

THIS DOCUMENT AND THE ACCOMPANYING APPLICATION FORM ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action you should take, you should immediately seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent professional adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) ("FSMA") if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser. The whole of this Document should be read, but your attention is in particular, drawn to the section entitled "Risk Factors" at Part III of this Document.

If you have sold or otherwise transferred, or you sell or otherwise transfer, all of your holding of Existing Ordinary Shares held in certificated form prior to the ex-entitlement Date, please send this Document and, if appropriate, the accompanying Application Form at once to the purchaser or transferee or to the stockbroker, bank or other agent through or by whom the sale or transfer was or is effected, for onward delivery to the purchaser or transferee, except that such documentation should not be sent into a Restricted Jurisdiction. If you have sold or otherwise transferred or sell or otherwise transfer Existing Ordinary Shares held in an uncertificated form prior to the ex-entitlement Date, a claim transaction will automatically be generated by Euroclear which, on settlement, will transfer the appropriate number of Open Offer Entitlements to the purchaser or transferee. Instructions regarding split applications are set out in the Application Form.

This Document is not a prospectus for the purposes of the Prospectus Rules. Accordingly, this Document has not been, and will not be, reviewed or approved by the Financial Services Authority of the United Kingdom (in its capacity as UK Listing Authority or otherwise) pursuant to sections 85 and 87 of FSMA, the London Stock Exchange or any other authority or regulatory body.

Application will be made for the Open Offer Shares to be admitted to trading on the AIM Market of the London Stock Exchange ("AIM"). AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the United Kingdom Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. Each AIM company is required, pursuant to the AIM Rules for Companies, to have a Nominated Adviser. The Nominated Adviser is required to make a declaration to the London Stock Exchange on Admission in the form set out in Schedule Two to the AIM Rules for Nominated Advisers. **The London Stock Exchange has not itself examined or approved the contents of this Document. The rules of AIM are less demanding than those of the Official List. It is emphasised that no application is being made for admission of the Open Offer Shares to the Official List. The Open Offer Shares will not be dealt on any other recognised investment exchange and no other such application will be made.** It is anticipated that Admission will become effective and that dealings in the Open Offer Shares will commence on AIM at approximately 8.00 a.m. on 9 July 2009.



Individual Restaurant Company plc

(Incorporated in England and Wales under the Companies Act 1985 with registered number 4026693)

Proposed Open Offer of 16,195,885 Open Offer Shares at 13 pence per Open Offer Share



Altium Capital Limited

Nominated Adviser and Broker to the Company

The distribution of this Document, the Application Form and/or the transfer of Open Offer Entitlements through CREST or otherwise in jurisdictions other than the United Kingdom may be restricted by applicable laws or regulations and this Document does not form part of any offer or invitation to sell or issue or the solicitation of any offer to purchase or subscribe for Open Offer Shares in any jurisdiction where such offer, invitation or solicitation is unlawful. Persons in jurisdictions other than the United Kingdom into whose possession this Document comes should inform themselves about and observe any such applicable legal or regulatory requirements in such jurisdiction. Any failure to do so may constitute a violation of the securities laws of any such jurisdiction.

None of the Open Offer Shares, the Open Offer Entitlements, this Document or the Application Form have been, or will be, registered under the United States Securities Act of 1933, as amended, or under the securities legislation of any state of the United States or any other Restricted Jurisdiction. The relevant clearances have not been, and will not be, obtained from the Securities Commission of any province or territory of Canada. No document in relation to the Fundraising has been, or will be, lodged with, or registered by, the Australian Securities and Investments Commission, and no registration statement has been, or will be, filed with the Japanese Ministry of Finance in relation to the Fundraising, this Document, the Application Form, the Open Offer Shares or the Open Offer Entitlements. Accordingly, subject to certain exceptions, the Open Offer Shares and the Open Offer Entitlements may not, directly or indirectly, be offered, sold, renounced, re-sold, taken up or delivered in or into the United States, Canada, Australia, Japan or any other Restricted Jurisdiction or offered to, sold to, renounced, taken up or delivered in favour of, or to, a person within the United States or a resident of Canada, Australia, Japan or any other Restricted Jurisdiction. The attention of Overseas Shareholders is drawn to the section headed "Overseas Holders" set out in paragraph 6 of Part II of this Document.

The latest time and date for acceptance and payment in full under the Open Offer is 11.00 a.m. on 8 July 2009. The procedure for application and payment for Qualifying Shareholders is set out in paragraph 3 of Part II of this Document, and, where relevant, in the accompanying Application Form.

Cautionary note regarding forward-looking statements

This Document contains statements about IRC that are or may be “forward-looking statements”. All statements, other than statements of historical facts, included in this Document may be forward-looking statements and are subject to, *inter alia*, the risk factors described in Part III of this Document. Without limitation, any statements preceded or followed by, or that include, the words “targets”, “plans”, “believes”, “expects”, “aims”, “intends”, “will”, “may”, “should”, “anticipates”, “estimates”, “projects” or words or terms of similar substance or the negative thereof, are forward-looking statements. Forward-looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects and (ii) business and management strategies and the expansion and growth of the operations of IRC.

These forward-looking statements are not guarantees of future performance and have not been reviewed by the auditors of IRC. These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of any such person, or industry results, to be materially different from any results, performance or achievements expressed or implied by such forward-looking statements. These forward-looking statements are based on numerous assumptions regarding the present and future business strategies of such persons and the environment in which each will operate in the future. Investors should not place undue reliance on such forward-looking statements and, save as is required by law or regulation (including to meet the requirements of the AIM Rules, the Disclosure and Transparency Rules and/or the Prospectus Rules), IRC does not undertake any obligation to update publicly or revise any forward-looking statements (including to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based). All subsequent oral or written forward-looking statements attributed to IRC or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statement above.

All forward-looking statements contained in this Document are based on information available to the Directors of IRC at the date of this Document, unless some other time is specified in relation to them, and the posting or receipt of this Document shall not give rise to any implication that there has been no change in the facts set forth herein since such date.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

	2009
Record Date and time for the Open Offer	5.00 p.m. on 19 June
Announcement of the Open Offer	22 June
Existing Ordinary Shares marked 'ex' by the London Stock Exchange	23 June
Open Offer Entitlements credited to stock accounts in CREST of Qualifying CREST Holders	24 June
Recommended latest time for requesting withdrawal of Open Offer Entitlements from CREST	4.30 p.m. on 2 July
Latest time for depositing Open Offer Entitlements into CREST	3.00 p.m. on 3 July
Latest time and date for splitting of Application Forms (to satisfy <i>bona fide</i> market claims only)	3.00 p.m. on 6 July
Latest time and date for receipt of completed Application Forms and payment in full under the Open Offer or settlement of relevant CREST instruction (as appropriate)	11.00 a.m. on 8 July
Date of Admission and commencement of dealings of the Open Offer Shares	9 July
Open Offer Shares credited to CREST stock accounts	9 July
Date of despatch of definitive share certificates for Open Offer Shares	week commencing 20 July

Notes:

- (1) References to times in this Document are to London time (unless otherwise stated).
- (2) If any of the above times or dates should change, the revised times and/or dates will be notified by an announcement to an RIS.
- (3) The timing of the events in the above timetable and in the rest of this Document is indicative only.
- (4) In order to subscribe for Open Offer Shares under the Open Offer, Qualifying Shareholders will need to follow the procedure set out in Part II of this Document and, where relevant, complete the accompanying Application Form. If Qualifying Shareholders have any queries on the procedure for acceptance and payment, or wish to request another Application Form, they should contact Capita Registrars on 0871 664 0321 or, if calling from outside the United Kingdom, +44 20 8639 3399, where relevant, quoting the allotment number of their Application Form.

Calls to the Capita Registrar's 0871 664 0321 number are charged at 10 pence per minute (including VAT) plus any of your service provider's additional network charges. Calls to the Capita Registrars' +44 20 8639 3399 number from outside 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.

Capita Registrars cannot provide advice on the merits of the Fundraising nor give any financial, legal or tax advice.

OPEN OFFER STATISTICS

Market price per Existing Ordinary Share ⁽¹⁾	18.5 pence
Number of Existing Ordinary Shares in issue ⁽²⁾	39,502,160
Price of each Open Offer Share	13 pence
Number of Open Offer Shares to be offered for subscription by the Company	16,195,885
Maximum proceeds of the Open Offer (before expenses)	£2,105,465.05
Maximum Enlarged Share Capital following Admission	55,698,045
Percentage of Enlarged Share Capital represented by the Open Offer Shares	29.1 per cent.

(1) Closing mid-market price on AIM on 19 June 2009, being the last Business Day prior to the announcement of the Open Offer.

(2) As at 19 June 2009, being the last Business Day prior to the announcement of the Open Offer.

PART I

LETTER FROM THE CHAIRMAN OF INDIVIDUAL RESTAURANT COMPANY PLC



Individual Restaurant Company plc

(Incorporated in England and Wales under the Companies Act 1985 with registered number 4026693)

Directors:

Robert Breare*
Richard Simpson*
Steven Walker
Vernon Lord
Iain Donald
* *Non-Executive*

Registered Office:

Ridgefield House, 4th Floor
14 John Dalton Street
Manchester
M2 6JR

23 June 2009

To Qualifying Shareholders and, for information only, to the holders of options under the Individual Restaurant Company plc share option schemes

Dear Shareholder,

Proposed Open Offer of 16,195,885 Open Offer Shares at 13 pence per Open Offer Share

1. Introduction

The Board of IRC announced today a fundraising, by way of an Open Offer, to raise approximately £2.1 million. The purpose of the Fundraising is to reduce the Company's indebtedness to a more appropriate level for the current economic climate.

The Fundraising will utilise the Company's existing share authorities as conferred at its Annual General Meeting held on 21 May 2009. There is no requirement for Shareholders to vote on the Fundraising, however Qualifying Shareholders will be required to complete the accompanying Application Form should they wish to take up their entitlements under the Open Offer. The Board believes that the Fundraising is in the best interests of Shareholders as it will reduce the Company's net indebtedness and provide a more flexible capital structure. Going forward, the extra headroom may enable the Company to take advantage of any site opportunities, should the trading environment allow for it.

In addition to the Fundraising set out in this Document, the Board continues to explore additional sources of equity finance, including the potential use of the authority granted by Shareholders at the last AGM to allot authorised but as yet unissued Existing Ordinary Shares for cash.

2. Background to and reasons for the Fundraising

At the time of the Individual Restaurant Company Limited's reverse takeover of Bank Restaurant Group plc in December 2006, the Company had in place a £13.5 million revolving credit facility provided by its current banking partner, Lloyds. At that time it was anticipated that the roll out of new restaurants at a rate of approximately 6 sites per annum would be funded by the Company through a combination of internally generated cash flow and additional debt financing. It was also anticipated additional leveraged finance would be taken on as and when required by the Company in order to continue its expansion plans.

Since its re-admission to AIM, the Company has opened 12 restaurants (with 6 being opened in 2007 and 6 sites being added in 2008) following the above-mentioned model. The financial performance of those new openings has so far been in accordance with the Company's expectations. In March 2008 the Company successfully renegotiated its banking facilities based on the increased profitability of the Company, taking the facilities to £18.5 million and providing the funding required for the expansion of its restaurant estate in 2008.

In the past 12 months consumer facing businesses have faced more difficult trading conditions. The Company noting in its preliminary results statement on 30 March 2009, that trading in the second half of 2008 was challenging, with such conditions continuing in 2009. Against this backdrop the Company has successfully renegotiated its £18.5 million facility with Lloyds in March 2009. However, the new facility requires regular amortisation payments starting in December 2009 culminating in a bullet repayment of £13.0 million in January 2012. This repayment profile restricts the expansion plans of the business. Given these restrictions the Board does not believe financing new restaurant openings through additional debt capacity is sustainable in the short to medium term. Accordingly, the Board has examined a wide range of options to raise additional capital and firmly believes the Fundraising is the most suitable method of raising finance for the Company in the current economic climate.

The proceeds of the Fundraising will be principally used to reduce the Company's net indebtedness to what the Board considers to be a more appropriate level. The Company is committed to working towards a Net Debt to EBITDA level that is in line with current market sentiment. The fully pre-emptive Open Offer will provide all Qualifying Shareholders with the opportunity to participate in the Fundraising.

3. Opportunities

Through the adoption of what the Board believes to be a more appropriate capital structure via the Fundraising and the consequent reduction in the Company's indebtedness, the Company could be better placed to capitalise on the significant opportunities available to it.

Restaurant Sites

The economic instability experienced in 2008 has had a significant adverse effect on the commercial property market. The Board believes that the state of the commercial property market, combined with the possible failure or downsizing of less resilient competitors, will create opportunities for the Company to acquire premium sites at rates and terms that should be significantly more attractive than historical site acquisitions. The Company has identified a number of possible sites where rents are attractive and landlords are offering significant capital contributions to incentivise tenancy. Such capital contributions could have a material impact on reducing the development costs required to be funded by the Company. The average site fit-out has historically cost the Company approximately £1.2 million.

The additional headroom to its bank facility created by the Fundraising will help the Company take advantage of the preferential terms, rent agreements and capital contributions available and put the Company in a stronger position to prosper throughout the economic downturn and when the market recovers.

Whilst the additional headroom should help the Company to pursue attractive site opportunities, the Board acknowledges the need to remain vigilant and cautious during this challenging trading period, particularly with regard to any further site acquisitions. Accordingly, the Company's roll out plans are to be adapted to current market conditions. There will be no new openings in H1 FY09 and it is anticipated that any potential openings in H2 will be funded primarily out of cashflow. The Company intends to re-examine its roll out strategy once the market shows signs of recovery and the Board is confident that, when the timing is right, the Company can grow.

Market Differentiation

The Company operates within the premium casual dining market and places significant focus on the quality of its people, food, service and cleanliness and does not engage in discounting promotions to drive volume at the expense of margin. The Board believes that these fundamental policies have been key to the success of the Company's expansion and help to differentiate the Company from those of its competitors who have undertaken significant discounting measures.

The Fundraising should provide sufficient headroom and flexibility for the Company to be able to continue to promote the same values that have helped to continue the growth of its business successfully to date and protect and enhance the brand image which the Company has developed over the past four years.

For the reasons stated above, the Board firmly believes that the Fundraising is in the best interests of all Shareholders.

4. Information on IRC

IRC was formed through the reverse takeover of Bank Restaurant Group Plc. On its re-admission to AIM on 22 December 2006, IRC had 24 sites split between the brands of Piccolino (13), Bar & Grill (4), Zinc Bar and Grill (4) and Bank (3).

IRC currently operates 34 restaurants where it has consolidated its four brands into two key brands, regularly serving over 34,000 customers per week. There are 23 restaurants operating under the Piccolino brand and 11 restaurants under the Bar & Grill brand. Both brands operate within the premium casual dining market and aim to offer a high quality, value for money concept.

IRC has created the Piccolino brand as an Italian restaurant concept serving both modern and classic Italian food. 12 of the current restaurants operating under this brand are city centre based with the remaining 11 restaurants based in affluent suburban and town locations. Since 2006, management has focused on growing operations in the south of England, with 5 Piccolinos now based in London and the surrounding area.

The Bar & Grill branded restaurants serve high quality cuisine alongside wines and cocktails from around the world, in striking, modern environments. There are 11 restaurants in the portfolio with 6 based in city centre locations in Glasgow, Manchester (2), Leeds, Liverpool and London and 5 based in affluent suburban and town locations. Since re-admission, the Board has seen the Bar & Grill brand strengthen and are as confident of its roll out potential as they are with the Piccolino brand.

IRC has an experienced management team which has been involved in the expansion of the business. The team is led by Robert Breare, Steven Walker, Vernon Lord and Iain Donald who operate as the Non-Executive Chairman, Chief Executive, Finance Director and Operations Director of IRC respectively.

Richard Simpson, a non-executive director of IRC, provides IRC with a wealth of sector and other business experience both in the public and private markets.

5. Key strengths

The Company's management team continues to believe the focus of a restaurant operation should be centred on the quality of its people, food, customer service and cleanliness, particularly in times of economic uncertainty. The Company continuously monitors these four key performance indicators, alongside purely financial indicators on a site by site basis with balanced scorecards being utilised to review performance at each site.

People

The Company's management team recognises its people are crucial to the smooth operation of IRC's business and aim to "get the right people in the right places and retain them" and will continue with this ethos throughout the current economic period and beyond.

Food

IRC aims to deliver consistently high quality food with an emphasis on fresh, premium ingredients. All food is prepared on site at the individual restaurants. Despite being exposed to fluctuations in the pricing of ingredients, the quality of ingredients is considered to be paramount in delivering high food standards. Whilst the Company remains vigorous in negotiating the best possible prices for fresh premium ingredients, the Fundraising will allow the Company to absorb any potential short term pricing pressures whilst continuing to offer first class food within all of its restaurants.

Customer service

Quality of customer service is a priority across the IRC estate and is monitored via a regular "mystery diner" programme, with each restaurant being visited at least twice per month. In times of economic uncertainty it is paramount the Company continues to monitor service standards at this level. The Fundraising will permit current levels of service to be maintained allowing possible differentiation from competitors.

Cleanliness

Cleanliness is measured monthly by an external audit team and, as with all non-financial indicators, the results are published across the Company with staff incentives for the top performing restaurants in the Company.

6. Current trading and prospects

On 21 June 2009, the Company made the following AGM statement:

"The economic backdrop remains difficult for consumer facing businesses. Whilst interest rates and fuel costs have reduced considerably, consumer confidence remains weak. The Board considers that trading conditions are likely to continue to be challenging for the time being.

Recognising 2009 was going to be a more challenging year, a number of costs saving measures were implemented which should generate £2.0 million of savings in 2009 and this remains an area of considerable focus for the management team.

Against this background the Company's restaurants have performed well for the 17 weeks ended 10 May 2009 and trading overall is in line with expectations.

While the quantum and timing of openings will be determined by trading performance and the available headroom in our banking facilities, as stated in our last market update, the Board believes both the Piccolino and Bar & Grill brands and business models are robust, as demonstrated by their current trading performance. This underlines their significant roll out potential, putting the company in a strong position to take advantage of the first signs of returning consumer confidence.

The Board remains confident of the future prospects for Individual Restaurant Company."

There has been no material change to trading in the period since this statement.

7. Details of the Open Offer

IRC is proposing to raise approximately £2.1 million pursuant to the Open Offer. The Issue Price of 13 pence per Open Offer Share represents a discount of approximately 29.7 per cent. to the Closing Price for an Existing Ordinary Share of 18.5 pence on 19 June 2009 (the last Business Day immediately preceding the announcement of the Fundraising).

The Issue Price also represents a discount of 62.6 per cent. to the average Closing Price of 34.8 pence over the last 12 months, and a discount of 25.7 per cent. to the average Closing Price of 17.5 pence over the last 3 months, for the periods up to and including 19 June 2009 (the last Business Day immediately preceding the announcement of the Fundraising).

The Open Offer is being made on a fully pre-emptive basis, allowing Qualifying Shareholders the opportunity to participate. The Open Offer, other than in respect of the Committed Shares, has been partially underwritten by the Underwriter up to a maximum of 10,836,417 Open Offer Shares. The Fundraising is therefore not wholly conditional upon the level of applications made to subscribe under the Open Offer or the approval of Qualifying Shareholders. However, if no applications to subscribe under the Open Offer are received, the maximum amount that the Company would raise would be reduced to approximately £1.9 million.

The Open Offer provides Qualifying Holders with the opportunity to apply to acquire Open Offer Shares at the Issue Price *pro rata* to their holdings of Existing Ordinary Shares as at the Record Date on the following basis:

4.1 Open Offer Shares for every 10 Existing Ordinary Shares

and so on in proportion for any other number of Existing Ordinary Shares then held. Entitlements to apply to acquire Open Offer Shares will be rounded down to the nearest whole number and any fractional entitlement to Open Offer Shares will be disregarded in calculating the Qualifying Holder's Entitlement and will be aggregated and issued pursuant to the terms of the Underwriting Arrangement.

The Open Offer is subject to the satisfaction, amongst other matters, of the following conditions on or before 8 July 2009 (or such later date being not later than 8.00 a.m. on 23 July 2009, as the Company may decide):

- (i) the Underwriting Arrangement being unconditional in all respects and not having been terminated in accordance with its terms; and
- (ii) Admission becoming effective by 8.00 a.m. on 9 July 2009, (or such later time or date not being later than 8.00 a.m. on 23 July 2009 as the Company may decide).

The Open Offer Shares will, when issued and fully paid, rank *pari passu* in all respects with the issued Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid after the date of Admission.

The Open Offer is structured to allow Qualifying Shareholders to subscribe for Open Offer Shares at the Open Offer price *pro rata* to their holdings of Existing Ordinary Shares. Qualifying Shareholders may not make applications in excess of their *pro rata* initial entitlement. To the extent that Open Offer Shares are not subscribed by existing Qualifying Shareholders, Open Offer Entitlements will lapse and the related Open

Offer Shares will be issued pursuant to the Underwriting Arrangement up to a maximum of 10,836,417 Open Offer Shares.

Qualifying Shareholders should note that the Open Offer is not a rights issue. Qualifying non-CREST Holders should be aware that the Application Form is not a negotiable document and cannot be traded. Qualifying Shareholders should also be aware that in the Open Offer, unlike in a rights issue, any Open Offer Shares not applied for will not be sold in the market or placed for the benefit of Qualifying Shareholders who do not apply under the Open Offer.

Settlement and dealings

Application will be made to the London Stock Exchange for the Open Offer Shares to be admitted to trading on AIM. It is expected that such Admission will become effective and that dealings will commence at 8.00 a.m. on 9 July 2009. Further information in respect of settlement and dealings in the Open Offer Shares is set out in paragraph 7 of Part II of this Document.

Overseas Shareholders

Certain Overseas Shareholders may not be permitted to subscribe for Open Offer Shares pursuant to the Open Offer and should refer to paragraph 6 of Part II of this Document.

CREST Instructions

Application has been made for the Open Offer Entitlements for Qualifying CREST Holders to be admitted to CREST. It is expected that the Open Offer Entitlements will be admitted to CREST on 24 June 2009. The Open Offer Entitlements will also be enabled for settlement in CREST on 24 June 2009. Applications through the CREST system will only be made by the Qualifying Holder originally entitled or by a person entitled by virtue of a *bona fide* market claim.

If you are a Qualifying non-CREST Holder you will have received an Application Form which gives details of your Qualifying Holder's Entitlement under the Open Offer (as shown by the number of the Open Offer Entitlements allocated to you). If you wish to apply for Open Offer Shares under the Open Offer, you should complete the accompanying Application Form in accordance with the procedure for application set out in paragraph 3 of Part II of this Document and on the Application Form itself. The completed Application Form, accompanied by full payment, should be returned by post or by hand (during normal business hours only) to Capita Registrars, Corporate Actions at The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU so as to arrive as soon as possible and in any event no later than 11.00 a.m. on 8 July 2009.

If you are a Qualifying CREST Holder, no Application Form is enclosed but you will receive a credit to your appropriate stock account in CREST in respect of the Open Offer Entitlements representing your Qualifying Holder Entitlement under the Open Offer. You should refer to the procedure for application set out in paragraph 3 of Part II of this Document. The relevant CREST instruction must have settled by no later than 11.00 a.m. on 8 July 2009.

The latest time for applications under the Open Offer to be received is 11.00 a.m. on 8 July 2009. The procedure for application and payment depends on whether, at the time at which application and payment is made, you have an Application Form in respect of your entitlement under the Open Offer or have Open Offer Entitlements credited to your stock account in CREST in respect of such entitlement.

If you are in any doubt as to what action you should take, you should immediately seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent professional adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, from another appropriate authorised independent financial adviser.

8. Underwriting Arrangement

The Open Offer has been partially underwritten by the Underwriter, being Blackstar (Isle of Man) Limited (in its capacity as trustee of The Malcolm Conrad Walker EFRBS) up to a maximum of 10,836,417 Open Offer Shares. The obligation on the Underwriter to subscribe for Open Offer Shares under the Underwriting Arrangement is limited to those Open Offer Shares that are not otherwise subscribed for by other Qualifying Shareholders up to a maximum of 10,836,417 Open Offer Shares. Furthermore, the Underwriter will not be underwriting the issue

and allotment of the Committed Shares in respect of which the Company has received irrevocable undertakings from certain Directors and Qualifying Shareholders to take up. In light of the respective size of the Fundraising, the Underwriter has agreed to provide the Underwriting pursuant to the Underwriting Arrangement at nil cost to the Company.

On the assumption that no Open Offer Entitlements are taken up other than the Committed Shares, the Underwriter would be the holder of approximately 13,250,767 ordinary shares in the capital of the Company (representing approximately 24.6 per cent. of the Enlarged Share Capital of 53,973,312 ordinary shares of 5 pence each).

9. Further information

You should read the whole of this Document and not just rely on the information contained in this letter. In particular, you should consider carefully the “Risk Factors” set out in Part III of this Document.

10. Intentions of the Directors in relation to the Open Offer

A number of the Directors are Qualifying Shareholders and have irrevocably committed themselves to apply to acquire Open Offer Shares pursuant to the Open Offer Entitlements attributable to their Existing Ordinary Shares.


Details of the Directors’ interests in the Existing Ordinary Shares and the number of Committed Shares in respect of which irrevocable undertakings have been given by them are set out in the table below:

<i>Name of Director</i>	<i>Number of Existing Ordinary Shares held (including percentage holdings)</i>	<i>Number of Committed Shares (including percentage of Open Offer Entitlements)</i>	<i>Total amount to be subscribed at the Issue Price</i>
Steven Walker	6,249,632 (15.8%)	2,562,349 (100%)	£333,105.37
Vernon Lord	515,925 (1.3%)	– (0%)	£nil
Iain Donald	903,272 (2.3%)	370,341 (100%)	£48,144.33

11. Recommendation

The Directors consider the Fundraising to be in the best interests of the Company and its Shareholders as a whole.

Yours faithfully



Robert Breare
Non-Executive Chairman

PART II

DETAILS OF THE OPEN OFFER

1. Introduction

The Open Offer has been structured so as to allow Qualifying Shareholders to subscribe for Open Offer Shares at the Issue Price *pro rata* to their existing holdings. Qualifying Shareholders may not make applications in excess of their *pro rata* initial entitlement. To the extent that Open Offer Shares are not subscribed for by holders of Existing Ordinary Shares, Open Offer Entitlements will lapse and the related Open Offer Shares will be issued pursuant to the Underwriting Arrangement up to a maximum of 10,836,417 Open Offer Shares.

2. The Open Offer

IRC hereby invites Qualifying Shareholders, on the terms and subject to the conditions set out herein and, for Qualifying non-CREST Shareholders in the accompanying Application Form, to apply to acquire 16,195,885 Open Offer Shares in aggregate at 13 pence per Open Offer Share (payable in full in cash on application and free of all expenses). Each Qualifying Shareholder may apply to acquire any number of Open Offer Shares up to their *pro rata* entitlement which shall be calculated on the following basis:

4.1 Open Offer Shares for every 10 Existing Ordinary Shares

registered in their name at the close of business on the Record Date and so on in proportion for any greater number of Existing Ordinary Shares then held. Entitlements will be rounded down to the nearest whole number. Any fractional entitlements to Open Offer Shares will be disregarded in calculating Qualifying Shareholders' *pro rata* entitlements and will be aggregated and issued pursuant to the terms of the Underwriting Arrangement. Qualifying Holders may apply to acquire less than their Open Offer Entitlement should they so wish.

Qualifying Shareholders with holdings of Existing Ordinary Shares in both certificated and uncertificated form, or with holdings under different designations, will be treated as having separate holdings for the purpose of calculating *pro rata* entitlements under the Open Offer.

The action to be taken in relation to the Open Offer depends on whether, at the time at which the application and payment is made, a Qualifying Holder is a Qualifying non-CREST Holder or a Qualifying CREST Holder. Qualifying non-CREST Holders will receive an Application Form in respect of their Open Offer Entitlement and should refer to paragraphs 3.1(a) to (d) below. Qualifying CREST Holders will have Open Offer Entitlements credited to their stock account in CREST and should refer to paragraphs 3.2(a) to (j) below and also to the CREST Manual for further information on the CREST procedures referred to below.

Qualifying Shareholders should be aware that the Open Offer is not a rights issue. Qualifying CREST Holders should note that, although the Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of entitlements under the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim raised by Euroclear's Claims Processing Unit. Qualifying non-CREST Holders should note that the Application Form is not a negotiable document and cannot be traded. Open Offer Shares not applied for under the Open Offer will not be capable of being traded or sold in the market for the benefit of Qualifying Shareholders who do not apply under the Open Offer.

Application will be made for the Open Offer Shares to be admitted to trading on the AIM market. Admission is expected to occur at 8.00 a.m. on 9 July 2009, when dealings in the Open Offer Shares are expected to begin.

Overseas Holders are referred to the section entitled "Overseas Holders" set out in paragraph 6 of this Part II.

The Existing Ordinary Shares are in registered form, are traded on the AIM market and are not traded on any other exchange. The Open Offer Shares will also be in registered form, will be issued credited as fully paid and will rank *pari passu* in all respects with the issued Existing Ordinary Shares. The Open Offer Shares will be issued only pursuant to the Open Offer and will not otherwise be marketed or made available in whole or in part to the public.

The proceeds of the Fundraising will amount to approximately £2.1 million. The Open Offer Shares will represent approximately 29.1 per cent. of the Enlarged Share Capital.

3. Procedure for application and payment

The action to be taken by Qualifying Holders in relation to the Open Offer depends on whether, at the relevant time, a Qualifying Shareholder has an Application Form in respect of their entitlement under the Open Offer or is a Qualifying CREST Holder.

CREST sponsored members should refer to their CREST sponsor, as only their CREST sponsor will be able to take the necessary action specified below to apply under the Open Offer in respect of the Open Offer Entitlements of such members held in CREST. CREST members who wish to apply under the Open Offer in respect of their Open Offer Entitlements in CREST should refer to the CREST Manual for further information on the CREST procedures referred to below.

If for any reason it becomes necessary to adjust the expected timetable as set out in this Document, IRC will make an appropriate announcement to a RIS giving details of the revised dates.

If you do not wish to apply to acquire Open Offer Shares, you should not complete and return the Application Form.

3.1 *If you have an Application Form in respect of your entitlement under the Open Offer*

(a) General

Subject as provided in paragraph 6 of this Part II in relation to Overseas Holders, Qualifying non-CREST Holders will have received an Application Form with this Document. The Application Form shows the number of Existing Ordinary Shares registered in their name at the close of business on the Record Date. It also shows the maximum number of Open Offer Shares for which they are entitled to apply under the Open Offer, as shown by the total number of Open Offer Entitlements allocated to them. Qualifying non-CREST Holders may apply for less than their maximum entitlement should they wish to do so. Qualifying non-CREST Holders may also hold such an Application Form by virtue of a *bona fide* market claim.

The instructions and other terms set out in the Application Form form part of the terms of the Open Offer.

(b) Market claims

Applications to acquire Open Offer Shares may only be made on the Application Form and may only be made by the Qualifying non-CREST Holder named in it or by a person entitled by virtue of a *bona fide* market claim in relation to a market purchase of Existing Ordinary Shares prior to the date upon which the Existing Ordinary Shares were marked “ex” for the purposes of entitlement to participate in the Open Offer. Application Forms may be split, but only to satisfy *bona fide* market claims, up to 3.00 p.m. on 6 July 2009. The Application Form is not a negotiable document and cannot be separately traded. A Qualifying non-CREST Holder who has sold or otherwise transferred all or part of his holding of Existing Ordinary Shares prior to the date upon which the Existing Ordinary Shares were marked “ex” for the purposes of entitlement to participate in the Open Offer, should consult his broker or other professional adviser as soon as possible, as the invitation to acquire Open Offer Shares under the Open Offer may be a benefit which may be claimed by the transferee from his counterparty. Qualifying non-CREST Holders who have sold all or part of their registered holdings should, if the market claim is to be settled outside CREST, complete Box 8 on the Application Form and immediately send it to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. The Application Form should not, however, subject to certain exceptions, be forwarded to or transmitted in or into any Restricted Jurisdiction.

If the market claim is to be settled outside CREST, the beneficiary of the claim should follow the procedures set out in the accompanying Application Form. If the market claim is to be settled in CREST, the beneficiary of the claim should follow the procedures set out in paragraph 3.2(e) below.

(c) Application procedures

Qualifying non-CREST Holders wishing to apply to acquire all or any of the Open Offer Shares to which they are entitled should complete the Application Form in accordance with the instructions printed on it. Completed Application Forms should be posted in the accompanying reply paid envelope

(for use only in the UK) or delivered by hand (during normal business hours only) to Capita Registrars, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, with a cheque or banker's draft drawn in Sterling on a bank or building society in the UK which is either a member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques or banker's drafts to be cleared through the facilities provided for members of any of those companies. Such cheques or banker's drafts must bear the appropriate sort code in the top right-hand corner and must be for the full amount payable on application. Applications must be received by Capita Registrars (at the address detailed above) no later than 11.00 a.m. on 8 July 2009, after which time Application Forms will not be valid. Once submitted, applications are irrevocable. If an Application Form is being sent by post in the UK, Qualifying Shareholders are recommended to allow at least four working days for delivery. Cheques should be made payable to "Capita Registrars Limited re: IRC plc Open Offer" and crossed "A/C Payee Only". It is a condition of application that cheques will be honoured on first presentation and IRC may in its absolute discretion elect not to treat as valid any application in respect of which a cheque is not so honoured. IRC may, in its sole discretion but shall not be obliged to, treat an Application Form as valid and binding on the person by whom or on whose behalf it is lodged, even if not completed in accordance with the relevant instructions or not accompanied by a valid power of attorney where required, or if it otherwise does not strictly comply with the terms and conditions of the Open Offer. IRC further reserves the right (but shall not be obliged) to accept either Application Forms received after 11.00 a.m. on 8 July 2009 but not later than 8.00 a.m. on 9 July 2009 with the envelope bearing a legible postmark not later than 11.00 a.m. on 8 July 2009 or applications in respect of which remittances are received before 8.00 a.m. on 9 July 2009 from authorised persons (as defined in FSMA) specifying the Open Offer Shares applied for and undertaking to lodge the Application Form in due course but, in any event, within two Business days. Multiple applications will not be accepted.

Cheques and banker's drafts are liable to be presented for payment upon receipt. If they are presented before the conditions of the Open Offer are fulfilled, the application monies will be kept in a separate bank account until the conditions are fully met. If the conditions of the Open Offer are not fulfilled on or before 8.00 a.m. on 9 July 2009, or such later date as IRC may determine (being no later than 5.00 p.m. on 23 July 2009), the Open Offer will lapse and all application monies will be returned without interest by crossed cheque in favour of the first named applicant through the post at the risk of the applicant(s) as soon as is practicable after that date. Interest earned on monies held in the separate bank account will be retained for the benefit of the Company.

Cheques, which must be drawn on the personal account where you have sole or joint title to the funds, should be made payable to "Capita Registrars Limited re: IRC plc Open Offer". Third party cheques, other than building society cheques or banker's drafts, where the building society or bank has confirmed that you have title to the underlying funds by detailing the account name on the back of the cheque/draft and adding the bank stamp, will not be accepted.

Payments must be made by cheque or banker's draft in Sterling drawn on a branch in the United Kingdom of a bank or building society which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques to be cleared through the facilities provided for the members of any of those companies and must bear the appropriate sort code in the top right-hand corner. Cheques may be cashed immediately upon receipt. Post-dated cheques will not be accepted.

(d) Effect of application

All documents and remittances sent by post by or to an applicant (or as the applicant may direct) will be sent at the applicant's own risk. By completing and delivering an Application Form the applicant:

- (i) agrees that all applications under the Open Offer and contracts resulting therefrom, shall be governed by and construed in accordance with the laws of England;
- (ii) confirms that, in making the application, the applicant is not relying on any information or representation other than that contained in this Document, and the applicant accordingly agrees that no person responsible solely or jointly for this Document or any part thereof shall have any liability for any such information or representation not so contained; and

- (iii) represents and warrants that, if the applicant received some or all of their Open Offer Entitlements from a person other than IRC, the applicant is entitled to apply under the Open Offer in relation to such Open Offer Entitlements by virtue of a *bona fide* market claim.

Should you need advice with regard to these procedures, please contact Capita Registrars, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU on 0871 664 0321 or, if calling from outside the UK on +44 20 8639 3399, where relevant, quoting the serial number of your Application Form. Calls to the Capita Registrar's 0871 664 0321 number are charged at 10 pence per minute (including VAT) plus any of your service provider's network extras. Calls to the Capita Registrar's +44 20 8639 3399 number from outside 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. Capita Registrars cannot provide advice on the merits of the Open Offer nor give any financial, legal or tax advice.

Qualifying Shareholders who do not wish to apply for the Open Offer Shares under the Open Offer should take no action and should not complete or return the Application Form.

3.2 *If you have Open Offer Entitlements credited to your stock account in CREST in respect of your entitlement under the Open Offer*

(a) General

Subject as provided in paragraph 6 of this Part II in relation to certain Overseas Holders, each Qualifying CREST Holder will receive a credit to his stock account in CREST of his Open Offer Entitlements equal to the maximum number of Open Offer Shares for which he is entitled to apply to acquire under the Open Offer.

The CREST stock account to be credited will be an account under the participant ID and member account ID that apply to the Existing Ordinary Shares held on the Record Date by the Qualifying CREST Holder in respect of which the Open Offer Entitlements have been allocated. If for any reason the Open Offer Entitlements cannot be admitted to CREST by, or the stock accounts for Qualifying CREST Holders cannot be credited by, 3.00 p.m. or such later time as IRC may decide on 3 July 2009, an Application Form will be sent to each Qualifying CREST Holder in substitution for the Open Offer Entitlements credited to his stock account in CREST. In these circumstances the expected timetable as set out in this Document will be adjusted as appropriate and the provisions of this Document applicable to Qualifying non-CREST Holders with Application Forms will apply to Qualifying CREST Holders who receive Application Forms.

CREST members who wish to apply to acquire some or all of their entitlements to Open Offer Shares should refer to the CREST Manual for further information on the CREST procedures referred to below. Should you need advice with regard to these procedures, please contact Capita Registrars, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU or by telephone on 0871 664 0321 or, if calling from outside the UK on +44 20 8639 3399, where relevant, quoting the serial number of your Application Form. Calls to the Capita Registrar's 0871 664 0321 number are charged at 10 pence per minute (including VAT) plus any of your service provider's network extras. Calls to the Capita Registrar's +44 20 8639 3399 number from outside 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. Capita Registrars cannot provide advice on the merits of the Open Offer nor give any financial, legal or tax advice.

If you are a CREST sponsored member you should consult your CREST sponsor if you wish to apply for Open Offer Shares as only your CREST sponsor will be able to take the necessary action to make this application in CREST.

(b) Market claims

The Open Offer Entitlements will constitute a separate security for the purposes of CREST. Although Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of Open Offer Entitlements may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim transaction. Transactions identified by the CREST Claims Processing Unit as "cum" the Open Offer Entitlement will generate

an appropriate market claim transaction and the relevant Open Offer Entitlement(s) will thereafter be transferred accordingly.

(c) USE Instructions

CREST members who wish to apply for Open Offer Shares in respect of all or some of their Open Offer Entitlements in CREST must send (or, if they are CREST sponsored members, procure that their CREST sponsor sends) a USE instruction to Euroclear which, on its settlement, will have the following effect:

- (i) the crediting of a stock account of Capita Registrars under the participant ID and member account ID specified below, with a number of Open Offer Entitlements corresponding to the number of Open Offer Shares applied for; and
- (ii) the creation of a CREST payment, in accordance with the CREST payment arrangements in favour of the payment bank of Capita Registrars in respect of the amount specified in the USE instruction which must be the full amount payable on application for the number of Open Offer Shares referred to in (i) above.

(d) Content of USE instruction

The USE instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (i) the number of Open Offer Shares for which application is being made (and hence the number of the Open Offer Entitlement(s) being delivered to Capita Registrars);
- (ii) the ISIN of the Open Offer Entitlement. This is GB00B60W7W85;
- (iii) the participant ID of the accepting CREST member;
- (iv) the member account ID of the accepting CREST member from which the Open Offer Entitlements are to be debited;
- (v) the participant ID of Capita Registrars in its capacity as a CREST receiving agent. This is 7RA33;
- (vi) the member account ID of Capita Registrars in its capacity as a CREST receiving agent is INDRESCO;
- (vii) the amount payable by means of a CREST payment on settlement of the USE instruction. This must be the full amount payable on application for the number of Open Offer Shares referred to in (i) above;
- (viii) the intended settlement date. This must be on or before 11.00 a.m. on 8 July 2009; and
- (ix) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Open Offer to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 8 July 2009.

In order to assist prompt settlement of the USE instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE instruction: (i) a contact name and telephone number (in the free format shared note field); and (ii) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE instruction may settle on 8 July 2009 in order to be valid is 11.00 a.m. on that day.

In the event that the Underwriting Arrangement does not become unconditional by 8.00 a.m. on 9 July 2009 or such later time and date as IRC may determine (being no later than 5.00 p.m. on 23 July 2009),

the Open Offer will lapse, the Open Offer Entitlements admitted to CREST will be disabled and Capita Registrars will refund the amount paid by a Qualifying CREST Holder by way of a CREST payment, without interest, within 14 days thereafter. The interest earned on such monies will be retained for the benefit of the Company.

(e) Deposit of Open Offer Entitlements into, and withdrawal from, CREST

A Qualifying non-CREST Holder's entitlement under the Open Offer as shown by the number of Open Offer Entitlements set out in his Application Form may be deposited into CREST (either into the account of the Qualifying Holder named in the Application Form or into the file name of a person entitled by virtue of a *bona fide* market claim). Similarly, Open Offer Entitlements held in CREST may be withdrawn from CREST so that the entitlement under the Open Offer is reflected in an Application Form. Normal CREST procedures (including timings) apply in relation to any such deposit or withdrawal, subject (in the case of a deposit into CREST) as set out in the Application Form.

A holder of an Application Form who is proposing to deposit the entitlement set out in such form into CREST is recommended to ensure that the deposit procedures are implemented in sufficient time to enable the person holding or acquiring the Open Offer Entitlements following their deposit into CREST to take all necessary steps in connection with taking up the entitlement prior to 11.00 a.m. on 8 July 2009.

In particular, having regard to normal processing times in CREST and on the part of Capita Registrars, the recommended latest time for depositing an Application Form with the CREST Courier and Sorting Service, where the person entitled wishes to hold the entitlement under the Open Offer set out in such Application Form as Open Offer Entitlements in CREST, is 3.00 p.m. on 3 July 2009, and the recommended latest time for receipt by Euroclear of a dematerialised instruction requesting withdrawal of Open Offer Entitlements from CREST is 4.30 p.m. on 2 July 2009, in either case so as to enable the person acquiring or (as appropriate) holding the Open Offer Entitlements following the deposit or withdrawal (whether as shown in an Application Form or held in CREST) to take all necessary steps in connection with applying in respect of the Open Offer Entitlements prior to 11.00 a.m. on 8 July 2009.

Delivery of an Application Form with the CREST deposit form duly completed whether in respect of a deposit into the account of the Qualifying Shareholder named in the Application Form or into the name of another person, shall constitute a representation and warranty to IRC and Capita Registrars by the relevant CREST member(s) that it/they is/are not in breach of the provisions of the notes under the paragraph headed "Instructions for depositing entitlements under the Open Offer into CREST" on page 3 of the Application Form, and a declaration to IRC and Capita Registrars from the relevant CREST member(s) that it/they is/are not citizen(s) or resident(s) of any Restricted Jurisdiction and, where such deposit is made by a beneficiary of a market claim, a representation and warranty that the relevant CREST member(s) is/are entitled to apply under the Open Offer by virtue of a *bona fide* market claim.

(f) Validity of application

A USE instruction complying with the requirements as to authentication and contents set out above which settles by no later than 11.00 a.m. on 8 July 2009 will constitute a valid application under the Open Offer.

(g) CREST procedures and timings

CREST members and (where applicable) their CREST sponsors 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 relation to the input of a USE instruction and its settlement in connection with the Open Offer. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST sponsored member, to procure that his CREST sponsor takes) such action as shall be necessary to ensure that a valid application is made as stated above by 11.00 a.m. on 8 July 2009. In this connection, CREST members and (where applicable) their CREST sponsors are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

(h) Incorrect or incomplete applications

If a USE instruction includes a CREST payment for an incorrect sum, IRC, through Capita Registrars, reserves the right:

- (i) to reject the application in full and refund the payment to the CREST member in question;
- (ii) in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of Open Offer Shares as would be able to be applied for with that payment at the Issue Price, refunding any unutilised sum to the CREST member in question; and
- (iii) in the case that an excess sum is paid, to treat the application as a valid application for all the Open Offer Shares referred to in the USE instruction, refunding any unutilised sum to the CREST member in question.

(i) Effect of valid application

A CREST member who makes or is treated as making a valid application in accordance with the above procedures will thereby:

- (i) pay the amount payable on application in accordance with the above procedures by means of a CREST payment in accordance with the CREST payment arrangements (it being acknowledged that the payment to Capita Registrars' payment bank in accordance with the CREST payment arrangements shall, to the extent of the payment, discharge in full the obligation of the CREST member to pay to IRC the amount payable on application);
- (ii) request that the Open Offer Shares to which he will become entitled be issued to him on the terms set out in this Document and subject to the memorandum and articles of association of IRC;
- (iii) agree that all applications and contracts resulting therefrom under the Open Offer shall be governed by, and construed in accordance with, the laws of England;
- (iv) represent and warrant that he is not applying on behalf of any Shareholder, who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of any Restricted Jurisdiction and he is not applying with a view to reoffering, reselling, transferring or delivering any of the Open Offer Shares which are the subject of this application to, or for the benefit of, a Shareholder who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of a Restricted Jurisdiction except where proof satisfactory to IRC has been provided to IRC that he is able to accept the invitation by IRC free of any requirement which it (in its absolute discretion) regards as unduly burdensome, nor acting on behalf of any such person on a non-discretionary basis nor (a) person(s) otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares under the Open Offer;
- (v) represent and warrant that he is not and nor is he applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in Section 93 (depository receipts) or Section 96 (clearance services) of the Finance Act 1986;
- (vi) confirm that in making such application he is not relying on any information in relation to IRC other than that contained in this Document and agrees that no person responsible solely or jointly for this Document or any part thereof or involved in the preparation thereof, shall have any liability for any such other information and further agree that having had the opportunity to read this Document, he will be deemed to have had notice of all the information concerning IRC contained therein; and
- (vii) represent and warrant that he is the Qualifying Shareholder originally entitled to the Open Offer Entitlements or that he has received such Open Offer Entitlements by virtue of a *bona fide* market claim.

(j) Company's discretion as to the rejection and validity of applications

IRC may in its sole discretion:

- (i) treat as valid (and binding on the CREST member concerned) an application which does not comply in all respects with the requirements as to validity set out or referred to in this Part II of this Document;
- (ii) accept an alternative properly authenticated dematerialised instruction from a CREST member or (where applicable) a CREST sponsor as constituting a valid application in substitution for or in addition to a USE instruction and subject to such further terms and conditions as IRC may determine;
- (iii) treat a properly authenticated dematerialised instruction (in this sub-paragraph the “first instruction”) as not constituting a valid application if, at the time at which Capita Registrars receives a properly authenticated dematerialised instruction giving details of the first instruction or thereafter, either IRC or Capita Registrars have received actual notice from Euroclear of any of the matters specified in Regulation 35(5)(a) of the CREST Regulations in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and
- (iv) accept an alternative instruction or notification from a CREST member or CREST sponsored member or (where applicable) a CREST sponsor, or extend the time for settlement of a USE instruction or any alternative instruction or notification, in the event that, for reasons or due to circumstances outside the control of any CREST member or CREST sponsored member or (where applicable) CREST sponsor, the CREST member or CREST sponsored member is unable validly to apply for Open Offer Shares by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or any part of CREST) or on the part of the facilities and/or systems operated by Capita Registrars in connection with CREST.

4. Money laundering regulations

4.1 Holders of Application Forms

It is a term of the Open Offer that, to ensure compliance with the Money Laundering Regulations 2007 (as amended and supplemented), the money laundering provisions of the Criminal Justice Act 1993, Part VIII of FSMA and the Proceeds of Crime Act 2002 (together with other guidance and source books produced in relation to financial sector firms) Capita Registrars may at its absolute discretion require verification of identity from any person lodging an Application Form (the “applicant”) including, without limitation, any applicant who (i) tenders payment by way of cheque or banker’s draft drawn on an account in the name of a person or persons other than the applicant, or (ii) appears to Capita Registrars to be acting on behalf of some other person. In the former case, verification of the identity of the applicant may be required. In the latter case, verification of the identity of any person on whose behalf the applicant appears to be acting may be required.

The verification of identity requirements will not usually apply:

- (i) if the applicant is an organisation required to comply with the Money Laundering Directive (the Council Directive on prevention of the use of the financial system for the purpose of money laundering (no. 91/308/EEC));
- (ii) if the applicant (not being an applicant who delivers his application in person) makes payment by way of a cheque drawn on an account in the applicant’s name; or
- (iii) if the aggregate subscription price for the Open Offer Shares is less than the Sterling equivalent of €15,000 (approximately £12,000).

In other cases the verification of identity requirements may apply. Satisfaction of these requirements may be facilitated in the following ways:

- (a) if payment is made by building society cheque (not being a cheque drawn on an account in the name of the applicant) or banker’s draft, by the building society or bank endorsing on the cheque or banker’s draft the applicant’s name and the number of an account held in the applicant’s name at such building society or bank, such endorsement being validated by a stamp and an authorised signature;

- (b) if the Application Form is lodged with payment by an agent which is an organisation of the kind referred to in (i) above or which is subject to anti-money laundering regulation in a country which is a member of the Financial Action Task Force (the non-European Union members of which are Argentina, Australia, Brazil, Canada, Gibraltar, Hong Kong, Iceland, Japan, New Zealand, Norway, Singapore, Switzerland, Turkey, UK Crown Dependencies and the United States and, by virtue of their membership of the Gulf Co-operation Council, Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates), the agent should provide with the Application Form written confirmation that it has that status and that it has obtained and recorded evidence of the identity of the person for whom it acts and that it will on demand make such evidence available to Capita Registrars. If the agent is not such an organisation, it should contact Capita Registrars using the telephone numbers set out on page 4 of this Document.

If you deliver your Application Form personally by hand, you should ensure that you have with you evidence of identity bearing your photograph (for example your passport). If, within a reasonable period of time following a request for verification of identity, and in any case by no later than 11.00 a.m. on 8 July 2009, Capita Registrars have not received evidence satisfactory to them as aforesaid, Capita Registrars may, at their discretion, as the agents of IRC, reject the relevant application, in which event the monies submitted in respect of that application will be returned without interest to the account at the drawee bank from which such monies were originally debited (without prejudice to the rights of the Company to undertake proceedings to recover monies in respect of the loss suffered by it as a result of the failure to produce satisfactory evidence as aforesaid).

4.2 *Open Offer Entitlements in CREST*

If you hold your Open Offer Entitlements in CREST and apply for Open Offer Shares in respect of all or some of your Open Offer Entitlements as agent for one or more persons and you are not a UK or EU regulated person or institution (e.g. a UK financial institution), then, irrespective of the value of the application, Capita Registrars is obliged to take reasonable measures to establish the identity of the person or persons on whose behalf you are making the application. You must therefore contact Capita Registrars before sending any USE or other instruction so that appropriate measures may be taken.

Submission of a USE instruction which on its settlement constitutes a valid application as described above constitutes a warranty and undertaking by the applicant to provide promptly to Capita Registrars such information as may be specified by Capita Registrars as being required for the purposes of the Money Laundering Regulations. Pending the provision of evidence satisfactory to Capita Registrars as to identity, Capita Registrars may in its absolute discretion take, or omit to take, such action as it may determine to prevent or delay issue of the Open Offer Shares concerned. If satisfactory evidence of identity has not been provided within a reasonable time, then the application for the Open Offer Shares represented by the USE instruction will not be valid. This is without prejudice to the right of the Company to take proceedings to recover any loss suffered by it as a result of failure to provide satisfactory evidence.

5. **No public offering outside the United Kingdom**

IRC has not taken or will take any action in any jurisdiction that would permit a public offering of Existing Ordinary Shares in any jurisdiction where action for the purpose is required, other than in the United Kingdom.

6. **Overseas Holders**

6.1 *General*

The making of the Open Offer to Qualifying Shareholders who are resident in, or citizens of, or which are corporations, partnerships or other entities created or organised under the laws of countries other than the United Kingdom may be affected by the laws or regulatory requirements of the relevant jurisdictions. Such Overseas Shareholders should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to accept the Open Offer and/or apply to subscribe for Open Offer Shares.

As a result of restrictions applicable to any holder of Existing Ordinary Shares with registered or mailing addresses in the United States, Canada, Australia, Japan, their territories or possessions and other Restricted Jurisdictions this Document and the accompanying Application Form are not being sent to any such holders of Existing Ordinary Shares nor will Open Offer Entitlements be credited to the stock account of any such holder.

No person receiving a copy of this Document and/or the Application Form and/or a credit of Open Offer Entitlements to a stock account in CREST in any territory other than the United Kingdom, may treat the same as constituting an invitation or offer to him to subscribe, nor should he in any event use such Application Form or credit of Open Offer Entitlements to a stock account in CREST, unless, in the relevant territory, such an invitation or offer could lawfully be made to him or the Application Form or credit of Open Offer Entitlements to a stock account in CREST could lawfully be used without contravention of any registration or regulation or other legal requirements. No Open Offer Entitlements may be credited to the stock account in CREST of certain Overseas Holders unless they can prove to the satisfaction of IRC that such action would not result in contravention of any applicable legal requirements. Receipt of this Document and/or the Application Form or the crediting of Open Offer Entitlements to a stock account in CREST will not constitute an offer in those territories in which it would be unlawful to make such an offer and, in such circumstances, this Document and/or the Application Form will be treated as confidential, sent for information purposes only and should not be copied or distributed.

It is the responsibility of any Overseas Holder receiving a copy of this Document and/or the Application Forms and/or receiving a credit of Open Offer Entitlements to a stock account in CREST and wishing to take up the Open Offer to satisfy himself as to the full observance of the laws and regulatory requirements of the relevant territory in connection therewith, including obtaining all governmental or other consents which may be required, observing all other requisite formalities that need to be observed in such territory, and paying all issue, transfer or other taxes payable in such territory. If you are in any doubt as to your position, you should consult your independent professional adviser.

Persons (including, without limitation, nominees and trustees) receiving an Application Form and/or receiving a credit of Open Offer Entitlements to a stock account in CREST should not, in connection with the Open Offer, distribute or send the Application Form or transfer the Open Offer Entitlements into any jurisdiction where to do so would or might contravene local securities laws or regulations. If an Application Form and/or credit of Open Offer Entitlements to a stock account in CREST are received by a person in any such jurisdiction or by the agent or nominee of such a person, he must not seek to apply for Open Offer Shares except pursuant to an express agreement with IRC. Any person who does forward an Application Form or transfer the Open Offer Entitlements into any such jurisdiction, whether pursuant to a contractual or legal obligation or otherwise, should draw the attention of the recipient to the contents of this paragraph 6.

IRC reserve the right (but shall not be obliged) to reject a purported application for Open Offer Shares under the Open Offer in a particular case if they believe doing so may violate applicable legal or regulatory requirements. The provisions of this paragraph 6 and/or any other terms of the Open Offer relating to Overseas Holders may be waived, varied or modified as regards (a) specific holders of Existing Ordinary Shares or (b) on a general basis by IRC in its absolute discretion (and on such terms and conditions as it may think fit). All payments under the Open Offer must be made in Sterling.

6.2 *United States*

For the purposes of this Document a “US person” means a citizen or resident of the United States, a corporation, partnership or other entity created or organised in or under the laws of the United States and an estate or trust the income of which is subject to United States federal income taxation regardless of its source; provided, however, that the term “US person” does not include a branch or agency of a US bank or insurance company that is operating outside the United States for valid business reasons as a locally regulated branch or agency engaged in the banking or insurance business and not solely for the purpose of investing in securities not registered under the Securities Act.

The Open Offer Shares and the accompanying Application Form have not been, and will not be, registered under the Securities Act or under the securities laws of any jurisdiction or state of the United States. Accordingly, except in a transaction which is exempt under the legislation, the Open Offer Shares and the Application Form and/or Open Offer Entitlements may not be directly or indirectly offered, sold, renounced, transferred, taken up or delivered, directly or indirectly, in or into the United States or to or for the benefit of US persons. This Document shall not constitute an offer to sell or the solicitation of an offer to buy any of the Open Offer Shares in the United States.

Envelopes containing the Application Form should not be postmarked in the United States or otherwise despatched from the United States. Persons will be deemed to have made an invalid application if they submit the Application Form in an envelope postmarked in the United States or have provided an address in the United States for registration, or do not make the representation and warranty set out in the Application

Form to the effect that such person is not in the United States, is not a US person and is not acting for the account or benefit of a US person. The Open Offer is not therefore being made in the United States or to or for the account or benefit of a US person and holders of Existing Ordinary Shares at the Record Date with registered addresses in the United States will not be Qualifying Shareholders and Application Forms will not be sent to such persons.

6.3 *Canada*

No exemptions in connection with the Open Offer have been or will be obtained from any securities commission or similar regulatory authority in Canada. Accordingly, the Open Offer Shares are not being offered, nor may they be offered or sold, directly or indirectly, in Canada or to persons resident in Canada.

No prospectus in relation to the Open Offer Shares will be filed with and no relief from applicable securities law requirements will be obtained from the applicable regulatory authority of any province or territory of Canada.

Holders of Existing Ordinary Shares with registered addresses in Canada will not be Qualifying Holders and no Application Forms will be sent to such persons, nor will Open Offer Entitlements be credited to the stock accounts of such persons.

Persons (including without limitation, nominees and trustees) receiving an Application Form and/or Open Offer Entitlements should not distribute, send or transfer it or them to persons resident in Canada. IRC reserves the right to reject an Application Form from persons whom it believes are residents of Canada or persons who are acquiring Open Offer Shares for resale into Canada.

6.4 *Australia*

No Application Form, advertisement or other offering material in relation to the Open Offer or the Open Offer Shares has been or will be distributed, directly or indirectly, in or into Australia, nor will Open Offer Entitlements be credited to the stock accounts of such persons. No prospectus in relation to the Open Offer Shares has been or will be lodged with or registered by the Australian Securities and Investments Commission. The Open Offer is not being made in Australia. The Open Offer Shares will not be available for subscription or purchase by any resident of Australia (including corporations and other entities organised under the laws of Australia, but not including a permanent establishment of any such corporation or entity located outside Australia).

Holders of Existing Ordinary Shares with registered addresses in Australia will not be Qualifying Holders and no Application Forms will be sent to, nor will Open Offer Entitlements be credited to, the stock accounts of such persons.

6.5 *Japan*

The relevant clearances have not been, and will not be, obtained from the Ministry of Finance of Japan and no circular in relation to the Open Offer Shares has been or will be lodged with or registered by the Ministry of Finance of Japan. The Open Offer Shares may not therefore, subject to certain exceptions, be offered or sold, directly or indirectly, in or into Japan. Accordingly, Application Forms are not being sent to, and no Open Offer Entitlements will be credited to a stock account in CREST of, any Qualifying Shareholder with a registered address in Japan.

7. Settlement and dealings

The result of the Open Offer is expected to be announced on 8 July 2009. Application has been made to the UK Listing Authority for the Open Offer Shares to be admitted to trading on AIM. It is expected that, subject to the Open Offer becoming unconditional in all respects, Admission will become effective and that dealings in the Open Offer Shares will commence on 9 July 2009. The earliest date for settlement of such dealings will be 9 July 2009. IRC's Existing Ordinary Shares are already admitted to CREST. Accordingly, no further application for admission to CREST is required for the Open Offer Shares, all of which, when issued and fully paid, may be held and transferred by means of CREST.

Application has been made for the Open Offer Entitlements to be admitted to CREST. The conditions to such admission having already been met, the Open Offer Entitlements are expected to be admitted to CREST with effect from 24 June 2009. Open Offer Entitlements held in CREST are expected to be disabled in all respects after 11.00 a.m. on 8 July 2009 (the latest date for applications under the Open Offer). Open Offer Shares will be issued

in uncertificated form to those persons who submitted a valid application for Open Offer Shares by utilising the CREST application procedures and whose applications have been accepted by IRC on the day on which such conditions are satisfied (expected to be 9 July 2009). On this day, Capita Registrars will instruct Euroclear to credit the appropriate stock accounts of such persons with such persons' entitlements to Open Offer Shares with effect from Admission (expected to be 9 July 2009). The stock accounts to be credited will be accounts under the same participant IDs and member account IDs in respect of which the USE instruction was given.

Notwithstanding any other provision of this Document, IRC reserves the right to send Qualifying CREST Holders an Application Form instead of crediting the relevant stock account with Open Offer Entitlements, and/or to issue any Open Offer Shares in certificated form. In normal circumstances, this right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST for any part of CREST), or on the part of the facilities and/or systems operated by Capita Registrars in connection with CREST. This right may also be exercised if the correct details (such as participant ID and member account ID details) are not provided as requested on the Application Form.

For Qualifying non-CREST Holders who have applied by using an Application Form, share certificates for the Open Offer Shares validly applied for are expected to be despatched by post during the week commencing 20 July 2009. No temporary documents of title will be issued. Pending despatch of definitive share certificates, transfers of the Open Offer Shares by Qualifying non-CREST Holders will be certified against the register. All documents or remittances sent by or to an applicant (or his agent as appropriate) will (in the latter case) be sent through the post and will (in both cases) be at the risk of the applicant. Qualifying CREST Holders should note that they will be sent no confirmation of the credit of the Open Offer Shares to their CREST stock account nor any other written communication by IRC in respect of the issue of the Open Offer Shares.

PART III

RISK FACTORS

Qualifying Shareholders should be aware that an investment in the Company involves a degree of risk and should only be made by those with the necessary expertise to appraise the investment. The following are considered by the Board to be the risk factors, which could have a material adverse effect on the Company's business, financial condition, prospects and share price. In addition to the other information in this Document, the following risk factors should be considered carefully in evaluating whether to make an investment in the Company.

Realisation of investment

Potential investors should be aware that the value of shares and income from these shares can go down as well as up and that Admission of the Open Offer Shares to trading on AIM should not be taken as implying that there will be a liquid market in the Existing Ordinary Shares. An investment in the Existing Ordinary Shares may thus be difficult to realise.

Additional capital requirements to fund ongoing operations

The Company's capital needs may exceed current expectations, requiring the Company to raise additional capital from equity or debt sources. Further equity financing may be dilutive to existing Shareholders or result in the issuance of securities whose rights, preference and privileges are senior to those of the owners of Existing Ordinary Shares. If any such future funding requirements are met through additional debt financing, the Company may be required to adhere to covenants restricting its future operational and financial activities. If the Company is unable to secure additional funds when needed or cannot do so on terms it finds acceptable, the Company may be unable to expand its operations, take full advantage of future commercial opportunities or respond adequately to competitive pressures, any of which may have an adverse effect on its business and results of operations.

Loss of key personnel

The Company's performance is dependent upon the continued services and the performance of the executive Directors and other key personnel. The loss of the services of any of the executive Directors or key personnel could have a materially adverse effect upon the Company's future.

The market

The Company is likely to face competition from other entities operating in its business sector including larger quoted and unquoted entities which may have greater resources than the Company and, as a result, the Company could be affected by the competitive pressures that result.

It is possible that recessionary pressures and other economic factors (such as rising interest rates, tax increases, rising unemployment and falling house prices) may decrease the disposable income that customers have available to spend on eating out and other leisure activities and/or adversely affect customers' confidence and willingness to spend. This could lead to a reduction in the revenues of the Company's outlets.

Weather conditions

The Company has a small number of outdoor seating areas across its restaurant portfolio and in the summer months several restaurants can add additional covers through the outdoor dining facilities. However prolonged bouts of good weather will take people away from the indoor areas of the restaurants, which is the significant majority of covers and who may instead go for other outdoor options.

Food related health concerns and liability

The food and beverage industries can be adversely affected by litigation and complaints from customers or regulatory authorities resulting from quality, illness, injury or other health concerns (such as BSE, asian flu, salmonella) or other issues stemming from one product or a number of products including products provided by the Company. Such litigation, concerns and complaints and any adverse publicity surrounding such issues may have a material adverse effect on the Company or the restaurant sector generally and therefore the Company.

Increasing global food prices may negatively impact sales margins

Food and drink purchases account for a significant portion of the Company's supply costs. The Company is exposed to the risk of higher food prices depending on world economic conditions, global availability and demand for products. There can be no guarantee that the Company will be able to contain the effect of rising food prices, which could result in a reduction of margins and profit affecting the Company's prospects.

High proportion of fixed overheads

A high proportion of the Company's operating overheads and certain of the costs remains consistent even if its revenues drop. For example, the expenses of every operating restaurant cannot be significantly reduced when circumstances such as market and economic factors and conditions cause a reduction in revenues.

PART IV

DEFINITIONS

“2006 Act”	the Companies Act 2006 to the extent in force at the date of this Document
“Act”	the Companies Act 1985, as amended
“Admission”	the admission of the Open Offer Shares to trading on the AIM market of the London Stock Exchange
“Altium”	Altium Capital Limited
“AIM”	AIM, a market operated by the London Stock Exchange
“AIM Rules”	the AIM rules for companies published by the London Stock Exchange in June 2009 (as amended) governing the admission to and the operation of AIM
“Annual General Meeting” or “AGM”	the Annual General Meeting of the Company held at 11.00 a.m. on 21 May 2009
“Application Form”	the personalised application form on which Qualifying non-CREST Holders (other than certain Overseas Shareholders) may apply for Open Offer Shares under the Open Offer
“Australia”	the Commonwealth of Australia, its states, territories or possessions
“Business Day”	a day (other than a Saturday or Sunday) on which commercial banks are open for general business in London, England
“Canada”	Canada, its provinces and territories and all areas subject to its jurisdiction and any political sub-divisions thereof
“Capita Registrars” or “Registrars”	Capita Registrars Limited, part of the Capita Group Plc
“certificated” or “certificated form”	not in an uncertificated form
“Closing Price”	the closing middle market quotation of a share as derived from the AIM Appendix to the Daily Official List of the London Stock Exchange
“Committed Shares”	the 3,634,735 Open Offer Shares in respect of which irrevocable undertakings to take up all of their respective Open Offer Entitlements have been received from certain Directors and Malcolm Conrad Walker
“Company” or “IRC”	Individual Restaurant Company plc (registered number 4026693)
“CREST”	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations)
“CREST Manual”	the rules governing the operation of CREST, consisting of the CREST Reference Manual, CREST International Manual, CREST Central Counterparty Service Manual, CREST Rules, Registrars Service Standards, Settlement Discipline Rules, CREST Courier and Sorting Services Manual, Daily Timetable, CREST Application Procedures and CREST Glossary of Terms (all as defined in the CREST Glossary of Terms promulgated by Euroclear on 15 July 1996 and as amended since)
“CREST member”	a person who has been admitted by Euroclear as a system-participant (as defined in the CREST Regulations)
“CREST Participant”	a person who is, in relation to CREST, a system-participant (as defined in the CREST Regulations)
“CREST payment”	shall have the meaning given in the CREST Manual issued by Euroclear

“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755) (as amended)
“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 (which includes all-CREST Personal Members)
“Directors” or “Board”	the directors of the Company whose names appear on page 6 of this Document
“Document”	this document which for the avoidance of doubt does not comprise a prospectus (under the Prospectus Rules) or an admission document (under the AIM Rules)
“enabled for settlement”	in relation to Open Offer Entitlements, enabled for the limited purpose of settlement of claim transactions and USE transactions
“Enlarged Share Capital”	the issued ordinary share capital of IRC immediately following completion of the Fundraising
“EU”	the European Union
“Euroclear”	Euroclear UK & Ireland Limited, the operator of CREST
“Existing Ordinary Share”	each ordinary share with a nominal value of 5 pence in the capital of the Company as at the date of this Document
“FSA”	the Financial Services Authority
“FSMA”	the Financial Services and Markets Act 2000 (as amended)
“ISIN”	International Securities Identification Number
“Issue Price”	13 pence per Open Offer Share
“Japan”	Japan, its cities, prefectures, territories and possessions
“Listing Rules”	the Listing Rules of the UKLA made in accordance with section 73A(2) of FSMA
“Lloyds”	Lloyds Banking Group plc
“London Stock Exchange”	London Stock Exchange plc
“Member Account ID”	the identification code or number attached to any member account in CREST
“Open Offer” or “Fundraising”	the conditional offer made by the Company to Qualifying Shareholders of Open Offer Shares on the terms and conditions set out in this Document and, where relevant, in the Application Form
“Open Offer Entitlement”	an entitlement to apply to acquire Open Offer Shares, allocated to a Qualifying Holder pursuant to the Open Offer
“Open Offer Shares”	the ordinary shares of 5 pence each in the capital of IRC to be issued pursuant to the Open Offer
“Overseas Shareholders” or “Overseas Holders”	Shareholders with registered addresses in, or who are citizens, residents or nationals of, jurisdictions outside the UK
“Participant ID”	the identification code or membership number used in CREST to identify a particular CREST member or other CREST Participant
“Prospectus Rules”	the Prospectus Rules made in accordance with EU Prospectus Directive 2003/71/EC

“Qualifying CREST Holders”	Qualifying Holders holding Existing Ordinary Shares in uncertificated form
“Qualifying Holder’s Entitlement”	a Qualifying Holder’s <i>pro rata</i> entitlement to Open Offer Shares
“Qualifying Holders” or “Qualifying Shareholders”	Shareholders whose names appear on the register of members of IRC on the Record Date as holders of Existing Ordinary Shares and who are eligible to be offered Open Offer Shares under the Open Offer in accordance with the terms and conditions set out in this Document
“Qualifying non-CREST Holders”	Qualifying Holders holding Existing Ordinary Shares in certificated form
“Receiving Agent”	Capita Registrars
“Record Date”	the record date for the Open Offer, being 19 June 2009
“Restricted Jurisdiction”	the United States, Australia, Canada, Japan, New Zealand, the Republic of Ireland and the Republic of South Africa
“RIS”	a regulatory information service as defined by the Listing Rules
“Securities Act”	the US Securities Act of 1933, as amended
“Shareholders” or “IRC Shareholders”	the holders of Existing Ordinary Shares in IRC
“Sterling”	pounds sterling, the basic unit of currency in the UK
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“UK Listing Authority” or “UKLA”	the UK Listing Authority, being the FSA acting as competent authority for the purposes of Part VI of FSMA
“uncertificated” or “uncertificated form”	recorded on the relevant register or other record of the share or other security confirmed as being held in uncertificated form in CREST and title to which, by virtue of the Regulations, may be transferred by way of CREST
“Underwriter”	Blackstar (Isle of Man) Limited (in its capacity as trustee of The Malcolm Conrad Walker EFRBS)
“Underwriting Arrangement”	the conditional underwriting arrangement contained in an underwriting agreement entered into by the Underwriter with the Company on 19 June 2009 and “Underwriting” shall be construed accordingly
“USE”	unmatched stock event
“VAT”	value added tax