

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action you should take, you are recommended to seek your own financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 of the United Kingdom or in the case of recipients outside the United Kingdom, your stockbroker, bank manager, legal adviser, accountant or other financial adviser.

If you have sold or transferred all of your shares in Dawnay, Day Treveria PLC, please forward this document and the accompanying Form of Proxy as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee.

THIS DOCUMENT SHOULD BE READ IN CONJUNCTION WITH THE NOTICE OF EXTRAORDINARY GENERAL MEETING OF THE COMPANY SET OUT AT THE END OF THIS DOCUMENT.

Dawnay, Day Treveria PLC

*(incorporated under the Companies Acts 1931-2004 (as amended)
of the Isle of Man and registered in the Isle of Man under number 114610C)*

Notice of Extraordinary General Meeting relating to renewal of the Company's authority to purchase its own shares, a partial cancellation of the share premium account of the Company and an amendment to the articles of association of the Company.

Your attention is drawn to the Letter from the Chairman of the Company on pages 3 to 7 of this document and which recommends you to vote in favour of the Resolutions to be proposed at the Extraordinary General Meeting referred to below.

Notice of an Extraordinary General Meeting of the Company to be held at the offices of Simcocks Advocates Limited, Isle of Man counsel to the Company, Ridgeway House, Ridgeway Street, Douglas, Isle of Man IM99 1PY at 10.00 a.m. on 2 November 2007 is set out at the end of this document. Shareholders will find a Form of Proxy for use at the Extraordinary General Meeting accompanying this document. Entitlement to attend and vote at the Extraordinary General Meeting will be determined by reference to the Register of Members of the Company not more than 48 hours before the time of such meeting or adjourned meeting. The Form of Proxy should be completed and returned to the Company's registrars, Computershare Investor Services (CI) Ltd, Ordnance House, 31 Pier Road, St Helier, Jersey JE4 8PW in accordance with the instructions printed on it as soon as possible and, in any event, so as to be received no later than 10.00 a.m. on 31 October 2007. Completion and return of a Form of Proxy will not preclude Shareholders from attending and voting in person at the Extraordinary General Meeting should they so wish.

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EXPECTED TIMETABLE OF KEY EVENTS

Latest time and date for receipt of Forms of Proxy	10.00 a.m. on 31 October 2007
Extraordinary General Meeting	10.00 a.m. on 2 November 2007

LETTER FROM THE CHAIRMAN OF THE COMPANY

Dawnay, Day Treveria PLC

*(incorporated under the Companies Act 1931-2004 (as amended) of the Isle of Man
and registered in the Isle of Man under number 114610C)*

Directors:

Ian Henderson
Martin Bruehl
Peter Klimt
Christopher Lovell
David Parnell

Registered office:

Park House
Ballacottier Business Park
Braddan
Isle of Man IM2 2QZ

10 October 2007

Dear Shareholder,

EXTRAORDINARY GENERAL MEETING

1. INTRODUCTION

The purpose of this document is to give you details of the resolutions that will be proposed at the forthcoming Extraordinary General Meeting of the Company.

Firstly, we are proposing that the Company's existing authority to purchase its own Shares is renewed up to a maximum of 14.99 per cent. of the Company's issued share capital as at 8 October 2007. Secondly, we are proposing that up to 100 per cent. of the Company's share premium account is cancelled, subject to approval of the Court, so as to create a distributable reserve which could be used to fund purchases by the Company of its own Shares or permit the payment of dividends, should the Directors consider this to be appropriate. Thirdly, we are proposing an amendment to the Company's articles of association in order to introduce an alternative notification requirement for significant shareholders of the Company with shareholdings in excess of three per cent. of the issued share capital of the Company in order to bring the Company in line with the AIM Rules for Companies (together, the "**Proposals**").

A notice convening an Extraordinary General Meeting, to be held at the offices of Simcocks Advocates Limited, Isle of Man counsel to the Company, of Ridgeway House, Ridgeway Street, Douglas, Isle of Man IM99 1PY at 10.00 a.m. on 2 November 2007, is set out at the end of this document. At the EGM your Board will request that Shareholders approve the Proposals.

This document provides you with information about the Proposals and the EGM and explains why the Board considers the Proposals to be in the best interest of the Company and the Shareholders, and why the Directors recommend you vote in favour of the Resolutions to be proposed at the EGM.

2. BACKGROUND TO AND REASONS FOR THE PROPOSALS

2.1 Authority to Purchase Own Shares and Partial Cancellation of Share Premium Account

In the period from 10 July 2007 to 8 October 2007, the Company purchased 55,207,119 of its own Shares. The Company is currently authorised to purchase up to a further 16,018,623 Shares.

The Directors consider it appropriate that the Company should have the ability to utilise its cash balances for the purpose of buying its own Shares if, at the relevant time, they believe it is in the best interests of Shareholders to do so. Accordingly, it is proposed that the Company's authority to purchase its own Shares be increased by a further 82,473,217 Shares (which, together with the existing authority, would increase the total authority to 98,491,840 Shares or 14.99 per cent. of the issued share capital of the Company as at 8 October 2007). The approval of Shareholders for the proposed increase will be sought in a resolution to be proposed at the EGM, which, in accordance with ABI guidelines, will be proposed as a special resolution. This resolution is set out in the notice of the EGM set out at the end of this document. The Directors will exercise the power to purchase its own Shares only if they believe that as a result there will be an increase in net assets per Share for the remaining Shareholders and that such purchases would be in the best interests of the Shareholders generally.

In order for the Company to purchase its own Shares, it must have sufficient distributable reserves. Due to the structure of the Group and differences between local GAAP and International Financial Reporting Standards, the generation of distributable profits at the Company level can lag behind the generation of profits on a consolidated basis. Accordingly, to ensure that the Company has adequate distributable reserves, it is proposed that up to 100 per cent. of the Company's share premium account be cancelled. The Directors consider that the proposed cancellation is an appropriate way to create distributable reserves in advance of equivalent accounting profits being recognised at the Company level.

If the proposed cancellation is approved by Shareholders and by the Court, the increased distributable reserves arising from it will be available for carrying out future purchases of its own Shares or the payment of future dividends.

The proposed cancellation of part of the Company's share premium account will have no impact on the Group's net assets.

The approval of Shareholders for the proposed cancellation will be sought in a resolution to be proposed at the EGM. This resolution is set out in the notice of the EGM set out at the end of this document.

The confirmation by the Court of the proposed cancellation will be sought at a hearing commenced by a petition filed as soon as possible after the EGM, subject to the approval of Shareholders for the proposed cancellation having been duly obtained at the EGM. The timetable for the hearing and (subject to the Court's confirmation) the date on which the proposed cancellation will become effective will be at the discretion of the Court.

In confirming the proposed cancellation, the Court will be concerned to protect the interests of the Company's creditors. The precise form of creditor protection will be determined by the Court and the Company will take such steps as it thinks appropriate in order to satisfy the Court in that regard.

2.2 Amendment to the Articles of Association of the Company

The Company is not subject to the Disclosure and Transparency Rules ("**DTR**"). The DTR were published by the FSA on 20 January 2007 in order to implement the Transparency Directive and contain, inter alia, provisions requiring shareholders of companies to which the DTR apply to disclose their direct or indirect shareholdings where they are above three per cent. of the issued share capital of the relevant company. Under the AIM Rules for Companies published by the London Stock Exchange on 20 February 2007, the Company is required (under rule 17) to notify the market of any relevant changes (being changes of one per cent. or more) in the shareholdings of any of its significant shareholders (being shareholders of three per cent. or more of its issued share capital).

Where an AIM company is not subject to the DTR it is required to use all reasonable endeavours to comply with rule 17 notwithstanding that the local law applicable to some AIM companies does not contain provisions that are similar to the DTR.

Accordingly, as the Articles do not currently include a notification provision for significant shareholders which is sufficiently similar to the notification regime contained within the DTR, the Company is under an obligation to use reasonable endeavours to obtain approval of the Shareholders to insert such a provision.

The proposed contents of this provision are set out in paragraph 3(C) below.

3. EXTRAORDINARY GENERAL MEETING

A notice convening an Extraordinary General Meeting, to be held at the offices of Simcocks Advocates Limited, Isle of Man counsel to the Company, of Ridgeway House, Ridgeway Street, Douglas, Isle of Man IM99 1PY at 10.00 a.m. on 2 November 2007, is set out at the end of this document. At this meeting, the following Resolutions will be proposed:

That:

- (A) a proportion of up to 100 per cent., as the High Court of Justice of the Isle of Man may approve, of the amount standing to the credit of the share premium account of the Company) be, subject to the confirmation of the High Court of Justice of the Isle of Man, cancelled in accordance with section 57 of the Companies Act 1931 (Isle of Man); and that the amount of the share premium account so cancelled be credited as a distributable reserve in the Company's books of account capable of being applied in any manner in which the Company's profits available for distribution may be applied;

- (B) the Company be generally and unconditionally authorised to make market purchases (within the meaning of section 13 of the Companies Act 1992 (Isle of Man)) of ordinary shares in the capital of the Company provided that:
- (i) the maximum number of ordinary shares authorised to be acquired is 98,491,840 (representing 14.99 per cent. of the issued share capital of the Company as at 8 October 2007);
 - (ii) the minimum price that may be paid for each ordinary shares is €0.01 (nominal value);
 - (iii) the maximum price that may be paid for each ordinary share is an amount equal to 105 per cent. of the average of the mid-market quotation for an ordinary share as derived from the London Stock Exchange AIM Supplement to the Daily Official List for the five business days immediately preceding the day on which the ordinary shares are contracted to be purchased;
 - (iv) the authority conferred shall expire at the conclusion of the next annual general meeting of the Company, unless such authority is renewed prior to such time; and
 - (v) the Company may make a contract to acquire its ordinary shares under the authority conferred prior to the expiry of such authority, which will or may be executed wholly or partly after such authority, and may purchase its ordinary shares in pursuance of any such contract; and
- (C) the articles of association of the Company be altered by the deletion of article 173 and the insertion of the following new article 173:

"173. NOTIFICATION OF INTERESTS IN SHARES

173.1 In order to assist the Company in complying with its notification obligations set out in rule 17 of the AIM Rules, each holder of any legal or beneficial interest in shares in the Company that is a significant shareholder of the Company shall, in accordance with the AIM Rules, notify the Company without delay of any relevant changes to its shareholdings in the Company as if the provisions of the Disclosure and Transparency Rules published by the FSA (from time to time) (the "DTR") in respect of significant shareholder notifications were set out in full in these Articles, and as if references therein and, without limitation, in chapter 5 of the DTR (i) to a "person" and "shareholder" were references to such significant shareholder (ii) to "shares" were references to shares of the Company and (iii) to an "issuer" were references to the Company (and, for the avoidance of doubt, the Company shall for the purposes of the DTR as applied by these Articles be deemed to be an "issuer" and shall not qualify as a "non-UK issuer").

173.2 Notwithstanding the provisions of the DTR:

173.2.1 the Company will issue notification in accordance with the AIM Rules without delay if any relevant changes to any significant shareholders of which it becomes aware pursuant to Article 173.1; and

173.2.2 the information in respect of which the Company is so required to issue notification will be notified by the Company in accordance with the AIM Rules rather than "made public" in accordance with the DTR.

173.3 For the purposes of this article 173,

173.3.1 "AIM Rules" means the rules for companies published from time to time by the London Stock Exchange plc governing admission to and the operation of AIM; and

173.3.2 each of a "significant shareholder" and "relevant changes" shall have the meanings given to those terms from time to time as set out in the AIM Rules.

173.4 The provisions of Articles 31 to 37 shall mutatis mutandis apply to this Article 173 to the shares held by any non complying Member."

4. **ACTION TO BE TAKEN**

Shareholders will find enclosed a Form of Proxy for use at the Extraordinary General Meeting. Whether you are going to attend the meeting or not, please complete the Form of Proxy, following the instructions, and return it to the Company's Registrars, Computershare Investor Services (CI) Ltd, Ordnance House, 31 Pier Road, St Helier, Jersey JE4 8PW, as soon as possible, to arrive by 10.00 a.m. on 31 October 2007 at the latest. Returning the form will not stop you from attending the meeting and voting if you wish to.

5. **RECOMMENDATION**

The Directors consider that the Proposals are all in the best interests of the Company and the Shareholders as a whole.

Accordingly, the Directors recommend that you vote in favour of the Resolutions to be proposed at the Extraordinary General Meeting.

Yours sincerely,

Ian Henderson

Non-Executive Chairman

Dawnay, Day Treveria PLC

DEFINITIONS

The following definitions apply throughout this document; unless the context requires otherwise:

"AIM"	a market operated by the London Stock Exchange;
"AIM Rules for Companies"	the AIM Rules for Companies published by the London Stock Exchange, as amended from time to time;
"Articles"	the articles of association of the Company, adopted on 5 December 2005;
"Company"	Dawnay, Day Treveria PLC;
"Court"	the High Court of Justice of the Isle of Man;
"Directors" or "Board"	the board of directors of the Company;
"Disclosure and Transparency Rules" or "DTR"	the FSA sourcebook containing the Disclosure Rules and Transparency Rules;
"EGM" or "Extraordinary General Meeting"	the extraordinary general meeting of the Company convened for 10.00 a.m. on 2 November 2007, or any adjournment thereof, notice of which is set out at the end of this document;
"Form of Proxy"	the form of proxy for use by Shareholders in connection with the Extraordinary General Meeting;
"FSA"	the Financial Services Authority;
"Group"	the Company and its subsidiary undertakings from time to time;
"London Stock Exchange"	London Stock Exchange plc;
"Resolutions"	the resolutions to be proposed at the EGM as set out in the Notice of EGM at the end of this document;
"Shareholders"	holders of Shares;
"Shares"	ordinary shares of €0.01 each in the capital of the Company; and
"Transparency Directive"	the EU directive of 15 December 2004 on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market (2004/109/EC).

NOTICE OF EXTRAORDINARY GENERAL MEETING

Dawnay, Day Treveria PLC

*(Incorporated under the Companies Act 1931-2004 (as amended) of the Isle of Man
and registered in the Isle of Man under number 114610C)*

(the "Company")

NOTICE IS HEREBY GIVEN that an **EXTRAORDINARY GENERAL MEETING** of the Company will be held at the offices of Simcocks Advocates Limited, Isle of Man counsel to the Company, Ridgeway House, Ridgeway Street, Douglas, Isle of Man IM99 1PY on 2 November 2007 at 10.00 a.m. for the purpose of considering and, if thought fit, passing the following Resolutions:

SPECIAL RESOLUTIONS OF THE COMPANY THAT:

- (A) the Company be generally and unconditionally authorised to make market purchases (within the meaning of section 13 of the Companies Act 1992 (Isle of Man)) of ordinary shares in the capital of the Company provided that:
- (i) the maximum number of ordinary shares authorised to be acquired is 98,491,840 (representing 14.99 per cent. of the issued share capital of the Company at 8 October 2007);
 - (ii) the minimum price that may be paid for each ordinary share is €0.01 (nominal value);
 - (iii) the maximum price that may be paid for each ordinary share is an amount equal to 105 per cent. of the average of the mid-market quotation for an ordinary share as derived from the London Stock Exchange AIM Supplement to the Daily Official List for the five business days immediately preceding the day on which the ordinary shares are contracted to be purchased;
 - (iv) the authority conferred shall expire at the conclusion of the next annual general meeting of the Company, unless such authority is renewed prior to such time; and
 - (v) the Company may make a contract to acquire its ordinary shares under the authority conferred prior to the expiry of such authority, which will or may be executed wholly or partly after such authority, and may purchase its ordinary shares in pursuance of any such contract.
- (B) a proportion of up to 100 per cent., as the High Court of Justice of the Isle of Man may approve, of the amount standing to the credit of the share premium account of the Company be, subject to the confirmation of the High Court of Justice of the Isle of Man, cancelled in accordance with section 57 of the Companies Act 1931 (Isle of Man) that the amount of the share premium account so cancelled be credited as a distributable reserve

in the Company's books of account capable of being applied in any manner in which the Company's profits available for distribution may be applied;

- (C) the articles of association of the Company be altered by the deletion of article 173 and the insertion of the following new article to be numbered 173:

"173. NOTIFICATION OF INTERESTS IN SHARES

173.1 In order to assist the Company in complying with its notification obligations set out in rule 17 of the AIM Rules, each holder of any legal or beneficial interest in shares in the Company that is a significant shareholder of the Company shall, in accordance with the AIM Rules, notify the Company without delay of any relevant changes to its shareholdings in the Company as if the provisions of the Disclosure and Transparency Rules published by the FSA (from time to time) (the "DTR") in respect of significant shareholder notifications were set out in full in these Articles, and as if references therein and, without limitation, in chapter 5 of the DTR (i) to a "person" and "shareholder" were references to such significant shareholder (ii) to "shares" were references to shares of the Company and (iii) to an "issuer" were references to the Company (and, for the avoidance of doubt, the Company shall for the purposes of the DTR as applied by these Articles be deemed to be an "issuer" and shall not qualify as a "non-UK issuer").

173.2 Notwithstanding the provisions of the DTR:

173.2.1 the Company will issue notification in accordance with the AIM Rules without delay if any relevant changes to any significant shareholders of which it becomes aware pursuant to Article 173.1; and

173.2.2 the information in respect of which the Company is so required to issue notification will be notified by the Company in accordance with the AIM Rules rather than "made public" in accordance with the DTR.

173.3 For the purposes of this article 173,

173.3.1 "AIM Rules" means the rules for companies published from time to time by the London Stock Exchange plc governing admission to and the operation of AIM; and

173.3.2 each of a "significant shareholder" and "relevant changes" shall have the meanings given to those terms from time to time as set out in the AIM Rules.

173.4 The provisions of Articles 31 to 37 shall mutatis mutandis apply to this Article 173 to the shares held by any non-complying Member."

Registered office:

Park House
Ballacottier Business Park
Braddan
Isle of Man IM2 2QZ
Dated 10 October 2007

By order of the Board

David Parnell
Company Secretary

Notes

1. A member who is entitled to attend and vote at the above-mentioned meeting is entitled to appoint a proxy or proxies to attend and, on a poll, vote instead of him or her in respect of such shares. A proxy need not be a member of the Company.
2. A Form of Proxy is enclosed which, to be valid, must be completed and delivered, together with the power of attorney or other authority (if any) under which it is signed (or a certified copy of such authority) to the Company's Registrar, Computershare Investor Services (CI) Ltd, Ordnance House, 31 Pier Road, St Helier, Jersey JE4 8PW so as to arrive not later than 48 hours before the time of the meeting.
3. Completion and return of a Form of Proxy does not preclude a member from attending and voting in person should they wish to do so.
4. The Company, pursuant to Regulation 22 of the Uncertificated Securities Regulations 2005 (Isle of Man), specifies that only those members registered in the register of members as at 10.00 a.m. on 31 October 2007 (or in the event that the meeting is adjourned, on the register of members 48 hours before the time of any adjournment meeting) shall be entitled to attend or vote at the meeting in respect of the Ordinary Shares registered in their name at that time. Changes to entries on the register of members after 10.00 a.m. on 31 October 2007 (or, in the event that the meeting is adjourned, on the register of members less than 48 hours before the time of any adjourned meeting) shall be disregarded in determining the rights of any person to attend or vote at the meeting.