

THE TAKEOVER PANEL

FRIENDS PROVIDENT PLC
(“FRIENDS PROVIDENT”)

J.C. FLOWERS & CO. LLC
(“J.C. FLOWERS”)

Following recent representations made by the advisers for Friends Provident, the Panel Executive has been considering the application of Rule 2.4(b) of the Code to the approach by J.C. Flowers to Friends Provident. Following discussions with both parties’ advisers, the Panel Executive has ruled that, unless the Panel Executive consents otherwise, J.C. Flowers must, by 5.00pm on 30 April 2008, either announce a firm intention to make an offer for Friends Provident under Rule 2.5 of the Code or announce that it does not intend to make an offer for Friends Provident. In the event that J.C. Flowers announces that it does not intend to make an offer for Friends Provident, J.C. Flowers and any person(s) acting in concert with it will, except with the consent of the Panel Executive, be bound by the restrictions contained in Rule 2.8 of the Code for six months from the date of such announcement.

Each of the parties has accepted this ruling.

03 April 2008