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IN THE HIGH COURT OF JUSTICE

CHANCERY DIVISION

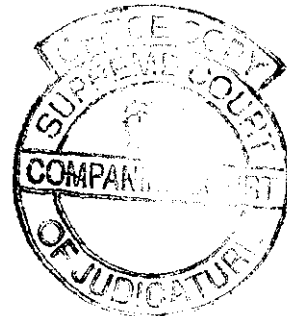
COMPANIES COURT

THE HONOURABLE MR JUSTICE MANN

WEDNESDAY THE 4TH DAY OF MAY 2005



No. 1244 of 2005



IN THE MATTER OF F&C INCOME GROWTH INVESTMENT TRUST PLC

and

IN THE MATTER OF THE COMPANIES ACT 1985

UPON THE PETITION of the above-named F&C Income Growth Investment Trust plc (the "**Company**") whose registered office is situate at 8th Floor, Exchange House, Primrose Street, London EC2A 2NY

AND UPON HEARING Counsel for the Company

AND UPON READING the said Petition, the Scheme of Arrangement as set forth in the Schedule to the Petition (the "**Scheme**"), the circular to shareholders dated 18 March 2005 (the "**Circular**"), and the evidence

AND UPON F&C Capital and Income Investment Trust plc (by Counsel for the Company being their Counsel for the purpose) submitting to be bound by the Scheme hereinafter sanctioned and undertaking to execute and do and procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed and done by them for the purpose of giving effect to the Scheme

THE COURT hereby sanctions the Scheme as set forth in the Schedule to the Petition and the First Schedule hereto

AND THIS COURT ORDERS that the reduction of capital of the Company resolved on and effected by a Special Resolution passed at an Extraordinary General Meeting of the said Company held on 11 April 2005 be and the same is hereby confirmed in accordance with the provisions of the above mentioned Act

AND THIS COURT HEREBY APPROVES the Minute set forth in the Second Schedule hereto

AND IT IS HEREBY ORDERED that this Order be produced by the Company to the Registrar of Companies and that an office copy hereof be delivered to him together with a copy of the said Minute

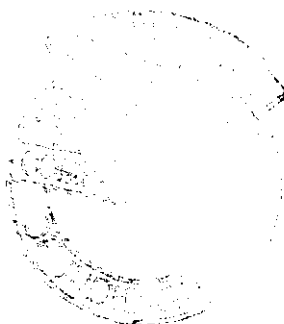
AND IT IS DIRECTED that pursuant to section 139(2) of the said Act the Registrar of Companies registers the Order insofar as it confirms the reduction of capital of the Company



notwithstanding that the Order has the effect of bringing down the nominal value of the allotted share capital of the Company below the authorised minimum

AND IT IS ORDERED that notice of the registration by the Registrar of Companies of this Order (so far as it confirms the reduction of capital of the Company) and of the said Minute be published once in "The Independent" newspaper within 21 days after such registration

DATED the 4th day of May 2005



THE FIRST SCHEDULE ABOVE REFERRED TO

SCHEME OF ARRANGEMENT

IN THE COURT OF JUSTICE
CHANCERY DIVISION
COMPANIES COURT

No. 1224 of 2005

In the matter of F&C INCOME GROWTH INVESTMENT TRUST PLC

and

In the matter of THE COMPANIES ACT 1985

SCHEME OF ARRANGEMENT

(Under section 425 of the Companies Act 1985)

BETWEEN

F&C INCOME GROWTH INVESTMENT TRUST PLC

AND

THE HOLDERS OF

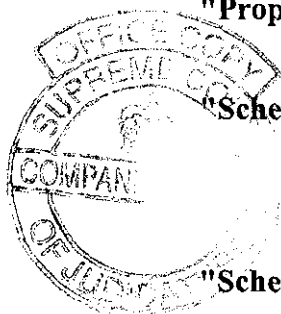
THE FIGIT SHARES (AS HEREINAFTER DEFINED)

PRELIMINARY

- (1) In this Scheme unless the context otherwise requires, the following expressions shall bear the following meanings:

"Directors"	the directors of the Company;
"Effective Date"	the date on which this Scheme becomes effective in accordance with clause 6 of this Scheme;
"Excluded Share"	the ordinary share of 25p in the capital of FIGIT, held by Neil Dunford, which shall be excluded from the cancellation of FIGIT Shares effected pursuant to the Scheme;
"FAV"	the relevant formula asset value as determined in accordance with the relevant formula set out in the Schedule to this Scheme;
"FAV Calculation Date"	the date at the close of business of which the FIGIT FAV and the FCIIT FAV are to be calculated, being a date on which the London Stock Exchange is open for dealings, as agreed by the Directors and the directors of

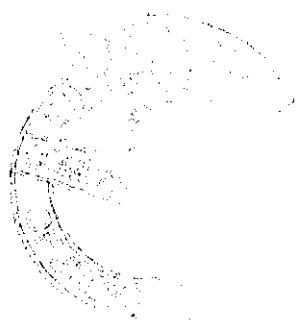
	FCIIT, but not being more than six days before the Effective Date;
"FCIIT"	F&C Capital and Income Investment Trust PLC, registered in England and Wales with registered number 2732011;
"FCIIT FAV"	the FAV as at the FAV Calculation Date attributable to the FCIIT Shares as determined in accordance with the formula set out in the Schedule to this Scheme;
"FCIIT Shares"	ordinary shares of 25p each in FCIIT in issue at the date of the Proposals Document;
"FIGIT" or "the Company"	F&C Income Growth Investment Trust plc, registered in England and Wales with registered number 2895991;
"FIGIT FAV"	the FAV as at the FAV Calculation Date attributable to the FIGIT Shares as determined in accordance with the formula set out in the Schedule to this Scheme;
"FIGIT Shares"	fully-paid ordinary shares of 25p each in FIGIT, excluding the Treasury Shares;
"FIGIT Shareholders"	holders of FIGIT Shares, other than the Excluded Share, at the close of business on the Scheme Record Date;
"holder"	includes any person entitled by transmission;
"London Stock Exchange"	London Stock Exchange plc;
"Merger"	the proposed Merger between FIGIT and FCIIT involving the Scheme, as described in the Proposals Document;
"New FCIIT Shares"	fully-paid new FCIIT Shares of 25p each to be issued pursuant to the Scheme;
"New FIGIT Shares"	fully-paid new FIGIT Shares of 25p each to be issued pursuant to the Scheme;
"Proposals Document"	the document dated 18 March 2005 sent by the Company to holders of FIGIT Ordinary Shares;
"Scheme"	this Scheme of Arrangement, including the Schedule thereto, in its present form or with any modification thereof or addition thereto or condition approved or imposed by the Court;
"Scheme Record Date"	the date, as agreed by the Directors and the directors of FCIIT, but not being more than three business days



before the Effective Date;

"Scheme Shares"	FIGIT Shares, other than the Excluded Share, which are to be cancelled pursuant to the Scheme;
"Shares"	the FIGIT Shares in issue at the date of the Proposals Document;
"Transfer Agreement"	the agreement to be entered into between the Company and FCIIT, referred to in clause 5 of the Scheme; and
"Treasury Shares"	ordinary shares of 25p each in the capital of FIGIT held in treasury by FIGIT.

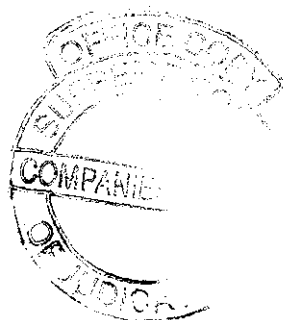
- (2) The authorised share capital of the Company is £95,800,000 divided into 383,200,000 FIGIT Shares of which 44,297,328 (excluding Treasury Shares) have been issued and are fully paid and none of the remainder have been issued.
- (3) FCIIT was incorporated as a public limited company on 17 July 1992, and has an authorised share capital of £25,000,000 divided into 100,000,000 FCIIT Shares of which 48,496,252 (excluding treasury shares) have been issued. The FCIIT Shares are fully paid. A resolution will be proposed at an Extraordinary General Meeting of FCIIT to be held on 11 April 2005 to authorise the Directors to allot the New FCIIT Shares in order to enable the Scheme to be implemented.
- (4) The purpose of this Scheme is to provide for the issue of New FCIIT Shares to FIGIT Shareholders in respect of the cancellation of the FIGIT Shares and the issue of new shares in the Company to FCIIT or such company as it shall nominate.
- (5) In connection with the Scheme it is proposed that the Company's investment portfolio and other assets should be transferred to FCIIT by means of the Transfer Agreement. The Transfer Agreement provides, amongst other things, that the cash consideration payable thereunder is to be paid in full on completion unless otherwise agreed.
- (6) FCIIT has agreed to appear by Counsel on the hearing of the petition to sanction this Scheme and to undertake to the Court to be bound thereby and to execute and do or procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed or done by them for the purpose of giving effect to this Scheme.



THE SCHEME

Shares

1. (A) The share capital of the Company shall be reduced by the cancellation of the Treasury Shares.
(B) All FIGIT Shares in issue on the Effective Date, save for the Excluded Share, shall be reclassified as Scheme Shares.
(C) The Excluded Share shall be transferred to FCIIT in consideration for the issue by FCIIT of one new FCIIT Share to the holder of the Excluded Share, and such holder shall be registered by FCIIT as the holder of the New FCIIT share so issued with effect from the Effective Date.
(D) The share capital of the Company shall be reduced by the cancellation of the Scheme Shares.
(E) Forthwith and contingently upon reduction of capital referred to in sub-clause 1(D) taking effect:
 - (i) the share capital of the Company shall be increased to its former amount by the creation of such number of New FIGIT Shares as shall be of an aggregate nominal amount equal to the nominal amount of the FIGIT Shares cancelled pursuant to sub-clause 1(D) above. Such New FIGIT Shares in the Company shall carry the rights and be subject to the restrictions contained in the Articles of Association of the Company; and
 - (ii) the Company shall apply the credit arising in its books of account on such reduction of capital in paying up, in full, the New FIGIT Shares created pursuant to sub-clause 1(E)(i) above of this Scheme and shall allot and issue the same credited as fully paid up to FCIIT and/or to such other company or companies as FCIIT may nominate.
2. (A) In consideration of the cancellation of the Scheme Shares, FCIIT shall allot and issue to the FIGIT Shareholders, credited as fully paid up at par, such numbers of New FCIIT Shares as they shall be entitled to receive in accordance with the Schedule to this Scheme and FIGIT Shareholders shall be registered by FCIIT as the holders of the New FCIIT Shares so allotted with effect from the Effective Date.
(B) The New FCIIT Shares will rank pari passu in all respects with the existing FCIIT Shares, save that they will not rank for the interim dividend in respect of the first half of the accounting period of FCIIT ending on 30 September 2005 proposed to be paid in or around May 2005.
3. (A) On the Effective Date, FCIIT shall allot the New FCIIT Shares which it is required to allot pursuant to sub-clauses 1(C) and 2(A) of this Scheme. Subject to sub-clause 3(D) below, the issue of the New FCIIT Shares to the FIGIT Shareholders and the holder of the Excluded Share on the register of members at the close of business on the Scheme Record Date will be made in the following manner:



(i) *Shares in the Company held in certificated form*

In respect of a holding of FIGIT Shares in certificated form, the New FCIIT Shares will be issued in certificated form unless the FIGIT Shareholder is already a holder of existing FCIIT Shares in uncertificated form, in which case the New FCIIT Shares will be issued in uncertificated form.

(ii) *Shares in the Company held in uncertificated form*

In respect of a holding of FIGIT Shares in uncertificated form, the New FCIIT Shares will be issued in uncertificated form unless the FIGIT Shareholder is already a holder of FCIIT Shares in certificated form, in which case the New FCIIT Shares will be issued in certificated form.

(B) All deliveries required by this clause of New FCIIT Shares to be held in certificated form shall be effected by duly posting the same not later than 14 days after the Effective Date in pre-paid envelopes addressed to the persons respectively entitled thereto at their respective addresses appearing in the register of members of the Company at the close of business on the Scheme Record Date or, in the case of joint holdings, at the address of that one of the joint holders whose name then stands first in the said register in respect of the joint holding or to such other address as the joint holders may in writing direct.

(C) Where the New FCIIT Shares are to be issued in uncertificated form, FCIIT will procure that CRESTCo is instructed to credit the appropriate stock account in CREST of the FIGIT Shareholder concerned with such FIGIT Shareholder's entitlement to New FCIIT Shares.

(D) FCIIT reserves the right to issue all or part of the New FCIIT Shares in certificated form.

(E) Neither FIGIT nor FCIIT shall be responsible for any loss in transmission of certificates sent in accordance with this clause.

(F) The preceding sub-clauses of this clause shall take effect subject to any prohibition or condition imposed by law.

(G) From and including the Effective Date all certificates representing FIGIT Shares shall cease to be of value and shall at the request of FCIIT be delivered for cancellation to FCIIT or to any person appointed by FCIIT to receive the same.

4. Any mandate in force at the close of business on the Scheme Record Date relating to the payment of dividends on FIGIT Shares and any instruction then in force as to notices and other communications shall, unless and until revoked, be deemed as from the Effective Date a valid and effective mandate or instruction to FCIIT in relation to the corresponding New FCIIT Shares.

Transfer Agreement

5. The Company is authorised to concur in any request made by FCIIT pursuant to the Transfer Agreement that all or part of the consideration payable by FCIIT pursuant to

such agreement shall be left outstanding by way of loan from the Company to FCIIT on such terms as they may agree.

Operation of this Scheme

6. This Scheme shall become effective as soon as an office copy of the Order of the Court sanctioning this Scheme under section 425 of the Companies Act 1985 and confirming under section 137 of the said Act the reduction of the Capital of the Company provided for by this Scheme shall have been delivered by the Company to the Registrar of Companies and registered by the Registrar of Companies.
7. Unless this Scheme has become effective on or before 31 December 2005 or such later date, if any, as the Court may allow, it shall lapse.
8. The Company and FCIIT may jointly consent on behalf of all parties concerned to any modification of or addition to this Scheme or to any condition which the Court may think fit to approve or impose.
9. The Merger costs of both FCIIT and FIGIT shall be borne by FIGIT.

Dated: 18th March 2005



THE SECOND SCHEDULE ABOVE REFERRED TO

MINUTE APPROVED BY THE COURT

"The authorised share capital of F&C Income Growth Investment Trust plc was by virtue of a Special Resolution of the Company and with the sanction of an Order of the High Court of Justice dated 4 May 2005 reduced from £95,800,000 divided into 383,200,000 ordinary shares of 25p each to £84,610,668.25 divided into 338,442,673 ordinary shares of 25p of which one share is in issue and the remainder are unissued. By virtue of the Scheme and a Special Resolution taking effect immediately upon the reduction of capital becoming effective, the authorised share capital of the Company was increased to £95,800,000 divided into 383,200,000 ordinary shares of 25p each. As at the date of the registration of this minute, 44,297,328 ordinary shares of 25p each are in issue and fully paid up and the remainder are unissued."

[Faint, illegible text, possibly a signature or stamp]

No. 1244 of 2005

IN THE HIGH COURT OF JUSTICE

CHANCERY DIVISION

COMPANIES COURT

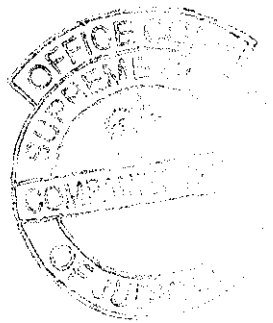
THE HONOURABLE MR JUSTICE MANN

4TH MAY 2005

**IN THE MATTER OF F&C INCOME
GROWTH INVESTMENT TRUST PLC**

-and-

**IN THE MATTER OF THE COMPANIES
ACT 1985**



ORDER

Sanctioning Scheme of Arrangement

and

Confirming Reduction of Capital

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Ref: 2360/30851894