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IN THE HIGH COURT OF JUSTICE
CHANCERY DIVISION
COMPANIES COURT
THE HON. MR. JUSTICE LEWISON
19 NOVEMBER 2010



No 7814 of 2010

TUESDAY



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RM 23/11/2010 289
COMPANIES HOUSE



IN THE MATTER OF WOLSELEY PLC

and

IN THE MATTER OF THE COMPANIES ACT 2006

ORDER

UPON THE APPLICATION by Part 8 Claim Form dated 27 September 2010 of Wolseley plc (the *Company*) whose registered office is at Parkview 1220, Arlington Business Park, Theale, Reading RG7 4GA and whose registered number is 00029846

AND UPON HEARING Counsel for the Company

AND UPON READING the Claim Form and the evidence

AND UPON Wolseley plc (a public company limited by shares incorporated in Jersey with registered number 106605) (referred to in the Scheme of Arrangement hereinafter sanctioned (the *Scheme*)) by Counsel for the Company being its Counsel for this purpose, consenting to the Scheme and undertaking to be bound thereby and to execute and do and procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed or done by it or on its behalf for the purpose of giving effect to the Scheme.

THE COURT HEREBY SANCTIONS the Scheme as set forth in the Schedule hereto.

AND IT IS ORDERED a copy of this Order and an office copy shall be produced to the Registrar of Companies.

AND IT IS ORDERED that the Claim Form be adjourned to 22 November 2010

DATED 19 November 2010

PART IV· SCHEME OF ARRANGEMENT
(under Part 26 of the Companies Act 2006)

IN THE HIGH COURT OF JUSTICE
CHANCERY DIVISION
COMPANIES COURT

No. 7814 of 2010

IN THE MATTER OF WOLSELEY PLC

-and-

IN THE MATTER OF THE COMPANIES ACT 2006

SCHEME OF ARRANGEMENT
(under Part 26 of the Companies Act 2006)

BETWEEN

WOLSELEY PLC (OLD WOLSELEY)

AND

THE HOLDERS OF SCHEME SHARES

(as hereinafter defined)

Preliminary

(A) In this scheme of arrangement, references to Clauses are references to clauses of this scheme of arrangement and the following expressions shall, unless inconsistent with the subject or context, bear the following meanings

Business Day	any day other than a Saturday or Sunday on which banks in London are open for normal business,
Certificated or in Certificated form	a share which is not in Uncertificated form (that is, not in CREST),
Companies Act	the UK Companies Act 2006 (as amended),
Court Hearings	the First Court Hearing and the Second Court Hearing,
Court Meeting	the meeting of Old Wolseley Shareholders to be convened pursuant to an order of the High Court pursuant to Part 26 of the Companies Act, to be held at Deutsche Bank, Winchester House, 1 Great Winchester Street, London, EC2N 2DB at 10 30 a m on 2 November 2010 to consider and, if thought fit, approve the Scheme, including any adjournment thereof,
CREST	the computensd system for the paperless settlement of sales and purchases of securities and the holding of Uncertificated securities operated by Euroclear in accordance with the CREST Regulations,
CREST Regulations	the Uncertificated Securities Regulations 2001 (SI 2001 No 3755) or the Companies (Uncertificated Securities) (Jersey) Order 1999 (as applicable) in each case, as from time to time amended,
Depository	Deutsche Bank Trust Company Americas, as depository for the Old Wolseley ADRs and the New Wolseley ADRs,
Effective	the Scheme having become effective in accordance with its terms, expected to occur on 23 November 2010,
Euroclear	Euroclear UK & Ireland Limited, the operator of CREST (formerly known as CRESTCo Limited),
First Court Hearing	the hearing by the High Court of the claim form to sanction the Scheme under section 899 of the Companies Act at which the First Court Order will be sought,

First Court Order	the order of the High Court sanctioning the Scheme under Part 26 of the Companies Act,
High Court	the High Court of Justice of England and Wales,
holder	a registered holder, including any person entitled by transmission,
members	members of Old Wolseley on the register of members at any relevant date,
New Shares	ordinary shares of 10 pence each in the capital of Old Wolseley to be issued to New Wolseley,
New Wolseley	Wolseley plc, a company limited by shares incorporated in Jersey with registered number 106605,
New Wolseley Shareholder	a holder of New Wolseley Shares from time to time,
New Wolseley Shares	ordinary shares of 10 pence each in the capital of New Wolseley,
New Wolseley Subscriber Shares	the two subscriber ordinary shares with a nominal value of 10 pence each in the capital of New Wolseley,
Old Wolseley	Wolseley plc, a company incorporated in England and Wales (registered number 00029846), whose registered office is at Parkview 1220, Arlington Business Park, Theale, Reading, RG7 4GA United Kingdom,
Old Wolseley Reduction of Capital	the reduction of Old Wolseley's share capital associated with the cancellation and extinguishing of the Old Wolseley Shares (save for Old Wolseley Shares held by New Wolseley) provided for by this Scheme under section 641 of the Companies Act,
Old Wolseley Shareholder	a holder of Old Wolseley Shares from time to time,
Old Wolseley Shares	ordinary shares of 10 pence each in the capital of Old Wolseley in issue prior to the Scheme Effective Date,
Overseas Shareholders	Old Wolseley Shareholders who are resident in, ordinarily resident in, or citizens or nationals of, jurisdictions outside the United Kingdom or Jersey,
£, pence or sterling	the lawful currency of the United Kingdom,
Registrar of Companies	the Registrar of Companies in England and Wales,
Scheme	this scheme of arrangement in its present form or with any modification thereof or addition thereto or condition approved or imposed by the High Court and agreed to by Old Wolseley and New Wolseley,
Scheme Document	the circular dated 1 October 2010 sent by Old Wolseley to the Old Wolseley Shareholders, of which this Scheme forms a part,
Scheme Effective Date	the date on which the Scheme becomes Effective in accordance with its terms,
Scheme Effective Time	the time at which this Scheme becomes Effective on the Scheme Effective Date,
Scheme General Meeting	the general meeting of Old Wolseley to be held at Deutsche Bank, Winchester House, 1 Great Winchester Street, London, EC2N 2DB at 10 45 a m on 2 November 2010 (or as soon as possible after the conclusion or adjournment of the Court Meeting) and any adjournment thereof,
Scheme Record Time	6 00 p m London time on Business Day immediately preceding the date of the Second Court Hearing,
Scheme Shareholder	a holder of Scheme Shares,

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| Scheme Shares | (i) all Old Wolseley Shares in issue at the date of the Scheme and remaining in issue at the Scheme Record Time, |
| | (ii) all additional (if any) Old Wolseley Shares in issue 48 hours prior to the Court Meeting at which the Scheme is approved and remaining in issue at the Scheme Record Time, and |
| | (iii) all further (if any) Old Wolseley Shares which may be in issue up to the Scheme Record Time in respect of which the original or any subsequent holder shall be bound or shall have agreed in writing by such time to be bound by the Scheme and remaining in issue at the Scheme Record Time, |
| | excluding in each case Old Wolseley Shares held by New Wolseley, |
| Scheme Voting Record Time | 6 00 p m on Friday 29 October 2010 or, if the Court Meeting or Scheme General Meeting is adjourned, 6 00 p m on the day which is two days before the date of such adjourned meeting, |
| Second Court Hearing | the hearing by the High Court of the claim form to confirm the Old Wolseley Reduction of Capital under section 648 of the Companies Act at which the Second Court Order will be sought, |
| Second Court Order | the order of the High Court confirming the Old Wolseley Reduction of Capital under section 648 of the Companies Act, |
| Uncertificated or in Uncertificated form | recorded on the relevant register as in uncertificated form, being held in uncertificated form in CREST and title to which by virtue of CREST Regulations may be transferred by means of CREST, and |
| United Kingdom or UK | the United Kingdom of Great Britain and Northern Ireland |
- (B) The issued share capital of Old Wolseley Shares as at the date of this Scheme consists of 284,407,429 ordinary shares of 10 pence each and 886,988,540 non-voting deferred shares of 24 pence each, all of which are in issue and fully paid up Old Wolseley did not hold any Old Wolseley Shares in treasury as at the close of business on 30 September 2010
- (C) New Wolseley was incorporated in Jersey as a public company on 28 September 2010 with registered number 106605 under the name Wolseley plc The authorised share capital of New Wolseley at the date of this Scheme is £35,000,000 divided into 350,000,000 Ordinary Shares of 10 pence each On 28 September 2010, two ordinary shares of 10 pence each in New Wolseley were issued (fully paid up) to the subscribers to the memorandum of New Wolseley
- (D) New Wolseley has agreed to appear by Counsel at the First Court Hearing to sanction this Scheme and to undertake to the High Court to be bound by this Scheme and to execute and do or procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed or done by it for the purpose of giving effect to this Scheme

The Scheme

1. Cancellation of the Scheme Shares

- (a) The issued share capital of Old Wolseley shall be reduced by cancelling and extinguishing all of the Scheme Shares
- (b) Subject to and forthwith upon the said Old Wolseley Reduction of Capital taking effect, Old Wolseley shall apply and capitalise the reserve arising in its books of account as a result of the Old Wolseley Reduction of Capital in paying up in full at par such number of New Shares as have an aggregate nominal value equal to the Scheme Shares cancelled in accordance with Clause 1(a) of this Scheme and shall allot and issue the same, credited as fully paid, to New Wolseley and/or its nominee(s)

2. New Shares

- (a) In consideration of the cancellation of the Scheme Shares and the allotment and issue of the New Shares to New Wolseley and/or its nominee(s) pursuant to Clause 1, New Wolseley shall (subject to, and in

accordance with, the remaining provisions in this Scheme), allot and issue (credited as fully paid) New Wolseley Shares to the Scheme Shareholders on the following basis

one **New Wolseley Share** for each **Scheme Share** held at the Scheme Record Time

- (b) The provisions of Clause 2(a) shall be subject to any prohibition or condition imposed by law Without prejudice to the generality of the foregoing, if, in respect of any Overseas Shareholder, New Wolseley is advised that the allotment and issue of New Wolseley Shares pursuant to this Clause would or might infringe the laws of any jurisdiction outside Jersey or the United Kingdom or would or might require New Wolseley to obtain any governmental or other consent or effect any registration, filing or other formality, then New Wolseley may in its sole discretion determine that
- (i) New Wolseley Shares shall not be allotted and issued to such Overseas Shareholder under this Clause, but shall instead be allotted to a nominee appointed by New Wolseley as trustee for such Overseas Shareholder, on terms that they shall, as soon as reasonably practicable following the Scheme Effective Date, be sold on behalf of such Overseas Shareholder at the best price which can reasonably be obtained at the time of sale and the net proceeds of such sale shall (after the deduction of all expenses and commissions, including any amount in respect of value added tax payable thereon) be paid to such Overseas Shareholder by sending a cheque or warrant to such Overseas Shareholder in accordance with the provisions of Clause 3(c) None of Old Wolseley New Wolseley, any nominee referred to in this sub-clause (2)(b)(i) or any broker or agent of any of them shall have any liability (save in the case of fraud) for any loss arising as a result of the timing or terms of any such sale, or
- (ii) such New Wolseley Shares shall be sold, in which event the New Wolseley Shares shall be issued to such Overseas Shareholder and New Wolseley shall appoint a person to act pursuant to this sub-clause 2(b)(ii) and such person shall be authorised on behalf of such Overseas Shareholder to procure that any New Wolseley Shares in respect of which New Wolseley has made such a determination shall, as soon as practicable following the Scheme Effective Date, be sold at the best price which can reasonably be obtained at the time of sale and the net proceeds of such sale shall (after the deduction of all expenses and commissions, including any amount in respect of value added tax payable thereon) be paid to such Overseas Shareholder by sending a cheque or warrant to such Overseas Shareholder in accordance with the provisions of Clause 3 To give effect to any such sale, the person so appointed shall be authorised on behalf of such holder to execute and deliver a form of transfer and to give instructions and do all such things which he may consider necessary or expedient in connection with such sale None of Old Wolseley, New Wolseley, any appointee referred to in this sub-clause (2)(b)(ii) or any broker or agent of any of them shall have any liability (save in the case of fraud) for any loss arising as a result of the timing or terms of any such sale

3. Certificates and payment

- (a) Not later than five (5) Business Days after the Scheme Effective Date, New Wolseley shall allot and issue all the New Wolseley Shares which it is required to allot and issue to give effect to this Scheme pursuant to Clause 2(a) and not later than ten (10) Business Days after the Scheme Effective Date, New Wolseley shall send by post to the allottees of the allotted and issued New Wolseley Shares certificates in respect of such shares, save that where Scheme Shares are held in Uncertificated form, New Wolseley shall procure that Euroclear is instructed to cancel the entitlement to Scheme Shares of each of the Scheme Shareholders concerned and to credit to the appropriate stock accounts in CREST of the Scheme Shareholder concerned such shareholder's entitlement to New Wolseley Shares
- (b) Not later than five (5) Business Days after the Scheme Effective Date, Old Wolseley shall arrange for the delivery to New Wolseley of certificates in respect of its holding of Old Wolseley Shares
- (c) Not later than fifteen (15) Business Days following the sale of any relevant New Wolseley Shares pursuant to Clause 2(b), New Wolseley shall procure that the nominee or appointee, as the case may be, shall account for the cash payable by despatching to the persons respectively entitled thereto, cheques or warrants by post or by any direct, bank or other funds transfer or, in the case of an Uncertificated share, by the relevant system None of Old Wolseley, New Wolseley, any nominee referred to in this Scheme or any broker or agent of any of them shall have any liability (save in the case of fraud) for any loss arising as a result of the timing or terms of any sale of New Wolseley Shares
- (d) All certificates required to be sent by New Wolseley pursuant to Clause 3(a) and all cheques or warrants required to be sent pursuant to Clause 3(c) shall be sent by post in pre-paid envelopes addressed to the persons respectively entitled thereto at their respective addresses appearing in the register of members of

Old Wolseley at the Scheme Record Time (or, in the case of joint holders, to the address of that one of the joint holders whose name stands first in the register in respect of the joint holding) or in accordance with any special instructions regarding communications received at the registered office of Old Wolseley prior to the Scheme Record Time

- (e) None of Old Wolseley, New Wolseley or such person appointed to act under sub-clause 2(b)(ii) or any nominee referred to in sub-clause 2(b)(i) or any agent of any of them shall be responsible for any loss or delay in transmission of certificates or cheques sent in accordance with this Clause
- (f) The preceding sub-clauses of this Clause shall take effect subject to any prohibition or condition imposed by law
- (g) All cheques shall be made payable to the Scheme Shareholder or, in the case of joint holders, to all such holders of the Scheme Shares concerned in sterling drawn on a UK clearing bank and the encashment of any such cheque shall be a complete discharge of New Wolseley for the moneys represented thereby. The transfer of funds by the bank instructed to make such transfer or through the relevant system shall be a complete discharge of New Wolseley for the moneys represented thereby

4. Certificates representing Scheme Shares

With effect from and including the Scheme Effective Date, all certificates representing Scheme Shares shall cease to have effect as documents of title to the Scheme Shares comprised therein and every holder of Scheme Shares shall be bound at the request of Old Wolseley to deliver such certificates for cancellation to Old Wolseley or to any person appointed by Old Wolseley to receive the same

5. Record of Cancellation of Scheme Shares

- (a) Euroclear shall be instructed to cancel the entitlements to Scheme Shares of holders of Scheme Shares in Uncertificated form
- (b) As regards Certificated Scheme Shares, appropriate entries will be made in Old Wolseley's register of members to reflect their cancellation

6. Mandates

Each mandate in force and duly notified to Old Wolseley at the Scheme Record Time relating to the payment of dividends on Scheme Shares and each instruction then in force as to notices and other communications from Old Wolseley shall, unless and until varied or revoked, be deemed, from and including the Scheme Effective Date, to be a valid and effective mandate or instruction to New Wolseley in relation to the corresponding New Wolseley Shares to be allotted and issued pursuant to this Scheme

7. Scheme Effective Date

- (a) The Scheme shall become Effective as soon as an office copy of the First Court Order and the Second Court Order and related Statement of Capital reflecting Old Wolseley's new capital position shall have been duly delivered to the Registrar of Companies for registration
- (b) Unless the Scheme shall have become Effective on or before midnight on 31 December 2010 or such later date, if any, as Old Wolseley and New Wolseley may agree and the High Court may allow, this Scheme shall never become Effective

8. Modification

Old Wolseley and New Wolseley may jointly consent on behalf of all persons concerned to any modification of, or addition to, the Scheme or to any condition which the High Court may think fit to approve or impose

9. Costs

Old Wolseley is authorised and permitted to pay all the costs and expenses relating to the negotiation, preparation and implementation of the Scheme

10. ADR Facility

- (a) In connection with the cancellation of the Old Wolseley Shares, the ADR facility which is currently in place in the United States in respect of the Old Wolseley Shares will be terminated. A new ADR facility will be established in respect of the New Wolseley Shares issued pursuant to the Scheme.
- (b) Following the Scheme becoming Effective, the existing Old Wolseley Shares underlying each Old Wolseley ADS will be cancelled and the Depository will be issued one New Wolseley Share for every Old Wolseley Share it holds at the Scheme Record Time.
- (c) New Wolseley ADSs will be issued by the Depository in respect of the New Wolseley Shares that have been issued to the Depository. Each New Wolseley ADS will represent one-tenth of one New Wolseley Share. Persons registered as holding Old Wolseley ADRs at 5.00 p.m. (New York time) on the record date to be established by the Depository will be entitled to receive New Wolseley ADSs when they have surrendered their Old Wolseley ADRs to the Depository for cancellation in accordance with the terms of the Old Wolseley deposit agreement. Accordingly, all persons registered as holders of Old Wolseley ADRs on such record date will be requested to surrender their Old Wolseley ADRs for cancellation in order to receive delivery of New Wolseley ADSs.
- (d) Holders of Old Wolseley ADSs at the record date set by the Depository will own the same proportion of ordinary share capital of New Wolseley, in the form of New Wolseley ADSs, immediately after the Scheme Effective Date as they held in the ordinary share capital of Old Wolseley by virtue of their Old Wolseley ADSs immediately prior to the Scheme Effective Date.
- (e) The Depository will send a notice to the registered holders of Old Wolseley ADSs regarding the mechanics of surrendering Old Wolseley ADSs for cancellation against issuance of New Wolseley ADSs. Holders of certificated Old Wolseley ADRs will need to follow the instructions set out in that notice to surrender their Old Wolseley ADRs for cancellation and to receive the New Wolseley ADSs.
- (f) To the extent Old Wolseley ADSs are held through a bank, broker or other firm holding Old Wolseley ADSs in the Depository Trust Company (DTC), the Depository will arrange for DTC to surrender their entire position of Old Wolseley ADSs for cancellation and the Depository will deliver the New Wolseley ADSs through the DTC settlement system, in each case with no action being required on the part of the persons holding Old Wolseley ADSs. Holders of Old Wolseley ADSs who hold such via the direct registration system will automatically receive their New Wolseley ADSs through the direct registration system maintained by the Depository.

Dated 1 October 2010

No 7814 of 2010

**IN THE HIGH COURT OF JUSTICE
CHANCERY DIVISION
COMPANIES COURT
THE HON. MR. JUSTICE LEWISON**

**IN THE MATTER OF
WOLSELEY PLC**

AND

**IN THE MATTER OF THE
COMPANIES ACT 2006**

ORDER

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SOLICITORS FOR THE COMPANY