

Mr Peter Wood
Chairman of Remuneration Committee
Yule Catto
Central Road
Temple Fields
Harlow
CM20 2BH

3 December 2007

Our ref: BP/ADW

Dear Peter

As requested, I provide details of the remuneration advice provided by Monks, part of PricewaterhouseCoopers LLP during the year to November 2007.

- 1 In January 2007 we provides information on employer pension contributions
- 2 In June 2007 we provided pay market guidelines for two positions within Synthomer – Netherlands
- 3 In October 2007 we provided Yule Catto with information on Company Car policy and market practice for the board and two levels below
- 4 Review of base salary and total earnings levels for the board, Divisional Chief Executives and Group Senior Managers of Yule Catto including those posts based overseas (total of x posts). The pay market guidelines are included in the report (dated November 2007). We have also provided data on salary increases in all locations where Yule Catto has operations
- 5 We also provided the Remuneration Committee with information on salary levels, incentives employer pension contributions and company car allowances comparing market practice in the lower end of the FTSE 250 to the upper half of FTSE Small Cap in November 2007

I trust the above provides you with the information you require. If you have any queries please do not hesitate to contact me.

Yours sincerely

Alastair Woods