

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

If you are in any doubt as to the action you should take, you are advised to consult your stockbroker, bank manager or other independent financial advisor.

The Directors recommend that the shareholders vote in favour of the change. The proposals described in this circular are, in the opinion of the Directors, in the best interests of the shareholders as a whole.

If you have sold or transferred all your shares in Develica Deutschland Limited, please send this notice with its accompanying enclosure to the purchaser, transferee or stockbroker, bank or agent through whom the sale was effected, for transmission to the purchaser or transferee.

**DEVELICA DEUTSCHLAND LIMITED**

A company registered in Guernsey (Number: 44810)

**DEVELICA DEUTSCHLAND LIMITED**  
Registered in Guernsey (Number: 44810)

**Registered Office:**  
First Floor Dorey Court  
Admiral Park  
St Peter Port  
Guernsey GY1 6HJ

23 September 2008

Dear shareholder,

**Annual General Meeting: Tuesday 18 November 2008**

This shareholders' circular accompanies the Financial Statements of Develica Deutschland Limited (the "Company") for the year ended 31 March 2008. The Notice of the Annual General Meeting ("AGM") of the Company and the resolutions to be proposed at the AGM are attached.

Resolutions 1 to 6, which will be proposed as Ordinary Resolutions, deal with the receipt of the accounts and the reports of the Directors and auditor of the Company for the year ended 31 March 2008, together with the approval of the Directors' Remuneration Report and the retirement from office of one-third of the Directors of the Company in accordance with the requirements of Article 75(1) of the Company's Articles of Association and the re-election of each of them. Lord Charles Russell Sanderson of Bowden will not be seeking re-election.

I confirm that each of the Directors, being Derek Michael Butler, Lord Charles Russell Sanderson of Bowden, Quentin Spicer, Alan David Gravett, Grant Neville Tromans, John Edward Hallam and Peter John Hereward De Lacey Le Cheminant, have each demonstrated their commitment to, and ability to perform effectively, their roles as Directors of the Company. The biographical details of the Directors are set out in Appendix 1.

**Auditors**

Resolution 4 deals with the reappointment of Ernst and Young LLP as auditors of the Company. Resolution 5 seeks authorisation for the Directors to determine the auditor's remuneration for the year ending 31 March 2009. Both resolutions will be proposed as Ordinary Resolutions.

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**Market purchases**

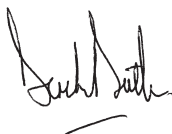
Resolution 7, which will be proposed as a Special Resolution, seeks shareholder approval for the Company to make market purchases of up to 37,475,000 Ordinary Shares, being 14.99% of the issued share capital of the Company as at 23 September 2008. The Board believe that the proposed renewal and increase of this existing authority will give the Company additional flexibility in these difficult market conditions. The Company will only exercise the power to make market purchases after careful consideration and in circumstances where, in light of market conditions prevailing at the time, it is satisfied that it is in the best interests of the Company and of its shareholders to do so where there would be a resulting increase in earnings per share.

This authority will expire on the conclusion of the Company's AGM to be held in 2009 unless such authority is varied, revoked or renewed prior to that date by a Special Resolution.

**Recommendation**

The Directors consider that the resolutions in the Notice of Meeting are in the best interests of the shareholders as a whole and unanimously recommend that shareholders vote in favour of each of them at the upcoming AGM.

Yours faithfully



**Derek Butler**  
Chairman

## Appendix 1: Biographical Details of Directors

### **Derek Butler**

#### **Non-executive Chairman (65)**

Derek Butler is senior advisor to Curzon Global Partners, where he served as Chairman from 1999 to 2003. Prior to assuming his role with Curzon in 1999, he spent most of his career, over 30 years, as a senior officer of the DTZ Group. His tenure with DTZ, which started in 1967, included the role of Chairman of the company's investment division for almost a decade. During the 1990s, he was responsible for the development of DTZ's international practice and affiliate network. Immediately prior to assuming the role of chairman of Curzon, he managed the DTZ Group's financial services. He is a graduate of the University of London (B.Sc.) and a Fellow of the Royal Institution of Chartered Surveyors.

### **Lord Sanderson of Bowden**

#### **Non-executive Director (75)**

Russell Sanderson retired as chairman of Clydesdale Bank PLC in June 2004 having served as its chairman for six years and as a board member for twelve years. Until recently, he was also a member of the boards of Yorkshire Bank PLC and National Australia Bank (Europe). He served for ten years as chairman of Scottish Mortgage Investment Trust and was a member of the boards of Morrison Construction (1995–2000), United Auctions and Shires Investment Trust. Lord Sanderson served as Minister of State at the Scottish Office from 1987 to 1990 and as chairman of The Scottish Conservative Party from 1990 to 1993. Lord Sanderson started his business career in the wool industry and was a director of both Johnston of Elgin and Illingworth Morris PLC. He is currently chairman of The Hawick Cashmere Company Limited. Lord Sanderson has received Honorary Degrees from both Glasgow University and Napier University.

### **Grant Tromans**

#### **Non-executive Director (42)**

Grant Tromans is a co-founder of Develica and focuses on identifying, evaluating and managing all fund investments. Grant continues to develop opportunities for Develica both in Germany and the UK in addition to evaluating other markets. He is also a Director of Develica Deutschland Management Limited.

### **John Hallam**

#### **Non-executive Director (59)**

John Hallam is a Guernsey resident, a Fellow of the Institute of Chartered Accountants in England and Wales and qualified as an accountant in 1971. He is a former partner of PricewaterhouseCoopers having retired in 1999 after 27 years with the firm both in Guernsey and in other countries. John is currently chairman of Cazenove Absolute Equity Limited, EFG Private Bank (Channel Islands) Limited, M&G Recovery Investment Co Limited, Partners Group Global Opportunities Limited and Prodesse Investment Limited as well as being a director of a number of other financial service companies, some of which are listed on the London Stock Exchange. He has also served as the chairman of Guernsey Financial Services Commission.

### **Quentin Spicer**

#### **Non-executive Director (63)**

Quentin Spicer qualified as a solicitor at Wedlake Bell in 1968 and became a partner in 1970. He was head of the property department before moving to Guernsey in 1996 to take over as senior partner of Wedlake Bell Guernsey. Quentin specialises in UK commercial property transactions for offshore funds and for persons and entities not tax resident in the UK. He is chairman of the Guernsey Housing Association LBG, South African Property Opportunities Limited, ISIS Property Trust 2 Limited, RAB Special Situations Company Limited, European Value and Income Fund Limited and is a non-executive director of several other property funds. He is a member of the Institute of Directors and holds a Personal Fiduciary Licence from the Guernsey Financial Services Commission.

### **Alan Gravett**

#### **Non-executive Director (60)**

Alan Gravett worked for Barclaytrust (formerly Barclays Bank Limited, Executor and Trustee Department) from 1965 to 1988, reaching the highest level in Gibraltar administering offshore companies and trusts. Between 1988 and 1993 Alan was trust and company manager at Finsbury Management Limited (later Valmet Group) Gibraltar, being responsible for the management of some 5,000 offshore entities. From 1993 to date he has been a director of Prime Trust Corporation Limited, a Gibraltar based trust corporation managing offshore trusts and companies for a worldwide client base. Alan is licensed by the Financial Services Commission Gibraltar to act personally as a director and trustee, and is an associate of the Institute of Bankers.

### **Peter Le Cheminant**

#### **Non-executive Director (54)**

Peter Le Cheminant is a Guernsey resident. He qualified as a chartered surveyor in 1979 and has been an executive director of Martel Maides Limited, estate agents, valuers, auctioneers and property consultants since 1988. He has extensive experience, initially in London and the provinces, and over 25 years in Guernsey, specialising in commercial property. In 1992 he was elected Fellow of the Royal Institution of Chartered Surveyors and in 1999 he was admitted as a member of the Chartered Institute of Arbitrators. He is a non-executive director of the Close Accelerated Return Fund, Muben Investments Limited and CMP Insurance PCC Limited. He has been a member of the Juvenile Court Panel of the Royal Court of Guernsey since August 1990.

## Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of the Members of Develica Deutschland Limited (the "Company") will be held at First Floor Dorey Court, Admiral Park, St Peter Port, Guernsey GY1 6HJ at 9.00am on 18 November 2008 to transact the following business:

### **Ordinary business**

1. To receive the Company's Financial Statements for the year ended 31 March 2008 and the reports of the Directors and auditor thereon.
2. To re-elect Derek Michael Butler as a Director of the Company.
3. To re-elect Peter John Hereward Le Cheminant as a Director of the Company.
4. To reappoint Ernst & Young LLP as auditor of the Company, to hold office until the conclusion of the next general meeting at which the accounts are laid before the Company.
5. To authorise the Board to determine the auditor's remuneration.
6. To authorise the Board to determine the Directors' remuneration.

By order of the Board of Develica Deutschland Limited

### **Special business**

To consider and, if thought fit, pass resolution 7 as a Special Resolution:

7. That the Company be and is hereby generally and unconditionally authorised in accordance with the Companies (Purchase of Own Shares) Ordinance 1998 (the "Ordinance") to make market purchases as defined in that Ordinance of fully paid Ordinary Shares, (either for retention as Treasury Shares for future reissue and resale or transfer, or cancellation) provided that:
  - (i) the maximum number of Ordinary Shares authorised to be purchased shall be 14.99% of the issued ordinary share capital of the Company;
  - (ii) the minimum price which may be paid for an Ordinary Share is €0.01 each; and
  - (iii) the maximum price which may be so paid shall be no more than 5% above the average of the closing middle market quotations for an Ordinary Share for the five business days immediately preceding the date of purchase.

The Company is permitted to fund the payments for purchases of Ordinary Shares in any manner permitted by the Ordinance. Such authority shall expire at the annual general meeting of the Company in 2009, unless such authority is varied, revoked or renewed prior to such date by a Special Resolution of the Company in general meeting.

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**Mourant Guernsey Limited**  
**Secretary**  
**23 September 2008**

**First Floor Dorey Court**  
**Admiral Park**  
**St Peter Port**  
**Guernsey**  
**GY1 6HJ**

### **Notes:**

1. Under the Company's Articles of Association every member of the Company shall be entitled to attend and vote at the meeting.
2. A Member of the Company entitled to attend and vote is entitled to appoint one or more persons as his/her proxy, in accordance with the provisions of the Articles of Association of the Company, to attend and vote instead of him/her at the Annual General Meeting referred to above and any adjournments of that meeting.
3. A person appointed by a member to act as his proxy need not be a member of the Company.
4. To be valid, forms of proxy must be lodged with the Capita Registrars, Proxy Department, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU not less than 48 hours before the time appointed for holding the Annual General Meeting referred to in this notice. A form of proxy is enclosed.
5. Completion of a form of proxy does not prevent a member of the Company entitled to do so, from attending and voting at the above-mentioned Annual General Meeting, if he so wishes.
6. In order to have the right to attend and vote at the above-mentioned Annual General Meeting, a person must be entered on the register of members of the Company at 9.00am on 16 November 2008 or, in the case of an adjournment of that meeting, at the time which is 48 hours before the time appointed for that adjourned meeting.
7. The Memorandum and Articles of Association of the Company are available for inspection during normal business hours at the registered office of the Company in Guernsey.
8. CREST users should note that they can lodge their proxy votes for the Meeting through the CREST Proxy Voting System. For further instructions, users should refer to the CREST User Manual. Any CREST Sponsored Member should contact their CREST Sponsor.