

Remuneration Report

Remuneration Committee

Role and membership

The long-established Remuneration Committee is responsible for recommending overall remuneration policy in respect of the Executive Directors, the Chairman and senior managers. The Committee was chaired during the year by Dr Leslie Atkinson. The other members of the Committee over the year were Mr Kevin Abbott, Mr Keith Hamill, Dr Dieter Lennertz and Mr Nick Temple.

The Board as a whole determines the remuneration of the Non-Executive Directors.

During the year ended 31 March 2006 the Committee adhered to the principles and provisions of the Combined Code as it applied during that year. In preparing this Report, the Board has followed the provisions of Section B of the Combined Code.

Advisers

For the year under review, Kepler Associates have provided advice and data to the Remuneration Committee for salary reviews for the Executive Directors. Kepler Associates have also provided independent market information on the design of the new long-term incentive plans and annual bonuses. Kepler Associates were appointed by the Remuneration Committee. The Chairman and Group Chief Executive Officer attended parts of meetings by invitation to respond to specific questions raised by the Committee and on matters relating to the performance and remuneration of senior managers. The Company Secretary acts as Secretary to this Committee.

Remuneration Policy

Executive Directors

The objectives of the remuneration policy for Executive Directors are to provide a remuneration package which is competitive and performance-linked, to ensure that the Group can attract and retain executives who have the experience, skills and talents to operate and develop its businesses to their maximum potential, thereby delivering the highest level of return for shareholders.

The components of the remuneration package for Executive Directors are:

| Performance Related | Non-Performance Related |
|----------------------------|--|
| • Annual bonus | • Basic salary |
| • Long Term Incentive Plan | • Pension |
| • Executive Incentive Plan | • Other benefits such as health insurance. |

The Committee strives to ensure that shareholders' interests are best served by creating an appropriate balance between performance and non-performance related components of the remuneration package. In order to fulfil its objectives, the Committee believes that it must retain a certain amount of flexibility in structuring appropriate remuneration, for instance to facilitate the recruitment of suitably qualified candidates in a very competitive environment.

The Committee conducted a comprehensive review of executive remuneration during the year and proposed the introduction of new long-term incentive plans to replace the previous Long-Term Incentive Share Option Plan (LTIOIP). These new plans are designed to reflect the Company's needs, shareholders' views and developments in market practice. They were approved by shareholders at the Extraordinary General Meeting of the Company held on 1 February 2006.

The Chairman and Non-Executive Directors

Remuneration comprises an annual salary for acting as Chairman or an annual fee for the Non-Executive Directors of the Company. An additional fee is paid to the Chairman of a Board Committee. The Chairman and Non-Executive Directors do not participate in the Company's incentive or bonus schemes, nor do they accrue any pension entitlement, although the Chairman has pension arrangements which relate to his previous service as an Executive Director.

No Non-Executive Director has a service contract with the Company.

The Chairman has the use of a company car and mobile phone and receives life insurance cover. Details of his service contract are set out on page 22 of this report.

Remuneration Components for Executive Directors

Basic salary

In determining salary levels, the Committee takes into account comparable information for similar job functions in industrial service companies and other companies of a similar size. Allowance is made for the international spread and competitive nature of the Group's businesses and for the individual's experience, performance and contribution in the areas for which responsibility is held. Regard is also taken of salary levels throughout the Group.

Incentive Arrangements

Annual bonus plan

For the year ending 31 March 2006 the maximum bonus opportunity for Executive Directors was 60% of salary. On-target performance would yield a bonus of 20% of salary for each Director. Performance targets focussed on sales, profits and individual objectives.

A new annual bonus plan has been implemented for the year ending 31 March 2007 with the aim of ensuring that the incentives for senior managers and Executive Directors are competitive and more closely aligned to financial performance. For Executive Directors, the plan links remuneration to financial performance, primarily Profit Before Tax ('PBT') but also growth in Group sales. The performance targets are established by the Board and adopted by the Remuneration Committee on an annual basis and reflect market conditions as well as strategic and operational factors. In the light of market developments the Committee decided to cap annual bonuses for Executive Directors at 100% of salary. On-target performance could earn a bonus of 50% of salary for each Executive Director.

The Remuneration Committee has discretion to vary bonus payments for participants but only in exceptional circumstances.

For other members of the Group Executive Committee the annual bonus plan will also link remuneration to financial performance and will be based on PBT but also growth in Group sales and individual performance. The maximum bonus opportunity will be capped at 80% of salary. On-target performance will earn a bonus of 30% of salary.

Annual bonus payments are not pensionable.

Long Term Incentive Share Option Plan ('LTIOIP')

Awards were made under the LTIOIP in the year ending 31 March 2006. Under the LTIOIP, participants were awarded options with a ten year life subject to a performance condition based on Total Shareholder Return ('TSR'), with no options vesting unless performance is above the median for the selected comparator group, and full vesting only occurring if Electrocomponents is first out of the 14 in that group in terms of TSR. The Committee chose TSR because it felt it was the measure most aligned to shareholders' interests.

Options over a total of 5,264,667 ordinary shares in the Company were granted on 13 June 2005. These options were granted at an exercise price of 251p per share.

TSR performance is measured over a minimum period of three years from the date of grant but, if the target is not met at all, the period is extended to four, and then five years from a fixed base. Once the target has been met in part, however, performance is not subsequently retested and the unvested part of the option lapses. If the target has not been met at all at the end of five years, the option lapses.

For performance at or below median, no part of the option will vest. 25% of the option will vest for performance of one position above the median with full vesting if the Company is ranked first in the comparator group selected. Between those two levels, the option will vest on a sliding scale. TSR is calculated in common currency.

The comparator group for the grants made in 2002, 2003, 2004 and 2005 comprised:

| | |
|---------------------------------|--------------------------|
| Arrow Electronic Industries Inc | Manutan International SA |
| Avnet Inc | Misumi Corporation |
| Brambles Industries plc | Premier Farnell plc |
| Buhrmann NV | Rexel SA |
| Daetwyler Holdings AG | Takkt AG |
| Grainger (WW) Inc | Wolseley plc |
| Hagemeyer NV | |

Rexel ceased to be part of the comparator group during the year.

No further awards will be made under the LTIOIP.

Details of the new incentive arrangements approved by shareholders are as follows:

Long Term Incentive Plan ('LTIP')

The LTIP which has replaced all other discretionary incentive schemes for 2006/07 is designed to align long-term incentives with the interests of shareholders, whilst reflecting current best practice. Participation in the plan extends to Executive Directors and the most senior executives.

Under the LTIP participants will be awarded shares annually, which vest dependent upon Electrocomponents three year TSR percentage outperformance of the FTSE 250 Index (the comparator index). For the award to vest in full, the Company's TSR must outperform the TSR of the FTSE 250 Index by at least 20%. If the Company's TSR is equal to or below the TSR of the FTSE 250 Index, the award will not vest, with straight line vesting in between. Dividends will accrue but only on shares that vest.

For any award to vest, the Committee must additionally be satisfied that there has been a sustained improvement in the Company's underlying financial performance.

The Committee selected TSR as the performance measure because it felt it was the measure most aligned to shareholders' interests and the FTSE 250 Index as the benchmark because Electrocomponents is a constituent of the Index and the Index is objective and transparent.

Executive Incentive Plan ('EIP')

The EIP, which is limited to Executive Directors and members of the Group Executive Committee, is a one-off incentive plan rewarding achievement of the PBT targets set for the 2008/09 financial year. PBT was selected as an appropriate measure of underlying performance and the threshold performance level was based on the Company's long-term strategy as previously announced to shareholders. The award of shares ('the award') was made in February 2006.

For the award to vest, the performance conditions must be satisfied. The performance condition is based on the PBT in the 2008/09 financial year. If PBT in the 2008/09 financial year is less than £130m the award will not vest. For full vesting of the award PBT must be £155m in the 2008/09 financial year and 20% of the award will vest if PBT is £130m, with straight-line vesting in between. Dividends will accrue but only on shares that vest.

For any award to vest the Committee must additionally be satisfied that the Company's Return on Capital Employed ('ROCE') is at least 25% in the 2008/09 financial year. ROCE is return on capital employed excluding any pension liability.

All awards under the LTIP and EIP are normally pro rated for time and performance in circumstances where they vest for 'good leavers' and on a change-of-control.

Executive shareholding guidelines

Executive shareholding guidelines have been introduced whereby Executive Directors will be required to build up their personal holdings of Electrocomponents shares, to a value of 200% of salary for the Chief Executive and 100% of salary for the Finance Director.

1988 Executive Share Option Scheme ('ESOS')

Mr Butler, Mr Lawson and Mr Mason previously held options under the ESOS. The last ESOS award was made to the Executive Directors and Chairman in 1995. These options were not subject to performance conditions, in keeping with market practice at the time the scheme was established, but were subject to minimum holding periods of three, five or seven years before they could be exercised. However, all such options lapsed in July 2005 with no vesting in the year. No further awards will be granted under this scheme.

Savings Related Share Option Scheme

Executive Directors can participate in the Savings Related Share Option Scheme which is open to all UK employees or, if appropriate, the International Savings Related Share Option Scheme. Performance conditions have not been imposed as they are not permissible under UK HM Revenue & Customs rules for this type of scheme.

Electrocomponents Group Pension Scheme ('the Scheme')

Executive Directors participate in the Scheme, which provides defined benefits on retirement. Pensionable salary is limited to basic salary, excluding all bonuses and other benefits. The pension accrual rate for Executive Directors is one-thirtieth for each year of service, subject to HM Revenue & Customs restrictions.

Normal retirement age for Executive Directors is 60. The Scheme is a funded pension arrangement providing a pension on retirement of up to two-thirds of pensionable earnings, or the 'earnings cap' if lower. No actuarial reduction will be applied to pension benefits accrued prior to 1 April 2003 if retirement is from age 55 or later. In the event of death before retirement, a capital sum equal to four times basic salary is payable together with a spouse's pension of two-thirds of the member's prospective pension at age 60 and children's pensions if appropriate. In the event of death in retirement, a spouse's pension of two-thirds of the member's pre-commutation pension is payable. Pensions in payment or in deferment are guaranteed to increase annually in February by the lesser of 5% or the increase in the RPI. Additional increases are payable at the discretion of the Company and the trustee of the Scheme.

Mr Lawson is a deferred member of the Scheme and continues to receive life insurance cover. The premium for life insurance benefit for Mr Lawson is included in the amount shown on page 23.

All Scheme benefits are subject to HM Revenue & Customs limits. Where such limitation is due to the 'earnings cap', arrangements may be agreed with individuals to compensate them for the reduction in benefits, either by salary supplement or through a funded unapproved retirement benefits scheme. Mr Hewitt elected to receive part of his additional entitlement as contributions to a funded unapproved retirement benefit scheme together with a salary supplement in lieu of part of his unapproved pension entitlement. Mr Mason elected to receive a salary supplement in lieu of all of his unapproved pension entitlement. Salary supplements for both Messrs Hewitt and Mason are included in the table shown on page 23. Mr Butler's pension entitlement will be met from the Scheme in full as he is not subject to the 'earnings cap'.

Mr Boddie was invited to participate in the defined benefit section of the scheme when he joined the Company on 1 July 2005. Mr Boddie also receives a salary supplement in lieu of all his unapproved pension entitlement, details of which are included in a table shown on page 23.

The Committee has reviewed the implications of the new pension tax regime from 6 April 2006 on the Company's pension arrangements and will not be assuming any additional costs or liabilities as a result of the legislation.

The following table gives details for each Director of:

- the annual accrued pension payable from normal retirement age, calculated as if he had left service at the year end i.e. 31 March 2006;
- the increase in accrued pension attributable to service as a Director during the year;
- the transfer value of the accrued benefit at the year end;
- the transfer value of the accrued benefit at the previous year end; and
- the increase in the transfer value over the period.

These amounts exclude any (i) benefits attributable to additional voluntary contributions; and (ii) actual members' contributions.

Disclosure of Directors' Pension Benefits for the Year Ended 31 March 2006 (audited)

| | Age at 31 March 2006 Years | Accrued pension as at 31 March 2006 £ | Increase in accrued pension benefits £ | Transfer value as at 31 March 2006 ^(e) £ | Transfer value as at 31 March 2005 ^(e) £ | Increase in transfer value less Directors' contributions ^(f) £ |
|----------------------------------|-------------------------------------|--|---|--|--|---|
| RB Butler ^(b) | 46 | 130,587 | (9,665) | 1,492,000 | 1,379,000 | 101,803 |
| JL Hewitt ^{(c) (d) (g)} | 58 | 15,528 | 1,361 | 342,000 | 245,000 | 93,304 |
| RA Lawson ^{(a) (d)} | 61 | 82,266 | 6,932 | 1,700,000 | 1,516,000 | 184,000 |
| I Mason | 44 | 26,968 | 3,475 | 282,000 | 208,000 | 65,552 |
| S Boddie | 46 | 2,640 | 2,640 | 30,000 | — | 22,872 |

Notes:

- (a) Mr Lawson left the scheme on 20 July 2001, and did not accrue any benefit in the year. This reflects the benefits retained in the approved Scheme only and includes credit for transfers received and service to his date of leaving.
- (b) Mr Butler left the Scheme on 31 August 2005. The reduction in accrued pension benefits shown above is a result of the restriction to early leaver benefits applied under HMRC rules at the time he left the Scheme. This restriction was not reflected in the disclosure at 31 March 2005, as he was an active member at that time.
- (c) Mr Hewitt ceased to be employed on 30 September 2005.
- (d) Generally, the accrued pension benefits shown are the amounts which would be paid annually on retirement at Normal Retirement Age based on service to the end of the year (or earlier leaving the Scheme). However, for Mr Hewitt it reflects the pension actually in payment at the end of the year, and for Mr Lawson it reflects the pension that would be payable had it come into payment at the year end.
- (e) Transfer values have been calculated in accordance with Guidance Note 11 (Version 9.2) issued by the actuarial profession.
- (f) The Increase in transfer value less directors' contributions includes the effect of fluctuations in the transfer value due to factors beyond the control of the Company and Directors, such as stock market movements. It is calculated after deducting the directors' contributions.
- (g) Additional contributions of £51,333 were paid into a funded unapproved arrangement for Mr Hewitt (2005: £103,750).

Remuneration Report continued

Other benefits

All Executive Directors are provided with a company mobile phone, a company car (or a cash allowance) and medical insurance. The taxable value of these benefits is included in the Directors' emoluments table on page 23.

Service contracts (not subject to audit)

All current Executive Directors have service contracts that are on a 12 month rolling basis. These contracts provide for 12 months' notice by the Company and by the Executive Directors.

Termination payments are limited to the Directors' normal compensation, including basic salary, annual incentives and benefits for the unexpired portion of the notice period subject to performance and Remuneration Committee discretion. However, the Committee will aim to minimise the level of payments to that Director having regard to all circumstances, including the Company's contractual obligations to the Director, the reason for the departure, and the Company's policy to apply mitigation in the case of severance.

The Company entered into the service agreements with Mr Butler and Mr Mason on 1 March 2001 with Mr Hewitt on 14 March 2001 and with Mr Boddie on 25 May 2005. These agreements replaced all prior arrangements.

Pursuant to the terms of a compromise agreement entered into between Mr Butler and the Company, dated 3 October 2005, Mr Butler's service contract will expire upon the earlier of him securing alternative employment or 31 July 2006.

Mr Lawson entered into a service agreement as Chairman of the Company on 20 July 2001. This agreement replaced all prior arrangements. The term of the contract has now been reviewed by the Company and as a result the contract now provides for six months notice by the Company and by Mr Lawson.

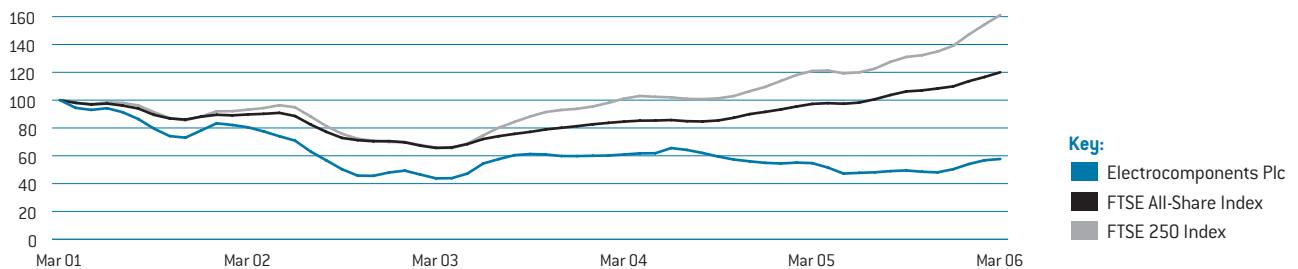
External appointments (not subject to audit)

Executive Directors are encouraged to take up one non-executive position on the boards of other companies on the condition that any fees are remitted to the Company.

Performance review (not subject to audit)

The following graph shows the five year TSR performance of the Company relative to the FTSE All Share and the FTSE 250 Index. The FTSE All Share is a broad equity market index of which Electrocomponents is a member and in the future the Company will be measuring its TSR performance versus the FTSE 250 for the purposes of the LITP and has therefore included this as a relevant index.

Value of £100 invested in Electrocomponents on 31 March 2001 to 31 March 2006 vs. FTSE All Share Index and the FTSE 250 Index



Directors' Remuneration for the year ended 31 March 2006

Salary, annual bonus and other benefits (audited)

| | Salary 2006 £ | Salary 2005 £ | In lieu of Pension 2006 £ | In lieu of Pension 2005 £ | Benefits 2006 £ | Benefits 2005 £ | Bonus 2006 £ | Bonus 2005 £ | Compensation for loss of office 2006 ^(g) | Total 2006 £ | Total 2005 £ |
|---|---------------------|---------------------|------------------------------------|------------------------------------|-----------------------|-----------------------|--------------------|--------------------|---|--------------------|--------------------|
| Emoluments of the Chairman | | | | | | | | | | | |
| R A Lawson | 180,000 | 178,333 | – | – | 29,442 | 24,899 | – | – | n/a | 209,442 | 203,232 |
| Emoluments of Executive Directors | | | | | | | | | | | |
| I Mason ^(a) | 482,250 | 451,000 | 60,102 | 55,690 | 22,408 | 20,359 | 75,000 | – | n/a | 639,760 | 527,049 |
| S Boddie ^{(a)(b)} | 186,667 | – | 46,275 | – | 8,599 | – | 150,000 | – | n/a | 391,541 | – |
| Emoluments of former Executive Directors | | | | | | | | | | | |
| RB Butler ^(c) | 74,417 | 292,417 | – | – | 2,434 | 9,549 | – | – | 479,298 | 556,149 | 301,966 |
| JL Hewitt ^{(a)(d)} | 188,000 | 375,250 | 86,136 | 174,088 | 12,563 | 26,786 | – | – | 479,345 | 766,044 | 576,124 |
| Total | 1,111,334 | 1,297,000 | 192,513 | 229,778 | 75,446 | 81,593 | 225,000 | – | 958,643 | 2,562,936 | 1,608,371 |
| Fees of Non-Executive Directors | | | | | | | | | | | |
| K Abbott | | | | | | | | | | 36,000 | 14,800 |
| L Atkinson ^(f) | | | | | | | | | | 46,000 | 45,083 |
| TG Barker ^(f) | | | | | | | | | | 46,000 | 42,333 |
| K Hamill | | | | | | | | | | 36,000 | 35,667 |
| FD Lennertz | | | | | | | | | | 45,000 | 44,583 |
| NJ Temple | | | | | | | | | | 36,000 | 35,667 |
| Total | | | | | | | | | | 2,807,936 | 1,826,504 |

(a) Provision of pension benefits under the Group's approved pension arrangements is restricted for employees joining the Scheme after 1 June 1989. During the year ended 31 March 2006, Mr Hewitt and Mr Mason have elected to receive salary supplements of £34,802 and £60,102 respectively (2005: £70,338 and £55,690) in lieu of the balance of their pension entitlements. In addition, Mr Hewitt also elected to receive payments to a FURB of £51,334 during the year (2005: £103,750). Mr Boddie was invited to participate in the scheme from 1 July 2005, and has also elected to receive a salary supplement of £46,275 in lieu of the balance of his pension entitlement.

(b) In light of the strong competition at the time of recruiting Mr Boddie to fulfil the role of Finance Director, the Company agreed that he would receive a guaranteed bonus of £150,000, with such amount to be paid to him in June 2006.

(c) £74,417 is the salary paid to Mr Butler from 1 April 2005 until 30 June 2005, the date he ceased to be a Director.

(d) £188,000 is the salary paid to Mr Hewitt from 1 April 2005 until 1 September 2005, the date he ceased to be a Director.

(e) £186,667 is the salary paid to Mr Boddie from 1 September 2005, the date he was appointed as a Director.

(f) Dr Atkinson as Chairman of the Remuneration Committee and Mr Barker as Chairman of the Audit Committee each receive an additional fee of £10,000 per annum.

(g) No compensation for loss of office was paid during the year ending 31 March 2005.

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Share Options (audited)

| | Scheme | Date of Grant | Vesting Date | Expiration Date | Exercise Price | Shares under option 1 April 2005 | Granted in FY06 | Exercised In FY06 | Lapsed In FY06 | Shares under option 31 March 2006 |
|--------------------------|--|---------------|--------------|-----------------|----------------|----------------------------------|------------------------|-------------------|----------------|-----------------------------------|
| S Boddie | Long Term Incentive Option Plan ^(a) | 13-Jun-05 | 12-Jun-08 | 12-Jun-15 | 251.0p | – | 400,000 ^(a) | – | – | 400,000 |
| | | | | | Total | – | 400,000 | – | – | 400,000 |
| RB Butler ^(b) | 1988 Executive | 28-Jul-95 | 28-Jul-98 | 27-Jul-05 | 306.1p | 24,750 | – | – | (24,750) | – |
| | | 28-Jul-98 | 28-Jul-00 | 27-Jul-05 | 306.1p | 14,850 | – | – | (14,850) | – |
| | | 28-Jul-95 | 28-Jul-02 | 27-Jul-05 | 306.1p | 9,900 | – | – | (9,900) | – |
| | Savings Related | 28-Jun-03 | 01-Sep-06 | 28-Feb-07 | 260.0p | 3,557 | – | – | – | 3,557 |
| | Long Term Incentive Option Plan ^(a) | 22-Aug-02 | 21-Aug-05 | 21-Aug-12 | 312.0p | 363,868 | – | – | – | 363,868 |
| | | 16-Jun-03 | 15-Jun-06 | 15-Jun-13 | 349.0p | 354,426 | – | – | – | 354,426 |
| | | 11-Jun-04 | 10-Jun-07 | 10-Jun-14 | 365.0p | 340,000 | – | – | – | 340,000 |
| | | 13-Jun-05 | 12-Jun-08 | 12-Jun-15 | 251.0p | – | 300,000 | – | – | 300,000 |
| | | | | | Total | 1,111,351 | 300,000 | – | (49,500) | 1,361,851 |
| JL Hewitt ^(c) | Savings Related | 28-Jun-03 | 01-Sep-08 | 28-Feb-09 | 260.0p | 6,125 | – | – | (6,125) | – |
| | Long Term Incentive Option Plan ^(a) | 22-Aug-02 | 21-Aug-05 | 21-Aug-12 | 312.0p | 461,333 | – | – | (461,333) | – |
| | | 16-Jun-03 | 15-Jun-06 | 15-Jun-13 | 349.0p | 454,806 | – | – | (454,806) | – |
| | | 11-Jun-04 | 10-Jun-07 | 10-Jun-14 | 365.0p | 435,000 | – | – | (435,000) | – |
| | | | | | Total | 1,357,264 | – | – | (1,357,264) | – |
| RA Lawson | 1988 Executive | 28-Jul-95 | 28-Jul-00 | 27-Jul-05 | 306.1p | 54,080 | – | – | (54,080) | – |
| | | 28-Jul-95 | 28-Jul-02 | 27-Jul-05 | 306.1p | 13,520 | – | – | (13,520) | – |
| | | | | | Total | 67,600 | – | – | (67,600) | – |
| I Mason | 1988 Executive | 28-Jul-95 | 28-Jul-00 | 27-Jul-05 | 306.1p | 30,300 | – | – | (30,300) | – |
| | | 28-Jul-95 | 28-Jul-02 | 27-Jul-05 | 306.1p | 20,200 | – | – | (20,200) | – |
| | Savings Related | 28-Jun-03 | 01-Sep-08 | 28-Feb-09 | 260.0p | 6,125 | – | – | – | 6,125 |
| | Long Term Incentive Option Plan ^(a) | 22-Aug-02 | 21-Aug-05 | 21-Aug-12 | 312.0p | 552,300 | – | – | – | 552,300 |
| | | 16-Jun-03 | 15-Jun-06 | 15-Jun-13 | 349.0p | 545,272 | – | – | – | 545,272 |
| | | 11-Jun-04 | 10-Jun-07 | 10-Jun-14 | 365.0p | 525,000 | – | – | – | 525,000 |
| | | 13 Jun 05 | 12-Jun-08 | 12-Jun-15 | 251.0p | – | 550,000 | – | – | 550,000 |
| | | | | | Total | 1,679,197 | 550,000 | – | (50,500) | 2,178,697 |

(a) Mr Boddie was appointed a Director on 1 September 2005. At the date of his appointment he already held 400,000 options, shown above, which were granted to him on 13 June 2005, conditional on his commencing employment with the Company on 1 July 2005.

(b) The options held by Mr Butler at the date he ceased to be a Director, being 30 June 2005, included the options shown as lapsed during the year. Mr Butler remains an employee of the Company.

(c) The options held by Mr Hewitt at the date he ceased to be a Director, being 1 September 2005, included only the Savings Related options. All Long Term Incentive Option Plan options lapsed at that date.

(d) Awards made under the Long Term Incentive Option Plan are subject to performance conditions set out on page 20.

Executive Incentive Plan (audited)

| | Scheme | Date of Award | Shares awarded at 1 April 2005 | Shares awarded in FY06 | Vested in FY06 | Lapsed in FY06 | Shares awarded at 31 March 2006 |
|----------|---|---------------|--------------------------------|------------------------|----------------|----------------|---------------------------------|
| S Boddie | Executive Incentive Plan ^(a) | 1-Feb-06 | – | 400,000 | – | – | 400,000 |
| | | | Total | 400,000 | – | – | 400,000 |
| I Mason | Executive Incentive Plan ^(a) | 1-Feb-06 | – | 800,000 | – | – | 800,000 |
| | | | Total | 800,000 | – | – | 800,000 |

(a) Awards made under the Executive Incentive Option Plan are subject to performance conditions and a vesting period set out on page 21.

The closing mid-market price of the shares on 31 March 2006 was 280p. During the year, the price of shares varied between 220.25p and 302.25p. The mid market price of shares on 1 February 2006, being the date the Executive Incentive Plan awards were made, was 301p.

No other awards have been made during the year.

By Order of the Board

Dr Leslie Atkinson

Chairman of the Remuneration Committee

1 June 2006