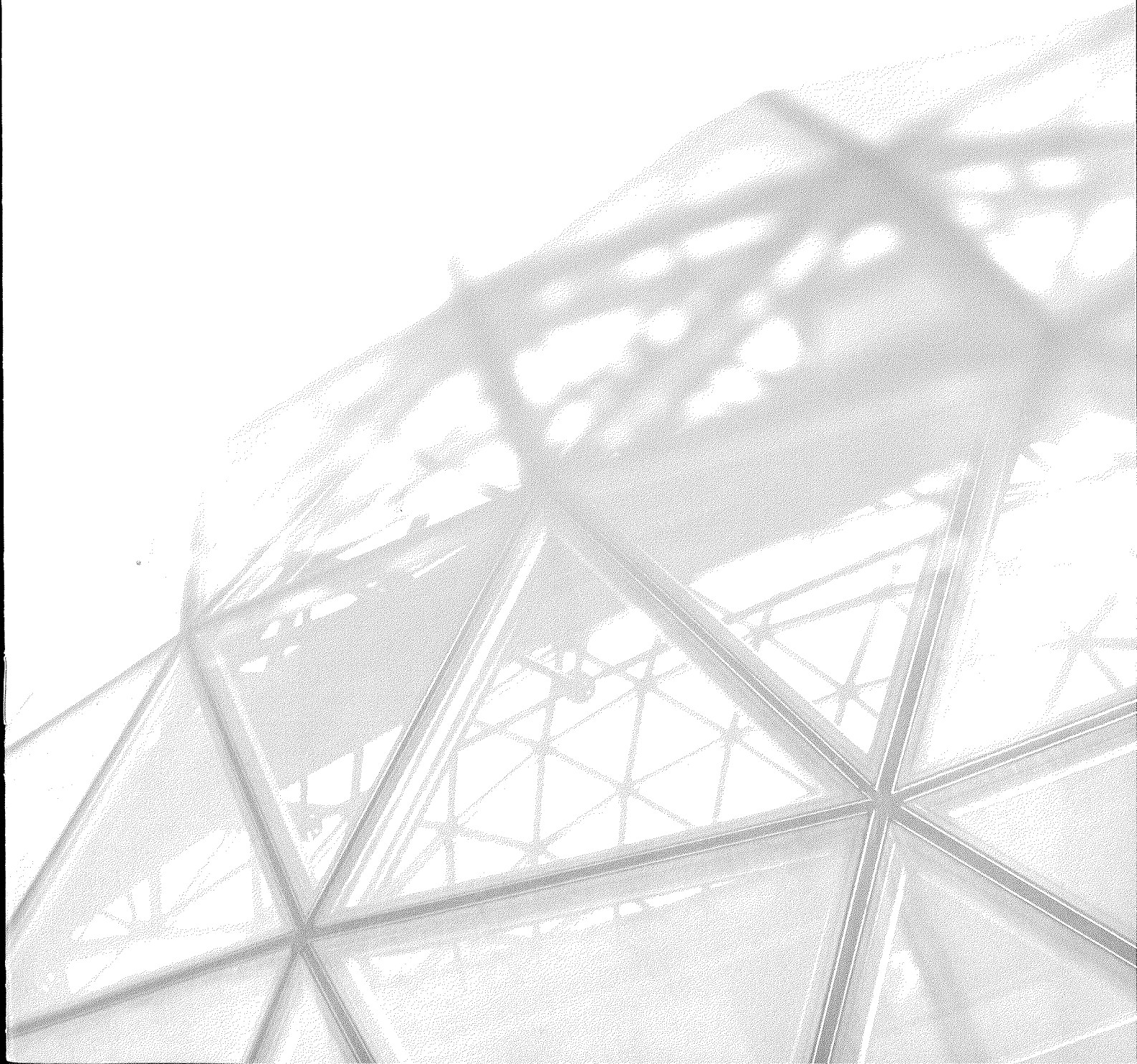




*The world is yours*

3i Group plc  
Notice of Annual General Meeting 2003



# Letter from the Chairman

Dear Shareholder

I have pleasure in sending to you your copy of the Annual Report and Accounts of 3i Group plc ("the Company") for the year to 31 March 2003, together with a booklet containing the Notice of Annual General Meeting and a map showing the location of the Meeting. The Meeting will be held at The Institution of Electrical Engineers, Savoy Place, London, WC2R 0BL on Wednesday, 9 July 2003, at 11.00 am.

The Directors are recommending a final dividend of 8.6p per share net. Subject to approval at the Annual General Meeting on 9 July 2003, this dividend will be paid to shareholders on 18 July 2003.

In the report you will find detailed information on 3i's performance during the year, the key elements of 3i's strategy, management changes made during the year and our view of the outlook. In addition to the Operating and Financial Reviews, and our Corporate Social Responsibility Report, we have included some illustrative examples of the investments that we have made during the year as well as investments we have realised. Together with the information on the people and networks that give 3i its international strength, I hope this information will give you a useful overview of the Company and its marketplace.

If you have access to the internet, our newly launched investor relations website at [www.3igroup.com](http://www.3igroup.com) includes news and other information about 3i which we hope will be of interest to shareholders. At [www.3i.com](http://www.3i.com) you can now also find some information about 1,000 of the companies in which we are invested.

Please do not hesitate to write to me or to our Group Communications Director, at 91 Waterloo Road, London SE1 8XP, if you have any comments or questions. Or you can e-mail us at [ir@3igroup.com](mailto:ir@3igroup.com).

Yours sincerely



**Baroness Hogg**

14 May 2003

# Notice of Annual General Meeting

Notice is hereby given that the thirtieth Annual General Meeting of 3i Group plc ("the Company") will be held at The Institution of Electrical Engineers, Savoy Place, London WC2R 0BL on Wednesday 9 July 2003 at 11.00 am to transact the business set out below.

In accordance with the UK Listing Rules, resolution 2 (Remuneration report) is special business. The remaining resolutions are ordinary business.

**To consider and, if thought fit, pass the following as ordinary resolutions:**

- 1 To receive and consider the Company's Accounts for the year ended 31 March 2003 and the Directors' report and Auditors' report thereon.
- 2 To approve the Directors' Remuneration report for the year ended 31 March 2003.
- 3 To declare a final dividend of 8.6p per share net, payable to those shareholders whose names appear on the Register of Members at close of business on 20 June 2003.
- 4 To reappoint Mme C J M Morin-Postel as a Director of the Company.
- 5 To reappoint Mr M M Gagen as a Director of the Company.
- 6 To reappoint Mr M J Queen as a Director of the Company.
- 7 To reappoint Mr F D Rosenkranz as a Director of the Company.
- 8 To reappoint Ernst & Young LLP as Auditors of the Company to hold office until the conclusion of the next General Meeting at which Accounts are laid before the Members.
- 9 To authorise the Board to fix the Auditors' remuneration.

**To consider and, if thought fit, pass the following as a special resolution:**

- 10 To authorise the Company, in accordance with Article 7 of the Company's Articles of Association, generally and unconditionally to make market purchases (as defined in section 163(3) of the Companies Act 1985) of ordinary shares of 50p each in the Company ("Ordinary shares") PROVIDED THAT:
  - (a) the Company does not purchase under this authority more than 61,095,275 Ordinary shares (representing 10% of the Company's issued share capital as at 12 May 2003);
  - (b) the Company does not pay less for each such Ordinary share than the nominal value of each such Ordinary share; and
  - (c) the Company does not pay for each such Ordinary share more than 5% over the average of the closing mid-market price of the Ordinary shares for the five business days immediately preceding the date on which the Company agrees to buy the shares concerned, based on the share prices published in the Daily Official List of the London Stock Exchange.

This authority shall continue for the period ending on the date of the Annual General Meeting of the Company to be held in 2004 provided that if the Company has agreed before this date to purchase Ordinary shares where these purchases will or may be executed after the authority terminates (either wholly or in part), the Company may complete such a purchase as if the authority confirmed hereby had not expired.

By order of the Board

A W W Brierley  
Secretary

14 May 2003

# Notes

The Annual General Meeting is a meeting of Members (that is to say, shareholders) which the Company must hold each year.

A member entitled to attend and vote at the Meeting may appoint one or more proxies to attend and, on a poll, to vote instead of him. A proxy need not also be a member. To be effective, instruments appointing a proxy should be lodged with the Company's Registrars (Lloyds TSB Registrars, The Causeway, Worthing, BN99 6AD) at least 48 hours before the appointed time of the Meeting (that is to say, no later than 11.00 am on 7 July 2003).

In order to attend or vote at the Meeting, a member must be entered on the Company's Register of Members at 6.00 pm on 7 July 2003. A member will only be entitled to vote in respect of those shares registered in his name at that time. This time has been specified pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001. Changes to entries on the Company's Register of Members after that time will be disregarded in determining the rights of any person to attend or vote at the Meeting.

Please note that the Annual General Meeting is a private meeting for shareholders, proxies and duly authorised representatives. Non-shareholders, including spouses and partners, are not entitled to admission to the Meeting. Any disabled shareholder may, however, be accompanied and the person accompanying them need not be a shareholder.

Copies of the Directors' employment contracts are available for inspection at the Company's Registered Office during normal business hours on each business day and will be at the place of the Annual General Meeting for one hour before, and until the conclusion of, the Meeting.

At this year's Annual General Meeting, there are 10 resolutions which the Members are asked to approve. An explanation of these resolutions is given below.

**Resolution 1 (Report and Accounts)** The Directors must lay the Company's Accounts, the Directors' report and the Auditors' report before the Members at a General Meeting. This is a legal requirement after the Directors have approved the Accounts and the Directors' report, and the Auditors have prepared their report.

**Resolution 2 (Remuneration report)** Listed companies are required to prepare a Directors' Remuneration report and put a resolution to approve the report to the shareholders at the Annual General Meeting. Shareholders are being asked to approve the Directors' Remuneration report, a copy of which is set out on pages 30 to 37 of the 2003 Report and Accounts.

**Resolution 3 (Declaration of dividend)** The Board may, in accordance with the Company's Articles of Association, authorise the payment of interim dividends. This authority was exercised for the interim dividend of 4.9p per share paid on 8 January 2003 in respect of the year ended 31 March 2003.

Any final dividend must be approved by Members. The amount to be declared as a final dividend may not exceed the amount recommended by the Directors. The Directors are recommending that the Members declare a final dividend of 8.6p per share in respect of the year ended 31 March 2003. If approved, the final dividend will be paid on 18 July 2003 to shareholders who were on the Register of Members at close of business on 20 June 2003.

**Resolutions 4, 5, 6 and 7 (Reappointment of Directors)** Under the Company's Articles of Association, any Director appointed by the Board holds office only until the next following Annual General Meeting. He or she may be reappointed if willing to continue to act.

Mme C J M Morin-Postel was appointed during the year and therefore retires at the Annual General Meeting. She is eligible for, and seeks, reappointment. Biographical details of Mme Morin-Postel are set out on page 21 of the 2003 Report and Accounts.

Under the Company's Articles of Association, a proportion of the Directors must retire by rotation at the Annual General Meeting each year. In addition, each Director must seek reappointment at least every three years. Three Directors, Mr M M Gagen, Mr M J Queen and Mr F D Rosenkranz, retire under these provisions. Each of these Directors is eligible for, and seeks, reappointment. Biographical details of Mr Gagen, Mr Queen and Mr Rosenkranz are set out on pages 20 and 21 of the 2003 Report and Accounts.

Of those Directors seeking reappointment, Mme Morin-Postel (who was appointed by the Board during the year ended 31 March 2003) and Mr Rosenkranz (who was first appointed in 2000) are non-executive Directors. Mme Morin-Postel brings wide financial and industrial experience and knowledge of continental European markets to the Board. Mr Rosenkranz has experience of the management of global businesses at the highest level which has proved of great benefit to the Board. The independence of Mme Morin-Postel and Mr Rosenkranz was considered by the Board during the year. The Board was satisfied that each was independent based on the Board's assessment that each was independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement.

**Resolutions 8 and 9 (Reappointment and Remuneration of Auditors)** At each Meeting at which Accounts are laid before the Members, the Company is required to appoint Auditors to serve until the next such Meeting. The Company's present Auditors, Ernst & Young LLP, have confirmed that they are willing to continue in office for a further year. Resolution 8 proposes that Ernst & Young LLP be reappointed. Resolution 9 gives authority to the Board to determine the Auditors' remuneration. The remuneration will then be disclosed in the next Accounts of the Company.

**Resolution 10 (Authority to purchase own shares)** In certain circumstances, it may be advantageous for the Company to purchase its own shares and resolution 10 seeks authority to do so.

The Directors have no present intention of exercising this authority. However, to bring the Company in line with many other investment trusts which have this authority, the Directors would like the flexibility to be able to exercise this authority in the future in appropriate circumstances. The Directors only intend to use the authority if they believe such purchases would be in the best interests of Members generally and will result in an increase in net asset value per share. Save to the extent purchased pursuant to the proposed Companies (Acquisition of Own Shares) (Treasury Shares) Regulations 2003, any shares purchased in this way will be cancelled and the number of shares in issue will be reduced accordingly. These proposed regulations will permit the Company, following a repurchase of its own shares as an alternative to cancelling the shares, to hold up to 10% of its issued share capital in treasury and to deal with such shares (including selling them subject to certain limitations for cash or transferring them for the purposes of employee share schemes or cancelling them).

The total number of options to subscribe for equity shares outstanding at 12 May 2003 is 22,275,605. This represents 3.65% of the issued share capital at that date. If the Company bought back the maximum number of shares permitted pursuant to the passing of this resolution, the total number of options to subscribe for equity shares outstanding at that date would represent 4.05% of the issued share capital as reduced following those repurchases.

There are no warrants to subscribe for shares outstanding at 12 May 2003.

**Recommendation** The Directors believe that the proposals set out in the Notice of Meeting are in the interests of the Company. Accordingly, they unanimously recommend that Members vote in favour of each resolution.

# How to find the Annual General Meeting venue

## The Institution of Electrical Engineers

Savoy Place  
London WC2R 0BL

Telephone +44 (0)20 7240 1871

Fax +44 (0)20 7344 5707

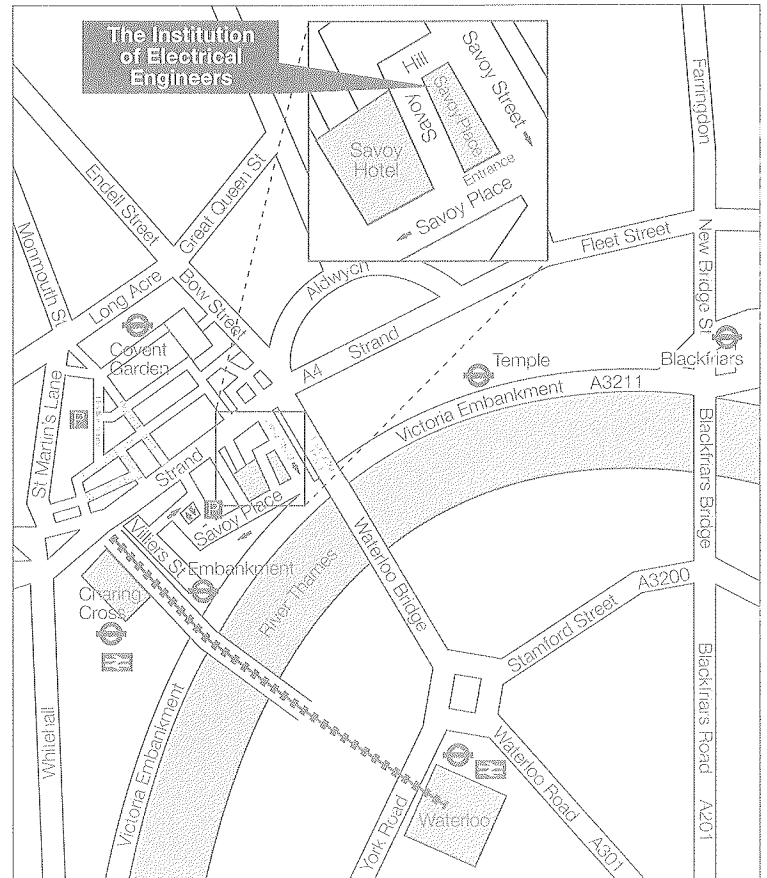
**By train** The nearest train stations are at Charing Cross and Waterloo.

From Charing Cross: turn right along The Strand and keep walking until you reach the Savoy Hotel on your right. The first road on your right, after the Savoy Hotel, is a small street called Savoy Street. Turn down Savoy Street, and at the bottom of Savoy Street turn right into Savoy Place. The Institution is the first building on your right.

From Waterloo: either walk from Waterloo Road across Waterloo Bridge to The Strand, then turn left from The Strand into Savoy Street, and at the bottom of Savoy Street turn right into Savoy Place; or take a bus from Waterloo Road over Waterloo Bridge towards The Strand and the Aldwych, alighting at Lancaster Place just after crossing the river. Then turn left along The Strand, take the first left down Savoy Street, and at the bottom of Savoy Street turn right into Savoy Place.

**By underground** The nearest underground stations are Charing Cross, Embankment and Temple. Charing Cross is served by the Bakerloo and Northern lines. Embankment is served by the Bakerloo, Circle, District and Northern lines. Temple is served by the Circle and District lines.

**Parking** The nearest car park is the Savoy Adelphi Garage (tel 020 7836 4838) in Savoy Place. Please note, it is signposted simply as "Adelphi Parking". There is also an NCP car park in Bedfordbury, just off St Martin's Lane, at the Charing Cross end of The Strand.



## Key

 Underground

 Parking

 One way

 Train

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Registered in England No 1142830  
An investment company as defined by  
section 266 of the Companies Act 1985