

Uniq plc Pension Scheme

Recovery Plan

22 November 2007

This Recovery Plan has been prepared by Uniq Pension Scheme Trustees Limited (the "Trustee") of the Uniq plc Pension Scheme ("the Scheme") after obtaining the advice of, Martin Slack of Lane Clark & Peacock LLP (the "Scheme Actuary").

The actuarial valuation of the Scheme as at 31st March 2006 revealed a funding shortfall (technical provisions minus value of assets) of £130m.

Since the valuation date, Uniq plc (the "Principal Employer") has paid deficit contributions of £15m to the Scheme, in line with the funding plan agreed at the 2004 actuarial valuation.

In addition, the Principal Employer has established the Account, as defined in the Statement of Funding Principles, and has granted the Trustee a first ranking fixed charge over the assets in the Account. The Account contained £84.5m (plus any accrued interest on the funds held in the Account) as at 31st March 2007. A further contribution of £2.5m was paid into the Account by the Principal Employer in July 2007, bringing its value to £87m (plus accrued interest).

The Trustee expects funds to be transferred from the Account into the Scheme when it becomes tax-efficient for the Principal Employer to make such transfers, and in any event the remaining funds in the Account (including accrued interest) up to the amount needed to cover any deficit in the Scheme's assets as against its Technical Provisions at that time will be transferred no later than 31st March 2017, or the next business day. This represents a recovery period of less than ten years from the date that agreement was reached on the Schedule of Contributions and this Recovery Plan.

This Recovery Plan will be reviewed in the light of the results of the 2009 actuarial valuation.

1. Steps to be taken to ensure that the statutory funding objective is met

Some £38m of the shortfall is expected to be met from investment returns over and above those allowed for in the calculation of the Technical Provisions. Some £14m has been met from deficit contributions paid since the valuation date (£1m of the £15m deficit contributions was required to top up the contributions paid for future benefit accrual since the valuation date).

The Trustee and the Principal Employer have agreed to eliminate the balance of the shortfall by transferring so much of the monies held in the Account (including accrued interest thereon) as are needed for that purpose to the Scheme by 31st March 2017, or the next business day.

These monies are in addition to the agreed contributions to meet accruing benefits.

2. Period in which the statutory funding objective should be met

The funding shortfall is expected to be eliminated by 31st March 2017. This expectation is based on the following assumptions:

- Technical provisions calculated according to the method and assumptions set out in the Scheme's Statement of Funding Principles dated 22 November 2007.