

IMPORTANT DOCUMENT – PLEASE READ

This document should be read in conjunction with the Amended Notice of Annual General Meeting dated 5 June 2012 and the Circular to shareholders dated 31 May 2012.

PLUS Markets Group plc

(Incorporated and registered in England and Wales under number 04606754)
(the “Company”)

Letter from the Senior Independent Director

8 June 2012

Dear Shareholder

Annual General Meeting, 29 June 2012 – Director Representations

The Company wrote to you on 5 June 2012 for the purpose of sending an amended Notice of Annual General Meeting (“AGM”), following its receipt of valid notices under sections 338 and 314 of the Companies Act 2006 (the “Act”). Pursuant to those notices members holding more than 5% of the total voting rights in the Company: (i) sought to propose resolutions at the AGM for the removal of the Company’s Interim Chairman, Malcolm Basing, and its CEO, Cyril Théret, as Directors of the Company; and (ii) required statements submitted to the Company in relation to those resolutions to be circulated with the Notice of AGM.

In fulfilment of the Company’s obligations under the Act, the resolutions duly proposed for the removal of Mr Basing and Mr Théret were added to the amended Notice of AGM as resolutions 1 and 2 and will be put to the AGM on 29 June 2012 for members to vote upon as ordinary resolutions of the Company.

Mr Basing and Mr Théret now wish to exercise their rights under section 169 of the Act to make written representations in protest against their proposed removal. The representations from Mr Basing and Mr Théret are fully supported by the other members of the Board and can be found overleaf on page 2.

The Board strongly recommends that you vote AGAINST the resolutions for the removal of Mr Basing and Mr Théret (resolutions 1 and 2) at the forthcoming AGM of the Company.

Communications from the Company

Ahead of the AGM and the General Meeting of the Company to be held on 18 June 2012 (notice of which was given in the Circular dated 31 May 2012), the Board would like to take this opportunity to ensure that all shareholder are fully aware of recent communications issued by the Company and draw your attention to the regulatory announcements released on 7 and 8 June 2012; copies of which are enclosed on pages 3 – 7.

Yours sincerely

Nicholas Smith
Senior Independent Director
8 June 2012

Director Representations under s169 of the Companies Act 2006

Re. Annual General Meeting - Resolutions 1 and 2

Statement from Mr Basing

I was appointed as Interim Chairman on 10 November 2011, following the decision of the previous Chairman, Giles Vardey, to step down for personal reasons.

The Group initiated a search for a new permanent Chairman; however, in January the Board, at the suggestion of the Amara Dhari Investments Limited nominee, requested that I remain as Interim Chairman until a partner and/or purchaser was sought to secure the ongoing financial position of the Company. The FSA, our regulator, raised no objection to my appointment.

The Board announced on 3 February 2012 that it had decided to appoint additional specialist advisers and commence a Formal Sale process, which I have overseen in conjunction with these advisers. Throughout my short tenure as Chairman, I have been fully supported by the Board.

Malcolm Basing, Chairman

Statement from Mr Théret

Following my appointment as CEO in February 2010, the Group implemented a clear strategy of cost reduction to achieve a stable base from which to drive stakeholder value. During 2011 the Group focused on growing existing, and seeking new, lines of revenues. Our strategy has been to transform all operational units of the Group into revenue generating business units, whilst continuing to operate our core small and mid cap market.

We attempted to deliver this strategy in very difficult circumstances, being both loss making and highly regulated in a publicly quoted environment. Sadly, we have not been able to realise fully a successful turnaround and achieve these new revenue streams in sufficient time to avoid having to take the decisions as outlined by the Chairman above.

In light of the current uncertainty facing the Company, and the likely need to wind down all or part of the Group in an orderly fashion, it is the Board's view that continuity in the leadership and executive management of the Company is imperative. I am therefore seeking to continue to fulfil my fiduciary duties by overseeing the closure of the Group and distributing any residual value to shareholders.

Cyril Théret, Chief Executive Officer

Regulatory announcement dated 7 June 2012

For immediate release
7 June 2012

PLUS Markets Group plc (the "Group" or the "Company")

Update re PLUS Stock Exchange plc

Defined terms in this announcement have the same meaning as in the Circular posted to Shareholders on 31 May 2012 in relation to the Proposed Disposal of PLUS Stock Exchange plc ("PLUS-SX").

At the time of the Company's announcement on 14 May 2012 that it was commencing a process of orderly closure, the Board agreed with the Financial Services Authority ("FSA") to submit a letter to them requesting the revocation of the Recognition Order which confers the status of a Recognised Investment Exchange on PLUS-SX. The final form of the letter was agreed and signed on 1 June 2012. For the avoidance of doubt, in the event that the Proposed Disposal of PLUS-SX does not complete before 22 June 2012, for whatever reason, the FSA will commence the process as soon as possible to revoke the Recognition Order and this process is irreversible.

The Board currently anticipates that any such revocation of the Recognition Order would take effect from 31 October 2012 which is the intended date of closure of the PLUS-SX markets even though activities may cease before that date. This is pursuant to the announcement on 14 May that the Board had informed the FSA of its commencement of a process of orderly closure in accordance with the regulatory obligations of PLUS-SX.

Further announcements in relation to the above will be made as required

For further information, please contact:

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Regulatory announcement dated 8 June 2012

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN WHOLE OR IN PART IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS IN THAT JURISDICTION

For immediate release

8 June 2012

PLUS Markets Group plc (the "Group" or the "Company")

Commentary on issues raised by Shareholders

Further to the Company's recent announcements and in response to recent media and reported shareholder comments, the Company wishes to provide Shareholders with as comprehensive an understanding of the items in question as possible. It is the Board's view that some comments in the media are uninformed and detrimental to the interests of shareholders.

Defined terms in this announcement have the same meaning as in the Circular posted to Shareholders on 31 May 2012 in relation to the Proposed Disposal of PLUS Stock Exchange plc ("PLUS-SX"). This information should be read in conjunction with that in the Circular posted to Shareholders on 31 May 2012.

Financial Position of the Company

The financial position of the Company had been set out in some detail over a period of time dating back to the appointment of the current management team and the strategic review carried out in 2010 and concluding with the announcement on 3 February 2012 of the commencement of the Formal Sale Process ("FSP").

On 26 March 2010, the Company announced its results for the year ended 31 December 2009 which indicated an annual loss of £8.3m and a cash position of £10.75m. No new capital has been raised by the Company since that date and the Company has subsequently reported losses of £5.7m for the year ended 31 December 2010 and losses of £2.6m for the year ended 31 December 2011.

On 21 May 2010 the Company announced the results of the first part of a strategic review. This review identified that no further fundraisings would be required as, due to cost reductions "the Company's cash resources will support PLUS as it closes this gap to profitability, and it is the Board's intention for the Company to reach breakeven within two years through a combination of PLUS' existing business and new initiatives."

Throughout the intervening period and prior to the commencement of the FSP, the Company continued to update the market on the progress of both the cost reduction plan and the new initiatives that were being pursued including PLUS-DX and PLUS-TS, as follows:

- 16 September 2010 – it was noted in the June 2010 interim results that the cost base was already reducing as planned;
- 13 December 2010 – it was noted that the cost base for 2011 would be in line with the target set under the strategic review earlier in the year;
- In announcements leading up to that of 19 July 2011, the Company updated the market as to the progress of PLUS-DX, which received FSA authorisation on 19 July 2011;
- In the announcement of 7 September 2011, it was announced that PLUS-TS was now operational;
- On 12 September 2011, the Company announced that DX had signed its first trading member, though this had no immediate revenue implications;
- On 23 September 2011 the Company announced its interims to June 2011. These showed stable revenues, reduced costs and a reduced cash balance of £4.6m. The Chairman's statement was positive in respect of the groundwork that had been put in by the team but no

additional expectations were included that altered those set out in the strategic review in 2010; and

- After a period of nearly two years following the 2010 strategic review, and with no new revenues having been secured from the new business streams, the Board decided to initiate the FSP as set out in the announcement of 3 February 2012.

It is the opinion of the Board, in conjunction with its advisers, that Shareholders have been kept fully informed throughout the period set out above as has the Financial Services Authority (“FSA”).

The Formal Sale Process

The Company initiated confidential discussions with potential offerors for the Group in January 2012 prior to the announcement of the FSP on 3 February 2012. The decision to announce the FSP was driven by the view that a wider, public, process would ensure that the maximum number of interested parties could be approached or would be prompted independently to approach the Company.

The Board and its advisers believed that the FSP offered the widest possible marketing strategy and represented the highest probability route to achieve value for the Company (recognising its continuing trading losses and liabilities associated with the RIE).

The FSP allowed the Company to contact potential buyers from the Stock Exchange, IDB, Trading Platform and private equity world *inter alia* on an international basis. From a large group of companies contacted or making contact independently, indicative conditional offers were subsequently received from two parties, with two other parties progressing to limited due diligence.

Valuation

The Board notes the focus of certain Shareholders on the nominal £1 valuation placed on PLUS-SX in the context of the Proposed Disposal. This focus is incorrect and misleading. The Board wishes to remind Shareholders that ICAP will acquire PLUS-SX which will have net liabilities at completion. ICAP will also assume all liabilities from the point of the acquisition (including ongoing trading losses and the requirement to immediately recapitalise the entity in accordance with the FSA’s requirements). These costs would otherwise need to be settled by the Company, including during the course of the wind-down. The liabilities and the cash released for the Company are meaningful, remove on-going liabilities for the Company and potentially allow for the release of cash to Shareholders post the disposal.

References therefore to a sale of PLUS-SX for £1 are incorrect as to the true value to Shareholders of the Proposed Transaction. As set out in the Circular, the sale will allow the Company to retain approximately £640,000 of cash balances at or around mid-June 2012. Furthermore, Shareholders should also note that PLUS Trading Solutions Limited (PLUS-TS) has provisionally agreed to provide support services to ICAP following the Proposed Disposal. Should this be finalised, the Board anticipate that this may further increase the amount of residual cash available to the Company.

Separately, the Company notes that accumulated tax losses within PLUS-SX as at 31 December 2011 are £8.5m, not £35m as has been stated by third parties. The potential benefit of such tax losses were specifically highlighted to all interested parties during the Formal Sale Process.

Amara Dhari Investments Limited (“AD”)

Recent press comment and communication with the Company from Mr Spencer Wilson, a director of AD, suggests that AD is neither supportive of the Proposed Disposal of PLUS Stock Exchange plc (“PLUS-SX”) nor the strategy adopted by the Company since AD’s investment in the Company in 2009. The Company believes this to be highly misleading.

The Board notes that as part of the agreement by which AD invested in the Company in 2009, it was agreed that AD would have access to its management accounts and board minutes and, as such, would be constantly aware of both the financial and strategic development of the Group.

AD also has the right to appoint two non-executive directors (one independent and one non-independent) to represent its interests on the board of the Company. Hisham Al Otaibi served as an Independent Non-Executive Director from October 2009 until his resignation in October 2011. Ahmed Al Asfour was also appointed Non-Executive Director in October 2009 and continues in office.

The nominees of AD were supportive of the strategic review, carried out in 2010, and the resulting strategy and specifically, Mr Al Asfour, the sole nominee of AD at the time, voted in favour of the FSP announced on 3 February 2012 as well as the recommendation to shareholders of the Proposed Disposal of PLUS-SX. Mr Al Asfour's support for these decisions is in direct conflict with the various statements from Mr Wilson, as reported in the press.

Shareholders should also note that Mr Al Asfour, whose family hold over 50% of the share capital of AD, has informed the board that they refute the right of Spencer Wilson to have committed AD to formally support the additional resolutions proposed at the Company's forthcoming annual general meeting (the "AGM"). The Board understands that Mr Al Asfour intends to take appropriate action in order to address this position. Shareholders therefore may wish to take this into consideration when assessing Mr. Wilson's statements above and his support for additional resolutions, on behalf of AD, to be proposed at the AGM, calling for the removal of Malcolm Basing and Cyril Theret.

Financing offers from Amara Dhari

As part of its strategic review, the Board initiated discussions with major shareholders to support a rights issue during summer 2011. As a major shareholder, AD was involved in these discussions. At that time, the Company, in conjunction with its advisers, concluded that AD was unable to submit a deliverable offer of financing *inter alia* due to the absence of proof of funds, a new strategy for the business and its associated ramifications including discussions with the Takeover Panel and the FSA. The advisers concluded that a proposal from AD could not be assessed as there was no current and viable proposal to discuss.

The Board notes the comments by Spencer Wilson that AD held talks with the Company in December 2011 about providing an offer of equity capital through a private placement of shares. The Company is not aware of receiving such an offer from AD. However, the Company did receive a "Draft Term Sheet" from Markab Capital, a company unknown to the Board but believed to be run by Spencer Wilson and others and based in the Middle East.

The Draft Term Sheet was discussed with Mr Wilson as to the quantum and terms, the preparation of a future business plan (as required by the FSA), the proposed valuation and, most importantly, the likelihood of deliverability. Any financing proposal at the levels that were being discussed would have required change of control approval from the FSA, approval for a whitewash from The Takeover Panel since the financing would have prompted a mandatory offer for the Company and approval by the shareholders of the Company. Unfortunately, these discussions did not lead to a viable proposal capable of consideration by the Board.

The Board also notes that AD participated in the FSP but declined to submit an offer for the Group.

Relationship with ICAP

The Board can confirm that there are no pre-existing or ongoing commercial relationships or agreements between any of the Executive or Non-Executive members of the Board with ICAP plc or any of its group companies. No Board member has any promise of future employment with ICAP.

Employment terms

Attention has been drawn to payments to be made to the Executive Directors following completion of the proposed sale of PLUS-SX to ICAP. Shareholders should be aware that the payments are contractual liabilities of the Company which date from change of control provisions put in place in 2007 by the then Board, which included Stephen Hazell Smith (as Chairman) and Simon Brickles (as CEO). Shareholders should also note that the two Executive Directors have agreed to a reduced payment by way of settlement of their entitlement under the arrangements as set out in the Circular.

Shareholders should also note that the Company has not paid any bonuses for at least 4 years nor has any benefit schemes in place for its senior executives. The two executive directors for the duration of their appointment have received no remuneration over and above their basic salaries (other than share options that are not capable of being exercised) which independent benchmarking confirms is below market rate for this industry.

As regards termination of non executive directors, shareholders should be aware that the notice period for non executive directors, including the Chairman, is one month.

Options for Shareholders

The Board has noted that some Shareholders believe that a vote against the Proposed Disposal will allow a further revised and improved offer to acquire PLUS-SX.

As indicated in the Company's announcement of yesterday, the process of revocation of the RIE will be initiated by the FSA as soon as possible should Shareholders reject the Proposed Disposal. Once the RIE de-recognition order has been made it is irreversible, and PLUS-SX, although obliged to continue the orderly wind-down of its business, will effectively cease to be a going concern.

The Board further notes that some Shareholders have questioned the reasons for the exclusivity arrangement with ICAP under the Work Fee Letter, as described in the Circular. This arrangement was entered into following the Board informing the FSA of its commencement of a process of orderly closure in accordance with the regulatory obligations of PLUS-SX, as announced on 14 May 2012, following the approach from ICAP as the Board considered that this was the only viable alternative to completing the regulatory process of orderly closure. ICAP's payment under the Work Fee Letter, insulated the Company from additional costs associated with the Proposed Disposal, in order to allow the Company to continue the orderly closure of its business, irrespective of whether the Proposed Disposal is accepted or not.

Finally, as announced yesterday, the Board is putting to Shareholders a resolution at its Annual General Meeting that the Company's admission to AIM be cancelled. This is because the Directors believe that it is no longer in the best interests of Shareholders for the Company to maintain its admission to trading on AIM, largely due to the costs of maintaining such admission and the desire to maximise available cash, if any, for distribution to Shareholders.

The Board repeats its recommendation that approval of the Proposed Disposal is in the best interests of Shareholders.

For further information, please contact:

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