

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to the action you should take, you should immediately seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or independent financial adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all of your existing ordinary shares in the capital of N Brown Group plc, please send this document, together with the accompanying documents as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

N Brown Group plc

23 May 2008

Griffin House
40 Lever Street
Manchester
M60 6ES

Registered No. 814103

To the holders of shares in N Brown Group plc

2008 Annual General Meeting

Dear Shareholder

Notice of the annual general meeting to be held on Tuesday, 1 July 2008 at 12:30 p.m. at Griffin House, 40 Lever Street, Manchester, M60 6ES is set out on pages 3 and 4 of this document.

I provide below further information regarding the resolutions, which shareholders are to be asked to approve at the annual general meeting.

The directors consider the resolutions which are set out in the notice of meeting on pages 3 and 4 and which are to be proposed at the forthcoming annual general meeting to be in the best interests of the company and its shareholders as a whole and recommend shareholders to vote in favour of the resolutions as they unanimously intend to do so in respect of their own beneficial shareholdings.

You will find enclosed a form of proxy for use at the annual general meeting. Please complete, sign and return the enclosed form as soon as possible in accordance with the instructions printed thereon whether or not you intend to be present at the meeting. Forms of proxy should be returned so as to be received by the company's registrars, Capita Registrars, Proxies Department, PO Box 25, Beckenham, Kent, BR3 4BR as soon as possible and in any event not later than 48 hours before the time appointed for the meeting.

Yours faithfully,

Lord Alliance of Manchester CBE
Chairman

Explanatory Notes

Resolution 1 Annual Report and Accounts

The directors will present to shareholders at the annual general meeting the accounts for the previous financial year, together with their report and the report of the auditors.

Resolution 2 Directors Remuneration Report

In accordance with section 439 of the Companies Act 2006 ("the 2006 Act") shareholders are again asked to approve the directors' remuneration report which is set out on pages 41 to 49 of the annual report and accounts. Your directors are satisfied that the company's policy and practice in relation to directors' remuneration are reasonable and that they deserve shareholder support.

Resolution 3 Dividends

Final dividends are approved by the shareholders. However, they cannot be more than the amount the board recommends. The board is recommending a final dividend of 6.41 pence per ordinary share for the 53 weeks ended 1 March 2008. If shareholders approve the recommended dividend, it will be paid on 25 July 2008 to shareholders on the register at the close of business on 27 June 2008.

Resolution 4, 5, 6, and 7 Directors Re-Election

Under the articles of association one third of the directors are required to retire from office at each annual general meeting. In accordance with the Combined Code on Corporate Governance and by virtue of holding office as non-executive directors for more than nine years, Ivan Fallon, Lord Alliance of Manchester CBE and Nigel Alliance OBE are subject to annual re-election as directors. Lord Stone of Blackheath, retires by rotation and offers himself for re-election. Biographical details of all directors including those standing for re-election are included on page 12 of the annual report and accounts.

Resolution 8 Auditors Re-Appointment

This resolution proposes the re-appointment of Deloitte & Touche LLP as auditors of the company and authorises the directors to determine their remuneration.

Resolution 9 Authority to Allot Shares

The authority of shareholders is required to enable directors to allot shares and certain rights to subscribe for shares, such as options. Accordingly, in line with the company's usual procedure, which is also standard practice amongst other public companies, this resolution seeks authority for the directors to issue shares and other relevant securities (within the limits of the existing authorised share capital) until the conclusion of next year's annual general meeting or 30 September 2009, if sooner. The resolution will provide for the directors to be able to allot relevant securities up to a nominal amount of £9,995,436. This represents one third of the issued share capital together with the amount of shares that the company may be obliged to allot to satisfy its obligations under the various option schemes, long term incentive plan and annual performance bonus that the company operates. With the exception of shares to be issued in respect of these, the directors have no current intention of exercising this authority.

Resolution 10 Permission to Allot a Limited Number of Shares other than to Existing Shareholders

When shares and certain rights to subscribe for shares are issued for cash, they normally have to be offered first to existing shareholders in proportion to their current shareholding. This resolution will enable the directors to allot for cash equity securities up to a nominal amount of £1,499,315 representing approximately 5% of the current issued ordinary share capital, other than to existing shareholders, in order to take advantage

of these opportunities as and when they arise. The authority will lapse at the earlier of the next annual general meeting of the company or 30 September 2009, if sooner.

In this context, shareholders should note that the Companies (Acquisition of Own Shares) (Treasury Shares) Regulations 2003 ("the Treasury Shares Regulations") came into force on 1 December 2003, with the result that the rights of pre-emption conferred by section 89 of the Companies Act 1985 ("the Act") (to the extent not disapplied) now also apply to the sale by the company of any shares which it holds as treasury shares under the Treasury Shares Regulations. Resolution 10, if passed, will also disapply the provisions of section 89 of the Act in relation to any sales of treasury shares, within the limits referred to in the resolution. As at 23 May 2008, the company did not hold any shares in the company in treasury.

Resolution 11 Articles of Association

It is proposed in resolution 11 to adopt new articles of association to replace the company's existing articles. The main reason for the new articles is to take account of changes that have been introduced into UK company law by the 2006 Act.

The changes that are to be introduced are to amend the length of notice for the purposes of convening a general meeting and to alter the indemnity provisions for officers of the company to bring them into line with the 2006 Act.

Resolution 12 Change to Articles in October 2008

The 2006 Act is being implemented in stages. The phase that is expected to come into force on 1 October 2008 introduces changes relating to Directors' conflicts of interest.

The new provisions mean that a director must avoid a situation where there is, or might be, a direct or indirect interest that conflicts with the company's interests. The requirement is very broad and could apply if a director becomes a director of another company or a trustee of a different organisation. The 2006 Act allows directors of public companies to authorise conflicts and potential conflicts where the articles of association contain suitable provisions. The 2006 Act also allows the articles of association of a company to include provisions for dealing with directors' conflicts of interest to avoid any potential breach of duty on the part of the directors. The amendments proposed to be made to the company's articles of association (the "Articles") pursuant to Resolution 12 give the directors authority to approve such situations and to allow conflicts of interest to be dealt with in a similar manner to the way in which they are currently handled.

The new provisions include safeguards so that only directors who have no interest in the matter being considered will be able to take the decision and in making the decision the directors must act in a way they consider most likely to promote the success of the company. The directors will also be able to impose limits or conditions on the authorisation that they have given.

The proposed amendments also contain provisions relating to confidential information to protect a director from being in breach of duty if a conflict of interest arises. These provisions can only apply where the situation giving rise to the conflict has already been authorised by the directors.

Given the staged implementation of the 2006 Act, a further review of the Articles will be undertaken before the 2009 AGM and it is anticipated that additional amendments to the Articles will be proposed at that time.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the annual general meeting of N Brown Group plc will be held at Griffin House, 40 Lever Street, Manchester M60 6ES on Tuesday, 1 July 2008 at 12:30 pm for the following purposes:

Ordinary Business

1. To receive the annual accounts of the company for the 53 weeks ended 1 March 2008 together with the directors' and auditors' report on those accounts.
2. To approve the directors' remuneration report for the 53 weeks ended 1 March 2008.
3. To declare a final dividend of 6.41 pence per ordinary share for the 53 weeks ended 1 March 2008.
4. To re-elect as a director Lord Stone of Blackheath.
5. To re-elect as a director Lord Alliance of Manchester CBE.
6. To re-elect as a director Nigel Alliance OBE.
7. To re-elect as a director Ivan Fallon.
8. To re-appoint Deloitte & Touche LLP as the company's auditors and to authorise the directors to fix their remuneration.
9. To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

That, in substitution for all existing authorities the directors of the company be and are hereby generally and unconditionally authorised in accordance with section 80 of the Companies Act 1985 ("the Act") to exercise all the powers of the company to allot relevant securities (within the meaning of section 80 of the said Act) up to an aggregate nominal amount of £9,995,436.83, provided that this authority shall expire at the conclusion of the next annual general meeting of the company after the passing of this resolution or, if earlier, 30 September 2009 and provided further that the company may before such expiry make any offers or agreements which would or might require relevant securities to be allotted after such expiry.

Special Business

To consider and, if thought fit, pass the following resolutions all of which will be proposed as special resolutions:

10. That, subject to the passing of resolution 9 as set out in the notice of this meeting above, the directors of the company be and are hereby empowered pursuant to section 95(1) of the Companies Act 1985 ("the Act") to allot equity securities (within the meaning of section 94(2) of the Act) for cash pursuant to the authority conferred by the said resolution 9 and to sell relevant shares (as defined by section 94(5) of the said Act) of the company if, immediately before such sale, such shares were held by the company as treasury shares (within the meaning of section 162A(3) of the said Act) as if section 89(1) of the Act did not apply to any such allotment and/or sale, provided that this power shall be limited to the allotment of equity securities and/or sale of relevant shares:

- (a) in connection with an offer (whether by way of rights issue, open offer or otherwise) to the holders of ordinary shares where the equity securities respectively attributable to the interests of all such holders are proportionate (as nearly as may be) to the respective number of ordinary shares held by them (notwithstanding that, by reason of such exclusions or other arrangements as the directors may deem necessary or desirable to deal with fractional entitlements or legal or practical problems under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory, the equity securities to be allotted and/or relevant shares to be sold are not offered to all such holders in proportion to the number of ordinary shares held by each of them); and
- (b) otherwise than pursuant to paragraph (a) above, of equity securities up to an aggregate nominal value of £1,499,315.52

and shall expire at the conclusion of the next annual general meeting of the company after the passing of this resolution or, if earlier, on 30 September 2009 save that the company may before such expiry make any offers or agreements which would or might require equity securities to be allotted, or relevant shares to be sold, after such expiry.

11. That, with immediate effect, the articles of association produced to the meeting and for the purpose of identification marked "A" and signed by the chairman of the meeting, be adopted in substitution for and to the exclusion of the existing articles of association of the company.
12. That, subject to the passing of resolution 11 as set out in the notice of this meeting above, and with effect from 1 October 2008, or such later date as section 175 of the Companies Act 2006 shall be brought into force, Article 104 of the articles of association be deleted and new Articles 104 to 125 as set out in the document produced to the meeting and signed by the Chairman be included and the existing Articles 105 to 173 be renumbered accordingly.

By Order of the Board
Philip F Harland LL.B (Hons), Solicitor
Secretary
23 May 2008

Registered Office:
Griffin House
40 Lever Street
Manchester
M60 6ES

Notes

- 1 A member entitled to attend and vote at the annual general meeting convened by the notice set out above is entitled to appoint a proxy or proxies to attend, speak and vote in his place. A member may appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by a member. A proxy need not be a member of the company.
- 2 A form of proxy is enclosed for your use.
- 3 To be valid, the form of proxy together with any power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority must be received by the company's registrars, Capita Registrars, Proxies Department, PO Box 25, Beckenham, Kent, BR3 4BR not later than 48 hours before the time appointed for holding the meeting.
- 4 Completion and return of the form of proxy will not preclude a member from attending and voting in person at the annual general meeting should he or she so wish.
5. In the case of joint holders of a share the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose seniority is determined by the order in which the names of the holders stand in the register of members in respect of the joint holding.
6. The following documents, which are now available for inspection during normal business hours at the registered office of the company and at the offices of Pinsent Masons LLP, One Ropemaker Street, London, EC2Y 9AH, (public holidays excluded), will also be available for inspection on the date and at the place of the annual general meeting from 12.15pm until its conclusion:
 - 6.1 copies of all directors' service contracts with the company and the terms and conditions of appointment of non-executive directors;
 - 6.2 a statement of the directors' share interests and those of their families;
 - 6.3 a copy of the company's existing articles of association;
 - 6.4 a copy of the revised articles of association to be adopted with immediate effect from the date of the AGM; and
 - 6.5 a copy of the proposed amendments to the articles of association to be adopted with effect from 1 October 2008.
7. Pursuant to Regulation 41 of the Uncertified Securities Regulations 2001, the company specifies that only those shareholders registered in the register of members of the company as at 12.30pm on Sunday 29 June 2008 (or in the case of an adjournment as at 48 hours before the time appointed for the holding meeting) shall be entitled to attend or vote at the above meeting and that the number of votes which any shareholder may cast, on a poll, will be determined by reference to the number of shares registered in such shareholder's name at that time. Changes to entries on the register after that time will be disregarded in determining the rights of any person to attend or vote at the meeting.
8. If you are a person who has been nominated under section 146 of the companies Act 2006 to enjoy nomination rights (a "Nominated Person") you may, under an agreement between you and the member of the company who has nominated you, have a right to be appointed (or have someone else appointed) as a proxy for the meeting. If you do not have such a proxy appointment right, or you do but do not wish to exercise it, you may have a right to give instructions to the member who has appointed you as to the exercise of voting rights.
9. If you are a Nominated Person, the statement of the rights of members in relation to the appointment of proxies in paragraph 1 above does not apply. The rights described in these paragraphs can only be exercised by registered member of the company.
10. As at 22 May 2008 (being the latest business day prior to the publication of this notice) the company's issued share capital consists of 271,304,714 ordinary shares of 11¹/₁₉ pence each, carrying one vote each. Therefore, the total voting rights in the company are 271,304,714.
11. In order to facilitate voting by corporate representatives at the meeting, arrangements will be put in place at the meeting so that (i) if a corporate shareholder has appointed the chairman of the meeting as its corporate representative with instructions to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the meeting, then on a poll those corporate representatives will give voting directions to the chairman and the chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and (ii) if more than one corporate representative for the same corporate shareholder attends the meeting but the corporate shareholder has not appointed the chairman of the meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives – www.icsa.org.uk – for further details of this procedure. The guidance includes a sample form of representation letter if the chairman is being appointed as described in (i) above.