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 Extraordinary 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 11a.m. on 12 February 2016. 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 10. 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.

Berkeley Group

The Berkeley Group Holdings plc

Amendments to the rules of The Berkeley Group Holdings plc 2011 Long Term Incentive Plan (the "2011 LTIP")

Extraordinary General Meeting to be held on 16 February 2016

Notice of the Extraordinary 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 16 February 2016 at 11:00a.m. is set out on page 9. 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 Asset Services, PXS 1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF by no later than 11:00a.m. on 12 February 2016.

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Berkeley Group

The Berkeley Group Holdings plc

(Registered in England and Wales, No. 5172586)
Berkeley House, 19 Portsmouth Road,
Cobham, Surrey KT11 1JG

15 January 2016
To the holders of ordinary shares of The Berkeley Group Holdings plc

Dear Shareholder,

Extraordinary General Meeting

Introduction
This letter provides details of the Extraordinary General Meeting of The Berkeley Group Holdings plc (the "Company" or "Berkeley") which I am pleased to invite you to attend. It is your opportunity to meet with your Directors and to question them about issues that concern the Company. I therefore encourage you to attend. In any event, please complete the enclosed Form of Proxy as soon as possible which should arrive at the Company's Registrars no later than 11:00a.m. on 12 February 2016. Please write to me at the above address if you would like to ask a specific question at the meeting.

Please note that if you appoint a proxy by returning your Form of Proxy, you may still attend, speak and vote at the Extraordinary General Meeting in person if you wish to do so.

The Extraordinary General Meeting will be held at The Woodlands Park Hotel, Woodlands Lane, Stoke D'Abernon, Cobham, Surrey KT11 3QB on 16 February 2016, at 11:00a.m. to consider the following resolution:

Ordinary Resolution
THAT the Directors be and are hereby authorised to amend the rules of The Berkeley Group Holdings plc 2011 Long Term Incentive Plan in the manner described in Appendix 1 to the notice for the Extraordinary General Meeting of the Company dated 15 January 2016, and the Directors be and are hereby authorised to do all acts and things as are or may be necessary or expedient including consequential changes to the Company's Remuneration Policy, to carry the same into effect, notwithstanding that the Directors may be interested in the same.

Recommendation
The Board recommends unanimously that you vote in favour of the proposed resolution and intend to vote in favour of the proposed resolution in respect of their own beneficial share holdings in the Company.

Shareholders are requested, whether or not they propose to attend the Extraordinary General Meeting, to complete and return the enclosed Form of Proxy in accordance with the instructions printed thereon, as soon as possible to Capita Asset Services, PXS 1, 34 Beckenham Road, Beckenham BR3 4ZF so as to arrive as soon as possible but in any event by no later than 11:00a.m. on 12 February 2016. The lodging of Forms of Proxy will not prevent shareholders from attending and voting in person should they so wish.

Yours faithfully
A W Pidgley, CBE
Chairman

The Berkeley Group Holdings plc

(Registered in England and Wales, No. 5172586)
Berkeley House, 19 Portsmouth Road,
Cobham, Surrey KT11 1JG

15 January 2016
To the holders of ordinary shares of The Berkeley Group Holdings plc

Dear Shareholder,

Proposed Amendment of The Berkeley Group Holdings Plc 2011 Long Term Incentive Plan (the '2011 LTIP' or 'Plan')

Background
It is a key element of the Berkeley Remuneration philosophy that the remuneration arrangements are directly linked to the achievement of the Company's corporate strategy. Therefore, the Remuneration Committee is proposing to make the changes set out below to the 2011 LTIP as a result of the adjustments to delivery of the corporate strategy announced in December with the release of the Company's results for the six months ended 31 October 2015.

The main changes to the delivery of the corporate strategy are:
- The increase in the targeted dividend paid no later than 30 September 2021 by £3.34 from £13.00 to £16.34;
- The introduction of annual phased payments of dividends.

Overview of Strategy
Berkeley's strategy is now well understood. It begins with an appreciation of the cyclical nature of the residential development market and manages risk in a way that differentiates Berkeley from its peer group. We have grown the business organically through selective land acquisition and strategic joint ventures to unlock high quality land supply.

London and the South East Focused – We operate in London and the South of England, markets we know and understand. We believe that recognising the importance of relationships and local knowledge gives us a competitive advantage and enables us to deliver new places which are socially, environmentally and economically successful.

Added value, as opposed to volume, model – We understand that there are significant operational risks in successfully identifying, designing, building and selling homes and creating new places. Our expertise and experience allow us to unlock value from complex developments solutions, typically on brownfield land. We are design-led with bespoke solutions and have a strong in-house construction capability.

Financial strength – We aim to keep financial risk low, by maintaining a strong balance sheet, forward selling new homes where possible, carefully allocating resources to the right projects and buying land in the right locations at the right time.

Autonomy and values – We have recognised brands and autonomous, talented operational teams who carefully manage each individual scheme, regardless of size, to a bespoke design, and embrace Berkeley's core values in their approach. Through our work with local communities and the work of the Berkeley Foundation, Berkeley is committed to leaving a legacy of which to be proud.

Brand – We have invested in all aspects of our brand to make it market leading and renowned for quality in all respects, including customer service, build quality, place-making and financial returns.

Implementation of Strategy
In 2011, Berkeley put in place a clear framework to deliver £13 per share to shareholders over a ten year period, as the market began to recover from the global financial crisis.

At the time this challenging ambition represented 183% of the prevailing net asset value per share of £6.78. It was anticipated that the return would realise the significant majority of the value of the balance sheet and the potential within the land bank.

Berkeley is ahead of this plan in terms of profitability and cash generation, following a period of land investment at the right time in the cycle and a favourable London market with ongoing stability following the May 2015 General Election result.

This was reflected in the £2 billion three year cumulative PBT ambition the Company set out with its results for the year ended 30 April 2015.

Of the original £13 per share, £4.34 has been paid to date and the Company has committed to pay the next £4.33 in equal annual instalments of £1.44 to September 2018, with the final £3 to be paid no later than 30 September 2021.

The Company is now proposing to increase the 2021 target from £13.00 per share to £16.34 per share, with the remaining £12 to be paid in annual dividends of £2 per share over the next six years (equating to 100% of current NAV), with sufficient capital retained for incremental investment in the business.

Rationale for revision to strategic delivery

Since Berkeley embarked on the £13 cash return four years ago, the performance of the business has been particularly strong with profit before tax rising from £136.2 million in 2010/11 to £454.6 million in 2014/15.

With the results for the year ended 30 April 2015 in May, the Company announced a three year £2.0 billion cumulative profit ambition. This reflects three principle factors:

- London has emerged from the financial crisis firmly at the centre of the global economy, attracting both investment and talent to stimulate demand in the under-supplied Capital;
- Berkeley's strategy enabled it to acquire a number of outstanding sites in the period from 2009 to 2013 that are now being delivered;
- Most recently, the May 2015 General Election result has provided the UK and, specifically, the London market with the ongoing stability that business requires to make long-term investment decisions.

At this point in the cycle, the Company has sufficient visibility to enhance the dividend return programme while retaining sufficient capital to invest in opportunities that will add incremental value to the future business.

Summary of amendments to the 2011 LTIP

The Committee are proposing the following changes:

- An increase in the exercise price payable for the options by £3.34.This means that the total exercise price from the date of grant has increased from £13.00 to £16.34;
- The introduction of phased vesting of options to match the dividend payments.

In addition, the Committee is taking this opportunity to amend the 2011 LTIP to bring it up to date for corporate governance best practice by:

- Introducing malus and clawback provisions;
- Capping the maximum value the participants can receive under the Plan.

In summary:

- The maximum number of shares that can be under option will remain the same;
- The exercise price of the option will increase from £13 to £16.34 in line with the new dividend target set by the Company which will also extend the effective term of the 2011 LTIP (the additional dividend is approximately £500m which will have to be earned). This also has the advantage of deferring the point at which any new incentive plan will be required for management;
- The options will be subject to phased vesting beginning in September 2016 with five annual vestings thereafter (in line with the new dividend payment profile); this will also phase the dilution impact because of when options can be exercised and shares issued. In addition, this change will increase the discipline management will be required to exercise by requiring the hitting of the annual dividend targets with the consequence of tranches lapsing if they are not met;
- The performance targets will be based on annual dividend delivery dates, compared to the current three year range;
- The maximum value received by participants under the 2011 LTIP will be capped;
- Malus and clawback provisions will be included;
- All other material provisions, such as the 10% per annum sale restrictions on net vested shares remain in place;
- There is no proposed change to the group of persons (being the Executive Directors and other senior managers) who are eligible to participate in the Plan.

The note to my letter sets out full details of the terms and conditions of the current 2011 LTIP and the proposed changes.

There are no other changes proposed to the current shareholder approved Remuneration Policy.

Position of participants

The proposed changes require the consent of participants, which the Committee has received subject to shareholder approval of the proposals, as they reduce the potential value of the options compared to the current position; by:

- Increasing the exercise price payable by £3.34;
- Capping the potential value received under the Plan; and
- Introducing malus and clawback.

In addition, the proposals result in participants not being able to receive the £3.34 of dividends on their shares which would have been the case had the exercise price stayed at £13.

Shareholder Consultation
The Remuneration Committee consulted with its top shareholders as well as the main shareholder representative bodies prior to finalising the proposed amendments to the Plan. The Remuneration Committee is grateful for the significant degree of engagement with the Company and its advisers shown by those shareholders consulted throughout the consultation process, and for their comments and feedback. At the end of this process the Remuneration Committee is pleased that the majority of shareholders consulted have indicated they are supportive of the amendments to the Plan.

Board Recommendation
The Board considers the Plan to be in the best interests of the Company and Shareholders. Accordingly, the Board unanimously recommends that shareholders vote in favour of the ordinary resolution set out in the Extraordinary General Meeting Notice, as all the Directors intend to do in relation to their own individual holdings which amount in aggregate to 9,079,829 Shares, representing 6.64% of the Company's issued share capital as at the date of this Letter.

Yours faithfully,

Glyn Barker
Chairman of the Remuneration Committee

Notes to the Letter from the Chairman of the Remuneration Committee.

The following table summarises the key terms of the 2011 LTIP and the main difference between the current operation of the 2011 LTIP and the proposed operation with the Committee's rationale for the changes:

<table>
<tr><th>Term</th><th>2011 LTIP</th><th>2011 LTIP Amended</th><th>Rationale for Change</th></tr>
<tr><td>Number of Options Capable of being Granted</td><td>19,616,503
Actual number granted and agreed to be granted 17,045,831.

Executive Directors at the date of the original shareholder approval of the Plan in 2011 cannot be granted additional options.</td><td>19,616,503
This provision of the Plan remains unchanged.</td><td>No change.</td></tr>
<tr><td>Exercise Price</td><td>£13.00</td><td>£16.34</td><td>The original design of the Plan provided that the exercise price of the options granted should be the same as the cumulative dividend performance target. This change is therefore consistent with the original objectives of the Plan.</td></tr>
<tr><td>Impact of Dividend Payments on Exercise Price</td><td>The exercise price of options reduces by any dividend payments made.</td><td>The exercise price of options both unvested and vested but unexercised will continue to be reduced by subsequent dividend payments.</td><td>No change in principle.</td></tr>
<tr><td>Dividend Target</td><td>The following table sets out the cumulative dividend targets:

<table>
<tr><th>Date</th><th>Dividend Paid</th></tr>
<tr><td>By Sept</td><td>434 pence</td></tr>
<tr><td>By Sept 2016</td><td></td></tr>
<tr><td>By Sept 2017</td><td></td></tr>
<tr><td>By Sept 2018</td><td>433 pence</td></tr>
<tr><td>By Sept 2019</td><td></td></tr>
<tr><td>By Sept 2020</td><td></td></tr>
<tr><td>By Sept 2021</td><td>433 pence</td></tr>
<tr><td>TOTAL</td><td>£13.00</td></tr>
</table></td><td>The following table sets out the cumulative dividend targets:

<table>
<tr><th>Date</th><th>Dividend Paid</th></tr>
<tr><td>By Sept 2015</td><td>434 pence</td></tr>
<tr><td>By Sept 2016</td><td>200 pence</td></tr>
<tr><td>By Sept 2017</td><td>200 pence</td></tr>
<tr><td>By Sept 2018</td><td>200 pence</td></tr>
<tr><td>By Sept 2019</td><td>200 pence</td></tr>
<tr><td>By Sept 2020</td><td>200 pence</td></tr>
<tr><td>By Sept 2021</td><td>200 pence</td></tr>
<tr><td>TOTAL</td><td>£16.34</td></tr>
</table></td><td>The rationale for the dividend target being expressed as an amount payable each year is, that:

• it provides a direct link to the adjusted delivery of the strategy by incentivising management to deliver the dividend payments each year;
• it supports the vesting of options in tranches over the Plan period rather than in one bullet vesting when 100% of the cumulative dividend has been paid to shareholders.

It should be noted that as with the current Plan where dividend payments are accelerated the vesting of the corresponding tranche of options will also accelerate.</td></tr>
</table>

<table>
<tr><th>Term</th><th>2011 LTIP</th><th>2011 LTIP Amended</th><th>Rationale for Change</th></tr>
<tr>
<td>Vesting Timing / Lapse of Options</td>
<td>The current operation of the 2011 LTIP provides for vesting:
on 30 September 2021 dependent on the proportion of the £13 paid (subject to meeting the gateways set out below);
OR
if earlier full vesting at the point the £13 of return has been provided to shareholders.
The following table sets out the circumstances when options will lapse:
<table>
<tr><th>Gateway</th><th>Position</th></tr>
<tr><td>Sept 2015</td><td>If 434 pence of dividend not paid options lapse.</td></tr>
<tr><td>Sept 2018</td><td>If 867 pence of dividend not paid. Calculation of number of options vesting performed and the balance lapses. Exercise price continues to decrease as dividends are paid until Sept 2021.</td></tr>
<tr><td>Sept 2021</td><td>If £13 of dividend not paid same process as above.</td></tr>
</table>
</td>
<td>The following table sets out the proposed vesting timetable and its relationship to the dividend payments made by the Company:
<table>
<tr><th>Date</th><th>Div Paid</th><th>Cum Divs Paid</th><th>%age of Option Vesting</th></tr>
<tr><td rowspan="2">By Sept 2016</td><td>434 pence</td><td>£4.34</td><td>26.5%</td></tr>
<tr><td>200 pence</td><td>£6.34</td><td>6.5%</td></tr>
<tr><td>By Sept 2017</td><td>200 pence</td><td>£8.34</td><td>13.4%</td></tr>
<tr><td>By Sept 2018</td><td>200 pence</td><td>£10.34</td><td>13.4%</td></tr>
<tr><td>By Sept 2019</td><td>200 pence</td><td>£12.34</td><td>13.4%</td></tr>
<tr><td>By Sept 2020</td><td>200 pence</td><td>£14.34</td><td>13.4%</td></tr>
<tr><td>By Sept 2021</td><td>200 pence</td><td>£16.34</td><td>13.4%</td></tr>
<tr><td>TOTAL</td><td>£16.34</td><td></td><td>100%</td></tr>
</table>
Notes:
If the annual dividend payment is not made for the relevant year that tranche of the option will lapse.
If in a subsequent year the cumulative dividends paid reach the targeted level, the tranche for that year will vest; however, tranches where the annual dividend payment was not made for the relevant year will remain lapsed.
For example:
September 2017 – 200 pence dividend not paid but 180 pence paid. Therefore 13.4% of the option lapses.
September 2018 220 pence dividend paid, resulting in the cumulative dividend being £8.34 and therefore the September 2018 tranche, 13.4%, vests. However, even though the cumulative dividend payments are now on target the September 2017 tranche of options remains lapsed.
</td>
<td>The rationale for the options vesting in tranches based on the dividend paid in the relevant year (apart from September 2016 where the dividend payment is cumulative to the end of that year) is, that:
this provides an alignment of interests between shareholders and management as management are incentivised to make the annual dividend payments and thereby provide the visibility and certainty of the dividend stream for shareholders. It should be noted that the proposed operation of the Plan provides substantial value to shareholders due to the increased certainty of the timing and amount of dividend payments (correspondingly this commitment does restrict operational flexibility for management compared to the current operation of the Plan);
the provision of the option in tranches allows an annual target to be missed without requiring the Plan to be terminated at this point leading to the requirement to implement new incentive arrangements for management. There is no element of re-testing as the annual tranche of options which lapses because the annual dividend target is not met will not be reinstated if in a subsequent year the cumulative dividend reaches the necessary annual target.
</td>
</tr>
</table>

Term	2011 LTIP	2011 LTIP Amended	Rationale for Change
Overall Cap on Value	No cap on value.	The proposed mechanism is as follows: • The total value of options at vesting is capped based on the following formulae: Number of shares subject to the Plan x £35 per share. • The value of an option for the purpose of the cap is calculated as the gain on vesting (market price of a share on vesting less the exercise price x number of shares vesting); • The cap is allocated proportionately to each vesting. Any element of unused cap will roll forward to the next vesting.	The Committee felt it appropriate that shareholders should be given clarity of the maximum value participants could earn under the Plan.
Sale Restriction	The rules of the Plan provide that there is a sale restriction on shares resulting from the exercise of vested options of 10% pa. after taking into account any shares sold to meet the tax liability on exercise; this sale restriction falls away on 30 September 2021. It should be noted that the sale restriction continues to apply to shares following cessation of employment other than in the case of death.	This provision of the Plan remains unchanged.	**No change.**
Cessation of Employment	The rules of the Plan provide that options which are not exercisable will lapse unless the cessation of employment is for "good leaver" reasons set out in the rules of the Plan. If the participant is a good leaver the amount of the option capable of exercise will be based on the dividend paid up to that date and an estimation of the dividends capable of being paid at that date. The option will be exercisable at the beginning of the option period (earliest of £13 being returned and 30 September 2021). Any dividends paid from the date of termination will continue to reduce the exercise price until the beginning of the option period.	The Plan remains substantially unchanged.	**No change in principle.**
Change of Control	The rules of the Plan provide that options vest in full on a change of control. The exercise price is £13 less any dividends paid. The Remuneration Committee has discretion to make adjustments to the timing of the exercise and the exercise price to ensure equitable treatment for executives and shareholders.	This provision of the Plan remains unchanged apart from the consequential change to the original exercise price which under the amended Plan is increased from £13 to £16.34 and the introduction of an overall cap in value provided.	These changes are consequential on the increase in the exercise price and the introduction of an overall cap on value.
P&L Cost	Calculated at the date of grant.	No change to the total P&L cost of the options. The phased vesting will provide an acceleration of elements of the P&L cost to reflect this revised vesting schedule. It should be noted that the Company's overall employers' national insurance cost will be lower due to: • the introduction of an option exercise price for each tranche which may reduce the number of shares being issued (by approximately 15%-20%); and • the overall cap on value.	The change in timing of the P&L charge is consequential on the change to phased vesting in tranches.

Term	2011 LTIP	2011 LTIP Amended	Rationale for Change
Malus & Clawback	No malus and clawback provisions for current options.	Malus and clawback provisions will be incorporated into all options granted under the Plan (including existing in-flight options). The malus and clawback events are set out below: 1. discovery of a material misstatement resulting in an adjustment in the audited consolidated accounts of the Company which has a material effect on the option; and/or 2. the assessment of any performance condition or target in respect of the vesting of an option was based on error, or inaccurate or misleading information; and/or 3. the discovery that any information used to determine the option was based on error, or inaccurate or misleading information; and/or 4. action or conduct of a participant which, in the reasonable opinion of the Remuneration Committee, amounts to fraud or gross misconduct capable of summary dismissal.	To bring the 2011 LTIP in to line with corporate governance best practice.
Termination of the Plan	The Plan can be terminated at any time by the Board or by a resolution of shareholders. In these circumstances executives are in effect treated as “good leavers” (see above).	This provision of the Plan remains unchanged.	**No change.**

The Berkeley Group Holdings plc
(the "Company")

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that the Extraordinary General Meeting of the Company will be held at The Woodlands Park Hotel, Woodlands Lane, Stoke D'Abernon, Cobham, Surrey KT11 3QB on 16 February 2016 at 11:00a.m. for the purpose of considering and, if thought fit, passing the following resolution:

Ordinary Resolution

1. THAT the Directors be and are hereby authorised to amend the rules of The Berkeley Group Holdings plc 2011 Long Term Incentive Plan in the manner described in Appendix 1 to the notice for the Extraordinary General Meeting of the Company dated 15 January 2016, 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 including consequential changes to the Company's Remuneration Policy, notwithstanding that the Directors may be interested in the same.

By Order of the Board

E A Driver
Company Secretary
15 January 2016

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 Extraordinary 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 12 February 2016, 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 Extraordinary 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 the Company's registrar Capita Asset Services, PXS 1, 34 Beckenham Road, Beckenham BR3 4ZF no later than 11a.m. on 12 February 2016. 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 Extraordinary 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 12 February 2016. 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 Extraordinary 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 Extraordinary 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 Extraordinary 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 the amended rules of The Berkeley Group Holdings plc 2011 Long-Term Incentive Plan 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 Extraordinary General Meeting (Saturdays, Sundays and public holidays excepted) and will be available for inspection at the place of the Extraordinary General Meeting for at least 15 minutes prior to and during the meeting.

9. A copy of this notice, and other information required by section 311A of the Act, can be found at www.berkeleygroup.co.uk

10. As at 12 January 2016 (being the last practicable date prior to the publication of this notice) the Company's issued share capital consists of 136,657,183 ordinary shares of 5p each.

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

Berkeley Group

(Registered in England and Wales, No. 5172586)
Berkeley House, 19 Portsmouth Road,
Cobham, Surrey KT11 1JG

Amendments to the rules of The Berkeley Group Holdings plc 2011 Long Term Incentive Plan (the "2011 LTIP")

The 2011 LTIP currently operates such that if the Company returns £13 per share to shareholders over a ten year period (via a series of dividend payments plus the value of share buy-backs) 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 £13 is expressed to be measured at three points in time from the date of shareholder approval of the 2011 LTIP (the "**Commencement Date**"), being the return to shareholders of no less than £568,723,642 equivalent to £4.34 per Share on or before 30 September 2015 (the "**2015 Distribution**"), the return to shareholders of no less than an aggregate of £1,136,136,862, equivalent to £8.67 per share on or before 30 September 2018 (the "**2018 Distribution**") and the return to shareholders of an aggregate of £1,703,550,082 equivalent to £13 per share on or before 30 September 2021 (the "**2021 Distribution**").

The rules of the 2011 LTIP currently provide that a "**Termination Date**" (being the date of an event which causes a final calculation to be made under the 2011 LTIP earlier than 30 September 2021 or the date £13 in dividends has been paid) shall occur, inter alia, on 1 October 2018 where the 2018 Distribution has not been paid on or before 30 September 2018 and on 1 October 2021 where the 2018 Distribution has been paid but the 2021 Distribution has not been paid on or before 30 September 2021. These are generally known as hurdle performance targets.

In order to align the 2011 LTIP with the Company's target of increasing distributions to its shareholders to £16.34 per share by no later than 30 September 2021 and to bring it up to date with current corporate governance best practice, the Directors are seeking authority from shareholders to amend the rules of the 2011 LTIP such that:

(a) the current exercise price payable for the options would be increased by £3.34, from £13 to £16.34, in line with the new dividend targets set by the Company (an increase in both the performance conditions and exercise price);

(b) phased vesting of options would be introduced beginning in September 2016 with five annual vestings thereafter, in line with the new dividend payment profile;

The following table sets out the proposed vesting timetable and its relationship to the dividend payments made by the Company:

Vesting Date	Dividend Paid	Cumulative Dividends Paid	Percentage of Option capable of Vesting
30 Sept 2016	434 pence	£4.34	26.5%
	200 pence	£6.34	6.5%
30 Sept 2017	200 pence	£8.34	13.4%
30 Sept 2018	200 pence	£10.34	13.4%
30 Sept 2019	200 pence	£12.34	13.4%
30 Sept 2020	200 pence	£14.34	13.4%
30 Sept 2021	200 pence	£16.34	13.4%
TOTAL	**£16.34**		**100%**

(c) if at a vesting date the dividends actually paid include the full amount of a dividend applicable to a future vesting date the percentage of the option specified for such future vesting date shall also be capable of vesting on the earlier vesting date;

(d) the exercise price of options vested but unexercised would also be reduced by dividend payments;

(e) the maximum value the participants can receive under the 2011 LTIP which is currently uncapped would now be capped as follows:

   (i) the total value of options vesting would be capped based on the number of Shares available under the 2011 LTIP multiplied by £35;

   (ii) the value of an option for the purpose of the cap would be calculated as the gain on vesting (market price of Shares vesting less their aggregate exercise price multiplied by the number of Shares vesting); and

   (iii) the cap would be allocated proportionately to each vesting and any element of unused cap would roll forward to the next vesting.

(f) on a termination of employment by reason of the participant's death, injury, disability, redundancy, retirement, the participant's employing company or business being sold outside the Group or for any other reason the Remuneration Committee in its absolute discretion so permits or on a termination of the 2011 LTIP by the Board or the Company's shareholders in general meeting, a proportion of the options capable of vesting in that year may vest depending on (i) dividends paid between the vesting date immediately preceding the termination date and the termination date; plus (ii) dividends estimated at the termination date as then capable of being paid. The number of Shares actually capable of acquisition would be adjusted to take account of the total value cap and exercise would be permitted for six months from the date of termination; and

(g) malus and clawback provisions would be introduced triggered by the discovery of a material misstatement of results requiring an adjustment in the audited consolidated accounts of the Company which has a material effect on the value of Options, the discovery that any performance condition or target relating to vesting was based on error or inaccurate or misleading information or the participant's actions amounting to fraud or gross misconduct capable of summary dismissal.

The number of Shares under option will remain the same and all other material provisions, such as the 10% per annum sale restrictions on net vested Shares will remain in place (other than on death). The provisions on change of control will also remain the same, save for the need to reflect the increase in the exercise price to £16.34 and the application of the total value cap.

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