

Dear Sirs

Mercia No.1 Plc

Company Registered Number: 08239134

In accordance with section 516 of the Companies Act 2006, we write to notify you that we are ceasing to hold office as auditor of Mercia No.1 Plc. This takes effect from the date on which you receive this letter.

In accordance with section 519(1) of that Act, we are ceasing to hold office following a competitive tender and another firm of auditors has been appointed.

We draw your attention to the fact that Mercia No.1 Plc has its own statutory obligations where we have ceased to hold office (as detailed, in particular, in Sections. 520 and 523 of the Act), including, depending on the reasons, the requirement to notify the appropriate audit authority if we cease to hold office before the end of our term of office as auditors.

If you have any questions on your legal obligations we recommend that you seek legal advice.

Yours faithfully

*Ernst & Young LLP*

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ICAEW Registration Number – C009126168

