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Subject to the restrictions set out below, if you sell or have sold or otherwise transferred all of your Existing Ordinary Shares please send this document, together with the Proxy Form at once to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee except that such documents should not be distributed, forwarded to or transmitted in or into any jurisdiction where to do so might breach local securities laws or regulations. If you sell or have sold or otherwise transferred only part of your holding of Existing Ordinary Shares please retain this document and the accompanying Proxy Form and contact immediately the bank, stockbroker or other agent through whom the sale or transfer was effected.

This document does not constitute or form part of any offer or invitation to sell, dispose of or issue, or any solicitation of any offer to acquire Nil Paid Rights, Fully Paid Rights or New Ordinary Shares or to take up any entitlements to Nil Paid Rights.

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3i Group plc

(incorporated in England and Wales with registered number 1142830)

Circular to Shareholders relating to a proposed
9 for 7 Rights Issue of 542,060,391 New Ordinary Shares at 135 pence per share

Notice of General Meeting

This document is not a prospectus but a shareholder circular and it does not constitute or form part of any offer or invitation to purchase, acquire, subscribe for, sell, dispose of or issue, or any solicitation of any offer to sell, dispose of, purchase, acquire or subscribe for, any security. The Prospectus containing details of the Rights Issue (including details of the Nil Paid Rights, the Fully Paid Rights and the New Ordinary Shares) will not be posted to Shareholders but will be published on the Company's website on or around the date of this Circular. Shareholders in Excluded Territories will not be permitted to access the Prospectus. Investors should not subscribe for any Nil Paid Rights, Fully Paid Rights or New Ordinary Shares except on the basis of the information, and the terms and conditions of the Rights Issue, contained in the Prospectus and, in the case of Qualifying Shareholders who do not hold their shares in CREST, the Provisional Allotment Letter.

This document contains a notice of a General Meeting of the Company to be held at the offices of J.P. Morgan Cazenove, at 20 Moorgate, London EC2R 6DA on 27 May 2009 at 9.30 a.m. Shareholders will find enclosed with this document a Proxy Form for use at the General Meeting. Shareholders are requested to complete and return the Proxy Form whether or not they intend to be present at the General Meeting. To be valid, a Proxy Form should be completed and signed in accordance with the instructions printed on it and returned by post or by hand so as to reach the Registrar, Equiniti Limited at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA by no later than 9.30 a.m. on 25 May 2009. The completion and return of a Proxy Form will not preclude a Shareholder from attending and voting at the General Meeting.

The whole of this document should be read. Your attention is drawn to the letter from the Chairman of 3i Group plc in Part 1 of this document recommending that you vote in favour of the Resolutions to be proposed at the General Meeting. You should read this document in its entirety and consider whether to vote in favour of the Resolutions in the light of the information contained in this document.

Each of J.P. Morgan Cazenove, J.P. Morgan Securities, Merrill Lynch, Lloyds TSB Capital Markets, RBS Hoare Govett, Société Générale Corporate & International Banking, Citi and Rothschild is authorised and regulated in the United Kingdom by the FSA, and is acting for 3i and no one else in connection with the Rights Issue and will not regard any other person (whether or not a recipient of this document) as a client in relation to the Rights Issue and will not be responsible to anyone other than 3i for providing the protections afforded to its clients or for providing advice in relation to the Rights Issue or any other matters referred to in this document.

Apart from the responsibilities and liabilities, if any, which may be imposed on J.P. Morgan Cazenove, J.P. Morgan Securities, Merrill Lynch, Lloyds TSB Capital Markets, RBS Hoare Govett, Société Générale Corporate & International Banking, Citi or Rothschild by the FSMA or under other laws, none of J.P. Morgan Cazenove, J.P. Morgan Securities, Merrill Lynch International, Lloyds TSB Capital Markets, RBS Hoare Govett, Société Générale Corporate & International Banking, Citi nor Rothschild accepts any responsibility whatsoever for the contents of this document, including its accuracy, completeness or verification or for any other statement made or purported to be made by it, or on its behalf, in connection with 3i, the Nil Paid Rights, the Fully Paid Rights or the New Ordinary Shares or the Rights Issue. Subject to applicable law, each of J.P. Morgan Cazenove, J.P. Morgan Securities, Merrill Lynch, Lloyds TSB Capital Markets, RBS Hoare Govett, Société Générale Corporate & International Banking, Citi and Rothschild accordingly disclaims all and any liability whether arising in tort, contract or otherwise (save as referred to above) which they might otherwise have in respect of this document or any such statement.

Each of J.P. Morgan Cazenove, J.P. Morgan Securities, Merrill Lynch, Lloyds TSB Capital Markets, RBS Hoare Govett, Société Générale Corporate & International Banking, Citi and Rothschild has given and not withdrawn their written consent to the inclusion of their name in the form and content in which they are included in this document.

Notice to Restricted Shareholders

Subject to certain exceptions, Restricted Shareholders are not able to participate in the Rights Issue and there will be no offer of Nil Paid Rights or Fully Paid Rights and the Prospectus and the Provisional Allotment Letter will not be sent or otherwise made available to any Restricted Shareholder.

The Nil Paid Rights, the Fully Paid Rights, the Provisional Allotment Letters and the New Ordinary Shares have not been and will not be registered under the United States Securities Act of 1933, as amended ("**US Securities Act**"), or under any securities laws of any state or other jurisdiction of the United States and may not be offered, sold, taken up, exercised, resold, renounced, transferred or delivered, directly or indirectly, to (or for the account or benefit of) any US person as defined in Regulation S of the US Securities Act, OR within the United States except pursuant to an applicable exemption from the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. There will be no public offer of the Nil Paid Rights, the Fully Paid Rights, the Provisional Allotment Letters or the New Ordinary Shares in the United States or any other Excluded Territory.

Notice to all Investors

Any reproduction or distribution of this document, in whole or in part, and any disclosure of its contents or use of any information contained in this document for any purpose other than considering the Resolutions is prohibited.

No person has been authorised to give any information or make any representations other than those contained in this document and, if given or made, such information or representations must not be relied upon as having been authorised by 3i or by J.P. Morgan Cazenove, J.P. Morgan Securities, Merrill Lynch, Lloyds TSB Capital Markets, RBS Hoare Govett, Société Générale Corporate & International Banking, Citi or Rothschild. The delivery of this document shall not, under any circumstances, create any implication that there has been no change in the affairs of 3i since the date of this document or that the information in this document is correct as at any time after its date.

The contents of this document are not to be construed as legal, business or tax advice. Each prospective investor should consult their own legal adviser, financial adviser or tax adviser for legal, financial or tax advice respectively.

The contents of the websites of the Group or any website directly or indirectly linked to those websites do not form part of this document and investors should not rely on them.

Capitalised terms have the meanings ascribed to them in the section of this document entitled "Definitions".

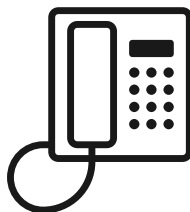
A Prospectus relating to the Rights Issue has been published today on the Company's website (www.3igroup.com). Shareholders may also request that a copy of the Prospectus be posted to them by contacting Equiniti Limited of Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA or by telephoning the Shareholder Helpline (details of which are set out below). The Prospectus will not be available (whether through the website or otherwise) to Restricted Shareholders.

The Prospectus sets out the terms and conditions of the Rights Issue and the actions that Qualifying Shareholders must take to participate in the Rights Issue.

Qualifying Shareholders should read the Prospectus, the information incorporated by reference into the Prospectus, and any accompanying documents, such as the Provisional Allotment Letter, in full before making any decision about how to deal with their rights.

You will not be invited to participate in the Rights Issue until after the Rights Issue Resolutions are passed at the General Meeting on 27 May 2009. If you hold your Ordinary Shares in certificated form, and you are not a Restricted Shareholder, you will be sent a Provisional Allotment Letter. This letter will contain a form which will enable you to take up your rights, and will be accompanied by a short guide on how to complete the form.

Part 2 of this document answers some of the questions most often asked by shareholders about rights issues. If you have further questions, please telephone the Shareholder Helpline on the numbers set out below. This helpline is available from 8 May 2009 Monday to Friday (8:30 a.m. to 5:30 p.m.) (excluding bank holidays), and will remain open until 3 July 2009.



Shareholder Helpline telephone numbers:

0871 384 2232 (from inside the UK)

or **+44 121 415 7187** (from outside the UK)

Calls cost 8 pence per minute if calling from a BT Landline within the UK. Other telephone providers' costs may vary and calls from mobiles may be considerably higher.

Please note that, for legal reasons, the Shareholder Helpline will only be able to provide information contained in this document and the Prospectus and information relating to 3i's register of members and will be unable to give advice on the merits of the Resolutions or the Rights Issue or to provide financial, tax or investment advice.

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Expected Timetable of Principal Events

Each of the times and dates in the table below is indicative only and may be subject to change. The times and dates set out in the expected timetable of principal events below and mentioned throughout this document may be adjusted by 3i in consultation with the Joint Sponsors in which event details of the new times and dates will be notified to the UK Listing Authority, the London Stock Exchange and, where appropriate, Qualifying Shareholders. References to times in this document are to London time unless otherwise stated. If you have any queries on the procedure for acceptances and payment, you should contact the Shareholder Helpline on 0871 384 2232, or +44 121 415 7187 if calling from outside the UK, between 8.30 a.m. and 5.30 p.m. Monday to Friday (excluding bank holidays). Details of call charges are set out on page 1 of this document.

2009

Latest time and date for receipt of Proxy Forms for use at the General Meeting	9.30 a.m. on 25 May
Record Time for entitlement under the Rights Issue to Qualifying Shareholders	close of business on 26 May
General Meeting	9.30 a.m. on 27 May
Provisional Allotment Letters despatched (Qualifying Non-CREST Shareholders only) ¹	27 May
Admission	8.00 a.m. on 28 May
Dealings in New Ordinary Shares, nil paid, commence on the London Stock Exchange	8.00 a.m. on 28 May
Existing Ordinary Shares marked 'ex' by the London Stock Exchange	8.00 a.m. on 28 May
Nil Paid Rights credited to stock accounts in CREST (Qualifying CREST Shareholders only) ¹	As soon as practicable after 8.00 a.m. on 28 May
Nil Paid Rights and Fully Paid Rights enabled in CREST (Qualifying CREST Shareholders only) ¹	As soon as practicable after 8.00 a.m. on 28 May
Latest time and date for acceptance, payment in full and registration of renunciation of Provisional Allotment Letters	11.00 a.m. on 11 June
Dealings in New Ordinary Shares, fully paid, commence on the London Stock Exchange	8.00 a.m. on 12 June
New Ordinary Shares credited to CREST stock accounts (Qualifying CREST Shareholders only) ¹	as soon as possible after 8:00 a.m. on 12 June
Despatch of definitive share certificates for the New Ordinary Shares in certificated form	by no later than 19 June

Note:

1. Subject to certain restrictions relating to Restricted Shareholders, details of which are set out in Part 4 of the Prospectus.

Part 1. Chairman's Letter



3i Group plc
 Registered Office:
 16 Palace Street
 London
 SW1E 5JD
 Registered No.: 1142830
 8 May 2009

Dear Shareholder,

Proposed 9 for 7 Rights Issue at 135 pence per New Ordinary Share

1. Introduction

As we announced on 8 May 2009, the Board is proposing that 3i raises £699.3 million (net of expenses) by way of a Rights Issue. Under the Rights Issue, the Board is proposing to issue 542,060,391 New Ordinary Shares at 135 pence per share, on the basis of 9 New Ordinary Shares for every 7 Ordinary Shares held at the Record Time. The *pro forma* Diluted Net Asset Value per Ordinary Share, after taking into account the Rights Issue and the 3i QPEP transaction, is 277 pence as at 31 March 2009. The Rights Issue is underwritten by J.P. Morgan Securities, Merrill Lynch and the other Underwriters.

The Rights Issue will enable 3i to strengthen its balance sheet. It will also provide flexibility and further capacity for 3i to manage existing assets for value over time and invest in new opportunities as they arise. 3i's current portfolio is diversified across a range of business lines, sectors and geographies and should benefit when economic conditions improve.

Further information about the Rights Issue, including the terms and conditions of the Rights Issue, is set out in a Prospectus which the Company has published today and which Shareholders should read in full before deciding whether to participate in the Rights Issue. The Prospectus will not be posted to Shareholders but has been published on the Company's website at www.3igroup.com. For legal reasons, the Prospectus will not be available (whether through the website or otherwise) to Restricted Shareholders.

2. The background to, and reasons for, the proposed Rights Issue

3i's competitive position

3i's quoted company status offers shareholders access to private equity investments in Europe, Asia and North America. As at 31 March 2009, 3i had a portfolio of 376 investments valued at £4.1 billion of which:

- £1.5 billion was in Buyouts, which makes buyout investments in the mid-market, defined as being companies with an enterprise value of typically less than €1 billion;
- £1.6 billion was in Growth Capital, which makes minority equity investments in growing private businesses; and
- £0.4 billion was in Infrastructure, which invests in global infrastructure businesses.

3i has a number of features which differentiate it within the private equity industry, notably its mid-market positioning and its diversity in terms of geography, sector and type of investment. 3i's investment activity is undertaken by specialist teams in Europe, Asia and North America. Its international reach and resources, its sector expertise and network of experienced business leaders support 3i's active style of investment management and underpin its long track record of achieving successful realisations. This track record is also evidence of 3i's experience of navigating through periods of economic and market dislocation.

3i combines investment on its own balance sheet with a managing or advisory role for quoted and unquoted funds on which it earns management and advisory fees. The principal funds are Eurofund IV, Eurofund V, 3i Infrastructure plc and the 3i India Infrastructure Fund. The Board intends that over time 3i will increase the proportion of its investment activity which is financed by third party monies rather than its own resources.

Rationale for the Rights Issue

3i's experience and positioning have been critical in the management of its portfolio. During the five years to 31 March 2008 3i generated an average annual total return on opening equity of 20.4%, returned £2.6 billion to Shareholders and grew assets under management from £7 billion to just under £10 billion.

Following 3i's strong performance in the five years to 31 March 2008, 3i faced much more challenging conditions in the year to 31 March 2009. During the past year 3i saw continuing crises in the world's credit markets, a sharp downturn in demand in the major economies, and falls in equity markets. These factors have all affected the private equity industry, leading to a contraction in activity and a significant impact on valuations. 3i's Diluted Net Asset Value per Ordinary Share fell, principally as a result of these market movements and the impact of gearing, from £10.77 at 31 March 2008 to £4.96 at 31 March 2009.

In line with 3i's practice of regularly reviewing its valuation methodology the Board decided in these exceptional circumstances to hold none of 3i's investment assets at cost as at 31 March 2009, and to reflect the fall in markets in its valuation process which has also impacted Net Asset Value. It also became progressively more difficult to realise investments at uplifts to carrying values, although 3i achieved an average uplift of 5% on opening carrying values over the year. Largely as a result of all of these factors, 3i ended the year with net debt of £1,912 million and a ratio of net debt to total equity of 103%, significantly above the level the Board considers optimal in the current economic climate.

At the same time, the Board considers that lower market prices offer 3i the potential, as economies recover, to make new investments that may yield attractive returns. In addition, there should also be the potential for 3i to achieve greater value from realisations of its existing investments.

It is in order both to manage these challenges and to realise these opportunities to best effect that the Board believes the Rights Issue on the terms described is in the interests of 3i and shareholders as a whole.

3i's financial position and actions taken

In this more difficult economic climate the Board concluded that, notwithstanding the absence of material debt maturities before September 2010, a more conservative financial structure for 3i was appropriate, and that net debt and gearing both needed to be significantly lower. Following the appointment of Michael Queen as Chief Executive in January 2009, 3i accelerated the steps it has been taking to reduce its net debt including:

- The successful acquisition of the assets of 3i Quoted Private Equity plc, which produced £110 million of net cash proceeds for 3i in April 2009;
- Placing a proportion of 3i's shareholding in 3i Infrastructure plc, which generated £61 million of net cash proceeds in February 2009;
- Selling other quoted assets, raising a total of £111 million in the year to 31 March 2009;
- Continuing to divest 3i's non-core Smaller Minority and Venture Capital investments, delivering total net proceeds of £236 million during the year to March 2009, £96 million of which was in the fourth quarter of the financial year; and
- Continuing to make realisations while taking a highly selective approach to investment.

3i generated net cash of £411 million from investment and realisation activity during the second half of the financial year. Net debt was reduced from £2.1 billion at 31 December 2008 to £1.9 billion at 31 March 2009.

During the year, the Board has also taken the opportunity to review the Group's cost base and has identified cost savings of approximately 15% through re-engineering certain processes, outsourcing and consolidating parts of 3i's office network which are expected to be recognised over the next two years.

The Board sees the proposed Rights Issue as a complement to, and not a substitute for, a self-disciplined approach to cash generation. The *pro forma* net debt as at 31 March 2009, after taking account of the Rights Issue and the acquisition of the assets of 3i QPEP, will be £1.1 billion and the *pro forma* ratio of net debt to total equity will be reduced from 103% to 42%.

Realisations and investment

During the financial year to 31 March 2009, 3i realised £1.3 billion and, as noted above, the quality of its portfolio enabled it to do so at an average 5% uplift to opening carrying value at 31 March 2008. Good realisation opportunities do still arise, but they are fewer in current markets. 3i will continue to undertake realisations with the objective of achieving best value and at a pace which supports that objective.

Of the £968 million invested by 3i in the year to 31 March 2009, £454 million was invested in existing portfolio companies (which included £127 million in respect of capitalised interest). In the period to 31 December 2010, 3i may

invest up to £150 million (excluding capitalised interest) in providing further support to certain portfolio companies both to develop business opportunities and to ensure that they operate within the terms of their banking facilities.

Financial commitments

3i has agreed to co-invest alongside a number of its funds when it identifies suitable investment opportunities, and 3i's outstanding commitments to these funds comprise up to €1,307 million to Eurofund V and \$148 million to the 3i India Infrastructure Fund. 3i co-invested €402 million and \$34 million respectively alongside these funds in the year to 31 March 2009. 3i's obligations to make new investments or co-invest alongside such funds are conditional on 3i Investments determining that the proposed investment or co-investment meets a number of conditions for suitability, including meeting the relevant fund's return objectives. 3i will, however, wish to take advantage of good opportunities which arise and which satisfy those conditions and objectives.

3i's portfolio companies carry different levels of debt (and related maturities) substantially all of which is non-recourse to 3i. The acquisition debt in the buyout portfolio is typically committed seven to nine year term loans, the majority of which are repayable after 2013, providing covenants are met. For the Growth Capital portfolio, which has lower levels of leverage, over 85% of the debt weighted by 3i valuation is repayable after 2013. Infrastructure investments are made principally through 3i Infrastructure plc, in which 3i holds a 33% shareholding, and the 3i India Infrastructure Fund. 3i Infrastructure had no borrowings at the company level and cash of £387 million as at 31 March 2009 and the 3i India Infrastructure Fund is also ungeared.

Strategy, priorities and opportunities

The history of private equity indicates that attractive returns can be made during the recovery stage of the economic cycle. Moreover, 3i's investment experience in the mid-market, and in particular in the supply of growth capital, demonstrates its ability to make good returns without the use of the very high levels of leverage seen in parts of the private equity industry during recent years.

The Board therefore believes that 3i will be able to continue to identify opportunities for investment even if credit markets remain constrained. Specifically, the opportunities in each of 3i's core business lines are as follows:

- **Buyouts:** the Board believes that due to its international reach, resources and network, 3i is well positioned to take advantage of mid-market buyout opportunities as mergers and acquisitions activity starts to recover. This activity is likely to be driven by large corporates, as they focus on core activities, and pent up demand following a period of low activity.
- **Growth Capital:** 3i believes that the growing private businesses in which it seeks to invest are likely to require additional equity to fund growth as they seek to minimise their funding risk and the availability of debt finance continues to remain scarce. Given recent volatility in capital markets, the Board believes that these businesses will see raising long term investment capital from 3i as an attractive source of funding.
- **Infrastructure:** Demand for infrastructure investment continues to grow in 3i's core markets of Europe, India and North America, where 3i is well positioned with established teams of experienced infrastructure investors. In the developed markets of Europe and North America, replacement of older infrastructure, and potential additional projects arising from fiscal stimuli are likely to be the key drivers. In India, the building of new infrastructure (for example in power, transportation and healthcare) should generate significant opportunities for well-established investors with good government relations, such as 3i.

As a leading international private equity firm, 3i's strategy continues to be to use its resources to produce consistent market-beating returns whilst being acknowledged for its partnership style of investing. 3i also remains committed to increasing the scale of the external funds which it advises or manages so as to generate a higher stream of fee income. In the near term 3i's priorities are to:

- Concentrate on its core business lines of Buyouts, Growth Capital and Infrastructure, and accelerate realisations from its SMi and Venture Capital portfolios;
- Position its business for the upturn by focusing on the mid-market opportunities it will generate, and where 3i has competitive advantage;
- Reduce the level of its net debt over the next 12 to 15 months to approximately £1.0 billion; and
- Reduce costs and increase efficiency while maintaining its core investment capabilities.

Benefits of Rights Issue and Use of Proceeds

The Board believes that the proposed Rights Issue, which is underwritten will enable it to build on the actions it has taken, and will continue to take, to reduce 3i's net debt and strengthen its balance sheet; to continue to pace the realisation of its existing portfolio investments in order to gain the benefit of their full potential; and to take advantage of new investment opportunities.

With *pro forma* net debt of £1.1 billion million as at 31 March 2009 after taking account of the Rights Issue and the 3i QPEP transaction, 3i's balance sheet will be considerably stronger than prior to these transactions. This strengthened capital structure, which will further support 3i's investment grade credit rating should not only facilitate 3i's access to debt capital markets but should also help to strengthen its market position. The Board therefore believes that the proposed Rights Issue will strengthen 3i's financial and competitive position and enable 3i to fulfil its potential, and that it is in the best interests of its shareholders.

3. Current trading and prospects

The Company has nothing significant to report with respect to trading in the period since 31 March 2009 other than the completion towards the end of April of the acquisition of the assets of 3i QPEP.

4. Principal terms and conditions of the Rights Issue

Subject to the Rights Issue Resolutions being passed, the Directors propose to offer New Ordinary Shares by way of rights to all Qualifying Shareholders (other than, subject to certain exceptions, Restricted Shareholders), payable in full on acceptance, on the following basis:

9 New Ordinary Shares at 135 pence each for every 7 Ordinary Shares

that each Qualifying Shareholder holds and has registered in that Shareholder's name as at the Record Time, and so in proportion to any other number of Ordinary Shares that each Qualifying Shareholder then holds and otherwise on the terms and conditions as set out in the Prospectus and, in the case of Qualifying Non-CREST Shareholders, the Provisional Allotment Letter.

The Rights Issue Price of 135 pence per New Ordinary Share represents a discount of 60.2 per cent. to the Closing Price of 339 pence on 7 May 2009 (being the last business day prior to the date of this document), and a discount of 51.2% to the *pro forma* Net Asset Value per Ordinary Share of 277p as at 31 March 2009, after taking into account the Rights Issue and the 3i QPEP transaction. If a Qualifying Shareholder does not take up any of his entitlement to New Ordinary Shares, his proportionate shareholding will be diluted by up to 56.3 per cent as a result of the Rights Issue. However, if a Qualifying Shareholder takes up his rights in full, he will, following completion of the Rights Issue, have the same proportional voting rights and entitlements to distributions as he had at the Record Time.

New Ordinary Shares representing fractional entitlements will not be provisionally allotted to Qualifying Shareholders and, where necessary, entitlements to New Ordinary Shares will be rounded down to the nearest whole number. These fractions will be aggregated and, if possible, sold in the market. The net proceeds of such sales (after deduction of expenses) will be aggregated and paid to the Company, save that Qualifying Shareholders will receive any proceeds in respect of a fractional entitlement with a value of £5 or more.

The Rights Issue is conditional on:

- (A) the Rights Issue Resolutions being passed at the General Meeting;
- (B) Admission becoming effective by not later than 8:00 a.m. on 28 May 2009 (or such later time as the Joint Sponsors and the Company may agree); and
- (C) the Underwriting Agreement otherwise becoming unconditional in all respects and not having been terminated in accordance with its terms prior to Admission.

A summary of the Underwriting Agreement and the conditions to which it is subject is set out in paragraph 19 of Part 8 of the Prospectus.

The New Ordinary Shares, when issued and fully paid will rank *pari passu* with the Existing Ordinary Shares including the right to receive dividends or distributions made, paid or declared after the date of their issue. Application will be made to the UK Listing Authority for the New Ordinary Shares (nil and fully paid) to be admitted to the Official List and an application will be made to the London Stock Exchange for the New Ordinary Shares (nil and fully paid) to be admitted to trading on the London Stock Exchange's main market for listed securities. It is expected that Admission will become effective and that dealings in the New Ordinary Shares (nil paid) will commence on the London Stock Exchange at 8:00 a.m. on 28 May 2009. It is expected that dealings in the New Ordinary Shares (fully paid) will commence on the London Stock Exchange at 8:00 a.m. on 12 June 2009.

The Rights Issue is expected to result in the issue of 542,060,391 New Ordinary Shares (representing approximately 56.3 per cent. of the issued share capital as enlarged by the Rights Issue).

For the purposes of this document (save in relation to paragraph 6 and the notice of meeting at the end of this document), the number of New Ordinary Shares to be issued as part of the Rights Issue is stated on the assumption that no further Ordinary Shares are issued as a result of the exercise of any options under the 3i Share Plans between the date of this document and the Record Time and that there are no fractional entitlements. In addition, unless

otherwise stated, the gross and net proceeds of the Rights Issue have been calculated on the basis that 542,060,391 New Ordinary Shares are issued under the Rights Issue. Taking into account the share options which could be exercised between the date of this document and the Record Time, the maximum number of New Ordinary Shares which could be issued under the Rights Issue is 547,822,682, which would result in the gross proceeds of the Rights Issue being £739.6 million.

Details of further terms and conditions of the Rights Issue, including the procedure for acceptance and payment and the procedure in respect of rights not taken up including for Overseas Shareholders, are set out in the Prospectus and, where relevant, will also be set out in the Provisional Allotment Letter.

5. Risk factors

Shareholders who participate in the Rights Issue may face a number of risks in relation to the acquisition of New Ordinary Shares and/or the trading of their Nil Paid Rights. The section of the Prospectus entitled "Risk Factors" sets out a number of risks and uncertainties which investors should carefully consider in relation to participation in the Rights Issue. Shareholders who do not acquire New Ordinary Shares in the Rights Issue will experience dilution in their ownership in 3i as their proportionate ownership and voting interests in 3i will be reduced.

6. Dividend policy

The Board's dividend policy has been to pay two dividends on the Ordinary Shares in respect of the Company's financial year, typically in January (an interim dividend) and in July (a final dividend).

In order to qualify as an investment trust under section 842 of the Income and Corporation Taxes Act 1988, the Company is prohibited by its Articles of Association from paying dividends or distributions from capital profits and surpluses arising on the realisation of investments save by way of redemption or purchase of any of its shares in accordance with the Companies Acts. In addition, the tax legislation specifies the maximum amount of its revenue profit that an investment trust is able to retain in respect of each accounting period in order to continue to qualify as an investment trust.

The Company paid an interim dividend in January 2009, and the Board has decided, in the light of the Group's financial results for the period and the proposed Rights Issue, not to declare a final dividend for the year to 31 March 2009. The total dividend for the year will therefore consist of the interim dividend of 6.3p per Ordinary Share, which was paid in January 2009 and is sufficient to enable the Company to qualify as an investment trust under section 842 of the Income and Corporation Taxes Act 1988 in respect of the financial year to 31 March 2009.

Future dividends paid by the Company will reflect the revenue arising from dividends, interest, fees and other income earned on the Group's investing and investment management and advisory activities. The Board remains committed to the principle of paying an increasing dividend and intends to resume dividend payments consistent with this principle in respect of the financial year to 31 March 2010, provided it considers it is prudent to do so at the relevant time. In light of the Rights Issue, the Board believes it is appropriate to reset the level of dividend going forward at a level at least as high in aggregate as that paid in respect of the year to 31 March 2009 (£24 million before dividend waivers), which, after adjusting for the effects of the Rights Issue and the shares issued in connection with the acquisition of the assets of 3i Quoted Private Equity plc referred to in paragraph 2, equates to an annual dividend of at least 2.5 pence per Ordinary Share. In any case, the Board intends that 3i will pay sufficient dividends to ensure that it is able to meet the requirements for approval as an investment trust for tax purposes for the financial year to 31 March 2010 and for subsequent periods.

7. Employee Share Investment Plan (the "ESIP")

The Directors would like to take this opportunity to increase employees' alignment with shareholders, and demonstrate their confidence in the value of the Company, by facilitating a significant investment by employees in the Company's shares through the ESIP.

The essential features of the ESIP (under which awards will be made in the 30 days following the Ex-Rights Date) are as follows:

- Subject to legal, tax, regulatory and other practical considerations, the ESIP will be open to all employees of the Group. Before investing in the ESIP, senior executives will want, and if they wish to participate in the ESIP will normally be expected first to, take up the rights which they have in relation to their existing shareholdings.
- Eligible employees will be invited to subscribe for Ordinary Shares ("**Investment Shares**") at a price determined by the Board. This will be not less than the market value (determined as for the purposes of capital gains tax) of an Ordinary Share on the date of subscription which will be on a date or dates selected by the Board falling within the period of 30 days after the Ex-Rights Date.

- There will be minimum and maximum investment limits per individual of £5,000 and £1.5 million respectively.
- Participants (other than the executive Directors) will then be granted an award (a "**Matching Award**") in respect of one Ordinary Share for every two Investment Shares. Executive Directors will not be eligible for Matching Awards because of the other share based arrangements that already exist for them.
- The Matching Award will be subject to a performance target which will mean that in normal circumstances it will not vest unless the growth in the Net Asset Value per Ordinary Share is 35% or more, measured by comparing the *pro forma* Diluted Net Asset Value per Ordinary Share, after taking into account the Rights Issue and the 3i QPEP transaction, as at 31 March 2009 with the Diluted Net Asset Value per Ordinary Share as at 31 March 2012 (adjusted for the reinvestment of dividends paid between 31 March 2009 and 31 March 2012).
- It will also be a condition of the vesting of the Matching Award that the participant has retained all of his Investment Shares. If he does not do so, his Matching Award will lapse unless and to the extent that the Board decides otherwise.
- The maximum number of Ordinary Shares available for Investment Shares and Matching Awards is 16 million. If applications for Investment Shares exceed the maximum available, they will be scaled down on a basis to be determined by the Board.

Unlike other senior staff, the Group's investment staff do not normally receive equity-based long-term incentives, and therefore do not have significant holdings of shares in the Company. Their incentive arrangements include portfolio awards which: are funded from realised cash profits; form part of the originally committed team profit-share percentage in relation to certain pools of assets; and are normally paid in cash over a period of three years subject to leaver provisions. In order to encourage the investment staff to participate in the ESIP, they will be given the opportunity to have the payment of their portfolio awards advanced if they elect to apply the after-tax amount in purchasing Investment Shares. In these cases, if the participant does not keep his Investment Shares until the Matching Award vests, then not only will the Matching Award lapse, but the failure to retain the Investment Shares will be taken into consideration by the Company when making future bonus and/or other awards.

Employees will be formally invited to participate following the publication of this Circular.

The Matching Awards will be granted in accordance with, and be subject to, the terms of The 3i Group Discretionary Share Plan. However, in order to implement the ESIP, the Board wishes to amend the Plan to allow the Investment Shares to be issued pursuant to it and is seeking Shareholders' authority to do so at the General Meeting.

Following implementation of the ESIP, the Directors intend to undertake a detailed review of reward strategy. A key objective of this review will be to increase employee alignment with shareholders, and therefore consideration will in particular be given to making certain future awards under The 3i Group Discretionary Share Plan on a similar basis to the ESIP.

8. Overseas Shareholders

Qualifying Shareholders who have registered addresses outside of the United Kingdom or who are citizens of or residents of countries other than the United Kingdom, or who are holding Ordinary Shares for the benefit of such persons (including, without limitation, custodians, nominees, trustees and agents) or who have a contractual or other legal obligation to forward this Circular and accompanying Proxy Form or, when issued, a Provisional Allotment Letter to such persons, should read paragraphs 7 and 8 of Part 4 of the Prospectus.

In particular, Overseas Shareholders should consult their professional advisers as to whether they require any governmental or other consent, or need to observe any other formalities, to enable them to take up their entitlements to the Rights Issue.

9. General Meeting

A notice convening the General Meeting of the Company to be held at the offices of J.P. Morgan Cazenove, 20 Moorgate, London EC2R 6DA on 27 May 2009 at 9.30 a.m. is set out at the end of this Circular. The General Meeting is being convened for the purposes of considering and, if thought fit, passing the Resolutions. The full text of the Resolutions is set out in the notice at the end of this Circular.

Under Resolution 1, as set out in the notice, it is proposed that the authorised share capital of the Company be increased from £409,999,850 to £814,641,604 by the creation of an additional 547,822,682 Ordinary Shares of 73 ¹⁹/₂₂ pence each. If passed, this would result in an increase of 98.7 per cent. of the authorised ordinary share capital of the Company. The Resolution is being proposed in order for the Company to be able to issue the New Ordinary Shares as part of the Rights Issue.

Under Resolution 2, as set out in the notice, it is proposed that the Directors be authorised to allot the New Ordinary Shares for the purposes of the Rights Issue. This resolution will authorise the Directors to allot ordinary share capital up

to an aggregate amount of £404,641,755, representing 130 per cent. of the total issued ordinary share capital (excluding treasury shares) of the Company as at 5 May 2009 (being the latest practicable date prior to the publication of this document). The Directors at present, intend to allot 547,822,682 Ordinary Shares in connection with the Rights Issue but save as required under the 3i Share Plans do not, at present, intend to allot any further Ordinary Shares.

As at 5 May 2009 (being the latest practicable date prior to the publication of this document) the Company held no shares in treasury.

The authority which is proposed to be granted under Resolution 2 will expire (unless renewed, varied or revoked by the Company in general meeting) on the date being 15 months from the passing of the resolution or, if earlier, at the conclusion of the Annual General Meeting of the Company which next follows the Annual General Meeting to be held in 2009.

Under Resolution 3, it is proposed that the Directors be authorised to allot Ordinary Shares up to an aggregate nominal amount of £404,641,755 as if section 89 of the Companies Act 1985 did not apply to them. The aggregate nominal amount of £404,641,755 represents 130 per cent. of the Company's issued ordinary share capital as at 5 May 2009 (being the latest practicable date prior to the publication of this document).

Under section 89 of the Companies Act 1985, if the Board wishes to allot any equity securities for cash (other than in connection with an employee share scheme) it must first offer them to existing shareholders in proportion to their existing shareholdings. The purpose of Resolution 3 is to provide the Company with the flexibility to deal with legal or other difficulties in making the Rights Issue available to certain Overseas Shareholders.

Under Resolution 4, it is proposed that the Directors be authorised to amend the terms of The 3i Group Discretionary Share Plan to authorise the allotment of Ordinary Shares to participants wishing to participate in the proposal described in paragraph 9 above.

As explained in that paragraph, the Matching Awards will be granted in accordance with, and subject to, the terms of the Plan, to those individuals who elect to purchase Investment Shares. Whilst it would be possible for the Investment Shares to be acquired in the market without amending the Plan, the Board believes that it is more appropriate in the present circumstances for the Company to have the use of the funds and therefore wishes to be able to issue new Ordinary Shares as Investment Shares.

10. Action to be taken

A Proxy Form for use at the General Meeting or at any adjournment thereof is enclosed with this Circular. Whether or not you propose to attend the General Meeting in person, the Proxy Form should be completed in accordance with the instructions printed on it and returned by post or by hand as soon as possible, but in any event to be received no later than 9.30 a.m. on 25 May 2009, to the Registrar, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA. The completion and return of the Proxy Form will not preclude you from attending and voting at the meeting in person if you so wish.

If you are in any doubt as to the action you should take, you should immediately seek your own financial advice from your stockbroker, bank manager, solicitor, accountant, fund manager or other appropriate independent financial adviser authorised pursuant to the FSMA if you are resident in the UK or, if not, from another appropriate authorised independent financial adviser.

11. Recommendation

The Board considers the Rights Issue and the passing of the Resolutions to be in the best interests of the Shareholders as a whole.

Accordingly, the Board recommends unanimously that Shareholders vote in favour of each of the Resolutions to be proposed at the General Meeting, as the Directors intend to do in respect of their own beneficial holdings of Ordinary Shares of, in aggregate, 476,205 Ordinary Shares, representing approximately 0.11% of the issued share capital of the Company as at 5 May 2009 (being the latest practicable date prior to the date of this document).

Save in respect of certain Ordinary Shares held in 3i Share Plans, each of the Directors intend to take up in full their rights to subscribe for New Ordinary Shares under the Rights Issue.

Your faithfully,

Baroness Hogg
Chairman

Part 2. Some Questions and Answers about the Rights Issue

The questions and answers set out in this Part 2 are intended to be generic guidance only and, as such, you should also read Part 4 (Terms and Conditions of the Rights Issue) of the Prospectus for full details of what action you should take. If you are in any doubt about the action to be taken, you are recommended to seek your own personal financial advice immediately from your stockbroker, solicitor, accountant or other appropriate independent financial adviser duly authorised under FSMA. The attention of Overseas Shareholders is drawn to paragraph 7 of Part 4 (Terms and Conditions of the Rights Issue) of the Prospectus.

This Part 2 deals with general questions relating to the Rights Issue, as well as more specific questions about the Rights Issue relating to Ordinary Shares held by persons resident in the UK who hold their shares in certificated form only. If you hold your Ordinary Shares in uncertificated form (that is, through CREST) your attention is drawn to Paragraphs 5 and 6 of Part 4 of the Prospectus which contain full details of what action you should take. If you are a CREST sponsored member, you should consult your CREST sponsor.

If you do not know whether your Ordinary Shares are held in certificated or uncertificated form, please call the Shareholder Helpline (see page 1 of this Circular for details).

1. What is a rights issue?

A rights issue is one way for companies to raise money. They do this by issuing shares for cash and giving their existing shareholders a right of first refusal to buy these shares in proportion to their existing shareholdings. For example, a 1 for 4 rights issue generally means that a shareholder is entitled to buy one new share for every four currently held. This Rights Issue is 9 for 7, that is, an offer of 9 New Ordinary Shares for every 7 Ordinary Shares held at the Record Time.

New shares are typically offered in a rights issue at a discount to the current share price. Because of this discount, the right to buy the new shares is potentially valuable. In this Rights Issue, the Rights Issue Price represents a 60.2% discount to the Closing Price of 339 pence per Ordinary Share on 7 May 2009 (being the last business day prior to the date of this document). The *pro forma* fully diluted Net Asset Value per Ordinary Share, after taking into account the Rights Issue, and the 3i QPEP translation is 277 pence as at 31 March 2009.

2. When will the Rights Issue take place?

The Rights Issue is subject, amongst other things, to the passing of the Rights Issue Resolutions at the General Meeting on 27 May 2009. If the Rights Issue Resolutions are passed, Provisional Allotment Letters will be sent on 27 May 2009 to those Qualifying Shareholders who, at the Record Time hold their Ordinary Shares in certificated form.

3. What is a Provisional Allotment Letter?

It is a form sent to those Qualifying Shareholders who hold their Ordinary Shares in certificated form. It sets out your entitlement (rights) to buy New Ordinary Shares in the Rights Issue and tells you how to participate. You also have other options, such as selling your rights, and the Provisional Allotment Letter and accompanying guide will explain how you do this.

4. So how do I participate in the Rights Issue?

You will not be able to take any action to participate in the Rights Issue until after the General Meeting on 27 May 2009. But you can vote at the General Meeting by completing and returning the enclosed Proxy Form.

If you intend to participate in the Rights Issue, you should first read the Provisional Allotment Letter, the accompanying guide and the Prospectus. If you still wish to participate, you must complete and return the Provisional Allotment Letter in accordance with the instructions in the accompanying guide before 11.00 a.m. on 11 June 2009.

5. How do I know if I am eligible to participate in the Rights Issue?

If you receive a Provisional Allotment Letter then you should be eligible to participate in the Rights Issue (as long as you have not sold all of your Ordinary Shares before 28 May 2009 (the Ex-Rights Date)). We currently expect to send Provisional Allotment Letters to Qualifying Non-CREST Shareholders on 27 May 2009.

However, if you receive a Provisional Allotment Letter and you are an Overseas Shareholder you must comply with the local laws and regulations which apply to you. You must obtain any government or other consents that you need and pay any local taxes or duties. Receipt of this document or a Provisional Allotment Letter is not an offer in those jurisdictions in which it would be illegal to make such an offer.

If you do not receive a Provisional Allotment Letter, and you do not hold your Ordinary Shares in CREST, this is likely to mean you are not eligible to acquire any New Ordinary Shares. However, see question 6 below.

6. What if I have not received a Provisional Allotment Letter?

If you have not received a Provisional Allotment Letter and you do not hold your Ordinary Shares in CREST, this probably means that you are not eligible to participate in the Rights Issue. Some Qualifying Shareholders, however, will not receive a Provisional Allotment Letter but may still be able to participate in the Rights Issue, namely:

- (A) Qualifying CREST Shareholders; and
- (B) Qualifying Non-CREST Shareholders who bought Ordinary Shares before 26 May 2009 but were not registered as the holders of those Ordinary Shares at the close of business on 26 May 2009 (see question 7 below).

7. If I buy Ordinary Shares before 28 May 2009 (the Ex-Rights Date) will I be eligible to participate in the Rights Issue?

If you buy Ordinary Shares before 28 May 2009 (the Ex-Rights Date, that is the date the New Ordinary Shares start trading without the right to participate in the Rights Issue), but you are not registered as the holder of those Ordinary Shares at the Record Time you may still be eligible to participate in the Rights Issue. If you are in any doubt, please consult your stockbroker, bank or other appropriate financial adviser, or whoever arranged your share purchase, to ensure you claim your entitlement.

You will not be entitled to Nil Paid Rights in respect of any Ordinary Shares acquired on or after 28 May 2009 (the Ex-Rights Date).

8. What happens if the number of Ordinary Shares I hold is not exactly divisible? Am I entitled to fractions of the New Ordinary Shares?

Your entitlement is calculated by dividing your holding of Ordinary Shares at the Record Time by 7 and multiplying by 9. If the result is not a whole number, your entitlement will be rounded down to the nearest whole number of New Ordinary Shares, meaning that you will not receive a New Ordinary Share in respect of the fractional entitlement. The New Ordinary Shares representing the aggregated fractional entitlements of all Qualifying Shareholders will, if possible, be sold in the market for the benefit of the Company, save that you will receive any proceeds in respect of a fractional entitlement with a value of £5 or more.

9. Will I be taxed if I take up or sell my rights or if my rights are sold on my behalf?

If you are resident in the United Kingdom for tax purposes, you will not have to pay UK tax when you take up your rights to receive New Ordinary Shares, although the Rights Issue will affect the amount of UK tax you may pay when you sell your Ordinary Shares. However, you may be subject to capital gains tax on any proceeds you receive from the sale of your rights.

Further information for Qualifying Shareholders who are resident in the United Kingdom for tax purposes is contained in paragraph 1 of Part 7 (Taxation) of the Prospectus. **Qualifying Shareholders who are in any doubt as to their tax position, or who are subject to tax in any jurisdiction other than the United Kingdom, should consult their professional advisers as soon as possible.**

10. What if I am entitled to Ordinary Shares under a 3i Share Plan?

Participants in 3i Share Plans will be advised separately of adjustments (if any) to their rights or as to any entitlement to participate in the Rights Issue.

11. What should I do if I live outside the United Kingdom?

Your ability to take up rights to New Ordinary Shares may be affected by the laws of the country in which you live and you should take professional advice about any formalities you need to observe. Shareholders resident outside the United Kingdom should refer to paragraph 7 of Part 4 (Terms and Conditions of the Rights Issue) of the Prospectus.

The Provisional Allotment Letters, Nil Paid Rights, Fully Paid Rights and the New Ordinary Shares have not been and will not be registered under the US Securities Act, or under any securities laws of any state or other jurisdiction of the United States and may not be offered, sold, taken up, exercised, resold, renounced, transferred or delivered, directly or indirectly, to (or for the account or benefit of) any US person as defined in Regulation S of the US Securities Act, OR within the United States except pursuant to an applicable exemption from the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. There will be no public offer of the Nil Paid Rights, the Fully Paid Rights, the Provisional Allotment Letters or the New Ordinary Shares in the United States or any Excluded Territory.

However, you can still vote for or against the Resolutions by completing and returning the Proxy Form

12. What do I do if I have any further queries about the Rights Issue or the action I should take?

If you have any other questions, please telephone the Shareholder Helpline on 0871 384 2232 (+44 121 415 7187 if you are calling from outside the United Kingdom). This helpline is available from 8.30 a.m. to 5.30 p.m. Monday to Friday. Please note that calls may be monitored or recorded. For legal reasons, the Shareholder Helpline will only be available to provide you with information contained in this Circular or the Prospectus (other than information relating to the Company's register of members) and as such, will be unable to give advice on the merits of the Rights Issue or to provide financial advice. Shareholder Helpline staff can explain the options available to you, which forms you need to fill in and how to fill them in correctly.

Your attention is drawn to the further terms and conditions of the Rights Issue in Part 4 (Terms and Conditions of the Rights Issue) of the Prospectus and (in the case of Qualifying Non-CREST Shareholders) in the Provisional Allotment Letter.

Definitions

The definitions set out below apply throughout this document, unless the context requires otherwise.

"3i" or "the Company"	3i Group plc, a company incorporated in England and Wales with registered number 1142830, whose registered office is at 16 Palace Street, London SW1E 5JD;
"3i Infrastructure"	3i Infrastructure plc, a public limited company incorporated in Jersey, Channel Islands with registered number 95682, whose registered office is at 22 Grenville Street, St. Helier, Jersey, Channel Islands JE4 8PX;
"3i Investments"	3i Investments plc, a public limited company incorporated in England and Wales with registered number 3975789 whose registered office is at 16 Palace Street, London SW1E 5JD;
"3i QPEP"	3i Quoted Private Equity plc, a public limited company incorporated in Jersey, Channel Islands with registered number 96272, whose registered office is at 22 Grenville Street, St Helier, Jersey, Channel Islands JE4 8PX;
"3i Share Plans"	the 3i Group Deferred Bonus Plan, the 3i Group Share Incentive Plan, the 3i Group 1994 Executive Share Option Plan, the 3i Group Management Equity Investment Plan and the 3i Group Discretionary Share Plan;
"Admission"	admission of the New Ordinary Shares, nil paid, to the Official List and to trading on the main market for listed securities of the London Stock Exchange;
"Articles of Association"	the articles of association of the Company;
"certificated" or "in certificated form"	a share or other security which is not in uncertificated form (that is, not in CREST);
"Circular" or "this document"	this document dated 8 May 2009, comprising a shareholder circular and notice of general meeting;
"Closing Price"	the closing, middle market quotation of an Ordinary Share, as published in the Daily Official List;
"Companies Act 1985"	the Companies Act 1985, as amended;
"Companies Act 2006"	the Companies Act 2006, as amended;
"CREST"	the system for the paperless settlement of trades in securities and the holding of uncertificated securities in accordance with the CREST Regulations operated by Euroclear UK;
"CREST Manual"	the rules governing the operation of CREST, consisting of the CREST Reference Manual, CREST International Manual, CREST Central Counterparty Service Manual, CREST Rules, Registrars Service Standards, Settlement Discipline Rules, CCSS Operations Manual, Daily Timetable, CREST Application Procedure and CREST Glossary of Terms (all as defined in the CREST Glossary of Terms promulgated by Euroclear UK on 15 July 1996, as amended);
"CREST member"	a person who has been admitted by Euroclear UK as a system-member (as defined in the CREST Regulations);
"CREST Regulations"	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755), as amended from time to time;
"CREST sponsor"	a CREST participant admitted to CREST as a CREST sponsor;
"CREST sponsored member"	a CREST member admitted to CREST as a sponsored member;
"Daily Official List"	the daily official list of the London Stock Exchange;
"Diluted Net Asset Value per Ordinary Share"	the Net Asset Value attributable to each Ordinary Share on the assumption that rights which the Company has granted and which are dilutive to the Net Asset Value attributable to each Ordinary Share have been fully exercised. Such rights may be in respect of instruments convertible into Ordinary Shares or options or warrants to subscribe for Ordinary Shares;
"Directors" or "Board"	the directors of the Company;
"€" or "euro"	The single currency of the member states of the European Communities that adopt or have adopted the euro as their lawful currency under the legislation of the EU or European Monetary Union;

"Euroclear UK"	Euroclear UK and Ireland Limited (formerly named CRESTCo Limited), the operator of CREST;
"Excluded Territories"	Australia, Canada, Japan, New Zealand, South Africa and the United States and any other jurisdiction where the extension or availability of the Rights Issue (and any other transaction contemplated thereby) would breach any applicable law;
"Existing Ordinary Shares"	means Ordinary Shares in issue and fully paid as at the date of this document;
"Ex-Rights Date"	28 May 2009, being the date on which the Ordinary Shares start trading "Ex-Rights";
"FSA" or "Financial Services Authority"	the Financial Services Authority of the United Kingdom;
"FSMA"	the Financial Services and Markets Act 2000, as amended;
"Fully Paid Rights"	rights to acquire New Ordinary Shares, fully paid;
"General Meeting"	the general meeting of the Company to be convened pursuant to the notice set out in this Circular (including any adjournment thereof);
"Group"	the Company together with its subsidiary undertakings;
"Joint Sponsors"	J.P. Morgan Cazenove Limited and Merrill Lynch International;
"J.P. Morgan Cazenove"	J.P. Morgan Cazenove Limited;
"J.P. Morgan Securities"	J.P. Morgan Securities Ltd;
"London Stock Exchange"	London Stock Exchange plc or its successor(s);
"Merrill Lynch"	Merrill Lynch International;
"NAV per Ordinary Share"	the Net Asset Value divided by the number of Ordinary Shares of the Company in issue as adjusted in accordance with generally accepted accounting practice;
"Net Asset Value"	the aggregate value of the net assets of the Group (that is the value of its assets less the amount of its liabilities), calculated in accordance with the Company's normal accounting and reporting policies;
"New Ordinary Shares"	the ordinary shares of 73 ¹⁹ / ₂₂ p each in the capital of the Company to be issued by the Company pursuant to the Rights Issue;
"Nil Paid Rights"	rights to acquire New Ordinary Shares, nil paid;
"Official List"	the official list of the UK Listing Authority;
"Ordinary Shares"	ordinary shares of 73 ¹⁹ / ₂₂ pence each in the capital of the Company including, where the context requires, New Ordinary Shares;
"Overseas Shareholders"	Shareholders with registered addresses outside the UK or who are citizens of, incorporated in, registered or otherwise resident in countries outside the UK;
"£"	the lawful currency of the United Kingdom;
"Prospectus"	the prospectus dated 8 May 2009 relating to the Company for the purpose of the Rights Issue and the listing of the New Ordinary Shares on the London Stock Exchange (together with any supplements or amendments thereto);
"Provisional Allotment Letter"	the provisional allotment letter to be issued to Qualifying Non-CREST Shareholders in connection with the Rights Issue;
"Proxy Form"	the form of proxy for use at the General Meeting which accompanies this document;
"Qualifying CREST Shareholders"	Qualifying Shareholders holding Ordinary Shares in uncertificated form;
"Qualifying Non-CREST Shareholders"	Qualifying Shareholders holding Ordinary Shares in certificated form;
"Qualifying Shareholders"	holders of Ordinary Shares on the register of members of the Company at the Record Time;
"Record Time"	close of business on 26 May 2009;
"Resolutions"	the resolutions to be proposed at the General Meeting as set out in the notice of meeting at the end of this Circular;

"Restricted Shareholders"	Qualifying Shareholders with registered addresses in, or who are citizens, residents or nationals of, any of the Excluded Territories;
"Rights Issue"	the offer by way of rights to Qualifying Shareholders to acquire New Ordinary Shares, on the terms and conditions set out in the Prospectus and, in the case of Qualifying Non-CREST Shareholders only, the Provisional Allotment Letter;
"Rights Issue Price"	135 pence per New Ordinary Share;
"Rights Issue Resolutions"	the Resolutions with the exception of the resolution numbered 4 as set out in the notice of meeting at the end of this Circular;
"Rothschild"	N M Rothschild & Sons Limited;
"Shareholder(s)"	holder(s) of Ordinary Shares;
"stock account"	an account within a member account in CREST to which a holding of a particular share or other security in CREST is credited;
"subsidiary undertaking"	a subsidiary undertaking as that term is defined in section 258 of the Companies Act 1985;
"UK Listing Authority"	the Financial Services Authority acting in its capacity as the competent authority for the purposes of Part VI of FSMA and in the exercise of its functions in respect of admission of securities to the Official List other than in accordance with Part VI of FSMA;
"uncertificated" or "in uncertificated form"	a share or other security recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST;
"Underwriters"	J.P. Morgan Securities Limited, Merrill Lynch International, Citigroup Global Markets U.K. Equity Limited, RBS Hoare Govett Limited, Lloyds TSB Bank plc and Société Générale SA;
"Underwriting Agreement"	the conditional underwriting agreement dated 8 May 2009 between the Company, J.P. Morgan Cazenove and the Underwriters relating to the Rights Issue and described in paragraph 19 of Part 8 of the Prospectus;
"United Kingdom" or "UK"	the United Kingdom of Great Britain and Northern Ireland;
"United States" or "US"	the United States of America, its territories and possessions, any state of the United States and the District of Columbia; and
"US Securities Act"	the United States Securities Act of 1933, as amended.

Notice of General Meeting

3i Group plc

(Registered in England and Wales under number 1142830)

NOTICE IS HEREBY GIVEN that a general meeting of 3i Group plc (the "Company") will be held at the offices of J.P. Morgan Cazenove, 20 Moorgate, London EC2R 6DA on 27 May 2009 at 9.30 a.m. for the purpose of considering and, if thought fit, passing the following resolutions, of which resolutions 1, 2 and 4 will be proposed as ordinary resolutions and resolution 3 will be proposed as a special resolution:

Ordinary Resolutions

1. **THAT** subject to and conditional upon resolutions 2 and 3 being passed the authorised ordinary share capital of the Company be and is hereby increased from £409,999,850 to £814,641,604 by the creation of an additional 547,822,682 ordinary shares of 73¹⁹/₂₂ pence each in the capital of the Company.
2. **THAT** subject to and conditional upon resolutions 1 and 3 being passed and in addition to, and not in substitution for, any existing authority the directors be and are hereby generally and unconditionally authorised pursuant to section 80 of the Companies Act 1985 (the "Act") to exercise all the powers of the Company to allot relevant securities (as defined in section 80(2) of the Act) up to an aggregate nominal amount of £404,641,755 in connection with the Rights Issue (as such term is defined in the Circular);

provided that the authority granted in this resolution shall expire (unless renewed, varied or revoked by the Company in general meeting) on the date being 15 months from the passing of this resolution or, if earlier, at the conclusion of the annual general meeting of the Company next following the annual general meeting to be held in 2009, save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities in pursuance of such offer or agreement as if this authority had not expired.

Special Resolution

3. **THAT** subject to and conditional upon resolutions 1 and 2 being passed and in addition to, and not in substitution for, any existing authority the directors are hereby empowered, pursuant to section 95 of the Act, to allot equity securities (within the meaning of section 94 of the Act) for cash, in connection with the Rights Issue (as such term is defined in the Circular) pursuant to the authority conferred by resolution 3, as if sub-section (1) of section 89 of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities up to an aggregate nominal amount of £404,641,755,

provided that the authority granted in this resolution shall expire (unless renewed, varied or revoked by the Company in general meeting) on the date being 15 months from the passing of this resolution or, if earlier, at the conclusion of the annual general meeting of the Company next following the annual general meeting to be held in 2009, save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities in pursuance of such offer or agreement as if this authority had not expired.

Ordinary Resolution

4. **THAT** subject to and conditional upon resolutions 1, 2 and 3 being passed the amendment to The 3i Group Discretionary Share Plan, as summarised in Part 1 of the Circular, be and it is hereby approved and the directors be and they are hereby authorised to do all such acts and things as may be necessary to carry the same into effect.

By order of the Board
KJ Dunn
Company Secretary

Registered Office
16 Palace Street
London
SE1E 5JD

8 May 2009

Notes

1. A member of the Company who is unable or does not wish to attend the general meeting is entitled to appoint a proxy to exercise all or any of his/her rights to attend and to speak and vote on his/her behalf at the meeting. A proxy need not be a member of the Company but must attend the meeting to represent you. A Proxy Form which may be used to make such appointment and give proxy instructions accompanies this notice. If you do not have a Proxy Form and believe that you should have one, or if you require additional forms, please contact the Shareholder Helpline on 0871 384 2232 if calling from the UK or on +44 121 415 7187 if calling from outside the UK between 8.30 a.m. and 5.30 p.m. Monday to Friday. You can only appoint a proxy using the procedures set out in these notes and the notes to the Proxy Form.
2. A member may appoint more than one proxy in relation to the general meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. To appoint more than one proxy, please contact the Shareholder Helpline for advice on how to do this, on 0871 384 2232 if calling from the UK or on +44 121 415 7187 if calling from outside the UK between 8.30 a.m. and 5.30 p.m. Monday to Friday.
3. Subject to notes 9, 10, 11 and 12, to be valid any Proxy Form or other instrument appointing a proxy must be received by hand or by post at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, no later than 9.30 a.m. on 25 May 2009.
4. In the case of a member which is a company, the Proxy Form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.
5. Any power of attorney or any other authority under which the Proxy Form is signed (or a duly certified copy of such power or authority) must be included with the Proxy Form.
6. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the general meeting.
7. The return of a completed Proxy Form, other such instrument or any CREST Proxy Instruction (as described in paragraphs 9 to 12 below) will not prevent a member attending the general meeting and voting in person if he/she wishes to do so.
8. On a vote by show of hands every member of the Company who is present in person has one vote and every duly appointed proxy who is present has one vote. On a poll vote, every member of the Company who is present in person or by way of proxy has one vote for every share of which he is the holder.
9. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the general meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
10. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's agent (CREST ID: RA19) by the latest time for receipt of proxy appointments specified in this notice of meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of Instructions to proxies appointed through CREST should be communicated to the appointee through other means.
11. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
12. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 (as amended).
13. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
14. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
15. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "**Nominated Person**") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the general meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
16. The statement of the rights of shareholders in relation to the appointment of proxies in paragraphs 1 and 2 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.
17. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 (as amended), the Company specifies that only those shareholders registered in the register of members of the Company at close of business on 6.00 p.m. on 25 May 2009 shall be entitled to attend or vote at the meeting in respect of the number of shares registered in their name at that time. If the meeting is adjourned, the Company specifies that only shareholders entered on the Company's register of members not later than 6.00 p.m. on the day two days before the time fixed for the adjourned meeting shall be entitled to attend and vote at the meeting.
18. As at 5.00 p.m. on 5 May 2009 (being the latest practicable date prior to the publication of this Notice) the Company's issued share capital consists of 421,602,526 ordinary shares of 73¹⁹/₂₂ pence each and 9,305,993 cumulative preference shares of one penny each. Of these, only the ordinary shares carry voting rights at a general meeting of the Company (on the basis of one vote per share) and, therefore, the total number of voting rights in the Company, as at such time and date is 421,602,526.
19. In order to facilitate voting by corporate representatives at the general meeting, arrangements will be put in place at the meeting so that:
 - (i) if a corporate member has appointed the Chairman of the general meeting as its corporate representative with instructions to vote on a poll in accordance with the directions of all the other corporate representatives for that member at the meeting, then, on a poll, those corporate representatives will give voting directions to the Chairman and the Chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and
 - (ii) if more than one corporate representative for the same corporate member attends the meeting but the corporate member has not appointed the Chairman of the general meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative.

Corporate members are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives – www.icsa.org.uk – for further details of this procedure. The guidance includes a sample form of representation letter to appoint the Chairman as a corporate representative as described in (i) above.

20. You may not use any electronic address provided either in this notice of general meeting or any related documents (including the Chairman's letter and proxy form) to communicate with the Company for any purposes other than those expressly stated.
21. A copy of the rules of The 3i Group Discretionary Share Plan, incorporating the proposed amendment, will be available for inspection during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the registered office of the Company at 16 Palace Street, London SW1E 5JD, and at the offices of Slaughter and May, One Bunhill Row, London EC1Y 8YY, up to and including 27 May 2009 and at the venue for the General Meeting for 15 minutes before the start of the General Meeting and until its conclusion.

