lodged a winding up petition. At the winding up hearing on 29 June 2011, the Company sought and was given a 12 day deferral of the hearing. On 11 July 2011, the Company announced that the court hearing led to a further two week adjournment to enable offer and restructuring discussions to continue. On 25 July 2011 the Company announced it had been granted a further one month deferral to 25 August 2011. On 25 August 2011, the Company announced that it had been granted a further deferral until 28 September 2011 in order to allow creditors to consider the proposed Scheme of Arrangement (referred to further below).

It also announced in July 2011 that the Company had been in discussions with three major Shareholders: Utilico Group, NAV and Henderson, who had separately indicated that they were each willing to contribute to a refinancing of the Group to the total amount of up to £10 million by way of an equity placing and that these funds would be used to support a compromise with certain creditors through a scheme of arrangement as well as to recapitalise the Company. It was noted that it was intended that a limited number of other institutional Shareholders would be allowed to participate in any placing. It was noted that the intention was to ring fence the LFEPA contract and the related London Group from AssetCo PLC and its remaining subsidiaries.

Potential approaches to the Company

In January 2011, the Company announced that it was in discussions with a third party that might or might not lead to an offer being made for the Company. Subsequently, on 14 February 2011, the Company announced that it had discontinued offer talks with the potential offeror referred to in January 2011.

On 14 March 2011, the Company noted the press comment concerning a potential approach to the Company. The Directors confirmed that they had received a preliminary approach from a third party which was subject to various conditions including due diligence. Talks with this party had taken place intermittently over several months. At the outset of talks the Board approved the establishment of a committee of independent directors to oversee the matter. The independent directors considered the approach to be opportunistic and not in the interests of Shareholders as the indicated price range included an offer at a discount to the market price. As such, the independent directors confirmed that no talks were being conducted with this or any other party on any possible offer for the Company. On this date, Arcapita Bank B.S.C.(c) confirmed that it was the company referred to in the Company's announcement and that it was considering its options.

On 28 March 2011, the Board confirmed that Arcapita Bank B.S.C.(c) had made an approach.

Furthermore on 13 June 2011, the Company again noted the media comment concerning approaches to the Company. At that time, the Board confirmed that the Company was in discussions with a number of parties which may or may not lead to an offer being made for the business. It was emphasised that whilst discussions were at a developed stage, due diligence had not been completed, and there was no certainty any parties would make an offer.

Subsequently, in July 2011, the Company disclosed that discussions with a potential offeror had reached an advanced stage but the Board had not been able reach an agreement and the potential offeror had not yet been able to reach agreement with the banks. The Board noted that there was no certainty that an offer would be forthcoming.

As at the date of this document, discussions with potential offerors have ceased and the Directors confirm that they have not had discussions with potential offerors for several weeks. Consequently, the Board recommends that the Shareholders vote in favour of the Resolutions although this may result in any potential offer for the Company being withdrawn as the Board believes that, without a credible offer on the table, the Proposals are the only way forward that can leave the Company as a going concern.

IF THE RESOLUTIONS ARE NOT PASSED OR IF THE SCHEME OF ARRANGEMENT DOES NOT RECEIVE THE APPROVAL OF THE SCHEME CREDITORS AND THE COURT THEN THE COMPANY MAY BE WOUND UP SAVE IN THE EVENT OF AN OFFER BEING RECEIVED. CERTAIN PARTS OF THE GROUP WILL BE UNLIKELY TO BE IN A POSITION TO MEET THEIR LIABILITIES AS THEY FALL DUE, FORCING THE DIRECTORS TO EITHER PLACE ASSETCO PLC INTO ADMINISTRATION, SELL IT ON LESS FAVOURABLE TERMS OR RESULT IN THE COMPANY BEING WOUND UP BY THE COURT. IN SUCH CIRCUMSTANCES, IT IS NOT EXPECTED THAT THE SHAREHOLDERS WOULD RECEIVE MORE THAN NOMINAL VALUE FOR THEIR CURRENT SHAREHOLDING.

A. SUMMARY

The following information is a summary of the information provided within the “B. Detailed Information” section of this document. Shareholders should read the whole of this document and not rely solely on the summarised information set out below.

The Proposals include a number of separate elements, which are summarised below. The elements of the Proposals are interconditional, in that the different elements, including the Rule 9 Waiver, can only be put into effect together and not separately. To the extent that it is not possible to implement one of the interconditional elements save where the Rule 21 Approval is not required by the Panel, the Proposals will fail.

1. *Scheme of Arrangement with the Scheme Creditors*

The Company posted the Scheme Document on 30 August 2011 to Scheme Creditors setting out the details of a Scheme of Arrangement. This Scheme is intended to ensure that all Scheme Creditors are identified and compromised.

If the Scheme is given the support of the Scheme Creditors and the Court, the Company will have no trade creditors, no borrowings and no intercompany creditors, except for its trading operations carried out by its branch in Abu Dhabi and the Excluded Liabilities. The Scheme Document is available to view at www.assetco.com/Investor-Relations/Documents.aspx.

The Scheme of Arrangement is conditional upon the approval of the Proposals.

2. *Capital Reorganisation*

In order to enable equity capital to be raised, it is necessary to subdivide the Company's share capital to ensure shares can be subscribed for above their nominal value.

There will be a subdivision of the Existing Ordinary Shares into 1 Ordinary Share of 0.01p each and 1 Deferred Share of 0.99p each. Thereafter, every 1,000 Ordinary Shares of 0.01p each will be consolidated and redesignated as one New Ordinary Share and every 500 Deferred Shares of 0.99p each shall be consolidated and redesignated as one New Deferred

Share. New Deferred Shares will have rights such that in practical terms they will have no value and will not be quoted. The Board intends to cancel the New Deferred Shares in due course.

The Capital Reorganisation requires Shareholder approval and Shareholders will be asked to vote on this at the General Meeting.

3. *Share Exchange of the Subsidiary Preference Shares*

Under the terms of the Share Exchange Agreement, £15 million Subsidiary Preference Shares outstanding to NAV will be transferred to the Company in consideration for the issue by the Company of 3.75 million New Ordinary Shares, equivalent to £7.5 million at the Placing Price. All associated claims and arrears in payments due to the Subsidiary Preference Shareholders under the investment agreement in relation to their original subscription for the Subsidiary Preference Shares, will be waived, including the management fee due to the holders of the Subsidiary Preference Shares. In addition, the Investors Warrants will be cancelled.

The Share Exchange requires Shareholder and regulatory approval and Shareholders will be asked to vote on this at the General Meeting.

4. *Placing*

There will be a fully underwritten placing of 7 million Placing Shares at a price of 200p per New Ordinary Share. The Placing is conditional on Shareholder and regulatory approval of the Proposals. A minimum of 75 per cent. of the Placing Shares will be subscribed for by the Investors. The remaining 25 per cent. of the Placing Shares will be offered to a limited number of other institutional shareholders on the same terms. To the extent that they are not taken up, the Investors have also undertaken to subscribe for these Placing Shares. In addition, under the terms of the Warrant Instrument, any Placee will receive 1 Warrant for every 2 Placing Shares subscribed for.

Pre-emption rights will be disapplied to enable the Placing to take place. The Company believes that its working capital constraints and associated timescales, and the lack of audited accounts for the past year, means that a Placing with pre-emption rights disapplied is in the best interests of the Company as it maximises certainty of funds and minimises the timescale for the fund raising.

The Placing requires Shareholder and regulatory approval and Shareholders will be asked to vote on this at the General Meeting.

5. *Rule 21.1 Approval of the Share Exchange*

Rule 21.1 of the Code ("Rule 21.1") provides that during the course of an "offer period", the Board must not take any action without shareholder approval which may result in any offer or bona fide possible offer being frustrated or in shareholders being denied the opportunity to decide on its merits ("Frustrating Action").

As a result of the approach received for the Company as described above, the Company is in an offer period for the purposes of the Code. Consequently the issue of any shares by the Company is deemed to be Frustrating Action by the Code and accordingly, the Proposals require the approval of the Shareholders under Rule 21.1.

Shareholder and regulatory approval is required for the Rule 21 Approval and Shareholders will be asked to vote on this at the General Meeting.

6. Waiver of Rule 9 of the Takeover Code

Under Rule 9 of the Code any Shareholder who acquires an interest 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 which is subject to the Code is required to make a mandatory offer for the balance of the issued share capital of that Company on the basis set out in the Code.

As a result of the Placing and the Share Exchange, NAV will hold over 30 per cent. of the voting rights in the Company and would therefore be required under Rule 9 of the Code to make a mandatory offer as described above. The Panel has agreed, subject to the Whitewash Resolution being passed on a poll by the Independent Shareholders at the General Meeting, to waive the requirement under Rule 9 of the Code for NAV to make a mandatory offer for the Existing Ordinary Shares not already owned by them.

Shareholder approval is required for the Rule 9 Waiver and Shareholders will be asked to vote on this at the General Meeting.

7. UAE

The Company will as a result of the Proposals be ring fenced from all subsidiary operations, enabling it to focus on growing its operations in UAE, which currently comprise the existing 3-year Special Operations Command I contract, and a 30 per cent. economic interest in AssetCo Emirates Response Services LLC (a joint venture with Emirates Response Services LLC) that currently operates a contract with the UAE Air Force for the provision of personnel, training, operational equipment and facilities management as part of an outsourced firefighting service. The Company continues to pursue several contract opportunities in the UAE, where it sees potential for significant expansion.

8. Further Arrangements

Following the implementation of the Scheme and the Proposals, further steps will be required to stabilise the financial position of the London Group which carries out the contract with the LFEPA, the Lincoln Business which comprises the contract with the Lincoln Fire and Rescue Service, and the other subsidiaries within the Group.

The LFEPA contract delivers a steady stream of revenue to the London Group but this does not match the debt repayment profile which is accelerated versus the length of the contract.

The Company is in advanced discussions with the London Group Banks regarding the Further Arrangements, which are conditional, *inter alia*, upon Shareholder approval of the Proposals. The Further Arrangements involve, *inter alia*, carrying out a restructuring of the London Group followed by a write down of the debt facilities within the London Group to an aggregate total of £30.6 million and agreement with the London Group Banks as to the implementation of such further steps, as are required, to put the London Group in a stable financial position.

Subject to receiving the appropriate Shareholder and regulatory approval necessary, the Board intends to either refinance or sell the London Group prior to 31 December 2013, contingent on the implementation of the Proposals.

It is the intention of the Board to consider options for the Lincoln Business, which comprises AssetCo Lincoln Ltd and AssetCo Solutions Ltd, including potentially its disposal, subject to receiving the appropriate Shareholder and regulatory approvals necessary, following completion of the Scheme and the Proposals.

IF THE RESOLUTIONS ARE NOT PASSED OR IF THE SCHEME OF ARRANGEMENT DOES NOT RECEIVE THE APPROVAL OF THE SCHEME CREDITORS AND THE COURT THEN THE COMPANY MAY BE WOUND UP SAVE IN THE EVENT OF AN OFFER BEING

RECEIVED. CERTAIN PARTS OF THE GROUP WILL BE UNLIKELY TO BE IN A POSITION TO MEET THEIR LIABILITIES AS THEY FALL DUE, FORCING THE DIRECTORS TO EITHER PLACE ASSETCO PLC INTO ADMINISTRATION, SELL IT ON LESS FAVOURABLE TERMS OR RESULT IN THE COMPANY BEING WOUND UP BY THE COURT. IN SUCH CIRCUMSTANCES, IT IS NOT EXPECTED THAT THE SHAREHOLDERS WOULD RECEIVE MORE THAN NOMINAL VALUE FOR THEIR CURRENT SHAREHOLDING.

B. DETAILED INFORMATION

1. *Scheme of Arrangement with the Scheme Creditors*

The Company posted documentation on 30 August 2011 to Scheme Creditors setting out the details of the Scheme of Arrangement. The Scheme is intended to ensure that all Scheme Creditors are identified and compromised. The proposal to the unsecured lender and trade creditor class (other than intercompany creditors) is for approximately £5 million, to be raised from the Placing, to be allocated amongst those creditors, giving rise to an estimated payout of around 23p in the £1. The proposal to intercompany creditors is for a total allocation of £10,000, resulting in a payout of up to 0.01p in the £1.

If the Scheme is given the support of the Scheme Creditors and the Court, upon the Scheme becoming effective, the Company will have no trade creditors, no borrowings and no intercompany creditors, except for liabilities which are specifically excluded from the Scheme. The Scheme Document is available to view at www.assetco.com/Investor-Relations/Documents.aspx.

2. *Capital Reorganisation*

The price at which the Company proposes to raise additional capital is less than the current nominal value of its Existing Ordinary Shares and the Act prevents a company from issuing shares at a discount to the nominal value of its shares. Accordingly, the Company is undertaking the Capital Reorganisation in order to reduce the nominal value of the Company's Existing Ordinary Shares. The Capital Reorganisation will be made up of a number of steps.

In order to effect the issue of ordinary shares at less than the present nominal value, it is proposed to sub divide each Existing Ordinary Share of 1p each into 1 Split Ordinary Share of 0.01p each and 1 Split Deferred Share of 0.99p each. This will result in 250,712,740 Split Ordinary Shares each and 250,712,740 Split Deferred Shares being in issue immediately following the Capital Reorganisation.

Following the subdivision and redesignation of share capital referred to above, it is proposed that every 1,000 Split Ordinary Shares each be consolidated and redesignated as one New Ordinary Share of 10p.

Subject to the temporary suspension in trading in the Existing Ordinary Shares being removed by AIM, you will be free at any time on or before close of business on 26 September 2011 to purchase or sell such number of Existing Ordinary Shares as will result in your holding of Existing Ordinary Shares being exactly divisible by 1,000. In this event you will not be left with any fractional entitlements. However, in order that any shares purchased are registered in your name before the Capital Reorganisation takes place you must ensure that all transfers are registered with Share Registrars by 6.00 p.m. on 26 September 2011. Resolution 5 in the notice of General Meeting sets out the proposed Capital Reorganisation. Unless your holding of Existing Ordinary Shares is exactly divisible by 1,000 your holding will be rounded down to the nearest whole number of New Ordinary Shares. The New Ordinary Shares will have the same rights (including as to voting, dividends and return of capital) as the Existing Ordinary Shares following completion of the Capital Reorganisation. The Company will consolidate the fractional entitlements to New Ordinary Shares and may sell such number of New Ordinary Shares on the market for the benefit of the Company.

In addition, following the subdivision and redesignation of share capital referred to above, it is proposed that every 500 Split Deferred Shares be consolidated and redesignated as one New Deferred Share of £4.95. The rights attaching to the New Deferred Shares are set out in the new articles of association of the Company and will be minimal. The New Deferred Shares will therefore be effectively valueless as they will not carry any rights to vote or dividend rights and they will only be entitled to a payment on a return of capital or on a winding up of the Company after each New Ordinary Share has received a payment of £1,000,000. The New Deferred Shares will not be listed or traded on AIM and will not be transferable without the written consent of the Company.

The Board intends to make an application to the Court for the New Deferred Shares to be cancelled in due course. The New Deferred Shares may, by order of the Court, be cancelled for no consideration by means of a reduction of capital effected in accordance with applicable law without sanction of the holders of the New Deferred Shares. Upon cancellation, the share capital will be debited in respect of the New Deferred Shares and the capital redemption reserve will be credited.

3. Share Exchange of the Subsidiary Preference Shares

AssetCo (Abu Dhabi) Limited, a wholly owned subsidiary of the Company, currently has £15 million of Subsidiary Preference Shares outstanding to NAV. The Subsidiary Preference Shares were issued in January 2009 to fund expansion of the business of the Company in the UAE and at the same time AssetCo (Abu Dhabi) Limited entered into an agreement with NAV and others allocating all of the cashflows related to the UAE contracts to NAV until the Subsidiary Preference Shares were repaid. The Proposals will enable future benefits from the UAE to flow to the Company.

Under the terms of the Share Exchange Agreement, it is intended that NAV transfers 100 per cent. of the Subsidiary Preference Shares to the Company in consideration for the issue of 3.75 million New Ordinary Shares, equivalent to £7.5 million at the Placing Price. NAV and the Company will enter into the Share Exchange Agreement which will be conditional upon various matters including the Shareholders approving the Proposals for the purposes of Rule 21 and Rule 9 and the approval of the Scheme by the Scheme Creditors.

Pursuant to the terms of the Share Exchange Agreement, NAV will waive all claims it has against the Company relating to payments due to it and to the operation of the Group under the investment agreement in relation to AssetCo (Abu Dhabi) Limited, including payment of any management fees due to the holders of the Subsidiary Preference Shares. In addition, the Investor Warrants will be cancelled. The Share Exchange will account for 34.1 per cent. of the Enlarged Share Capital. The maximum shareholding of the New Ordinary Shares held by NAV following the Share Exchange and the Placing will be 55.3 per cent. of the Enlarged Share Capital (based on the Investors subscribing for 100 per cent. of the Placing Shares and before the exercise of any of the Warrants). Should NAV exercise its Warrants and no one else exercises their Warrants, then NAV would hold 59.6 per cent. of the Enlarged Share Capital.

4. Placing

The Company proposes to raise £14 million through the fully underwritten issue of the Placing Shares. The Placing is conditional on Shareholder and regulatory approval of the Proposals. The Placing Price of 200 pence represents an effective discount of 88.2 per cent. to the adjusted closing mid-market price of 1,700 pence on 8 September 2011 (the "Adjusted Closing Price"), being the last dealing day prior to the publication of this document. The actual closing price of the Existing Ordinary Shares, on 8 September 2011 (being the latest practicable date prior to the publication of this document), was 1.7 pence each and the Adjusted Closing Price reflects the equivalent closing price following completion of the Capital Reorganisation. The Placing Shares will represent approximately 63.6 per cent. of the Enlarged Share Capital.

The Placing proposals also provide for the subscription by Placees for up to 3.5 million warrants exercisable at 200 pence each, pro rata to their participation in the Placing. In addition under the terms of the Warrant Instrument, any Placee will receive 1 Warrant for every 2 Placing Shares subscribed for.

The Placing is conditional, *inter alia*, upon:

- the Scheme becoming effective;
- the Resolutions being passed at the General Meeting;
- the completion of the Share Exchange; and
- Admission occurring on or before 8.00 a.m on 14 October 2011 (or such later date as the parties may agree).

The Placing Shares will rank *pari passu* with the New Ordinary Shares in all respects including the right to receive all dividends or other distributions declared, made or paid by the Company after their respective dates of allotment.

Pre-emption rights will be disapplied in relation to the Placing. The Company believes that its working capital constraints and associated timescales, and the lack of audited accounts for the past year, means that a Placing with pre-emption rights disapplied is in the best interest of the Company as it maximises certainty of funds and minimises the timescale for the fund raising. The Placing is being fully underwritten by the Investors.

25 per cent. of the Placing Shares will be offered to a limited number of other institutional shareholders on the same terms. To the extent that they are not taken up, the Investors have undertaken to subscribe for these Placing Shares. Existing Shareholders excluding the Investors, will hold 17.6 per cent. of the New Ordinary Shares following the Placing should they take up 25 per cent. of Placing Shares.

5. Rule 21.1 Approval of the Share Exchange

Rule 21.1 of the Code ("Rule 21.1") provides that during the course of an offer period, the Board must not take any action without shareholder approval which may result in any offer or bona fide possible offer being frustrated or in shareholders being denied the opportunity to decide on its merits ("Frustrating Action").

As a result of the approach received for the Company as described above, the Company is in an offer period for the purposes of the Code. Consequently the issue of any shares by the Company is deemed to be Frustrating Action by the Code and accordingly, the Proposals require the approval of the Shareholders under Rule 21.1.

Whilst the Board does not have any indication as to the intentions of Arcapita Bank B.S.C(c), approval of the Proposals may result in any potential offer for the Company being withdrawn.

Shareholder and regulatory approval is required in respect of the Placing and the Share Exchange for the purposes of the Rule 21 Approval and Shareholders will be asked to vote on this at the General Meeting.

As highlighted above, discussions with the potential offeror have not progressed for several weeks. In particular, the potential offeror has been unable to reach an agreement with the Banks. The Board believes that if the Resolutions are not passed, the Company may be liquidated or the Directors may be forced to put the Company into administration. The Board recommends that the Shareholders vote in favour of the Resolutions.

6. Waiver of Rule 9 of the Takeover Code

NAV, in which Christopher Mills is the Chief Investment Officer, currently holds 0.004 per cent. of the Existing Ordinary Share capital of the Company as at the date of this document. In the event that the Proposals set out in this document are approved by the Shareholders, **the percentage shareholding of New Ordinary Shares held by NAV is shown in the table below.**

	NAV	Utilico Group	Henderson
Number of Existing Ordinary Shares	10,000	46,650,000	15,971,547
Percentage of Existing Share Capital	0.00%	18.61%	6.37%
Number of New Ordinary Shares following the Capital Reorganisation	10	46,650	15,971
Number of New Ordinary Shares issued pursuant to the Share Exchange	3,750,000	–	–
Placing Shares			
Minimum take up of New Ordinary Shares*	1,640,338	1,804,831	1,804,831
Maximum take up of New Ordinary Shares**	2,333,334	2,333,333	2,333,333
Warrants			
Minimum*	820,169	902,415	902,415
Maximum**	1,166,667	1,166,666	1,166,666
Shareholding immediately following the Proposals			
Minimum holding*	5,390,348	1,851,481	1,820,802
Percentage of Enlarged Share Capital	49.00%	16.83%	16.55%
Maximum holding**	6,083,344	2,379,983	2,349,304
Percentage of Enlarged Share Capital	55.30%	21.63%	21.36%
Shareholding following the exercise of the Warrants***			
Minimum holding*	6,210,517	1,851,481	1,820,802
Percentage of Enlarged Share Capital plus NAV's Warrants	52.54%	15.66%	15.40%
Maximum holding**	7,250,011	2,379,983	2,349,304
Percentage of Enlarged Share Capital plus NAV's Warrants	59.59%	19.56%	19.31%

* based on a take up of 75 per cent. of the Placing Shares

** based on a take up of 100 per cent. of the Placing Shares

*** maximum controlling position of NAV, assuming only NAV exercises its warrants

Under Rule 9 of the Code, any person who acquires an interest (as such term is defined in the Code) in shares which, taken together with the shares in which he and persons acting in concert with him are interested, carry 30 per cent. or more of the voting rights in a company which is subject to the Code, is normally required to make a general offer to all of the remaining shareholders to acquire their shares. Similarly, when any person, together with persons acting in concert with him, is interested in shares which in aggregate carry not less than 30 per cent. of the voting rights but does not hold shares carrying more than 50 per cent. of the voting rights of such a company, a general offer will normally be required if any further interests in shares are acquired by any such person. Such an offer would have to be made in cash at a price not less than the highest price paid by him, or by any member of the group of persons acting in concert with him, for any interest in shares in the company during the 12 months prior to the announcement of the offer.

The Panel has agreed, subject to Resolution 3 being passed on a poll by the Independent Shareholders at the General Meeting, to waive the requirement under Rule 9 of the Code that would otherwise arise as a result of the Placing and Share Exchange. The Independent Directors believe that it is in the best interests of the Company that Resolution 3 be passed. Following completion of the Proposals, should the existing Shareholders, excluding the Investors, take up their full entitlement to Placing Shares under the Placing, NAV will hold New Ordinary Shares carrying 49.00 per cent. of the voting rights of the Company. NAV will also

hold a further interest in New Ordinary Shares by virtue of the Warrants which it will receive as part of the Placing. As such NAV will have an interest in New Ordinary Shares representing more than 30 per cent. of the voting rights of the Company but will not hold such number of New Ordinary Shares as to carry over 50 per cent. of the voting rights of the Company. As a consequence NAV will be unable to increase its interest in New Ordinary Shares, save for increasing its interest by the exercise of its Warrants, without making a general offer to all remaining Shareholders to acquire their New Ordinary Shares.

Should NAV exercise a sufficient number of its Warrants and/or should the existing Shareholders, excluding the Investors, not take up such number of Placing Shares, NAV will hold over 50 per cent. of the Company's voting rights and may increase its interest in New Ordinary Shares without incurring any obligation under Rule 9 of the Code to make a general offer.

The maximum shareholding of NAV, assuming no existing Shareholders, excluding the Investors, take up their entitlement to Placing Shares and only NAV exercises its Warrants, would represent 59.6 per cent. of the voting rights of the Company.

7. UAE

The Company will as a result of the Proposals be ring fenced from all subsidiary operations, enabling it to focus on growing its operations in UAE, which currently comprise the existing 3-year Special Operations Command I contract, and a 30 per cent. economic interest in AssetCo Emirates Response Services LLC (a joint venture with Emirates Response Services LLC) that currently operates a contract with the UAE Air Force for the provision of personnel, training, operational equipment and facilities management as part of an outsourced firefighting service. The Company continues to pursue several contract opportunities in the UAE, where it sees potential for significant expansion.

8. Further Arrangements

In addition to the Scheme and the Proposals, which is intended to stabilise the financial position of the Company and to provide a platform for growth of operations in the UAE, the Directors consider that further steps are required to put the UK operating subsidiaries on a financial basis that will be stable in the medium to long term.

The contract with the LFEPA delivers a steady stream of revenue to the London Group but this does not match the debt repayment profile which is accelerated versus the length of the contract. Therefore the cash flows of the contract are unable to match the capital, interest and repayments required by the banking facilities of the London Group, most of which are provided by Lloyds Banking Group. The assets and the amount of debt on those assets have been mismatched, leading to excess indebtedness compared to the underlying asset values.

The Further Arrangements with the London Group Banks are intended to provide the basis for a stable financial platform through a restructuring of the London Group, and include:

- No repayment of capital or interest to the London Group Banks until the restructuring is complete.
- Agreement to carry out a restructuring of the London Group.
- All of the London Group lenders to write down all their loan facilities (including arrears on interest and capital) down to £30.6 million, equivalent to approximately 60p in the £1.
- The Company to inject £3.0 million as a lump sum immediately on completion of the write down to meet the payments due to creditors and to provide working capital.

- The facility repayment dates for all London Group Banks to be shortened to 31 December 2013, with the intention to refinance or dispose of the London Group prior to that date.
- The new facilities to be repaid at the rate of £3 million per annum in aggregate to the London Group Banks.

The Group is in advanced discussions with the London Group Banks regarding the Further Arrangements, which are conditional, *inter alia*, upon Shareholder approval of the Proposals.

Subject to receiving the appropriate Shareholder and regulatory approval necessary, the intention of the Directors is to refinance or sell the London Group as soon as practicable after it has been financially stabilised, but in any event prior to 31 December 2013 when the modified facilities provided by the London Group Banks fall due.

It is the intention of the Board to consider options for the Lincoln Business, which carries out the contract with Lincoln Fire & Rescue Service and comprises AssetCo Lincoln Ltd and AssetCo Solutions Ltd, including potentially its disposal, subject to receiving the appropriate Shareholder and regulatory approvals necessary, following completion of the Scheme and the Proposals.

New facilities may need to be put in place to enable the funding of necessary capital expenditure pending the sale or restructuring of the London and Lincoln contracts.

The UK subsidiaries of the Company, which include a substantial number of dormant and legacy trading companies as well as the London and Lincoln operating companies, are to be ring fenced from the Company and will be restructured, disposed of, or wound up.

IF THE RESOLUTIONS ARE NOT PASSED OR IF THE SCHEME OF ARRANGEMENT DOES NOT RECEIVE THE APPROVAL OF THE SCHEME CREDITORS AND THE COURT THEN THE COMPANY MAY BE WOUND UP SAVE IN THE EVENT OF AN OFFER BEING RECEIVED. CERTAIN PARTS OF THE GROUP WILL BE UNLIKELY TO BE IN A POSITION TO MEET THEIR LIABILITIES AS THEY FALL DUE, FORCING THE DIRECTORS TO EITHER PLACE ASSETCO PLC INTO ADMINISTRATION, SELL IT ON LESS FAVOURABLE TERMS OR RESULT IN THE COMPANY BEING WOUND UP BY THE COURT. IN SUCH CIRCUMSTANCES, IT IS NOT EXPECTED THAT THE SHAREHOLDERS WOULD RECEIVE MORE THAN NOMINAL VALUE FOR THEIR CURRENT SHAREHOLDING.

9. Current trading and prospects

The Group has continued to perform its contracts in the UK and Abu Dhabi on a satisfactory basis, considering the serious problems arising from the financing issues that have inevitably resulted in supply issues, creditor pressure and winding up petitions, although the measuring performance on the UK contracts has inevitably slipped in recent months. Management's attention has been focused on finding solutions to the immediate financing issues as well as devising a longer term solution, and these factors together with the additional management and professional costs which have been incurred as a result have had a material impact on the Group's trading results. Whilst the investigation into the carrying value of balance sheet items is at an early stage, the Company anticipates there being material write downs arising from difficulties in linking asset finance to the underlying assets. The Company also anticipates there being write downs of the carrying value of goodwill attributed to the various contracts, and a possibility of further material write downs of other assets.

As a result of the Proposals, the Group will see a substantial reduction in its indebtedness, both at the level of the Company and within the Group as a whole. This reduction will amount to approximately £55 million, comprising the elimination of the liabilities associated with the

Subsidiary Preference Shares as a result of the Share Exchange, the elimination of up to £20 million of indebtedness and other creditors of the Company as a result of the Scheme of Arrangement and the elimination of 40% of the indebtedness of the London Group, equivalent to approximately £20 million, as a result of the Further Arrangements in relation to the London Group. Assuming the full implementation of the Proposals including those in the Further Arrangements for the London Group, the Group as a whole would have an estimated £42.6 million of indebtedness, of which £30.6 million would relate to the London Group and a further £12 million relate to the Lincoln Business.

The Proposals, together with the Further Arrangements in relation to the London Group, will help stabilise the Company and create a strengthened platform on which to expand. In particular, the Company continues to pursue several contract opportunities in the UAE where it sees potential for significant expansion. However, the Group will continue to operate under serious financial pressures until the Proposals are complete, and even then there can be no certainty that the net proceeds of the Placing will be sufficient for the Group's requirements in the medium term as the expansion of the business in the UAE and capital expenditure in the UK may require further capital to continue to grow and develop. In addition, until completion of the restructuring of the UK Subsidiaries of the Company, there may be contingencies that would put further pressure on the Company's working capital management.

10. Pension Scheme

The Company is the principal employer of the Pension Scheme, even though it has no pensionable members in the pension scheme. The pension trustees have agreed a settlement of £450,000 enabling the Company to leave the pension scheme assuming the Proposals are implemented. The pension scheme will continue for the benefit of employees of the London Group.

As at the date of this document, the triennial valuation of the Pension Scheme is overdue. This must be resolved with the pension trustees as soon as practicable and may result in additional contributions.

11. NAV and its intentions

NAV is an independently managed UK investment management entity which since it was established in 2003, has been authorised and regulated by the Financial Services Authority. The principal activity of NAV is to provide discretionary investment management and advisory services to its active value and private equity clients.

NAV manages the North Atlantic Smaller Companies Investment Trust PLC and Oryx International Growth Fund Limited, both of which are listed on the London Stock Exchange, as well as the Trident Private Equity funds, representing £365 million of assets under management as at 30 June 2011. Christopher Mills is the Chief Investment Officer of NAV.

NAV is considering to seek to make such changes to the Board so as to strengthen the Group going forward and has confirmed its intention that, following implementation of the Proposals and the increase in its shareholding as a result of the Share Exchange, the business of the Group would be continued in substantially the same manner as proposed by this document.

NAV intends to hold its shareholding in the Company as a long term investment and its strategy will focus on the growth potential of the Group in the Middle East. Existing employment rights, including pension rights, of the employees or management of the Group will be safeguarded.

NAV has confirmed that its intentions regarding the location of the Company's place of business and the continued employment of its employees and management will not be altered as a result of the Proposals. There are no plans to introduce any significant change in the

business or in the terms of employment of the employees of the Group nor are there plans for any redeployment of the fixed assets of the Group as a result of the Proposals.

12. Use of proceeds

In aggregate, the Company will receive gross proceeds of £14 million as a result of the Placing. The Company will use the net proceeds after costs to settle with the Scheme Creditors for £5 million in the Scheme of Arrangement, to settle the Pension Scheme for a further £450,000, and also for an additional £3 million of working capital into the London Group and for additional general working capital and costs related to the Proposals. The remaining funds will be used to expand the UAE operations.

13. Share certificates

New share certificates representing the New Ordinary Shares will be issued by first class post at the risk of the Shareholder on or before 7 October 2011 following the Capital Reorganisation. No certificates will be issued in respect of the New Deferred Shares.

For uncertificated holders their stock accounts in CREST will be credited with the New Ordinary Shares on or around 30 September 2011.

Following the Capital Reorganisation share certificates in respect of Existing Ordinary Shares will no longer be valid. Subject to the Resolutions being passed and the temporary suspension in trading in Company Ordinary Shares being removed by AIM, Shareholders will nonetheless be able to trade in New Ordinary Shares during the period between the passing of the Resolutions and the date on which Shareholders receive share certificates in respect of the New Ordinary Shares. During this period and pending the issue of certificates transfers will be certified against the Company's share register.

If you are in any doubt with regard to your current shareholding in Existing Ordinary Shares or have any queries on the Capital Reorganisation you should contact the Company's registrar Computershare Investor Services PLC, on the following telephone number: +44 (0) 870 889 3198.

The New Ordinary Shares will have the same rights (including as to voting, dividends and return of capital) as the Existing Ordinary Shares (following the completion of the Capital Reorganisation of the Existing Ordinary Shares).

14. Change of year end

Management has concluded that it would be appropriate to appoint new auditors for the Group in the light of the Proposals and as a consequence the existing auditors have resigned in accordance with section 516 of the Act. There were no circumstances connected with their ceasing of holding office which they consider should be brought to the attention of the members or creditors of the Company. To reflect the changing nature of the Group, the Company is changing its year end from 31 March to 30 September to enable the impact of the Proposals to be taken into account in the next audited accounts. As a consequence, AIM will temporarily suspend trading in the Company's shares until the audited accounts for the period ended 30 September 2011 of the Group have been announced.

15. Related party transactions

Utilico Group, being the Company's largest shareholder as at the date of this document (which currently holds 46,650,000 Existing Ordinary Shares representing 18.61 per cent. of the total issued share capital of the Company as at the date of this document), has subscribed for up to 2,333,333 Placing Shares in the Placing and is deemed to be a related party to the Company.

NAV, by virtue of its relationship with Christopher Mills who is a Director of the Company, is deemed to be a related party. Therefore, the Placing is considered to be a related party transaction pursuant to Rule 13 of the AIM Rules for both Utilico Group and NAV.

The Company's Directors (with the exception of Christopher Mills who is deemed to be interested in the transaction) consider, having consulted with the Company's Nominated Adviser, Arden Partners, that the terms of the Placing are fair and reasonable insofar as the Shareholders are concerned.

In addition, the acquisition by the Company of the Subsidiary Preference Shares in consideration for the issue of the New Ordinary Shares to NAV and its related parties is considered to be a related party transaction pursuant to Rule 13 of the AIM Rules due to the relationship of their owner NAV with Christopher Mills.

The Company's Directors (with the exception of Christopher Mills who is deemed to be interested in the transaction) consider, having consulted with the Company's Nominated Adviser, Arden Partners, that the terms of the Share Exchange are fair and reasonable insofar as the Shareholders are concerned.

IF THE RESOLUTIONS ARE NOT PASSED OR IF THE SCHEME OF ARRANGEMENT DOES NOT RECEIVE THE APPROVAL OF THE SCHEME CREDITORS AND THE COURT THEN THE COMPANY MAY BE WOUND UP SAVE IN THE EVENT OF AN OFFER BEING RECEIVED. CERTAIN PARTS OF THE GROUP WILL BE UNLIKELY TO BE IN A POSITION TO MEET THEIR LIABILITIES AS THEY FALL DUE, FORCING THE DIRECTORS TO EITHER PLACE ASSETCO PLC INTO ADMINISTRATION, SELL IT ON LESS FAVOURABLE TERMS OR RESULT IN THE COMPANY BEING WOUND UP BY THE COURT. IN SUCH CIRCUMSTANCES, IT IS NOT EXPECTED THAT THE SHAREHOLDERS WOULD RECEIVE MORE THAN NOMINAL VALUE FOR THEIR CURRENT SHAREHOLDING.

16. Board of Directors

Following approval of the Proposals, it is intended that the Board will consider necessary management changes as well as the Board structure and its composition.

17. Irrevocable Undertakings

As at the date of this document, the Company has received irrevocable undertakings to vote in favour of the Proposals from Shareholders accounting for 57,422,187 Existing Ordinary Shares representing 22.9 per cent. of the Existing Share Capital. This includes irrevocable undertakings for the Directors, Utilico Group and Henderson and excludes NAV and Christopher Mills, who are not permitted to vote on the Resolutions. In addition, Utilico Group and Henderson will not vote on the approval of Resolution 3 as they are deemed to be interested in the outcome of the Proposals under Resolution 3. This reduces the percentage of Existing Ordinary Shares over which the Company has received irrevocable undertakings to vote in favour of Resolution 3 to 0.12 per cent..

18. General Meeting

You will find set out at the end of this document a notice convening the General Meeting for 10.00 a.m. on 26 September 2011 in order to consider the Proposals. At the General Meeting, the following Resolutions will be proposed:

Resolution 1: an ordinary resolution to give the Directors authority to allot, *inter alia*, the Placing Shares and the New Ordinary Shares to be issued in connection with the Share Exchange

- Resolution 2:** an ordinary resolution to authorise the Directors to allot New Ordinary Shares for cash
- Resolution 3:** an ordinary resolution to approve the waiver of Rule 9 of the Code following the increase of NAV's proportionate shareholding in the Company after the Capital Reorganisation as required by the Panel
- Resolution 4:** an ordinary resolution to approve Proposals for the purposes of Rule 21.1 of the Code
- Resolution 5:** a special resolution to approve the Capital Reorganisation
- Resolution 6:** a special resolution to disapply the statutory pre-emption rights in relation to, *inter alia*, the issue of the Placing Shares
- Resolution 7:** a special resolution to approve the adoption of new articles of association of the Company following the Capital Reorganisation

19. Action to be taken

A Form of Proxy for use in connection with the General Meeting accompanies this document. The Form of Proxy should be completed in accordance with the instructions thereon and returned to the Company's registrars as soon as possible, but in any event so as to be received by 10.00 a.m. on 22 September 2011. The completion and return of a Form of Proxy will not preclude Shareholders from attending the General Meeting and voting in person, should they so wish.

20. Additional information

Your attention is drawn to the information concerning the Company set out in Part II of this document. Shareholders are advised to read the document as a whole and not rely solely on the summary information presented in this letter.

21. Recommendation

As the Placing is deemed to be a related party transaction pursuant to Rule 13 of the AIM Rules, the Placing Independent Directors (who exclude Christopher Mills who is deemed to be interested in the transaction), having consulted with the Company's Nominated Adviser, Arden Partners, consider that the terms of the transaction are fair and reasonable insofar as Shareholders are concerned. During this consultation Arden Partners has relied upon the Directors' commercial assessments.

IF THE RESOLUTIONS ARE NOT PASSED OR IF THE SCHEME OF ARRANGEMENT DOES NOT RECEIVE THE APPROVAL OF THE SCHEME CREDITORS AND THE COURT THEN THE COMPANY MAY BE WOUND UP SAVE IN THE EVENT OF AN OFFER BEING RECEIVED. CERTAIN PARTS OF THE GROUP WILL BE UNLIKELY TO BE IN A POSITION TO MEET THEIR LIABILITIES AS THEY FALL DUE, FORCING THE DIRECTORS TO EITHER PLACE ASSETCO PLC INTO ADMINISTRATION, SELL IT ON LESS FAVOURABLE TERMS OR RESULT IN THE COMPANY BEING WOUND UP BY THE COURT. IN SUCH CIRCUMSTANCES, IT IS NOT EXPECTED THAT THE SHAREHOLDERS WOULD RECEIVE MORE THAN NOMINAL VALUE FOR THEIR CURRENT SHAREHOLDING.

Accordingly, your Directors unanimously recommend that Shareholders vote in favour of Resolutions 1, 2, 4, 5, 6 and 7 to be proposed at the General Meeting, as they intend to do in respect of their own beneficial holdings in the ordinary share capital of the Company.

In addition, the Rule 9 Independent Directors for the Placing and the Share Exchange (who exclude Christopher Mills who is deemed not to be independent by virtue of his position at NAV), having been so advised by Arden Partners, the Company's independent adviser for the purposes of the Code, consider the Proposals to be fair and reasonable and in the best interest of the Independent Shareholders and the Company as a whole and unanimously recommend that you vote in favour of Resolution 3 to be proposed and held on a poll at the General Meeting, as they intend to do in respect of their own beneficial holdings in the ordinary share capital of the Company.

As a result of the terms of the Proposals, NAV and Christopher Mills will not vote on the approval of the Proposals. In addition Utilico Group and Henderson will not vote on Resolution 3 as they are deemed to be interested in the outcome of the Proposals under Resolution 3.

The Company has received irrevocable undertakings from certain other Shareholders to vote in favour of the Resolutions which amount to 57,422,187 Existing Ordinary Shares representing approximately 22.9 per cent. of the Existing Share Capital of the Company. However, Utilico Group and Henderson will not vote on the approval of Resolution 3 as they are deemed to be interested in the outcome of the Proposals under Resolution 3. This reduces the percentage of Existing Ordinary Shares which the Company has received irrevocable undertakings to vote in favour of Resolution 3 to 0.12 per cent..

Yours sincerely

Tudor Davies
Interim Chairman

PART II

ADDITIONAL INFORMATION

1. Responsibility

The Directors, whose names and functions appear in paragraph 2 below, accept responsibility, both collectively and individually, for the information contained in this document, excluding the information relating to NAV, including the Directors' recommendation contained in Part I 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 is in accordance with the facts and does not omit anything likely to affect the import of such information.

The members of NAV: Christopher Mills, Jeremy Brade, Faye Foster, Maarten Hemsley, James Agnew and Timothy Sturm, accept responsibility, both collectively and individually, for the information contained within this document relating to themselves and NAV. To the best of their knowledge and belief (having taken all reasonable care to ensure that such is the case), the information contained in this document for which they take responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Directors of the Company

The current Directors of the Company are:

- Tudor Griffith Davies (*Executive Director & Interim Chairman*)
- Christopher Harwood Bernard Mills (*Non-Executive Director*)
- Andrew Wayne Freemantle (*Non-Executive Director*)
- Peter David Manning (*Non-Executive Director*)

3. The Company

- a. The Company was incorporated and registered in England and Wales under the Companies Act 1985 on 17 November 2003 with the name Asfare No1. PLC with registered number 04966347 as a public company with limited liability. The company name was changed to Asfare Group PLC on 2 December 2003 and again to AssetCo PLC on 29 March 2007.
- b. The registered office address of the Company is 800 Field End Road, South Ruislip, Middlesex, HA4 0QH. The Company's main telephone number is +44 (0) 20 8515 3999. The Company was issued with a certificate by the Registrar of Companies, in accordance with section 117 of the Companies Act 1985, enabling it to begin business and exercise its borrowing powers on 2 December 2003.
- c. The accounting reference date of the Company is 31 March as at the date of this document.
- d. The liability of the members of the Company is limited.

4. Interests and dealings

4.1 Shareholdings, interests and dealings in AssetCo securities

- (i) The interests of the Directors and members of their respective immediate families, related trusts and connected persons (within the meaning of sections 252 and 253 of the Act) in the share capital of the Company as at the date of this document and as they are expected to be upon completion of the Proposals are as follows:

Name	Number of Deferred Shares	Prior to the Placing and Share Exchange		Immediately after the Placing and Share Exchange	
		Number of Existing Ordinary Shares	% of Existing Share Capital held	Number of New Ordinary Shares	% of Enlarged Share Capital held
Peter Manning	0	278,846	0.11%	278	0.00%
Andrew Freemantle	0	18,480	0.01%	18	0.00%
Christopher Mills *	0	10,000	0.00%	5,390,348 (minimum) to 6,083,344 (maximum)	49.00% (minimum) to 55.30% (maximum)
Tudor Davies **	0	0	0.00%	25,024	0.23%

* Christopher Mills is interested in the Company through Existing Ordinary Shares held by NAV, which is part of JO Hambro Capital Management Group Limited group of companies.

** Tudor Davies has no interest in the Company prior to the Placing and Share Exchange, however, he is interested in AssetCo (Abu Dhabi) Limited, through a discretionary fund managed by NAV. Following the Share Exchange, he will be interested in the Company through a discretionary fund managed by NAV.

- (ii) As at the date of this document, the Directors had no outstanding options over Existing Ordinary Shares.
- (iii) Save as disclosed in paragraph 4.1 of this document, as at close of business on 8 September 2011 (the last practicable day before the publication of this document), no Director, no person acting in concert with the Company, no pension fund of the Company, no employee benefit trust of the Company, no adviser to the Company, including any person controlling, controlled by or under the same control as them (as such term is defined in the Code), had any interests, rights to subscribe or short positions in relevant securities of the Company.
- (iv) Save as disclosed in paragraph 4.1 of this document, as at close of business on 8 September 2011 (the last practicable day before the publication of this document), neither the Company nor any Director nor any other person acting in concert with the Company, had any interests, rights to subscribe or short positions in relevant securities of NAV.
- (v) As at close of business on 8 September 2011 (the last practicable day before the publication of this document), neither the Company, the Directors nor any person acting in concert with the Company, had borrowed or lent any relevant securities of the Company.

- (vi) The interests of NAV in the relevant securities of the Company on 8 September 2011 (the last practicable day before the publication of this document) are as follows:

Class of relevant security:	Interests	
	Number	%
(1) Relevant securities owned and/or controlled:	10,000	0.00%
(2) Derivatives (other than options):	–	
(3) Options and agreements to purchase/sell:	–	
(4) Short positions:	–	
TOTAL:	10,000	0.00%

- (vii) The following dealings in relevant securities of the Company by NAV have taken place during the period beginning 12 months prior to the date of this document.

Date	Transaction	Price (p)	Number of Existing Ordinary Shares
12.10.2010	Sale	60	268,375
12.10.2010	Sale	60	431,625
3.3.2011	Sale	12	400,000
3.3.2011	Sale	12	100,000
3.3.2011	Sale	12	2,150,000
7.3.2011	Sale	13	146,081
8.3.2011	Sale	13	174,556
14.3.2011	Sale	18	90,000

Save as disclosed above, neither NAV, nor any member of NAV, nor any other person acting in concert with NAV, have dealt in any relevant securities of the Company during the period beginning 12 months prior to the date of this document.

- (viii) As at close of business on 8 September 2011 (the last practicable day before the publication of this document), neither NAV, nor any person acting in concert with NAV, had borrowed or lent any relevant securities to the Company
- (ix) Save as disclosed in paragraph 4.1 of this document, as at close of business on 8 September 2011 (the last practicable day before the publication of this document), neither NAV nor any member of NAV nor any other person acting in concert with NAV, had any interests, rights to subscribe or short positions in relevant securities of the Company.
- (x) No agreement, arrangement or understanding (including any compensation arrangement) exists between NAV or any persons deemed to be acting in concert with NAV and any of the Directors, recent directors of AssetCo PLC, shareholders or recent shareholders of AssetCo PLC, or any person interested or recently interested in AssetCo securities, having any connection with, or dependence upon, the Placing or the Share Exchange; and
- (xi) Neither NAV nor any persons deemed to be acting in concert with NAV has made any arrangements to transfer the Placing Shares or the Warrants or the New Ordinary Shares issued in connection with the Share Exchange to a third party.

- (xii) NAV intends to finance its participation in the Placing through the use of its own cash resources. It does not require any debt to be provided from any debt provider in order to settle its obligations under the terms of the Placing.

4.2 *Definitions and references*

For the purposes of this paragraph 4:

- (i) “acting in concert” refers to persons who, pursuant to an agreement or understanding (whether formal or informal), co operate to obtain or consolidate control of a company or to frustrate the successful outcome of an offer for a company, and the persons named in paragraph 4.1(i) above are presumed or deemed to be acting in concert in relation to AssetCo PLC for the purposes of the Code;
- (ii) an “arrangement” includes any indemnity or option arrangements and 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;
- (iii) “connected advisers” means:
 - (1) in relation to the Company: (a) an organisation which is advising that party in relation to the Proposals; and (b) a corporate broker to the Company; and
 - (2) in relation to a person who is acting in concert with the Company, an organisation which is advising that person) in relation to the Proposals.
- (iv) “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;
- (v) “dealing” or “dealt” includes:
 - (A) acquiring or disposing of relevant securities, of the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to relevant securities or of general control of relevant securities;
 - (B) taking, granting, acquiring, disposing of, entering into, closing out, terminating, exercising or varying an option in respect of any relevant securities;
 - (C) subscribing or agreeing to subscribe for relevant securities;
 - (D) exercising or converting any relevant securities carrying conversion or subscription rights;
 - (E) acquiring, disposing of, entering into, closing out, exercising of any rights under, or varying a derivative referenced, directly or indirectly, to relevant securities;
 - (F) entering into, terminating or varying the terms of any agreement to purchase or sell relevant securities; and
 - (G) any other action resulting, or which may result, in an increase or decrease in the number of relevant securities in which a person is interested or in respect of which he has a short position;
- (vi) “derivative” includes any financial product whose value, in whole or in part, is determined directly or indirectly by reference to the price of an underlying security;

- (vii) “disclosure period” means the period commencing on 9 September 2010 and ending on 8 September 2011 (being the 12 month period prior to the publication of this document, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery);
- (viii) “short position” means any short position (whether conditional or absolute and whether in the money or otherwise) including any short position under a derivative;
- (ix) “interest” in relevant securities includes where a person:
 - (A) owns relevant securities;
 - (B) has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to relevant securities or has general control of them;
 - (C) by virtue of any agreement to purchase, option or derivative, has the right or option to acquire relevant securities or call for their delivery or 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
 - (D) is party to any derivative whose value is determined by reference to their price and which results, or may result, in his having a long position in them;
- (x) “AssetCo securities” means any shares in the capital of AssetCo PLC or any securities convertible into or rights to subscribe for or options in respect of shares in the capital of AssetCo PLC;
- (xi) “relevant securities” means AssetCo securities.

5. Irrevocable undertakings

Each of the Shareholders set out in the table below have entered into an irrevocable undertaking with the Company to vote in favour of the Resolutions at the General Meeting and to the extent that any Existing Ordinary Shares held by each of them are not registered in their respective names to procure that the registered holders of the Existing Ordinary Shares take all such action necessary to comply with such undertaking.

Shareholder	Number of Existing Ordinary Shares	Percentage of Existing Ordinary Shares
Utilico Group	46,650,000	18.61%
Henderson	10,474,861	4.18%
Peter Manning	278,846	0.11%
Andrew Freemantle	18,480	0.01%
Total	<u>57,422,187</u>	<u>22.9%</u>

However, Utilico Group and Henderson will not vote on the approval of Resolution 3 as they are deemed to be interested in the outcome of the Proposals under Resolution 3. This reduces the percentage of Existing Ordinary Shares which the Company has received irrevocable undertakings to vote in favour of Resolution 3 to 0.12 per cent..

6. Director’s service agreements

Name	Date of appointment	Initial duration and notice period
Tudor Davies	23 March 2011	No fixed duration 6-month notice period subject to automatic termination on change of control or restructuring.

Tudor Davies

Tudor Davies was appointed on 23 March 2011 as an executive director. The terms of his appointment were considered by the AssetCo PLC remuneration committee on 8 June 2011 and it was agreed and noted in a board minute of 17 June 2011 that Mr Davies' appointment would be on a rolling basis and subject to a 6-month notice period (subject as below). Mr Davies is entitled to a daily fee of £2,500 plus VAT. In the event of a change of control or restructuring of the Company, Mr Davies will be entitled to a success fee of £300,000 and (unless otherwise agreed) his employment will terminate.

(b) Non-Executive Directors

Name	Date of appointment	Initial duration and notice period
Peter Manning	1 September 2008	3 years and thereafter 3 months notice
Andrew Freemantle	1 January 2010	3 years and thereafter 3 months notice
Christopher Mills	23 March 2011	No service agreement or appointment letter in place

Peter Manning

BJC Networks Limited and Peter Manning entered into an appointment agreement with the Company on 19 August 2008 in respect of the appointment of Peter Manning (being a consultant of BJC Networks Limited), such appointment was effective from 1 September 2008. The appointment was for an initial term of three years and will continue thereafter until terminated upon the giving of 3 months' notice. The appointment was based on a time commitment of 16 days per annum.

Under the terms of the agreement, the Company shall pay £15,000 per annum direct to Mr Manning in monthly instalments in arrears and £20,000 per annum to BJC Networks Limited in quarterly instalments. It is acknowledged in the agreement that Mr Manning's role may require him to commit more time than the envisaged 16 days and Mr Manning may be paid such additional sum as the Board considers appropriate for such additional time. Mr Manning was paid £3,000 (plus VAT) in 2010 in respect of additional consultancy services carried out in Abu Dhabi. He was also paid £25,000 (plus VAT) for 20 days additional service carried out between January 2010 and March 2010.

In addition, BJC Networks Limited is entitled to reimbursements for travel, hotel and other reasonable expenses incurred by Mr Manning as part of his role.

Under the terms of the agreement, Mr Manning's appointment shall not be pensionable and he shall not be entitled to participate in the Company's benefit arrangements, including share option schemes.

Andrew Freemantle

Andrew Freemantle entered into an appointment agreement with AssetCo PLC on 3 December 2009 in respect of his appointment as a non-executive director, such appointment was effective from 1 January 2010. The appointment is for an initial term of three years and will continue thereafter until terminated upon the giving of 3 months' notice. The appointment was based on a time commitment of 16 days per annum.

Mr Freemantle is entitled to an annual fee of £35,000 per annum payable in monthly instalments in arrears. In addition, Mr Freemantle is entitled to reimbursements for travel, hotel and other reasonable expenses as part of his role. The agreement provides that Mr Freemantle shall be entitled to an additional director's fee of £1,500 per day in the event that he has to regularly work in excess of two working days per calendar month, provided that prior approval of the board is obtained. Mr Freemantle has not received any additional payments.

Christopher Mills

Christopher Mills is a director of the Company but has no service agreement nor appointment letter with the Company. He is not entitled to any remuneration.

Save as disclosed above, there have been no amendments made to the terms of appointment for the Directors or Non-Executive Directors in the period six months preceding the date of this document.

7. Mid market quotations

Set out below are the closing middle market quotations for the Existing Ordinary Shares for the first dealing day of each of the six months immediately preceding the date of this document and for 8 September 2011 (being the last practicable date prior to the publication of this document).

Date	Price per Ordinary Share (pence)
1 April	12.75
3 May	9.62
1 June	3.39
1 July	2.90
1 August	2.30
1 September	1.95
8 September	1.70

8. Material contracts

The following contracts, not being contracts being entered into the ordinary course of business, have been entered into by members of AssetCo PLC since the period beginning two years immediately preceding the date of this document under which any member of AssetCo PLC has or may have any obligations or entitlement material to AssetCo PLC as at the date of this document:

8.1 *March Placing Agreement*

By a placing agreement dated 3 March 2011 among (1) AssetCo PLC, (2) certain of the Directors and (3) Arden Partners, Arden Partners agreed conditionally, as agent on behalf of the Company, to use its reasonable endeavours to procure subscribers for 160,000,000 ordinary shares of 25 pence each in the capital of the Company (the "March Placing Shares") at the price of 10 pence per share (the "March Placing Price").

Under the Placing Agreement, the Company and certain of the AssetCo PLC Directors granted warranties (subject to certain limitations) regarding, *inter alia*, the information provided to Arden Partners in connection with the March Placing and the Company has given indemnities in favour of Arden Partners. Arden Partners can bring claims under the warranties until the date three months after the publication of the Company's annual accounts for the financial period ended 30 March 2012.

8.2 *Placing Letters*

On 9 September 2011, the Company and each of NAV, Henderson and Utilico Group (together the "Firm Placees") entered into placing letters (the "Placing Letters") in respect of the Placing. Collectively, the Firm Placees agreed to subscribe for an aggregate of up to 5,250,000 New Ordinary Shares at a price of 200 pence per New Ordinary Share (the "Firm Placing Shares") and the Company agreed to allot and issue the Firm Placing Shares. The Firm Placing is conditional, *inter alia*, upon:

- (a) the Scheme becoming effective;
- (b) the completion of the Share Exchange;
- (c) the passing of the Resolutions; and
- (d) admission of the Placing Shares to trading on AIM.

The Firm Placees each gave certain limited warranties, representations and covenants to the Company pursuant to their respective Placing Letters. The Firm Placees also each agreed to underwrite in aggregate the 25 per cent. of the Placing Shares offered to a limited number of the Company's other institutional shareholders. Under the terms of the Placing Letters, the Company agreed to issue to the Firm Placees Warrants on the terms of the Warrant Instrument pro rata to the number of Placing Shares each took up in the Placing.

8.3 *Warrant Instrument*

On 9 September 2011, the Company entered into a warrant instrument. Pursuant to the terms of the Placing Letters, the Placees are entitled upon Admission of the Placing Shares to receive 3,500,000 Warrants in aggregate on the basis of 1 Warrant for every 2 Placing Shares taken up in the Placing. Each Warrant entitles the relevant Placee to subscribe for one New Ordinary Share exercisable at the Placing Price per New Ordinary Share. The Warrants are exercisable in whole or in part at any time from Admission up to 31 December 2013. The New Ordinary Shares issued pursuant to the exercise of the Warrants will rank *pari passu* in all respects with the other New Ordinary Shares on the date of allotment.

8.4 *Share Exchange Agreement*

On 9 September 2011, the Company entered into the Share Exchange Agreement pursuant to which NAV agreed to transfer the 15 million Subsidiary Preference Shares to the Company in consideration for the allotment credited as fully paid by the Company of 3.75 million New Ordinary Shares to NAV. The Share Exchange is conditional upon, inter alia, (i) the Scheme becoming effective, (ii) the completion of the Placing, and (iii) the passing of the Resolutions. Pursuant to the terms of the Share Exchange Agreement, all associated claims and arrears in payments, including the management fee due to the holders of the Subsidiary Preference Shares will be waived. In addition, the Investors Warrants will be cancelled.

8.5 *Letters of Intent*

On 6 September 2011, the Company entered into non-binding letters of intent with Close Asset Finance Limited, Lombard Asset Finance and Northern Asset Finance Limited (together the "Asset Finance Lenders"), pursuant to which the Asset Finance Lenders advised of their current intentions (conditional upon the completion of the Placing and the Scheme) to vote in favour of the Scheme, to negotiate in good faith to implement standstill arrangements and to use reasonable endeavours to reach formal agreement on:

- participation pro-rata in any write down of debt and repayment resulting in the asset finance liabilities of AssetCo London Ltd and AssetCo Engineering Ltd reducing to £30.6m (equating to a write down to approximately 60p in the £1 of outstanding liabilities (including arrears));
- monthly interest payments to be payable in line with existing arrangements upon completion of the write down (monthly payments to start from the end of the

standstill period as defined in the standstill agreement, and the standstill will be a moratorium rather than a deferral);

- capital repayments to commence in January 2012;
- a final repayment date of 31 December 2013 in respect of all asset finance liabilities (with a penalty payable (£1m) if the Company has not achieved a refinancing or sale of AssetCo London Ltd and AssetCo Engineering Ltd by 30 September 2012 or 31 March 2013);
- in the event of a sale of AssetCo London Ltd and AssetCo Engineering Ltd before 31 December 2013, the Asset Finance Lenders and Bank of Scotland shall be entitled to participate pro-rata in 25 per cent. of any capital return to plc which is in excess of 3 times the support provided by the Company.

In the case of the Northern Asset Finance Limited Letter of Intent only, the parties agreed to use reasonable efforts to effect the novation of certain asset finance agreements as soon as reasonably practicable and in any event no later than 22 September 2011.

8.6 *Espirito Santo Engagement Letter*

By engagement letter from Espirito Santo dated 19 May 2011 and accepted by the Company on 8 June 2011, the Company engaged Espirito Santo to act as its sole financial adviser in relation to the proposed restructuring of the Company's business for a period of six months from 8 June 2011.

Under the engagement letter, the Company agreed to pay Espirito Santo £25,000 per week (the "Retainer") and a success fee of £800,000 on completion of the restructuring less the amount of the Retainer paid subject to a maximum reduction of £100,000. If the restructuring does not complete and the Company is placed into administration and a creditors voluntary arrangement without implementing any other elements of a restructuring, the Company will pay Espirito Santo an alternative minimum corporate finance fee of £300,000 less any Retainer paid.

8.7 *Arden Partners Engagement Letter*

By engagement letter from Arden Partners dated 15 August 2011 and accepted by the Company on 16 August 2011, the Company engaged Arden Partners to continue to act as its nominated adviser, broker and Panel adviser in relation to the proposed restructuring and Placing.

Under the engagement letter, the Company agreed to pay Arden Partners a corporate advisory fee of £175,000 payable on completion of the Placing. If the Company receives and accepts an offer for the Company, the Company shall pay Arden Partners a fee of 1 per cent. of the total value of the offer or, £175,000 which ever is the greater.

8.8 *Placing Agreement*

By a placing agreement dated 9 September 2011 among (1) AssetCo PLC and (2) Arden Partners, Arden Partners agreed conditionally, as agent on behalf of the Company, to use its reasonable endeavours to procure subscribers for 1,750,000 ordinary shares of 10 pence each in the capital of the Company (the "Placing Shares") at the price of 200 pence per share (the "Placing Price"). Under the placing agreement, the Company agreed to pay to Arden Partners a corporate finance fee of £175,000 and certain costs and expenses of Arden Partners.

Under the Placing Agreement, the Company granted warranties (subject to certain limitations) regarding, *inter alia*, the information provided to Arden Partners in connection with the Placing and the Company has given indemnities in favour of Arden Partners. Arden Partners can bring claims under the warranties until the date two months after the publication of the Company's annual accounts for the financial year 2012.

9. Litigation

On and during the 12-month period prior to the date of this document there have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) which may have, or have had in the recent past, significant effects on the Company's financial position or profitability, save as set out in this document.

John Shannon, previous Chief Executive of AssetCo PLC, and Frank Flynn, previous Finance Director of AssetCo PLC, both submitted claims against AssetCo PLC. These claims included winding up petitions against the Company and whilst both have since withdrawn their winding up petitions they still have other claims outstanding against the Company. AssetCo PLC has counter claims against both individuals in respect of costs in connection with the winding up petition issued against the Company on 7 January 2011. The application has been listed to be heard on 5 December 2011. In addition, the Company has commenced assessment proceedings against Mr Shannon in respect of the costs of the 21 March 2011 injunction.

The Company has recently received details of allegations in respect of the activities of its former management team. The Company is investigating these claims and following the completion of its investigation may initiate proceedings.

The Company has also been subject to several winding up petitions throughout 2011. AssetCo PLC is currently subject to a winding up petition. If the Scheme of Arrangement is approved by the Court, the Company will seek the dismissal of the winding up petition. The Company was granted a further adjournment of the winding up petition on 25 August to 28 September 2011 to allow for the completion of the Scheme of Arrangement.

10. General

- (a) Arden Partners has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of the references to its name and its advice to the Independent Directors in the form and context in which they appear.
- (b) Arden Partners acting as Nominated Adviser and Broker to the Company for the purposes of the AIM Rules, and independent adviser for the purposes of the Code, will be paid £175,000 in providing corporate finance advice, assisting with production of documentation and discussions with regulators. Arden Partners will not receive any commission pursuant to the Placing.
- (c) Espirito Santo has given and has not withdrawn its written consent to the issue of this document.
- (d) There is no agreement, arrangement or understanding (including any compensation arrangement) between any of the Directors, recent directors, Shareholders, or recent shareholders of the Company, or any person interested or recently interested in the Existing Ordinary Shares having any connection with or dependence upon the Proposals set out in this Circular.
- (e) There has been no material change in the financial or trading position of the Company since 31 March 2010, save as disclosed in this document and save for:

i. **Winding up Petitions**

The Group has and continues to be subject to various winding up petitions from various creditors further details of which are contained in Part I of this document.

ii. **Short term funding requirements**

Breach of banking facilities

The Group has a short term financing need as a result of delays to the refinancing of the Group's non-recourse asset financing resources. This has been assisted by the placing undertaken by the Company in March 2011 (described below) but the Company remains in discussions with various parties in relation to its additional needs. The Board's investigation into the finances of the Company have been hampered by the absence of those involved in the past financial statements, and interim accounting staff have been brought in to assist in assessing the situation.

As described in Part I of the document, the main issue that the business is facing is the capital repayment profile not matching the long term nature of the Company's contracts. Whilst the Company is cash generative and can meet its interest costs, it does not generate sufficient funds to meet all the repayment of capital as currently scheduled. The Group is in discussions with its banks in relation to its financing situation but in the meantime the Group remains in breach of its banking arrangements.

iii. **Placing**

On 23 March 2011, the Company completed a placing of 160 million Existing Ordinary Shares at a price of 10 pence each (the "March Placing") raising gross proceeds of £16 million. The March Placing was underwritten and placed with a range of institutional shareholders by the Company's nominated adviser and broker, Arden Partners. The net proceeds were to be used to address the Company's short term liquidity and funding issues, to assist in the restructuring of the Group's indebtedness and to provide working capital for the future development of the Group.

iv. **Management changes/allegations**

As described in Part I of this document, the Company has had a number of management changes during 2011. On 23 March 2011, the Company announced the appointment of Tudor Davies as an Executive Director and Christopher Mills as a Non-Executive Director with immediate effect. Tim Wightman also stood down as Chairman and Tudor Davies was appointed Interim Chairman all with immediate effect. On 24 March 2011 John Shannon resigned with immediate effect as a Director of the Company and all subsidiary companies. On 18 May 2011, the Company announced the resignation of Scott Brown the Company's finance director. On 1 July 2011, the Company announced the retirement of Tim Wightman as a Non-Executive Director of the Company with effect from 30 June 2011.

The Company has recently received details of allegations in respect of the activities of its former management team. The Company is investigating these claims and following the completion of its investigation may initiate proceedings.

v. **Sale of subsidiary**

On 23 December 2010, the Company announced the sale of Supply 999 Limited, Todd Research Limited and AS Fire & Rescue Equipment Limited for £5.25 million to Spring Ventures Limited for £4.25 million cash and £1 million cash deferred until 31 March 2011 based on turnover and profitability levels.

11. Financial information on the Group

Shareholders have a right to receive hard copy of the Report and Accounts, however this will only be provided upon request. Hard copy of the Report and Accounts may be obtained by contacting the Company on +44(0) 208 515 3999 or by writing to 800 Field End Road, South Ruislip, Middlesex, HA4 0QH. Below is a table setting out the location of certain financial information contained within the Annual Report and Accounts of the Group for the three years ended 31 March 2010, as well as in the Interim results for the six months ended 30 September 2010 ("Report and Accounts").

	30/09/2010	31/03/2010	31/03/2009	31/03/2008
	Page numbers	Page numbers	Page numbers	Page numbers
Turnover	7	44	37 – Note (1)	39 – Note (1)
Net profit/loss before tax	7	44	37	39
Tax charge	7	44	37	39
Net profit/loss after tax	7	44	37	39
Amount absorbed by dividends	N/A	49	40	N/A
Earnings per share	7	44	37	39
Dividends per share	N/A	19 & 30	15 & 26	7 & 24
Group statement of financial position	9 & 10	46-47	38	40
Group statement of cash flows	11	49	40	43
Significant accounting policies and major notes to accounts	13-16	50-101	41-79	44-101

Note (1): the difference in accounting treatment of Turnover in 2009 and 2008 compared to 2010 is outlined in Notes 6 of the 2010 and 2009 Annual Reports and Accounts on page 70 and 53 respectively.

12. Documents available for inspection

Copies of the following documents will be available for inspection on the Company's website, <http://www.assetco.com/Investor-Relations/Documents.aspx> and at the Company's registered office, 800 Field End Road, South Ruislip, Middlesex, HA4 0QH during normal business hours on any weekday (excluding Saturdays, Sundays and public holidays) up to and including 26 September 2011 and at the General Meeting to be held on that day:

- the Memorandum and Articles of Association of the Company;
- the audited consolidated accounts for the Company for the financial years ended 31 March 2009 and 2010;
- irrevocable commitments from certain shareholders
- the Scheme Document;
- the service contracts referred to in paragraph 6 above;
- the material contracts referred to in paragraph 8 above;
- the consent letters referred to in paragraphs 10(a) and (c) above;
- a copy of the New Articles proposed to be adopted at the General Meeting.; and
- this document.

Dated 9 September 2011

APPENDIX

PUBLIC COMPANY LIMITED BY SHARES

NOTICE OF GENERAL MEETING

of

ASSETCO PLC (the "Company")

(Registered in England and Wales under company number 04966347)

dated 9 September 2011

NOTICE IS HEREBY GIVEN that a General Meeting of the Company will be held at the offices of McGrigors LLP, 5 Old Bailey, London, EC4M 7BA on 26 September 2011 at 10.00 a.m. to consider and if thought fit pass resolutions 1, 2, 3 and 4 as ordinary resolutions and resolutions 5, 6 and 7 as special resolution:

Ordinary Resolutions

- 1 That, subject to and conditional upon the passing of Resolutions 3, 5 and 6, for the purposes of section 551 of the Companies Act 2006 (the "**Act**"), the directors of the Company (the "**Directors**") be and are hereby generally and unconditionally authorised to exercise all powers of the Company to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company, provided that this authority shall be limited to the allotment of:
 - (a) up to an aggregate nominal amount of £1,050,000 in connection with the Placing (as defined in the Circular dated 9 September 2011);
 - (b) up to an aggregate nominal amount of £375,000 in relation to Share Exchange (as defined in the Circular dated 9 September 2011); and
 - (c) up to an aggregate nominal amount of £366,690.40 in addition to the authorities at (a) and (b) above),

provided that this authority shall expire, unless sooner revoked or varied by the Company in general meeting, at close of business on 9 September 2012 or, if earlier, at the conclusion of the Company's Annual General Meeting to be held in 2012 save that the Directors may, notwithstanding such expiry, allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company in pursuance of an offer or agreement so to do made by the Company before the expiry of this authority.

This authority is in substitution for all previous authorities conferred on the Directors in accordance with section 80 of the Companies Act 1985 or section 551 of the Act.

- 2 That the Directors be and are hereby generally and unconditionally authorised to exercise all powers of the Company to allot equity securities (within the meaning of section 560 of the Act) in connection with a rights issue in favour of the holders of ordinary shares in the capital of the Company (the "**Ordinary Shareholders**") where the equity securities respectively attributable to the Ordinary Shareholders are proportionate (as nearly as may be) to the respective numbers of ordinary shares held by them up to a maximum nominal amount of £366,690.40 provided that this authority shall expire, unless sooner revoked or varied or renewed by the Company in the general meeting at the close of business on 9 September 2012 or, if earlier, at the conclusion of the Company's Annual General Meeting to be held in 2012 and save that the Company may,

before such expiry, make an offer or arrangement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of such an offer or agreement as if the power conferred by this resolution had not expired.

- 3 That the waiver granted by the Panel on Takeovers and Mergers of the obligation that would otherwise arise on North Atlantic Value LLP ("**NAV**") and the funds that it manages on a discretionary basis pursuant to Rule 9 of the City Code as a consequence of the Proposals described in the Circular dated 9 September 2011 of which this notice forms part, be and is hereby approved and for the purposes of this Resolution.
- 4 That, for the purposes of Rule 21.1 of the City Code on Takeovers and Mergers, the Placing, the Share Exchange and the issue of ordinary shares of 10p each in the capital of the Company (the "**Ordinary Shares**") in relation to the Placing, the Warrants and the Share Exchange, as more particularly described in the Circular dated 9 September 2011 of which this notice forms part be and is hereby approved with such amendments thereto as the Directors of the Company deem necessary or desirable.

Special Resolutions

- 5 That subject to and conditional upon the passing of Resolutions 3 with effect from 6.00pm on the date of the passing of this Resolution:
 - (a) every 1 issued ordinary share of 1p each ("Existing Ordinary Shares") in the capital of the Company be subdivided into one ordinary share of 0.01p ("Split Ordinary Share") and one deferred share of 0.99p each ("Split Deferred Share") each;
 - (b) every resulting 1,000 Split Ordinary Shares each be consolidated into one new ordinary share of 10p each ("New Ordinary Share");
 - (c) every resulting 500 Split Deferred Shares each be consolidated into one deferred share of £4.95 each ("New Deferred Share");
 - (d) every unissued Existing Ordinary Share be consolidated into New Ordinary Shares of 10p each;
 - (e) the New Ordinary Shares will have the same rights and be subject to the same restrictions as the Existing Ordinary Shares in the Company's articles of association to be adopted pursuant to Resolution 7 (the "New Articles") and the New Deferred Shares will have the same rights and be subject to the restrictions set out in the New Articles.
- 6 That, subject to the passing of Resolutions 1, 2, 3 and 5 above, the Directors be and are hereby empowered pursuant to section 570 of the Act to allot equity securities of the Company (within the meaning of sections section 560 of the Act) wholly for cash as if section 561 of the Act did not apply to such allotment provided that this power shall be limited to the allotment of equity securities:
 - (a) in connection with an issue in favour of holders of Ordinary Shares where the equity securities are offered to such holders in proportion (as nearly as may be) to the respective number of Ordinary Shares held, or deemed to be held, by each such holder but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or legal or practical problems under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory;

- (b) up to an aggregate nominal amount of £1,050,000 in connection with the Placing and Share Exchange;
- (c) up to an aggregate nominal amount of £55,003.56 in addition to the authorities at (a) and (b) above),

provided that this authority shall expire at close of business on 9 September 2012, or on the conclusion of the next Annual General Meeting of the Company to be held in 2012, whichever is the earlier, unless sooner revoked or varied or renewed by the Company in general meeting and save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the authority conferred hereby had not expired.

This authority is in substitution for all previous authorities conferred on the Directors in accordance with section 95 of the Companies Act 1985 or section 570 of the Act.

- 7 That subject to and conditional upon the passing of Resolutions 1, 3, 5 and 6, the regulations contained in the document submitted to this Meeting and for the purposes of identification signed by the Chairman as relative to this Resolution 7 be and are hereby approved and adopted as the new Articles of Association of the Company in substitution for and to the exclusion of the existing Articles of Association of the Company.

By order of the Board

Tudor Davies
Company Secretary

Registered office of the Company:

800 Field End Road
South Ruislip
Middlesex
HA4 0QH

NOTES:

Appointment of Proxy

- 1 As a member of the Company you are entitled to appoint one or more proxies to exercise all or any of your rights to attend, speak and vote at a meeting of the Company. You should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in the notes to the proxy form. A proxy need not be a member of the Company.
- 2 To be effective, the proxy form (and any power of attorney or other authority under which it is executed or a duly certified copy of any such power or authority) must be deposited at the Company's Registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, not less than 48 hours (excluding weekends and bank holidays) before the time for holding the Meeting (i.e. the proxy must be deposited by 10.00 a.m. on 22 September 2011) and if not so deposited shall be invalid.

Entitlement to attend and vote

- 3 Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, only those members entered in the Company's register of members at:
 - 6.00 p.m. on 22 September 2011; or
 - if this Meeting is adjourned, at 6.00 p.m. on the day two days prior to the adjourned meeting, shall be entitled to attend and vote at the Meeting.

CREST

- 4 CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the General Meeting to be held on 26 September 2011 and at any adjournment(s) thereof by utilising 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 made by means of CREST to be valid, the appropriate CREST message (a “**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 must be transmitted so as to be received by the issuer’s agent (RA10) by 10.00 a.m., 22 September 2011. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer’s agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST Members and, where applicable, their CREST sponsors or voting service provider(s) 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 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 regard, 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 as invalid, a CREST Proxy Instruction in the circumstances set out in Regulation 35(5) (a) of the Uncertificated Securities Regulations 2001.

Communication

- 5 Except as provided above, members who wish to communicate with the Company in relation to the Meeting should do so using by post to the Company’s registered office, the details of which are given below. No other methods of communication will be accepted.

Address: The Company Secretary
800 Field End Road
South Ruislip
Middlesex
HA4 0QH

DEFINITIONS

In the Circular, unless inconsistent with the subject or context, the following expressions have the following meanings:

“**Act**” or “**Acts**” means the Companies Act 2006, as amended;

“**Admission**” means the admission of the New Ordinary Shares in issue immediately following the completion of the Capital Reorganisation, the Share Exchange and the Placing Shares to trading on AIM becoming effective in accordance with the AIM Rules;

“**AIM**” means the AIM market of the London Stock Exchange;

“**AIM Rules**” means the AIM Rules for Companies published by the London Stock Exchange, as amended from time to time;

“**Arden Partners**” means Arden Partners plc, which is authorised and regulated by the Financial Services Authority;

“**Banks**” means the lenders to the Group;

“**Board**” means the board of directors of the Company, from time to time;

“**Capital Reorganisation**” means the proposed subdivision and consolidation of every Existing Ordinary Share into one New Ordinary Share and one New Deferred Share as described in Part I of this document;

“**Circular**” means this circular to Shareholders;

“**Code**” means the City Code on Takeovers and Mergers;

“**Company**” or “**AssetCo PLC**” means AssetCo PLC, a company incorporated under the laws of England and Wales, with registered number: 4966347 whose registered office is at 800 Field End Road, South Ruislip, Middlesex HA4 0QH;

“**Court**” means the High Court of Justice of England and Wales;

“**CREST**” means the system for Paperless settlement of trading and the holding of uncertified shares administered through Euroclear UK & Ireland Limited;

“**Directors**” means Tudor Davies, Andrew Freemantle, Peter Manning and Christopher Mills;

“**Enlarged Share Capital**” means 11,000,712 New Ordinary Shares in issue at Admission;

“**Espirito Santo**” means Espirito Santo Investment Bank, incorporating Execution Noble & Co Limited, which is authorised and regulated by the Financial Services Authority;

“**Excluded Liabilities**” means each of the liabilities set out in schedule 1 of the Scheme;

“**Existing Ordinary Shares**” means the ordinary shares of 1p each in the capital of the Company in issue as at the date of this document;

“**Existing Share Capital**” means the 250,712,740 Existing Ordinary Shares in issue as at 8 September 2011, the last practicable date prior to the issue of this document;

“**Form of Proxy**” means the form of proxy accompanying this document for use in connection with the General Meeting;

“Further Arrangements” means the heads of terms and consequent definitive agreements intended to be entered into among the Company, the London Banks, and the London Group in relation to the restructuring of the London Group;

“Gartmore” means Gartmore Investment Management Limited subsequently acquired by Henderson on 4 April 2011;

“General Meeting” means the general meeting of the Company convened for 10.00 a.m. on 26 September 2011, notice of which is set out on pages 33 to 36 of this document;

“Group” means the Company and all of its subsidiaries (within the meaning of section 1159 of the Act);

“Group Company Creditors” means the members of the Group to whom the Company has any liability;

“Henderson” means Henderson Global Investors Limited;

“HMRC” means Her Majesty’s Revenue & Customs;

“Independent Directors” means Tudor Davies, Andrew Freemantle and Peter Manning;

“Independent Shareholders” means the Shareholders excluding the Investors;

“Investors” means NAV, Henderson and Utilico Group;

“Investors Warrants” means the warrants issued to the holders of Subsidiary Preference Shares in January 2009 convertible into AssetCo PLC shares at 61.2 pence each;

“LFEPA” means the London Fire and Emergency Planning Authority;

“Lincoln Business” means the companies that provide the delivery of the contract with the Lincoln Fire & Rescue Service, being AssetCo Lincoln Ltd and AssetCo Solutions Ltd;

“London Group” means the companies that provide the delivery of the contract with LFEPA, being AssetCo London Ltd, AssetCo Engineering Ltd and AssetCo Managed Services (ROI) Ltd;

“London Group Banks” means Lloyds Banking Group, Northern Bank Limited and Close Asset Finance, the lenders to the London Group as at the date of this document;

“London Stock Exchange” means the London Stock Exchange plc;

“NAV” means North Atlantic Value LLP with its registered office at Ground Floor, Ryder Court, 14 Ryder Street, London, SW1Y 6QB and certain funds that NAV advise or manage on a discretionary basis including North Atlantic Smaller Companies Investment Trust PLC, Trident Private Equity Fund II LP, Oryx International Growth Fund Limited and a number of private client accounts;

“New Articles” means the new articles of association of the Company proposed to be adopted at the General Meeting;

“New Deferred Shares” means the new deferred shares of £4.95 each in the capital of the Company arising from the Capital Reorganisation;

“New Ordinary Shares” means the new ordinary shares of 10p each in the capital of the Company arising from the Capital Reorganisation;

“Panel” means the Panel on Takeovers and Mergers;

“Pension Scheme” means the AssetCo pension scheme currently governed by a trust deed with roles annexed dated 11 October 2003 (as amended from time to time);

“Placee” means a subscriber in the Placing;

“Placing” means the conditional placing of the Placing Shares;

“Placing Independent Directors” means Tudor Davies, Andrew Freemantle and Peter Manning;

“Placing Letters” means the placing letters dated 9 September 2011 between the Company and each of the Investors relating to the Placing, further details of which are set out in paragraph 8 of Part II of this document;

“Placing Price” means the price at which the Placing Shares are placed at;

“Placing Shares” means the 7 million New Ordinary Shares to be issued pursuant to the Placing;

“PPP” means public private partnership;

“Proposals” means the Capital Reorganisation, the Share Exchange, the Placing, the Rule 9 Waiver, Admission and, if required by the Panel, the Rule 21 Approval;

“Record Date” means the record date for the Capital Reorganisation;

“Resolutions” means the resolutions set out in the notice of General Meeting on pages 33 to 36 of this document;

“Rule 9 Independent Directors” means Tudor Davies, Andrew Freemantle and Peter Manning;

“Rule 9 Waiver” means the agreement by the Panel to waive the obligations of NAV to make a general offer to all Shareholders pursuant to Rule 9 of the Code subject to approval, by way of a poll vote, of the Independent Shareholders as a result of the increase in the number of New Ordinary Shares which will be held by NAV in connection to the Proposals and exercise of Warrants as described in Part I of this document;

“Rule 21 Approval” means the approval of the Shareholders pursuant to Rule 21.1 of the Code in respect of the Placing and the Share Exchange;

“Scheme” or **“Scheme of Arrangement”** means the proposed scheme of arrangement under Part 26 of the Act between the Company and the Scheme Creditors;

“Scheme Creditors” means any person who is, or claims to be, a creditor of the Company in respect of a Scheme Liability, at the Scheme Record Date;

“Scheme Document” means the circular dated 30 August 2011 to be posted to the Scheme Creditors and others by the Company containing *inter alia*, the Scheme;

“Scheme Liability” has the meaning ascribed to it in the Scheme Document;

“Scheme Meeting” means the meetings summoned by the Court under section 896 of the Act for the purpose of obtaining the approval of the Scheme Creditors;

“Scheme Record Date” means the Effective Date (as defined in the Scheme Document);

“Share Exchange” means the sale by NAV of the Subsidiary Preference Shares in consideration for the issue of certain New Ordinary Shares;

“Share Exchange Agreement” means the share exchange agreement between the Company and the Investors in relation to the Share Exchange;

“Share Option Holders” means the holders of options under the Share Options Plans;

“Share Option Plans” means the AssetCo Unapproved Share Option Plan, the AssetCo EMI Share Option Plan and the AssetCo Savings Related Share Option Scheme;

“Shareholder” means the holders of the Existing Ordinary Shares;

“Split Deferred Share” means one deferred share of 0.99p resulting from the Capital Reorganisation;

“Split Ordinary Share” means one ordinary share of 0.01p resulting from the Capital Reorganisation;

“Subsidiary Preference Shares” means the zero dividend redeemable preference shares of £1.00 each in the capital of AssetCo (Abu Dhabi) Limited issued to NAV;

“UAE” means the United Arab Emirates;

“Utilico Group” means Utilico Investments Limited and Bermuda Commercial Bank;

“Warrant” means the entitlement to subscribe for one New Ordinary Share exercisable at the Placing Price in whole or in part at any time from Admission up to 31 December 2013;

“Warrant Instrument” means the warrant instrument by which, pursuant to the terms of the Placing Letters, the Placees are entitled upon Admission to receive 3,500,000 Warrants;

“Whitewash” means the procedure under Rule 9 of the Code and the circumstances in which the Panel may grant a waiver from the requirement to make a general offer under Rule 9 of the Code;

“Whitewash Resolution” means the resolution in relation to the Rule 9 Waiver set out in the notice of the General Meeting on pages 33 to 36 of this document.