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20 February 2013

Countrywide Holdings, Ltd. on behalf of Countrywide
Announcement of Intention to IPO and list on the London Stock Exchange

Countrywide today announces its intention to proceed with an initial public offering of ordinary shares in a newly-established English-incorporated company which will be the holding company of the Countrywide Group (the "Offer" or the "IPO"). Countrywide intends that the new company will apply for admission of its Shares to the premium listing segment of the Official List and to trading on the LSE (together, "Admission").

Countrywide is the UK's leading integrated, full service residential estate agency and property services group as measured by both revenue and transaction volumes in 2012. It offers estate agency and lettings services, together with a range of complementary services that position it to capture revenue streams across the various stages of a typical residential property sale or rental.

Countrywide today also announces the appointments to the Countrywide Board of Bob Davies as Non-Executive Chairman of the Group and Neville Richardson as proposed Senior Independent Non-Executive Director (Chair of Audit Committee).

Business highlights

- Number one estate agency in the UK by revenues and transaction volumes
- Market leading positions across its core businesses
- Business transformed following a proactive period of investment in future growth by an experienced management team while in private ownership
- A scalable, diversified and robust business with significant recurring revenue streams offering a risk-mitigated position in the UK residential property market
- Track record of investing in growth and creation of value in the current market and the building of a scalable platform for future growth

- Quality full service proposition creating continuous customer relationships with retail and corporate clients while maximising value from each transaction
- A pure-play on any UK residential property market recovery

Commenting on today's announcement, Bob Davies, Non-Executive Chairman of Countrywide, said:

"Countrywide has been transformed from a collective network of estate agencies into a cohesive property services group under the leadership of an experienced management team. I am excited to be joining this focused team, with its strong track record of delivery, as the Group embarks on the next stage of its growth and development. The business is already well positioned and I look forward to bringing my experience to bear as we seek to drive our competitive edge and further improve our market position.

I am also very pleased that Neville Richardson is joining us as a Non-Executive Director and Chair of the Audit Committee. Neville brings valuable expertise and skills to the Countrywide Board. I look forward to working with him and the other Board members to ensure we capitalise on all value add opportunities."

Commenting on today's announcement, Grenville Turner, Group Chief Executive Officer, said:

"Over the past six years we have transformed Countrywide into the UK's largest integrated property services group. We have worked hard to secure significant growth opportunities via acquisitions and by opening new high street branches. We have built market leading positions in each of our core businesses.

This is an exciting time for Countrywide as we continue to develop innovative and differentiated products and services for our customers and corporate clients.

I am delighted that we are able to make this step today, as it will help us continue our growth strategy with further investment in both distribution and quality of service."

Overview of the Offer

- The Offer will comprise an offer of new Shares to raise gross primary proceeds of approximately £200 million
- The net primary proceeds from the Offer will be used to repay certain outstanding borrowings under the Group's existing financing arrangements following completion of the Offer
- This repayment of debt will help Countrywide achieve a more efficient capital structure, facilitating the Group's implementation of its planned strategy of pursuing growth opportunities both organically and via selective acquisitions
- Affiliates of Oaktree Capital Management, LP (NYSE:OAK), funds affiliated with Apollo Global Management, LLC (NYSE:APO) and Alchemy Special Opportunities Fund L.P, being the existing principal shareholders of the Group, agree to certain shareholding lock-up arrangements for 180 days following completion of the Offer
- The Directors agree to certain shareholding lock-up arrangements for 365 days following completion of the Offer
- Following Admission it is anticipated that Countrywide will be included in the FTSE UK Index Series as a FTSE 250 constituent
- The syndicate for the IPO comprises Goldman Sachs International and Jefferies International Limited as Joint Sponsors, Joint Global Co-ordinators and Joint Bookrunners, and Credit Suisse Securities (Europe) Limited as a Joint Global Co-ordinator and a Joint Bookrunner

ENQUIRIES

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Key strengths of Countrywide

Scale and coverage to deliver through recognisable high street brands

The Group operates across the UK residential property market, with a significant presence in key areas and property types through locally recognised and respected brands.

The Group holds market leading positions within the UK for its core businesses. In addition, there is national or international awareness of several of its brands.

The Group's scale provides it with significant leverage to negotiate exclusive product arrangements with providers and reduce its costs when procuring products, systems and services from suppliers on very competitive terms.

The Group is focused on having the right brand in the right location to target customer segments across all price bands with the most appropriate products and services to match customer needs.

The Group's depth and breadth of coverage, combined with its centralised infrastructure, position management well to capture and analyse real-time data and make informed decisions in response to changing market dynamics.

Focus on recurring and resilient income streams with higher margins

The integrated nature of the Group has allowed it to increase significantly its expansion into more resilient areas of activity such as the London prime market, the lettings market and financial services markets. The lettings market and the re-mortgage sector of the mortgage market are less sensitive to the volume of housing transactions.

The Group is in a commanding position to offer complementary services from other parts of its business including mortgages, insurance, surveying, conveyancing and lettings services, to increase penetration and develop opportunities with retail customers.

The Group is a leading player in the Land & New Homes sector, specialising in residential development, and it is well placed to capitalise on increased house building activity.

The Group has expanded its corporate client base across key areas including financial services, surveying and legal services.

Strong management team experienced in transformation and innovative growth

The current management team have executed a three-pronged strategy to deliver significant cost savings (36% reduction in total group cost base from £564 million in 2006 to £363 million in 2012, excluding £33 million of expansion/acquisition costs), grow market share and invest for future growth and profitability. Their track record of delivering both acquisitions and organic expansion of scale positions the business well for the future.

A focus of the management team has been to de-layer the management structure to ensure the senior team remain close to their customers and colleagues. In addition, the creation of more integrated and specialist functions has allowed the Group to hire leading specialists, the impact of which is evident in the areas of Information Technology, Corporate Business, Online Services, Marketing, Human Resources and Financial Services.

Growth both organically and through acquisitions

The Group has a proven track record in identifying acquisitions for their strong strategic fit and ability to address gaps in its market coverage, while also delivering accelerated growth from improving margins. This was demonstrated by the acquisitions of Hamptons International and the Sotheby's International Realty UK Franchise, which expanded the Group's capability in high end markets, particularly in London and the South East of the UK, and Blundells, which significantly increased coverage in Yorkshire.

The Lettings Division has successfully completed 41 acquisitions since 2007 and has also grown organically through the opening of 176 new lettings branches since July 2010. The Group has been financially disciplined in its acquisition strategy, acquiring businesses around the country for attractive multiples and integrating these businesses within the overall Countrywide lettings model. This strategy has led to strong growth in the Lettings Division.

Following the acquisition of Mortgage Intelligence in 2011, the Financial Services Division's market share grew to approximately 6% of the total mortgage market in the UK and approximately 10% of the UK intermediary mortgage market.

Build retail customer relationship to drive value across the lifetime of the customers' property cycle both through building brand loyalty and maximising complementary services offering

The Group is aware that, for most retail customers, buying a property is the most expensive transaction that they will undertake in their lifetime. As a result, it focuses on ensuring that the customer service and advice that it provides is of the highest quality. The Estate Agency Division and Hamptons sold approximately 1 in 11 homes in the UK between January 2009 and September 2012, according to Land Registry of England and Wales and Registers of Scotland statistics. This scale provides a valuable distribution channel for the introduction of complementary services provided by the Group's other divisions to grow its revenue and profit. The Group's customer-centric approach and centralised processes help the Group in creating a more enduring relationship with its customers than is typically the case in the housing market.

Improved capital structure and returns for shareholders

The Group is strongly cash generative with low levels of operating capital requirements. The Board believes that the Group requires a low level of capital expenditure in order to support its planned strategy.

As a public company, the Board intends to adopt a progressive dividend policy, reflecting the cash generative nature of the Group's businesses, the long-term earnings potential of the Group and the Group's ability to make value-accretive investments. The Directors initially intend to target a dividend of up to 25-35% of the annual reported Group profits for the financial year after tax but before any amortisation.

Ongoing investment in technology and remote solutions

The Group has a proven track record in investing significantly in technology to implement leading edge innovation in a cost effective way. For example, the Group has focused on online development and now the highest proportion of customer leads into its business are generated by its own websites. The Group also pioneered the use of tablet technology for 'door step' sign off of valuation reports and for use by its people during market appraisals.

About Countrywide

The Group was listed on the Official List from 1986 to 2007 during which time it focused on expansion in estate agency and complementary services through organic growth and the purchase of estate agency and surveying businesses. In May 2007, the Group was taken into private ownership, taking on additional debt to finance the acquisition and provide funding for the Group. A significant capital restructuring in May 2009, following the housing market downturn and the financial crisis in the UK, resulted in the Group's net debt decreasing from £641 million at 31 December 2008 to £75 million at 31 December 2009.

The Group now operates in five complementary businesses: (a) residential property sales; (b) residential property lettings and property management; (c) arranging mortgages, insurance and related financial products (provided by third parties) for participants in residential property transactions; (d) surveying and valuation services for mortgage lenders and prospective homebuyers; and (e) residential property conveyancing services.

Countrywide's Estate Agency Division, together with the Hamptons estate agency business, represent 48% of the Group's revenue and are, combined, the largest estate agency in the UK measured by both revenue and transaction volumes. Together they sold approximately 1 in 11 of all homes sold in the UK between January 2009 and September 2012. The Group operates 931 estate agency branches through a variety of established brands, including Hamptons International, John D Wood & Co., Sotheby's International Realty, Mann & Co., Gascoigne-Pees, Bairstow Eves, Dixons, Bridgfords, Taylors and Slater Hogg & Howison.

The Lettings Division is believed by management to be the largest lettings agency in the UK by number of dedicated branches, as well as revenue. Branding in the Lettings Division follows that of the Estate Agency Division but includes some lettings-only brands such as Accord Lettings, Ashton Burkinshaw and Andrew Reeves.

The Financial Services Division arranges financial products written by third party providers including mortgages, home and contents insurance, life insurance, income protection and critical illness cover. The Group has a c.10% market share of the mortgage intermediary market. As at 31 December 2012, the division employed over 620 financial consultants operating from selected estate agency branches and a further 400 working in the Mortgage Intelligence network, acquired by the Group in 2011. As part of the cost savings implemented by the Group, the costs of the Financial Services Division were reduced by 24% between 2007 and 2012. The Group's financial services products are mainly sold as complementary products following leads from other parts of the business.

Through its Surveying & Valuation Division, the Group acts as a valuer and conducts valuations of properties and issues mortgage valuation reports and home buyer reports. Lenders use the

Group's valuation reports in connection with their decisions on whether, and by how much, to finance the acquisition of a home, and buyers use the Group's valuation reports as part of their decisions to buy the home. The Group's Surveying & Valuation Division is one of the leading suppliers of valuation panel management services, and residential valuations and surveys in the UK. The division is one of the largest employers of surveyors in the UK and had a 32% share of the total market (inclusive of panel management services) for residential property valuations for the last twelve months to November 2012 (expressed as a percentage of Bank of England mortgage volumes for the same period).

The Group's Conveyancing Division is the largest UK transactional conveyancing business (based on revenues) delivering c.27,000 transactions in 2012 through conveyancing services sold to the Group's customers. These transactions amounted to £4.8 billion in value. There were also a further c.33,000 completions through its panel management function.

The in-house conveyancing firm, Countrywide Property Lawyers, provides transactional conveyancing services to customers who are buying or selling property in the United Kingdom. The principal sources of instructions are from the Estate Agency Division and the Financial Services Division. The legal teams offer a range of services, including new build, repossession, specialist legal services in addition to core conveyancing.

Financial Highlights

The following are highlights from Countrywide's audited full year results for the financial year ended 31 December 2012, which are published today in a separate announcement:

	2010	2011	2012
	(£ in millions)		
Estate Agency Division			
Total income ¹	232.2	215.4	214.3
EBITDA before exceptionals ²	19.7	13.2	12.8
Operating profit	15.0	6.8	4.4
Lettings Division			
Total income ¹	73.6	81.3	95.8
EBITDA before exceptionals ²	14.3	15.3	21.7
Operating profit	10.3	10.9	16.3
Hamptons International			
Total income ¹	40.0 ⁽³⁾	66.1	72.6
EBITDA before exceptionals ²	9.5 ⁽³⁾	14.3	14.0
Operating profit	1.7 ⁽³⁾	11.9	12.2
Financial Services Division			
Total income ¹	57.2	62.1	64.7
EBITDA before exceptionals ²	5.7	9.4	9.8
Operating profit/(loss)	(0.3)	2.3	3.7
Surveying & Valuation Division			
Total income ¹	52.6	60.4	65.4
EBITDA before exceptionals ²	7.4	8.6	10.2
Operating profit/(loss)	(4.8)	(4.9)	(8.8)
Conveyancing Division			
Total income ¹	21.6	22.8	26.0
EBITDA before exceptionals ²	8.5	7.7	8.0

	2010	2011	2012
Operating profit	7.9	7.4	7.7
Group			
Total income	477.9	509.1	539.8
EBITDA before exceptionals ²	51.5	56.4	63.0
Operating profit	8.8	19.6	16.8

⁽¹⁾ Total income means "total income from external customers" for purposes of segment reporting, which excludes inter-segment Group income (reflecting introduction fees paid by the Conveyancing Division to the Estate Agency and Lettings Divisions, which are eliminated on consolidation). See note 4 of the Group's consolidated financial statements.

⁽²⁾ Countrywide defines "EBITDA" as consolidated (loss)/profit for the year before finance income, share of profit post tax from joint venture, depreciation and amortisation, management fee, finance costs and taxation. Countrywide defines "EBITDA before exceptionals" as EBITDA before (i) exceptional costs (including costs related to redundancies, property provisions, insurance claims and litigation, acquisition expenses, impairment of assets and other restructuring costs) and (ii) exceptional income. "EBITDA" and "EBITDA before exceptionals" are supplemental measures of the Group's performance and liquidity that are not required by, or presented in accordance with, IFRS. "EBITDA" and "EBITDA before exceptionals" should not be considered as an alternative to profit or loss for the year or any other performance measure derived in accordance with IFRS, or as an alternative to cash flow from operating, investing and financing activities as a measure of the Group's liquidity as derived in accordance with IFRS.

⁽³⁾ Reflects only the portion of the results recognised in the Group's 2010 income statement following the acquisition in June 2010.

Reasons for and benefits of the Offer

The Group is returning to the public markets following almost six years in private ownership. During this time, the Group has focused on strengthening its estate agency distribution strategy, expanding its presence in the lettings market, improving the presence of its financial services, surveying and conveyancing product offerings and expanding its operations in the United Kingdom and selectively overseas through acquisitions (including the acquisition of Hamptons International).

In addition, during this period, management has focused on cost saving initiatives across its divisions in the wake of the global financial crisis. Its initiatives have included headcount reductions, closures of underperforming branches, simplification of the Group's management structure, centralisation of back office functions and consolidation of information technology platforms.

The Group believes that these measures, which were implemented during a housing market downturn, will substantially enhance its ability to benefit from any market upturn. In addition, the Group believes that going forward its cost structure provides the financial flexibility that the cyclical housing market demands.

The Group has issued Senior Secured Notes in an aggregate principal amount of £250 million, bearing interest at a rate of 10% per annum, which are due to mature on 7 May 2018. The Group also has a £25 million Revolving Credit Facility (which the Group obtained in September 2011). Concurrently with the Offer, the Group expects to refinance the Revolving Credit Facility with a New Revolving Credit Facility for £25 million and to enter into a new term loan for £75 million ("Term Loan").

The Group intends that the net proceeds of the Offer, together with a portion of the borrowing under the Term Loan, will be applied to redeem the Senior Secured Notes (not earlier than 8 May 2013) at a redemption price of 101% of the aggregate principal amount, plus accrued and unpaid interest.

The Board believes that the Offer will therefore result in a more efficient capital structure for the Group which will facilitate the Group's implementation of its planned strategy of pursuing organic and selective acquisition growth opportunities in the future.

Countrywide Board of Directors

Countrywide has a strong Board of Directors with extensive experience in growth companies and the real estate sector. The executive team and two non-executive Directors were instrumental in turning the Group around through the United Kingdom's property market decline.

Non-Executive Chairman: Bob Davies. Appointed to the Countrywide Board in 2013

Group Chief Executive Officer: Grenville Turner. Joined the Group in 2006 and was appointed Group Chief Executive in 2007.

Group Chief Financial Officer: Jim Clarke. Joined the Group in 2007 and was appointed Group Finance Director in 2007.

Proposed Senior Independent Non-Executive Director and Chair of Audit Committee: Neville Richardson. To be appointed to the Countrywide Board in February 2013

Non-Executive Director: Caleb Kramer. Appointed to the Countrywide Board in 2009

Non-Executive Director: Sanjay Patel. Appointed to the Countrywide Board in 2010

The UK Corporate Governance Code recommends that at least half the board of directors of a UK listed company, excluding the chairman, should comprise non-executive directors determined by the board to be independent in character and judgement and free from relationships or circumstances which may affect, or could appear to affect, the directors' judgment. Whilst to date Countrywide has not complied with the recommendations of the UK Corporate Governance Code concerning the number of independent non-executive directors because it has not been a listed company, it expects to appoint additional independent non-executive directors to the Board and therefore to comply fully with the UK Corporate Governance Code in due course.

NOTES TO EDITORS

Board biographies

Bob Davies was appointed to the Countrywide Board in February 2013. He was previously Non-Executive Director, the Senior Independent Director and the Chairman of the Remuneration Committee at Barratt Developments PLC, where he was appointed to the Board in May 2004. In July 2012, Mr. Davies was appointed Chairman of Home Group, one of the UK's leading housing associations, and is also currently the Chairman of Euroports Holdings S.a.r.l. and a Non-Executive Director of Kelda Holdings Limited. He was previously Chief Executive of Arriva plc and Chairman of Biffa plc. In addition he has been a Non-Executive Director of Northern Rock (Asset Management) plc, and of British Energy Group and the chair of the Board of Governors of Sunderland University.

Grenville Turner has been a member of the Countrywide Board since August 2006, when he joined Countrywide as an Executive Director. He became Group Chief Executive Officer on 1 January 2007. Mr Turner is also a Director of Countrywide Estate Agents, a Director and the Executive Chairman of Hamptons International, Chairman of Knightsbridge Student Housing Limited and Bellpenny Limited and a Non-Executive Director of Zoopla. He was formerly Chief Executive, Intelligent Finance and Chief Executive, Business to Business at HBOS and previously

served as a Director of St James's Place Capital Plc, Sainsbury's Bank Plc and Rightmove.co.uk Limited. Mr. Turner qualified as a chartered banker in 1982 and holds an MBA from Cranfield Business School.

Jim Clarke joined the Countrywide Board in November 2007. He was previously Finance Director and Company Secretary of JD Wetherspoon plc and has previously worked for David Lloyd Leisure (a division of Whitbread plc) and HP Bulmer Holdings plc. Mr. Clarke is a graduate of Stirling University and he qualified as a Chartered Accountant in 1984.

Neville Richardson will be appointed Independent Non-Executive Director and Chair of Audit of Countrywide in February 2013. He is currently a non-executive director and chair of audit committee of Marks & Spencer Financial Services, a non-executive director of Seddon Group, one of the UK's major privately owned construction companies, and a board member and chair of finance of the University of Manchester. He was formerly Chief Executive Officer of The Co-operative Financial Services, a £50 billion mutual financial services firm, between 2009 and 2011 after leading the merger with Britannia Building Society in 2009. Mr. Richardson joined Britannia as Chief Financial Officer in 1998 from PricewaterhouseCoopers where he was a partner in its audit business for more than nine years, having joined the firm in 1977.

Mr. Richardson was a non-executive director of Mutuo and a council member of the Building Societies Association for 8 years.

Caleb Kramer was appointed as a Director of Countrywide in May 2009. He is a Managing Director and Portfolio Manager (Europe) at Oaktree Capital Management (UK) LLP. Prior to joining Oaktree in 2000, Mr. Kramer co-founded Seneca Capital Partners LLC, a private equity investment firm. From 1994 to 1996 Mr. Kramer was employed by Archon Capital Partners, an investment firm. Prior to 1994, Mr. Kramer was an associate in M&A at Dillon Read and Co. Inc. and an analyst at Merrill Lynch and Co. Inc. Mr. Kramer received a B.A. degree in Economics from the University of Virginia.

Sanjay Patel was appointed as a Director of Countrywide in September 2010. Mr. Patel joined Apollo Global Management, LLC in 2010 as Head of International Private Equity. He is also a member of the Senior Management Committee, and is resident in the London office. He was previously a partner at Goldman Sachs & Co. where he was co-head of European and Indian Private Equity for the Principal Investment Area ("PIA"). Mr. Patel started his career at Goldman Sachs & Co. in 1983 and spent 17 years in PIA in New York and London. He also served as President of Greenwich Street Capital from 1998 to 2003. Mr. Patel serves on the Board of Directors of Brit Insurance, Countrywide Holdings and Dish TV India. Mr. Patel received an engineering degree, magna cum laude, from Harvard College and received his MBA from Stanford Graduate School of Business.

Forward looking statements

This announcement contains "forward-looking" statements, beliefs or opinions, including statements with respect to the business, financial condition, results of operations and plans of the Group. These forward-looking statements involve known and unknown risks and uncertainties, many of which are beyond the Group's control and all of which are based on the directors' current beliefs and expectations about future events. Forward-looking statements are sometimes identified by the use of forward-looking terminology such as "believes", "expects", "may", "will", "could", "should", "shall", "risk", "intends", "estimates", "aims", "plans", "predicts", "continues", "assumes", "targets", "positioned" or "anticipates" or the negative thereof, other variations thereon or comparable terminology or by discussions of strategy, plans, objectives, goals, future events or intentions.

These forward-looking statements include all matters that are not historical facts. Forward-looking statements may and often do differ materially from actual results. They appear in a number of places throughout this announcement and include statements regarding the intentions, beliefs or current expectations of the directors or the Group with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Group's business, concerning, amongst other things, the results of operations, financial condition, prospects, growth and strategies of the Group and the industry in which it operates.

These forward-looking statements and other statements contained in this announcement regarding matters that are not historical facts involve predictions. No assurance can be given that such future results will be achieved; actual events or results may differ materially as a result of risks and uncertainties facing the Group. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed or implied in such forward-looking statements. The forward-looking statements contained in this announcement speak only as of the date of this document. The Group, Goldman Sachs International, Jefferies International Limited and Credit Suisse Securities (Europe) Limited and their respective affiliates expressly disclaims any obligation or undertaking to update, review or revise any forward-looking statements contained in this document to reflect any change in its expectations or any change in events, conditions or circumstances on which such statements are based unless required to do so by applicable law, the Prospectus Rules, the Listing Rules or the Disclosure and Transparency Rules of the Financial Services Authority.

Important notice

Neither this announcement nor any copy of it may be taken or transmitted, directly or indirectly, into the United States, Australia, Canada or Japan or to any persons in any of those jurisdictions or any other jurisdictions where to do so would constitute a violation of the relevant securities laws of such jurisdiction.

This announcement does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for any shares or other securities nor shall it (or any part of it) or the fact of its distribution, form the basis of, or be relied on in connection with, any contract therefore. The Offer and the distribution of this announcement and other information in connection with the listing and Offer in certain jurisdictions may be restricted by law and persons into whose possession this announcement, any document or other information referred to herein comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This announcement does not constitute an offer to sell or a solicitation of an offer to purchase any securities in any jurisdiction in which such offer or sale would be unlawful prior to registration, exemption from registration or qualification under the securities laws of any jurisdiction. In particular, these materials are not an offer of securities for sale in the United States. The securities proposed to be offered by the Group have not been and will not be registered under the U.S. Securities Act of 1933 (as amended) (the "Securities Act") or under any securities laws of any state of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. There will be no public offering of securities in the United States.

Any purchase or subscription of Shares in the proposed Offer or other securities should be made solely on the basis of the information contained in the final form prospectus to be issued by Countrywide in connection with the Offer. No reliance may or should be placed by any person for any purpose whatsoever on the information contained in this announcement or on its completeness, accuracy or fairness. The information in this announcement is subject to

change. However, Countrywide does not undertake to provide the recipient of this announcement with any additional information, or to update this announcement or to correct any inaccuracies, and the distribution of this announcement shall not be deemed to be any form of commitment on the part of Countrywide to proceed with the Offer or any transaction or arrangement referred to herein. This announcement has not been approved by any competent regulatory authority.

This announcement does not constitute a recommendation concerning the Offer. The price and value of securities can go down as well as up. Past performance is not a guide to future performance. Information in this announcement or any of the documents relating to the Offer cannot be relied upon as a guide to future performance. Potential investors should consult a professional advisor as to the suitability of the Offer for the person concerned.

Goldman Sachs International, Jefferies International Limited and Credit Suisse Securities (Europe) Limited (the "Banks"), each of which is authorised and regulated in the UK by the Financial Services Authority (or any successor bodies), are acting exclusively for the Group and no one else in connection with the Offer and will not regard any other person as its client in relation to the Offer and will not be responsible to anyone other than the Group for providing the protections afforded to their respective clients or for giving advice in relation to the Offer or the contents of this announcement or any transaction, arrangement or other matter referred to herein.

In connection with the Offer, the Banks or any of their respective affiliates, acting as investors for their own accounts, may subscribe for or purchase Shares and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for their own accounts in such Shares and other securities of Countrywide or related investments in connection with the Offer or otherwise. Accordingly, references in the prospectus, once published, to the Shares being issued, offered, subscribed, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or subscription, acquisition, placing or dealing by, the Banks or any of their respective affiliates acting as investors for their own accounts. The Banks or any of their respective affiliates do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

None of the Banks, nor any of their respective subsidiary undertakings, affiliates or any of their respective directors, officers, employees, advisers, agents or any other person accepts any responsibility or liability whatsoever for, or makes any representation or warranty, express or implied, as to the truth, accuracy, completeness or fairness of the information or opinions in this announcement (or whether any information has been omitted from the announcement) or any other information relating to Countrywide, its subsidiaries or associated companies, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available or for any loss howsoever arising from any use of this announcement or its contents or otherwise arising in connection therewith.

In connection with the Offer, a stabilising manager, or any of its agents, may (but will be under no obligation to), to the extent permitted by applicable law, over-allot Shares or effect other transactions with a view to supporting the market price of the Shares at a higher level than that which might otherwise prevail in the open market. The Joint Bookrunners or the stabilising manager may, for stabilisation purposes or otherwise, over-allot Shares up to a maximum additional 10 per cent. of the total number of Shares comprised in the Offer. The stabilising manager will not be required to enter into such transactions and such transactions may be effected on any stock, market, over-the-counter market, stock exchange or otherwise and may be undertaken at any time during the period commencing on the date of the commencement of conditional dealings of the Shares on the LSE and ending no later than 30 calendar days thereafter. However, there will be no obligation on the stabilising manager or any of its agents to effect stabilising transactions and there is no assurance that stabilising transactions will be undertaken. Such stabilising measures, if commenced, may be discontinued at any time without prior notice. In no event will measures be taken to stabilise

the market price of the Shares above the offer price. Save as required by law or regulation, neither the stabilising manager nor any of its agents intends to disclose the extent of any over-allotments made and/or stabilisation transactions conducted in relation to the Offer.

The contents of this announcement, which have been prepared by and are the sole responsibility of Countrywide, have been approved by Goldman Sachs International and Jefferies International Limited solely for the purposes of section 21 of the Financial Services and Markets Act 2000 (as amended).