

To Northern Rock Shareholders

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## **Northern Rock Shareholders Action Group – Update No. 4**

The attached press release has just been issued to the media. It explains why Northern Rock is worth defending, and why it should remain independent (or at least not be broken up).

Note that we are not attempting to keep shareholders informed of all the latest news on Northern Rock as this is a rapidly developing story. There is good press coverage in the national press at present, with the Financial Times and Daily Telegraph probably having the most extensive coverage - multiple articles are appearing every day in those publications, most of which can be accessed on-line. As it is beyond our resources to match their coverage we will only notify you of major issues directly or where we need your support for specific actions.

The share price has recovered slightly in the last few days, and the immediate crisis may have passed in that it now appears that the Government is providing some support and is not forcing the company into Administration (this was one of our immediate objectives which we have been putting effort into). Alternative funding sources to reliance on the Bank of England facility are also on the horizon. But it would be wrong to assume that the company is yet out of the woods, and many shareholders are of course still showing substantial losses. With several opportunistic bidders lining up to acquire the company (the latest one seems to be Richard Branson), we feel that there are likely to be many matters for our group to work on in the future. There are of course also some issues arising from past events on which we are taking legal advice. We are therefore writing to as many shareholders as we can in the next few days - specifically to the shareholders on the share register of the company.

To do this we need to raise some funds as the cost is beyond the resources of the UK Shareholders Association, and attached is a letter that asks for your financial support to do this. Please read the letter and support this campaign as much as you can.

Finally, I did an extensive interview for the BBC Money Programme team recently which I believe may be shown on BBC2 at 7.00 this evening (or possibly some future date).

Yours sincerely

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