

Dear Former Shareholder

I am writing to you to inform you of the UK tax consequences you will need to consider as a result of the Scheme of Arrangement entered into by Countrywide Plc as detailed to you in the scheme circular sent to Shareholders by the Company on 20 March 2007 (the "Scheme Document").

To summarise, the Company reclassified each Countrywide 5 pence ordinary share into two ordinary 2 ½ pence shares:

- One X 2 ½ pence share or one Y 2 ½ pence share; and
- One Z 2 ½ pence share

Shareholders could elect to receive in respect of each existing ordinary share in Countrywide either

1. one X and one Z share; or
2. one Y and one Z share

Each X share entitled the holder to 530 pence cash.

Each Y share entitled the holder to receive Unlisted Securities worth c. 530 pence.

Each Z share entitled the holder to receive 0.16487 ordinary shares of Rightmove plc.

As a result there are two principal tax points for former shareholders:

## 1. Income Distribution on Cancellation of Z shares

As set out in paragraph 18(b)(ii) on page 39 of the Scheme Document, the distribution of Rightmove Shares by the Company in consideration for the cancellation of the Z Shares under the Scheme will be treated as an income distribution for UK tax purposes to the extent that the market value of the Rightmove Shares distributed exceeds the paid up share capital of the Z Shares cancelled.

The Scheme took effect on 9 May 2007 and on that date:

- the market value of each Rightmove Share was: 584p
- the fractional entitlement of each Z Share to a Rightmove Share (0.16487)  
was worth (584p x 0.16487): **A** 96.2841p
- the paid-up capital in respect of each Z Share was: **B** 60.1380p<sup>1</sup>

<sup>1</sup> The Company has calculated the paid up capital value per Z share based on the number of shares in issue at the date of the Scheme

The amount of the income distribution in respect of each Z Share has therefore been calculated by the Company at 36.1461p (A - B) and details of the total distribution to you in respect of your Z Shares are shown on the tax voucher enclosed.

## **2. Taxation of Chargeable Gains arising on the cancellation of X/Y shares and Z shares**

For the purposes of the taxation of chargeable gains, the acquisition by Castle Hold Co 4 Ltd of the X/Y Shares and the cancellation of the Countrywide Shares, results in a disposal of your entire shareholding in Countrywide plc. For the purpose of calculating any gain (or loss) on the disposal of your X/Y shares and Z shares under the Scheme, any amount that has been treated as a Z share distribution may be excluded for purposes of the taxation of chargeable gains from the disposal proceeds you received.

The calculation is therefore based on the following figures:

### **Total proceeds per Ordinary share on 9 May 2007**

Each X/Y share: market value of proceeds received	530.000
Each Z share: market value of 0.16487 Rightmove share on 9 May 2007	96.2841
Less:	
Income Distribution in respect of each Z share (as above)	(36.1461)
Proceeds Received per share	<b>590.138</b>

### **Base cost of the Rightmove shares**

The tax on Chargeable gains/Income tax consequences described above will account for the tax due on acquisition of any Rightmove shares received by you as a result of the Scheme of Arrangement. Such Rightmove shares will have a base cost for calculating any chargeable gain or loss on a subsequent disposal (including under the Rightmove Sale Election) of 584p per share with an acquisition date of 9 May 2007.

This letter, which should be read in conjunction with the Scheme Document, is being sent to you in order to assist you with your own tax calculations. Neither this letter nor the Scheme Document however, should be construed as giving or purporting to give any tax or financial advice and you are recommended to consult your own professional adviser, if you are in any doubt as to your tax position. A copy of the Scheme Document is available on the Company website at [www.countrywideplc.co.uk](http://www.countrywideplc.co.uk)

All terms defined in the Scheme Document bear the same meanings in this letter.

Yours faithfully,



Harry Hill

Chairman

For and on behalf of Countrywide Plc