

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000, if you are in the United Kingdom, or, if not, from another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all of your Principle Shares please send this document, together with the accompanying documents, 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 transmission to the purchaser or transferee. However, this document and the accompanying documents should not be forwarded or transmitted in or into or from the United States, Canada, Australia or Japan or any other jurisdiction if to do so would constitute a violation of the relevant laws of such jurisdiction. The distribution of this document in jurisdictions other than the United Kingdom may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

Evolution Securities Limited, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting exclusively for Pointer and no one else in connection with the Offer and will not be responsible to anyone other than Pointer for providing the protections afforded to clients of Evolution Securities Limited nor for providing advice in relation to the Offer or any other matter referred to in this document.

This document should be read in conjunction with the accompanying Form of Acceptance (in respect of certificated Principle Shares). If you are a CREST sponsored member, you should refer to your CREST sponsor, as only your CREST sponsor will be able to send the necessary TTE Instructions to Euroclear.

Cash Offer
by
Pointer Investments Limited
for
Principle Capital Investment Trust PLC

To accept the Offer in respect of certificated Principle Shares, the Form of Acceptance must be completed, signed, witnessed (in the case of an individual) and returned together with your definitive share certificate(s) and/or other document(s) of title as soon as possible and, in any event, so as to be received by post or (during normal business hours only) by hand by Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH, by no later than 3.00 p.m. on 11 August 2009. A reply-paid envelope for use within the UK accompanies this document for your convenience. The procedure for acceptance of the Offer in respect of certificated Principle Shares is set out in paragraph 11(a) of the letter from Pointer and in the accompanying Form of Acceptance.

To accept the Offer in respect of uncertificated Principle Shares, acceptances should be made electronically through CREST so that the TTE Instruction settles not later than 3.00 p.m. on 11 August 2009. The procedure for acceptance of the Offer in respect of uncertificated Principle Shares is set out in paragraph 11(b) of the letter from Pointer.

Unless otherwise determined by Pointer and permitted by applicable law and regulation, the Offer is not being made, directly or indirectly, in or into, or by the use of the mails or by any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce, or any facility of a national securities exchange, of a Restricted Jurisdiction (including the United States, Canada, Australia or Japan) and the Offer is not capable of acceptance by any such use, means, instrumentality or facility or from within a Restricted Jurisdiction. Accordingly, copies of this document, the Form of Acceptance (in respect of certificated Principle Shares) and any related documents are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from a Restricted Jurisdiction and persons receiving such documents (including, without limitation, custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from a Restricted Jurisdiction. Doing so may render invalid any purported acceptance of the Offer.

All persons (including, without limitation, nominees, trustees and custodians) who would, or otherwise intend to, forward this document, the Form of Acceptance (in respect of certificated Principle Shares) and any related documents to any jurisdiction outside of the United Kingdom should read the further details in this regard which are contained in paragraph 6 of Part B of Appendix 1, paragraph (c) of Part C of Appendix 1 and paragraph (c) of Part D of Appendix 1 to this document before taking any action.

The availability of the Offer to Principle Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions. Principle Shareholders who are not so resident should inform themselves about and observe such applicable requirements.

US Principle Shareholders are excluded from participating in the Offer. Pointer reserves the right, however, to include such US Principle Shareholders in the Offer.

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TO ACCEPT THE OFFER

- (a) If you hold Principle Shares in certificated form, you should:
- (i) complete, sign and have witnessed (in the case of an individual) the Form of Acceptance in accordance with paragraph 11(a) of the letter from Pointer set out in this document; and
 - (ii) return the completed Form of Acceptance (along with any appropriate share certificate(s) and/or other document(s) of title) using the accompanying reply-paid envelope (for use within the UK only) as soon as possible and, in any event, by 3.00 p.m. on 11 August 2009.
- (b) If you hold Principle Shares in uncertificated form, you should follow the procedures set out in paragraph 11(b) of the letter from Pointer set out in this document and send a TTE Instruction to settle prior to 3.00 p.m. on 11 August 2009.

Copies of this document (and any information incorporated into it by reference to another source) sent to persons in electronic form or by means of being published on Pointer's and/or Principle's websites and all future documents, announcements and information required to be sent to persons in relation to the Offer may be requested to be received by such persons in hard copy form by writing to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH or by calling Computershare on telephone number 0870 707 1806 (or +44 870 707 1806 from outside of the UK) on Monday to Friday (other than UK public holidays). A hard copy of this document will not otherwise be sent unless so requested.

Calls to the Computershare 0870 707 1806 number are charged at up to 10 pence per minute (including VAT) plus any of your service provider's network extras. Calls to the Computershare +44 870 707 1806 number from outside of the UK are charged at applicable international rates. Different charges may apply to calls made from mobile telephones and calls may be recorded and monitored randomly for security and training purposes.

THE FIRST CLOSING DATE OF THE OFFER IS 3.00 P.M. ON 11 AUGUST 2009

DEALING DISCLOSURE REQUIREMENTS

Under the provisions of Rule 8.3 of the Code, if any person is, or becomes, "interested" (directly or indirectly) in 1 per cent. or more of any class of "relevant securities" of Principle, all "dealings" in any "relevant securities" of Principle (including by means of an option in respect of, or a derivative referenced to, any such "relevant securities") must be publicly disclosed by no later than 3.30 p.m. on the business day following the date of the relevant transaction. This requirement will continue until the date on which the Offer becomes, or is declared, unconditional as to acceptances, lapses or is otherwise withdrawn or on which the "offer period" otherwise ends. If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire an "interest" in "relevant securities" of Principle, they will be deemed to be a single person for the purpose of Rule 8.3.

Under the provisions of Rule 8.1 of the Code, all "dealings" in "relevant securities" of Principle by Pointer or Principle, or by any of their respective "associates", must be disclosed by no later than 12.00 noon on the business day following the date of the relevant transaction.

A disclosure table, giving details of the companies in whose "relevant securities" "dealings" should be disclosed, and the number of such securities in issue, can be found on the Panel's website at www.thetakeoverpanel.org.uk.

"Interests in securities" arise, in summary, when a person has long economic exposure, whether conditional or absolute, to changes in the price of securities. In particular, a person will be treated as having an "interest" by virtue of the ownership or control of securities, or by virtue of any agreement to purchase, option in respect of, or derivative referenced to, securities.

Terms in quotations marks are defined in the Code, which can also be found on the Panel's website. If you are in any doubt as to the application of Rule 8 to you, please contact an independent financial adviser authorised under the Financial Services and Markets Act 2000, consult the Panel's website or contact the Panel on telephone number +44 (0) 20 7382 9026 or fax +44 (0) 20 7638 1554. If you are in any doubt as to whether or not you are required to disclose a "dealing" under Rule 8, you should consult the Panel.

FORWARD LOOKING STATEMENTS

This document, including certain information included by reference, contains certain forward looking statements with respect to the financial condition, results of operations and business of Pointer or the Pointer Group and Principle and certain plans and objectives of the boards of directors of Pointer and Principle. These forward looking statements can be identified by the fact that they do not relate to historical or current facts. Forward looking statements often use words such as "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "will", "may", "should", "would", "could" or other words of similar meaning. These statements are based on assumptions and assessments made by the boards of directors of Pointer and Principle in the light of their experience and their perception of historical trends, current conditions, expected future developments and other factors they believe appropriate. By their nature, forward looking statements involve risk and uncertainty and the factors described in the context of such forward looking statements in this document could cause actual results and developments to differ materially from those expressed in or implied by such forward looking statements.

Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this document. Except as required by the Financial Services and Markets Act 2000 or any other applicable law, Pointer assumes no obligation to update or correct the information contained in this document.

LETTER FROM POINTER

Walker House
87 Mary Street
George Town
Grand Cayman
1-9002
Cayman Islands

21 July 2009

To all Principle Shareholders

Dear Principle Shareholder (and for information only to persons with information rights),

Cash Offer by Pointer Investments Limited for Principle Capital Investment Trust PLC

1. Introduction

Pointer announced, on 26 June 2009, a cash offer to be made to acquire all of the issued and to be issued share capital of the Company (other than the Principle Shares it already owns) at a price of 28.02 pence per Principle Share. The Offer values the entire existing issued share capital of Principle at approximately £28.1 million.

The Offer is conditional upon, amongst other things, the confirmation by the Court of the Reduction of Share Premium Account and the approval by the Court of the Return of Capital. Including the 9.98 pence per Principle Share expected to be returned to Principle Shareholders pursuant to the Return of Capital, the Offer values the entire existing issued share capital of Principle at approximately £38.1 million and each Principle Share at 38 pence, which represents a premium of approximately 11.8 per cent. to the middle market price of 34 pence per Principle Share at the close of business on 25 June 2009, being the last business day prior to the Announcement and a premium of 1.3 per cent. to the middle market price of 37.5 pence per Principle Share at the close of business on 20 July 2009, being the last business day prior to the publication of this document.

Pointer is a company incorporated in the Cayman Islands and is a wholly-owned subsidiary of PCLP, a limited partnership formed in the Cayman Islands. Principle Capital GP Limited is the general partner of PCLP and Principle Capital Fellowship Fund, Limited is the sole limited partner.

Principle Shareholders should note that the Panel continues to investigate concerns that an alleged undisclosed concert party of Pointer may have acquired Principle Shares in March 2009 and breached Rule 9 of the Code. If the Panel were to rule that a breach of Rule 9 of the Code had occurred, Pointer believes that the highest price paid by any member of the Concert Party for Principle Shares during the 12 months prior to the alleged breach was 35.14 pence per Principle Share, a discount to the Offer Price inclusive of the Return of Capital.

2. The Offer

Pointer hereby offers to acquire, on the terms and subject to the conditions set out or referred to in Appendix 1 to this document and (in respect of certificated Principle Shares) in the accompanying Form of Acceptance, all of the Principle Shares on the following basis:

for each Principle Share 28.02 pence in cash

The Offer will extend to all Principle Shares which are not held by Pointer and any further Principle Shares which are unconditionally allotted or issued and fully paid whilst the Offer remains open for acceptance.

Excluding the 9.98 pence per Principle Share expected to be returned to Principle Shareholders pursuant to the Return of Capital, the Offer values the entire existing issued share capital of Principle at approximately £28.1 million and represents a discount of approximately 17.6 per cent. to the middle market price of

34 pence per Principle Share at the close of business on 25 June 2009, being the last business day prior to the Announcement and a discount of 25.3 per cent. to the middle market price of 37.5 pence per Principle Share at the close of business on 20 July 2009, being the last business day prior to the publication of this document.

Including the 9.98 pence per Principle Share expected to be returned to Principle Shareholders pursuant to the Return of Capital, the Offer values the entire existing issued share capital of Principle at approximately £38.1 million and each Principle Share at 38 pence, which represents a premium of approximately 11.8 per cent. to the middle market price of 34 pence per Principle Share at the close of business on 25 June 2009, being the last business day prior to the Announcement and a premium of 1.3 per cent. to the middle market price of 37.5 pence per Principle Share at the close of business on 20 July 2009, being the last business day prior to the publication of this document.

The Principle Shares will be acquired by Pointer fully paid and free from all liens, equities, charges, encumbrances and other interests and together with all rights now or hereafter attaching thereto, including the right to receive and retain all dividends and other distributions declared, made or paid after the date of this document (except for that to be made pursuant to the Return of Capital).

Forms of Acceptance (in respect of certificated Principle Shares) in relation to the Offer should be received as soon as possible but in any event by not later than 3.00 p.m. on 11 August 2009. Electronic Acceptances (in respect of uncertificated Principle Shares) through CREST should be received as soon as possible but in any event should be made so that the TTE Instruction settles by no later than 3.00 p.m. on 11 August 2009. The procedure for acceptance of the Offer is set out in paragraph 11 of this letter and in Parts C and D of Appendix 1 to this document.

Details of the further terms and conditions of the Offer are set out below and in Appendix 1 to this document.

3. Letter of intent, irrevocable undertakings and the Concert Party Agreement

Letter of intent

Pointer has received a non-binding letter of intent from Invesco Asset Management Limited, as agent acting for and on behalf of its discretionary managed clients, to accept or procure the acceptance of the Offer in respect of, in aggregate, 21,163,218 Principle Shares representing approximately 21.1 per cent. of the entire existing issued share capital of Principle. Together with the 17,470,334 Principle Shares which Pointer already owns, Pointer therefore owns or has a letter of intent to accept the Offer in respect of, in aggregate, 38,633,552 Principle Shares representing 38.6 per cent. of Principle's entire existing issued share capital.

Irrevocable undertaking

Pointer has received an irrevocable undertaking from Mr. Daniel Posen **not** to accept the Offer (unless otherwise agreed by Pointer) in respect of 6,700,000 Principle Shares representing approximately 6.7 per cent. of the entire existing issued share capital of Principle.

Concert Party Agreement

Pointer has entered into an agreement with the other members of the Concert Party, which includes an irrevocable commitment **not** to accept the Offer (unless otherwise agreed by Pointer) in respect of, in aggregate, 12,513,784 Principle Shares representing approximately 12.5 per cent. of the entire existing issued share capital of Principle.

Further details of these irrevocable undertakings and letter of intent are set out in paragraph 5 of Appendix 4 to this document.

The Concert Party Agreement also includes, among others, a commitment to vote in favour of any resolution to cancel the listing of the Principle Shares on the Official List and admission to trading on the London Stock Exchange's main market for listed securities and to re-register Principle as a private limited company, should such resolutions be proposed. Further details regarding the intention of Pointer in relation to any cancellation of the listing of the Principle Shares and the re-registration of Principle are set out in paragraph 13 below.

The Offer is conditional upon Pointer receiving valid acceptances in respect of Principle Shares which, when combined with its existing holding, will result in it holding Principle Shares carrying in aggregate over 50 per cent. of the voting rights normally exercisable at a general meeting of Principle. On the basis that Pointer currently owns 17,470,334 Principle Shares and has received irrevocable commitments not to accept the Offer in respect of a further 19,213,784 Principle Shares, Pointer will need to receive valid acceptances of the Offer in respect of, in aggregate, 32,635,952 Principle Shares in order to meet this condition, which represents 51.4 per cent. of the Principle Shares that are not either owned by Pointer or subject to irrevocable commitments not to accept the Offer.

4. Information on PCLP and Pointer

Pointer is a company incorporated in the Cayman Islands and is a wholly-owned subsidiary of PCLP. The current directors of Pointer are Brian Padgett and Leonard O'Brien.

PCLP is an exempted limited partnership, which was formed and registered in the Cayman Islands on 23 November 2006. PCLP is an investment fund managed by Principle Capital GP Limited and it follows a similar investment philosophy to that for which Principle was originally established.

The general partner of PCLP is Principle Capital GP Limited and Principle Capital Fellowship Fund, Limited, a company incorporated in the Cayman Islands, is the sole limited partner. Principle Capital GP Limited is also the investment manager of PCLP and has authority and responsibility as agent of PCLP to direct the day-to-day management and investment decision-making activities with respect to the assets of PCLP. The current directors of Principle Capital GP Limited are Brian Padgett and Leonard O'Brien.

Principle Capital GP Limited holds the only voting interest in Principle Capital Fellowship Fund, Limited. The non-voting participating shares in Principle Capital Fellowship Fund, Limited are held by The Rose Foundation, The Daniel Howard Trust and Silex Trust Company Limited, as trustee for certain discretionary trusts. The Rose Foundation is a charitable trust registered in England & Wales under number 274875 and was formed and endowed in 1978 by Martin Rose, Paul Rose, Alan Rose, John Rose and their late fathers, Philip Rose and Jack Rose. The Daniel Howard Trust is a charitable trust registered in England & Wales under number 267173.

Principle Capital Holdings S.A. is the ultimate parent company of Principle Capital GP Limited, which it holds through its wholly-owned subsidiary companies, Principle Capital Fund Managers Limited, which is incorporated in the Cayman Islands, and Principle Capital Partners Limited, which is incorporated in the British Virgin Islands. Principle Capital Holdings S.A. is also the ultimate parent company of Silex Trust Company Limited, a company incorporated in the British Virgin Islands, which it holds through its wholly-owned subsidiary company, Silex Holdings Limited, which is also incorporated in the British Virgin Islands. Principle Capital Holdings S.A. is a société anonyme incorporated in the Grand Duchy of Luxembourg, the shares of which are admitted to trading on the AIM market of the London Stock Exchange. The current directors of Principle Capital Holdings S.A. are Brian Myerson, Brian Padgett, Leonard O'Brien, Jonathan Sieff, David Cooley and Richard Bolton.

The major shareholders of Principle Capital Holdings S.A. have informed Principle Capital Holdings S.A. that their shareholdings are:

<i>Shareholder</i>	<i>Percentage of issued share capital of Principle Capital Holdings S.A.</i>
Brian Myerson *	30.3%
Jupiter Asset Management Limited	9.85%
Jonathan Sieff**	8.69%
Deutsche Bank AG	6.77%
Brian Padgett**	5.28%
Leonard O'Brien**	5.28%
Principle Capital Investment Trust plc	5.01%

Notes:

* *through a discretionary trust of which he and certain members of his family are potential beneficiaries.*

** *partly held individually and also through a discretionary trust of which he and certain members of his family are potential beneficiaries.*

On 31 December 2008, PCLP had a net asset value of £8.1 million (2007: £14.4 million). As at 30 June 2009 (being the latest practicable date prior to the publication of this document), PCLP had a net asset value of £18.8 million.

Further information on the Pointer Group is set out in Appendix 2 to this document.

5. Information on Principle

Principle was incorporated in England and Wales on 3 October 2005 as an investment trust company with an indefinite life. Principle was admitted to the Official List on 26 October 2005 and its ordinary shares are traded on the London Stock Exchange's main market for listed securities.

Principle is a self-managed closed-end investment company and its investment adviser is Principle Capital Fund Managers Limited.

On 31 December 2008, Principle reported a net asset value per Principle Share of 44.5 pence (2007: 86.8 pence). The following analysis of the portfolio has been extracted without material adjustment from the Company's Report and Accounts for the year ended 31 December 2008:

<i>Security</i>	<i>Class of share/security</i>	<i>Value £'000</i>	<i>% of net assets</i>
Quoted Investments:			
Photo-Me International plc	Ordinary share	5,146	11.6
Treasury 4.75% 2010	Treasury stock	4,738	10.6
Treasury 4.25% 2011	Treasury stock	4,735	10.6
Liberty plc	Ordinary share	3,525	7.9
Luminar Group Holdings plc	Ordinary share	3,321	7.5
Sirius Real Estate Limited	Ordinary share	3,235	7.3
D1 Oils plc	Ordinary share	2,462	5.5
MWB Group Holdings plc	Ordinary share	2,060	4.6
Blacks Leisure Group plc	Ordinary share	1,976	4.4
South African Property Opportunities plc	Ordinary share	1,560	3.5
AGA Rangemaster Group plc	Ordinary share	1,497	3.4
Principle Capital Holdings S.A.	Ordinary share	1,180	2.6
Syndicate Asset Management plc	Ordinary share	59	0.1
		35,494	79.6
Unquoted Investments:			
Principle Energy Ltd	Ordinary share	6,955	15.6
Earthchild Clothing (Waterfront) (Proprietary) Ltd	Ordinary share	1,464	3.3
		8,419	18.9
Total investments		43,913	98.5
Net current assets		689	1.5
Total net assets		44,602	100.0

Since 31 December 2008, the Company has made the following notifications that are relevant to the portfolio as at 20 July 2009, being the last business day prior to the publication of this document:

<i>Date</i>	<i>Company</i>	<i>Buy/Sell</i>	<i>New Holding</i>
7 January 2009	Blacks Leisure Group plc	Buy	10,693,701 Ordinary Shares (25.09%)
8 January 2009	MWB Group Holdings plc	Buy	7,014,837 Ordinary Shares (9.70%)
19 January 2009	Sirius Real Estate Limited	Buy	29,190,498 Ordinary Shares (9.66%)
5 May 2009	AGA Rangemaster Group plc	Sell	Less than 3%
18 May 2009	Principle Capital Holdings S.A.	Sell	935,000 Ordinary Shares (5.01%)
18 May 2009	Luminar Group Holdings plc	Sell	Less than 3%
1 June 2009	Photo-Me International plc	Sell	34,988,429 Ordinary Shares (9.73%)

In the Company's Interim Management Statement released on 13 May 2009, the Company indicated that it had increased its holding in South African Property Opportunities plc during the first four months of this calendar year and on 3 June 2009 stated that, as at 29 May 2009, it had "available in cash and gilts just over £10 million".

The Company announced on 20 July 2009, that as at close of business on 17 July 2009, the unaudited net asset value per Principle Share calculated in accordance with the AIC formula was 52.69 pence including undistributed current year revenue and 53.19 pence excluding current year revenue.

Further financial information on Principle is set out in Appendix 3 to this document.

6. Background to and reasons for the Offer

Principle has been subject to two requisitioned general meetings in the last six months, the second of which was requisitioned by PCLP in order to reappoint Brian Padgett and Brian Myerson to the Company's board of directors and to effect an orderly wind-up of the Company over a period that PCLP believed was in the interests of Principle's shareholders as a whole. This second requisitioned general meeting was held on 24 April 2009 and the majority of the resolutions were passed. Pointer believes that those Principle Shareholders which did not support the resolutions proposed by PCLP at the general meeting held on 24 April 2009 should be offered an opportunity to liquidate their holding in full. Consequently, Pointer is making the Offer.

Pointer has no current intention of changing Principle's stated strategy.

7. Management and employees

Pointer confirms that, following the Offer becoming unconditional in all respects, the existing employment rights, including pension rights, of the management and employees of Principle will be fully safeguarded.

Pointer has no plans to change the location of Principle's places of business.

8. Financing of the Offer

The Offer will be financed from existing cash resources made available to Pointer by PCLP and a loan facility made available to Pointer by The Evolution Group PLC.

Evolution Securities, financial adviser to Pointer, is satisfied that sufficient financial resources are available to Pointer to satisfy in full the cash consideration payable to Principle Shareholders in the event of full acceptance of the Offer by Principle Shareholders (other than in respect of those Principle Shareholders which have given irrevocable commitments not to accept the Offer as set out in paragraph 3 above).

Further information on Pointer's financing arrangements is set out in paragraph 8 of Appendix 4 to this document.

9. United Kingdom taxation

The following paragraphs, which are intended as a general guide only, are based on current UK tax legislation and published HMRC practice. They summarise certain limited aspects of the UK tax treatment of acceptance of the Offer and they relate only to the position of Principle Shareholders who are beneficial owners of their Principle Shares, who hold their Principle Shares as an investment (other than under a personal equity plan or an individual savings account) and (except insofar as express reference is made to the treatment of non-UK residents) who are resident in the United Kingdom for taxation purposes. If you are in any doubt as to your taxation position or if you are subject to tax in any jurisdiction other than the UK, you should consult an appropriate professional adviser immediately.

Taxation of chargeable gains

Liability to UK capital gains tax (or, for UK resident companies, corporation tax on chargeable gains) (“CGT”) will depend on the individual circumstances of Principle Shareholders and on the form of consideration received.

To the extent that a Principle Shareholder receives cash under the Offer, this will constitute a disposal or a part disposal of his Principle Shares for CGT purposes which may, depending on the Principle Shareholder’s individual circumstances (including the availability of reliefs such as entrepreneurs’ relief, exemptions and allowable losses) give rise to a liability to CGT.

10. Overseas Shareholders

The attention of Overseas Shareholders and any persons (including, without limitation, any custodian, nominee or trustee) who would, or otherwise intend to, or who may have a contractual or legal obligation to, forward this document and the accompanying documents to any person outside of the United Kingdom is drawn to paragraph 6 of Part B, and paragraph (c) of Part C (in respect of certificated Principle Shares) and paragraph (c) of Part D (in respect of uncertificated Principle Shares) of Appendix 1 to this document and to the relevant provisions of the Form of Acceptance (in respect of certificated Principle Shares).

Unless otherwise determined by Pointer and permitted by applicable law and regulation, the Offer is not being made, directly or indirectly, in or into, or by the use of the mails or by any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce, or any facility of a national securities exchange, of a Restricted Jurisdiction (including the United States, Canada, Australia or Japan) and the Offer is not capable of acceptance by any such use, means, instrumentality or facility or from within a Restricted Jurisdiction. Accordingly, copies of this document and any related document are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from a Restricted Jurisdiction and persons receiving this document and any related document (including, without limitation, custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from a Restricted Jurisdiction. Doing so may render invalid any purported acceptance of the Offer. The availability of the Offer to persons who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions. Persons who are not resident in the United Kingdom should inform themselves about and observe any applicable requirements. If you are in any doubt about your position, you should consult your legal adviser in the relevant territory without delay. Accordingly, any accepting Principle Shareholder who is unable to give the warranties set out in paragraph (c) of Part C of Appendix 1 to this document (in respect of certificated Principle Shares) and/or in paragraph (c) of Part D of Appendix 1 to this document (in respect of uncertificated Principle Shares) may be deemed not to have validly accepted the Offer.

11. Procedures for acceptance of the Offer

The following paragraphs should be read together with the instructions and notes on the accompanying Form of Acceptance (in respect of Principle Shareholders who hold their Principle Shares in certificated form only) and with Parts C and D of Appendix 1 to this document, all of which form part of the terms of the Offer.

Holders of Principle Shares in certificated form may only accept the Offer in respect of such shares by completing and returning the accompanying Form of Acceptance in accordance with the procedure set out in paragraph 11(a) below. Holders of Principle Shares held in certificated form, but under different designations, should complete a separate Form of Acceptance for each designation.

Holders of Principle Shares in uncertificated form may only accept the Offer in respect of such shares by TTE Instruction in accordance with the procedure set out in paragraph 11(b) below. Holders of Principle Shares held in uncertificated form, but under different member account IDs, should send a separate TTE Instruction for each member account ID.

Pointer will make an appropriate announcement if any of the details covered in paragraphs 11(a) or 11(b) below alter for any reason.

(a) ***Principle Shares held in certificated form (that is, not in CREST)***

(i) *To accept the Offer*

To accept the Offer in respect of Principle Shares held in certificated form (at the time of acceptance of the Offer), you must complete Boxes 1 and 3 and, if appropriate, Box 4 and/or Box 5 of the Form of Acceptance. You must also sign Box 2 of the Form of Acceptance in the presence of an independent witness (in the case of an individual), who should insert his/her name and address and also sign in accordance with the instructions printed thereon. If you do not insert a number in Box 1 of the Form of Acceptance or insert a number greater than your registered holding of Principle Shares, a valid acceptance will be deemed to have been made in respect of all of the Principle Shares in certificated form held by you.

(ii) *Return of the Form of Acceptance*

To accept the Offer in respect of Principle Shares held in certificated form, the completed, signed and witnessed (in the case of an individual) Form of Acceptance, together with your share certificate(s) and/or other document(s) of title, should be returned by post or by hand (during normal business hours only) to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH as soon as possible and in any event so as to be received by not later than 3.00 p.m. on 11 August 2009. A reply paid envelope for use within the UK only accompanies this document for your convenience. No acknowledgement of receipt of documents will be given by or on behalf of Pointer.

Any Form of Acceptance received in an envelope post-marked in a Restricted Jurisdiction or otherwise appearing to Pointer or its agents to have been sent from a Restricted Jurisdiction may be rejected as an invalid acceptance of the Offer. For further information on Overseas Shareholders please see paragraph 10 above.

(iii) *Loss or non-availability of Principle share certificates*

If your Principle Shares are held in certificated form, a completed, signed and witnessed (in the case of an individual) Form of Acceptance should be accompanied by the relevant share certificate(s) and/or other document(s) of title.

If your Principle Shares are held in certificated form but your share certificate(s) and/or other document(s) of title is/are not readily available or is/are lost, the Form of Acceptance should nevertheless be completed, signed and witnessed (in the case of an individual) and returned as stated above so as to arrive by not later than 3.00 p.m. on 11 August 2009. You should send with your Form of Acceptance any share certificate(s) and/or other documents(s) of title that you have available, accompanied by a letter stating that the remaining documents will follow or that you have lost one or more of your share certificate(s) and/or other document(s) of title. You should then arrange for the certificates(s) and/or other document(s) of title to be forwarded as soon as possible thereafter. No acknowledgement of receipt of document(s) will be given by or on behalf of Pointer.

If you have lost your share certificate(s) and/or other document(s) of title, you should write as soon as possible to Principle's registrars, Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, for a letter of indemnity for lost share certificate(s) and/or other document(s) of title which, when completed in accordance with the instructions given, should be returned to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH as set out in sub-paragraph (ii) above.

(iv) *Validity of acceptances*

Without prejudice to Parts B and C of Appendix 1 to this document, Pointer reserves the right to treat as valid any acceptance of the Offer in relation to Principle Shares held in certificated form which is not entirely in order or which is not accompanied by (as applicable) the relevant share certificate(s) and/or other document(s) of title. In that event, no payment of cash consideration under the Offer will be made until after the relevant share certificate(s) and/or other document(s) of title or indemnities satisfactory to Pointer have been received.

(v) *Overseas Shareholders*

The attention of Principle Shareholders holding Principle Shares in certificated form and who are citizens or residents of jurisdictions outside of the United Kingdom is drawn to paragraph 6 of Part B and to paragraph (c) of Part C of Appendix 1 to this document and to the relevant provisions of the Form of Acceptance.

The Offer is not being made, directly or indirectly, in or into or from a Restricted Jurisdiction. Any acceptance of the Offer by acceptors who are unable to give the warranty set out in paragraph (c) of Part C of Appendix 1 to this document is liable to be disregarded.

(b) ***Principle Shares held in uncertificated form (that is, in CREST)***

(i) *To accept the Offer*

If, at the time of acceptance of the Offer, your Principle Shares are held in uncertificated form, you should take (or procure to be taken) the action set out below to transfer the Principle Shares held in uncertificated form in respect of which you wish to accept the Offer to the appropriate escrow balance(s) (that is, send a TTE Instruction), specifying Computershare (in its capacity as a CREST participant under its participant ID referred to below) as the Escrow Agent, as soon as possible and in any event so that the TTE Instruction settles by no later than 3.00 p.m. on 11 August 2009. **Note that settlement cannot take place on weekends or public holidays (or other times at which the CREST system is non-operational) – you should therefore ensure you time the input of any TTE Instruction(s) accordingly.**

The input and settlement of a TTE Instruction in accordance with this paragraph 11(b) will (subject to satisfying the requirements set out in Parts B and D of Appendix 1 to this document) constitute an acceptance of the Offer in respect of the number of Principle Shares so transferred to escrow.

If you are a CREST sponsored member, you should refer to your CREST sponsor before taking any action. Your CREST sponsor will be able to confirm details of your participant ID and the member account ID under which your Principle Shares in uncertificated form are held. In addition, only your CREST sponsor will be able to send the TTE Instruction(s) to Euroclear in relation to your Principle Shares held in uncertificated form.

To accept the Offer in respect of Principle Shares held in uncertificated form (at the time of acceptance of the Offer), you should send (or, if you are a CREST sponsored member, procure that your CREST sponsor sends) a basic Offer TTE Instruction to Euroclear in relation to such shares which must be properly authenticated in accordance with Euroclear's specifications and which must contain, in addition to the other information that is required for a TTE Instruction to settle in CREST, the following details:

- the number of Principle Shares to be transferred to an escrow balance (i.e. the number of Principle Shares in uncertificated form in respect of which you wish to accept the Offer);
- your member account ID;
- your participant ID;
- the participant ID of the Escrow Agent, namely, Computershare in its capacity as a CREST escrow agent. This is RA69;
- the member account ID of the Escrow Agent. This is PRIPOI01;
- the intended settlement date. This should be as soon as possible and in any event not later than 3.00 p.m. on 11 August 2009;
- the corporate action number for the Offer which will be allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST;
- the corporate action ISIN, which is GB00B0K32V35;
- the standard delivery instruction with priority 80; and
- contact name and telephone number inserted in the shared note field.

After settlement of the TTE Instruction, you will not be able to access the Principle Shares concerned in CREST for any transaction or charging purposes, unless the Offer lapses or is withdrawn. If the Offer becomes or is declared unconditional in all respects, the Escrow Agent will transfer the Principle Shares concerned to itself in accordance with paragraph (e) of Part D of Appendix 1 to this document.

You are recommended to refer to the CREST Manual for further information on the CREST procedures outlined above.

You should note that Euroclear does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in connection with a TTE Instruction and its settlement. You should therefore ensure that all necessary action is taken by you (or by your CREST sponsor) to enable a TTE Instruction relating to your Principle Shares to settle prior to 3.00 p.m. on 11 August 2009. In this regard, you are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

(ii) *Validity of acceptances*

A Form of Acceptance which is received in respect of Principle Shares held in uncertificated form will NOT constitute a valid acceptance of the Offer and will be disregarded. Holders of Principle Shares in uncertificated form who wish to accept the Offer should note that a TTE Instruction will only be a valid acceptance of the Offer as at the relevant closing date if it has settled on or before that date. Pointer reserves the right to treat a TTE Instruction which settles after 3.00 p.m. on 11 August 2009 (or such later date to which the Offer may be extended) but before the relevant closing date of the Offer as a valid acceptance of the Offer.

(iii) *Overseas Shareholders*

The attention of Principle Shareholders holding Principle Shares in uncertificated form and who are citizens or residents of jurisdictions outside of the UK is drawn to paragraph 6 of Part B and paragraph (c) of Part D of Appendix 1 to this document. The Offer is not being made, directly or indirectly, in or into or from a Restricted Jurisdiction. Any acceptance of the Offer by acceptors who are unable to give the warranty set out in paragraph (c) of Part D of Appendix 1 to this document is liable to be disregarded.

(c) ***Deposits of Principle Shares into, and withdrawals of Principle Shares from, CREST***

Normal CREST procedures (including timings) will apply in relation to any Principle Shares that are, or are to be, converted from uncertificated form to certificated form, or from certificated form to uncertificated form, during the course of the Offer (whether any such conversion arises as a result of a transfer of Principle Shares or otherwise). Holders of Principle Shares who are proposing to so convert any such Principle Shares are recommended to ensure that the conversion procedures are implemented in sufficient time to enable the person holding or acquiring the Principle Shares as a result of the conversion to take all necessary steps in connection with an acceptance of the Offer (in particular, as regards delivery of share certificate(s) and/or other document(s) of title or transfers to an escrow balance as described above) prior to 3.00 p.m. on 11 August 2009.

If you are in any doubt as to the procedures for acceptance, please contact Computershare by telephone on 0870 707 1806 or if you are calling from outside of the United Kingdom on +44 870 707 1806 or at the address set out in paragraph 11(a) above. You are reminded that if you are a CREST sponsored member, you should contact your CREST sponsor before taking any action.

Calls to the Computershare 0870 707 1806 number are charged at up to 10 pence per minute (including VAT) plus any of your service providers network extras. Calls to the Computershare +44 870 707 1806 number from outside of the UK are charged at applicable international rates. Different charges may apply to calls made from mobile telephones and calls may be recorded and monitored randomly for security and training purposes.

12. Settlement

Subject to the Offer becoming or being declared unconditional in all respects, settlement of the consideration to which any Principle Shareholder is entitled under the Offer (except as provided in paragraph 6 of Part B of Appendix 1 to this document in the case of an Overseas Shareholder) will be effected: (i) in the case of acceptances received, complete in all respects, by the date on which the Offer becomes or is declared unconditional in all respects, within 14 days of such date; or (ii) in the case of acceptances received, complete in all respects, after the date on which the Offer becomes or is declared unconditional in all respects but while it remains open for acceptance, within 14 days of such receipt, in the following manner:

(a) ***Principle Shares held in certificated form (that is, not in CREST)***

Where an acceptance relates to Principle Shares held in certificated form, settlement of any cash due will be despatched by first class post (or by such other method as may be approved by the Panel) at the risk of the person(s) entitled thereto to validly accepting Principle Shareholders or their appointed agents (but not in or into a Restricted Jurisdiction). All such cash payments will be made in pounds sterling by cheque drawn on a branch of a UK clearing bank.

(b) ***Principle Shares held in uncertificated form (that is, in CREST)***

Where an acceptance relates to Principle Shares held in uncertificated form, the cash consideration for which the accepting Principle Shareholder is entitled will be paid by means of a CREST payment in favour of the accepting Principle Shareholder's payment bank in respect of the cash consideration due, in accordance with the CREST payment arrangements.

Pointer reserves the right to settle all or any part of the consideration referred to above, for all or any accepting Principle Shareholder(s), in the manner referred to in paragraph (a) above, if, for any reason, it wishes to do so.

(c) ***General***

If the Offer does not become or is not declared unconditional in all respects: (i) in respect of Principle Shares held in certificated form, the relevant completed Forms of Acceptance, share certificate(s) and/or other document(s) of title will be returned by post (or by such other method as may be approved by the Panel) within 14 days of the Offer lapsing or being withdrawn to the person or agent whose name and address (outside a Restricted Jurisdiction) is set out in Box 3 or Box 5, as the case

may be, on the relevant Form of Acceptance or, if none is set out, to the first-named holder at his or her registered address (outside a Restricted Jurisdiction); and (ii) in respect of Principle Shares held in uncertificated form, the Escrow Agent will, immediately after the lapsing or withdrawal of the Offer (or within such longer period as the Panel may permit, not exceeding 14 days from the lapsing or withdrawal of the Offer), give TFE Instructions to Euroclear to transfer all relevant Principle Shares held in escrow balances and in relation to which it is the Escrow Agent for the purposes of the Offer to the original available balances of the Principle Shareholders concerned. No document will be sent to an address in a Restricted Jurisdiction.

All communications, notices, certificates, documents of title and remittances sent by, to or from Principle Shareholders or their appointed agents will be delivered by, or sent to or from, them, or their appointed agents, at their own risk.

13. Cancellation of listing and re-registration

Following the First Closing Date, Pointer intends to discuss the status of the Company with those Principle Shareholders who have not accepted the Offer to assess whether the Company will need (or be able) to retain a listing or a trading facility and to maintain independent directors.

Under the terms of the Concert Party Agreement, details of which are set out in paragraph 3 above, each of Principle Capital Holdings S.A., Silex Trust Company Limited and The Daniel Howard Trust have irrevocably committed to support resolutions to cancel the listing of the Principle Shares on the Official List and their admission to trading on the London Stock Exchange's main market for listed securities and to procure the re-registration of Principle as a private company under the relevant provisions of the 2006 Act, should such resolutions be proposed.

Any cancellation of the listing of the Principle Shares would significantly reduce the liquidity and marketability of any Principle Shares not assented to the Offer and their value may be affected in consequence.

14. Further information

Your attention is drawn to the information contained in the Appendices, which form part of this document, and in the accompanying Form of Acceptance (in respect of certificated Principle Shares), each of which contain significant further information about Pointer and Principle.

Yours faithfully
for and on behalf of Pointer
Brian Padgett
Director

APPENDIX 1

CONDITIONS AND FURTHER TERMS OF THE OFFER

PART A: CONDITIONS OF THE OFFER

The Offer will be subject to the following conditions:

- (a) valid acceptances of the Offer being received (and not, where permitted, withdrawn) by not later than 3.00 p.m. on the First Closing Date (or such later time(s) and/or date(s) as Pointer may decide) in respect of such number of Principle Shares which, together with the Principle Shares acquired or agreed to be acquired by Pointer before or during the Offer Period, will result in Pointer holding Principle Shares carrying, in aggregate, over 50 per cent. of the voting rights then normally exercisable at a general meeting of Principle. For the purposes of this condition:
 - (i) Principle Shares which have been unconditionally allotted but not issued shall be deemed to carry the voting rights which they will carry on issue; and
 - (ii) valid acceptances shall be treated as having been received in respect of any Principle Shares which Pointer shall, pursuant to section 979(8) and, if applicable, section 979(9) of the Companies Act 2006, be treated as having acquired or unconditionally contracted to acquire by virtue of acceptances of the Offer;
- Note:**
- On the basis that Pointer currently owns 17,470,334 Principle Shares and has received irrevocable commitments not to accept the Offer in respect of a further 19,213,784 Principle Shares, Pointer will need to receive valid acceptances of the Offer in respect of, in aggregate, 32,635,952 Principle Shares in order to meet this condition which represents 51.4 per cent. of the Principle Shares that are not either owned by Pointer or subject to irrevocable commitments not to accept the Offer.*
- (b) the confirmation by the Court of the Reduction of Share Premium Account and the approval by the Court of the Return of Capital and office copies of the Court Orders and the minute of such Reduction of Share Premium Account and Return of Capital attached thereto being delivered for registration to the Registrar and being registered by the Registrar; and
 - (c) save in respect of the Return of Capital, Principle having not since 25 June 2009:
 - (i) issued or agreed to issue, or authorised the issue or grant of, additional shares or securities of any class, or securities convertible into or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares, securities or convertible securities or transferred or sold any shares out of treasury;
 - (ii) purchased, redeemed or repaid any of its own shares or other securities or reduced or made or authorised any other change to any part of its share capital; or
 - (iii) recommended, declared, paid or made any dividend or other distribution (whether payable in cash or otherwise) or made any bonus issue.

Conditions (b) and (c) must be satisfied as at midnight on the date which is 21 days after the later of the First Closing Date and the date on which condition (a) is fulfilled (or in each case such later date as Pointer may, with the consent of the Panel, decide) failing which the Offer will lapse. Pointer shall be under no obligation to treat as fulfilled either of conditions (b) or (c) by a date earlier than the latest date specified above for the satisfaction thereof notwithstanding that the other conditions of the Offer may at such earlier date have been fulfilled and that there are at such earlier date no circumstances indicating that any of such conditions may not be capable of fulfilment.

Except with the consent of the Panel, Pointer will not invoke any of the above conditions (except conditions (a) and (b)) so as to cause the Offer not to proceed, or lapse or to be withdrawn unless the circumstances that give rise to the right to invoke the relevant condition are of material significance to Pointer in the context of

the Offer. Subject to the requirements of the Panel, Pointer reserves the right to waive condition (c), in whole or in part.

If Pointer is required by the Panel to make an offer for Principle Shares under the provisions of Rule 9 of the Code, Pointer may make such alterations to the conditions as are necessary to comply with the provisions of that Rule.

The Offer will lapse if, before 3.00 p.m. on the First Closing Date or the date on which the Offer becomes or is declared unconditional as to acceptances (whichever is later), (i) the Offer or any part of it is referred to the Competition Commission; or (ii) following a request to the European Commission under Article 22(3) of Council Regulation 139/2004/EC (the "Regulation") in relation to the Offer or any part of it, which request is accepted by the European Commission, the European Commission initiates proceedings under Article 6(1)(c) of the Regulation.

If the Offer lapses, it will cease to be capable of further acceptance. Principle Shareholders who have already accepted the Offer shall then cease to be bound by acceptances delivered on or before the date on which the Offer lapses.

PART B: FURTHER TERMS OF THE OFFER

The following further terms apply, unless the context requires otherwise, to the Offer. Except where the context requires otherwise, any reference in Part B, Part C and Part D of this Appendix 1 and (in respect of certificated Principle Shares) in the Form of Acceptance to:

- (i) the “acceptance condition” means the condition set out in paragraph (a) of Part A of this Appendix 1;
- (ii) the “Offer” includes any revision, variation or renewal thereof or extension thereto and also where the context requires includes any election or alternative available in connection therewith;
- (iii) the Offer becoming “unconditional” means the acceptance condition becoming or being declared satisfied whether or not any other condition of the Offer remains to be fulfilled and references to “the Offer becoming unconditional as to acceptances” shall be construed accordingly;
- (iv) the “Offer Document” means this document and any other document containing the Offer;
- (v) “Principle Shareholders” means holders of Principle Shares and includes references to the person or persons (in respect of certificated Principle Shares) executing a Form of Acceptance or the person or persons (in respect of uncertificated Principle Shares) making an Electronic Acceptance and, in the event of more than one person executing a Form of Acceptance or making an Electronic Acceptance, the provisions of this Part B and, in relation to executing a Form of Acceptance only, Part C of this Appendix 1 and, in relation to making an Electronic Acceptance only, Part D of this Appendix 1 shall apply to them jointly and to each of them. References to the masculine gender shall include the feminine;
- (vi) “acceptances of the Offer” includes deemed acceptances of the Offer;
- (vii) an “extension of the Offer” includes an extension of the date by which the acceptance condition has to be fulfilled;
- (viii) “send”, “sent” or “sending” or similar expression in relation to any document, announcement or other information shall include distribution in hard copy form or electronic form or publication on a website in such manner as shall be permitted by the Code or otherwise with the Panel’s consent;
- (ix) “Day 21 of the Offer” means 11 August 2009;
- (x) “Day 42 of the Offer” means 1 September 2009;
- (xi) “Day 46 of the Offer” means 5 September 2009; and
- (xii) “Day 60 of the Offer” means 19 September 2009.

1. Acceptance period

- (a) The Offer will initially be open for acceptance until 3.00 p.m. on Day 21 of the Offer. Although no revision is envisaged, if the Offer is revised, a revised offer document will be published and sent to Principle Shareholders. On the day of publication, Pointer will place the revised offer document on display, make it available on its website and announce that the document has been sent and where it can be inspected and otherwise accessed. If the Offer is revised, it will remain open for acceptance for a period of at least 14 days following the date on which written notification of the revision is sent to Principle Shareholders. Except with the consent of the Panel, no such written notification of the revision of the Offer may be sent to Principle Shareholders after Day 46 of the Offer or, if later, the date falling 14 days prior to the last date on which the Offer can become unconditional.
- (b) The Offer, whether revised or not, shall not (except with the consent of the Panel) be capable of becoming unconditional after midnight on Day 60 of the Offer (or any earlier time and/or date beyond which Pointer has stated that the Offer will not be extended and in respect of which it has not withdrawn that statement) nor of being kept open after that time and/or date unless it has previously become unconditional. However, Pointer reserves the right, with the consent of the Panel, to extend the Offer to (a) later time(s) and/or date(s). Except with the consent of the Panel, Pointer may not, for the purpose of determining whether the acceptance condition has been satisfied, take into account

acceptances received, or purchases of Principle Shares made, in respect of which relevant documents have been received by Computershare after 1.00 p.m. on Day 60 of the Offer (or any earlier time and/or date beyond which Pointer has stated that the Offer will not be extended and in respect of which it has not withdrawn that statement) or such later time and/or date as Pointer may, with the permission of the Panel, decide. If the Offer is extended beyond midnight on Day 60 of the Offer, acceptances received and purchases made in respect of which relevant documents have been received by Computershare after 1.00 p.m. on the relevant date may (except where the Code otherwise permits) only be taken into account with the consent of the Panel.

- (c) If the Offer becomes unconditional, it will remain open for acceptance for not less than 14 days from the date on which it would otherwise have expired. If, however, the Offer is unconditional as to acceptances from the outset, a 14 day extension will not be required. If the Offer has become unconditional and it is stated that the Offer will remain open until further notice or if the Offer will remain open for acceptance beyond the 70th day following the sending of this document, then not less than 14 days' notice will be given prior to the closing of the Offer in writing to those Principle Shareholders who have not accepted the Offer.
- (d) If a competitive situation (as determined by the Panel) arises after Pointer has made a "no extension" statement or a "no increase" statement (as referred to in the Code), Pointer may (if it has specifically reserved the right to do so at the time such statement was made, or otherwise with the consent of the Panel) withdraw such statement provided that it complies with the requirements of the Code and, in particular, that: (i) it announces the withdrawal as soon as possible and in any event within four business days after the announcement of the competing offer or other competitive situation and notifies Principle Shareholders to that effect at the earliest opportunity or, in the case of Principle Shareholders with registered addresses outside of the United Kingdom or whom Pointer reasonably believes to be nominees, custodians or trustees holding Principle Shares for such persons, by announcement in the United Kingdom at the earliest opportunity; and (ii) any Principle Shareholders who accepted the Offer after the date of such statement are given a right of withdrawal as described in paragraph 3(b) of this Part B. Pointer may (if it has reserved the right to do so) choose not to be bound by the terms of a "no increase" statement or a "no extension" statement if it would otherwise prevent the posting of an increased or improved Offer which is recommended for acceptance by the board of Principle, or in other circumstances permitted by the Panel.
- (e) If a competitive situation arises and is continuing on Day 60 of the Offer, Pointer will enable holders of Principle Shares in uncertificated form who have not already validly accepted the Offer but who have previously accepted the competing offer to accept the Offer by special form of acceptance to take effect on Day 60 of the Offer. It shall be a condition of such special form of acceptance being a valid acceptance of the Offer that: (i) it is received by Computershare on or before Day 60 of the Offer; (ii) the relevant Principle Shareholder shall have applied to withdraw his acceptance of the competing offer but that the Principle Shares to which such withdrawal relates shall not have been released from escrow before Day 60 of the Offer by the escrow agent to the competing offer; and (iii) the Principle Shares to which the special form of acceptance relates are not transferred to escrow in accordance with the procedure for acceptance set out in the letter from Pointer set out in this document on or before Day 60 of the Offer, but an undertaking is given that they will be so transferred as soon as possible thereafter. Principle Shareholders wishing to use such forms of acceptance should apply to Computershare on 0870 707 1806 (or +44 870 707 1806 from outside the UK) between 9.00 a.m. and 5.30 p.m. on the business day preceding Day 60 of the Offer in order that such forms can be despatched. Calls to Computershare's 0870 707 1806 number are charged at up to 10 pence per minute (including VAT) plus any of your service providers network extras. Calls to Computershare's +44 870 707 1806 number from outside of the UK are charged at applicable international rates. Different charges may apply to calls made from mobile telephones and calls may be recorded and monitored randomly for security and training purposes. Notwithstanding the right to use such special form of acceptance, holders of Principle Shares in uncertificated form may not use a Form of Acceptance (or any other purported acceptance form) for the purpose of accepting the Offer in respect of such shares.

- (f) For the purpose of determining at any particular time whether the acceptance condition has been satisfied, Pointer shall not be bound (unless otherwise required by the Panel) to take into account any Principle Shares which have been unconditionally allotted or issued before such determination takes place, unless Computershare on behalf of Pointer has received written notice of the relevant details of such allotment or issue (including the price thereof) before that time. Notification by e-mail, telex, facsimile, the internet or other electronic transmission will not be sufficient for this purpose.

2. Announcements

- (a) Without prejudice to paragraph 3(a) of this Part B, by 8.00 a.m. on the business day (the “relevant day”) next following the day on which the Offer is due to expire or becomes unconditional or is revised or extended, as the case may be (or such later time(s) and/or date(s) as the Panel may agree), Pointer will make an appropriate announcement and simultaneously inform a Regulatory Information Service of the position. Such announcement will also state (unless otherwise permitted by the Panel):

- (i) the number of Principle Shares for which acceptances of the Offer have been received, specifying the extent to which acceptances have been received from persons acting in concert with Pointer or in respect of Principle Shares which were subject to an irrevocable commitment or a letter of intent procured by Pointer or any of its associates;
- (ii) details of any relevant securities of Principle in which Pointer or any person acting in concert with it has an interest or in respect of which he has a right to subscribe, in each case specifying the nature of the interests or rights concerned. Similar details of any short positions (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery;
- (iii) details of any relevant securities of Principle in respect of which Pointer or any of its associates has an outstanding irrevocable commitment or letter of intent; and
- (iv) details of any relevant securities of Principle which Pointer or any person acting in concert with it has borrowed or lent, save for any borrowed shares which have been either on-lent or sold,

and will in each case specify the percentages of each class of relevant securities of Principle represented by these figures. Any such announcement shall include a prominent statement of the total number of Principle Shares which Pointer may count towards the satisfaction of the acceptance condition and the percentage of relevant securities of Principle represented by the figure.

- (b) Any decision to extend the time and/or date by which the acceptance condition has to be fulfilled may be made at any time up to, and will be announced not later than, 8.00 a.m. on the relevant day (or such later time and/or date as the Panel may agree) and the announcement will state the next expiry date (unless the Offer is unconditional in which case a statement may be made that the Offer will remain open until further notice). In computing the number of Principle Shares represented by acceptances and/or purchases there may, at the discretion of Pointer, be included or excluded for announcement purposes acceptances and purchases which are not complete in all respects or are subject to verification provided that such acceptances or purchases of Principle Shares shall not (unless agreed by the Panel) be included unless they could be counted towards fulfilling the acceptance condition in accordance with paragraph 5(j) of this Part B.
- (c) References in this Part B to the making of an announcement by or on behalf of Pointer include the release of an announcement by public relations consultants to the press, and the delivery by hand or telephone, telex, facsimile, e-mail, the internet or other electronic transmission of an announcement to a Regulatory Information Service. An announcement made otherwise than to a Regulatory Information Service shall be notified simultaneously to a Regulatory Information Service.

3. Rights of withdrawal

- (a) If Pointer, having announced the Offer to be unconditional, fails to comply by 3.30 p.m. on the relevant day (or such later time and/or date as the Panel may agree) with any of the other relevant requirements specified in paragraph 2(a) of this Part B, an accepting Principle Shareholder may (unless the Panel agrees otherwise) immediately thereafter withdraw his acceptance by written notice (signed by the accepting shareholder or his agent duly appointed in writing and evidence of whose appointment in a form reasonably satisfactory to Pointer is produced with the notice) given by post or by hand to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH, on behalf of Pointer. Alternatively, in the case of Principle Shares held in uncertificated form, withdrawals can also be effected in the manner set out in paragraph 3(d) of this Part B. Subject to paragraph 1(b) of this Part B, this right of withdrawal may be terminated not less than eight days after the relevant day by Pointer confirming, if such be the case, that the Offer is still unconditional and complying with the other requirements specified in paragraph 2(a) of this Part B. If any such confirmation is given, the first period of 14 days referred to in paragraph 1(c) of this Part B will run from the date of such confirmation and compliance.
- (b) If by 3.00 p.m. on Day 42 of the Offer (or such later time and/or date as the Panel may agree) the Offer has not become unconditional, an accepting Principle Shareholder may withdraw his acceptance at any time thereafter, in respect of Principle Shares held in certificated form, by written notice to Computershare on behalf of Pointer at the address and in the manner referred to in paragraph 3(a) of this Part B or, in respect of Principle Shares held in uncertificated form, in the manner referred to in paragraph 3(d) of this Part B, before the earlier of: (i) the time when the Offer becomes unconditional; and (ii) the final time for lodgment of acceptances of the Offer which can be taken into account in accordance with paragraph 1(b) of this Part B. If Pointer withdraws a “no extension” statement or a “no increase” statement in accordance with paragraph 1(d) of this Part B, any Principle Shareholder who accepts the Offer after the date of such statement may withdraw his acceptance thereafter, in respect of Principle Shares held in certificated form, in the manner referred to in paragraph 3(a) of this Part B or, in respect of Principle Shares held in uncertificated form, in the manner referred to in paragraph 3(d) of this Part B, not later than the eighth day after the date on which notice of the withdrawal of such statement is posted to Principle Shareholders.
- (c) Except as provided by this paragraph 3 of this Part B, acceptances shall be irrevocable. In this paragraph 3, “written notice” (including any letter of appointment, direction or authority) means notice in writing bearing the original signature(s) of the relevant accepting Principle Shareholder(s) or his/their agent(s) duly appointed in writing (evidence of whose appointment in a form reasonably satisfactory to Pointer is produced with the notice). E-mail, telex, facsimile, the internet or other electronic transmission, or copies, will not be sufficient to constitute written notice. No notice which is postmarked in, or which otherwise appears to Pointer, its agents or advisers to have been sent from, a Restricted Jurisdiction will be treated as valid.
- (d) In respect of Principle Shares held in uncertificated form, if withdrawals are permitted pursuant to paragraph 3(a) or 3(b) of this Part B an accepting Principle Shareholder may withdraw his acceptance through CREST by sending (or, if a CREST sponsored member, procuring that his CREST sponsor sends) an ESA instruction to settle in CREST in relation to each Electronic Acceptance to be withdrawn. Each ESA instruction must, in order for it to be valid and settle, include the following details:
- the number of Principle Shares to be withdrawn;
 - the corporate action ISIN number of Principle Shares. This is GB00B0K32V35;
 - the member account ID of the accepting Principle Shareholder;
 - the participant ID of the accepting Principle Shareholder;
 - the participant ID of the Escrow Agent. This is RA69;
 - the member account ID of the Escrow Agent. This is PRIPOI01;

- the CREST Transaction ID of the Electronic Acceptance to be withdrawn to be inserted at the beginning of the shared note field;
- input with standard delivery instruction priority of 80;
- the intended settlement date for the withdrawal; and
- the corporate action number of the Offer, which is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST.

Any such withdrawal will be conditional upon Computershare verifying that the withdrawal request is validly made. Accordingly, Computershare will on behalf of Pointer reject or accept the withdrawal by transmitting in CREST a receiving agent reject (AEAD) or receiving agent accept (AEAN) message.

4. Revised Offer

- (a) Although no such revision is envisaged, if the Offer (in its original or any previously revised form(s)) is revised (either in its terms or conditions or in the value or nature of the consideration offered or otherwise) (which Pointer reserves the right to do) and such revision represents on the date on which such revision is announced (on such basis as Pointer may consider appropriate) an improvement or no diminution in the value of the consideration of the Offer as so revised compared with the value of the consideration previously offered, the benefit of the revised Offer will (subject to this paragraph 4 and paragraph 5 of this Part B) be made available to Principle Shareholders who have accepted the Offer in its original or any previously revised form(s) (hereinafter called “**Previous Acceptor(s)**”). The acceptance by or on behalf of a Previous Acceptor of the Offer (in its original or any previously revised form(s)) shall, subject as provided in this paragraph 4 and paragraph 5 of this Part B, be deemed to be an acceptance of the Offer as so revised and shall also constitute the irrevocable and separate appointment of any director or person authorised by Pointer as his attorney and/or agent with authority to accept any such revised Offer on behalf of such Previous Acceptor.
- (b) Although no such revision is envisaged, if any revised Offer provides for Principle Shareholders who accept it to elect for (or accept) alternative forms of consideration, the acceptance by or on behalf of a Previous Acceptor of the Offer (in its original or any previously revised form(s)) shall, subject as provided below, also constitute the irrevocable and separate appointment of any director or person authorised by Pointer as his attorney and/or agent to make on his behalf elections for and/or to accept such alternative forms of consideration on his behalf as such attorney and/or agent in his absolute discretion thinks fit and to execute on behalf of and in the name of such Previous Acceptor all such further documents (if any) as may be required to give effect to such acceptances and/or elections. In making any such acceptance or election, such attorney and/or agent shall take into account the nature of any previous acceptances and/or elections made by or on behalf of the Previous Acceptor and such other facts or matters as he may reasonably consider relevant.
- (c) The deemed acceptances and elections referred to in paragraphs 4(a) and 4(b) of this Part B shall not apply and the authorities conferred by paragraphs 4(a) and 4(b) of this Part B shall not be exercised if as a result thereof a Previous Acceptor would (on such basis as Pointer may consider appropriate) receive less in aggregate consideration than he would have received as a result of his acceptance of the Offer in the form in which it was originally accepted by him unless such Previous Acceptor has previously otherwise agreed in writing.
- (d) The deemed acceptances and elections referred to in paragraphs 4(a) and 4(b) of this Part B shall not apply and the authorities conferred by paragraphs 4(a) and 4(b) of this Part B shall be ineffective to the extent that a Previous Acceptor: (i) in respect of Principle Shares held in certificated form, lodges with Computershare, within 14 days of the sending of the document pursuant to which the revision of the Offer referred to in paragraphs 4(a) and 4(b) of this Part B is made available to Principle Shareholders, a Form of Acceptance or some other form issued by or on behalf of Pointer in which he validly elects to receive the consideration receivable by him under that revised Offer in some other manner; or (ii) in respect of Principle Shares held in uncertificated form, sends (or, if a CREST

sponsored member, procures that his CREST sponsor sends) an ESA Instruction to settle in CREST in relation to each Electronic Acceptance in respect of which an election is to be varied. Each ESA Instruction must, in order for it to be valid and settle, include the following details:

- the number of Principle Shares in respect of which the changed election is made;
- the corporate action ISIN number of Principle Shares. This is GB00B0K32V35;
- the member account ID of the Previous Acceptor;
- the participant ID of the Previous Acceptor;
- the member account ID of the Escrow Agent included in the relevant Electronic Acceptance. This is RA69;
- the participant ID of the Escrow Agent. This is PRIPOI01;
- the CREST Transaction ID of the Electronic Acceptance in respect of which the election is to be changed;
- the intended settlement date for the changed election;
- the corporate action number for the Offer;
- input with standard delivery instruction priority of 80,

and, in order that the desired change of election can be effected, must include:

- the member account ID of the Escrow Agent relevant to the new election.

Any such change of election will be conditional upon Computershare verifying that the request is validly made. Accordingly, Computershare will on behalf of Pointer reject or accept the requested change of election by transmitting in CREST a receiving agent reject (AEAD) or receiving agent accept (AEAN) message as appropriate.

- (e) The powers of attorney and authorities referred to in this paragraph 4 of this Part B and any acceptance of a revised Offer and/or election pursuant thereto shall be irrevocable unless and until the Previous Acceptor becomes entitled to withdraw his acceptance under paragraph 3 of this Part B and duly and validly does so.
- (f) Pointer reserves the right to treat an executed Form of Acceptance or Electronic Acceptance relating to the Offer (in its original or any previously revised form(s)) which is received after the announcement or the issue of the Offer in any revised form as a valid acceptance in respect of the revised Offer and/or a valid election pursuant thereto and such acceptance shall constitute an authority and request in the terms of this paragraph 4 of this Part B *mutatis mutandis* on behalf of the relevant Principle Shareholders.

5. General

- (a) Except with the consent of the Panel, the Offer will lapse unless all of the conditions to the Offer as set out in Part A of this Appendix 1 have been fulfilled by or (if capable of waiver) waived by or (where appropriate) have been determined by Pointer to be or remain satisfied as at midnight on Day 42 of the Offer or within 21 days after the date on which the Offer becomes unconditional (whichever is the later) or such later date as Pointer may, with the consent of the Panel, decide provided that Pointer shall be under no obligation to waive or treat as satisfied any condition by a date earlier than the latest date specified above for the satisfaction thereof notwithstanding that the other conditions of the Offer may at such earlier date have been waived or fulfilled and that there are, at such earlier date, no circumstances indicating that any such conditions may not be capable of fulfillment. If the Offer is referred to the Competition Commission before Day 21 of the Offer or the date when the Offer becomes unconditional (whichever is the later) the Offer will lapse. If the Offer lapses, for any reason,

it shall cease to be capable of acceptance and Pointer and Principle Shareholders shall thereupon cease to be bound by prior acceptances.

- (b) No acknowledgement of receipt of any Form of Acceptance, transfer by means of CREST, share certificates or other documents will be given. All communications, notices, certificates, documents of title, other documents and remittances to be delivered by or to or sent to or from Principle Shareholders (or their designated agent(s)) or as otherwise directed will be delivered by or to or sent to or from such Principle Shareholders (or their designated agent(s)) at their risk.
- (c) The expression “Offer Period” when used in this document means the period commencing on 26 June 2009 and ending on whichever of the following dates shall be the latest:
 - (i) Day 21 of the Offer;
 - (ii) the date on which the Offer lapses; and
 - (iii) the date on which the Offer becomes unconditional.
- (d) All references in this document and, in respect of Principle Shares held in certificated form, in the Form of Acceptance to Day 21 of the Offer, shall (except in the definition of “Offer Period” above and where the context otherwise requires), if the expiry date of the Offer shall be extended, be deemed to refer to the expiry date of the Offer as so extended.
- (e) Except with the consent of the Panel, settlement of the consideration to which any Principle Shareholder is entitled under the Offer will be implemented in full in accordance with the terms of the Offer without regard to any lien, right of set-off, counterclaim or other analogous right to which Pointer may otherwise be, or claim to be, entitled as against such Principle Shareholder, and the consideration due to a Principle Shareholder who validly accepts the Offer will (subject to paragraph 6 of this Part B below, and except with the consent of the Panel) be made in full not later than 14 days after the later of: (i) the date on which the Offer becomes or is declared unconditional in all respects and (ii) (in respect of certificated Principle Shares) the date of receipt of a valid and complete Form of Acceptance and/or (in respect of uncertificated Principle Shares) the date of receipt of a valid TTE Instruction from such Principle Shareholder. No consideration will be sent to an address in a Restricted Jurisdiction.
- (f) The instructions, terms, provisions and authorities contained in or deemed to be incorporated in the Form of Acceptance (in respect of certificated Principle Shares) constitute part of the terms of the Offer. Words and expressions defined in this document shall, unless the context otherwise requires, have the same meanings when used in the Form of Acceptance (in respect of certificated Principle Shares). The provisions of this Appendix 1 shall be deemed to be incorporated in the Form of Acceptance (in respect of certificated Principle Shares).
- (g) The Offer, this document, the Form of Acceptance (in respect of certificated Principle Shares) and all acceptances thereof and all elections thereunder or pursuant thereto and all contracts made pursuant thereto and action taken or made or deemed to be taken or made under any of the foregoing shall be governed by and construed in accordance with English law. Execution by or on behalf of a Principle Shareholder of a Form of Acceptance (in respect of certificated Principle Shares) will constitute his irrevocable submission, in relation to all matters arising out of or in connection with the Offer, this document and (in respect of certificated Principle Shares) the Form of Acceptance, to the jurisdiction of the Courts of England and his agreement that nothing shall limit the rights of Pointer to bring any action, suit or proceeding arising out of or in connection with the Offer, this document and (in respect of certificated Principle Shares) the Form of Acceptance in any other manner permitted by law or in any court of competent jurisdiction.
- (h) Any omission to send this document or the Form of Acceptance or any notice required to be given under the terms of the Offer to, or any failure to receive the same by, any person to whom the Offer is made or should be made, shall not invalidate the Offer in any way or create any implication that the Offer has not been made to any such person.

- (i) Subject to paragraph 5(j) of this Part B below, and without prejudice to any other provision of this Appendix 1, Pointer reserves the right to treat acceptances of the Offer and/or elections pursuant thereto as valid if received by or on behalf of it at any place or places or in any manner determined by it otherwise than as stated herein or (in respect of certificated Principle Shares) in the Form of Acceptance, or (in respect of uncertificated Principle Shares) if the relevant TTE Instruction has not been settled.
- (j) Notwithstanding the right reserved by Pointer to treat acceptances as valid (even though (in respect of certificated Principle Shares) the Form of Acceptance is not entirely in order or not accompanied by the relevant share certificate(s) and/or other document(s) of title), except with the consent of the Panel, an acceptance of the Offer will only be counted towards fulfilling the acceptance condition if the requirements of Note 4 and, if applicable, Note 6 on Rule 10 of the Code are satisfied in respect of it. Except with the consent of the Panel, a purchase of Principle Shares by Pointer or its nominee(s) (or, if Pointer is required to make an offer or offers under the provisions of Rule 9 of the Code, by a person acting in concert with Pointer or its nominee(s) for the purpose of such offer(s)) will only be counted towards fulfilling the acceptance condition if the requirements of Note 5 and, if applicable, Note 6 on Rule 10 of the Code are satisfied in respect of it. The Offer may not be accepted, in relation to Principle Shares held in certificated form, otherwise than by means of a Form of Acceptance.
- (k) Except with the consent of the Panel, the Offer will not become unconditional until Computershare has issued a certificate to Pointer (or its agents) which states the number of Principle Shares in respect of which acceptances have been received which meet the requirements of Note 4 on Rule 10 of the Code and the number of Principle Shares otherwise acquired (whether before or during the Offer Period) which meet the requirements of Note 5 on Rule 10 of the Code and, in each case, if applicable, Note 6 on Rule 10 of the Code. Copies of such certificate will be sent to the Panel as soon as possible after it is issued.
- (l) All powers of attorney, appointments of agents and authorities on the terms conferred by or referred to in this Appendix 1 or (in respect of certificated Principle Shares) in the Form of Acceptance are given by way of security for the performance of the obligations of the Principle Shareholders concerned and are irrevocable in accordance with section 4 of the Powers of Attorney Act 1971, except in the circumstances where the donor of such power of attorney, appointment or authority is entitled to withdraw his acceptance in accordance with paragraph 3 of this Part B and duly does so.
- (m) The Offer extends to any Principle Shareholders to whom this document, the Form of Acceptance (in respect of certificated Principle Shares) and any related documents may not have been sent or by whom such documents may not be received and such Principle Shareholders may collect copies of those documents from Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH. Pointer reserves the right to notify any matter, including the making of the Offer, to all or any Principle Shareholders with a registered address outside of the United Kingdom (or whom Pointer knows to be nominees, trustees or custodians for such persons) by announcement in the United Kingdom or paid advertisement in a daily newspaper published and circulated in the United Kingdom, in which event such notice shall be deemed to have been sufficiently given notwithstanding any failure by a Principle Shareholder to receive such notice and all references in this document to notice, or the provision of information in writing, by Pointer and/or its agents and/or public relations consultants shall be construed accordingly.
- (n) The Offer is made at 11.59 p.m. on 21 July 2009 and is capable of acceptance from and after that time. Forms of Acceptance (in respect of certificated Principle Shares) are available for collection from Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH from that time. The Offer is being made by means of this document.
- (o) If the Offer does not become unconditional in all respects:
 - (i) in respect of Principle Shares held in certificated form, Forms of Acceptance, share certificates and other documents of title will be returned by post (or by such other method as may be approved by the Panel) within 14 days of the Offer lapsing to the person or agent whose name

and address outside a Restricted Jurisdiction is set out in the relevant Box on the Form of Acceptance or, if none is set out, to the first-named holder at his registered address outside a Restricted Jurisdiction. No such documents will be sent to an address in a Restricted Jurisdiction; and

- (ii) in respect of Principle Shares held in uncertificated form, Computershare will, immediately after the lapsing of the Offer (or within such longer period as the Panel may permit, not exceeding 14 days from the lapsing of the Offer), give instructions to Euroclear to transfer all the Principle Shares held in escrow balances and in relation to which it is the Escrow Agent for the purposes of the Offer to the original available balances of the Principle Shareholders concerned.
- (p) If sufficient acceptances and voting rights in respect of Principle Shares are received and/or are otherwise acquired, Pointer intends to apply the provisions of sections 974 to 991 (inclusive) of the 2006 Act to acquire compulsorily any outstanding Principle Shares and to apply for cancellation of Principle's admission to trading on the London Stock Exchange's main market for listed securities and of Principle's listing on the Official List of the UK Listing Authority.
- (q) In relation to any acceptance of the Offer in respect of a holding of Principle Shares which is in uncertificated form, Pointer reserves the right to make such alterations, additions or modifications as may be necessary or desirable to give effect to any purported acceptance of the Offer, whether in order to comply with the facilities or requirements of CREST or otherwise, provided that such alterations, additions or modifications are consistent with the requirements of the Code or are otherwise made with the consent of the Panel.
- (r) For the purposes of this document, the time of receipt of a TTE Instruction, an ESA Instruction or an Electronic Acceptance shall be the time that the relevant instruction settles in CREST.
- (s) All references in this Appendix 1 to any statute or statutory provision shall include any statute or statutory provision which amends, consolidates or replaces the same (whether before or after the date hereof).

6. Overseas Shareholders

- (a) The making of the Offer in, or to persons resident in, or citizens or nationals of, jurisdictions outside of the United Kingdom or who are nominees of, or custodians, trustees or guardians for, citizens or nationals of such jurisdictions ("**Overseas Shareholders**") may be prohibited or affected by the laws or regulatory requirements of the relevant overseas jurisdiction. No person receiving a copy of this document in any territory other than the UK may treat the same as constituting an offer or invitation to him nor should he in any event use the Form of Acceptance (in respect of certificated Principle Shares), unless, in the relevant territory, such an offer or invitation could lawfully be made to him and such Form of Acceptance (in respect of certificated Principle Shares) could lawfully be used without contravention of any registration or other legal or regulatory requirements. Such Overseas Shareholders should inform themselves about and observe any applicable legal requirements. It is the responsibility of any Overseas Shareholder wishing to accept the Offer to satisfy himself as to the full observance of the laws and regulatory requirements of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, the compliance with other necessary formalities needing to be observed and the payment of any issue, transfer or other taxes or duties due in such jurisdiction. Any Overseas Shareholder will be responsible for payment of any issue, transfer or other taxes or other requisite payments due in such jurisdiction by whomsoever payable and Pointer and any person acting on its behalf shall be fully indemnified and held harmless by such shareholder for any such issue, transfer or other taxes or other requisite payments as Pointer and any person acting on its behalf may be required to pay.

If you are an Overseas Shareholder and you are in doubt about your position, you should consult your legal adviser in the relevant jurisdiction.

- (b) Unless otherwise determined by Pointer and permitted by applicable law and regulation, the Offer is not being made, directly or indirectly, in or into, or by the use of the mails or by any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce, or any facility of a national securities exchange, of a Restricted Jurisdiction (including the United States, Canada, Australia or Japan) and the Offer is not capable of acceptance by any such use, means, instrumentality or facility or from within a Restricted Jurisdiction. Accordingly, copies of this document, the Form of Acceptance (in respect of certificated Principle Shares) and any related documents are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from a Restricted Jurisdiction and persons receiving such documents (including, without limitation, custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from a Restricted Jurisdiction. Doing so may render invalid any purported acceptance of the Offer. Persons wishing to accept the Offer should not use such mails or any such means, instrumentality or facility for any purpose directly or indirectly related to acceptance of the Offer. Envelopes containing Forms of Acceptance, evidence of title or other documents relating to the Offer must not be postmarked in a Restricted Jurisdiction or otherwise despatched from a Restricted Jurisdiction and all accepting Principle Shareholders must provide addresses outside a Restricted Jurisdiction for the receipt of any consideration to which they are entitled pursuant to the Offer or (in respect of certificated Principle Shares) return of Forms of Acceptance, share certificate(s) and/or other document(s) of title.
- (c) If, in connection with the making of the Offer, notwithstanding the restrictions described above, any persons (including, without limitation, custodians, nominees and trustees), whether pursuant to a contractual or legal obligation or otherwise, forwards this document, the Form of Acceptance or any other documents relating to the Offer in, into or from a Restricted Jurisdiction or uses the mails of, or any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facilities of a national securities exchange of, a Restricted Jurisdiction in connection with such forwarding, such person should:
- (i) inform the recipient of such fact;
 - (ii) explain to the recipient that such action may invalidate any purported acceptance by the recipient; and
 - (iii) draw the attention of the recipient to this paragraph 6 of this Part B.
- (d) A Principle Shareholder will be deemed not to have validly accepted the Offer if:
- (i) he puts “No” in Box 4 of the Form of Acceptance (in respect of certificated Principle Shares) and thereby does not give the representation and warranty set out in paragraph (c) of Part C of this Appendix 1;
 - (ii) he completes Box 3 of the Form of Acceptance (in respect of certificated Principle Shares) with an address in a Restricted Jurisdiction or has a registered address in a Restricted Jurisdiction and in either case he does not insert in Box 5 of the Form of Acceptance the name and address of a person or agent outside a Restricted Jurisdiction to whom he wishes the consideration to which he is entitled under the Offer to be sent, subject to this paragraph 6 and applicable laws;
 - (iii) he inserts in Box 5 of the Form of Acceptance (in respect of certificated Principle Shares) the name and address of a person or agent in a Restricted Jurisdiction to whom he wishes the consideration to which he is entitled under or in consequence of the Offer to be sent;
 - (iv) any Form of Acceptance (in respect of certificated Principle Shares) received from him is received in an envelope postmarked in, or which otherwise appears to Pointer or its agents to have been sent from a Restricted Jurisdiction; or
 - (v) in respect of uncertificated Principle Shares, he makes a Restricted Escrow Transfer pursuant to paragraph 6(g) below unless he also makes a related Restricted ESA Instruction which is accepted by Computershare.

Pointer reserves the right, in its sole discretion, to investigate, in relation to any acceptance, whether the representation and warranty set out in paragraph (c) of Part C of this Appendix 1 or (as the case may be) paragraph (c) of Part D of this Appendix 1 could have been truthfully given by the relevant Principle Shareholder and, if such investigation is made and, as a result, Pointer cannot satisfy itself that such representation and warranty was true and correct, such acceptance shall not be valid.

- (e) The provisions of this paragraph 6 and/or any other terms of the Offer relating to Overseas Shareholders may be waived, varied or modified as regards specific Principle Shareholder(s) or on a general basis by Pointer in its absolute discretion. In particular, without limitation, Pointer reserves the right to permit the Offer to be accepted by, and/or (in respect of certificated Principle Shares) to issue or deliver any share certificate(s) and/or document(s) of title to an Overseas Shareholder, or (in respect of uncertificated Principle Shares) the crediting of the appropriate stock account of an Overseas Shareholder (otherwise unable to accept the Offer in accordance with the above) in circumstances in which Pointer is satisfied that acceptance by such Principle Shareholder and/or (in respect of certificated Principle Shares) the issue or delivery of any documents of title to, or (in respect of uncertificated Principle Shares) the crediting of the appropriate stock account of, such Principle Shareholder will not constitute a breach of any securities or other relevant legislation or impose obligations on Pointer not contemplated by the Offer (and in any such case, Pointer may impose reasonable additional requirements and restrictions on such acceptance and the share certificates and/or documents of title issued and/or crediting appropriate stock accounts). Subject thereto, the provisions of this paragraph 6 supersede any terms of the Offer inconsistent herewith.
- (f) Neither Pointer nor any agent or director of Pointer nor its advisers or any person acting on behalf of any of them shall have any liability to any person for any loss or alleged loss arising from any decision as to the treatment of acceptances of the Offer on any of the bases set out in this paragraph 6 or otherwise in connection therewith.
- (g) If a Principle Shareholder holding Principle Shares in uncertificated form is unable to give the representation and warranty set out in paragraph (c)(i) or (ii) of Part D of this Appendix 1, but nevertheless can produce evidence satisfactory to Pointer that he is able to accept the Offer in compliance with all legal and regulatory requirements, he may only purport to accept the Offer by sending (or if a CREST sponsored member, procuring that his CREST sponsor sends) both:
- (i) a TTE Instruction to a designated escrow balance detailed below (a “**Restricted Escrow Transfer**”); and
 - (ii) one or more valid ESA Instructions (a “**Restricted ESA Instruction**”).

Such purported acceptance will not be treated as a valid acceptance unless both the Restricted Escrow Transfer and the Restricted ESA Instruction settle in CREST and Pointer decides in its absolute discretion to exercise its right, described in paragraph 6(e) above to waive, vary or modify the terms of the Offer related to Overseas Shareholders to the extent required to permit such acceptance to be made in each case during the acceptance period set out in paragraph (a) of Part A of this Appendix 1. If Pointer accordingly decides to permit such acceptance to be made, Computershare will on behalf of Pointer accept the purported acceptance as an Electronic Acceptance on the terms of this document as so waived, varied or modified by transmitting in CREST a receiving agent accept (AEAN) message. Otherwise, Computershare will on behalf of Pointer reject the purported acceptance by transmitting in CREST a receiving agent reject (AEAD) message.

Each Restricted Escrow Transfer must, in order for it to be valid and settle, include the following details:

- the corporate action ISIN number for the Principle Shares. This is GB00B0K32V35;
- the number of Principle Shares in respect of which you wish to accept the Offer (i.e. the number of Principle Shares to be transferred to an escrow balance);
- your participant ID;

- your member account ID;
- the participant ID of the Escrow Agent. This is RA69;
- the member account ID of the Escrow Agent specific to a Restricted Escrow Transfer. This is RESTRICT;
- the intended settlement date. This should be as soon as possible and in any event not later than 3.00 p.m. on Day 21 of the Offer;
- the corporate action number for the Offer which will be allocated by Euroclear and can be found by reviewing the relevant corporate action details in CREST;
- input with standard delivery instruction priority of 80; and
- contact name and telephone number inserted in the shared note field.

Each Restricted ESA Instruction must, in order for it to be valid and settle, include the following details:

- the corporate action ISIN number for the Principle Shares. This is GB00B0K32V35;
- the number of Principle Shares relevant to that Restricted ESA Instruction;
- your participant ID;
- your member ID;
- the participant ID of the Escrow Agent. This is RA69;
- the member account ID of the Escrow Agent set out in the Restricted Escrow Transfer. This is RESTRICT;
- the member account ID of the Escrow Agent. This is PRIPOI01;
- the CREST Transaction ID of the Restricted Escrow Transfer to which the Restricted ESA Instruction relates to be inserted at the beginning of the shared note field;
- the intended settlement date. This should be as soon as possible and in any event not later than 3.00 p.m. on Day 21 of the Offer;
- the corporate action number for the Offer; and
- input with standard delivery instruction priority of 80.

PART C: FORM OF ACCEPTANCE

Without prejudice to the terms of the Form of Acceptance and the provisions of Parts A and B of this Appendix 1, each Principle Shareholder who holds Principle Shares in certificated form by whom, or on whose behalf, a Form of Acceptance is executed irrevocably undertakes, represents, warrants and agrees to and with Pointer and Computershare and their respective agents (so as to bind him, his personal representatives and his heirs, successors and assigns) that:

- (a) whether or not any other Boxes of the Form of Acceptance are completed, the execution of a Form of Acceptance shall constitute:
 - (i) an acceptance of the Offer in respect of the number of Principle Shares in certificated form inserted or deemed to be inserted in Box 1 of the Form of Acceptance; and
 - (ii) an undertaking to execute any further documents, take further action and give any further assurances which may be required in connection with his acceptance of the Offer,

in each case on and subject to the terms and conditions set out or referred to in this document and the Form of Acceptance and that, subject to the rights of withdrawal set out in paragraph 3 of Part B of this Appendix 1, each such acceptance shall be irrevocable provided that: (i) if no number or "ALL" is inserted in Box 1; or (ii) if the total number of Principle Shares in certificated form inserted in Box 1 is greater than the relevant Principle Shareholder's registered holding of Principle Shares in certificated form; or (iii) if the Form of Acceptance is otherwise completed incorrectly but the Form of Acceptance is signed, it will be deemed to be an acceptance of the terms of the Offer in respect of all of the Principle Shares in certificated form comprised in the Form of Acceptance;

- (b) Principle Shares in certificated form in respect of which the Offer is accepted or deemed to be accepted are sold fully paid and with full title guarantee and free from all liens, charges, encumbrances, equities, rights of pre-emption and any other third party rights of whatsoever nature and together with all rights attaching thereto from 26 June 2009, including the right to receive all dividends or other distributions declared, paid or made after 26 June 2009 (except for that to be made pursuant to the Return of Capital);
- (c) unless "NO" is inserted or deemed to be inserted in Box 4 of the Form of Acceptance, such Principle Shareholder:
 - (i) (if such Principle Shareholder is a citizen, resident or national of a jurisdiction outside of the United Kingdom) has observed the laws of the relevant jurisdiction, obtained all requisite governmental, exchange control and other required consents, complied with all other necessary formalities and paid any issue, transfer or other taxes or other requisite payments due in any such jurisdiction in connection with such acceptance and has not taken or omitted to take any action that will or may result in Pointer or any other person acting in breach of the legal or regulatory requirements of any such jurisdiction in connection with the Offer or his acceptance thereof; or
 - (ii) (A) is not a person located or resident in a Restricted Jurisdiction, does not hold any Principle Shares in respect of which he has accepted the Offer on behalf of any resident of a Restricted Jurisdiction and is not acting on behalf of a resident of a Restricted Jurisdiction; and
 - (B) has not received or sent copies or originals of this document, the Form of Acceptance or any related offering documents in, into or from a Restricted Jurisdiction and has not utilised in connection with the Offer, directly or indirectly, the mails of, or any means or instrumentality (including, without limitation, e-mail, facsimile, telex, telephone, the internet or other electronic transmission) of interstate or foreign commerce, or any facilities of a national securities exchange, of a Restricted Jurisdiction; the Form of Acceptance has not been mailed or otherwise sent in, into or from a Restricted Jurisdiction and such Principle Shareholder is accepting the Offer from outside a Restricted Jurisdiction;

- (d) in relation to Principle Shares held in certificated form, the execution of the Form of Acceptance constitutes, subject to the Offer becoming unconditional in all respects in accordance with its terms and to the accepting Principle Shareholder not having validly withdrawn his acceptance, the irrevocable appointment of each of Pointer and/or any of its respective directors or agents as such Principle Shareholder's attorney and/or agent, and an irrevocable instruction to the attorney and/or agent, to complete and execute all or any form(s) of transfer and/or other document(s) at the discretion of the attorney and/or agent in relation to the Principle Shares referred to in paragraph (a)(i) above in favour of Pointer or such other person or persons as Pointer may direct and to deliver such form(s) of transfer and/or other document(s) at the discretion of the attorney and/or agent, together with the share certificate(s) and/or other document(s) relating to such Principle Shares, for registration within six months of the Offer becoming unconditional in all respects and to execute all such documents and to do all such other acts and things as may in the opinion of such attorney and/or agent be necessary or expedient for the purpose of, or in connection with, the acceptance of the Offer pursuant to the Form of Acceptance and to vest such Principle Shares in Pointer or its nominee(s) or as it may direct;
- (e) in relation to Principle Shares held in certificated form, the execution and delivery of the Form of Acceptance constitutes, subject to the Offer becoming unconditional in all respects in accordance with its terms and to the accepting Principle Shareholder not having validly withdrawn his acceptance, separate irrevocable authorities and requests to Principle or its agents, to procure the registration of the transfer of the Principle Shares in certificated form referred to in paragraph (a)(i) above pursuant to the Offer and the delivery of the share certificate(s) and/or other document(s) of title in respect thereof to Pointer or as it may direct;
- (f) in relation to Principle Shares held in certificated form, the execution of the Form of Acceptance constitutes a separate authority to any director of Pointer and/or their respective agents and the irrevocable appointment of any such director and/or agent as such shareholder's attorney and/or agent within the terms of paragraph 4 of Part B of this Appendix 1;
- (g) after the Offer becomes or is declared unconditional in all respects (or if the Offer would become or be declared unconditional in all respects or lapse immediately upon the outcome of the resolution in question or if the Panel otherwise gives its consent) and pending registration:
 - (i) Pointer shall be entitled to direct the exercise of any votes attaching to any Principle Shares held in certificated form in respect of which the Offer has been accepted or is deemed to have been accepted (and in respect of which such acceptance has not been validly withdrawn) and any other rights and privileges attaching to such Principle Shares, including the right to requisition a general meeting or separate class meeting of Principle, such votes (where relevant) to be cast so far as possible to satisfy any outstanding condition of the Offer; and
 - (ii) the execution of the Form of Acceptance by a Principle Shareholder constitutes, with regard to the Principle Shares held in certificated form comprised in such acceptance and in respect of which such acceptance has not been validly withdrawn:
 - (A) an authority to Principle and/or its agents from such Principle Shareholder to send any notice, circular, warrant, document or other communication which may be required to be sent to him as a member of Principle (including any share certificate(s) or other document(s) of title issued as a result of a conversion of such Principle Shares into certificated form) to Pointer at its registered office;
 - (B) the irrevocable appointment of Pointer or any of its directors or agents to sign such documents and do such things as may in the opinion of such person seem necessary or desirable in connection with the exercise of any votes or other rights or privileges attaching to such Principle Shares (including, without limitation, an authority to sign any consent to short notice of a general or separate class meeting on his behalf and/or to execute a form of proxy in respect of such Principle Shares appointing any person nominated by Pointer to attend general or separate class meetings of Principle or its members or any of them (and any adjournment thereof) and to exercise the votes

attaching to such Principle Shares on his behalf), such votes (where relevant) to be cast so far as possible to satisfy any outstanding condition of the Offer; and

- (C) the agreement of such Principle Shareholder not to exercise any of such rights without the consent of Pointer and the irrevocable undertaking of such Principle Shareholder not to appoint a proxy or representative for or to attend any such meetings;
- (h) he will deliver, or procure the delivery of, to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH his share certificate(s) and/or other document(s) of title in respect of the Principle Shares referred to in sub-paragraph (a)(i) above (which are held in certificated form), or an indemnity acceptable to Pointer in lieu thereof, as soon as possible and in any event within six months of the Offer becoming unconditional in all respects;
- (i) the terms and conditions of the Offer shall be deemed to be incorporated into and form part of the Form of Acceptance, which shall be read and construed accordingly;
- (j) if he accepts the Offer, he shall do all such acts and things as shall be necessary or expedient to vest in Pointer or its nominees or such other persons as it may decide the Principle Shares as aforesaid;
- (k) he agrees to ratify each and every act or thing which may be done or effected by Pointer or Computershare or by any of their respective directors or agents or Principle or its agents, as the case may be, in the proper exercise of any of his or its powers and/or authorities conferred by or referred to in Part B or in this Part C of this Appendix 1 and to indemnify each such person against any losses arising therefrom;
- (l) in relation to Principle Shares held in certificated form, the execution of the Form of Acceptance constitutes his submission, in relation to all matters arising out of the Offer and the Form of Acceptance, to the jurisdiction of the Courts of England and his agreement that nothing shall limit the right of Pointer to bring any action, suit or proceeding arising out of or in connection with the Offer or in any other manner permitted by law or in any court of competent jurisdiction; and
- (m) if any provision of Part B or of this Part C of Appendix 1 shall be unenforceable or invalid or shall not operate so as to afford Pointer and/or Computershare and/or any director or agent of any of them the full benefit of the authorities and powers of attorney expressed to be given therein, he shall with all practicable speed do all such acts and things and execute all such documents as may be required or desirable to enable Pointer and/or Computershare and/or any director or agent of any of them to secure the full benefit of such authorities and powers of attorney.

On execution, the Form of Acceptance shall take effect as a Deed.

References in this Part C to a Principle Shareholder shall include references to the person or persons executing a Form of Acceptance, in relation to Principle Shares held in certificated form, and, in the event of more than one person executing a Form of Acceptance, the provisions of this Part C shall apply to them jointly and severally to each of them. References to the masculine gender shall include the feminine.

PART D: ELECTRONIC ACCEPTANCES

Without prejudice to the provisions of Parts A and B of this Appendix 1, each Principle Shareholder who holds Principle Shares in uncertificated form by whom, or on whose behalf, an Electronic Acceptance is made irrevocably undertakes, represents, warrants and agrees to and with Pointer and Computershare and their respective agents (so as to bind him and his personal representatives, heirs, successors and assigns) that:

- (a) the Electronic Acceptance shall constitute:
 - (i) an acceptance of the Offer in respect of the number of Principle Shares in uncertificated form to which the TTE Instruction relates;
 - (ii) an undertaking to execute any further documents, take further action and give any further assurances which may be required to enable Pointer to obtain the full benefits of the terms of this Part D and/or to perfect any authorities expressed to be given thereunder,

in each case on and subject to the terms and conditions set out or referred to in this document and that, subject to paragraph 3 of Part B of this Appendix 1, such acceptance and/or election shall be irrevocable;

- (b) the Principle Shares held in uncertificated form in respect of which the Offer is accepted or deemed to be accepted are sold fully paid and with full title guarantee and free from all liens, charges, encumbrances, equities, rights of pre-emption and any other third party rights of whatsoever nature and together with all rights attaching thereto from 26 June 2009, including the right to receive all dividends and other distributions declared, made or paid after 26 June 2009 (except for that to be made pursuant to the Return of Capital);
- (c) such Principle Shareholder:
 - (i) (if such Principle Shareholder is a citizen, resident or national of a jurisdiction outside of the United Kingdom) has observed the laws of all relevant jurisdictions, obtained all requisite governmental, exchange control and other required consents, complied with all other necessary formalities and paid any issue, transfer or other taxes or other requisite payments due in any such jurisdiction in connection with such acceptance and has not taken or omitted to take any action that will or may result in Pointer or any other person acting in breach of any legal or regulatory requirements of any such jurisdiction in connection with the Offer or his acceptance thereof; or
 - (ii) (A) is not a person located or resident in a Restricted Jurisdiction, does not hold any Principle Shares in respect of which he has accepted the Offer on behalf of any resident of a Restricted Jurisdiction and is not acting on behalf of a resident of a Restricted Jurisdiction; and
 - (B) has not received or sent copies or originals of this document or any related offering documents in, into or from a Restricted Jurisdiction and has not utilised in connection with the Offer, directly or indirectly, the mails of, or any means or instrumentality (including, without limitation, e-mail, facsimile, telex, the internet, telephone or other electronic transmission) of interstate or foreign commerce, or any facilities of a national securities exchange, of a Restricted Jurisdiction; was outside, at the time of the input and settlement of the relevant TTE Instruction, a Restricted Jurisdiction; and no TTE Instruction has been sent in, into or from a Restricted Jurisdiction and such Principle Shareholder is accepting the Offer from outside a Restricted Jurisdiction,

provided that the warranties and representations above shall be deemed not be given if the Principle Shareholder purports to accept the Offer by sending (or if a CREST sponsored member, procuring that his CREST sponsor sends) a Restricted Escrow Transfer and a Restricted ESA Instruction pursuant to paragraph 6(g) of Part B of this Appendix 1;

- (d) in relation to Principle Shares held in uncertificated form, the Electronic Acceptance constitutes, subject to the Offer becoming unconditional in all respects in accordance with its terms and to the accepting Principle Shareholder not having validly withdrawn his acceptance, the irrevocable appointment of Pointer and/or any of its directors or agents as such Principle Shareholder's attorney and/or agent, and an irrevocable instruction to the attorney and/or agent to do all such acts and things as may in the opinion of such attorney and/or agent be necessary or expedient for the purpose of, or in connection with, the acceptance of the Offer and to vest in Pointer or its nominee(s) such Principle Shares (referred to in paragraph (a)(i) of this Part D (the "**Electronic Acceptance Shares**"));
- (e) in relation to Principle Shares held in uncertificated form, the Electronic Acceptance constitutes the irrevocable appointment of Computershare as such Principle Shareholder's attorney and/or agent and an irrevocable instruction and authority to the attorney and/or agent:
 - (i) subject to the Offer becoming unconditional in all respects in accordance with its terms and to an accepting Principle Shareholder not having validly withdrawn his acceptance, to transfer to itself (or to such other person or persons as Pointer or its agents may direct) by means of CREST all or any of the Principle Shares held in uncertificated form (but not exceeding the number of Principle Shares held in uncertificated form in respect of which the Offer is accepted or deemed to be accepted); and
 - (ii) if the Offer does not become unconditional in all respects, to give instructions to Euroclear, immediately after the lapsing of the Offer (or within such longer period as the Panel may permit, not exceeding 14 days of the lapsing of the Offer), to transfer all such Principle Shares to the original available balance of the accepting Principle Shareholder;
- (f) in relation to Principle Shares held in uncertificated form, the Electronic Acceptance constitutes, subject to the Offer becoming unconditional in all respects in accordance with its terms and to an accepting Principle Shareholder not having validly withdrawn his acceptance, separate irrevocable authorities and requests:
 - (i) to Pointer or its agents to procure the making of a CREST payment in accordance with the CREST payment obligation in favour of the Principle Shareholder's payment bank in accordance with the CREST payment arrangements in respect of any cash consideration to which such accepting Principle Shareholder is entitled provided that:
 - (A) Pointer may (if, for any reason it wishes to do so) determine that all or any part of such cash consideration shall be paid by cheque, despatched by post; and
 - (B) if the accepting Principle Shareholder is a CREST member whose registered address is in a Restricted Jurisdiction, any cash consideration to which he is entitled shall be paid by cheque despatched by post and all such cheques shall be despatched at the risk of such Principle Shareholder to the first-named holder at an address outside of any Restricted Jurisdiction (including the United States, Canada, Australia or Japan) stipulated by such holder or as otherwise determined by Pointer;
- (g) in relation to Principle Shares held in uncertificated form, the Electronic Acceptance constitutes a separate authority to Pointer and/or any of its directors or agents and the irrevocable appointment of any such director and/or agent as such shareholder's attorney and/or agent within the terms of paragraph 4 of Part B of this Appendix 1 in respect of the Electronic Acceptance Shares;
- (h) after the Offer becomes or is declared unconditional in all respects (or if the Offer would become or be declared unconditional in all respects or lapse immediately upon the outcome of the resolution in question or if the Panel otherwise gives its consent) and pending registration:
 - (i) Pointer or its agents shall be entitled to direct the exercise of any votes attaching to Principle Shares held in uncertificated form in respect of which the Offer has been accepted or is deemed to have been accepted (and in respect of which such acceptance has not been validly withdrawn) and any other rights and privileges attaching to such Principle Shares, including the

right to requisition a general meeting or separate class meeting of Principle, such votes (where relevant) to be cast so far as possible to satisfy any outstanding condition of the Offer; and

- (ii) an Electronic Acceptance by a Principle Shareholder constitutes, with regard to the Principle Shares held in uncertificated form comprised in such acceptance and in respect of which such acceptance has not been validly withdrawn:
 - (A) an authority to Principle and/or its agents from such Principle Shareholder to send any notice, circular, warrant, document or other communication which may be required to be sent to him as a member of Principle (including any share certificate(s) or other document(s) of title issued as a result of a conversion of such Principle Shares into certificated form) to Pointer at its registered office;
 - (B) the irrevocable appointment of Pointer or any of its directors or agents to sign any such documents and do such things as may in the opinion of such person seem necessary or desirable in connection with the exercise of any votes or other rights or privileges attaching to such Principle Shares (including, without limitation, an authority to sign any consent to short notice of a general or separate class meeting as his attorney and/or agent and on his behalf and/or execute a form of proxy in respect of such Principle Shares appointing any person nominated by Pointer to attend general or separate class meetings of Principle or its members or any of them (and any adjournment thereof) and to exercise the votes attaching to such Principle Shares on his behalf) such votes (where relevant) to be cast so far as possible to satisfy any outstanding condition of the Offer; and
 - (C) the agreement of such Principle Shareholder not to exercise any of such rights without the consent of Pointer and the irrevocable undertaking of such Principle Shareholder not to appoint a proxy or representative for or to attend any such meetings;
- (i) if, for any reason any Principle Shares in respect of which a TTE Instruction has been effected in accordance with paragraph 11(b) of the letter from Pointer set out in this document are converted to certificated form, he will (without prejudice to sub-paragraph (h)(ii)(A) above of this Part D) immediately deliver or procure the immediate delivery of the share certificate(s) or other document(s) of title in respect of all such Principle Shares as so converted to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH or to Pointer at its registered office or as Pointer or its agent may direct and he shall be deemed upon conversion to undertake, represent, warrant and agree in the terms set out in Part C of this Appendix 1 in relation to such Principle Shares without prejudice to the application of this Part D so far as Pointer deems appropriate;
- (j) the creation of a CREST payment obligation in favour of his payment bank in accordance with the CREST payment arrangements referred to in sub-paragraph (f)(i) above of this Part D shall, to the extent of the obligations so created, discharge in full any obligation of Pointer to pay him any cash consideration (if any) to which he is entitled pursuant to the Offer;
- (k) if he accepts the Offer he shall do all such acts and things as shall be necessary or expedient to vest in Pointer or its nominee(s) or such other person as it may decide the Principle Shares aforesaid and all such acts and things as in the opinion of Pointer shall be necessary or expedient to enable Computershare to perform its functions as Escrow Agent for the purposes of the Offer;
- (l) he agrees to ratify each and every act or thing which may be done or effected by Pointer or Computershare or by any of their respective directors or agents or Principle or its agents, as the case may be, in the proper exercise of any of his or its powers and/or authorities conferred by or referred to in Part B or this Part D of this Appendix 1 and to indemnify each such person against any losses arising therefrom;
- (m) if any provision of Part B or this Part D of Appendix 1 shall be unenforceable or invalid or shall not operate so as to afford Pointer and/or Computershare and/or any director or agent of any of them the full benefit of authorities and powers of attorney expressed to be given therein, he shall with all practicable speed do such acts or things and execute all such documents as may be required or

desirable to enable Pointer and/or Computershare and/or any director or agent or any of them to secure the full benefit of such authorities and powers of attorney;

- (n) in relation to Principle Shares held in uncertificated form, the making of an Electronic Acceptance constitutes his submission, in relation to all matters arising out of the Offer and Electronic Acceptance, to the jurisdiction of the Courts of England and his agreement that nothing shall limit the right of Pointer to bring any action, suit or proceeding arising out of or in connection with the Offer and the Electronic Acceptance or in any other manner permitted by law or in any court of competent jurisdiction; and
- (o) by virtue of the Regulations, the making of an Electronic Acceptance constitutes an irrevocable power of attorney by the relevant holder of Principle Shares in the terms of the powers and authorities expressed to be given by Part B, this Part D and (where applicable by virtue of paragraph (i) above) Part C of this Appendix 1 to Pointer and Computershare and any of their respective agents.

References in this Part D to a Principle Shareholder shall include reference to the person or persons making an Electronic Acceptance, in relation to Principle Shares held in uncertificated form, and, in the event of more than one person making an Electronic Acceptance, the provisions of this Part D shall apply to them jointly and severally to each of them. References to the masculine gender shall include the feminine.

APPENDIX 2

INFORMATION ON POINTER

Pointer is a wholly-owned subsidiary of PCLP. PCLP is an exempted limited partnership, which was formed and registered in the Cayman Islands on 23 November 2006. PCLP is an investment fund managed by Principle Capital GP Limited and it follows a similar investment philosophy to that for which Principle was originally established. Financial information on PCLP is set out below. Readers should note that after 31 December 2008 further funds of approximately £8.4 million have been invested in PCLP of which £6.0 million relates to the Offer as set out below.

The general partner of PCLP is Principle Capital GP Limited and Principle Capital Fellowship Fund, Limited, a company incorporated in the Cayman Islands, is the sole limited partner. Principle Capital GP Limited is also the investment manager of PCLP and has authority and responsibility as agent of PCLP to direct the day-to-day management and investment decision-making activities with respect to the assets of PCLP. The current directors of Principle Capital GP Limited are Brian Padgett and Leonard O'Brien.

Principle Capital GP Limited holds the only voting interest in Principle Capital Fellowship Fund, Limited. The non-voting participating shares in Principle Capital Fellowship Fund, Limited are held by The Rose Foundation (59.2 per cent.), The Daniel Howard Trust (16.75 per cent.) and Silex Trust Company Limited, as trustee for certain discretionary trusts the beneficiaries of which are members of the Rose family (24.05 per cent.). These holdings include recent subscriptions for non-voting participating preference shares by The Rose Foundation (£3.5 million), The Daniel Howard Trust (£2 million) and certain discretionary trusts the beneficiaries of which are members of the Rose family (£0.5 million) to partially fund the Offer.

The Rose Foundation is a charitable trust registered in England & Wales under number 274875. It was founded in 1978 and supports a variety of projects. In particular it aims to provide financial assistance to charities requiring assistance with building projects. Its trustees are Martin Rose, Paul Rose, Alan Rose and John Rose.

The Daniel Howard Trust is a charitable trust registered in England & Wales under number 267173. It was founded in 1974 by Linda Streit and supports projects in the field of education, culture, the environment and welfare. Its trustees are Linda Streit, Steven Porter, Shirley Porter, Brian Padgett and Andrew James Peggie.

Silex Administration S.A., a subsidiary of Silex Trust Company Limited, provides trust administration and advisory services to The David Howard Trust and The Rose Foundation. The Silex Group is a fund and trust administration group which was acquired by the Principle Capital Holdings S.A. group in October 2007.

Principle Capital Holdings S.A. is the ultimate parent company of Principle Capital GP Limited, which it holds through its wholly-owned subsidiary companies, Principle Capital Fund Managers Limited, which is incorporated in the Cayman Islands, and Principle Capital Partners Limited, which is incorporated in the British Virgin Islands. Principle Capital Holdings S.A. is also the ultimate parent company of Silex Trust Company Limited, a company incorporated in the British Virgin Islands, which it holds through its wholly-owned subsidiary company, Silex Holdings Limited, which is also incorporated in the British Virgin Islands. Principle Capital Holdings S.A. is a société anonyme incorporated in the Grand Duchy of Luxembourg, the shares of which are admitted to trading on the AIM market of the London Stock Exchange. The current directors of Principle Capital Holdings S.A. are, Brian Myerson, Brian Padgett, Leonard O'Brien, Jonathan Sieff, David Cooley and Richard Bolton.

The key shareholders of Principle Capital Holdings S.A. have informed Principle Capital Holdings S.A. that their shareholdings are:

<i>Shareholder</i>	<i>Percentage of issued share capital of Principle Capital Holdings S.A.</i>
Brian Myerson*	30.3%
Jupiter Asset Management Limited	9.85%
Jonathan Sieff**	8.69%
Deutsche Bank AG	6.77%
Brian Padgett**	5.28%
Leonard O'Brien**	5.28%
Principle Capital Investment Trust plc	5.01%

Notes:

* *through a discretionary trust of which he and certain members of his family are potential beneficiaries.*

** *partly held individually and also through a discretionary trust of which he and certain members of his family are potential beneficiaries.*

Financial Information on PCLP

The following financial information has been extracted without material adjustment from PCLP's report and accounts for the year ended 31 December 2008:

1. Income Statement

	<i>For the year ended 31 December 2008 £'000</i>	<i>For the period from 23 November 2006 (date of formation) to 31 December 2007 £'000</i>
Income		
Interest income	181	76
Dividend income	74	329
Other Income	5	–
Net changes in fair value on financial assets at fair value through profit or loss	(6,323)	(3,317)
Total net income	<u>(6,063)</u>	<u>(2,912)</u>
Expenses		
Audit fees	(14)	(6)
Professional fees	(73)	(5)
Other expenses	(77)	(31)
Total operating expenses	<u>(164)</u>	<u>(42)</u>
Loss before tax	(6,227)	(2,954)
Income tax expense	–	–
Decrease in net assets attributable to the Limited Partner	<u>(6,227)</u>	<u>(2,954)</u>

2. Balance Sheet

	<i>At 31 December 2008</i> £'000	<i>At 31 December 2007</i> £'000
Assets		
Current Assets		
Financial assets at fair value through profit or loss	7,715	8,348
Other receivables and prepayments	26	37
Due from related party	–	229
Cash at bank	350	6,066
Total assets	<u>8,091</u>	<u>14,680</u>
Liabilities		
Current liabilities		
Other creditors and accrued expenses	19	20
Total liabilities	<u>19</u>	<u>20</u>
Net assets attributable to the Limited Partner	<u>8,072</u>	<u>14,660</u>

3. Cash Flow Statement

	<i>For the year ended</i> <i>31 December 2008</i>	<i>For the period from</i> <i>23 November 2006</i> <i>(date of formation) to</i> <i>31 December 2007</i> £'000
Cash flows from operating activities		
Purchase of equity investments	(14,040)	(5,340)
Sale of equity investments	8,350	7,193
Dividends received	88	315
Interest received	175	76
Other income earned	3	–
Other expenses paid	(160)	(45)
Net cash (used in)/from operating activities	<u>(5,584)</u>	<u>2,199</u>
Cash flows from financing activities		
(Withdrawal)/Proceeds from investment by the Limited Partner	(361)	4,096
Repayment/(Loan) to the Limited Partner	229	(229)
Net cash (used for)/from financing activities	<u>(132)</u>	<u>3,867</u>
Net (decrease)/increase in cash and cash equivalents	(5,716)	6,066
Cash and cash equivalents at 1 January 2008/ 23 November 2006	6,066	–
Cash and cash equivalents at 31 December	<u>350</u>	<u>6,066</u>

4. Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all years/periods presented.

4.1 *Basis of preparation*

The financial statements of Principle Capital L.P. have been prepared in accordance with International Financial Reporting Standards (“IFRS”). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets held at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the General Partner to exercise its judgement in the process of applying the Partnership’s accounting policies. The financial statements do not contain any critical accounting estimates.

During the year the Company has adopted IFRS 7, Financial Instruments: Disclosures, and the complementary Amendment to IAS 1, Presentation of Financial Statements – Capital Disclosures which is relevant to its operations. IFRS 7 introduced new disclosures about exposure to risks arising from financial instruments and the Amendment to IAS 1 provided for additional disclosures on the Company’s objectives and policies for its capital. There was no impact on the classification and measurement of capital.

Amendments to existing standards that are not yet effective and have not been early adopted by the Partnership

The following amendments to existing standards have been published and become mandatory for accounting periods commencing on or after 1 January 2009, but the Partnership has not early adopted them:

Amendment to IAS 32 ‘Financial instruments: “Presentation’ and IAS 1 Presentation of financial statements’ (effective from 1 January 2009)” – this amendment requires entities to classify certain financial instruments as equity, provided they have particular features and meet specific conditions, including that all financial instruments in the class of instruments are subordinate to all other instruments with identical features. These may impact puttable financial instruments or financial instruments that impose on an entity the obligation to deliver to another part a *pro rata* share of the net assets of the entity only on liquidation. The General Partner has considered the impact of this amendment on the Partnership’s financial statements and it has concluded that the puttable instruments will have to be reclassified from liabilities to equity. This will be applied retrospectively.

Revised IAS 1 ‘Presentation of financial statements’ – this revised standard prohibits the presentation of income and expense items (‘non-owner changes in equity’) in the statement of changes in equity. All non-owner changes in equity will be required to be presented in a presentation statement, however entities can choose whether to present one or two presentation statements. The revised standard also requires entities that restate or reclassify comparative information to present a restated balance sheet at the beginning of the comparative period in addition to the current requirement to present balance sheets at the end of the current and comparative periods. The Partnership will apply IAS1 (Revised) from 1 January 2009 and it is likely that the partnership will present one statement of comprehensive income. This change is not expected to significantly change the presentation of the Partnership’s performance statements.

IAS1 (Amendment), ‘Presentation of financial statements’ (effective from 1 January 2009). The amendment is part of the IASB’s annual improvement project published in May 2008. The amendment clarifies that some rather than all financial assets and liabilities classified as held for trading in accordance with IAS 39, ‘Financial instruments: Recognition and measurement’, are example of current assets and liabilities respectively. The Partnership will apply the amendment from 1 January 2009. However, it is not expected to have an impact on the Partnership’s financial statements.

There are a number of minor amendments to IFRS 7, 'Financial instruments: Disclosures'; IAS 8, 'Accounting policies, changes in accounting estimates and errors'; IAS 10, 'Events after the reporting period' and IAS 18, 'Revenue' (all effective from 1 January 2009), which are part of the IASB's annual improvement project published in May 2008. These amendments are unlikely to have an impact on the Partnership's financial statements and have therefore not been analysed in detail.

4.2 *Financial assets at fair value through profit or loss*

The Partnership classifies its investments in equity securities as financial assets at fair value through profit or loss. These financial assets are classified as held for trading. A financial asset is classified as held for trading if they are acquired principally for the purpose of selling in the short-term.

It is the Partnership's policy to invest its assets in equity securities for which fair value is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Partnership is current bid price. The General Partner supervises the day-to-day management of the investment portfolio and evaluates the information about the financial assets held.

Financial assets at fair value through profit or loss are recognised/derecognised on trade date – the date on which the Partnership commits to purchase or sell the investment. Investments are initially recognised at fair value, and transaction costs for all financial assets and financial liabilities at fair value through profit or loss are expensed as incurred in the income statement. Subsequent to initial recognition, all financial assets and liabilities at fair value through profit or loss are measured at fair value based on quoted prices.

All related realised and unrealised gains and losses arising from changes in the fair value of the financial assets and liabilities are included in the income statement in the period in which they arise, net of transaction costs. The computation of realised gains and losses on sale of investments is made on the average cost basis.

4.3 *Cash and cash equivalents*

Cash and cash equivalents comprise cash deposited with banks.

4.4 *Other receivables and prepayments*

Other receivables and prepayments are recognised initially at fair value and subsequently at amortised cost using the effective interest method.

4.5 *Other payables and accrued expenses*

Other payables and accrued expenses are recognised initially at fair value and subsequently at amortised cost using the effective interest method.

4.6 *Inter-company balances*

Inter-company balances due are with Principle Capital Fellowship Fund Ltd and relate to amounts paid by the Partnership on behalf of Principle Capital Fellowship Fund Ltd.

4.7 *Taxation*

Under the current laws of the Cayman Islands, there are no income, estate, transfer, sales or other Cayman Islands taxes payable by the Partnership. The Partnership intends generally to conduct its affairs such that it will not be subject to income tax in any jurisdiction. Certain dividend and interest income realised by the Partnership may be subject to withholding taxes. The Partnership seeks to minimise withholding taxes, if any, applicable to its investments.

4.8 *Interest income*

Interest income is recognised on a time-proportionate basis using the effective interest rate method.

4.9 *Dividend income*

Dividend income is recognised when the right to receive payment is established.

APPENDIX 3

FINANCIAL INFORMATION ON PRINCIPLE

The information below relating to Principle is hereby incorporated by reference into this document:

<i>No.</i>	<i>Information</i>	<i>Source of information</i>
1.	For the last 3 financial years for which the information has been published, turnover, net profit or loss before and after taxation, the charge for tax, extraordinary items, minority interests, the amount absorbed by dividends and earnings and dividends per share.	<p>For net profit or loss before and after taxation please see: (i) page 26 of Principle's Annual Report and Accounts for the year ended 31 December 2008; (ii) page 31 of Principle's Annual Report and Accounts for the year ended 31 December 2007; and (iii) page 26 of Principle's Annual Report and Accounts for the period from 3 October 2005 to 31 December 2006.</p> <p>For the charge for tax please see: (i) page 26 and note 6 on pages 34 to 35 of Principle's Annual Report and Accounts for the year ended 31 December 2008; (ii) page 31 and note 5 on pages 38 to 39 of Principle's Annual Report and Accounts for the year ended 31 December 2007; and (iii) page 26 and note 6 on page 34 of Principle's Annual Report and Accounts for the period from 3 October 2005 to 31 December 2006.</p> <p>For the amount absorbed by dividends and earnings and dividends per share please see: (i) page 2 and note 7 at page 36 of Principle's Annual Report and Accounts for the year ended 31 December 2008; (ii) page 3, page 17 and note 6 at pages 39 to 40 of Principle's Annual Report and Accounts for the year ended 31 December 2007; and (iii) page 3 and note 7 at page 34 of Principle's Annual Report and Accounts for the period from 3 October 2005 to 31 December 2006.</p>
2.	A statement of the assets and liabilities shown in the last published audited accounts.	Please see page 27 and note 23 at page 43 of Principle's Annual Report and Accounts for the year ended 31 December 2008.
3.	A cash flow statement if provided in the last published audited accounts.	Please see page 29 of Principle's Annual Report and Accounts for the year ended 31 December 2008.

<i>No.</i>	<i>Information</i>	<i>Source of information</i>
4.	Significant accounting policies together with any points from the notes to the accounts which are of major relevance to an appreciation of the figures, including those relating to inflation adjusted information.	Please see: (i) pages 30 to 47 of Principle's Annual Report and Accounts for the year ended 31 December 2008; (ii) pages 35 to 49 of Principle's Annual Report and Accounts for the year ended 31 December 2007; and (iii) pages 30 to 41 of Principle's Annual Report and Accounts for the period from 3 October 2005 to 31 December 2006.

Information in relation to items 1 to 4 above has not been published in an inflation-adjusted form.

The results for Principle for the financial years ended 31 December 2006, 31 December 2007 and 31 December 2008 are available free of charge on the Principle website at <http://www.pcitplc.com>.

The above annual reports are available in "read-only" format and can be printed from the Principle website. Pointer will provide within two business days, without charge, to each person to whom a copy of this document has been sent, upon their written or verbal request, a copy of any information incorporated by reference in this document. Copies of any information incorporated by reference in this document will not be provided unless such a request is made.

Requests for copies of any such document should be directed to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH or by calling Computershare on telephone number 0870 707 1806 (or +44 870 707 1806 from outside of the UK) on Monday to Friday (other than UK public holidays). Calls to the Computershare 0870 707 1806 number are charged at up to 10 pence per minute (including VAT) plus any of your service providers network extras. Calls to the Computershare +44 870 707 1806 number from outside of the UK are charged at applicable international rates. Different charges may apply to calls made from mobile telephones and calls may be recorded and monitored randomly for security and training purposes.

APPENDIX 4

ADDITIONAL INFORMATION

1. RESPONSIBILITY

- 1.1 The Pointer Directors whose names are set out in paragraph 2.1 below and Brian Myerson, accept responsibility for the information contained in this document, save that the only responsibility accepted by them in respect of such information as relates to Principle (which has been compiled from public records) has been to ensure that such information has been correctly and fairly reproduced and compiled. Subject as aforesaid, to the best of the knowledge and belief of the Pointer Directors and Brian Myerson (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. DIRECTORS

- 2.1 The Pointer Directors and their respective functions are as follows:

<i>Name</i>	<i>Function</i>
Brian Padgett	Executive
Leonard O'Brien	Executive

Pointer is a private company limited by shares and incorporated in the Cayman Islands with registered number 183186. The registered office of Pointer is Walker House, 87 Mary Street, George Town, Grand Cayman, 1-9002, Cayman Islands.

- 2.2 The Principle Directors and their respective functions are as follows:

<i>Name</i>	<i>Function</i>
Alan Clifton	Non-executive Chairman
Brian Myerson	Chief Executive Officer
Brian Padgett	Executive
James Roe	Non-executive Director
Wilfred Caldwell	Non-executive Director

Principle is a public company limited by shares and incorporated in England and Wales under the 1985 Act with registered number 05580828. The registered office of Principle is The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU.

3. INTERESTS IN PRINCIPLE SHARES

- 3.1 *Interests of Pointer in relevant securities of Principle*

As at the last day of the Disclosure Period, Pointer was interested in 17,470,334 Principle Shares.

- 3.2 *Interests of persons acting in concert with Pointer in relevant securities of Principle*

As at the last day of the Disclosure Period, the following persons acting in concert with Pointer (other than the Pointer Directors) were interested in the following relevant securities of Principle:

<i>Name</i>	<i>Number of Principle Shares</i>
Principle Capital Holdings S.A.	3,550,748
Silex Trust Company Limited	6,467,935
The Daniel Howard Trust	2,495,101
Williams de Broë Limited*	10,000

*Williams de Broë Limited is a company in the same group as Evolution Securities and the Principle Shares are held on behalf of a discretionary client.

4. DEALINGS IN PRINCIPLE SHARES

4.1 *Dealings in relevant securities of Principle by Pointer and the Pointer Directors*

Dealings in the relevant securities of Principle during the Disclosure Period by Pointer, the Pointer Directors and their immediate families, related trusts and connected persons were as follows:

<i>Name</i>	<i>Date</i>	<i>Nature of transaction</i>	<i>Number of Principle Shares</i>	<i>Price per Principle Share (pence)</i>
Principle Capital L.P.	21 November 2008	Acquisition of voting rights	350,000	18.00
Principle Capital L.P.	12 December 2008	Acquisition of voting rights	588,414	17.80
Principle Capital L.P.	19 December 2008	Acquisition of voting rights	2,627,672	16.25
Principle Capital L.P.	6 January 2009	Acquisition of voting rights	100,000	17.00
Principle Capital L.P.	30 January 2009	Disposal of voting rights	25,000	20.00
Principle Capital L.P.	19 February 2009	Acquisition of voting rights	5,000,000	35.14
Principle Capital L.P.	24 February 2009	Acquisition of voting rights	1,779,248	35.14
Principle Capital L.P.	27 March 2009	Acquisition of voting rights	7,000,000	35.07
Principle Capital L.P.	26 June 2009	Disposal of voting rights	17,470,334	1,247,881 Pointer Shares
Pointer Investments Limited	26 June 2009	Acquisition of voting rights	17,470,334	1,247,881 Pointer Shares

4.2 *Dealings in relevant securities of Principle by persons acting in concert with Pointer*

Dealings in the relevant securities of Principle during the Disclosure Period by persons acting in concert with Pointer (other than the Pointer Directors) were as follows:

<i>Name</i>	<i>Date</i>	<i>Nature of transaction</i>	<i>Number of Principle Shares</i>	<i>Price per Principle Share (pence)</i>
Silex Trust Company Limited	20 January 2009	Acquisition of voting rights	300,000	20.50
Silex Trust Company Limited	5 February 2009	Disposal of voting rights	500,000	27.25
Silex Trust Company Limited	24 February 2009	Acquisition of voting rights	3,588,126	35.14
Williams de Broë Limited*	25 February 2009	Disposal of voting rights	14,000	33.00
Williams de Broë Limited*	20 April 2009	Disposal of voting rights	5,000	30.50
Williams de Broë Limited*	20 April 2009	Disposal of voting rights	6,500	31.00

*Williams de Broë Limited is a company in the same group as Evolution Securities and the Principle Shares were held by discretionary clients of Williams de Broë Limited.

5. IRREVOCABLE UNDERTAKINGS AND LETTER OF INTENT

Irrevocable undertakings not to accept, or procure the acceptance of, the Offer have been received by Pointer from the following persons in respect of the following interests in Principle Shares:

<i>Name</i>	<i>Number of Principle Shares</i>	<i>Percentage of existing issued share capital of Principle (%)</i>
Mr. Daniel Posen	6,700,000	6.68
Principle Capital Holdings S.A.	3,550,748	3.54
Silex Trust Company Limited (as trustee for discretionary trusts)	6,467,935	6.45
The Daniel Howard Trust	2,495,101	2.49

Letters of intent to accept, or procure the acceptance of, the Offer have been received by Pointer from the following persons in respect of the following interests in Principle Shares:

<i>Name</i>	<i>Number of Principle Shares</i>	<i>Percentage of existing issued share capital of Principle (%)</i>
Invesco Asset Management Limited (as agent acting for and on behalf of its discretionary managed clients)	21,163,218	21.12

6. INTERESTS AND DEALINGS – GENERAL

- 6.1 As at the last day of the Disclosure Period, save as disclosed in this document, neither Pointer, nor any of the Pointer Directors, nor any member of their immediate families, related trusts or (so far as the Pointer Directors are aware) connected persons nor any persons acting in concert with Pointer nor any person with whom Pointer or any person acting in concert with Pointer has an arrangement had an interest in or right to subscribe for any relevant securities of Principle (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery, nor had any of the foregoing dealt in any relevant securities of Principle during the Disclosure Period.
- 6.2 As at the last day of the Disclosure Period, save as disclosed in this document, neither Pointer nor any person acting in concert with Pointer has borrowed or lent any relevant securities of Principle.
- 6.3 For the purposes of this Appendix 4:
- (a) “acting in concert” has the meaning set out in the Code;
 - (b) “arrangement” includes any indemnity or option arrangements and any agreement or understanding, formal or informal, of whatever nature, relating to the relevant securities of Principle which may be an inducement to deal or refrain from dealing;
 - (c) “associate” of any company has the meaning ascribed to it in the Code and includes (without limitation):
 - (i) its parent companies, subsidiaries and associated companies and companies of which any such companies are associated companies (“related companies”);
 - (ii) connected advisers and persons controlling, controlled by or under the same control of any such connected advisers;
 - (iii) its directors and the directors of any related company (together in each case with their close relatives and related trusts);

- (iv) its pension funds or the pension funds of any related company; and
 - (v) an investment company, unit trust or other person whose investments an associate (as otherwise defined in sub-paragraph 6.3(c)) manages on a discretionary basis, in respect of the relevant investment accounts;
- (d) a “connected adviser” means, in relation to any person, the organisation which is advising the person in relation to the Offer and, if that person is Pointer, the corporate broker to that person (other than any corporate broker which is unable to act in connection with the Offer because of a conflict of interest);
- (e) “dealing” or “dealt” includes the following:
- (i) the acquisition or disposal of securities;
 - (ii) the taking, granting, acquisition, disposal, entering into, closing out, termination, exercise (by either party) or variation of an option (including a traded option contract) in respect of any relevant securities;
 - (iii) subscribing or agreeing to subscribe for relevant securities;
 - (iv) the exercise or conversion, whether in respect of new or existing relevant securities, of any relevant securities carrying conversion or subscription rights;
 - (v) the acquisition of, disposal of, entering into, closing out, exercise (by either party) of any rights under, or variation of, a derivative referenced, directly or indirectly, to relevant securities;
 - (vi) entering into, terminating or varying the terms of any agreement to purchase or sell relevant securities; and
 - (vii) any other action resulting, or which may result, in an increase or decrease in the number of relevant securities in which a person is interested or in respect of which he has a short position;
- (f) “derivative” includes any financial product whose value, in whole or in part, is determined directly or indirectly by reference to the price of an underlying security;
- (g) “Disclosure Period” means the period commencing on 26 June 2008 and ending on 20 July 2009 (being the latest practicable date prior to the publication of this document);
- (h) “relevant securities of Principle” means Principle Shares and securities convertible into, or rights to subscribe for, options (including traded options) in respect thereof and derivatives referenced thereto;
- (i) ownership or control of 20 per cent. or more of the equity share capital is regarded as the test of associated company status and “control” means an interest or interests in shares carrying 30 per cent. or more of the voting rights attributable to the share capital of a company which are currently exercisable at a general meeting, irrespective of whether the holding or aggregate holding gives *de facto* control;
- (j) a person is treated as having an “interest in securities” if he has long economic exposure, whether absolute or conditional, to changes in the price of those securities (and a person who only has a short position in securities is not treated as interested in those securities). In particular, a person is treated as “interested” in securities if:
- (i) he owns them;
 - (ii) he has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to them or has general control of them;

- (iii) by virtue of any agreement to purchase, option or derivative, he;
 - (A) has the right or option to acquire them or call for their delivery; or
 - (B) is under an obligation to take delivery of them,
 whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise; or
- (iv) he is a party to any derivative:
 - (A) whose value is determined by reference to their price; and
 - (B) which results, or may result, in his having a long position in them.

7. MARKET QUOTATIONS

The following table shows the closing middle market quotations of Principle Shares, as derived from the Daily Official List, for the first business day in each of the six months immediately prior to the date of this document, for 25 June 2009 (being the latest practicable business day prior to the Announcement) and for 20 July 2009 (being the latest practicable business day prior to the publication of this document):

<i>Date</i>	<i>Principle Share price (p)</i>
2 February 2009	28.0
2 March 2009	33.5
1 April 2009	29.5
1 May 2009	34.0
1 June 2009	34.0
25 June 2009	34.0
1 July 2009	35.5
20 July 2009	37.5

8. FINANCING ARRANGEMENTS

It is estimated that full acceptance of the Offer (excluding those who have given irrevocable undertakings not to accept the Offer) would require the payment by Pointer of a maximum of approximately £17.9 million in cash.

Existing holders of non-voting participating redeemable shares in Principle Capital Fellowship Fund, Limited have subscribed for additional non-voting participating redeemable shares for an aggregate subscription price of approximately £6,000,000 in order to finance in part the consideration payable under the Offer. These funds have been advanced to PCLP and PCLP has loaned an amount of £8,100,000 to Pointer in order to finance in part the consideration payable as a result of full acceptance of the Offer. Pointer has also agreed financing facilities with The Evolution Group PLC, subject, *inter alia*, to the Offer becoming or being declared unconditional in all respects, in order to enable Pointer to meet payment in full of the remaining cash due under the Offer. Finally, Pointer intends to use amounts due to it as a result of the Return of Capital to satisfy acceptances under the Offer. Pointer intends to repay any amounts due to The Evolution Group PLC from distributions from Principle.

Evolution Securities is satisfied that the necessary financial resources are available to Pointer to enable it to implement the Offer in full.

Further details of the facility letter between PCLP and Pointer and the credit agreement between Pointer and The Evolution Group PLC are set out below in paragraph 9 of this Appendix 4.

9. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by members of the Pointer Group since 26 June 2007 (being the date two years prior to the commencement of the Offer Period) and are, or may be, material:

- (a) A subscription agreement dated 26 June 2009 between Pointer and PCLP under which PCLP agreed to subscribe for 1,247,881 participating shares of £0.01 each in the capital of Pointer in consideration for the transfer by PCLP to Pointer of its entire beneficial holding of Principle Shares, comprising 17,470,334 Principle Shares.
- (b) A facility letter dated 2 June 2009 between Pointer and PCLP, under which PCLP agreed to advance to Pointer a loan of up to £8,100,000 (the “**LP Loan**”) to fund in part the maximum cash consideration payable by Pointer for Principle Shares under the Offer. The LP Loan is repayable at any time forthwith on demand and in any event on or before 30 December 2009. No interest is payable on the LP Loan.
- (c) A credit agreement dated 26 June 2009 between Pointer and The Evolution Group PLC (“**Evolution Group**”) under which Evolution Group agreed to advance to Pointer a loan of up to £8,800,000 (the “**Evolution Loan**”) to part fund the maximum cash consideration payable by Pointer for Principle Shares under the Offer. The Evolution Loan is repayable on 15 September 2009 and if Pointer fails to repay the Evolution Loan by such date, interest on the unpaid sum shall accrue at a rate per annum of 12.5 per cent. above LIBOR. An arrangement fee of two per cent. of the sum of the Evolution Loan was payable by Pointer to Evolution Group on entering into the credit agreement.
- (d) A debenture dated 26 June 2009 between Pointer and Evolution Group under which Pointer made a covenant with Evolution Group to pay all sums due under the Evolution Loan and provided security for the payment of the Evolution Loan in favour of Evolution Group by way of a first fixed charge over Pointer's assets and a first floating charge over the rest of Pointer's undertaking.
- (e) A share charge dated 26 June 2009 between Pointer and Evolution Group under which Pointer made a covenant with Evolution Group to pay all sums due under the Evolution Loan and provided security for the payment of the Evolution Loan in favour of Evolution Group by way of a charge over all of Pointer's present and future rights, title and interest in the Principle Shares held by or on behalf of Pointer.
- (f) An intercreditor agreement dated 26 June 2009 between Pointer, PCLP and Evolution Group under which the parties agreed that all sums payable by Pointer under the Evolution Loan shall rank in priority to sums payable by Pointer under the LP Loan. For so long as any amount of the Evolution Loan is outstanding, Pointer agreed that it will not provide any security for the repayment of the LP Loan and PCLP agreed it will not accept any security from Pointer, except with the prior written consent of Evolution Group.
- (g) On 26 June 2009, Pointer and the other members of the Concert Party entered into the Concert Party Agreement with Evolution Securities under which the Concert Party agreed, *inter alia*, **not** to accept the Offer (unless otherwise agreed by Pointer) in respect of 12,513,784 Principle Shares representing approximately 12.5 per cent. of the entire issued share capital of Principle. Further details are set out in paragraph 3 of the letter from Pointer.

10. MISCELLANEOUS

- 10.1 Save as disclosed in this document, no agreement, arrangement or understanding (including any compensation arrangement) exists between Pointer or any person acting in concert with Pointer for the purposes of the Offer and any of the directors, or recent directors, shareholders or recent shareholders of Principle or any person interested or recently interested in Principle Shares having any connection with, or dependence upon, or which is conditional on the outcome of, the Offer.
- 10.2 Save as disclosed in this document, no proposal exists in connection with the Offer for any payment or other benefit to be made or given by Pointer or any person acting in concert with Pointer for the purposes of the Offer to any Principle Director as compensation for loss of office or as consideration for, or in connection with, his retirement from office.

- 10.3 There is no agreement, arrangement or understanding whereby the beneficial ownership of any of the Principle Shares acquired by Pointer pursuant to the Offer will be transferred to any other person, save that Pointer reserves the right to transfer any such shares to any of its subsidiaries.
- 10.4 Evolution Securities has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of the references to its name in the form and context in which it appears.
- 10.5 All references to time in this document and the Form of Acceptance are to London time unless the context provides otherwise.
- 10.6 Save as disclosed in this document, the Pointer Directors are not aware of any material change in the financial or trading position of PCLP since 31 December 2008 (the date to which the latest published audited accounts of PCLP were prepared).
- 10.7 Save as disclosed in this document, the Pointer Directors are not aware of any material change in the financial or trading position of Principle since 31 December 2008 (the date to which the latest published audited accounts of Principle were prepared).

11. DOCUMENTS AVAILABLE FOR INSPECTION

- 11.1 A copy of this document is available free of charge at PCLP's website at www.principlecapital.com until the end of the Offer Period.
- 11.2 Copies of the following documents are available for inspection during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the offices of Evolution Securities Limited, 100 Wood Street, London EC2V 7AN until the end of the Offer Period:
- (a) the memorandum and articles of association of Pointer;
 - (b) the audited consolidated accounts of PCLP for the two financial years ended 31 December 2008;
 - (c) the material contracts referred to in paragraph 9 above;
 - (d) the consent letter referred to in paragraph 10.4 above;
 - (e) the irrevocable undertaking not to accept (or procure the acceptance of) the Offer referred to in paragraph 5 above;
 - (f) the Concert Party Agreement;
 - (g) the Letter of Intent; and
 - (h) this document and the Form of Acceptance.

21 July 2009

APPENDIX 5

BASES AND SOURCES

Unless otherwise stated in this document:

- (a) financial information relating to Principle has been extracted from the audited accounts of Principle for the year ended 31 December 2008;
- (b) the value of the fully diluted share capital of Principle is calculated on the basis of 100,212,572 Principle Shares in issue on 20 July 2009 (being the last business day prior to the publication of this document);
- (c) all share prices are derived from the Daily Official List;
- (d) all prices quoted for Principle Shares are Closing Prices; and
- (e) financial information relating to PCLP has been extracted from the audited accounts of PCLP for the year ended 31 December 2008.

APPENDIX 6

DEFINITIONS

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

“2006 Act”	the Companies Act 2006 (as amended)
“Acquisition”	the proposed acquisition of Principle by Pointer to be effected by means of the Offer
“Announcement”	the announcement of the Offer, published on 26 June 2009
“Australia”	the commonwealth of Australia, its states, territories or possessions
“basic Offer TTE Instruction”	a transfer to escrow instruction (as defined in the CREST Manual)
“business day”	a day (not being a Saturday, a Sunday or a public holiday) on which clearing banks in the City of London are open for normal business
“Canada”	Canada, its possessions, provinces and territories and all areas subject to its jurisdiction or any political subdivision thereof
“certificated” or “in certificated form”	in relation to a share or other security, not in uncertificated form (that is, not in CREST)
“Code”	The City Code on Takeovers and Mergers
“Closing Price”	the closing middle market quotation of a share as derived from the Daily Official List
“Computershare” or “Escrow Agent”	Computershare Investor Services PLC
“Concert Party”	each of Pointer, Principle Capital Holdings S.A., Silex Trust Company Limited and The Daniel Howard Trust
“Concert Party Agreement”	the agreement dated 26 June 2009 and made between the Concert Party and Evolution Securities, further details of which are set out in paragraph 3 of the letter from Pointer
“connected person”	has the meaning given to that term in section 252 of the 2006 Act
“CREST”	the relevant system (as defined in the Regulations) in respect of which Euroclear is the operator
“CREST Manual”	the manual issued by Euroclear from time to time
“CREST member”	a person who has been admitted by Euroclear as a system-member (as defined in the Regulations)
“CREST participant”	a person who is, in relation to CREST, a system-participant (as defined in the Regulations)
“CREST payment”	has the meaning given to that term in the CREST Manual
“CREST sponsor”	a CREST participant admitted to CREST as a CREST sponsor
“CREST sponsored member”	a CREST member admitted to CREST as a sponsored member
“Daily Official List”	the Daily Official List of the London Stock Exchange

“Electronic Acceptance”	the inputting and settling of a TTE Instruction which constitutes or is deemed to constitute an acceptance of the Offer on the terms set out in this document
“electronic form”	as defined in the Code
“ESA Instruction”	an Escrow Account Adjustment Input (AESN), transaction type “ESA” (as described in the CREST Manual)
“Euroclear”	Euroclear UK & Ireland Limited
“Evolution Securities”	Evolution Securities Limited, Pointer’s financial adviser
“First Closing Date”	the first closing date of the Offer being the day that is 21 days following the date of publication of the Offer Document
“Form of Acceptance”	the form of acceptance and authority relating to the Offer in respect of certificated Principle Shares
“hard copy form”	as defined in the Code
“HMRC”	HM Revenue & Customs
“Japan”	Japan, its cities, prefectures, territories and possessions
“Listing Rules”	the Listing Rules of the Financial Services Authority made pursuant to section 73A of the Financial Services and Markets Act 2000
“London Stock Exchange”	London Stock Exchange plc
“member account ID”	the identification code or number attached to any member account in CREST
“Offer”	the offer by Pointer, on the terms and subject to the conditions set out in this document and the Form of Acceptance (in respect of certificated Principle Shares), to acquire all of the Principle Shares not already owned by Pointer (including, where the context requires, any subsequent revision, variation, extension or renewal of such offer)
“Offer Document”	this document
“Offer Period”	has the meaning set out in paragraph 5(c) of Part B of Appendix 1 to this document
“Offer Price”	28.02 pence for every Principle Share
“Official List”	the Official List of the UK Listing Authority
“Overseas Shareholders”	Principle Shareholders who are residents in, or citizens or nationals of, jurisdictions outside the United Kingdom or nominees of, or custodians, trustees or guardians for, such Principle Shareholders
“Panel”	the Panel on Takeovers and Mergers
“participant ID”	the identification code or membership number used in CREST to identify a particular CREST member or other CREST participant
“Pointer”	Pointer Investments Limited, a company incorporated in the Cayman Islands under registered number 183186

“Pointer Directors” or “Pointer Board”	the directors of Pointer as at the date of this document
“Pointer Group” or “Group”	PCLP and its existing subsidiary undertakings
“Pointer Shares”	participating shares of one pence each in the capital of Pointer
“pounds”, “£” or “pence”	the lawful currency of the United Kingdom
“Principle” or the “Company”	Principle Capital Investment Trust PLC, a company incorporated in England and Wales under company number 05580828
“Principle Capital L.P.” or “PCLP”	Principle Capital L.P., a limited partnership formed in the Cayman Islands
“Principle Directors” or “Offeree Board”	the directors of Principle at the date of this document
“Principle Shareholders”	holders of Principle Shares
“Principle Shares”	the existing issued fully paid ordinary shares of one pence each in the capital of Principle and any further such shares which are unconditionally allotted or issued and fully paid or credited as fully paid before the date on which the Offer closes (or such earlier date, not being earlier than the date on which the Offer becomes or is declared unconditional as to acceptances as Pointer may, subject to the Code, decide)
“Reduction of Share Premium Account”	the proposed Court approved reduction of the share premium account of Principle announced by Principle on 3 June 2009
“Registrar”	the Registrar of Companies in England and Wales
“Return of Capital”	the proposed return of capital of approximately 9.98 pence per Principle Share to Principle Shareholders announced by Principle on 3 June 2009
“Regulations”	the Uncertificated Securities Regulations 2001 (S.I. 2001 No. 3755)
“Regulatory Information Service”	any channel recognised as a channel for the dissemination of regulatory information by listed companies as defined in the Listing Rules
“Restricted Jurisdiction”	the United States, Canada, Australia or Japan or any other jurisdiction where extension or acceptance of the Offer would violate the law of that jurisdiction
“TFE Instruction”	a transfer from escrow instruction (as defined in the CREST Manual)
“TTE Instruction”	a transfer to escrow instruction (as defined in the CREST Manual)
“The Daniel Howard Trust”	The Daniel Howard Trust, a charitable trust registered in England & Wales under number 267173
“uncertificated” or “in uncertificated form”	in relation to a share or other security, recorded on the relevant register in uncertificated form in CREST and title to which, by virtue of the Regulations, may be transferred by means of CREST
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland

“UK Listing Authority” the Financial Services Authority acting in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000

“US”, “USA” or “United States” the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia and all other areas subject to its jurisdiction

Save where otherwise stated, for the purpose of this document, “subsidiary”, “subsidiary undertaking”, “associated undertaking” and “undertaking” shall be construed in accordance with the 2006 Act.

In this document, the singular includes the plural and *vice versa*, unless the context otherwise requires.

