

24-06-97

No. 3234176

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

RESOLUTIONS

of

royalblue group plc

(Passed 2 June 1997)



At an EXTRAORDINARY GENERAL MEETING of the above-named Company, duly convened and held at 4 Broadgate, London EC2M 7LE on 2 June 1997 at 4.45 pm the following resolutions were passed as Special Resolutions.

SPECIAL RESOLUTIONS

1. to authorise and direct the Directors to appropriate the sum of £2,199,779.40 (being part of the amount standing to the credit of the Company's share premium account following the issue of new Ordinary Shares pursuant to the placing by Hoare Govett of existing and new Ordinary Shares) to the persons shown in the Register of Members of the Company immediately before the passing of the resolution as the holders of the Ordinary Shares and Preferred Ordinary Shares then in issue, in proportion to the nominal value of the shares in the Company then held by them, and to apply such sum on their behalf in paying in full 39 Ordinary Shares for every share already held by them (such shares to rank *pari passu* with the Ordinary Shares then existing), and to allot and distribute such Ordinary Shares credited as fully paid to and amongst those persons in the proportions specified above;

2. to increase the authorised share capital of the Company from £70,320.20 to £4,360,000 by the creation of an additional 42,896,798 Ordinary Shares having the rights set out in the new Articles of Association to be adopted pursuant to resolution number 5 below;

3. to authorise the Directors generally and unconditionally to exercise all the powers of the Company to allot relevant securities (within the meaning of section 80 of the

Companies Act 1985 ("the Act")) up to an aggregate nominal amount of £4,303,595.40 until 1 June 2002 but so as to enable the Company before such date to make offers or agreements which would or might require relevant securities to be allotted after such date and to enable the Directors to allot relevant securities in pursuance of such offers or agreements as if the authority conferred thereby had not expired, such authority to be in substitution for all existing authorities granted to the Directors in respect of the allotment of relevant securities;

4. to empower the Directors until the earlier of the conclusion of the next annual general meeting of the Company and fifteen months from the date of the resolution to allot equity securities (as defined in section 94(2) of the Act) for cash pursuant to the authority referred to in resolution number 3 above as if section 89(1) of the Act did not apply to any such allotment, such power being limited to:

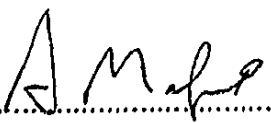
4.1 the allotment of equity securities pursuant to the Placing (including the allotment of 1,373,223 Ordinary Shares to the royalblue group plc Employee Benefit Trust);

4.2 the allotment of equity securities in connection with an issue or offer by way of rights in favour of holders of equity securities and any other person entitled to participate in such issue or offering where the equity securities respectively attributable to the interests of such holders and persons are proportionate (as nearly as may be) to the respective numbers of equity securities held by or deemed to be held by them on the record date of such allotment, subject only to such exclusions or other arrangements as the Directors may deem fit to deal with fractional entitlements or problems arising under the laws of any overseas territory or the requirements of any regulatory authority or any stock exchange; and

4.3 the allotment (other than pursuant to the power referred to in paragraphs 4.1 and 4.2 above) of equity securities up to an aggregate nominal amount of £137,322.28;

save that the Company may, before expiry of that authority, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities pursuant to any such offer or agreement as if such authority had not expired;

5. that, pursuant to section 9 of the Act, the Articles of Association be deleted in their entirety and the regulations contained in the document submitted to the Meeting and for the purposes of identification signed by the Chairman be approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of the existing Articles of Association of the Company.


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Secretary