

## **Notice of Annual General Meeting**

Notice is hereby given that the Annual General Meeting of Admiral Group plc will be held at St David's Hotel, Havannah Street, Cardiff, CF10 5SD Wales, on Wednesday 16th May at 3.00pm. for the transaction of the following business; resolutions 1 to 11 and 14 will be proposed as ordinary resolutions and 12 and 13 will be proposed as special resolutions:-

### **Ordinary resolutions**

- 1. To receive the Financial Statements and the reports of the Directors and the auditors for the year ended 31 December 2006.**
- 2. To approve the Directors' Remuneration Report for the year ended 31 December 2006.**
- 3. To declare a final dividend on the ordinary shares of the Company for the year ended 31 December 2006 of 24.0 pence per ordinary share.**
- 4. To re-elect Kevin Chidwick (Finance Director) as a Director of the Company.**
- 5. To re-elect Martin Jackson (Non-Executive Director, Chairman of the Audit Committee and member of the Remuneration Committee) as a Director of the Company.**
- 6. To re-elect Keith James (Non-Executive Director, Chairman of the Nomination Committee and member of the Audit Committee) as a Director of the Company.**
- 7. To re-elect Margaret Johnson (Non-Executive Director, member of the Audit Committee and Remuneration Committee) as a Director of the Company.**
- 8. To re-elect Lucy Kellaway (Non-Executive Director and member of the Nomination Committee) as a Director of the Company.**

Kevin Chidwick, Margaret Johnson and Lucy Kellaway joined the Board in September 2006 and have not therefore been subject to re-election by shareholders.

According to the Articles of Association a minimum of one third of Directors ( or if this is not a whole number, the nearest number not exceeding one third) should resign and offer themselves for re-election, therefore Martin Jackson and Keith James offer themselves for re-election to the Board.

Biographical details of all of the Directors may be found in the Annual Report of the Company.

- 9. To re-appoint KPMG Audit plc as the Auditors of the Company from the conclusion of this meeting until the conclusion of the next general meeting at which accounts are laid.**
- 10. To authorise the Directors to determine the remuneration of KPMG Audit plc.**
- 11. That the Directors be generally and unconditionally authorised pursuant to Section 80(1) of the Companies Act 1985 (the "Act") to exercise all the powers of the Company to allot relevant securities (as defined in Section 80(2) of the Act) up to an aggregate nominal amount of £86,000 provided that this authority shall expire (unless previously renewed, varied or revoked by the company in general meeting) 15 months after the date of the passing of this resolution, or, if earlier, at the conclusion of the next annual general meeting of the Company after the date of the passing of this resolution, but so that this authority shall allow the Company to make before the expiry of this authority offers or agreements which would or might require relevant securities to be allotted after such expiry and notwithstanding such expiry the Directors may allot relevant securities in pursuance of such offers or agreements**

By virtue of Section 80 of the Companies Act 1985, the Directors require the authority of shareholders of the Company to allot shares or other relevant securities in the company. This resolution authorises the Directors to make allotments of up to an additional 86,000,000 shares (representing approximately 33% of the issued share capital of the company as at 16 April 2007). The Directors have no present intention of exercising the authority given by this resolution.

### **Special Resolutions**

- 12. Subject to passing Resolution 11, that the Directors be and they are hereby empowered pursuant to Section 95 of the Act to allot equity securities (as defined in section 94(2) of the Act and as amended by the Regulations) for cash; pursuant to the authority conferred by Resolution 11 above as if Section 89(1) of the Act did not apply to such an allotment provided that this power shall be limited to:**
- (a) the allotment of equity securities in connection with a rights issue, open offer or other offer of securities in favour of the holders of ordinary shares on the register of members at such record date(s) as the Directors may determine where the equity securities respectively attributable to the interests of the ordinary shareholders are proportionate (as nearly as may be) to the respective numbers of ordinary shares held by them on any such record date(s), subject to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with any legal or practical problems under the laws of any territory or the requirements of any regulatory body or stock exchange in any territory or in connection with fractional entitlements or otherwise howsoever and**
  - (b) the allotment (otherwise than pursuant to sub-paragraph (a) above) up to a maximum aggregate nominal amount equal to £13,000.**

**Provided that this power shall, unless previously revoked or varied by special resolution of the Company in general meeting, expire 15 months after the date of the passing of this resolution or, if earlier, at the conclusion of the next annual general meeting of the company after the date of the passing of this resolution save that the Company may, before the expiry of such power, make offers or agreements which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offers or agreements as if the power conferred hereby had not expired.**

**For the purposes of this resolution, the “Regulations” means The Companies (Acquisition of Own Shares) (Treasury Shares) Regulations 2003.**

Section 89 of the Companies Act 1985 gives existing shareholders in a company certain pre-emption rights with respect to allotments of new shares. A company can only disapply these rights with the approval of its shareholders. Accordingly the purpose of this resolution is to allow the Directors of the Company to allot ordinary shares in the Company for cash, or to transfer treasury shares for cash, other than to its existing shareholders on a pre-emptive basis up to a maximum amount of £13,000 which is equivalent to 4.97 per cent of the issued ordinary share capital of the Company as at 16 April 2007 and is in line with the recommended guidelines issued by institutional investor bodies.

- 13. That the Company be generally and unconditionally authorised to make one or more market purchases (within the meaning of Section 163(3) of the Companies Act 1985) on the London Stock Exchange of ordinary shares of 0.1p in the capital of the Company (ordinary shares) provided that:**
- (a) the maximum aggregate number of ordinary shares authorised to be purchased is 13,000,000 (representing 4.97% of the issued ordinary share capital);**
  - (b) the minimum price which may be paid for an ordinary share is the nominal value of such share;**

- (c) **the maximum price which may be paid for an ordinary share is an amount equal to 105% of the average of the middle market quotations for an ordinary share as derived from The London Stock Exchange Daily Official List for the 5 business days immediately preceding the day on which the ordinary share is purchased, exclusive of expenses;**
- (d) **the authority conferred by this resolution shall, unless renewed, expire on the date falling 15 months after the date of the passing of this resolution, or, if earlier, at the conclusion of the next annual general meeting of the company; and**
- (e) **the company may make a contract to purchase ordinary shares under this authority before the expiry of the authority which will or may be executed wholly or partly after the expiry of the authority, and may make a purchase of ordinary shares in pursuance of any such contract.**

The Directors consider, in certain circumstances, that it may be appropriate and in the best interest of shareholders generally for the Company to purchase its own shares. This resolution gives authority for the Company to purchase up to 13,000,000 Ordinary shares, which is approximately equivalent to 4.97 per cent of the issued share capital of the Company as at 16 April 2007. The Directors have no specific plans to exercise any authority granted by this resolution, but will keep the matter under review and will only make purchases where, in the light of prevailing market conditions, they consider it will result in an increase in earnings per ordinary share in the Company.

The Companies (Acquisition of Own Shares)(Treasury Shares) Regulations 2003 (which came into force on 1 December 2003) enable companies to retain any of their own shares they have purchased as treasury shares with a view to their possible re-issue at a later date, rather than cancelling them as the law previously required. The Company will consider holding any of its own shares that it purchases pursuant to this resolution as treasury shares, which will give the Directors flexibility in the management of the capital base of the Company. No dividends will be paid on treasury shares while held in treasury, and no voting rights will attach to them.

#### **Ordinary resolution**

- 14. That the Company is hereby generally and unconditionally authorised, subject to and in accordance with the provisions of the Companies Act 2006 and the Articles of Association of the Company, to supply documents or information to members, or persons nominated by members, by making them available on a website.**

If this resolution is passed, the Company will have the general ability to communicate through its website with shareholders or other people who are nominated by shareholders to receive information from the Company.

#### **Recommendation**

Your Board considers each of the proposed resolutions to be in the best interests of the Company and its shareholders as a whole. Accordingly, your Directors unanimously recommend that you vote in favour of the resolutions as they intend to do in respect of their own beneficial shareholdings.

BY ORDER OF THE BOARD  
Stuart Clarke  
Company Secretary  
16 April 2007

REGISTERED OFFICE  
Capital Tower, Greyfriars Road  
Cardiff CF10 3AZ  
Registered No. 3849958

## Notes to the Notice of Annual General Meeting.

1. A member entitled to attend and vote at the Annual General Meeting ("AGM") may appoint one or more proxies (who need not be a member of the Company) to attend and, on a poll, to vote on their behalf. In order to be valid an appointment of proxy must be returned by one of the following methods:
  - in hard copy form by post, by courier or by hand to the Proxy Processing Centre, Telford Road, Bicester OX26 4LD; or
  - if you hold your shares in certificated form and have your share certificate to hand, online at [www.capitaregistrars.com/shareholders](http://www.capitaregistrars.com/shareholders) by following the instructions provided; or
  - in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below.

and in each case instructions must be received not less than 48 hours before the time of the meeting. Appointment of a proxy does not preclude a member from attending the meeting and voting in person.

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment serviceman do so for the AGM and any adjournment thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s) should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment, or instruction, made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with CREST Co's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message regardless of whether it relates to the appointment of a proxy or to an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA 10) by the latest time(s) for receipt of proxy appointments specified in the Notice of Meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5) of the Uncertificated Securities Regulations 2001. CREST members and where applicable, their CREST sponsors or voting service providers should note that CREST Co does not make available special procedure in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy instructions. It is therefore the responsibility of the CREST member concerned (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider/s, to procure that their CREST sponsor or voting service provider/s) to take such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

2. A form of proxy is enclosed for use by shareholders and, if appropriate, must be received by the Proxy Processing Centre, Telford Road, Bicester OX26 4LD not less than 48 hours before the time of the AGM. Appointment of a proxy does not preclude a shareholder from attending the AGM and voting in person.
3. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, in order to be able to attend and vote at the AGM or any adjourned meeting, (and also for the purposes of calculating how many votes a person may cast), a person must have his/her name entered on the register of members of the Company by 6.00 p.m. on **14th May 2007** (or 6.00 p.m. on the date two days before any adjourned meeting). Changes to entries on the register of members after this time shall be disregarded in determining the rights of any person to attend or vote at the meeting.
4. Biographical details of the Directors are shown in the Annual Report and Accounts.
5. The register of Directors' interests in the share capital of the Company is available for inspection at the registered office of the Company during normal business hours on any weekday and will be available at the place of the AGM from 15 minutes before the meeting until it ends.