

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the contents of this document or the action you should take, you should immediately seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000.**

**If you have sold or transferred all of your Ordinary Shares in Numis Corporation Plc (“the Company”), please forward this document together with the accompanying form of election at once to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. If you have sold part of your holding, please consult the stockbroker, bank or other agent through whom the sale was effected. However, such documents should not be forwarded or transmitted in or into or from any other jurisdiction including but not limited to the United States of America, Canada, Japan, Australia or the Republic of Ireland or their respective territories or possessions.**

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## **NUMIS CORPORATION Plc**

(Incorporated and registered in England and Wales under the Companies Act 1985 and registered number 02375296)

### **SCRIP DIVIDEND SCHEME**

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*Directors:*

Sir David Arculus (*Non-executive Chairman*)  
Oliver Hemsley (*Chief Executive*)  
Lorna Tilbian (*Executive Director*)  
Simon Denyer (*Executive Director & Company Secretary*)  
Tom Bartlam (*Non-executive Director*)  
Gerald Corbett (*Non-executive Director*)  
Geoffrey Vero (*Non-executive Director*)

*Registered Office*  
10 Paternoster Square  
London  
EC4M 7LT

24 May 2012

*To the holders of Ordinary Shares and, for information only, to participants in the Company’s executive share option schemes:*

Dear Shareholder

#### **Scrip Dividend Scheme for holders of Ordinary Shares**

Under the articles of association, the directors may, with the authority of the Company in general meeting, offer to holders of Ordinary Shares the opportunity to elect to receive dividends in the form of New Shares instead of cash. The Directors obtained such authority at the annual general meeting of the Company held on 29 January 2008, which authority is valid for any final dividend (or part thereof) declared in respect of each financial year from and including the year ended 30 September 2007 up to and including the financial year ending 30 September 2011 and any interim dividend (or part thereof) declared in respect of each financial year up to and including the financial year ending 30 September 2012. Accordingly, you are hereby offered the opportunity to elect to receive the interim dividend for the year ending 30 September 2012 of 4.00p per share in the form of New Shares.

Your Directors believe that the offer of the Scheme is advantageous to shareholders as it enables you to increase your shareholding in the Company in a simple manner without paying dealing costs or stamp duty. However, your decision will depend on your own circumstances and paragraph 12 of the attached terms and conditions sets out some of the factors which you may wish to consider. The Scheme is also advantageous to the Company (and therefore to its shareholders in general) since cash that would otherwise be paid out in dividends is retained within the business.

Shareholders who are considering making an election should bear in mind that the price of Ordinary Shares fluctuates, as is the case with all listed securities.

## **Scrip Dividend Mandate**

You may implement a Scrip Dividend Mandate to receive New Shares instead of cash in respect of your holding of Ordinary Shares on each future occasion on which the Scheme is operated on-line at [www.investorcentre.co.uk](http://www.investorcentre.co.uk) or by completing the Scrip Dividend Mandate enclosed and returning it to the Registrars. Your attention is drawn to the attached terms and conditions of the Scheme.

If you hold your shares in uncertificated form in CREST and will continue to do so at the record date for the relevant dividend, you can elect to participate in the Scheme by means of the CREST procedures to effect such an election. If you are a CREST Personal Member, or other CREST Sponsored Member, you should consult your CREST sponsor, who will be able to take the appropriate action on your behalf. For instructions on how to use the Dividend Election Input Message, please consult your CREST Manual.

If your shares are held in a CREST stock account and you have implemented a Scrip Dividend Mandate, your CREST stock account will be credited with the number of New Shares which you elect to receive instead of cash. Shareholders who hold shares in certificated form and who have implemented a Scrip Dividend Mandate will receive a share certificate in respect of any New Shares allotted and issued under the Scheme.

## **Withdrawal**

If you wish to withdraw from the Scheme you should refer to paragraph 5 of the terms and conditions.

## **Shareholders outside the United Kingdom**

Legal requirements in jurisdictions outside the United Kingdom can impose onerous and costly obligations on the Company. Consequently, the right to participate in the Scheme is not available to any person in the United States of America, Canada, Japan, Australia or the Republic of Ireland or their respective territories or possessions. The right to participate is also not available to any person in any other jurisdiction outside the United Kingdom where such an offer requires compliance by the Company with any governmental or regulatory procedures or any similar formalities. Your attention is drawn to paragraph 7 of the attached terms and conditions.

**The terms and conditions of the Scheme including an outline of the taxation consequences are set out in the Appendix to this letter which you should read carefully. A scrip dividend election form also accompanies this letter. If, after reading this letter and the Scrip Dividend Mandate, you are in any doubt about what course of action to take in relation to your shareholding you should consult an independent financial adviser.**

Yours faithfully

Sir David Arculus  
Chairman

# Appendix

## Terms and Conditions of the Scrip Dividend Scheme

### 1. Definitions of Terms used

“the Company”	Numis Corporation Plc;
“Directors”	the board of directors of the Company;
“Dividend”	a dividend declared in respect of Ordinary Shares in the Company;
“Ex-Dividend Date”	the date on which the Ordinary Shares are first quoted ex the relevant Dividend;
“London Stock Exchange”	London Stock Exchange PLC;
“New Share Price”	the price for each New Share, calculated in accordance with paragraph 6;
“New Shares”	Ordinary Shares, credited as fully paid and allotted subject to these terms and conditions;
“Ordinary Shares”	Ordinary Shares of 5p each in the capital of the Company;
“Participant”	a shareholder who validly elects or has elected to receive New Shares by completing and returning a Scrip Dividend Mandate in the prescribed manner;
“Record Date”	the record date for entitlement to participation in a Dividend, as notified to shareholders from time to time;
“Registrars”	the Company’s Registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZZ;
“Return Date”	the date by which (i) a completed Scrip Dividend Mandate must be returned to the Registrars in order to participate in the Scheme; or (ii) a written notice of withdrawal must be returned to the Registrars in order to withdraw from the Scheme, in either case in respect of the Dividend next following;
“Scheme”	the Numis Corporation Plc Scrip Dividend Scheme comprising these terms and conditions (as amended or modified from time to time);
“Scrip Dividend Mandate”	a mandate in the form provided by the Company or the Registrars, validly completed by a shareholder, comprising an application to participate in the Scheme as operated by the Company from time to time until varied or revoked;
“terms and conditions”	the terms and conditions of the Scrip Dividend Scheme set out in this Appendix as amended or modified from time to time.

## **2. The Scheme**

For Dividends in respect of which the Scheme operates, each shareholder who has completed and not revoked a Scrip Dividend Mandate will receive New Shares in lieu of a cash dividend in respect of his or her holding of Ordinary Shares recorded in the register of members of the Company on the relevant Record Date.

The operation of the Scheme is subject to the approval of the Directors and of the shareholders. If the Scheme is to be operated, shareholders will be notified by means of a statement in the Company's annual report and accounts, or in the Company's statement of interim results, or by means of a separate letter to shareholders which will include details of the basis of entitlement to New Shares.

The operation of the Scheme is conditional on the middle market quotation for an Ordinary Share (as derived from the Daily Official List of the London Stock Exchange) on the Return Date exceeding a price which is 15 per cent below the price calculated for a New Share as set out in paragraph 6. The operation of the Scheme in relation to any Dividend is also conditional on the New Shares to be issued under the Scheme in relation to that Dividend being admitted to the Alternative Investment Market of the London Stock Exchange and admitted to trading on or before the date (as notified by the Company) on which dealings in those New Shares are expected to commence.

If the operation of the Scheme is not approved as required, or if the conditions are not satisfied, the relevant Dividend will be paid in cash.

## **3. Extent of the operation of the Scheme**

Each shareholder may elect to receive New Shares under the Scheme in respect of the whole of his or her shareholding.

If a shareholder wishes to receive a Dividend in the form of New Shares in respect of part of their shareholding, and to receive cash in respect of the remaining part of their shareholding, he or she should give notice in writing to the Registrars, which notice must be received prior to the relevant Return Date, specifying the number of shares held by him or her in respect of which he or she wishes to receive New Shares. Any residual entitlement in relation to any New Shares issued will be paid out together with the cash dividend in respect of the shares for which no election has been made.

Any such partial election shall have effect only in respect of the Dividend to which it relates. Subsequent dividends will be paid in accordance with the terms and conditions of the Scheme, unless notice of withdrawal is given in accordance with paragraph 5.

## **4. Accumulation of residual entitlements**

No participant can receive a fraction of a New Share. Where a Participant has made an election to participate in the Scheme, which would otherwise give rise to an entitlement to a fraction of a New Share, any residual entitlement which is less than the price of one New Share (as calculated in accordance with paragraph 6) will not be paid. Instead, that sum will be credited to the account of the Participant, carried forward (without interest) and added to the next Dividend payable to that Participant in the form of New Shares under the Scheme.

The Company will pay cash to a shareholder (without interest) in respect of any fractional entitlement carried forward:

- on the disposal of the shareholder's entire shareholding; or
- on the death of a sole shareholder; or
- upon written request of the shareholder.

If a notice of withdrawal in writing is lodged by the Return Date specified in the relevant interim or final report or letter to shareholders then the residual amount being carried forward will be paid (without interest) together with the relevant Dividend payment. However, for any notice of withdrawal received after the Return Date, the residual amount will be carried forward and, providing a new Scrip Dividend Mandate is not submitted at that time, will be included with the following Dividend payment.

Additional copies of these terms and conditions and the Mandate will be available from the Company's Registrars.

## 5. Withdrawal

A participant may withdraw from the Scheme at any time by giving notice of withdrawal to the Registrars in writing. For a withdrawal to be effective in respect of the next following Dividend, a notice to that effect must be received by the Registrars on or before 3.00 pm 14 June 2012. Receipt by the Company of notice of the death of a sole shareholder will cancel participation in the Scheme. If the deceased was a joint shareholder, the participation of the survivor within the Scheme will continue. Receipt by the Company of notice that a shareholder which is a corporation has been placed in liquidation will also cancel participation in the Scheme.

Completion of a Scrip Dividend Mandate will not revoke any existing order under which cash Dividends are paid directly to a bank. However, whilst a shareholder participates in the Scheme, any such order will be deemed to have been suspended. Following withdrawal from the Scheme, such an order will ordinarily take effect again automatically.

## 6. Basis of entitlement to New Shares

The entitlement of a Participant to New Shares will be calculated on the number of Shares held by that Participant on the Record Date. This number is multiplied by the amount of the Dividend declared, and then divided by the New Share Price.

The New Share Price for this purpose will be the average of the middle market quotations for an Ordinary Share as derived from the Daily Official List of the London Stock Exchange during the period of five dealing days commencing on the Ex-Dividend Date.

Example: On the assumption of a 5.0p dividend, a holding of 2,000 shares and an average middle market price of 300p:-

● Full Cash Dividend on 2,000 shares at 5.0p	£100.00
● $£100 \div 300p = 33.3$ shares rounded down =	
● 33 new shares received (at £3.00)	£99.00
● Cash carried forward	<u>£ 1.00</u>

***N.B. The figures in this example are purely hypothetical and are for explanatory purposes only.***

Where the operation of the Scheme would result in a Participant being entitled to less than one New Share (for example where that Participant held a small number of shares) no fraction of a New Share will be issued, and the relevant amount of Dividend will be carried forward as if it were a residual entitlement and dealt with in the manner provided at paragraph 4.

## 7. Eligibility

The Scheme is not available to any person who is, or whom the Company believes is, resident in the United States of America, Canada, Japan, Australia or the Republic of Ireland or their respective territories or possessions (subject to applicable exemptions) or in any jurisdiction outside the United Kingdom where the offer requires compliance by the Company with any governmental or regulatory procedures or any similar formalities. No person receiving a copy of these documents in any such country or jurisdiction may treat them as offering a right to elect unless such an offer could lawfully be made without any such compliance. Any shareholder resident outside the United Kingdom wishing to receive New Shares instead of a cash dividend is responsible for ensuring that such an election can be validly and lawfully made and for observing all governmental or regulatory procedures or any similar formalities and paying any issue, transfer or other taxes in the applicable jurisdiction.

The New Shares have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "Securities Act"), or registered or qualified under the securities laws of any state of the United States and, accordingly, may not be offered, sold transferred or delivered, directly or indirectly, in the United States or to or for the account or benefit of a US person, each as defined in Regulation S under the Securities Act at any time, except pursuant to the terms of applicable exemptions under the Securities Act and state securities laws and as may be agreed by the Company in writing.

**US shareholders are advised to take appropriate professional advice if they are in any doubt as to whether they may elect to take part in the Scheme or whether they may make sales of Ordinary Shares.**

For the purposes of this document, a "person" outside the United Kingdom shall include any person so resident, any corporation, partnership or other entity created, organised or incorporated outside the United Kingdom and any estate of which any executor or administrator or any trust of which any beneficiary or trustee is a person outside the United Kingdom. "United States" shall mean the United States of America, its territories and possessions, any state of the United States, and the District of Columbia. "US person" includes any natural person resident in the United States, any partnership or corporation organised or incorporated under the laws of the United States, any estate of which any executor or administrator is a US person and any trust of which any trustee is a US person. References to Canada include its territories, possessions and all areas subject to its jurisdiction and any political subdivision thereof.

## 8. Election to participate in the Scheme

Shareholders who are eligible and have not previously elected to do so may participate in the Scheme by completing, signing and dating the attached Scrip Dividend Mandate in accordance with the instructions set out on that form. **Shareholders should ensure that the Scrip Dividend Mandate is received by the Registrars not later than 3.00 pm on 14 June 2012.** If the Scrip Dividend Mandate is not received by such time, the election will be effective in respect of future Dividends in respect of which the Scheme is operated. No acknowledgement of receipt of a Scrip Dividend Mandate will be given.

## 9. Issue and admission to trading of New Shares

Application will be made to the Financial Services Authority and/or the London Stock Exchange (as appropriate) for admission to the Alternative Investment Market and admission to trading of all New Shares. Subject to such admission, share certificates for New Shares will be issued and posted to Participants eligible thereto, at their risk at or about the same time as the dividend warrants in respect of cash Dividends are sent to eligible shareholders.

Where the New Shares are issued as uncertificated shares, the Company will instruct Euroclear UK & Ireland Limited to credit the shareholder's stock account in CREST (being the account under the same participation ID and member account ID as the Ordinary Shares from which the New Shares are derived) with the appropriate entitlement of New Shares.

The New Shares will, on issue, rank equally in all respects with existing issued Ordinary Shares and will carry the right to all Dividends subsequently declared. Where a Scrip Dividend Mandate is completed for future dividends, the New Shares issued will be treated in the same way as other holdings of Ordinary Shares by shareholders.

## **10. Accounting statements**

To assist Participants with their tax returns, a statement will be sent with each certificate for New Shares, setting out the following information:

- the total number of Ordinary Shares held by the Participant on the relevant Record Date;
- Dividend entitlement;
- cash balance brought forward from the last Dividend (if any);
- total funds available to purchase New Shares;
- the number of New Shares allotted to the Participant;
- cash equivalent of New Shares allotted;
- the residual entitlement (if any) of the Participant (as described in paragraph 4) to be carried forward and added to the next applicable Dividend;
- the notional tax, at the basic rate, treated as paid on the New Shares;
- the cash equivalent for tax purposes of the New Shares allotted to the Participant.

A Participant who has elected to participate in the Scheme, but whose entitlement is not sufficient for him or her to qualify for any New Shares, will receive a notification at or about the same time as those Participants who receive statements with their share certificates.

## **11. Modification and termination**

The Scheme can be modified, suspended or terminated by the Directors at any time without notice to Participants individually. In the case of a modification, Participants will be deemed to have elected to continue under the modified Scheme unless the Company's Registrars are notified to the contrary in writing. The Directors also have the power, after an offer of New Shares under the Scheme is made, to revoke the offer generally at any time prior to the allotment of the New Shares.

The Company will use its reasonable endeavours to circulate updated versions of this booklet if significant alterations are required or made pursuant to changes in tax or other legislation or regulation. However, it is the responsibility of each Participant to assess, with his or her appropriate professional adviser, the effect of any such change to his or her individual circumstance.

## **12. Taxation**

Under current United Kingdom legislation and current HM Revenue & Customs practice, it is believed that the taxation consequences for shareholders resident in the United Kingdom for taxation purposes of electing to receive New Shares instead of a full cash dividend are broadly as outlined below. Shareholders should note that the summary is a general guide to the UK tax regime currently in force and is not exhaustive.

### *UK Resident Individuals*

Individuals who elect to receive New Shares instead of a cash dividend will be treated as having received gross income of an amount which, when reduced by income tax at the dividend ordinary rate (currently 10 per cent), is equal to the "Cash Equivalent" of the New Shares. For example, if an individual elects to receive New Shares in respect of which the Cash Equivalent is £90, he or she will be treated as having received gross income of £100 and as having already paid income tax of £10 on that amount. The Cash Equivalent of each New Share will be the New Share Price calculated in accordance with paragraph 6, unless the market value of a New Share on the first day of dealing on the London Stock Exchange (the "opening value") differs by 15 per cent or more from the New Share Price, in which case the Cash Equivalent of one New Share will be the opening value.

Individuals who (after taking account of the gross amount of income which they are treated as having received as mentioned above) pay income tax only at the basic rate (currently 20 per cent) but not the higher rate will have no further liability to income tax on the receipt of the New Shares.

Individuals, whose total income for tax purposes (after taking into account the gross amount of income which they are treated as having received as mentioned above) exceeds the threshold for higher rate income tax (“the higher rate threshold”) will be liable to income tax at the dividend upper rate (currently 32.5 per cent) on that gross amount of income to the extent that such income exceeds the higher rate threshold. So, in the above example, where the Cash Equivalent of the New Shares is £90, the taxpayer will be treated as having received £100 and, where the effective rate of tax on his dividend entitlement is 32.5 per cent he will be liable to pay additional tax of £22.50.

For capital gains tax purposes, the amount of the Cash Equivalent will be treated as consideration given for the New Shares.

#### *UK Resident Trustees*

Trustees who are liable to tax on dividend income at the dividend trust rate (currently 32.5 per cent) and who elect to receive New Shares instead of a cash dividend will, for the purposes of computing the tax payable, be treated as having received gross income of an amount which, when reduced by income tax at the dividend ordinary rate, is equal to the Cash Equivalent.

For capital gains tax purposes, the amount of the Cash Equivalent will be treated as consideration given for the New Shares.

#### *UK Resident Corporate Shareholders*

New Shares received by a corporate shareholder which is resident in the United Kingdom will not be treated as franked investment income. Corporation tax will not be charged in respect of the issue of New Shares. For the purposes of corporation tax on chargeable gains, no consideration will be treated as having been given for the New Shares.

#### *UK Resident Gross Funds, Charities, Heritage Bodies and Scientific Research Organisations*

No tax credit will attach to the New Shares and no repayment claim can be made in respect of a receipt of New Shares.

This summary of the likely tax treatment is based on current United Kingdom law, and is not exhaustive. Although this summary is believed to be correct at the time of preparation of this booklet, the decision whether to participate in the Scheme or not, or whether to terminate any existing participation in the Scheme, is the sole responsibility of each shareholder. If you are not sure how you will be affected, you should consult your professional adviser before deciding how to proceed.