

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to what action to take, you should consult your stockbroker, solicitor, accountant or other appropriate independent professional adviser authorised under the Financial Services and Markets Act 2000. If you have sold or otherwise transferred all your shares in The Berkeley Group Holdings plc, please forward this document and the accompanying form of proxy to the person through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

A form of proxy for the Annual General Meeting is enclosed. Whether or not you intend to be present at the meeting, please complete the form of proxy and return it in accordance with the instructions printed on it so as to reach the Company's registrar no later than 11 a.m. on 1 September 2011. Alternatively, you can register your proxy vote electronically if you are a CREST member by using the service provided by Euroclear. Further details are given in the notes to this document on page 7. Completion and return of the form of proxy will not prevent you from attending and voting at the meeting in person, should you so wish.



Annual General Meeting
to be held on 5 September 2011

Notice of the Annual General Meeting of The Berkeley Group Holdings plc to be held at The Woodlands Park Hotel, Woodlands Lane, Stoke D'Abernon, Cobham, Surrey KT11 3QB on Monday, 5 September 2011 at 11:00a.m. is set out on page 5. To be valid the accompanying Form of Proxy must be completed and returned by ordinary shareholders as soon as possible and in any event so as to be received by Capita Registrars PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU by no later than 11:00a.m. on 1 September 2011.

Contents

Page

Letter from the Chairman of The Berkeley Group Holdings plc	1
Notice of Annual General Meeting	5
Appendix 1 – Summary of the rules of The Berkeley Group Holdings plc 2011 Long Term Incentive Plan (the “2011 LTIP”)	9
Appendix 2 – Summary of the proposed amendment to the rules of The Berkeley Holdings plc 2009 Long Term Incentive Plan (the “2009 LTIP”)	12



The Berkeley Group Holdings plc

(Incorporated and registered in England no. 5172586)
Berkeley House, 19 Portsmouth Road,
Cobham, Surrey KT11 1JG

5 August 2011

To the holders of ordinary shares of The Berkeley Group Holdings plc

Dear Shareholder,

Annual General Meeting

Introduction

This letter provides details of the Annual General Meeting of The Berkeley Group Holdings plc (the "Company" or "Berkeley") which I am pleased to invite you to attend. I encourage you to attend the meeting. It is your opportunity to meet with your directors and to question them about issues that concern the Company. If you are unable to attend, or would like to ask a specific question at the meeting, you are invited to write to me at the above address. If you cannot come to the meeting, please complete the enclosed Form of Proxy to ensure that your vote can be counted and return it to the Company's registrars.

The 2011 Annual General Meeting will be held at The Woodlands Park Hotel, Woodlands Lane, Stoke D'Abernon, Cobham, Surrey KT11 3QB on Monday 5 September 2011 at 11:00a.m.

I am also delighted to enclose a copy of the Annual Report and Accounts for the year ended 30 April 2011 and a copy of the annual Sustainability Report.

Long term strategic plan

The Annual Report sets out Berkeley's strategy which reflects the cyclical nature of property development and seeks to optimise returns for shareholders in a safe and sustainable way over the long term. In particular, it explains how, since February 2009, when Berkeley raised net proceeds of £49.7 million in a share placing and announced it intended to invest in land early in the cycle to take advantage of weaker market conditions, Berkeley and its subsidiaries (the "Group") have acquired in excess of £500 million of new land and invested an additional £250 million into construction and a new private rental fund.

As a result of this and the financial position of Berkeley, which includes the strong forward sales position as well as the enviable land bank, the board of directors of the Company (the "Board") carried out a full strategic review of the business to consider various options for realising the Group's value over the delivery phase of the cycle. This review took account of a number of factors which are relevant to Berkeley's business model. First, that Berkeley has a natural size at which it can efficiently add value to the land bank. Second, that property development is cyclical and effective management of operational and financial risk is a key requirement of any strategy. Third, the need to provide visibility on both the timing and quantum of returns to shareholders. Finally, a strategy which facilitates investment in land opportunities and construction over the next two years to create long term shareholder value.

As announced on 24 June 2011, the outcome of this review is that the Board recommends a long term strategic plan which proposes the return of £13 per share to shareholders over the next ten years in a series of dividends, payable on or before the following milestones:

	Per Share
30 September 2015	£4.34
30 September 2018	£4.33
30 September 2021	£4.33
	<hr/>
	£13.00

In determining the amount and timing of the proposed dividends, the Board has balanced a number of factors, including the availability of working capital and bank facilities, the headroom required to acquire land selectively over the cycle, the visibility of future cash flow provided by the current level of forward sales and the degree of uncertainty in the macro-economic outlook.

Proposed long term remuneration plan

Given the demanding nature of this ambition, which represents a premium of 83 per cent. compared to the 30 April 2011 net asset value per share of 709.2 pence per share, it is proposed to put in place, subject to shareholder approval, a new long term remuneration plan, to be known as The Berkeley Group Holdings plc 2011 Long Term Incentive Plan (the "2011 LTIP"), which would incentivise management both to deliver this return and to create value in the ongoing business to maximise its long term value.

The terms of the 2011 LTIP provide that if the Company returns £13 per share to shareholders over a ten year period via a series of dividend payments by the milestone dates referred to above, participants will be entitled to exercise options and receive a number of ordinary shares in the capital of the Company at the end of the ten year period. The maximum number of shares capable of being earned by all participants in the 2011 LTIP will be calculated at the beginning of this period and will be equal to 13 per cent. of the current issued share capital of the Company (excluding treasury shares and any shares issued to satisfy options granted under The Berkeley Group Holdings plc 2009 Long Term Incentive Plan (the "2009 LTIP")), assuming that the shares subject to options proposed to be granted under the 2011 LTIP (for the avoidance of doubt, 19,616,503 shares) are included in the issued share capital on a pro-forma basis for these purposes. The exercise price of an option granted under the 2011 LTIP will be £13 per share less an amount equal to the value of all dividends paid between the date of approval of the 2011 LTIP and 30 September 2021, provided the exercise price cannot be less

than zero. If the first dividend payment is not made on or before 30 September 2015, then all options awarded under the 2011 LTIP will lapse. If the first dividend payment is made by the 2015 milestone date but subsequent dividend payments are not made on or before the 2018 or 2021 milestone dates set out above, options will be exercisable from 30 September 2021, but the number of shares to be awarded will be reduced pro rata to the amount of dividends paid and capable of being paid as at the 2018 or 2021 milestone date as dictated by the rules of the 2011 LTIP. If dividends of £13 per share are paid on or before 30 September 2021, the options will be exercisable in full with a zero exercise price.

The listing rules published by the Financial Services Authority (the "Listing Rules") require shareholder approval for the adoption of the 2011 LTIP. Resolution 13 to be proposed at the Annual General Meeting seeks such approval from shareholders. A summary of the principal terms of the rules of the 2011 LTIP is set out in Appendix 1 of the Notice of Meeting.

Amendments to the 2009 LTIP

Further, in light of the proposed return of £13 per share in a series of dividends pursuant to the long term strategic plan, the Board is also seeking authority from shareholders (as required by the Listing Rules), pursuant to resolution 14 to be proposed at the Annual General Meeting, to amend the rules of the 2009 LTIP, such that the terms of options granted under the 2009 LTIP may be adjusted in the event of the payment of a dividend. The proposed amendment provides that where a dividend is paid (the impact of which would be to reduce the share price of the Company) the exercise price of unvested options will be reduced by the same amount as the dividend, provided that the exercise price can never be less than zero. This will lessen the likelihood that the value of options awarded under the 2009 LTIP will be adversely impacted by the payment of any dividends by the Company.

Further details of the proposed amendment to the rules of the 2009 LTIP are set out in Appendix 2 of the Notice of Meeting.

Under Part A of the 2009 LTIP, there are 5,330,340 shares under option with an exercise price of £3, such options being exercisable on 31 January 2014 subject to continued employment with the Company. Under Part B of the 2009 LTIP, there are 6,830,000 shares under option with a minimum exercise price of £8.40, such options being exercisable (subject to continued employment and the satisfaction of the condition that net assets per share are at least £5.94 at 15 April 2015) as to 50 per cent. on 15 April 2015 and as to the remaining 50 per cent. on 15 April 2016.

Summary of Resolutions

The full form of the resolutions is set out in the notice of meeting which follows this letter. However, by way of summary, we will be proposing the following: (a) that the accounts for the year ended 30 April 2011 be received; (b) that the directors' remuneration report be approved; (c) that certain directors be reappointed; (d) that PricewaterhouseCoopers LLP be reappointed as auditors; (e) that the directors be authorised to allot a percentage of the share capital of the Company and that authority be granted for the allotment for cash of certain of those shares without reference to shareholders' pre-emption rights; (f) that the authority be renewed allowing the Company to purchase its own shares in the market; (g) that the authority be renewed allowing the Company to make donations to EU political organisations and to incur EU political expenditure; (h) that extraordinary general meetings may be held on 14 days' notice; (i) that the 2011 LTIP be adopted; and (j) that the 2009 LTIP be amended.

Presentation of report and accounts (Resolution 1)

In accordance with section 437 of the Companies Act 2006 (the "Act"), directors must present the report of the directors and the accounts of the Company for the year ended 30 April 2011 to shareholders at the Annual General Meeting. The report of the directors, the accounts and the report of the Company's auditors on the accounts and on those parts of the directors' remuneration report that are capable of being audited are contained within the Annual Report and Accounts.

Directors' remuneration report (Resolution 2)

In accordance with section 439 of the Act, shareholders are required to approve the directors' remuneration report as presented on pages 53 to 64 of the Annual Report and Accounts for the year ended 30 April 2011. In accordance with the Act this resolution is advisory only in order to provide shareholder feedback to the Board.

Reappointment of Directors (Resolution 3)

Under the Company's Articles of Association, the directors have the power to appoint any person to be a director of the Company but any director so appointed shall hold office only until the next following annual general meeting, and shall then be eligible for reappointment. Accordingly, Sean Ellis (who was appointed on 9 September 2010) stands for reappointment as an executive director at this Annual General Meeting. Brief biographical details of the directors are set out on pages 48 and 49 of the Annual Report and Accounts for the year ended 30 April 2011.

Re-election of Directors (Resolutions 4 and 5)

Under the Company's Articles of Association, at every Annual General Meeting there shall retire from office any director who shall have been a director at each of the preceding two Annual General Meetings and who was not elected or re-elected by the Company in general meeting at, or since, either such

meeting. Accordingly, Victoria Mitchell and John A Armitt will retire and stand for re-election as non-executive directors at this Annual General Meeting. Brief biographical details of the directors are set out on pages 48 and 49 of the Annual Report and Accounts for the year ended 30 April 2011. The Chairman is satisfied that, following the individual performance evaluations, the performance of the directors standing for re-election continues to be effective and to demonstrate commitment to the role.

Reappointment of auditors and auditors' remuneration (Resolutions 6 and 7)

In accordance with section 489 of the Act, the auditors of a company must be reappointed at each general meeting at which accounts are laid. Resolution 6 proposes the reappointment of the Company's existing auditors, PricewaterhouseCoopers LLP, until the conclusion of the next general meeting of the Company at which accounts are laid. Resolution 7 gives authority to the directors to agree the auditors' remuneration.

Allotment of shares (Resolution 8)

Your directors may allot shares and grant rights to subscribe for, or convert any security into, shares only if authorised to do so by shareholders pursuant to section 551 of the Act. The authority granted at the last Annual General Meeting is due to expire at the conclusion of this year's Annual General Meeting or on 31 October 2011, whichever is the earlier. Accordingly, resolution 8 will be proposed as an ordinary resolution to grant new authorities to allot shares and grant rights to subscribe for, or convert any security into, shares. If given, these authorities will expire at the Annual General Meeting in 2012 or on 31 October 2012, whichever is the earlier.

Paragraph (a) of resolution 8 will allow the directors to allot ordinary shares up to a maximum nominal amount of £2,187,775, representing approximately one third (33.33 per cent) of the Company's existing issued share capital (excluding treasury shares), calculated as at 2 August 2011 (being the latest practicable date prior to publication of this document). In accordance with the latest institutional guidelines issued by the Association of British Insurers (the "ABI"), paragraph (b) of resolution 8 will also allow the directors to allot, including the ordinary shares referred to in paragraph (a) of resolution 8, further ordinary shares in connection with a pre-emptive offer by way of a rights issue to ordinary shareholders up to a maximum nominal amount of £4,376,208, representing approximately two thirds (66.67 per cent) of the Company's existing issued share capital (excluding treasury shares) calculated as at 2 August 2011 (being the latest practicable date prior to publication of this document). The directors have no present intention of exercising this authority. However, if they do exercise the authority, the directors intend to follow emerging best practice as regards its use (including, where appropriate, the directors standing for re-election) as recommended by the ABI.

As at 2 August 2011 (being the latest practicable date prior to publication of this document), the Company holds 3,577,506 treasury shares representing 2.653 per cent of its total issued ordinary share capital.

Pre-emption rights (Resolution 9)

Your directors also require a power from shareholders pursuant to sections 570(1) and 573 of the Act to allot equity securities or sell treasury shares for cash and otherwise than to existing shareholders pro rata to their holdings. The power granted at the last Annual General Meeting is due to expire on 31 October 2011, or on the conclusion of this year's Annual General Meeting, whichever is the earlier. Accordingly, resolution 9 will be proposed as a special resolution to grant such a power. Apart from offers or invitations in proportion to the respective number of shares held, the power will be limited to the allotment of equity securities and sales of treasury shares for cash up to an aggregate nominal value of £328,199 (being five per cent of the Company's issued ordinary share capital (excluding treasury shares) at 2 August 2011 (being the latest practicable date prior to publication of this notice)). If given, this power will expire on 31 October 2012 or at the conclusion of the Annual General Meeting in 2012, whichever is the earlier. In accordance with the Pre-Emption Group's Statement of Principles, the directors do not intend to issue more than 7.5 per cent of the issued share capital of the Company for cash on a non-pre-emptive basis in any rolling three year period without prior consultation with shareholders and the investment committees of the ABI and the ISS.

Purchase of the Company's own shares (Resolution 10)

In accordance with section 701 of the Act, this resolution, which is a special resolution, will give the Company authority to purchase its own shares in the markets up to a limit of ten per cent of its issued ordinary share capital. The maximum and minimum prices are stated in the resolution. Your directors believe that it is advantageous for the Company to have this flexibility to make market purchases of its own shares. Your directors will exercise this authority only if they are satisfied that a purchase would result in an increase in expected earnings per share and would be in the interests of shareholders generally.

In the event that shares are purchased, they would either be cancelled (and the number of shares in issue would be reduced accordingly) or, in accordance with the Act, be retained as treasury shares. The Company will consider holding repurchased shares pursuant to the authority conferred by this resolution as treasury shares. This would give the Company the ability to re-issue treasury shares quickly and cost effectively and would provide the Company with additional flexibility in the management of its capital base.

As at 2 August 2011 (being the latest practicable date prior to publication of this document), the total number of options over shares that were outstanding under all of the Company's share option plans was 12,160,340, which if exercised would represent 9.3 per cent of the Company's issued share capital at that date (excluding treasury shares). If the Company were to purchase its own shares to the fullest possible extent of its authority from shareholders (existing and being sought), this number of outstanding options could potentially represent 10.3 per cent of the issued share capital of the Company (excluding treasury shares). There are no warrants outstanding.

EU political donations and expenditure (Resolution 11)

The Company intends to renew the authorisation to make donations to EU political organisations and to incur EU political expenditure. Whilst it is the Company's policy not to make donations to political parties, section 366 of the Act contains restrictions on companies making donations or incurring expenditure in relation to EU political organisations. Therefore, as any expenditure which is regulated by the Act requires shareholder approval, the directors consider that it is prudent to seek such approval in order to avoid inadvertent infringement of the Act.

Notice of general meetings (Resolution 12)

Changes made to the Act by the Companies (Shareholders' Rights) Regulations 2009 increase the notice period required for general meetings of the Company to at least 21 clear days unless shareholders approve a shorter notice period, which cannot however be less than 14 clear days. Annual General Meetings will continue to be held on at least 21 clear days' notice.

Until the coming into force of the Companies (Shareholders' Rights) Regulations 2009 on 3 August 2009, the Company was able to call general meetings other than an annual general meeting on at least 14 clear days' notice without obtaining such shareholder approval. In order to preserve this ability, resolution 12, which is a special resolution, seeks the necessary shareholder approval. The approval will be effective until the Company's next Annual General Meeting, when it is intended that a similar resolution will be proposed.

The shorter notice period, if approved, would not be used as a matter of routine for such meetings, but only where the flexibility is merited by the business of the meeting and is thought to be to the advantage of shareholders as a whole. Note that the changes to the Act mean that, in order to be able to call a general meeting on less than 21 clear days' notice, the Company must make a means of electronic voting available to all shareholders for that meeting.

The 2011 LTIP (Resolution 13)

Resolution 13 seeks approval from shareholders (as required by the Listing Rules) for the introduction of the new 2011 LTIP, further details of which are set out in Appendix 1 to the notice of the Annual General Meeting accompanying this letter.

A copy of the rules of the proposed 2011 LTIP are available for inspection at the registered office of the Company at Berkeley House, 19 Portsmouth Road, Cobham, Surrey KT11 1JG during business hours until the date of the Annual General Meeting and at the venue of the Annual General Meeting for 15 minutes before and during the meeting.

Amendment to the 2009 LTIP (Resolution 14)

Resolution 14 seeks authority from shareholders (as required by the Listing Rules) to amend the rules of the 2009 LTIP so that the terms of subsisting options granted under the 2009 LTIP may be adjusted in the event of the payment of a cash dividend or dividend in specie. The proposed amendment provides that where such a dividend is paid the adjustment will be a reduction in the exercise price of an option by the amount or value of the dividend provided that the exercise price can never be less than zero and a reduction will only be made to the exercise price of an option that is not then capable of exercise. Further details of the proposed amendment to the rules of the 2009 LTIP are set out in Appendix 2 to the notice of the Annual General Meeting accompanying this letter.

A copy of the proposed amendments to the rules of the 2009 LTIP is available for inspection at the registered office of the Company at Berkeley House, 19 Portsmouth Road, Cobham, Surrey KT11 1JG during business hours until the date of the Annual General Meeting and at the venue of the Annual General Meeting for 15 minutes before and during the meeting.

Recommendation

The Board believes that all the proposed resolutions to be considered at the Annual General Meeting as set out in this document are in the best interests of the Company and its shareholders as a whole.

Accordingly, the Board recommends unanimously that you vote in favour of the resolutions.

Shareholders are requested, whether or not they propose to attend the Annual General Meeting, to complete and return the enclosed Form of Proxy to Capita Registrars PXS, 34 Beckenham Road, Beckenham BR3 4TU so as to arrive as soon as possible but in any event by no later than 11a.m. on 1 September 2011. The lodging of Forms of Proxy will not prevent shareholders from attending and voting in person should they so wish.

Yours faithfully

Tony Pidgley

Chairman



The Berkeley Group Holdings plc
(the "Company")

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the Company will be held at The Woodlands Park Hotel, Woodlands Lane, Stoke D'Abernon, Cobham, Surrey KT11 3QB on 5 September 2011 at 11a.m. to consider and, if thought fit, to pass the following resolutions. It is intended to propose resolutions 9, 10 and 12 as special resolutions. All other resolutions will be proposed as ordinary resolutions.

Ordinary Business

1. To receive the accounts for the year ended 30 April 2011, together with the reports of the directors and auditors thereon. (Resolution 1)
2. To approve the directors' remuneration report for the financial year ended 30 April 2011. (Resolution 2)
3. To reappoint S Ellis as an Executive Director who was appointed since the last annual general meeting. (Resolution 3)
4. To re-elect V Mitchell as a Non-Executive Director on her retirement by rotation. (Resolution 4)
5. To re-elect J A Armitt as a Non-Executive Director on his retirement by rotation. (Resolution 5)
6. To reappoint PricewaterhouseCoopers LLP as auditors of the Company. (Resolution 6)
7. To authorise the directors to agree the auditors' remuneration. (Resolution 7)

Special Business

Ordinary Resolution

8. **THAT**, the directors be generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 (the "Act"), to exercise all the powers of the Company to allot shares and grant rights to subscribe for, or convert any security into, shares:
 - (a) up to an aggregate nominal amount (within the meaning of section 551(3) and (6) of the Act) of £2,187,775 (such amount to be reduced by the nominal amount allotted or granted under (b) below in excess of such sum); and
 - (b) comprising equity securities (as defined in section 560 of the Act) up to an aggregate nominal amount (within the meaning of section 551(3) and (6) of the Act) of £4,376,208 (such amount to be reduced by any allotments or grants made under (a) above) in connection with or pursuant to an offer by way of a rights issue in favour of holders of ordinary shares in proportion (as nearly as practicable) to the respective number of ordinary shares held by them on the record date for such allotment (and holders of any other class of equity securities entitled to participate therein or if the directors consider it necessary, as permitted by the rights of those securities), but subject to such exclusions or other arrangements as the directors may consider necessary or appropriate to deal with fractional entitlements, treasury shares, record dates or legal, regulatory or practical difficulties which may arise under the laws of, or the requirements of any regulatory body or stock exchange in any territory or any other matter whatsoever,

these authorisations to expire at the conclusion of the next Annual General Meeting of the Company (or, if earlier, on 31 October 2012), (save that the Company may before such expiry make any offer or agreement which would or might require shares to be allotted or rights to be granted, after such expiry and the directors may allot shares, or grant rights to subscribe for or to convert any security into shares, in pursuance of any such offer or agreement as if the authorisations conferred hereby had not expired). (Resolution 8)

Special Resolution

9. **THAT**, subject to the passing of resolution 8 above, the directors be given power pursuant to sections 570(1) and 573 of the Companies Act 2006 (the "Act") to:
 - (a) allot equity securities (as defined in section 560 of the Act) of the Company for cash pursuant to the authorisation conferred by that resolution; and
 - (b) sell ordinary shares (as defined in section 560(1) of the Act) held by the Company as treasury shares for cash,

as if section 561 of the Act did not apply to any such allotment or sale, provided that this power shall be limited to the allotment of equity securities for cash and the sale of treasury shares:

- (i) in connection with or pursuant to an offer of or invitation to acquire equity securities (but in the case of the authorisation granted under resolution 8(b) above, by way of a rights issue only) in favour of holders of ordinary shares in proportion (as nearly as practicable) to the respective number of ordinary shares held by them on the record date for such allotment or sale (and holders of any other class of equity securities entitled to participate therein or if the directors consider it necessary, as permitted by the rights of those securities) but subject to such exclusions or other arrangements as the directors may consider necessary or appropriate to deal with fractional entitlements, treasury shares, record dates or legal regulatory or practical difficulties which may arise under the laws of or the requirements of any regulatory body or stock exchange in any territory or any other matter whatsoever; and
- (ii) in the case of the authorisation granted under resolution 8(a) above (or in the case of any transfer of treasury shares), and otherwise than pursuant to paragraph (i) of this resolution, up to an aggregate nominal amount of £328,199, and shall expire at the conclusion of the next Annual General Meeting of the Company (or, if earlier, on 31 October 2012), save that the Company may before such expiry make any offer or agreement that would or might require equity securities to be allotted, or treasury shares to be sold, after such expiry and the directors may allot equity securities, or sell treasury shares in pursuance of any such offer or agreement as if the power conferred hereby had not expired. (Resolution 9)

Special Resolution

10. **THAT**, the Company is generally and unconditionally authorised for the purposes of section 701 of the Companies Act 2006 (the "Act") to make market purchases (within the meaning of section 693(4) of the Act) of any of its ordinary shares of 5p each in the capital of the Company on such terms and in such manner as the directors may from time to time determine, and where such shares are held as treasury shares, the Company may use them for the purposes of its employee share schemes, provided that:

- (a) the maximum number of ordinary shares which may be purchased is 13,127,967;
- (b) the minimum price that may be paid for each ordinary share is 5p which amount shall be exclusive of expenses, if any;
- (c) the maximum price (exclusive of expenses) that may be paid for each ordinary share is an amount equal to 105 per cent of the average of the middle market quotations for the ordinary shares of the Company as derived from the Daily Official List of the London Stock Exchange plc for the five business days immediately preceding the day on which such share is contracted to be purchased;
- (d) unless previously renewed, revoked or varied, this authority shall expire at the conclusion of the Annual General Meeting in 2012 (or, if earlier, on 31 October 2012); and
- (e) the Company may, before this authority expires, make a contract to purchase ordinary shares that would or might be executed wholly or partly after the expiry of this authority, and may make purchases of ordinary shares pursuant to it as if this authority had not expired. (Resolution 10)

Ordinary Resolution

11. **THAT**, the Company and any company which is a subsidiary of the Company during the period to which this resolution relates be and is hereby generally and unconditionally authorised pursuant to sections 366 and 367 of the Companies Act 2006 (the "Act") to:

- (a) make donations to EU political organisations not exceeding £50,000 in total; and
- (b) incur EU political expenditure not exceeding £50,000 in total,

provided that such donations and/or expenditure does not in aggregate exceed £50,000 during the period to which this resolution relates. This authority shall expire at the conclusion of the Annual General Meeting of the Company in 2012. For the purposes of this resolution "donation", "political organisations" and "political expenditure" are to be construed in accordance with sections 363, 364 and 365 of the Act. (Resolution 11)

Special Resolution

12. **THAT**, extraordinary general meetings of the Company (other than annual general meetings) may be called by notice of not less than 14 clear days. (Resolution 12)

Ordinary resolution

13. **THAT**, The Berkeley Group Holdings plc 2011 Long Term Incentive Plan, the main features of which are summarised in Appendix 1 of the notice for the Annual General Meeting of the Company dated 5 August 2011, be and is hereby adopted by the Company and the directors be and are hereby authorised to do all acts and things as are or may be necessary or expedient to carry the same into effect, notwithstanding that the directors may be interested in the same.

Ordinary resolution

14. **THAT**, the directors be and are hereby authorised to amend the rules of The Berkeley Group Holdings plc 2009 Long Term Incentive Plan in the manner described in Appendix 2 to the notice for the Annual General Meeting of the Company dated 5 August 2011, and the directors be and are hereby authorised to do all acts and things as are or may be necessary or expedient to carry the same into effect, notwithstanding that the directors may be interested in the same.

By Order of the Board

R J Stearn (ACA)
Company Secretary
5 August 2011

Registered Office:
Berkeley House
19 Portsmouth Road
Cobham
Surrey KT11 1JG

Registered in England and Wales, No. 5172586

NOTES

1. Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001 and section 311(3) of the Companies Act 2006 (the "Act"), the Company specifies that in order to have the right to attend and vote at the Annual General Meeting (and also for the purpose of determining how many votes a person entitled to attend and vote may cast), a person must be entered on the register of members of the Company at 6.00p.m. on 1 September 2011 or, in the event of any adjournment, at 6.00p.m. on the date which is two business days before the day of the adjourned meeting. Changes to entries on the register of members after this time shall be disregarded in determining the rights of any person to attend or vote at the meeting.
2. A member is entitled to appoint another person as his proxy to exercise all or any of his rights to attend, to speak and to vote at the Annual General Meeting. 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 him. A proxy need not be a member of the Company. A form of proxy for the meeting is enclosed.

To be valid any proxy form or other instrument appointing a proxy must be received by post or by hand (during normal business hours only) by our registrar Capita Registrars at PXS, 34 Beckenham Road, Beckenham BR3 4TU no later than 11a.m. on 1 September 2011. If you are a CREST member, see note 3 below.

Completion of a form of proxy, or other instrument appointing a proxy or any CREST Proxy Instruction will not preclude a member attending and voting in person at the meeting if he/she wishes to do so.

3. Alternatively, if you are a member of CREST, you may register the appointment of a proxy by using the CREST electronic proxy appointment service. Further details are contained below.

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Annual General Meeting and any adjournment(s) thereof by using the procedures, and to the address, described in the CREST Manual (available via www.euroclear.com/CREST) subject to the provisions of the Company's articles of association. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK and Ireland Limited's ("Euroclear") specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID: RA10) by 11a.m. on 1 September 2011. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

4. Any person to whom this notice is sent who is a person nominated under section 146 of the Act to enjoy information rights (a "Nominated Person") may have a right, under an agreement between him/her and the member by whom he/she was nominated, to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may have a right, under such an agreement, to give instructions to the member as to the exercise of voting rights.

The statement of the above rights of the members in relation to the appointment of proxies does not apply to Nominated Persons. Those rights can only be exercised by members of the Company.

5. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
6. Any member attending the Annual General Meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

7. Copies of executive directors' service agreements, copies of the terms and conditions of appointment of non-executive directors and a copy of the Company's articles of association are available for inspection at the Company's registered office during normal business hours from the date of this notice until the close of the Annual General Meeting (Saturdays, Sundays and public holidays excepted) and will be available for inspection at the place of the meeting for at least 15 minutes prior to and during the meeting.
8. A copy of this notice, and other information required by section 311A of the Act, can be found at www.berkeleygroup.co.uk
9. Under section 527 of the Act, members meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the Annual General Meeting; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Act, (in each case) that the members propose to raise at the Annual General Meeting. The Company may not require the members requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Act. Where the Company is required to place a statement on a website under section 527 of the Act, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the meeting includes any statement that the Company has been required under section 527 of the Act to publish on a website.
10. As at 2 August 2011 (being the last practicable date prior to the publication of this notice) the Company's issued share capital consists of 134,857,183 ordinary shares of 5p each. As the Company holds 3,577,506 of these shares in treasury, the total voting rights in the Company as at that date are 131,279,677.
11. You may not use any electronic address (within the meaning of section 333(4) of the Act) provided in this Notice of Meeting (or in any related documents including the Chairman's letter and proxy form) to communicate with the Company for any purposes other than those expressly stated.

APPENDIX 1

Summary of the rules of The Berkeley Group Holdings plc 2011 Long Term Incentive Plan (the “2011 LTIP”)

Note: This Appendix 1 summarises the principal terms of the 2011 LTIP but does not form part of them and should not be taken as affecting the interpretation of the detailed terms and conditions constituting the rules of the 2011 LTIP. The board of the Company (“the Board”) reserves the right, up to the time of the meeting, to make such non-material amendments and additions to the rules of the 2011 LTIP as they consider necessary or desirable, provided that such amendments and additions do not conflict in any material respect with the summary set out in this Appendix 1.

1. General

The operation of the 2011 LTIP will be supervised by the remuneration committee of the Board (the “Remuneration Committee”), in accordance with the Company’s reward strategy.

Accordingly, if the Company returns £13 per share to shareholders over a ten year period via a series of dividend payments by certain fixed dates participants in the 2011 LTIP will be entitled to exercise options and receive a number of ordinary shares in the Company (“Shares”) at the end of the ten year period. The maximum number of Shares capable of being acquired by participants will be calculated at the beginning of this period and will be equal to 13 per cent. of the Company’s current issued share capital (excluding treasury shares and any Shares issued to satisfy options granted under The Berkeley Group Holdings plc 2009 Long Term Incentive Plan). Options may be satisfied by the issue of new Shares or by the transfer of existing Shares, either from treasury or otherwise.

The £13 will be measured at three points in time from the date of approval of the 2011 LTIP, being the return to shareholders by dividend of an aggregate of no less than £4.34 on or before 30 September 2015 (the “2015 Dividend”), the return to shareholders by dividend of an aggregate of no less than £8.67 per share on or before 30 September 2018 (the “2018 Dividend”) and the return to shareholders by dividend of an aggregate of no less than £13 per share on or before 30 September 2021 (the “2021 Dividend”). Save on a change of control or sale of assets (as described below) options are only exercisable from the earlier of the date the 2021 Dividend is paid and 30 September 2021 to the fifteenth anniversary of the date the 2011 LTIP is approved (the “Option Period”).

2. Eligibility

Options may be granted under the 2011 LTIP to any bona fide employee (including an executive director) of the Company or its participating subsidiaries.

3. Timing of and consideration for grant of Options

Options may normally only be granted within 42 days after the approval of the 2011 LTIP by the Company in general meeting or within 42 days after the announcement of the Company’s results for any period. Options may also be granted at any other time at which the Remuneration Committee determines that there are exceptional circumstances which justify the grant of an option. No option may be granted later than the commencement of the Option Period.

No payment is required for the grant of any option under the 2011 LTIP.

4. Limits

There is no individual limit on the options that may be granted under the 2011 LTIP to an eligible employee.

On any date, no option may be granted under the 2011 LTIP if, as a result, the aggregate number of Shares issued or transferred or committed to be issued or transferred pursuant to grants under the 2011 LTIP would exceed 19,616,503. Shares which have been the subject of options that have lapsed may only become subject to options granted to eligible employees who are not already participants in the 2011 LTIP.

5. Exercise Price

The exercise price of an option granted under the 2011 LTIP shall be £13 per Share less an amount equal to the value of all dividends paid between the date of approval of the 2011 LTIP and the earlier of 30 September 2021 and the date the 2021 Dividend is paid provided the exercise price cannot be less than zero.

6. Exercise of Options

Subject to paragraph 6.2 below headed “Change of Control or Sale of Assets”, options shall become exercisable from the earlier of (a) the date the 2021 Dividend is paid and (b) 30 September 2021, provided that, if a change in legislation creates a tax liability before such date of exercise, the Remuneration Committee may determine that a proportion of an option may be exercised early to mitigate such liability.

Once the 2021 Dividend is paid or on a change of control or sale of assets, options are exercisable in full. On a Termination Date, options are exercisable over a number of shares determined in accordance with the formula summarised in paragraph 6.1 below headed “Termination Date”.

Exercise is subject to a participant’s continued employment unless he has ceased employment for a reason described in sub paragraph (a) of paragraph 6.1 below.

6.1 Termination Date

For the purposes of the 2011 LTIP, a "Termination Date" is any of the following dates:

(a) the date a participant ceases to hold office or employment with any member of the group by reason of:

- death;
- injury, ill-health, disability or redundancy;
- retirement;
- the company employing the participant ceasing to be, or the business to which the participant's office or employment relates being transferred to a person who is not, a member of the group; or
- any other reason and the Remuneration Committee in its absolute discretion so permits,

(b) the date the Board in its absolute discretion, or Shareholders in general meeting, resolve that the 2011 LTIP should be terminated;

(c) 1 October 2018 where the 2018 Dividend has not been paid on or before 30 September 2018; or

(d) 1 October 2021 where the 2018 Dividend has been paid but the 2021 Dividend has not been paid on or before 30 September 2021.

On the occurrence of a Termination Date, an option shall be exercisable in the Option Period in respect of such number of shares (rounded up to the nearest whole Share) as is equal to "A" where:

$$A = \frac{d_a}{£13} \times S_p$$

d_a = an amount equal to the aggregate of:

(a) all dividends paid per Share as at the Termination Date; plus

(b) the amount per Share which the Board determines, in accordance with the terms of the schedule to the rules of the 2011 LTIP, the Company would be able to distribute by way of cash dividend as at the Termination Date, taking into account all relevant factors including available cash balances, unutilised banking facilities, compliance with the terms of the Company's banking facilities, the amount of the Company's onerous obligations and contingent liabilities which post date the Termination Date, the Company's forward commitments to construction and future cashflow, the Company's ability to meet its obligations for the next 12 months as they fall due and the latest consolidated net assets of the Company and other members of the Group.

S_p = the number of Shares under the Participant's Subsisting Option.

6.2 Change of Control or Sale of Assets

An option will become exercisable in full immediately prior to a change of control of the Company or the disposal of all, or substantially all, of the assets of the Company and its subsidiaries (the "Group") and remain exercisable for a period of three months or, if applicable, until the expiry of any compulsory acquisition period, if earlier. The exercise price shall be £13 less an amount equal to any dividends paid to the date of the relevant transaction. Consideration shall be given by the Remuneration Committee, in consultation with the participants, as to whether the type or timing of any consideration receivable by shareholders should affect either the timing of the exercise of options and/or alter the calculation of the exercise price such that the participants do not receive a greater or lesser benefit from the transaction than the shareholders beyond the ability to exercise their options.

An option may, alternatively, be released in exchange for an equivalent new option to be granted by any acquiring company, if the participant so wishes and the acquiring company agrees.

If the purpose and effect of a technical change of control is to create a new holding company, or similar, but with no change of ultimate control, options shall not be exercisable without the consent of the Remuneration Committee. Where this applies, the Remuneration Committee may determine that any subsisting options shall be exchanged for options over a successor company's shares on terms the Remuneration Committee considers to be reasonably equivalent.

7. Lapse of Options

Subject to a change of control of the Company or the disposal of all, or substantially all, of the assets of the Group, an option shall lapse and cease to be exercisable upon the earliest of:

- (a) the fifteenth anniversary of the approval of the 2011 LTIP by Shareholders;
- (b) 1 October 2015 if the 2015 Dividend has not been paid on or before 30 September 2015;
- (c) the date the participant ceases to hold employment or is given or receives notice of the termination of such employment for any reason other than those described under the definition of Termination Date above; and
- (d) the expiry of certain periods following a change of control or sale of assets.

8. Variation of share capital

In the event of any variation in the share capital of the Company, the Remuneration Committee may make such adjustments to the number of Shares subject to options, the formula for determining the number of Shares capable of acquisition following a Termination Date and the exercise price in such manner and with effect from such date as the Remuneration Committee may determine to be appropriate.

9. Voting, dividend and other rights

Until options are exercised, option holders shall have no voting or other rights in respect of the Shares subject to their options.

Shares issued or transferred pursuant to the 2011 LTIP shall rank *pari passu* in all respects with the ordinary shares already in issue, except that they will not rank for any dividend or other distribution paid or made by reference to a record date falling prior to the date of exercise of the option.

Benefits obtained under the 2011 LTIP shall not be pensionable.

No cash or other non-share benefits are available under the 2011 LTIP.

Options are not assignable or transferable.

10. Sale of Shares following exercise

Following the exercise of an option a participant may sell such number of Shares as will deliver the amount necessary to satisfy his related tax liability.

Except in the event of a change of control or sale of assets, in any 12 month period following exercise, a participant may sell 10 per cent of the Shares acquired (or 10 per cent of the Shares remaining after a sale to satisfy the participant's tax liability). This right to sell Shares is cumulative so that to the extent Shares are not sold in any 12 month period to the maximum extent permissible, Shares shall continue to be capable of sale until 30 September 2021 when all Shares may be sold.

11. Administration and amendment

The Remuneration Committee may amend the 2011 LTIP by resolution provided that:

- (a) prior approval of the Company in general meeting shall be required for any amendment to the advantage of participants to those provisions of the Plan relating to eligibility, the limitations on the number of Shares subject to the 2011 LTIP, a participant's maximum entitlement or the basis for determining a participant's entitlement under the 2011 LTIP and the adjustment thereof in the event of a variation in capital, except in the case of minor amendments to benefit the administration of the 2011 LTIP and amendments to take account of changes in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants or for any member of the group; and
- (b) no amendment may be made to the disadvantage of participants without the prior approval of participants who, if they exercise their options in full, would become entitled to not less than half of all Shares under option.

12. Termination

The 2011 LTIP may be terminated at any time by resolution of the Board or the Shareholders in general meeting and shall in any event terminate on the fifteenth anniversary of the date on which the 2011 LTIP is approved by the Company in general meeting.

Termination will not affect the outstanding rights of participants.

APPENDIX 2

Summary of the proposed amendment to the rules of The Berkeley Group Holdings plc 2009 Long Term Incentive Plan (the “2009 LTIP”)

The rules of the 2009 LTIP currently provide that in the event of any variation in the share capital of the Company by way of capitalisation of profits or reserves or by way of rights or any consolidation or sub-division or reduction of capital or otherwise, then the number, nominal value and description of shares subject to subsisting options and the exercise price of such options may be adjusted by the Board in such manner and with effect from such date as the Board may determine to be appropriate.

The Board is seeking authority from shareholders pursuant to resolution 14 set out in the notice for the annual general meeting of the Company dated 5 August 2011 to amend the rules of the 2009 LTIP so that the terms of subsisting options granted thereunder may also be adjusted in the event of the payment of a cash dividend or dividend in specie. The proposed amendment provides that where such a dividend is paid the adjustment will be a reduction in the exercise price of an option by the amount or value of the dividend provided that the exercise price can never be less than zero and a reduction will only be made to the exercise price of an option that is not then capable of exercise.



The Berkeley Group Holdings plc

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