



Announcement of Proposal by Marshalls Group plc

Proposal for the modification of redemption provisions of the £20,000,000 11% per cent. Debenture Stock 1992/2014 (the "**Stock**") and Notice of Meeting of the holders of the Stock (the "**Stockholders**") to be held on 3 December 2009.

Marshalls Group plc (the "**Company**"), a wholly-owned subsidiary of Marshalls plc, has today announced that it is convening a meeting of the Stockholders (the "**Meeting**") for the purpose of considering and, if thought fit, passing an extraordinary resolution (the "**Extraordinary Resolution**") to approve a proposal (the "**Proposal**") to amend the terms and conditions of the Stock (the "**Conditions**") to provide that the Company shall redeem the Stock on the fifth business day following the date of approval of such Extraordinary Resolution (the "**Early Redemption Date**"). The Proposal is made on the terms and subject to the conditions contained in a Consent Solicitation Memorandum dated 10 November 2009 (the "**Consent Solicitation Memorandum**"). The Meeting will be held at 11.00 a.m. (London time) on 3 December 2009 at the offices of Allen & Overy LLP, One Bishops Square, London E1 6AD.

The price payable for Stock redeemed pursuant to the amended Conditions (the "**Early Redemption Price**") will be calculated by reference to a redemption formula, based on the early redemption yield of the Stock which is equal to the aggregate of the offer side yield to maturity of a reference gilt plus an agreed spread of 100 basis points (the "**Early Redemption Spread**"), together with all accrued interest to the date of redemption.

Subject to, and as consideration for, the passing of the Extraordinary Resolution, each Stockholder from whom a valid Voting Instruction Form (as described in the Consent Solicitation Memorandum) is received by the Registrar by 4.00 p.m. (London time) on 24 November 2009 (the "**Early Voting Deadline**") (and not revoked) will receive a cash payment (the "**Early Voting Fee**") equal to the difference between (i) the Early Redemption Price and (ii) the price which would be payable for such Stock at an effective redemption price (the "**Effective Early Redemption Price**") determined in the same manner as the Early Redemption Price but by reference to the aggregate of the offer side yield to maturity of the reference gilt plus an alternative agreed spread of 50 basis points (the "**Effective Early Redemption Spread**").

Description of the Stock	ISIN	Effective Early Redemption Spread	Early Redemption Spread	Reference Gilt
£20,000,000 11% Debenture Stock 1992/2014	GB0005684781	50 bps	100 bps	5.00% Treasury Stock due 2014

It is a term of the Proposal that Voting Instruction Forms by virtue of which the relevant Stockholders are eligible for the Early Voting Fee shall be irrevocable, including for any adjourned Meeting, except in the limited circumstances described in the Consent Solicitation Memorandum.

Copies of the Consent Solicitation Memorandum will be available from the offices of the Registrar, Computershare Investor Services PLC.

The Royal Bank of Scotland plc, as Solicitation Agent, has been appointed by the Company to determine the Early Redemption Price and the Effective Early Redemption Price in accordance with the Extraordinary Resolution at or around 3.00 p.m. (London time) on the pricing date which, provided the Extraordinary Resolution is passed at the Meeting, is expected to be 4 December 2009.

If the Meeting is quorate and the Extraordinary Resolution is passed, the Stock will be redeemed in full, and the Early Redemption Price and Early Voting Fee (where applicable) will be paid on 10 December 2009 to the Stockholders appearing in the register on 3 December 2009, being the date of the Meeting, in each case in the manner described in the Consent Solicitation Memorandum. Assuming the Extraordinary Resolution is passed at the Meeting, cancellation of the Stock's admission to the Official List of the UK Listing Authority and the Stock's admission to trading on the regulated market of the London Stock Exchange is expected to occur on 10 December 2009.

Requests for information in relation to voting and attendance at the Meeting should be directed to:

Registrar

Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol BS99 6ZZ
Tel: 0870 707 1134

Requests for information in relation to the Proposal should be directed to:

Solicitation Agent

The Royal Bank of Scotland plc
135 Bishopsgate
London EC2M 3UR
Tel: +44 (0)20 7085 3781/2798
Attn: Gianmarco Deiana/Mark Jordan/Morgan Sobotka

Company

Marshalls Group plc
Birkby Grange
Birkby Hall Road
Huddersfield HD2 2YA
Tel: +44 (0)1484 438900
Attn: Ian Burrell/Cathy Baxandall

Trustee

Law Debenture Trustees Limited
Fifth Floor
100 Wood Street
London EC2V 7EX

A copy of the Consent Solicitation Memorandum is available for inspection at the Document Viewing Facility of the Financial Services Authority, 25 The North Colonnade, London E14 5HS.

Disclaimer

This announcement must be read in conjunction with the Consent Solicitation Memorandum. This announcement and the Consent Solicitation Memorandum contain important information which should be read carefully before any decision is made with respect to the Proposal. If you are in any doubt as to the action you should take, you are recommended to seek your own financial advice, including as to any tax consequences, from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser. Any individual or company whose Stock is held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes to vote in respect of the Proposal. None of the Company, the Solicitation Agent, the Trustee or the Registrar makes any recommendation as to whether or not or how Stockholders should vote in respect of the Proposal.

This announcement is not a prospectus, is distributed for information purposes only and does not constitute or form part of any offer or invitation to issue, acquire or dispose of any securities in any jurisdiction

The distribution of this announcement and the Consent Solicitation Memorandum in certain jurisdictions may be restricted by law and persons into whose possession this announcement and/or the Consent Solicitation Memorandum comes are required by the Company and the Solicitation Agent to inform themselves about, and to observe, any such restrictions.