ENSCO INTERNATIONAL INC
Form DEFM14A
November 20, 2009

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
SCHEDULE 14A
(RULE 14a-101)
SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant þ
Filed by a Party other than the Registrant o
Check the appropriate box:
o Preliminary Proxy Statement
o **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
þ Definitive Proxy Statement
o Definitive Additional Materials
o Soliciting Material Pursuant to §240.14a-12

ENSCO International Incorporated

(Name of Registrant as Specified In Its Charter)

N/A

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):
þ No fee required.
o Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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To the Stockholders of ENSCO International Incorporated:

You are cordially invited to the Special Meeting of Stockholders of ENSCO International Incorporated, a Delaware corporation (Ensco Delaware), to be held at the 5-Star Worldwide Conference Center at Lincoln Plaza, Suite B30 Lower Level, 500 N. Akard Street, Dallas, Texas 75201, on December 22, 2009, at 10:00 a.m., Central Standard Time. Only stockholders of record at the close of business on November 16, 2009, are entitled to notice of and to vote at the special meeting. Details of the business to be presented at the special meeting can be found in the accompanying Notice of Special Meeting of Stockholders and proxy statement/prospectus.

At the special meeting, you will be asked to approve the adoption of an Agreement and Plan of Merger and Reorganization (the merger agreement) between Ensco Delaware and a wholly-owned, indirect subsidiary of Ensco Delaware, which is one of the initial steps of a proposed reorganization of the corporate structure of Ensco Delaware and the group of companies it controls (the reorganization). If the merger agreement is approved, we would consummate a merger the result of which is that you would hold American depositary shares (collectively, the ADSs), evidenced by American depositary receipts (ADRs), which will represent Class A Ordinary Shares of a newly formed public limited company named Ensco International plc or a similar name (Ensco UK), incorporated under English law and subject to U.K. tax laws. Ensco UK is currently a private limited company named ENSCO International Limited. After the completion of the merger, Ensco UK and its subsidiaries will continue to conduct the same business operations as conducted by Ensco Delaware before the transaction.

We currently anticipate that the effective time of the merger will be at 12:01 a.m., Eastern Standard Time, on December 23, 2009, although the merger may be abandoned by our Board at any time, including after stockholder approval.

We will submit an application to the New York Stock Exchange (the NYSE) and expect that, immediately following the effective time of the merger, the ADSs will be listed on the NYSE under the symbol ESV, the current symbol for Ensco Delaware common stock. We have no current plans to list ADSs (or Ensco UK s shares) on any other securities exchange, including the London Stock Exchange. We estimate that up to 150 million ADSs representing Class A Ordinary Shares of Ensco UK will be delivered in connection with the merger and the transactions described in this proxy statement/prospectus.

Upon completion of the reorganization, we will remain subject to the U.S. Securities and Exchange Commission reporting requirements, the mandates of the Sarbanes-Oxley Act and the applicable corporate governance rules of the NYSE, and we will continue to report our consolidated financial results in U.S. dollars and in accordance with U.S. generally accepted accounting principles. We also must comply with any additional reporting requirements of English law.

Generally, for U.S. federal income tax purposes (i) stockholders of Ensco Delaware who are U.S. persons should recognize gain, if any (but not loss), as a result of the merger, and (ii) stockholders of Ensco Delaware who are not U.S. persons will not be subject to U.S. federal income tax as a result of the merger.

The reorganization cannot be completed unless the proposal to adopt the merger agreement is approved by the holders of a majority of Ensco Delaware s outstanding shares entitled to vote at the special meeting. The accompanying proxy statement/prospectus contains important information about this proposal and we encourage you to read it. **In particular, you should carefully consider the discussions in the sections of the proxy statement/prospectus entitled *Forward-Looking Statements and Risk Factors* beginning on page 18.**

As further explained in the accompanying proxy statement/prospectus, we currently have substantial operations in the U.K. Our Board of Directors expects that the reorganization and the relocation of our principal executive offices, including most of our senior executive officers and other key decision makers, to the U.K., would, among other anticipated benefits: enhance management efficiencies resulting from the U.K. time zone overlap with geographies where we operate, improve access to key customers located in the U.K. or Western Europe or who routinely travel to the U.K., enhance our access to European institutional investors, improve the general customer and investor perception that we are an international driller with an increasing focus on deepwater operations rather than a Gulf of Mexico jackup driller, allow us to take advantage of the U.K. s developed and favorable tax regime and extensive tax treaty network, and allow us to potentially achieve a global effective tax rate comparable to that of some of our global competitors.

Our Board of Directors has determined that the reorganization and the merger agreement are advisable and in the best interests of Ensco Delaware and our stockholders and, as such, has unanimously approved the reorganization and the merger agreement. The Board of Directors recommends that you vote FOR the proposal to adopt the merger agreement.

Your vote is very important, regardless of the number of shares you own. Whether or not you plan to attend the special meeting, please take the time to vote by completing and mailing the enclosed proxy card or voting instruction card and either return it in the pre-addressed envelope provided or vote through the Internet or by telephone, as soon as possible. You may revoke your proxy and vote in person if you decide to attend the special meeting.

Yours very truly,

Daniel W. Rabun
Chairman, President and Chief Executive Officer

November 20, 2009

Neither the U.S. Securities and Exchange Commission nor the U.K. s Financial Services Authority (the FSA) has approved or disapproved of the securities to be issued in the merger or determined if this proxy statement/prospectus is truthful or complete. Any representation to the contrary is a criminal offense. For the avoidance of doubt, this proxy statement/prospectus is not intended to be and is not a prospectus for purposes of the U.K. FSA s Prospectus Rules.

This proxy statement/prospectus is dated November 20, 2009, and is first being mailed to stockholders of Ensco Delaware along with a form of proxy card or voting instruction card on or about November 20, 2009.

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NOTICE OF SPECIAL MEETING OF STOCKHOLDERS
To Be Held On December 22, 2009

To the Stockholders of ENSCO International Incorporated, a Delaware corporation (Ensco Delaware or the Company):

Notice is hereby given that a Special Meeting of Stockholders of the Company will be held at the 5-Star Worldwide Conference Center at Lincoln Plaza, Suite B30 Lower Level, 500 N. Akard Street, Dallas, Texas 75201, on Tuesday, December 22, 2009, at 10:00 a.m., Central Standard Time, for the following purposes:

1. To adopt the Agreement and Plan of Merger and Reorganization (the merger agreement), a copy of which is attached to the accompanying proxy statement/prospectus as Annex A, by and between Ensco Delaware and ENSCO Newcastle LLC, a newly formed Delaware limited liability company (Ensco Mergeco) and a wholly-owned subsidiary of ENSCO Global Limited, a newly formed Cayman Islands exempted company (Ensco Cayman) and a wholly-owned subsidiary of Ensco Delaware, pursuant to which Ensco Mergeco will merge (the merger) with and into Ensco Delaware, with Ensco Delaware surviving the merger as a wholly-owned subsidiary of Ensco Cayman. Ensco Cayman will become, in connection with the merger, a wholly-owned subsidiary of ENSCO International Limited, a newly formed private limited company incorporated under English law which, prior to the effective time of the merger, will re-register as a public limited company named Ensco International plc (Ensco UK). Pursuant to the merger agreement, each issued and outstanding share of the common stock of Ensco Delaware will be converted into the right to receive one American depositary share (collectively, the ADSs), which represents one Class A Ordinary Share of Ensco UK and is evidenced by an American depositary receipt (an ADR). Ensco UK, together with its subsidiaries, will own and continue to conduct our business in substantially the same manner as is currently being conducted by Ensco Delaware and its subsidiaries.

2. To approve any adjournments or postponements of the special meeting to a later date to solicit additional proxies if there are insufficient votes at the time of the special meeting to approve the adoption of the Agreement and Plan of Merger and Reorganization.

Stockholders will also consider and vote on such other business as may properly come before the special meeting.

The proposal to adopt the merger agreement is more fully described in the proxy statement/prospectus accompanying this notice.

Stockholders of record at the close of business on November 16, 2009 are entitled to receive notice of and to vote at the special meeting or any adjournment thereof. A list of all stockholders entitled to vote at the special meeting is on file at our executive offices, 500 North Akard Street, Suite 4300, Dallas, Texas 75201-3331, and will be made open to the examination of any stockholder, for any purpose germane to the special meeting, during ordinary business hours, for a period of ten days prior to the special meeting.

You may vote by completing, signing, dating and returning your proxy card or voting instruction card in the envelope provided. You may also vote via the Internet at www.proxyvote.com or by telephone at 1-800-690-6903 by following the instructions shown on the proxy card or voting instruction card. Any stockholder attending the special meeting may vote in person. If you have returned a proxy card or voting instruction card or otherwise voted, you may revoke prior instructions and cast your vote at the special meeting by following the procedures described in the proxy statement/prospectus accompanying this notice.

Your vote is very important, regardless of the number of shares you own. Whether or not you are able to attend the special meeting in person, it is important that your shares be represented. Please vote as soon as possible. Voting promptly, regardless of the number of shares of stock you hold, will aid us in reducing the expense of an extended proxy solicitation. Voting your shares by returning your proxy card or voting instruction card or voting through the Internet or by telephone does not affect your right to vote in person if you attend the special meeting. For specific information regarding the voting of your shares, please refer to the section entitled General Information About the

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Merger and the Special Meeting Questions and Answers Relating to the Special Meeting, beginning on page 7 of the accompanying proxy statement/prospectus.

By Order of the Board of Directors,

Cary A. Moomjian, Jr.
Vice President, General Counsel and Secretary

November 20, 2009

FOR SPECIFIC INSTRUCTIONS ON VOTING, PLEASE REFER TO THE PROXY CARD OR VOTING INSTRUCTION CARD INCLUDED WITH THE PROXY MATERIALS.

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In this proxy statement/prospectus, we refer to ENSCO International Incorporated, the Delaware corporation whose shares you currently own (together with its subsidiaries where applicable), as Ensco or Ensco Delaware, or the Company. Additionally, we sometimes refer to Ensco Delaware as we, us, or our. You refers to the stockholders Ensco Delaware. We refer to ENSCO International Limited, a newly formed private limited company incorporated under English law (which, prior to the effective time of the merger, will re-register as a public limited company and be renamed Ensco International plc) as Ensco UK. A reference in this proxy statement/prospectus to ADSs means a number of American depositary shares, which, immediately after the merger, will be evidenced by one or more American depositary receipts, or ADRs. Each ADS represents one Class A Ordinary Share of Ensco UK, par value $0.10 per share, each, a Class A Ordinary Share. The number of ADSs to be issued to the stockholders of Ensco Delaware is equal to the number of shares of common stock of Ensco Delaware held by the stockholders of Ensco Delaware immediately prior to the effective time of the merger described in this proxy statement/prospectus. In addition, unless the context indicates otherwise, when we refer to shares of Ensco Delaware common stock issued and outstanding, we are excluding the treasury shares of Ensco Delaware common stock owned by or for the benefit of Ensco Delaware or its subsidiaries. Unless otherwise noted, all monetary amounts are stated in U.S. dollars.

This proxy statement/prospectus incorporates important business and financial information about Ensco Delaware from documents Ensco Delaware has filed with the U.S. Securities and Exchange Commission, or the SEC, that are not included in or delivered with this proxy statement/prospectus. See Where You Can Find More Information.

You can obtain the documents incorporated by reference into this proxy statement/prospectus by accessing the SEC website maintained at www.sec.gov. Ensco Delaware will also provide you with copies of the documents incorporated by reference into this proxy statement/prospectus, without charge. Those documents are available to any stockholder, including any beneficial owner, upon request directed to ENSCO International Incorporated at 500 North Akard Street, Suite 4300, Dallas, Texas 75201-3331; Attn: Investor Relations Department. **To ensure timely delivery of such documents, any request should be made by December 11, 2009.** The exhibits to those documents will generally not be made available unless they are specifically incorporated by reference into this proxy statement/prospectus or are otherwise requested by you.

You should rely only on the information contained in, and incorporated by reference into, this proxy statement/prospectus. We have not authorized anyone to provide you any different or additional information. Neither Ensco Delaware nor Ensco UK is making an offer of the securities in any country, state, province or territory where the offer is not permitted. For the avoidance of doubt, this proxy statement/prospectus is not intended to be and is not a prospectus for purposes of the U.K. Financial Services Authority s Prospectus Rules. You should not assume that the information in this proxy statement/prospectus is accurate as of any date other than the date on the front cover of this proxy statement/prospectus or, in the case of documents incorporated by reference, the date of the referenced document, and neither the mailing of this proxy statement/prospectus to you nor the issuance of ADSs in connection with the merger shall create any implication to the contrary.

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PROXY STATEMENT FOR THE SPECIAL MEETING OF STOCKHOLDERS OF ENSCO INTERNATIONAL INCORPORATED

TO BE HELD ON December 22, 2009

This proxy statement/prospectus and a proxy card or voting instruction card are first being sent or distributed to stockholders of Ensco on or about November 20, 2009. Our Board of Directors, or the Board, is soliciting your proxy to vote your shares at the Special Meeting of Stockholders to be held at 5-Star Worldwide Conference Center at Lincoln Plaza, Suite B30 Lower Level, 500 N. Akard Street, Dallas, Texas 75201, on Tuesday, December 22, 2009, at 10:00 a.m., Central Standard Time, or the special meeting, and any adjourned sessions of the special meeting. Our Board is soliciting your proxy to give all stockholders of record the opportunity to vote on matters that will be presented at the special meeting. This proxy statement/prospectus provides information on these matters to assist you in voting your shares.

GENERAL INFORMATION ABOUT THE MERGER AND THE SPECIAL MEETING

The following questions and answers are intended to address briefly some commonly asked questions regarding the proposed merger and the special meeting. These questions and answers may not address all questions that may be important to you. Please refer to the more detailed information contained elsewhere in this proxy statement/prospectus, its annexes and exhibits and the documents referred to or incorporated by reference in this proxy statement/prospectus. For instructions on obtaining the documents incorporated by reference, see Where You Can Find More Information.

Why am I receiving this proxy statement/prospectus?

Our Board has approved a reorganization of our corporate structure, which would include changing the jurisdiction of incorporation of our parent company from Delaware to England and relocating our principal executive offices to the U.K. We would change the jurisdiction of incorporation of our parent company through a merger that will result in Ensco UK becoming the parent company of the Ensco group of companies and effectively will result in your owning shares in an English company instead of shares in a Delaware corporation. The merger agreement requires stockholder approval, which is why we have called a special meeting of stockholders and sent you this proxy statement/prospectus.

Questions and Answers Relating to the Merger

Who are the parties to the merger?

The parties to the merger described in this proxy statement/prospectus are Ensco Delaware and ENSCO Newcastle LLC, or Ensco Mergeco, a newly formed Delaware limited liability company. Ensco Mergeco is a wholly-owned subsidiary of ENSCO Global Limited, a newly formed Cayman Islands exempted company, or Ensco Cayman. Ensco Cayman is a subsidiary of Ensco Delaware.

What is the merger?

Under the Agreement and Plan of Merger and Reorganization, or the merger agreement, Ensco Mergeco will merge into Ensco Delaware (which we refer to as the merger), with Ensco Delaware surviving the merger as a wholly-owned subsidiary of Ensco Cayman. Upon consummation of the merger, each issued and outstanding share of common stock of Ensco Delaware will be converted into the right to receive one ADS. Ensco UK, together with its subsidiaries

(including Ensco Delaware), will own and continue to conduct our business in substantially the same manner as is currently being conducted by Ensco Delaware and its subsidiaries.

What are the major actions that have been performed or will be performed to effect the merger?

Ensco Delaware has taken or will take the actions listed below to effect the merger. Charts describing the ownership structure among Ensco Delaware, Ensco UK, Ensco Cayman and Ensco Mergeco before and after the effective time of the merger are also set forth below.

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Major Actions

Ensco Delaware formed Ensco UK as its wholly-owned subsidiary.

Ensco Delaware deposited the Class A Ordinary Shares of Ensco UK with National City Nominees Limited as nominee or agent of Citibank, N.A., or Citibank, and as the registered holder of Ensco UK s Class A Ordinary Shares. Ensco Delaware and Citibank entered into a deposit agreement providing for the issuance of ADSs representing all issued Class A Ordinary Shares.

Ensco Delaware formed Ensco Cayman as its wholly-owned subsidiary.

Ensco Cayman formed Ensco Mergeco as its wholly-owned subsidiary.

Conditional upon the effectiveness of the registration statement of which this proxy statement/prospectus is a part, (i) Ensco Delaware will contribute the ADSs to Ensco Cayman, and (ii) Ensco Cayman will contribute the ADSs to Ensco Mergeco.

Conditional upon stockholder approval of the merger agreement, Ensco Delaware will contribute all shares of Ensco Cayman to Ensco UK.

Ensco Mergeco and Ensco Delaware will merge, and Ensco Mergeco will deliver the ADSs to be delivered to the Ensco Delaware stockholders to the exchange agent for exchange, and the remaining ADSs will be delivered to Ensco Delaware pursuant to the merger.

Structure Chart Prior to and after the Effective Time of the Merger

The following diagram depicts our organizational structure before and after the merger. The diagram does not depict any legal entities owned by Ensco Delaware other than those related to the merger nor any aspects of the reorganization that are anticipated to take place after the effective time of the merger.

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What will be Ensco s corporate presence in the U.K.?

In conjunction with the reorganization, we plan to expand our presence in the U.K., including by relocating our principal executive offices to England. We expect that most of our senior executive officers and other key decision makers will move to England. We also intend to hold most of our regularly scheduled board meetings and our annual general meeting of shareholders in the U.K.

What will I receive in the merger?

The merger agreement provides that each share of Ensco Delaware issued and outstanding immediately prior to the effective time of the merger will be converted into the right to receive one ADS. Each ADS will be evidenced by an ADR, and will represent one Class A Ordinary Share.

The depositary or its nominee is the holder of the Class A Ordinary Shares of Ensco UK underlying your ADSs. As a holder of ADSs representing Class A Ordinary Shares, you will have the rights set forth in the deposit agreement among us, the depositary and you, which we refer to as the deposit agreement. Although you will not be a registered shareholder of Ensco UK and will not directly have shareholder rights in Ensco UK, through your ownership of ADSs you generally will be entitled to equivalent rights as a shareholder of Ensco UK, although the exercise of certain rights may require you to surrender your ADSs and withdraw the underlying Class A Ordinary Shares. These arrangements are substantially comparable to market standard arrangements for listing and trading shares of U.K. companies on the NYSE and other stock exchanges in the United States, or the U.S.

Will the merger dilute my economic interest?

No. Immediately after the effective time of the merger, your relative economic ownership in Ensco UK will remain approximately the same as your relative economic ownership of Ensco Delaware immediately before the merger.

Why does Ensco want to engage in the merger?

The merger is part of a reorganization of Ensco s corporate structure, which includes a relocation of our principal executive offices to England, which we refer to as the reorganization. We expect that the reorganization will, among other anticipated benefits:

- establish a corporate headquarters in the U.K. where we already have substantial operations and which is more centrally located within our area of worldwide operations;
- improve access to key customers located in the U.K. and Western Europe or who routinely travel to the U.K.;
- enhance our access to European institutional investors;
- improve the general perception with customers and the investment community that we are an international driller with an increasing focus on deepwater operations rather than a Gulf of Mexico jackup driller (which generally faces a perception of shorter-term contracts, less contract backlog and higher volatility of cash flow);
- locate us in a country with a stable and developed legal regime with established standards of corporate governance, including rights of shareholders, a favorable tax regime and an extensive network of tax treaties; and
- allow us to potentially achieve a global effective tax rate comparable to that of our global competitors.

We expect that the reorganization also will result in operational and administrative efficiencies over the long term and enhance our ability to further expand in the Europe/Africa and Asia Pacific geographic regions, which represented over 77 percent of our consolidated revenue for the year ended December 31, 2008. We have had ongoing operations serving a wide range of customers in the U.K. for over 16 years. As we continue to grow our business internationally, we believe that moving to the U.K. will provide increased strategic flexibility and operational benefits. In addition, a number of our competitors are incorporated outside of the U.S. and already have

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these competitive advantages. We thus believe the merger will allow us to compete more effectively on a global scale. See The Merger Agreement Background and Reasons for the Merger.

Will the merger affect current or future operations?

Our principal executive offices will be moved to the U.K., which we expect will create more operational efficiencies. However, the merger is not expected to have a material impact on how we conduct day-to-day operations. While the new corporate structure would not change our future operational plans to grow our business or diminish our focus on our U.S. business, it may improve our ability to expand within our Europe/Africa and Asia Pacific geographic regions. The location of future operations will depend on the needs of the business, which will be determined without regard to Ensco UK s jurisdiction of incorporation. Please see The Merger Agreement Background and Reasons for the Merger.

What actions are expected to be taken following the merger?

Promptly following the consummation of the merger, Ensco UK, as Ensco Delaware s ultimate parent company, expects to undertake additional transactions related to its corporate structure that will result in the reorganization of certain of Ensco UK s subsidiaries and their respective assets. We refer to these activities and transactions in this proxy statement/prospectus as subsequent actions. Refer to Forward-Looking Statements and Risk Factors below for a description of certain risks associated with the reorganization.

When do you expect to complete the merger?

If the proposal to adopt the merger agreement is approved by our stockholders at the special meeting, we anticipate that the merger will become effective as soon as practicable following stockholder approval. We currently anticipate that the effective time of the merger will be at 12:01 a.m., Eastern Standard Time, on December 23, 2009, although the merger may be abandoned by our Board at any time, including after stockholder approval. Please see Forward-Looking Statements and Risk Factors.

Is the merger taxable to me?

For U.S. federal income tax purposes, the conversion of each issued and outstanding share of the common stock of Ensco Delaware into the right to receive an ADS upon the consummation of the merger generally will be treated as an exchange of such share for the ADS. Therefore, the U.S. federal income tax discussion contained herein refers to an exchange rather than a conversion in describing the U.S. federal income tax consequences of the merger.

Generally, for U.S. federal income tax purposes, a U.S. holder, which is defined below in Material Tax Considerations Relating to the Merger U.S. Federal Income Tax Considerations Material Tax Consequences to Stockholders, should recognize gain, if any, but not loss, on the receipt of ADSs in exchange for Ensco Delaware common stock in connection with the merger. A U.S. holder should generally recognize gain equal to the excess, if any, of the fair market value of the ADSs received in the merger over the U.S. holder s adjusted tax basis in the shares of Ensco Delaware common stock. Generally, this gain should be capital gain. U.S. holders should not be permitted to recognize any loss realized on the exchange of their shares of Ensco Delaware common stock in the merger. In determining the amount of gain recognized, each of the Ensco Delaware shares transferred should be treated as the subject of a separate exchange. Thus, if a U.S. holder transfers some Ensco Delaware shares on which gains are realized and other Ensco Delaware shares on which losses are realized, the U.S. holder may not net the losses against the gains to determine the amount of gain recognized. In the case of a loss, the adjusted tax basis in each ADS received by a U.S. holder should equal the adjusted tax basis of each share of Ensco Delaware common stock exchanged therefor. Thus, subject to any subsequent changes in the fair market value of the ADSs, any loss should be preserved. Cash received by a U.S. holder in exchange for a fractional share of Ensco Delaware common stock should

be treated as having been received in redemption of such fractional share. Thus, gain or loss generally should be recognized by such U.S. holder in an amount equal to the difference between the amount of cash received and the U.S. holder s adjusted tax basis in such fractional share. A non-U.S. holder generally will not be subject to U.S. federal income tax on gain realized, if any, on the exchange of Ensco Delaware shares for ADSs or on the

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receipt of cash in exchange for fractional shares of Ensco Delaware common stock. Please see Material Tax Considerations Relating to the Merger U.S. Federal Income Tax Considerations Material Tax Consequences to Stockholders.

For U.K. tax purposes, stockholders of Ensco Delaware who are residents of the U.S., and not residents of the U.K., will generally not be subject to U.K. taxation as a result of the merger. Generally, U.K. resident stockholders of Ensco Delaware may realize a chargeable gain or an allowable loss for U.K. corporation tax or capital gains tax purposes (as the case may be) as a result of the merger, which will be treated as giving rise to a disposal of their stock in Ensco Delaware. Generally, non-U.K. resident stockholders of Ensco Delaware should not be subject to either U.K. corporation tax or capital gains tax as a result of the merger, unless they carry on a trade in the U.K. through a permanent establishment in the U.K. or through a branch or agency in the U.K. for the purposes of U.K. corporation tax or capital gains tax, respectively, and the stock is attributable to that permanent establishment, branch or agency. In general, you will be treated as acquiring the ADSs received in the merger for consideration equal to the market value at the effective time of the merger of your shares of Ensco Delaware common stock converted in the merger. Please see Material Tax Considerations Relating to the Merger U.K. Tax Considerations Material Tax Consequences to Shareholders.

For stockholders of Ensco Delaware who are citizens or residents of, or otherwise subject to taxation in, a country other than the U.S. or the U.K., the tax treatment of the merger will depend on the applicable tax laws in such country.

WE URGE YOU TO CONSULT YOUR OWN TAX ADVISOR PRIOR TO THE SPECIAL MEETING REGARDING THE PARTICULAR TAX CONSIDERATIONS OF THE MERGER FOR YOU.

Will Ensco Delaware or Ensco UK be taxed as a result of the merger?

We believe that Ensco Delaware and Ensco UK should not incur any significant taxes in connection with consummation of the merger. Although changes in tax laws, treaties or regulations or the interpretation or enforcement of these tax laws, treaties or regulations could adversely affect the intended tax benefits of the merger to Ensco UK and its subsidiaries or the tax treatment of the post-merger corporate structure of Ensco UK, we do not believe that any of such changes would result in a material increase in taxes as compared to our current, pre-merger tax position.

Has the IRS or HMRC rendered a ruling on any aspects of the merger?

No ruling has been requested from the U.S. Internal Revenue Service, or IRS, in connection with the merger, and the IRS has adopted a policy of not issuing a ruling that a merger qualifies as non-taxable, unless there is a separate significant issue related to the merger. Furthermore, the IRS will not rule on whether the U.S. anti-inversion rules will apply to the merger. See Material Tax Considerations Relating to the Merger U.S. Federal Income Tax Considerations The U.S. Anti-Inversion Rules.

No ruling has been requested from H.M. Revenue & Customs, or HMRC, as to the U.K. corporation tax consequences of the merger.

What types of information and reports will Ensco UK make available following the merger?

After the effective time of the merger, we will continue to prepare financial statements in accordance with U.S. Generally Accepted Accounting Principles, or U.S. GAAP, and report in U.S. dollars, and will continue to file reports under the U.S. Securities Exchange Act of 1934, as amended, or the Exchange Act, including reports on Forms 10-K, 10-Q and 8-K with the SEC, as we currently do. We also must comply with any additional reporting

requirements of English law.

For so long as Ensco UK has a class of securities (which include the ADSs) listed on the New York Stock Exchange, or NYSE, Ensco UK will be subject to rules regarding proxy solicitations and tender offers and the corporate governance requirements of the NYSE, the Exchange Act and the U.S. Sarbanes-Oxley Act of 2002 including, for example, independence requirements for audit committee composition, annual certification requirements and auditor independence rules, unless certain circumstances change. Ensco UK will be required to disclose any significant ways in which its corporate governance practices differ from those followed by U.S. domestic

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companies under the NYSE s listing standards. To the extent possible under English law and the ADS arrangement contemplated by the deposit agreement, Ensco UK s corporate governance practices are expected to be comparable to those of Ensco Delaware. Please see The Merger Agreement Stock Exchange Listing, Comparison of Rights of Stockholders/Shareholders, and Effect of the Reorganization on Potential Future Status as a Foreign Private Issuer.

What must I do to obtain ownership of ADSs that I become entitled to receive as a result of the merger?

If you hold Ensco Delaware share certificates, you will be sent a letter of transmittal, which is to be used to surrender your Ensco Delaware share certificates and to request that ADSs be issued to you. The letter of transmittal will contain instructions explaining the procedure for surrendering Ensco Delaware share certificates and requesting ADSs. YOU SHOULD **NOT** RETURN SHARE CERTIFICATES WITH THE ENCLOSED PROXY CARD.

Beneficial holders of shares held in street name through a bank, broker or other financial institution will not be required to take any action. Your ownership of ADSs representing Class A Ordinary Shares will be recorded in book entry form by your broker. If you are currently a beneficial holder, there will be no need for any additional action on your part.

It is expected that, prior to the effective time of the merger, Citibank will be appointed as the exchange agent for the merger. Ensco UK s current share registrar is Computershare Investor Services PLC, P.O. Box 82, The Pavilions, Bridgwater Road, Bristol BS13 8AE, England, which will continue to serve as the share registrar for its Class A Ordinary Shares after the effective time of the merger, while Citibank will continue to serve as depositary for the ADSs. Citibank s depositary offices are located at 388 Greenwich Street, New York, New York, 10013.

If I hold share certificates representing Ensco Delaware shares, what will be my rights in relation to Ensco UK before I exchange my certificates for ADRs?

From and after the effective time of the merger and pursuant to the terms of the merger agreement and the deposit agreement, stockholders who hold share certificates in Ensco Delaware will generally be entitled to the same rights with respect to Ensco UK through their ownership of ADSs, including the right to receive dividends declared by Ensco UK after the effective time of the merger and the right to exercise voting and other shareholder rights, upon surrender of their stock certificates, although the exercise of certain rights may require you to surrender your ADSs and withdraw the underlying Class A Ordinary Shares. Until Ensco Delaware stock certificates or book-entry shares are surrendered for exchange, any dividends or other distributions declared by Ensco UK after the effective time of the merger with respect to ADSs issued to former Ensco Delaware stockholders, other than any ADSs held by Ensco Delaware or any other subsidiary of Ensco UK, will accrue but will not be paid, but holders of such shares will not have voting rights with respect to Ensco UK. See The Merger Agreement Ownership in Ensco UK; Conversion of Shares, and The Merger Agreement Dividends and Distributions; Withholdings. Citibank will serve as exchange agent for the exchange of Ensco Delaware certificates for Ensco UK ADRs.

What happens to Ensco Delaware stock options, restricted stock and other equity-based awards at the effective time of the merger?

At the effective time of the merger, all outstanding options to purchase shares of Ensco Delaware common stock and all outstanding awards of restricted stock and other equity-based awards granted to employees and directors by the Company under our equity incentive plans prior to the effective time of the merger will entitle the holder to purchase or receive, or receive benefits or amounts based on, as applicable, an equal number of ADSs. All of such equity-based awards will generally be subject to the same terms and conditions as were applicable to such awards granted or issued by Ensco Delaware immediately prior to the effective time of the merger.

Immediately prior to the effective time of the merger, all existing Ensco Delaware equity incentive plans, as may be amended, will be adopted and assumed by Ensco UK except that Ensco Delaware will remain the plan sponsor of certain equity incentive plans (as further described in the merger agreement), and ADSs, rights to ADSs or benefits or amounts based on ADSs will thereafter be granted or issued under each equity incentive plan instead of shares of Ensco Delaware currently being granted or issued under such plans. Future awards would be subject to and governed by the terms of our equity incentive plans, as assumed by Ensco UK if applicable, and any agreements entered into

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pursuant thereto. Please see The Merger Agreement Stock Compensation and Benefit Plans and Programs for more information, including a description of the tax withholding and regulatory consequences of the merger.

Can I trade my Ensco Delaware shares before the merger is completed?

Yes. Ensco Delaware common stock will continue trading on the NYSE through the last trading day prior to the date of completion of the merger, which date of completion is currently anticipated to be December 23, 2009.

After the merger, where can I trade my ADSs?

It is a condition to the completion of the merger that the ADSs will be authorized for listing on the NYSE. We will submit an application to the NYSE and expect that, immediately following the effective time of the merger, the ADSs will be listed on the NYSE under the symbol ESV, the same symbol under which your Ensco Delaware common stock is currently listed. We do not plan to list the ADSs or Ensco UK s shares on any other securities exchange, including the London Stock Exchange.

What is the voting requirement to approve the proposal to adopt the merger agreement? What is the voting requirement to approve the other proposal?

For the merger to be able to proceed, the majority of the outstanding shares of common stock of Ensco Delaware entitled to vote at the special meeting must be voted in the affirmative for the adoption of the merger agreement. Proposal 2 will be approved upon establishment of a quorum if the votes cast in favor of such proposal exceed the votes cast opposing such proposal.

What is the Board s voting recommendation?

Our Board recommends that you vote your shares as follows:

Proposal 1 **FOR** the adoption of the merger agreement; and

Proposal 2 **FOR** the approval of any adjournments or postponements of the special meeting to a later date to solicit additional proxies if there are insufficient votes at the time of the special meeting to approve the adoption of the Agreement and Plan of Merger and Reorganization.

Questions and Answers Relating to the Special Meeting

Who may vote at the special meeting?

You have received these proxy materials because you held shares of common stock of Ensco Delaware on November 16, 2009, the record date established for the special meeting, or the record date, and, therefore, you are qualified to receive notice of and to vote at the special meeting.

As of the record date, there were 142,515,432 shares of Ensco Delaware common stock outstanding and entitled to vote at the special meeting. As of the record date, our directors and executive officers and their affiliates beneficially owned, in the aggregate, approximately 931,151 of such shares, representing beneficial ownership of less than 1 percent of the outstanding shares of Ensco Delaware common stock as of that date, and these shares are included in the number of shares entitled to vote at the special meeting.

What is this proxy statement/prospectus?

This document serves as the proxy statement of Ensco Delaware in connection with the solicitation of proxies to obtain votes on a proposal to adopt the merger agreement and the other proposal described herein. This document is also a prospectus of Ensco UK for purposes of the U.S. Securities Act of 1933, as amended, or the Securities Act, in connection with the issuance in the merger of ADSs representing Class A Ordinary Shares. For the avoidance of doubt, however, this proxy statement/prospectus is not intended to be and is not a prospectus for purposes of the U.K. FSA s Prospectus Rules.

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We encourage you to read this proxy statement/prospectus carefully.

What is being delivered with the proxy statement/prospectus?

These proxy materials include:

The notice of special meeting and proxy statement/prospectus for the special meeting; and

The accompanying proxy card (or voting instruction card from your broker or other intermediary) to register your vote on the proposal to adopt the merger agreement and the other proposal described herein.

Why am I receiving paper copies of these proxy materials when previously I received only a Notice of Internet Availability of Proxy Materials for the Company s annual stockholders meeting?

Under SEC rules, we are required to distribute paper copies of these proxy materials because of the subject matter of the business to be conducted at the special meeting.

When and where is the special meeting?

Our special meeting will take place on December 22, 2009, at 10:00 a.m., Central Standard Time, at the 5-Star Worldwide Conference Center at Lincoln Plaza, Suite B30 Lower Level, 500 N. Akard Street, Dallas, Texas 75201. Only stockholders of record on the record date (*i.e.*, November 16, 2009) are invited to attend the special meeting and are requested to vote on the proposal described in this proxy statement/prospectus.

Who is soliciting my proxy?

Proxies are being solicited by the Board of Ensco Delaware.

Who is paying for the cost of this proxy solicitation?

We are paying the costs of soliciting proxies. Upon request, we will reimburse brokers, banks, trusts and other nominees for reasonable expenses incurred by them in forwarding the proxy materials to beneficial owners of shares of our common stock.

In addition to soliciting proxies by mail and over the Internet, our Board, our officers and employees, or our transfer agent, may solicit proxies on our behalf, personally or by telephone, and we have engaged a proxy solicitor to solicit proxies on our behalf by telephone and by other means. We expect the cost of our private proxy solicitor to be approximately $20,000. We will also solicit proxies by e-mail from stockholders who are employees or who previously requested proxy materials be sent electronically. Arrangements also may be made with brokerage houses and other custodians, nominees and fiduciaries for the forwarding of solicitation materials to the beneficial owners of Ensco Delaware shares held by those persons, and Ensco Delaware will reimburse such persons for reasonable expenses incurred by them in connection with the forwarding of solicitation materials.

Stockholders that vote through the Internet are advised that there may be costs associated with electronic access, such as usage charges from Internet access providers and telephone companies that will be borne by the stockholder in order for the stockholder to connect to or access the Internet site.

Whom should I contact with questions?

We have retained D.F. King & Co., Inc. as proxy solicitor in connection with the special meeting. Our stockholders may contact our proxy soliciting agent at:

D.F. King & Co, Inc.
48 Wall Street, 22nd Floor
New York, New York 10005

Banks and Brokers may call 1-212-269-5550
All others may call toll-free at 1-800-859-8509

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Alternatively, you may obtain information from us by contacting our Investor Relations Department by telephone at (214) 397-3000, or by mail at:

ENSCO International Incorporated
Attention: Investor Relations Department
500 North Akard Street, Suite 4300
Dallas, Texas 75201-3331

Where are Ensco Delaware s principal executive offices located and what is the main telephone number?

Ensco Delaware s principal executive offices are located at 500 North Akard Street, Suite 4300, Dallas, Texas 75201-3331 and the main telephone number is (214) 397-3000.

What is the quorum requirement for the special meeting?

For purposes of the special meeting, the holders of at least a majority of the shares of our common stock issued and outstanding and entitled to vote at the special meeting will constitute a quorum. For purposes of determining whether there is a quorum, abstentions and broker non-votes, described below under What happens if I do not give specific voting instructions? How are broker non-votes treated? and How are abstentions treated? , are treated as shares that are present.

What is the difference between holding shares as a stockholder of record and as a beneficial owner of shares held in street name?

Stockholders of Record. If your shares are registered directly in your name with our transfer agent, you are a stockholder of record with respect to those shares, and this proxy statement/prospectus was sent directly to you by us. As a record holder, you vote your shares directly by following the instructions set forth in the enclosed proxy card.

Beneficial Owners of Shares Held in Street Name. If your shares are held in the name of a broker, bank, trust or other nominee as a custodian, you are a street name holder or in the general account of the broker or other organization. Consequently, this proxy statement/prospectus was forwarded to you by that organization. The organization holding your account is considered the stockholder of record for purposes of voting at the special meeting. As a beneficial owner, you have the right to direct that organization on how to vote the shares held in your account by executing a voting instruction card. You should receive information regarding voting instructions directly from that organization.

If I am a stockholder of Ensco Delaware, how do I vote?

Stockholders of Record. If you are a stockholder of record, you have several choices. You can vote your shares by following the specific instructions provided on the proxy card:

via the Internet at www.proxyvote.com;

over the telephone by calling 1-800-690-6903; or

by mailing in the proxy card.

Beneficial Owners of Shares Held in Street Name. If you hold your shares in street name, your broker, bank, trust or other nominee will arrange to provide materials and instructions for voting your shares.

Beneficial Owners of Shares Held in the ENSCO Savings Plan. If you are a current or former Ensco Delaware employee who holds shares in the ENSCO Savings Plan, you will receive voting instructions from the trustee of the plan for shares allocated to your account. If you fail to give voting instructions to the trustee, your shares will be voted by the trustee in the same proportion as shares held by the trustee for which voting instructions were received. To allow sufficient time for voting by the trustee and administrator of the ENSCO Savings Plan, your voting instructions for shares held in the plan must be received by 11:59 p.m. Eastern Standard Time on December 18, 2009.

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What happens if I do not give specific voting instructions? How are broker non-votes treated?

Stockholders of Record. All properly executed proxy cards received by the Board from stockholders of record that do not specify how stock should be voted will be voted FOR the proposal to adopt the merger agreement and the other proposal. With respect to any other matter that may properly be brought before the special meeting, the shares shall be voted in accordance with the judgment of the person or persons named on the proxy card.

Beneficial Owners of Shares Held in Street Name. If you are a beneficial owner of shares held in street name and do not provide the organization that holds your shares with specific voting instructions, under the rules of various national and regional securities exchanges, the organization that holds your shares may generally vote on routine matters but cannot vote on non-routine matters. If the organization that holds your shares does not receive instructions from you on how to vote your shares on a non-routine matter or otherwise elects not to vote your shares in the absence of your direction on a routine matter, the organization that holds your shares will inform our Inspector of Election that it does not have the authority (or otherwise declines) to vote on such matter with respect to your shares. This is generally referred to as a broker non-vote.

A vote on the proposal to adopt the merger agreement is regarded as a non-routine matter and failure to direct your broker on how to vote on such a proposal has the same effect as a vote AGAINST it. A broker non-vote with respect to Proposal 2 will have no effect on this proposal, it is a routine matter. We encourage you to provide voting instructions to the organization that holds your shares by carefully following the instructions provided in the proxy card or voting instruction card.

Can I vote my shares in person at the special meeting?

Stockholders of Record. If you are a stockholder of record, you may vote your shares in person at the special meeting.

Beneficial Owners of Shares Held in Street Name. If you hold your shares in street name, you must obtain a proxy from your broker, bank, trust or other nominee giving you the right to vote the shares at the special meeting.

How are abstentions treated?

In determining the number of votes cast for a proposal, shares abstaining from voting or not voted on a matter will be counted for quorum purposes. However, shares abstaining from voting or not voted with respect to Proposal 1 to approve the adoption of the merger agreement will be treated as votes AGAINST it. Shares abstaining from voting or not voted with respect to Proposal 2 will have no effect on such proposal.

May I change my vote after I have voted?

You may revoke your proxy or otherwise change your vote by doing one of the following:

- by sending a written notice of revocation to our Secretary that must be received prior to the special meeting, stating that you revoke your proxy;
- by signing and submitting a later-dated proxy card that must be received prior to the special meeting in accordance with the instructions included in the proxy card; or
- by attending the special meeting and voting your shares in person.

If you voted electronically, you can also return to www.proxyvote.com and change your vote before the special meeting. Follow the same voting process and your original vote will be superseded.

If you are a beneficial owner of our shares and a broker or other nominee holds your shares, you can revoke your proxy or otherwise change your vote by following the instructions provided by your broker or other nominee.

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Is my vote confidential?

Proxy instructions, ballots, and voting tabulations that identify individual stockholders are handled in a manner that protects your voting privacy. Your vote will not be disclosed either within our company or to third parties, except:

as necessary to meet applicable legal requirements;

to allow for the tabulation and certification of votes; and

to facilitate a successful proxy solicitation.

Occasionally, stockholders provide written comments on their proxy card, which may be forwarded to management and our Board.

Where can I find the voting results of the special meeting?

The preliminary voting results will be announced at the special meeting and disclosed in a press release following the special meeting. The final voting results also will be tallied by the Inspector of Election and published in a report of voting results to be filed with the SEC promptly following the special meeting. We also intend to publicly disclose the voting results on our website within 14 days following the completion of the special meeting, as well as publish the voting results in our Form 10-K for the fiscal year ended December 31, 2009, which we will file with the SEC. You can find the voting results and the Form 10-K on our website at www.enscointernational.com.

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SUMMARY

This summary highlights selected information from this proxy statement/prospectus and may not contain all of the information that is important to you. For a more complete description of the merger, you should read carefully this entire proxy statement/prospectus, including the Annexes. See also Where You Can Find More Information. The merger agreement, a copy of which is attached as Annex A to this proxy statement/prospectus, contains the terms and conditions of the merger. The articles of association of Ensco UK as in effect after the merger will serve purposes substantially similar to the certificate of incorporation and bylaws of Ensco Delaware, subject to certain changes required to comply with the U.K. Companies Act 2006, or Companies Act. A copy of the articles of association of Ensco UK, in the form attached to this proxy statement/prospectus as Annex B, will govern Ensco UK after the effective time of the merger.

THE MERGER

Parties to the Merger (see page 28)

Ensco Delaware is an international offshore contract drilling company. We were originally formed as a Texas corporation in 1975, were reincorporated in Delaware in 1987 and are now one of the leading providers of offshore contract drilling services to the international oil and gas industry.

Ensco Mergeco is a newly formed Delaware limited liability company and currently is a wholly-owned subsidiary of Ensco Cayman, which is a newly formed Cayman Islands exempted company and currently is a wholly-owned subsidiary of Ensco Delaware. Neither Ensco Cayman nor Ensco Mergeco has a significant amount of assets or liabilities and neither has engaged in any business since its formation other than activities associated with its anticipated participation in the merger.

The Merger (see page 31)

Under the merger agreement, Ensco Mergeco will merge with and into Ensco Delaware, with Ensco Delaware being the surviving company. As a result of the merger, each of our stockholders will have the right to receive the number of ADSs equal to the number of shares of common stock of Ensco Delaware that such stockholder owned immediately prior to the merger. Upon completion of the merger, Ensco UK and its subsidiaries will own and continue to conduct the business that Ensco Delaware and its subsidiaries currently conduct in substantially the same manner.

In connection with the merger, a number of Class A Ordinary Shares (which are represented by ADSs) will have been issued equal in number to (i) the number of shares of common stock of Ensco Delaware that will have been issued and outstanding immediately prior to the effective time of the merger (disregarding treasury shares and shares held by its subsidiaries, which we expect to cancel), plus (ii) the remaining Class A Ordinary Shares of Ensco UK previously issued and deposited with National City Nominees Limited, as nominee of Citibank, in respect of an equal number of ADSs that will be held by Ensco Delaware after the merger and are expected to be used in connection with outstanding and future grants or awards pursuant to equity incentive plans maintained or sponsored by Ensco UK or its subsidiaries. Our Board reserves the right to defer or abandon the merger at any time, including after stockholder approval. Please see Risk Factors Our Board may choose to defer or abandon the merger at any time, as well as other risk factors set forth under Forward-Looking Statements and Risk Factors.

Reasons for the Merger (see page 29)

In reaching its decision to approve the adoption of the merger agreement and the reorganization, our Board identified several potential benefits to our stockholders, which are described below under The Merger Agreement Background and Reasons for the Merger. The merger is part of a reorganization of Ensco Delaware s corporate structure. We expect that the reorganization will, among other anticipated benefits:

- establish a corporate headquarters in the U.K. where we already have substantial operations and which is more centrally located within our area of worldwide operations;

- improve access to key customers located in the U.K. and Western Europe or who routinely travel to the U.K.;

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enhance our access to European institutional investors;

improve the general perception with customers and the investment community that we are an international driller with an increasing focus on deepwater operations rather than a Gulf of Mexico jackup driller (which generally faces a perception of shorter-term contracts, less contract backlog and higher volatility of cash flow);

locate us in a country with a stable and developed legal regime with established standards of corporate governance, including the rights of shareholders, a favorable tax regime and an extensive network of tax treaties; and

allow us to potentially achieve a global effective tax rate comparable to that of our global competitors.

We expect that the reorganization also will result in operational and administrative efficiencies over the long term and enhance our ability to expand in the Europe/Africa and Asia Pacific geographic regions, which represented over 77 percent of our consolidated revenue for the year ended December 31, 2008. We have had ongoing operations serving a wide range of customers in the U.K. for over 16 years. As we continue to grow our business internationally, we believe that moving to the U.K. will provide increased strategic flexibility and operational benefits. In addition, a number of our competitors are incorporated outside of the U.S. and already have these competitive advantages. We thus believe the merger will allow us to compete more effectively on a global scale. See The Merger Agreement Background and Reasons for the Merger.

Refer to Forward-Looking Statements and Risk Factors below for a description of certain risks associated with the reorganization.

Conditions to Completion of the Merger (see page 34)

The merger will not be completed unless the following conditions, among others, are satisfied or, if allowed by law, waived:

upon the SEC s declaration of effectiveness of the registration statement on Form S-4 with respect to the merger, Ensco Delaware will have contributed all ADSs to Ensco Cayman, which will in turn have contributed all such ADSs to Ensco Mergeco;

the merger agreement will have been adopted by the requisite vote of Ensco Delaware stockholders;

Ensco UK will have re-registered as a public limited company;

following stockholder approval of the merger agreement, Ensco Delaware will have contributed all shares of Ensco Cayman to Ensco UK;

a special resolution will have been passed to alter the rights of the holders of the Class A Ordinary Shares to have the same rights as holders of Class B Ordinary Shares, nominal value £1.00 each, or Class B Ordinary Shares, conditional upon the merger becoming unconditional;

the ADSs will have been authorized for listing on the NYSE, subject to official notice of issuance;

Baker & McKenzie LLP, legal counsel to Ensco Delaware, will have delivered a tax opinion in form and substance acceptable to Ensco Delaware;

no decree, order or injunction will have been in effect with respect to the SEC registration statement of which this proxy statement/prospectus is a part;

a registration statement on Form F-6 filed with the SEC in connection with the issuance of the ADSs to be delivered pursuant to the merger will have become effective under the Securities Act, and no stop order with respect thereto shall be in effect; and

no law or order prohibiting or pending lawsuit seeking to prohibit the merger will have been issued or filed by any U.S., European Union or U.K. governmental entity, subject to certain exceptions described in this proxy statement/prospectus.

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Our Board does not intend to waive (where capable of waiver) any of these or any other conditions unless it determines that the merger is in the best interest of Ensco Delaware and our stockholders despite the condition(s) not being satisfied in whole or in part. Notwithstanding the foregoing, our Board reserves the right to defer or abandon the merger at any time, including after stockholder approval, for the reasons described under Risk Factors Our Board may choose to defer or abandon the merger at any time.

In addition, the expected timing for the completion of the merger and the reorganization may be impacted by other conditions described in this proxy statement/prospectus.

Regulatory Approvals (see page 36)

The only material governmental or regulatory approvals or actions that we are aware are required to complete the merger are compliance with U.S. federal and state securities laws, U.K. securities laws, the NYSE rules and regulations, the Delaware General Corporation Law, or DGCL, and the Companies Act.

Rights of Dissenting Stockholders (see page 36)

Under the DGCL, you will not have appraisal rights in connection with the merger.

Accounting Treatment of the Merger (see page 37)

The merger will be accounted for using the historical cost basis method of accounting. Because the merger will be accounted for as a reorganization of entities under common control, there will be no revaluation of Ensco Delaware s assets and liabilities.

TAX CONSIDERATIONS

Taxation of Ensco Delaware and Ensco UK (see page 44)

We believe that Ensco Delaware and Ensco UK should not incur any significant taxes in connection with consummation of the merger. Although changes in tax laws, treaties or regulations or the interpretation or enforcement of these tax laws, treaties or regulations could adversely affect the intended tax benefits of the merger to Ensco UK and its subsidiaries or the tax treatment of the post-merger corporate structure of Ensco UK, we do not believe that any of such changes would result in a material increase in taxes compared to our current, pre-merger tax position.

U.S. Tax Considerations (see page 39)

For U.S. federal income tax purposes, the conversion of each issued and outstanding share of the common stock of Ensco Delaware into the right to receive an ADS upon the consummation of the merger generally will be treated as an exchange of such share for the ADS. Therefore, the U.S. federal income tax discussion contained herein refers to an exchange rather than a conversion in describing the U.S. federal income tax consequences of the merger.

Taxation of U.S. Holders

Generally, for U.S. federal income tax purposes, a U.S. holder should recognize gain, if any, but not loss, on the receipt of ADSs in exchange for Ensco Delaware common stock in connection with the merger. A U.S. holder should generally recognize gain equal to the excess, if any, of the fair market value of the ADSs received in the merger over

the U.S. holder s adjusted tax basis in the shares of Ensco Delaware common stock exchanged therefor. Generally, this gain should be capital gain. U.S. holders should not be permitted to recognize any loss realized on the exchange of their shares of Ensco Delaware common stock in the merger. In determining the amount of gain recognized, each of the Ensco Delaware shares transferred should be treated as the subject of a separate exchange. Thus, if a U.S. holder transfers some Ensco Delaware shares on which gains are realized and other Ensco Delaware shares on which losses are realized, the U.S. holder may not net the losses against the gains to determine the amount of gain recognized. In the case of a loss, the adjusted tax basis in each ADS received by a U.S. holder should equal the adjusted tax basis of each share of Ensco Delaware common stock exchanged therefor. Thus, subject to any

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subsequent changes in the fair market value of the ADSs, any loss should be preserved. In addition, the holding period for any ADSs received by U.S. holders should include the holding period of the Ensco Delaware shares exchanged therefor. Cash received by a U.S. holder in exchange for a fractional share of Ensco Delaware common stock should be treated as having been received in redemption of such fractional share. Thus, gain or loss generally should be recognized by such U.S. holder in an amount equal to the difference between the amount of cash received and the U.S. holder s adjusted tax basis in such fractional share. Please see Material Income Tax Considerations Relating to the Merger U.S. Federal Income Tax Considerations Material Tax Consequences to Stockholders.

Taxation of Non-U.S. Holders

A non-U.S. holder generally will not be subject to U.S. federal income or withholding tax on gain realized, if any, on the exchange of Ensco Delaware shares for ADSs or on the receipt of cash in exchange for fractional shares of Ensco Delaware common stock.

U.K. Tax Considerations (see page 47)

Taxation of U.K. Holders

Generally, U.K. resident stockholders of Ensco Delaware may realize a chargeable gain or an allowable loss for U.K. corporation tax or capital gains tax purposes (as the case may be) as a result of the merger, which will be treated as giving rise to a disposal of their stock in Ensco Delaware. In general, you will be treated as acquiring the ADSs received in the merger for a consideration equal to the market value at the effective time of the merger of your shares of Ensco Delaware common stock converted in the merger. Please see Material Tax Considerations Relating to the Merger U.K. Tax Considerations Material Tax Consequences to Shareholders.

Taxation of Non-U.K. Holders

Generally, non-U.K. resident stockholders of Ensco Delaware should not be subject to either U.K. corporation tax or capital gains tax on a chargeable gain or allowable loss arising as a result of the merger, unless they carry on a trade in the U.K. through a permanent establishment in the U.K. or through a branch or agency in the U.K. for the purposes of U.K. corporation tax or capital gains tax respectively, and the stock is attributable to that permanent establishment, branch or agency. In those circumstances, the non-U.K. resident stockholders may realize a chargeable gain or an allowable loss for U.K. corporation tax or capital gains tax purposes (as the case may be) as a result of the merger, which will be treated as giving rise to a disposal of their stock in Ensco Delaware. In general, you will be treated as acquiring the ADSs received in the merger for a consideration equal to the market value at the effective time of the merger.

Other Tax Considerations

For stockholders of Ensco Delaware who are citizens or residents of, or otherwise subject to taxation in, a country other than the U.S. or the U.K., the tax treatment of the merger will depend on the applicable tax laws in such country.

WE ENCOURAGE YOU TO READ THE SECTIONS ENTITLED MATERIAL TAX CONSIDERATIONS RELATING TO THE MERGER U.S. FEDERAL INCOME TAX CONSIDERATIONS MATERIAL TAX CONSEQUENCES TO STOCKHOLDERS, AND MATERIAL TAX CONSIDERATIONS RELATING TO THE MERGER U.K. TAX CONSIDERATIONS MATERIAL TAX CONSEQUENCES TO SHAREHOLDERS FOR A MORE DETAILED DESCRIPTION OF THESE TAX CONSIDERATIONS. WE ALSO URGE YOU TO CONSULT YOUR OWN TAX ADVISOR PRIOR TO THE SPECIAL MEETING REGARDING THE PARTICULAR TAX CONSIDERATIONS OF THE MERGER APPLICABLE TO YOU.

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OTHER INFORMATION

Ownership in Ensco UK; Conversion of Shares (see page 32)

Your ownership of ADSs will be recorded in book entry form by your broker if you are currently a beneficial holder, with no need for any additional action on your part. If you hold shares directly, following the effective time of the merger, ADSs will be delivered to the exchange agent for delivery to you upon surrender of the certificates representing Ensco Delaware common stock. Please see The Merger Agreement Ownership in Ensco UK; Conversion of Shares for further information, including procedures for surrendering share certificates.

Rights of Stockholders/Shareholders (see page 36)

There are differences between the principal attributes of the Ensco Delaware shares and the Class A Ordinary Shares represented by the ADSs, which include differences between the rights of stockholders under the DGCL and the rights of shareholders under the Companies Act, differences between the provisions of Ensco Delaware s certificate of incorporation and bylaws and Ensco UK s articles of association, and differences between the rights of a holder of Ensco Delaware common stock and the terms and conditions related to the ADSs as described in the deposit agreement. Please see Description of American Depositary Shares of Ensco UK, Description of the Class A Ordinary Shares of Ensco UK and Comparison of Rights of Stockholders/Shareholders.

Stock Exchange Listings (see page 36)

It is a condition to the completion of the merger that the ADSs representing Class A Ordinary Shares will be authorized for listing on the NYSE, subject to official notice of issuance and satisfaction of other standard conditions. We will submit an application to the NYSE and expect that, immediately following the effective time of the merger, the ADSs will be listed on the NYSE under the symbol ESV, which is the same symbol under which shares of Ensco Delaware are currently listed.

Market Price Information

On November 6, 2009, the last trading day before the public announcement of the merger, the closing price of our shares on the NYSE was $48.03 per share. On November 16, 2009, the most recent practicable date before the date of this proxy statement/prospectus, the closing price of our shares was $47.45 per share.

Recommendation of the Board (see page 35)

Our Board has unanimously determined that the reorganization to be effected by the merger is advisable and in the best interests of Ensco Delaware and our stockholders and, as such, has unanimously approved the reorganization and the merger agreement. The Board recommends that you vote FOR the adoption of the merger agreement.

Special Meeting of Stockholders (see page 7)

You can vote at the special meeting if you owned Ensco Delaware common stock at the close of business on the record date (*i.e.*, November 16, 2009). On that date, there were 142,515,432 shares of Ensco Delaware common stock outstanding and entitled to vote. For the merger to be able to proceed, the majority of the outstanding shares of common stock of Ensco Delaware entitled to vote at the special meeting must be voted in the affirmative for the adoption of the merger agreement. As of the record date, our directors and executive officers and their affiliates

beneficially owned, in the aggregate, approximately 931,151 of such shares, representing beneficial ownership of less than 1 percent of the outstanding shares of Ensco Delaware common stock as of that date. These shares are included in the number of shares entitled to vote at the special meeting.

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SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA

The selected historical consolidated financial data of Ensco Delaware for each of the years in the five-year period ended December 31, 2008 has been derived from Item 6. Selected Financial Data included in our Annual Report on Form 10-K for the year-ended December 31, 2008 filed with the SEC on February 26, 2009, or the 2008 Form 10-K, as updated in our Current Report on Form 8-K filed with the SEC on October 14, 2009, or the October Form 8-K, both of which are incorporated by reference into this proxy statement/prospectus.

The October Form 8-K updated our Form 10-K to reflect retrospective application of SFAS No. 160, Noncontrolling Interests in Consolidated Financial Statements, or SFAS 160, and FASB Staff Position EITF 03-6-1 Determining Whether Instruments Granted in Share-Based Payment Transactions are Participating Securities, or FSP EITF 03-6-1, and to reclassify ENSCO 69 as discontinued operations for all periods presented. The selected financial data should be read in conjunction with the audited consolidated financial statements of Ensco Delaware included in Item 8. Financial Statements and Supplementary Data, and Item 7. Management s Discussion and Analysis of Financial Condition and Results of Operations in our 2008 Form 10-K, as updated in the October Form 8-K.

The selected historical condensed consolidated financial data for the nine-month periods ended September 30, 2009 and 2008 were derived from the unaudited interim condensed consolidated financial statements of Ensco Delaware included in our Quarterly Report on Form 10-Q for the nine-month period ending September 30, 2009, filed with the SEC on October 22, 2009, or the September Form 10-Q. Certain selected historical condensed consolidated balance sheet data were derived from the unaudited interim condensed consolidated balance sheet of Ensco Delaware included in our Quarterly Report on Form 10-Q for the nine month period ended September 30, 2008, filed with the SEC on October 23, 2008. This data should be read in conjunction with the unaudited condensed consolidated financial statements of Ensco Delaware included in Item 1. Financial Statements and Supplementary Data, and Item 2. Management s Discussion and Analysis of Financial Condition and Results of Operations in our September Form 10-Q, which are incorporated by reference into this proxy statement/prospectus.

	Nine-Month Period Ended September 30,		Year Ended December 31,				
	2009	2008	2008	2007	2006	2005	2004
	(In millions, except per share amounts)						
Consolidated Statement of Income Data							
Revenues	$ 1,446.3	$ 1,788.8	$ 2,393.6	$ 2,058.2	$ 1,748.7	$ 991.1	$ 699.0
Operating expenses							
Contract drilling (exclusive of depreciation)	524.8	566.8	752.0	644.1	543.5	434.9	390.6
Depreciation	149.8	139.4	186.5	177.5	168.5	147.5	127.2
General and administrative	41.6	41.7	53.8	59.5	44.6	32.0	33.1
Operating income	730.1	1,040.9	1,401.3	1,177.1	992.1	376.7	148.1
Other income (expense), net	6.2	4.8	(4.2)	37.8	(5.9)	(24.0)	(33.6)
Provision for income taxes	133.8	192.0	237.3	244.8	241.3	94.8	27.5
Income from continuing operations	602.5	853.7	1,159.8	970.1	744.9	257.9	87.0

(Loss) income from discontinued operations, net[1]	(28.2)	1.6	(3.1)	28.8	30.3	27.5	6.2
Cumulative effect of accounting change, net[2]					0.6		
Net income	574.3	855.3	1,156.7	998.9	775.8	285.4	93.2
Less: Net income attributable to noncontrolling interests	(3.6)	(4.3)	(5.9)	(6.9)	(6.1)	(0.5)	(0.2)
Net income attributable to Ensco	$ 570.7	$ 851.0	$ 1,150.8	$ 992.0	$ 769.7	$ 284.9	$ 93.0
Earnings (loss) per common share basic							
Continuing operations	$ 4.22	$ 5.91	$ 8.06	$ 6.52	$ 4.83	$ 1.69	$ 0.58
Discontinued operations	(0.20)	0.01	(0.02)	0.19	0.20	0.18	0.04
Cumulative effect of accounting change							
	$ 4.02	$ 5.92	$ 8.04	$ 6.71	$ 5.03	$ 1.87	$ 0.62

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	Nine-Month Period Ended September 30,		Year Ended December 31,				
	2009	2008	2008	2007	2006	2005	2004
	(In millions, except per share amounts)						
Earnings (loss) per common share diluted							
Continuing operations	$ 4.21	$ 5.90	$ 8.04	$ 6.50	$ 4.81	$ 1.68	$ 0.58
Discontinued operations	(0.20)	0.01	(0.02)	0.19	0.20	0.18	0.04
Cumulative effect of accounting change							
	$ 4.01	$ 5.91	$ 8.02	$ 6.69	$ 5.01	$ 1.86	$ 0.62
Net income attributable to Ensco common shares							
Basic	$ 563.7	$ 842.1	$ 1,138.2	$ 984.7	$ 765.4	$ 283.9	$ 92.7
Diluted	$ 563.7	$ 842.1	$ 1,138.2	$ 984.7	$ 765.4	$ 283.9	$ 92.7
Weighted-average common shares outstanding							
Basic	140.3	142.2	141.6	146.7	152.2	151.7	150.5
Diluted	140.4	142.6	141.9	147.2	152.8	152.3	150.5
Cash dividends per common share	$ 0.075	$ 0.075	$ 0.10	$ 0.10	$ 0.10	$ 0.10	$ 0.10
Consolidated Balance Sheet and Cash Flow Statement Data							
Working capital	$ 1,147.8	$ 769.4	$ 973.0	$ 625.8	$ 602.3	$ 347.0	$ 277.9
Total assets	6,455.2	5,457.2	5,830.1	4,968.8	4,334.4	3,617.9	3,322.0
Long-term debt, net of current portion	265.8	282.9	274.3	291.4	308.5	475.4	527.1
Ensco stockholders equity	5,284.2	4,376.1	4,676.9	3,752.0	3,216.0	2,540.0	2,193.9
Cash flow from continuing operations	938.2	733.8	1,125.4	1,211.2	922.9	336.7	230.4

(1) See Note 11 to the 2008 consolidated financial statements included in Item 8. Financial Statements and Supplementary Data of our October Form 8-K.

(2) On January 1, 2006, we recognized a cumulative adjustment related to the adoption of SFAS No. 123 (revised 2004) Share-Based Payment, or FAS 123(R). See Note 9 to the 2008 consolidated financial statements included in Item 8. Financial Statements and Supplementary Data of our October Form 8-K.

SUMMARY PRO FORMA FINANCIAL INFORMATION

Pro forma financial statements for Ensco UK are not presented in this proxy statement/prospectus because no significant pro forma adjustments are required to be made to the historical unaudited interim condensed consolidated financial statements of Ensco Delaware for the nine-month period ended September 30, 2009 or to the historical audited consolidated financial statements of Ensco Delaware for the year-ended December 31, 2008. Those financial statements are included in our September Form 10-Q and our October Form 8-K, respectively, both of which are incorporated by reference into this proxy statement/prospectus.

FORWARD-LOOKING STATEMENTS

This proxy statement/prospectus contains forward-looking statements that are subject to a number of risks and uncertainties and are based on information as of the date hereof. Forward-looking statements include words such as anticipate, believe, estimate, expect, intend, plan, project, could, may, might, should, will a similar import. The forward-looking statements include, but are not limited to, statements about the merger and subsequent reorganization and our plans, objectives, expectations and intentions with respect thereto and with respect to future operations, including the benefits and tax savings or impact described in this proxy statement/prospectus that we expect to achieve as a result of the merger and subsequent reorganization. Forward-looking statements also include statements regarding future operations, cash generation, the impact of recently contracted premium jackups, contributions from the deepwater expansion program and expense management,

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industry trends or conditions and the business environment; statements regarding future levels of, or trends in, day rates, utilization, revenues, operating expenses, contract term, contract backlog, capital expenditures, insurance, financing and funding; statements regarding future construction (including construction in progress and completion thereof), enhancement, upgrade or repair of rigs and timing thereof; statements regarding future delivery, mobilization, relocation or other movement of rigs and timing thereof; statements regarding future availability or suitability of rigs and the timing thereof, and statements regarding the likely outcome of litigation, legal proceedings, investigations or insurance or other claims and the timing thereof.

Forward-looking statements are made pursuant to safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Numerous factors could cause actual results to differ materially from those in the forward-looking statements, including:

- the merger may not be approved by our stockholders,
- our Board may choose to defer or abandon the merger at any time,
- changes in foreign or domestic laws, including tax laws, that could effectively preclude us from completing the merger or reduce or eliminate the benefits we expect to achieve from the reorganization,
- negative publicity resulting from the proposed merger having an adverse effect on our business,
- an SEC stop order or other action or any other decree, order or injunction preventing the registration statement of which this proxy statement/prospectus is a part from becoming or remaining effective or preventing us from holding the special meeting or completing the merger,
- an inability to satisfy all of the conditions to closing set forth in the merger agreement,
- an inability to realize expected benefits from the merger or the occurrence of difficulties in connection with the merger,
- costs related to the merger, which could be greater than expected,
- industry conditions and competition, including changes in rig supply and demand or new technology,
- risks associated with the global economy and its impact on capital markets and liquidity,
- prices of oil and natural gas, and their impact upon future levels of drilling activity and expenditures,
- further declines in rig activity, which may cause us to idle or stack additional rigs,
- excess rig availability or supply resulting from delivery of new drilling rigs,
- heavy concentration of our rig fleet in premium jackups,
- cyclical nature of the industry,
- worldwide expenditures for oil and natural gas drilling,

the ultimate resolution of the ENSCO 69 situation in general and the potential return of the rig or package policy political risk insurance recovery in particular,

changes in the timing of revenue recognition resulting from the deferral of certain revenues for mobilization of our drilling rigs, time waiting on weather or time in shipyards, which are recognized over the contract term upon commencement of drilling operations,

operational risks, including excessive unplanned downtime and hazards created by severe storms and hurricanes,

risks associated with offshore rig operations or rig relocations in general, and in foreign jurisdictions in particular,

renegotiation, nullification, cancellation or breach of contracts or letters of intent with customers or other parties, including failure to negotiate definitive contracts following announcements or receipt of letters of intent,

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inability to collect receivables,

changes in the dates new contracts actually commence,

changes in the dates our rigs will enter a shipyard, be delivered, return to service or enter service,

risks inherent to domestic and foreign shipyard rig construction, repair or enhancement, including risks associated with concentration of our ENSCO 8500 Series® rig construction contracts in a single foreign shipyard, unexpected delays in equipment delivery and engineering or design issues following shipyard delivery,

availability of transport vessels to relocate rigs,

environmental or other liabilities, risks or losses, whether related to hurricane damage, losses or liabilities (including wreckage or debris removal) in the Gulf of Mexico or otherwise, that may arise in the future which are not covered by insurance or indemnity in whole or in part,

limited availability or high cost of insurance coverage for certain perils such as hurricanes in the Gulf of Mexico or associated removal of wreckage or debris,

self-imposed or regulatory limitations on drilling locations in the Gulf of Mexico during hurricane season,

impact of current and future government laws and regulation affecting the oil and gas industry in general and our operations in particular, including taxation, as well as repeal or modification of same,

our ability to attract and retain skilled personnel,

governmental action and political and economic uncertainties, including expropriation, nationalization, confiscation or deprivation of our assets,

terrorism or military action impacting our operations, assets or financial performance,

outcome of litigation, legal proceedings, investigations or insurance or other claims,

adverse changes in foreign currency exchange rates, including their impact on the fair value measurement of our derivative financial instruments,

potential long-lived asset or goodwill impairments, and

potential reduction in fair value of our auction rate securities.

Moreover, the United States Congress, the IRS, the United Kingdom Parliament or HMRC may attempt to enact new statutory or regulatory provisions that could adversely affect Ensco UK s status as a non-U.S. corporation or otherwise adversely affect Ensco UK s anticipated global tax position following the merger and the subsequent actions. Retroactive statutory or regulatory actions have occurred in the past, and there can be no assurance that any such provisions, if enacted or promulgated, would not have retroactive application to Ensco UK, the merger or the subsequent actions.

The factors identified above are believed to be important factors (but not necessarily all of the important factors) that could cause actual results to differ materially from those expressed in any forward-looking statement made by us. Other factors not discussed herein could also have material adverse effects on us. All forward-looking statements included in this prospectus and any accompanying prospectus supplement are expressly qualified in their entirety by the foregoing cautionary statements. We undertake no obligation to update any forward-looking statement (or its associated cautionary language), whether as a result of new information or future events.

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RISK FACTORS

In considering whether to vote in favor of the proposal to adopt the merger agreement in connection with the reorganization, you should consider carefully the following risks or investment considerations, in addition to the other information in this proxy statement/prospectus. As set forth below, we have identified the material factors you should consider before making a decision on whether to vote in favor of the proposal to adopt the merger agreement and the other proposal described herein, and we have identified the material risks that could cause our actual plans or results to differ materially from those included in the forward-looking statements contained or incorporated by reference herein. You should consider these risks when deciding how to vote. In addition, you should also review carefully the risk factors discussed in Part I, Item 1A Risk Factors of our 2008 Form 10-K and in our subsequent reports filed pursuant to the Securities Exchange Act of 1934, as amended, as they discuss risks affecting our business generally that could also cause our actual plans or results to differ materially from those included in the forward-looking statements contained or incorporated by reference herein.

Some Ensco Delaware stockholders will recognize a taxable gain as a result of the merger and, in some cases, will not be able to recognize any losses realized.

For U.S. federal income tax purposes, the conversion of each issued and outstanding share of the common stock of Ensco Delaware into the right to receive an ADS upon the consummation of the merger generally will be treated as an exchange of such share for the ADS. Therefore, the U.S. federal income tax discussion contained herein refers to an exchange rather than a conversion in describing the U.S. federal income tax consequences of the merger.

Generally, for U.S. federal income tax purposes, a U.S. holder, which is defined below in Material Tax Considerations Relating to the Merger U.S. Federal Income Tax Considerations Material Tax Consequences to Stockholders, should recognize gain, if any, but not loss, on the receipt of ADSs in exchange for Ensco Delaware common stock in connection with the merger. A U.S. holder should generally recognize gain equal to the excess, if any, of the fair market value of the ADSs received in the merger over the U.S. holder s adjusted tax basis in the shares of Ensco Delaware common stock exchanged therefor. Generally, this gain should be capital gain. U.S. holders should not be permitted to recognize any loss realized on the exchange of their shares of Ensco Delaware common stock in the merger. In determining the amount of gain recognized, each of the Ensco Delaware shares transferred should be treated as the subject of a separate exchange. Thus, if a U.S. holder transfers some Ensco Delaware shares on which gains are realized and other Ensco Delaware shares on which losses are realized, the U.S. holder may not net the losses against the gains to determine the amount of gain recognized. In the case of a loss, the adjusted tax basis in each ADS received by a U.S. holder should equal the adjusted tax basis of each share of Ensco Delaware common stock exchanged therefor. Thus, subject to any subsequent changes in the fair market value of the ADSs, any loss should be preserved. In addition, the holding period for any ADSs received by U.S. holders should include the holding period of the Ensco Delaware shares exchanged therefor. Cash received by a U.S. holder in exchange for a fractional share of Ensco Delaware common stock should be treated as having been received in redemption of such fractional share. Thus, gain or loss generally should be recognized by such U.S. holder in an amount equal to the difference between the amount of cash received and the U.S. holder s adjusted tax basis in such fractional share. A non-U.S. holder generally will not be subject to U.S. federal income tax on gain realized, if any, on the exchange of Ensco Delaware shares for ADSs or on the receipt of cash in exchange for fractional shares of Ensco Delaware common stock. Please see Material Tax Considerations Relating to the Merger U.S. Federal Income Tax Considerations Material Tax Consequences to Stockholders.

Generally, U.K. resident stockholders of Ensco Delaware may realize a chargeable gain or an allowable loss for U.K. corporation tax or capital gains tax purposes (as the case may be) as a result of the merger, which will be treated as

giving rise to a disposal of their stock in Ensco Delaware. Generally, non-U.K. resident stockholders of Ensco Delaware should not be subject to either U.K. corporation tax or capital gains tax as a result of the merger, unless they carry on a trade in the U.K. through a permanent establishment in the U.K. or through a branch or agency in the U.K. for the purposes of U.K. corporation tax or capital gains tax respectively, and the stock is attributable to that permanent establishment, branch or agency. In general, you will be treated as acquiring the ADSs received in the merger for a consideration equal to the market value at the effective time of the merger of your shares of Ensco

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Delaware common stock converted in the merger. Please see Material Tax Considerations Relating to the Merger U.K. Tax Considerations Material Tax Consequences to Shareholders.

For stockholders of Ensco Delaware who are citizens or residents of, or otherwise subject to taxation in, a country other than the U.S. or the U.K., the tax treatment of the merger will depend on the applicable tax laws in such country.

WE URGE YOU TO CONSULT YOUR OWN TAX ADVISOR PRIOR TO THE SPECIAL MEETING REGARDING THE PARTICULAR TAX CONSIDERATIONS OF THE MERGER APPLICABLE TO YOU.

HMRC may disagree with our conclusions on the U.K. tax treatment of the merger and HMRC has not provided (and we have not requested) a ruling on the U.K. tax aspects of the merger.

Based on current U.K. corporation tax law and the current U.K.-U.S. income tax treaty, as amended, and any amendments to either current U.K. corporation tax law or such treaty announced prior to the date hereof, we expect that the merger will not result in any material U.K. corporation tax liability to any of Ensco Delaware, Ensco UK or Ensco Mergeco. Further, we believe that we have satisfied all stamp duty reserve tax, or SDRT, payment and filing obligations in connection with the issuance and deposit of the Class A Ordinary Shares into the ADS facility pursuant to the deposit agreement.

However, if HMRC disagrees with this view, it may take the position that material U.K. corporation tax or SDRT liabilities or amounts on account thereof are payable by any one or more of these companies as a result of the reorganization, in which case we expect that we would contest such assessment. To contest such assessment, we may be required to remit cash or provide security of the amount in dispute, or such lesser amount as permitted under U.K. law and acceptable to HMRC, to prevent HMRC from seeking enforcement actions pending the dispute of such assessment. If we were unsuccessful in disputing the assessment, the implications could be materially adverse to us. HMRC has not provided (and we have not requested) a ruling on the U.K. tax aspects of the merger. There can be no assurance that HMRC will agree with our interpretation of the U.K. tax aspects of the merger or any related matters associated therewith.

The IRS may disagree with our conclusions on tax treatment of the merger.

We expect that the merger will not result in any material U.S. federal income tax liability to Ensco Delaware or Ensco UK. However, the IRS may disagree with our assessments of the effects or interpretation of the tax laws, treaties or regulations or their enforcement with respect to the merger. Nevertheless, even if our conclusions on the U.S. tax treatment of the merger to Ensco Delaware and Ensco UK do not ultimately prevail, we do not believe that a contrary treatment of the merger by the IRS would result in a material increase in U.S. taxes compared to our current, pre-merger U.S. tax position. In this event, however, we may not realize the expected tax benefits of the merger and our results of operations may be adversely affected in comparison to what they would have been if the IRS agreed with our conclusions.

Ensco UK s net income and cash flow would be reduced if Ensco UK becomes subject to U.S. corporate income tax.

Ensco UK and other non-U.S. Ensco UK affiliates will conduct their operations in a manner intended to ensure that Ensco UK and its non-U.S. affiliates do not engage in the conduct of a U.S. trade or business. However, if Ensco UK or any of its non-U.S. affiliates is or are engaged in a trade or business in the U.S., Ensco UK or such non-U.S. affiliates would be required to pay U.S. corporate income tax on income that is subject to the taxing jurisdiction of the U.S. If this occurs, our results of operations may be adversely affected. Additionally, after the merger, Ensco Delaware and its then existing U.S. subsidiaries will continue to be subject to U.S. corporate income

tax on their worldwide income, and Ensco Delaware s then existing foreign subsidiaries will continue to be subject to U.S. corporate income tax on their U.S. operations.

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Ensco UK may be treated as a U.S. corporation for U.S. federal income tax purposes following the merger.

Generally for U.S. federal income tax purposes, a corporation is considered tax resident in the place of its incorporation. Because Ensco UK is incorporated under U.K. law, it should be deemed a U.K. corporation under these general rules. However, Section 7874 of the U.S. Internal Revenue Code of 1986, as amended (which we refer to as the Code) generally provides that a corporation organized outside the U.S. which acquires substantially all of the assets of a corporation organized in the U.S. will be treated as a U.S. corporation (and, therefore, a U.S. tax resident) for U.S. federal income tax purposes if shareholders of the acquired U.S. corporation own at least 80 percent (of either the voting power or the value) of the stock of the acquiring foreign corporation after the acquisition and the acquiring foreign corporation does not have substantial business activities in the country in which it is organized. Pursuant to the merger, Ensco UK will acquire directly or indirectly all of Ensco Delaware s assets, and Ensco Delaware shareholders will hold 100 percent of Ensco UK by virtue of their stock ownership of Ensco Delaware. As a result. Ensco Delaware and, following the merger, Ensco UK must have substantial business activities in the U.K. for Ensco UK to avoid being treated as a U.S. corporation for U.S. federal income tax purposes under Section 7874. There is no safe harbor or other guidance that confirms when a foreign corporation s business activities in its country of incorporation are deemed to be substantial. Therefore, it is possible that the IRS would interpret the Section 7874 anti-inversion rules so as to treat Ensco UK as a U.S. corporation after the consummation of the merger. Moreover, the United States Congress, the IRS, the United Kingdom Parliament or HMRC may enact new statutory or regulatory provisions that could adversely affect Ensco UK s status as a non-U.S. corporation or otherwise adversely affect Ensco UK s anticipated global tax position following the merger and the subsequent actions. Retroactive statutory or regulatory actions have occurred in the past, and there can be no assurance that any such provisions, if enacted or promulgated, would not have retroactive application to Ensco UK, the merger or the subsequent actions.

However, Ensco UK is a company formed under English law, and Ensco Delaware has historic, continuous and substantial business activities in the U.K as a result of its longstanding North Sea drilling activities and management and control over the Europe and Africa Business Unit, headquartered in Aberdeen, Scotland. We, therefore, believe Ensco UK should not be treated as a U.S. corporation for U.S. federal income tax purposes under Section 7874. However, there is no certainty that the IRS will not assert a contrary position, in which case, we could become involved in tax controversy with the IRS regarding possible additional U.S. tax liability. If we are unsuccessful in resolving any such tax controversy in our favor, we would likely not realize the tax savings we anticipate achieving through the merger and the reorganization, and we could be liable for additional U.S. federal income tax as a result of certain transactions undertaken as part of the reorganization. Please see Material Tax Considerations Relating to the Merger U.S. Federal Income Tax Considerations The U.S. Anti-Inversion Rules.

The merger may not allow us to maintain a competitive worldwide effective tax rate.

We believe that the merger should improve our ability to maintain a competitive worldwide effective tax rate because the U.K. corporate tax rate is lower than the U.S. corporate tax rate and because the U.K. has implemented a dividend exemption system that generally does not subject non-U.K. earnings to U.K. tax when such earnings are repatriated to the U.K. in the form of dividends from non-U.K. subsidiaries. In addition, the U.K. Government is consulting on reform of the U.K. controlled foreign companies rules (under which, in some circumstances, low-taxed profits of foreign subsidiaries of U.K. companies may be taxed in the U.K.) with a view to moving towards a more territorial system of taxing foreign profits of U.K. companies. No reform proposals have yet been proposed by the U.K. Government and no new legislation is expected before 2011.

However, we cannot provide any assurances as to what our effective tax rate will be after the merger because of, among other things, uncertainty regarding the nature and extent of our business activities in any particular jurisdiction in the future and the tax laws of such jurisdictions, as well as changes in U.S. and other tax laws. Our actual effective tax rate may vary from our expectation and that variance may be material. Additionally, the tax laws of the U.K. and

other jurisdictions could change in the future, and such changes could cause a material change in our worldwide effective tax rate.

We also could be subject to future audits conducted by foreign and domestic tax authorities, and the resolution of such audits could significantly impact our effective tax rate in future periods, as would any reclassification or

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other matter (such as changes in applicable accounting rules) that increases the amounts we have provided for income taxes in our consolidated financial statements. There can be no assurance that we would be successful in attempting to mitigate the adverse impacts resulting from any changes in law, audits and other matters. Our inability to mitigate the negative consequences of any changes in the law, audits and other matters could cause our effective tax rate to increase and our results of operations to suffer.

Our Board may choose to defer or abandon the merger at any time.

Completion of the merger may be deferred or abandoned by action of our Board at any time, including after stockholder approval. While we currently expect the merger to take place promptly after the proposal to adopt the merger agreement is approved at the special meeting, to be followed (in short order) by the subsequent actions, the Board may defer completion before or after the special meeting or may abandon the merger at any time, including after stockholder approval, because of, among other reasons, changes in existing or proposed tax legislation, failure of Baker & McKenzie LLP to deliver tax opinions in form and substance acceptable to us, our determination that HMRC does not agree with our view of the U.K. corporation tax or SDRT implications of certain aspects of the reorganization, our determination that the IRS does not agree with our views on certain tax matters, our determination that the reorganization would involve tax or other risks that outweigh their benefits, our determination that the level of expected benefits associated with the reorganization would otherwise be reduced, a dispute with the taxation authorities over the reorganization (or certain aspects thereof), changes in U.K. or U.S. tax laws, rates, or regulations that would adversely affect our ability to achieve the expected benefits of the reorganization, an unexpected increase in the cost to complete the reorganization or any other determination by our Board that the reorganization would not be in the best interests of Ensco Delaware or its stockholders or that the reorganization would have material adverse consequences to Ensco Delaware or its stockholders.

Changes in domestic and foreign laws, including tax law changes, could adversely affect Ensco UK, its subsidiaries and its shareholders.

Changes in tax laws, regulations or treaties or the interpretation or enforcement thereof, in both or either of the U.S. or the U.K., could adversely affect the tax consequences of the reorganization to Ensco UK and its shareholders and/or our effective tax rates (whether associated with the reorganization or otherwise). With respect to the reorganization, for example, one reason for the reorganization is to begin to align our structure so as to have the opportunity, going forward, to continue to take advantage of U.K. corporate tax rates, which are lower than the U.S. income tax rates, and to take advantage of the recent dividend exemption system implemented in the U.K., which generally does not subject non-U.K. earnings to U.K. tax when such earnings are repatriated to the U.K. as dividends. Future changes in tax laws, regulations or treaties or the interpretation or enforcement thereof, particularly any such changes resulting in a material change in the U.S. and the U.K. tax rates relative to each other, could reduce or eliminate the benefits that we expect to achieve from the reorganization.

The expected benefits of the reorganization may not be realized.

We cannot be assured that all of the goals of the reorganization will be achievable, particularly as the achievement of the benefits are in many important respects subject to factors that we do not control. These factors would include such things as the reactions of third parties with whom we enter into contracts and do business and the reactions of investors, analysts and U.K. and U.S. taxing authorities.

While we expect the reorganization will enable us to continue to take advantage of lower U.K. tax rates and the benefits of the U.K. dividend exemption system for certain non-U.K. source dividends repatriated to the U.K. in the years after implementation of the reorganization to a greater extent than would likely have been available if the reorganization was not completed, these benefits may not be achieved. In particular, U.K. or U.S. tax authorities may

challenge our application and/or interpretation of relevant tax laws, regulations or treaties, valuations and methodologies or other supporting documentation, and, if they are successful in doing so, we may not experience the level of benefits we anticipate; or, we may be subject to adverse tax consequences. Even if we are successful in maintaining our positions, we may incur significant expense in contesting positions asserted or claims made by tax authorities.

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Our effective tax rates and the benefits described herein are also subject to a variety of other factors, many of which are beyond our ability to control, such as changes in the rate of economic growth in the U.K. and the U.S., the financial performance of our business in various jurisdictions, currency exchange rate fluctuations (especially as between the British pound and the U.S. dollar), and significant changes in trade, monetary or fiscal policies of the U.K. or the U.S., including changes in interest rates. The impact of these factors, individually and in the aggregate, is difficult to predict, in part because the occurrence of the events or circumstances described in such factors may be (and, in fact, often seem to be) interrelated, and the impact to us of the occurrence of any one of these events or circumstances could be compounded or, alternatively, reduced, offset, or more than offset, by the occurrence of one or more of the other events or circumstances described in such factors.

Following the effective time of the merger, it is likely that we will be removed from the S&P 500 stock index and other indices, which could have an adverse impact on our share price.

Our shares currently are a component of the Standard & Poor s 500 Index and other indices. Based on current S&P guidelines, we believe it is likely that the S&P would remove our shares (or refuse to include the ADSs after the effective time of the merger) as a component of the S&P 500 upon the effectiveness of the merger. Although we are uncertain as to when the S&P would take this action, we do not believe that it would be effective until after the special meeting of stockholders described in this proxy statement/prospectus. The S&P has removed the shares of other companies that recently reincorporated to European jurisdictions whether through a continuation, scheme of arrangement, merger transaction similar to the type of merger transaction described in this proxy statement (prospectus) or otherwise.

Similar issues could arise with respect to whether the ADSs will be included as a component in other indices or funds that impose a variety of qualifications that could be affected by the merger. If the ADSs are not included as a component of the S&P 500 or other indices or no longer meet the qualifications of such funds, institutional investors that are required to track the performance of the S&P 500 or such other indices or the funds that impose those qualifications would be required to sell their ADSs which could adversely affect the price of the ADSs. Any such adverse impact on the price of our shares could be magnified by the current heightened volatility in the financial markets.

Your rights as a stockholder of Ensco Delaware will change as a result of the merger in a manner that may be less favorable to you.

The consummation of the merger will change the governing law that applies to our stockholders from Delaware law (which applies to common shares of Ensco Delaware) to English law (which applies to the Class A Ordinary Shares) and New York contract law (which applies under the deposit agreement). Some of the principal attributes of the common stock of Ensco Delaware and the Class A Ordinary Shares will be similar. There are, however, several significant differences between the rights of stockholders under Delaware law and shareholders under English law, and there are differences between our current certificate of incorporation and bylaws and the proposed articles of association that will apply to our stockholders after the consummation of the merger through the ADS arrangements contemplated by the deposit agreement. For a detailed discussion of these differences, see Comparison of Rights of Stockholders/Shareholders.

The enforcement of civil liabilities against Ensco UK may be more difficult.

Because Ensco UK will be a public limited company incorporated under English law, after the effective time of the merger investors could experience more difficulty enforcing judgments obtained against Ensco UK in U.S. courts than would currently be the case for U.S. judgments obtained against Ensco Delaware. In addition, it may be more difficult (or impossible) to bring some types of claims against Ensco UK in courts in England than it would be to bring similar

claims against a U.S. company in a U.S. court.

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The market for ADSs representing Class A Ordinary Shares may differ from the current market for Ensco Delaware shares.

Although it is anticipated that the ADSs will be authorized for listing on the NYSE under the symbol ESV, which is the same symbol under which shares of Ensco Delaware are currently listed, the market prices, trading volume and volatility of the ADSs could be different from those of the Ensco Delaware shares.

The value of ADSs that you may be entitled to receive in the merger depends on the market price of the Ensco Delaware shares before the merger and of the ADSs at the effective time of the merger.

The number of ADSs that you will be entitled to receive in the merger in exchange for the Ensco Delaware common stock you own is fixed at one ADS per common share of Ensco Delaware. Because the market price of the Ensco Delaware common stock will fluctuate from the date hereof until the effective time of the merger, the value at the time of the completion of the merger of the ADSs that you receive will depend on the market price of the Ensco Delaware common stock at that time. There can be no assurance as to the market value of the common shares of Ensco Delaware at the effective time of the merger. Therefore, there can be no assurance as to the market value of any ADSs that you receive.

We expect to incur transaction costs in connection with the completion of the reorganization, some of which will be incurred whether or not the reorganization is completed.

We have begun to incur and expect to incur in 2009 and 2010 a total of up to approximately $7.0 million in transaction costs in connection with the reorganization. The substantial majority of these costs will be incurred regardless of whether the reorganization is completed and prior to your vote on the proposal.

Following the merger and in connection with the reorganization, we plan to engage in several transactions that will result in the reorganization of Ensco Delaware and certain of its subsidiaries. Ensco Delaware will likely recognize gain, and be subject to U.S. federal income tax on such gain, as a result of certain of these transactions. The amount of income taxes incurred in connection with these transactions will depend on a number of factors. Based on information currently available, we do not expect these transactions to have a significant impact on our reported income tax expense.

In connection with the completion of the reorganization, we will reevaluate the ability to realize or utilize our deferred tax assets related to U.S. operations under the new Ensco UK corporate structure and we may recognize a non-cash, deferred tax expense upon the conclusion of this evaluation. Based on information currently available, we do not expect the additional deferred tax expense to be significant.

As a result of increased shareholder approval requirements, we may have less flexibility as a U.K. public limited company than as a Delaware corporation with respect to certain aspects of capital management.

Under Delaware law, our directors may issue, without further shareholder approval, any shares authorized in our certificate of incorporation that are not already issued or reserved. Delaware law also provides substantial flexibility in establishing the terms of preferred shares. However, English law provides that a board of directors may only allot shares with the prior authorization of shareholders, such authorization being up to the aggregate nominal amount of shares and for a maximum period of five years, each as specified in the articles of association or relevant shareholder resolution. This authorization would need to be renewed by our shareholders upon its expiration (*i.e.*, at least every five years). We anticipate that an ordinary resolution will be adopted prior to the effective time of the merger to authorize the allotment of additional shares, and renewal of such authorization for additional five year terms may be sought more frequently. See Description of Class A Ordinary Shares of Ensco UK Preemptive Rights and New Issues

of Shares.

English law also generally provides shareholders with preemptive rights when new shares are issued for cash; however, it is possible for the articles of association, or shareholders in general meeting, to exclude preemptive rights. Such an exclusion of preemptive rights may be for a maximum period of up to five years from the date of adoption of the articles of association, if the exclusion is contained in the articles of association, or from the date of the shareholder resolution, if the exclusion is by shareholder resolution; in either case, this exclusion would need to

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be renewed upon its expiration (*i.e.*, at least every five years). We anticipate that a special resolution will be adopted to exclude preemptive rights prior to the effective time of the merger, and renewal of such exclusion for additional five year terms may be sought more frequently. See Description of Class A Ordinary Shares of Ensco UK Preemptive Rights and New Issues of Shares.

English law also generally prohibits a company from repurchasing its own shares by way of off market purchases without the prior approval of 75 percent of shareholders by special resolution. Such approval lasts for a maximum period of up to five years. English law prohibits Ensco UK from conducting on market purchases as its shares will not be traded on a recognized investment exchange in the U.K. We anticipate that a special resolution will be adopted to permit off market purchases prior to the effective time of the merger. See Description of Class A Ordinary shares of Ensco UK Alteration of Share Capital/Repurchase of Shares. This special resolution will need to be renewed upon expiration (*i.e.*, at least every five years) but may be sought more frequently for additional five year terms.

We cannot assure you that situations will not arise where such shareholder approval requirements for any of these actions would deprive our shareholders of substantial benefits.

The reorganization will result in additional ongoing costs to us.

The completion of the reorganization will result in an increase in some of our ongoing expenses and require us to incur some new expenses. Some costs, including those related to employees in our U.K. offices and holding board meetings in the U.K., are expected to be higher than would be the case if our principal executive offices were not relocated to England. We also expect to incur new expenses, including professional fees, to comply with U.K. corporate and tax laws.

Negative publicity resulting from the proposed merger could adversely affect our business and our stock price.

Foreign reincorporations like the proposed merger that have been undertaken by other companies have generated significant press coverage, much of which has been negative. Negative publicity generated by the proposed merger could cause some of our customers or suppliers to be more reluctant to do business with us. This could have an adverse impact on our business. Negative publicity could also cause some of our stockholders to sell our stock or decrease the demand for new investors to purchase our stock, which could have an adverse impact on our stock price.

Our ability to declare dividends and repurchase shares will be more limited following the merger.

Under English law, with limited exceptions, Ensco UK will only be able to declare dividends, make distributions or repurchase shares out of distributable profits. Distributable profits are a company s accumulated, realized profits, so far as not previously utilized by distribution or capitalization, less its accumulated, realized losses, so far as not previously written off in a reduction or reorganization of capital duly made. Immediately after the merger, Ensco UK will not have distributable profits. It is expected that, subject to the risk factors discussed in this section and in Part I, Item 1A Risk Factors of our 2008 Form 10-K and to the factors discussed in Forward-Looking Statements above, Ensco UK will have income from continuing operations following the merger sufficient to accumulate distributable profits in an amount sufficient to continue paying quarterly dividends at a rate of $0.025 per share on the anticipated schedule for the foreseeable future and to continue our repurchases of shares from employees in connection with the settlement of income tax withholding obligations arising from the vesting of share awards. However, unless we were to cause Ensco Delaware to declare a dividend payable indirectly to Ensco UK and pay the associated withholding taxes, Ensco UK would not initially have distributable profits sufficient to fully implement our previously disclosed board of directors authorization to repurchase up to $562.0 million of our shares.

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PROPOSAL 1 APPROVAL OF THE ADOPTION OF THE MERGER AGREEMENT

The following includes a brief summary of the material provisions of the merger agreement, a copy of which is attached as Annex A and incorporated by reference into this proxy statement/prospectus. We encourage you to read the merger agreement in its entirety for a more complete description of the merger. In the event of any discrepancy between the terms of the merger agreement and the following summary, the merger agreement will control.

THE MERGER AGREEMENT

Introduction

The merger agreement you are being asked to adopt at the special meeting provides for a merger that would result in your shares of Ensco Delaware common stock being converted into the right to receive ADSs representing Class A Ordinary Shares of Ensco UK which will be, at the effective time of the merger, a public limited company incorporated under English law. Ensco UK, together with its subsidiaries, will thereafter own and continue to conduct our business in substantially the same manner as is currently being conducted by Ensco Delaware and its subsidiaries. Immediately following the merger, you will have the right to own an interest in Ensco UK (*i.e.*, a right to receive ADSs representing the Class A Ordinary Shares of Ensco UK), which will be managed by the same board of directors and executive officers that manage Ensco Delaware immediately prior to the merger. Additionally, the consolidated assets and business of Ensco UK will be the same as those of Ensco Delaware immediately prior to the merger.

Under the merger agreement, Ensco Mergeco, a wholly-owned subsidiary of Ensco Cayman (which itself is currently a wholly-owned subsidiary of Ensco Delaware) will merge with and into Ensco Delaware, with Ensco Delaware surviving the merger as a wholly-owned subsidiary of Ensco Cayman. If the merger agreement is adopted by the stockholders, we anticipate that the merger will become effective shortly after such approval. We currently anticipate that the merger will become effective at 12:01 a.m., Eastern Standard Time, on December 23, 2009, and the subsequent actions will commence thereafter.

The Parties to the Merger

Ensco Delaware is an international offshore contract drilling company. We are one of the leading providers of offshore contract drilling services to the international oil and gas industry. Our operations are concentrated in the geographic regions of Asia Pacific (which includes Asia, the Middle East, Australia and New Zealand), Europe/Africa and North and South America. We have assembled one of the largest and most capable offshore drilling rig fleets in the world. We have grown our fleet through corporate acquisitions, rig acquisitions and new rig construction. We were formed as a Texas corporation in 1975 and were reincorporated in Delaware in 1987.

Ensco Mergeco is a Delaware limited liability company and currently a wholly-owned subsidiary of Ensco Cayman, which is a newly formed Cayman Islands exempted company and currently is a wholly-owned subsidiary of Ensco Delaware. Neither Ensco Cayman nor Ensco Mergeco has a significant amount of assets or liabilities and neither has engaged in any business since its formation other than activities associated with its anticipated participation in the reorganization.

The principal executive offices of Ensco Delaware and Ensco Mergeco in the U.S. are currently located at 500 North Akard Street, Suite 4300, Dallas, Texas 75201-3331, U.S.A., and the telephone number of each company is (214) 397-3000.

The principal executive offices of Ensco UK are currently located at ENSCO House, Badentoy Avenue, Badentoy Industrial Estate, Aberdeen, AB12 4YB, Scotland, and the telephone number is +44 (1224) 780 400. We expect to move the principal executive offices of Ensco UK to a location in England in connection with the merger and the subsequent actions.

The principal executive offices of Ensco Cayman are currently located at Maples Corporate Services Limited, PO Box 309, Ugland House, South Church Street, George Town, Grand Cayman, KY1-1104, Cayman Islands, and the telephone number is +1 345 949 8066.

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Background and Reasons for the Merger

The merger is part of a reorganization of Ensco s corporate structure, which includes a change of our place of incorporation from Delaware to England and the relocation of our principal executive offices to England. We expect that the reorganization will, among other things, establish a corporate headquarters in the U.K. where we already have substantial operations and which is more centrally located within our area of worldwide operations, locate us in a country with a stable and developed legal regime with established standards of corporate governance, including provisions for the rights of shareholders, and a favorable tax regime that should improve our ability to maintain a competitive worldwide effective corporate tax rate, among other anticipated benefits. In that regard, we expect that the reorganization will also result in operational and administrative efficiencies over the long term and enhance our ability to expand in the U.K., Europe and internationally.

The U.K. is more centrally located than our current executive offices to our worldwide operations, in terms of both time zone overlap and travel time. We expect that relocating most of our senior executives to a more central location will permit them to coordinate and interact with worldwide operations during their normal business hours. Thus, the relocation will allow us to better support our worldwide operations and improve executive oversight of these operations.

We conduct a significant part of our business operations in international offshore areas such as the North Sea, the Mediterranean Sea, the Middle East, India, Southeast Asia, Australia and New Zealand. A significant majority of our business is conducted outside of the U.S. Our revenues from non-U.S. operations constituted 61.9 percent, 76.9 percent and 79.7 percent of our worldwide revenues for the years 2006, 2007 and 2008, respectively, and we project that approximately 86 percent of our revenues for the year ending December 31, 2009 will be from non-U.S. sources. Based on global oil and gas activity, we anticipate that we will derive an increasing percentage of our future revenues from non-U.S. operations. The merger is intended to position our company to further benefit from these growth opportunities and allow our management to more effectively implement our global strategy and increase our focus on customer development in these areas by positioning our headquarters closer to these areas.

Legislative proposals to revise the Code, in general, and to tighten the international tax provisions of the Code, in particular, have been introduced by the current U.S. administration and U.S. Congress. Many of these proposals, if enacted, would have an adverse effect on our worldwide effective tax rate. There is substantial uncertainty regarding whether some or all of such proposals, or other proposals, will be enacted as part of fundamental U.S. tax reform in 2010 or later years. Without the reorganization, this uncertainty would make it more difficult for us to predict our worldwide effective tax rate for future years and the impact of U.S. taxation on our future cash flows. In contrast, the U.K. has taken steps to decrease uncertainty about its international tax regime by proposing the liberalization of certain of its international tax provisions to better harmonize them with the foreign dividend exemption system recently implemented in the U.K. In addition, the U.K. has a more extensive tax treaty network than the U.S. We believe that the merger will improve our global tax position and substantially lower our risk related to possible changes in tax and other laws, possible changes in U.S. tax treaties and disputes with tax and other authorities. As such, we believe the merger will provide greater predictability and improve our ability to maintain a competitive worldwide effective corporate tax rate.

The U.K. currently has lower corporate tax rates than the U.S. and generally has a more favorable tax regime with respect to non-U.K. earnings of companies repatriated in the form of dividends than the U.S. has with respect to non-U.S. earnings. In addition, HMRC has granted a clearance to Ensco UK based on its facts and circumstances confirming that it will be exempt from certain aspects of the U.K. corporate tax regime

applicable to certain non-U.K. subsidiaries of Ensco UK through the period ending December 31, 2012, which period may be reduced or altered by subsequent legislation. We expect that the U.K. corporate tax system will continue to be more favorable than the U.S. tax system, and we, therefore, anticipate that the merger may enhance our ability to realize significant tax savings. However, we cannot give any assurance as to what our tax savings will be after the merger. After the merger, our tax rate will depend on, among other things, profitability and the relative mix of profitability from our operations worldwide and our ability to react to any changes in tax laws, treaties and policies and the interpretation of these laws, treaties and

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policies in the jurisdictions where we operate or are incorporated or are resident. Our actual effective tax rate may vary materially from our expectations.

From a customer and investor relations perspective, we have found it difficult to overcome the market perception that we are primarily a U.S. Gulf of Mexico jackup drilling contractor. We believe that U.S. Gulf of Mexico jackup drillers generally face a perception of shorter-term contracts, less contract backlog and higher volatility of cash flow. This negative customer and investor relations perception has continued even though the overwhelming majority of our revenues are being earned outside the U.S. and we have expended a significant amount of effort to position ourselves with customers and investors as an international drilling contractor with an increasing focus on deepwater drilling. We believe that changing our place of incorporation from Delaware to England and relocating our principal executive offices to England will greatly assist in our efforts to position ourselves as an international drilling contractor in the eyes of the investment community and our customers.

The U.K. is a major financial center known for its stability and financial sophistication. We do not currently have a substantial number of shareholders resident in the U.K. We believe that it will be easier for us to develop relations with potential U.K. and other European institutional investors and increase that investor base if the Company is based in the U.K. While a listing on the London Stock Exchange or any other securities exchange is not currently planned, it may be considered in the future. We believe the enhanced relations with potential U.K. and European investors will result in an expanded U.K. and European Union shareholder base.

The U.K. has historically been the center for the global oil service sector insurance market, and we have developed strong relationships with those insurance providers over the years. With the globalization of our existing rig fleet and our $3 billion investment in new ultra-deepwater, semisubmersible rig construction, our risk management profile and insurance needs have become increasingly complicated. We believe that it will be easier for us to continue to develop relationships with key insurance providers if we are located closer to those insurance markets and enhancing those relationships will be critical to our future success.

The U.K. has a stable and well-developed legal system that we believe encourages high standards of corporate governance and provides shareholders with substantial rights. Generally, the rights of a shareholder of a U.K. company are substantially similar to, and in some cases more favorable to shareholders than, the rights of a shareholder of a U.S. company, although the exercise of certain rights may require you to surrender your ADSs and withdraw the underlying Class A Ordinary Shares. See Description of Class A Ordinary Shares of Ensco UK, Description of American Depositary Shares of Ensco UK and Comparison of Rights of Stockholders/Shareholders.

In approving the merger, our Board was cognizant of and considered a variety of negative or potentially negative factors, including the fact that we expect to incur costs to complete the reorganization and establish a corporate office in the U.K., the fact that the cost to maintain a corporate office in the U.K. is expected to exceed the cost that would have been incurred to maintain a similar corporate office in the U.S., and the fact that the expected benefits of the reorganization may not be realized for a variety of reasons, including as a result of taxing authorities disagreeing with our conclusions on tax treatment or changing applicable tax laws and regulations with potentially retroactive effect.

In the course of its review of the reorganization and its attendant risks, our Board engaged in discussions with management and external advisors to evaluate potentially negative consequences of the reorganization. After completing its process of review of the expected benefits and potential risks, the Board determined that the reorganization was in the best interests of Ensco Delaware and its stockholders as the expected benefits of the reorganization outweighed the risks. Please see Forward-Looking Statements and Risk Factors for further discussion of the negative and potentially negative factors discussed above and for a discussion of factors that could prevent us from achieving the benefits described above that we anticipate from completion of the reorganization.

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The Merger

The steps that have been taken to date, and that will be taken, to complete the merger are:

Ensco Delaware formed Ensco UK as an English private limited company, with Ensco Delaware as its sole shareholder, holding in aggregate 50,000 Class B Ordinary Shares.

Ensco Delaware entered into a subscription agreement with Ensco UK pursuant to which Ensco Delaware subscribed for 150 million Class A Ordinary Shares, but directed that those Class A Ordinary Shares be issued directly to and deposited with Citibank or its nominee or agent as registered holder. Ensco UK and Citibank entered into a deposit agreement providing for the issuance to Ensco Delaware of ADSs representing the Class A Ordinary Shares of Ensco UK.

Ensco Delaware formed Ensco Cayman as a Cayman Islands exempted company and a direct wholly-owned subsidiary of Ensco Delaware.

Ensco Cayman formed Ensco Mergeco as a Delaware limited liability company and a direct wholly-owned subsidiary of Ensco Cayman.

Ensco Delaware and Ensco Cayman entered into a contribution agreement whereby Ensco Delaware agreed that, conditional upon the effectiveness of the registration statement of which this proxy statement/prospectus is a part, Ensco Delaware will contribute all ADSs to Ensco Cayman. Ensco Cayman and Ensco Mergeco entered into a contribution agreement whereby Ensco Cayman agreed that, conditional upon its receiving such ADSs, Ensco Cayman will contribute all ADSs to Ensco Mergeco.

Ensco Delaware and Ensco UK entered into a contribution agreement whereby Ensco Delaware agreed that, conditional upon stockholder approval of the merger agreement, Ensco Delaware will contribute all shares of Ensco Cayman to Ensco UK.

Prior to the time the stockholders approve the adoption of the merger agreement, Ensco UK will re-register as a public limited company and change its name to Ensco International plc.

A special resolution of Ensco UK will be passed to alter the rights of the holders of the Class A Ordinary Shares to have the same rights as holders of Class B Ordinary Shares, conditional upon the merger becoming unconditional in all respects.

After the stockholders approve the adoption of the merger agreement, Ensco Delaware will contribute all shares of Ensco Cayman to Ensco UK.

When the merger becomes effective,

Each share of Ensco Delaware common stock (other than treasury shares) will be converted by operation of law into and become the right to receive one ADS. This will result in each holder of Ensco Delaware common stock receiving one ADS for each share of Ensco Delaware common stock held immediately prior to the merger. The remaining ADSs will be held by Ensco Delaware as the surviving corporation in the merger;

Each holder of Ensco Delaware common stock exchanged in the merger who would otherwise have received a fraction of an ADS will receive cash in an amount determined by multiplying the fractional interest to which such holder would otherwise be entitled by the closing price for a share of Ensco Delaware common stock as reported by Bloomberg on the last trading day prior to the effective time of the merger. Any cash payment in exchange for a fractional interest will be made in U.S. dollars; and

Each issued share of Ensco Mergeco will be converted by operation of law into one share of Ensco Delaware (as the surviving corporation), which will be held by Ensco Cayman.

In addition, all shares of Ensco Delaware common stock held in treasury immediately prior to the merger will automatically be cancelled and retired and will cease to exist, without consideration being delivered for such cancellation and all Class B Ordinary Shares of Ensco UK will remain outstanding, but will have no voting rights or rights to dividends or distributions to the extent that they are held by Ensco Delaware.

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Each outstanding option, share of restricted stock and other equity-based award issued under our equity incentive plans for the purchase or receipt of, or benefits or amounts based on, shares of Ensco Delaware common stock will represent the right to purchase or receive, or receive benefits or amounts based on, as applicable, the same number of ADSs representing Class A Ordinary Shares of Ensco UK on the same terms.

Ensco Mergeco or Ensco Delaware as the surviving corporation will deliver the ADSs to be delivered to the Ensco Delaware stockholders to the exchange agent for exchange, and the remaining ADSs will be retained by Ensco Delaware as the surviving corporation in the merger.

The merger agreement may be amended, modified or supplemented at any time by the parties thereto before or after it is adopted by the stockholders of Ensco Delaware. However, after adoption by the stockholders, no amendment, modification or supplement may be made or effected that requires further approval by Ensco Delaware stockholders without obtaining that approval. Further, our Board may abandon the merger at any time, including after stockholder approval.

Ownership in Ensco UK; Conversion of Shares

The conversion of Ensco Delaware common stock into the right to receive the merger consideration will occur automatically at the effective time of the merger. The exchange agent will, as soon as reasonably practicable after the effective time of the merger, exchange certificates representing Ensco Delaware shares for the merger consideration in the form of ADSs to be received in the merger pursuant to the terms of the merger agreement. Class A Ordinary Shares have been delivered to the custodian for the ADSs and, in exchange, the depositary has issued to Ensco Delaware the ADSs that will be delivered to the stockholders of Ensco Delaware after the effective time of the merger. The ADSs will be contributed to Ensco Mergeco prior to the effective time of the merger and, following the effective time of the merger, will be delivered to the exchange agent for delivery to Ensco Delaware stockholders upon surrender of the certificates representing Ensco Delaware common stock.

If you are currently a beneficial holder, your ownership of ADSs will be recorded in book entry form by your broker.

If you hold Ensco Delaware stock certificates, soon after the effective time of the merger, you will be sent a letter of transmittal, which is to be used to surrender your Ensco Delaware stock certificates and to request that ADSs be issued to you. The letter of transmittal will contain instructions explaining the procedure for surrendering Ensco Delaware stock certificates and receiving ADSs. YOU SHOULD **NOT** RETURN STOCK CERTIFICATES WITH THE ENCLOSED PROXY CARD. If a certificate for Ensco Delaware common stock has been lost, stolen or destroyed, the exchange agent will issue the merger consideration properly deliverable under the merger agreement upon compliance by the applicable stockholder with the replacement requirements established by the exchange agent.

Dividends and Distributions; Withholding

Until Ensco Delaware stock certificates or book-entry shares are surrendered for exchange, any dividends or other distributions of Ensco UK declared after the effective time of the merger with respect to ADSs will accrue but will not be paid. Ensco UK will pay to former Ensco Delaware stockholders any unpaid dividends or other distributions, without interest, only after they have duly surrendered their Ensco Delaware stock certificates or book-entry shares. After the effective time of the merger, there will be no transfers on the stock transfer books of Ensco Delaware of any Ensco Delaware shares. If stock certificates representing Ensco Delaware shares are presented for transfer after the completion of the merger, they will be cancelled and exchanged for the merger consideration into which the Ensco Delaware shares represented by that certificate have been converted.

The exchange agent will be entitled to deduct and withhold from the merger consideration payable to any Ensco Delaware stockholder the amounts it is required to deduct and withhold under the Code or any provision of any state, local or foreign tax law. If the exchange agent withholds any amounts, these amounts will be treated for all purposes of the merger as having been paid to the stockholders from whom they were withheld.

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Subsequent Actions

The merger is part of a reorganization of Ensco Delaware s corporate structure. Promptly following the consummation of the merger, Ensco UK, as Ensco Delaware s new parent company, expects to commence additional transactions related to its corporate structure that will result in the reorganization of Ensco Delaware and certain of Ensco UK s subsidiaries and their respective assets, in order to achieve the benefits of the reorganization described above under Background and Reasons for the Merger. In connection with these subsequent actions, we may also be required to redeem, repurchase or repay our 4.65% Bonds due 2020 and our 6.36% Bonds due 2015, and pay a make-whole premium, to the extent that certain consents or approvals are not obtained from the United States Maritime Administration on a timely basis. As of October 31, 2009, these bonds had an aggregate principal amount outstanding of $131.8 million and the make-whole premium would have been approximately $17.5 million. We do not expect any actions to be required with respect to our 7.20% Debentures due 2027, which have an aggregate principal amount outstanding of $150.0 million as of October 31, 2009, but may enter into supplemental indentures as necessary or advisable to provide for guarantees or assumption of debt by Ensco UK or certain of its subsidiaries in connection with certain subsequent actions. Refer to Forward-Looking Statements and Risk Factors above for a description of certain risks associated with the reorganization.

Possible Abandonment

Pursuant to the merger agreement, the Board may exercise its discretion to terminate the merger agreement, and therefore abandon the reorganization, at any time, including after stockholder approval. Please see Risk Factors Our Board may choose to defer or abandon the merger at any time.

Additional Agreements

The Comparison of Rights of Stockholders/Shareholders Indemnification of Directors and Officers sets out the position under English law in relation to director and officer liability and indemnification. We expect to enter into new indemnity agreements and deeds of indemnity with directors, executive officers and certain other officers and employees (including directors, officers and employees of subsidiaries and other affiliates). These indemnification agreements and deeds of indemnity will require that Ensco UK and Ensco Delaware indemnify and hold harmless such persons, to the fullest extent permitted by applicable law, against all losses suffered or incurred by him or her which arise in connection with his or her appointment as a director or officer, as applicable, an act done in connection with his or her performance of his or her functions as a director or officer or an official investigation ordered into the affairs of the company of which he or she is serving as a director or officer at the request of the indemnifying company. Ensco Delaware also intends to amend its bylaws to provide similar indemnification rights to such persons. However, the Companies Act prohibits an English company from indemnifying directors and certain officers in particular circumstances which are set out in the relevant indemnity agreements and generally summarized in the Comparison of Rights of Stockholders/Shareholders Indemnification of Directors and Officers.

The reorganization is not intended to constitute a change in control for purposes of Ensco Delaware s equity incentive plans and change in control severance agreements. We have amended and/or intend to amend the equity incentive plans, change in control severance agreements and certain other plans and agreements, as necessary or advisable and to the extent permitted, to provide that any outstanding equity award is converted into rights to ADSs on an equivalent one-share to one-ADS basis as of the effective time of the merger and to provide that the reorganization will not constitute a change in control under the terms of the applicable plans or agreements. Please see below Stock Compensation and Benefit Plans and Programs.

We have a $350 million unsecured revolving credit facility with a syndicate of lenders for general corporate purposes. The credit facility has a five-year term, which will expire in June 2010. As of the date of this proxy statement/prospectus, there were no amounts outstanding under the credit facility. In connection with the merger and subsequent reorganization, we expect to amend certain provisions of the credit facility. If we are unsuccessful in amending the credit facility after the effective time of the merger, we may be in breach of certain provisions of the credit facility.

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Conditions to Completion of the Merger

Unless, among other things, the following conditions or requirements are satisfied or, if allowed by law, waived, the merger, and therefore the reorganization, will not be completed:

upon the SEC s declaration of effectiveness of the registration statement on Form S-4 with respect to the merger, Ensco Delaware will have contributed all ADSs to Ensco Cayman, which will in turn have contributed all such ADSs to Ensco Mergeco;

the merger agreement will have been adopted by the requisite vote of stockholders of Ensco Delaware;

Ensco UK will have re-registered as a public limited company;

following stockholder approval of the merger agreement, Ensco Delaware will have contributed all shares of Ensco Cayman to Ensco UK;

a special resolution will have been passed to alter the rights of the holders of the Class A Ordinary Shares to have the same rights as holders of Class B Ordinary Shares, conditional upon the merger becoming unconditional;

the ADSs to be issued pursuant to the merger will have been authorized for listing on the NYSE, subject to official notice of issuance and satisfaction of other standard conditions;

Baker & McKenzie LLP, counsel to Ensco Delaware, will have delivered a tax opinion in form and substance acceptable to the Company;

no decree, order or injunction will have been in effect with respect to the SEC registration statement of which this proxy statement/prospectus is a part;

a registration statement on Form F-6 filed with the Securities and Exchange Commission in connection with the issuance of the ADSs to be delivered pursuant to the merger will have become effective under the Securities Act, and no stop order with respect thereto shall be in effect;

no law or order prohibiting or pending law suit seeking to prohibit the merger will have been issued or filed by any U.S., European Union or U.K. governmental entity, subject to certain exceptions described in this proxy statement/prospectus; and

all material consents and authorizations of, filings or registrations with, and notices to, any governmental or regulatory authority required of Ensco Delaware, Ensco UK or their subsidiaries to consummate the merger will have been obtained or made.

Our Board does not intend to waive (where capable of waiver) any of these conditions or requirements unless it determines that the merger is in the best interests of Ensco Delaware and our stockholders, despite the condition(s) not being satisfied in whole or in part. Additionally, our Board reserves the right to defer or abandon the merger at any time, including after stockholder approval, for the reasons described under Risk Factors Our Board may choose to defer or abandon the merger at any time.

Stock Compensation and Benefit Plans and Programs

We have a variety of equity incentive plans, compensation plans, and other plans, agreements, awards and arrangements outstanding that provide for options, restricted shares or other rights to purchase or receive shares of Ensco Delaware (or the right to receive benefits or amounts by reference to those shares). We refer to these plans, agreements, awards and arrangements as our equity incentive plans. As part of the merger, Ensco UK will assume and adopt Ensco Delaware s rights and obligations under the equity incentive plans, all as of the effective time of the merger, except that Ensco Delaware will remain the plan sponsor of certain equity incentive plans (as further described in the merger agreement). The equity incentive plans and certain other plans and agreements have been and/or will be amended or modified (i) to facilitate the assumption and adoption by Ensco UK of the applicable equity incentive plans and the various rights, duties or obligations thereunder, (ii) to the extent required to reflect the issuance of rights over ADSs (rather than rights over Ensco Delaware shares), (iii) to provide for the appropriate substitution of Ensco UK in place of Ensco Delaware where applicable, (iv) to provide that the merger will not

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constitute a change in control under the terms of the equity incentive plans, change in control severance agreements and certain other plans and agreements to the extent permitted or applicable, and (v) to comply with applicable English or U.S. corporate or tax law requirements. Stockholder approval of the adoption of the merger agreement will also constitute stockholder approval of the adoption and assumption of the equity incentive plans by Ensco UK as contemplated by this proxy statement/prospectus. Equity incentive plans that provide benefits to employees and directors of Ensco Delaware and its subsidiaries will, if applicable, upon being assumed by Ensco UK, continue to provide benefits to such employees or directors consistent with the current manner, subject to the limitations set forth in the relevant plan, as such plan may be amended from time to time. To the extent that awards of restricted stock or similar restricted share rights are granted following the effective time of the merger, the holder may be obligated to pay the nominal or par value to receive the ADSs due to English corporate law requirements.

At the effective time of the merger, all outstanding options to purchase shares of Ensco Delaware common stock granted or issued prior to the effective time of the merger, and all outstanding shares of restricted stock of Ensco Delaware and other equity-based awards awarded under our equity incentive plans, will entitle the holder to purchase or receive, or receive benefits or amounts based on, as applicable, an equal number of ADSs. All of such stock options, restricted stock and other equity-based awards will be subject to the same terms and conditions as were applicable to such awards granted or issued by Ensco Delaware immediately prior to the effective time of the merger other than as discussed above.

Holders of outstanding nonqualified options, awards of restricted stock or other equity-based awards, as well as beneficial owners of Ensco Delaware shares acquired under the ENSCO Savings Plan, the Multinational Savings Plan and potentially certain other plans, other than U.S. taxpayers who perform all of their services within the U.S., may be subject to tax as a result of the conversion of the underlying shares of Ensco Delaware common stock to ADSs, depending on the country where the holders are citizens or tax residents or the country where they resided during the life of such equity awards of Ensco Delaware. However, holders of outstanding nonqualified options, awards of restricted stock and beneficial ownership of Ensco Delaware shares acquired under the ENSCO Savings Plan who are U.S. taxpayers should not recognize taxable gain for U.S. income tax purposes as a result of the conversion. Tax withholding and/or reporting may be required by the Company or one of its affiliates and/or the holder of the applicable equity award, and certain employer social insurance contributions or other taxes may be due as a result of the conversion of the equity awards from Ensco Delaware awards to ADS awards. Depending on the country where the holders are citizens or residents or the country where they resided during the life of the Ensco Delaware awards, it is also possible that the conversion of equity awards will trigger certain regulatory filings or notices to employees concerning the tax consequences.

Effective Time of the Merger

We anticipate that the merger will become effective at 12:01 a.m., Eastern Standard Time, on December 23, 2009 and that the subsequent actions will promptly commence thereafter. Our Board will have the right, however, to defer or abandon the merger at any time, including after stockholder approval, if it concludes that completion of the reorganization would not be in the best interests of Ensco Delaware or our stockholders.

Management of Ensco UK

Immediately prior to the effective time of the merger, the directors and executive officers of Ensco UK will be the same as the then-current directors and executive officers of Ensco Delaware, and the directors within each class of directors as currently in effect with respect to Ensco Delaware will be directors of the corresponding class of directors with respect to Ensco UK. If the merger is completed, the members of the Ensco UK board of directors, or the Ensco UK Board, will serve until the earlier of the next meeting of shareholders at which an election of their respective class of directors is required or until their successors are elected, and the executive officers will serve until their successors

are elected or earlier death, disability or retirement.

Recommendation and Required Vote

The affirmative vote of the holders of a majority of the outstanding shares of Ensco Delaware common stock entitled to vote at the special meeting is required to approve the proposal to adopt the merger agreement. Our Board

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believes that the reorganization, to be effected by the merger agreement and subsequent actions, is advisable and in the best interests of Ensco Delaware and our stockholders. **ACCORDINGLY, OUR BOARD HAS UNANIMOUSLY APPROVED THE REORGANIZATION AND THE MERGER AGREEMENT. OUR BOARD RECOMMENDS THAT STOCKHOLDERS VOTE FOR THE ADOPTION OF THE MERGER AGREEMENT.**

Regulatory Approvals

The only governmental or regulatory approvals or actions that are required to complete the merger are compliance with U.S. federal and state securities laws, the NYSE rules and regulations, U.K. securities laws and Delaware and English company law (including the filing with the Secretary of State of the State of Delaware of a certificate of merger).

Rights of Dissenting Stockholders

Under the DGCL, you will not have appraisal rights in connection with the merger because, among other reasons, the ADSs you have a right to receive in the merger will be listed on the NYSE.

Comparison of Rights of Holders of Ensco Delaware Shares with Holders of ADSs representing Ensco UK Shares.

There are numerous differences between the rights of a stockholder in Ensco Delaware, a Delaware corporation, and the rights of a holder of ADSs representing Class A Ordinary Shares of Ensco UK, a company incorporated under English law. The characteristics of and the differences between Ensco Delaware common stock, the Class A Ordinary Shares and ADSs representing Class A Ordinary Shares are summarized under Description of American Depositary Shares of Ensco UK and Description of the Class A Ordinary Shares of Ensco UK and Comparison of Rights of Stockholders/Shareholders.

Stock Exchange Listing

Ensco Delaware common stock is currently listed on the NYSE under the symbol ESV. There is currently no established public trading market for the Class A Ordinary Shares or ADSs representing shares of Ensco UK. However, it is a condition to the completion of the merger that the ADSs will be authorized for listing on the NYSE, subject to official notice of issuance and satisfaction of other standard conditions. As such, we expect that as of the effective time of the merger, the ADSs will be authorized for listing on the NYSE, and we expect such ADSs will be listed on the NYSE under the symbol ESV.

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Dividends

The following table sets forth the quarterly cash dividends paid per share of Ensco Delaware common stock in the periods indicated.

Fiscal Year	Dividend Declared
2007	
First Quarter (Declared February 2007)	$ 0.025
Second Quarter (Declared May 2007)	$ 0.025
Third Quarter (Declared August 2007)	$ 0.025
Fourth Quarter (Declared November 2007)	$ 0.025
2008	
First Quarter (Declared February 2008)	$ 0.025
Second Quarter (Declared May 2008)	$ 0.025
Third Quarter (Declared August 2008)	$ 0.025
Fourth Quarter (Declared November 2008)	$ 0.025
2009	
First Quarter (Declared February 2009)	$ 0.025
Second Quarter (Declared May 2009)	$ 0.025
Third Quarter (Declared August 2009)	$ 0.025

On November 3, 2009, the Board declared a dividend of $0.025 per share to be paid on December 18, 2009, to shareholders of record on December 7, 2009. The Ensco UK Board currently intends to declare quarterly dividends out of current earnings, if appropriate in view of its profitability, liquidity, financial condition, reinvestment opportunities and capital requirements. Ensco UK will initially adopt Ensco Delaware s prior practice with respect to dividends, which has been to pay quarterly cash dividends on our common stock since the third quarter of 1997, subject to the discretion of the board of directors. Following completion of the merger, as part of an overall review of capital allocation activities, Ensco UK will evaluate both its dividend and share repurchase policies. We expect that Ensco UK would make quarterly dividends after the completion of this review. Notwithstanding the foregoing, the declaration and payment of all future dividends and any share repurchases will remain subject to the discretion of Ensco UK s Board and the limitations set forth in the Companies Act, which generally provide that dividends, distributions and share repurchases may only be made out of distributable profits. See Risk Factors Our ability to declare dividends and repurchase shares will be more limited following the merger.

Accounting Treatment of the Merger

Historical cost basis accounting, rather than acquisition method accounting, will be applied to the merger. Given that, for accounting purposes, there will be no change in control and Ensco Delaware s stockholders will be in the same economic position immediately before and after the reorganization, and because the reorganization will be accounted for as an internal reorganization of entities under common control, there will be no revaluation of Ensco Delaware s assets and liabilities.

Effect of the Reorganization on Potential Future Status as a Foreign Private Issuer

We do not believe that, after the completion of the reorganization, Ensco UK will be classified as a foreign private issuer within the meaning of the rules promulgated under the Exchange Act. The definition of a foreign private issuer has two parts one based on a company s percentage of U.S. resident shareholders and the other on its business contacts with the U.S. An organization incorporated under the laws of a country outside the U.S. qualifies as a foreign private issuer unless both parts of the definition are satisfied as of the last business day of its most recently completed second fiscal quarter.

The shareholder test requires more than 50 percent of the outstanding voting securities of a non-U.S. domiciled organization to be held by non-U.S. residents. We currently expect that Ensco UK will meet the shareholder test

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upon the completion of the reorganization because we understand that more than 50 percent of our outstanding voting securities are held by U.S. residents.

The business contacts test requires that any of the following be true with respect to a non-U.S. domiciled organization: (i) the majority of its executive officers or directors are U.S. citizens or residents; (ii) more than 50 percent of its assets are located in the U.S.; or (iii) its business is administered principally in the U.S. We currently expect that Ensco UK will meet the business contacts test upon the completion of the reorganization. However, Ensco UK could fail to satisfy either test at some time in the future and, as a result, qualify for status as a foreign private issuer. If that occurs, Ensco UK would be exempt from certain requirements applicable to U.S. public companies, including, among others:

the rules requiring the filing of Quarterly Reports on Form 10-Q and Current Reports on Form 8-K with the SEC;

the SEC s rules regulating proxy solicitations;

the provisions of Regulation FD;

the filing of reports of beneficial ownership under Section 16 of the Exchange Act (although beneficial ownership reports may be required under Section 13 of the Exchange Act); and

short-swing trading liability imposed on insiders who purchase and sell securities within a six-month period.

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MATERIAL TAX CONSIDERATIONS RELATING TO THE MERGER

This section contains a general discussion of certain material tax consequences of (1) the merger, (2) post-merger ownership and disposition of ADSs and (3) post-merger operations of Ensco UK.

The discussion under the caption U.S. Federal Income Tax Considerations addresses (1) application of the U.S. anti-inversion rules to Ensco Delaware, Ensco UK and the exchanging holders, (2) the material U.S. federal income tax consequences of the merger to Ensco Delaware and to Ensco UK, and (3) the material U.S. federal income tax consequences to U.S. holders and non-U.S. holders (each as defined below) of (a) exchanging Ensco Delaware shares for ADSs in the merger and (b) owning and disposing of ADSs received in the merger.

The discussion of the merger and of ownership and disposition of ADSs received in the merger under the caption U.K. Tax Considerations addresses the material U.K. tax consequences to stockholders of Ensco Delaware resident for tax purposes in the U.K. and in a country other than the U.K. It also addresses certain U.K. tax considerations of the merger and subsequent operations for Ensco UK and Ensco Delaware.

The discussion below is not a substitute for an individual analysis of the tax consequences of the merger, post-merger ownership and disposition of ADSs or post-merger operations of Ensco UK. You should consult your own tax advisor regarding the particular U.S. (federal, state and local), U.K. and other non-U.S. tax consequences of these matters in light of your particular situation.

U.S. Federal Income Tax Considerations

Scope of Discussion

This discussion generally does not address any aspects of U.S. taxation other than U.S. federal income taxation, is not a complete analysis or listing of all potential tax consequences of the merger or of holding and disposing of ADSs, and does not address all tax considerations that may be relevant to Ensco Delaware shareholders. In particular, the discussion below addresses tax consequences to those who hold their Ensco Delaware shares, and who will hold their ADSs, solely as capital assets, which is the opinion of our external counsel. The discussion below does not address any tax consequences to Ensco Delaware or Ensco UK shareholders, as applicable, who, for U.S. federal tax purposes, are subject to special rules, such as:

- banks, financial institutions or insurance companies;
- tax-exempt entities;
- persons who hold shares as part of a straddle, hedge, integrated transaction or conversion transaction;
- persons who have been, but are no longer, citizens or residents of the U.S.;
- persons holding shares through a partnership or other fiscally transparent person;
- dealers or traders in securities, commodities or currencies;
- grantor trusts;

persons subject to the alternative minimum tax;

U.S. persons whose functional currency is not the U.S. dollar;

regulated investment companies and real estate investment trusts;

persons who received the Ensco Delaware shares through the exercise of incentive stock options or through the issuance of restricted stock under an equity incentive plan or through a tax qualified retirement plan (such as the ENSCO Savings Plan); or

persons who own (directly or through attribution) 10 percent or more, determined by voting power or value, of Ensco Delaware common stock or Ensco UK common stock.

This discussion is based on the Code, the Treasury regulations promulgated thereunder, or the Treasury Regulations, judicial and administrative interpretations thereof and the Convention Between the United States of

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America and the United Kingdom for the Avoidance of Double Taxation with respect to Taxes on Income, or the U.K.-U.S. Tax Treaty, in each case as in effect and available on the date of this proxy statement/prospectus. Each of the foregoing is subject to change, which change could apply with retroactive effect and could affect the tax consequences described in this proxy statement/prospectus. Neither Ensco Delaware nor Ensco UK will request a ruling from the IRS as to the U.S. federal tax consequences of the merger, post-merger ownership and disposition of ADSs or any other matter. There can be no assurance that the IRS will not challenge any of the U.S. federal tax consequences described below.

For purposes of this discussion, a U.S. holder is a beneficial owner of Ensco Delaware shares or, after the completion of the merger, ADSs, that for U.S. federal income tax purposes is:

- an individual citizen or resident alien of the U.S.;
- a corporation or other entity taxable as a corporation created or organized in or under the laws of the U.S. or any state thereof or the District of Columbia;
- an estate the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust, if such trust validly has elected to be treated as a U.S. person for U.S. federal income tax purposes or if (1) a U.S. court can exercise primary supervision over its administration and (2) one or more U.S. persons have the authority to control all of the substantial decisions of such trust.

A non-U.S. holder is a beneficial owner of Ensco Delaware shares or, after the completion of the merger, ADSs, other than a U.S. holder or an entity or arrangement treated as a partnership for U.S. federal income tax purposes, or a Partnership. If a Partnership is a beneficial owner of Ensco Delaware shares or ADSs, the tax treatment of a partner in that Partnership will generally depend on the status of the partner and the activities of the Partnership. Holders of Ensco Delaware shares or ADSs that are Partnerships and partners in such Partnerships should consult their tax advisors regarding the U.S. federal income tax consequences to them of the merger and the ownership and disposition of ADSs. For purposes of this discussion, holder or shareholder means either a U.S. holder or a non-U.S. holder or both, as the context may require.

For U.S. federal income tax purposes, the conversion of each issued and outstanding share of the common stock of Ensco Delaware into the right to receive an ADS upon the consummation of the merger generally will be treated as an exchange of such share for the ADS. Therefore, the U.S. federal income tax discussion contained herein refers to an exchange rather than a conversion in describing the U.S. federal income tax consequences of the merger.

The U.S. Anti-Inversion Rules

Although Ensco UK is incorporated in the U.K., the IRS may assert that Ensco UK should be treated as a U.S. corporation (and, therefore, a U.S. tax resident) for U.S. federal income tax purposes under Section 7874 of the Code. At the time of enactment of Section 7874 in 2004, a number of publicly-traded U.S. multinational corporations had expatriated to non-U.S. jurisdictions. In most cases, those corporations expatriated to tax haven jurisdictions in which the applicable U.S. multinational corporation had no (or minimal) historic business activities. As a general matter, absent the application of Section 7874, a corporation is considered, for U.S. federal income tax purposes, to be a tax resident of the jurisdiction in which it is incorporated.

Under Section 7874, a corporation created or organized outside the U.S. will be treated as a U.S. corporation for U.S. federal income tax purposes, when (i) the foreign corporation directly or indirectly acquires substantially all of the assets held directly or indirectly by a U.S. corporation, (ii) the shareholders of the acquired U.S. corporation hold

at least 80 percent of the vote or value of the shares of the foreign acquiring corporation by reason of holding stock in the U.S. acquired corporation, and (iii) the foreign corporation s expanded affiliated group does not have substantial business activities in the foreign corporation s country of incorporation relative to its expanded affiliated group s worldwide activities. Solely for purposes of Section 7874, expanded affiliated group means the foreign corporation and all subsidiaries in which the foreign corporation, directly or indirectly, owns more than 50 percent of the stock by vote and value.

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Ensco UK will indirectly acquire all of the assets of Ensco Delaware, and the former shareholders of Ensco Delaware will acquire, as a result of the merger, 100 percent of the stock in Ensco UK by reason of holding stock in Ensco Delaware. After the merger, however, the Ensco UK expanded affiliated group intends to continue the substantial business activities in the U.K. that the Ensco Delaware expanded affiliated group currently conducts. Therefore, Ensco UK should not be treated as a U.S. corporation for U.S. federal income tax purposes.

Section 7874 does not define the term substantial business activities or otherwise quantify the activities that the foreign corporation and its expanded affiliated group should have in the foreign corporation s country of incorporation. Temporary Treasury Regulations issued under section 7874 of the Code in June 2009, or the 2009 Regulations, also decline to define or quantify substantial business activities. Rather, the 2009 Regulations provide that whether a foreign corporation s expanded affiliated group has substantial business activities in the foreign corporation s country of organization in relation to its worldwide activities is based on all facts and circumstances. The 2009 Regulations provide that relevant items to be considered in determining whether an expanded affiliated group has substantial business activities in a foreign country when compared to the total activities of the expanded affiliated group include, but are not limited to, the following:

(i) business activities in the foreign country that are material to the achievement of the expanded affiliated group s overall business objectives;

(ii) the historical conduct of continuous business activities in the foreign country by the U.S. corporation s expanded affiliated group prior to the acquisition of the U.S. corporation s assets;

(iii) the conduct of continuous business activities of the expanded affiliated group in the foreign country occurring in the ordinary course of one or more active trades or businesses involving:

(A) property the expanded affiliated group owns that is located in the foreign country,

(B) the performance of services by individuals in the foreign country who are employed by the expanded affiliated group, and

(C) sales of goods or services to customers in the foreign country by the expanded affiliated group;

(iv) the performance of substantial managerial activities in the foreign country by expanded affiliated group officers and employees who are based in the foreign country; and

(v) a substantial degree of ownership of the expanded affiliated group by investors resident in the foreign country.

The 2009 Regulations further provide that the presence or absence of any of the above items is not determinative, and the weight given to any item depends on the facts and circumstances. Former temporary Treasury Regulations, or the 2006 Regulations contained a safe harbor that focused solely on the items listed in (iii) above. The safe harbor tested whether the percentage of each such item in the foreign corporation s country of incorporation equaled or exceeded 10 percent of such item worldwide over a single calendar year. Thus, under the 2006 Regulations, a foreign corporation was generally deemed to meet the substantial business activities test safe harbor if the relevant assets, employees and revenues of the expanded affiliated group in the foreign corporation s country of incorporation constituted at least 10 percent of the expanded affiliated group s worldwide assets, employees and revenues, respectively. The ratios of the Ensco Delaware expanded affiliated group s assets, employees and revenues in the U.K. compared to its worldwide assets, employees and revenues exceeded the former 10 percent safe harbor contained in the 2006 Regulations for each calendar year from 2005 through 2008 and are projected to exceed the former safe

harbor in 2009. The 2009 Regulations contain no safe harbor or examples to illustrate the application of the relevant factors to determine whether substantial business activities exist. There is no judicial or administrative guidance on the meaning of substantial business activities for purposes of Section 7874.

Notwithstanding the absence of a safe harbor or other quantitative guidance in the 2009 Regulations, we believe that the activities the Ensco Delaware expanded affiliated group conducts in the U.K. should satisfy the substantial business activities test set forth in the 2009 Regulations. Moreover, it is a condition to closing of the merger that Ensco Delaware receives from Baker & McKenzie LLP, counsel to the Company, or Counsel, an

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opinion of Counsel concluding that Section 7874 should not apply to the merger. Pending receipt of Counsel s opinion, our belief that Section 7874 should not apply to the merger is based on an analysis of the relevant items listed in the 2009 Regulations, as summarized below.

(i) U.K. Activities Material to Overall Strategic Business Objectives

The Company provides offshore contract drilling services to the oil and gas industry. We have determined that we will focus the Company s resources on premium jackup rig and ultra-deepwater semisubmersible rig operations because these businesses offer high margins, are within the Company s core competency and we believe that demand for these services will continue to grow in coming years. We believe that a growing part of the Company s business will continue to come from customer contracts in the North Sea, Mediterranean Sea, West Africa, the Middle East, India, Southeast Asia, Australia and New Zealand, or the Foreign Drilling Markets.

Over the past 20 years, U.S.-based major integrated oil companies and major independents have expanded outside of the U.S. Consequently, the Company performs the vast majority of its work in the Foreign Drilling Markets. This trend is driven by the fact that a large percentage of the world s remaining hydrocarbons are located in the Foreign Drilling Markets. Specifically, 94 percent of the proven worldwide oil reserves and 95 percent of the proven worldwide gas reserves are located in the Foreign Drilling Markets. By contrast, only 6 percent of the proven worldwide oil reserves and only 5 percent of the proven worldwide gas reserves are located in the U.S. Accordingly, the Company expects the best opportunities for premium jackup rig and ultra-deepwater semisubmersible rig operations to be in the Foreign Drilling Markets. Moreover, the national oil companies, or NOCs, control approximately 70 percent of all proven worldwide oil and gas reserves, and all of the NOCs are headquartered in and operate outside of the U.S. These NOCs now represent Ensco s most important customer base for the future. The U.K. is geographically positioned closer to Ensco s customers and the most hydrocarbon-rich areas of the world.

Ensco Delaware s predecessor was formed in 1975 with a primary focus on operations in the U.S. and the Gulf of Mexico. At that time, Houston and Dallas were the main centers of the oil service industry, and we derived substantially all of our revenue from U.S.-based operations. Over time, many oil service companies left Dallas to follow their customers, and today Ensco Delaware is the only major oil service company remaining in Dallas. As a result of these and other dynamics impacting the drilling industry, including the location of the world s oil and gas reserves, Ensco Delaware and its competitors have witnessed a steady migration of offshore drilling rigs out of the U.S. Gulf of Mexico to international markets since 2000. Consistent with these global trends, we expect that we will derive approximately 86 percent of our 2009 gross revenues from our operations in the Foreign Drilling Markets.

Our primary goal is to continue to be a leading provider of offshore drilling services to the international oil and gas industry. In particular, the Company wishes to be a leading provider of premium jackup rig and ultra-deepwater semisubmersible rig operations in the Foreign Drilling Markets. To achieve this objective, we have determined that Ensco should relocate its principal executive offices and most of its senior executive officers to the U.K. because the U.K. is strategically closer to the Company s customers and the Foreign Drilling Markets. This geographical proximity will allow for more efficient responses to, and meetings with, the Company s customers because the physical distance between the Company and our customers will be much smaller. Possibly even more importantly, the time-zone differences will be smaller.

As a result, the Company s assets, activities and employees (including its executive officers) in the U.K., along with the management and control of drilling contracts throughout Europe and Africa, are critically important for the Company to achieve its current and future business objectives. The reorganization will efficiently leverage the Company s existing Europe and Africa Business Unit operations, and provide a growing hub for the Company to respond to its customers and manage its operations in the Foreign Drilling Markets.

(ii) Historical Conduct of Continuous Business Activities in the U.K.

The Ensco Delaware expanded affiliated group established its North Sea operations in Great Yarmouth, England in 1993. It has since continuously engaged in drilling activities within the U.K. The Ensco Delaware expanded affiliated group relocated its base of U.K. operations to Aberdeen, Scotland in 1994. Simultaneously with the 1994 relocation, the expanded affiliated group also established its Europe and Africa Business Unit headquarters in Aberdeen. The Europe and Africa Business Unit generated approximately 34 percent of Ensco Delaware s worldwide revenues in 2008 and is projected to account for approximately 29 percent of worldwide revenues in

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2009. For the strategic business reasons discussed above, including most importantly the location of the world s proven oil and gas reserves and the NOCs, the Ensco Delaware expanded affiliated group s drilling activities in the U.K. sector, in particular, and in the North Sea, in general, have steadily increased since 1993.

(iii) Continuous Business Activities Involving UK Property, Employees and Revenues

In the ordinary course of its offshore drilling business, the Ensco Delaware expanded affiliated group has been engaged in continuous and substantial business activities within the U.K. Moreover, to meet its business objectives going forward, it is strategically important that the expanded affiliated group of Ensco UK continue the conduct of continuous and substantial business activities in the U.K. As a result, we intend to continue and expand our existing business activities in the U.K.

Evidencing the Ensco Delaware expanded affiliated group s substantial business activities within the U.K., the Ensco Delaware expanded affiliated group owns and operates substantial assets located in the U.K., including drilling rigs, a storage facility and supply yard, drilling equipment, spares and supplies, and office buildings that are part of our historic and continuous business activities in the U.K. Specifically, approximately 18 percent of our rig fleet is currently located in and dedicated to our North Sea operations. For these purposes, the North Sea operations include operations in the Danish and Dutch sectors of the North Sea, which are contiguous to the U.K. sector of the North Sea. North Sea assets and employees periodically and naturally migrate within the U.K., Danish and Dutch sectors of the North Sea. In general, however, our North Sea rig fleet has historically spent most of its time working in the U.K. sector of the North Sea. The Ensco Delaware expanded affiliated group also has over 400 full-time employees that perform services in the U.K.

With respect to revenues, the U.K. has steadily become a more important market for the Ensco Delaware expanded affiliated group over the last 6 years. As a percentage of the Ensco Delaware expanded affiliated group s worldwide revenues, third-party customer revenues received for performing drilling services in the U.K. generally increased from 7 percent in 2003 to approximately 20 percent in 2008 and are projected to account for approximately 18 percent of the Ensco Delaware expanded affiliated group s worldwide revenues in 2009. These percentages materially increase if revenues from contracts in the Danish and Dutch sectors of the North Sea are included. In addition, Ensco Delaware projects that the Europe and Africa Business Unit, which is managed and controlled from the U.K., will account for approximately 29 percent of its worldwide customer revenues in 2009. These percentages reflect the overall shift of Ensco Delaware s operations to international markets, which now account for approximately 86 percent of its total revenues. This shift is also evident in the steady decline of revenue generated in the U.S., which is projected to account for only approximately 14 percent of the Ensco Delaware expanded affiliated group worldwide customer revenues in 2009, which is less than the revenues from performing drilling services in the U.K during 2009.

(iv) Substantial Management Activities in the U.K.

After relocating to Aberdeen, Scotland in 1994, the U.K. headquarters have served an increasingly important managerial role within the Ensco Delaware expanded affiliated group. The Aberdeen facility is the headquarters for the Europe and Africa Business Unit, which is one of four business operating units (largely based on geography) within the Ensco Delaware expanded affiliated group. The General Manager of the Europe and Africa Business Unit is based in Aberdeen, Scotland and manages the day-to-day operations of the Europe and Africa Business Unit. He has seven direct reports, also based in Aberdeen, who collectively assist him in managing six departments within the Europe and Africa Business Unit, namely, Finance & Administration, Marketing & Sales, Engineering, Operations, Human Resources, and Safety, Health, Environment and Quality. The General Manager and these seven direct reports actively manage and control the day-to-day operations of more than 700 personnel based in the Europe and Africa Business Unit.

For the strategic business reasons discussed above, management in the U.K. has grown. More importantly, for the same reasons, the Company expects this long-term historic growth of management in the U.K. to continue. The Company expects to concentrate more of its management activities in the U.K., including most of its senior executive officers. The Company has determined that it is important for these officers to be closer to the NOCs, who are the Company s most important customers, and to the Foreign Drilling Markets where it conducts its operations. Given its strategic location and the Company s long-term historic presence in the U.K., we have determined that

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having most of our senior executive officers in the U.K. will help the Company achieve its strategic objectives, as outlined above.

(v) Substantial UK Investors

Ensco Delaware does not currently have a substantial number of shareholders resident in the U.K. (although U.K. shareholders comprise the second largest percentage of shareholders after the U.S. shareholder group). Mutual funds and institutional investors own approximately 90 percent of Ensco Delaware s total shares. Ensco Delaware does not currently contemplate a dual listing of Ensco UK shares on the London Stock Exchange. Nevertheless, Ensco believes that it will be easier to develop relationships with potential U.K. and other European investors and grow its investor base once substantial senior management is based in the U.K. The enhanced relationships with potential U.K. and European investors are likely to result in an expanded U.K. and European Union shareholder base. However, it is unlikely that U.K. residents will comprise a substantial portion of Ensco s shareholder base in the near term.

Based on the foregoing, Ensco Delaware believes that the Ensco Delaware expanded affiliated group has substantial business activities in the U.K., and as a result, Ensco UK should not be treated as a U.S. corporation for U.S. federal income tax purposes under Section 7874 of the Code following the merger. The following discussion of material U.S. federal income tax consequences related to the merger, therefore, assumes that Ensco UK will be respected as a U.K. corporation for U.S. federal income tax purposes.

Material Tax Consequences of the Merger to Ensco Delaware and Ensco UK

Neither Ensco Delaware nor Ensco UK should be subject to U.S. federal income tax as a result of the merger.

Material Tax Consequences to Stockholders

Material Tax Consequences to U.S. Holders

Consequences of the Merger

The merger should qualify as a reorganization within the meaning of Section 368(a) of the Code and/or an exchange under Section 351 of the Code. However, pursuant to special rules contained in Section 367(a) of the Code and the Treasury Regulations promulgated thereunder, U.S. holders exchanging their Ensco Delaware shares for ADSs pursuant to the merger should recognize gain, if any, but not loss. In general, for U.S. federal income tax purposes, a U.S. holder should recognize gain equal to the excess of the fair market value of the ADSs received by the U.S. holder pursuant to the merger over such holder s adjusted basis in the Ensco Delaware shares exchanged therefor. Any such gain should be capital gain, and should be long-term capital gain if the Ensco Delaware shares have been held by such holder for more than one year at the effective time of the merger. A U.S. holder that recognizes gain pursuant to the merger should have an adjusted tax basis in the ADSs it receives equal to the adjusted tax basis of the Ensco Delaware shares exchanged therefor, increased by the amount of gain recognized.

A U.S. holder should not be permitted to recognize any loss realized on the exchange of its Ensco Delaware shares in the merger. The adjusted tax basis of the ADSs received by a U.S. holder with a loss on its Ensco Delaware shares should be equal to such U.S. holder s adjusted tax basis in its Ensco Delaware shares surrendered in exchange therefor. Thus, subject to any subsequent changes in the fair market value of the ADSs, any loss should be preserved.

In determining the amount of gain recognized, each of the Ensco Delaware shares transferred should be treated as the subject of a separate exchange. Thus, if a U.S. holder transfers some Ensco Delaware shares on which gains are realized and other Ensco Delaware shares on which losses are realized, the U.S. holder may not net the losses against

the gains to determine the amount of gain recognized. The holding period for any ADSs received by U.S. holders should include the holding period of the Ensco Delaware shares exchanged therefor.

Cash received by a U.S. holder in exchange for a fractional share of Ensco Delaware common stock should be treated as having been received in redemption of such fractional share. Thus, gain or loss generally should be recognized by such U.S. holder in an amount equal to the difference between the amount of cash received and the U.S. holder s adjusted tax basis in such fractional share.

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Receiving Distributions on ADSs

Subject to the discussion below under Passive Foreign Investment Company Provisions, U.S. holders will be required to include in gross income the gross amount of any distribution received on the ADSs to the extent that the distribution is paid out of Ensco UK s current or accumulated earnings and profits as determined for U.S. federal income tax purposes. We refer to such a distribution herein as a dividend. With respect to non-corporate U.S. holders, certain dividends received in taxable years beginning before January 1, 2011 from a qualified foreign corporation will be subject to U.S. federal income tax at a maximum rate of 15 percent. As long as the ADSs are listed on the NYSE (or certain other stock exchanges) and/or Ensco UK qualifies for benefits under the U.K.-U.S. Tax Treaty, Ensco UK will be treated as a qualified foreign corporation for this purpose. This reduced rate will not be available in all situations, and U.S. holders should consult their own tax advisors regarding the application of the relevant rules to their particular circumstances. U.S. holders generally will not be eligible for dividends-received deduction with respect to dividends from Ensco UK.

Distributions in excess of the current and accumulated earnings and profits of Ensco UK should be applied first to reduce the U.S. holder s tax basis in its ADSs, and thereafter should constitute gain from the sale or exchange of such shares. In the case of a non-corporate U.S. holder, the maximum U.S. federal income tax rate applicable to such gain is 15 percent under current law if the holder s holding period for such ADSs exceeds twelve months. This reduced rate is scheduled to expire effective for taxable years beginning after December 31, 2010. Special rules not described herein may apply to U.S. holders who do not have a uniform tax basis and holding period in all of their ADSs, and any such U.S. holders are urged to consult their own tax advisors with regard to such rules.

Dispositions of ADSs

Subject to the discussion below under Passive Foreign Investment Company Provisions, a U.S. holder of ADSs generally should recognize capital gain or loss for U.S. federal income tax purposes on the sale, exchange or other taxable disposition of ADSs in an amount equal to the difference between the amount realized from such sale, exchange or other taxable disposition and the U.S. holders tax basis in such shares. In the case of a non-corporate U.S. holder, the maximum U.S. federal income tax rate applicable to such gain is 15 percent under current law if the holder s holding period for such ADSs exceeds twelve months. This reduced rate is scheduled to expire effective for taxable years beginning after December 31, 2010. The deductibility of capital losses are subject to limitations.

Passive Foreign Investment Company Provisions

The treatment of U.S. holders of ADSs in some cases could be materially different from that described above if, at any relevant time, Ensco UK were a passive foreign investment company, which we refer to as a PFIC.

For U.S. tax purposes, a foreign corporation is classified as a PFIC for any taxable year if either (1) 75 percent or more of its gross income is passive income (as defined for U.S. federal income tax purposes) or (2) the average percentage of assets held by such corporation which produce passive income or which are held for the production of passive income is at least 50 percent. For purposes of applying the tests in the preceding sentence, the foreign corporation is deemed to own its proportionate share of the assets, and to receive directly its proportionate share of the income, of any other corporation of which the foreign corporation owns, directly or indirectly, at least 25 percent by value of the stock. Ensco UK believes that it will not be a PFIC following the merger.

The tests for determining PFIC status are applied annually, and it is difficult to accurately predict future income and assets relevant to this determination. Accordingly, Ensco UK cannot assure U.S. holders that it will not become a PFIC. If Ensco UK should determine in the future that it is a PFIC, it will endeavor to so notify U.S. holders of ADSs, although there can be no assurance that it will be able to do so in a timely and complete manner. U.S. holders of ADSs

should consult their own tax advisors about the PFIC rules, including the availability of certain elections.

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Material Tax Consequences to Non-U.S. Holders

Consequences of the Merger

A non-U.S. holder generally will not be subject to U.S. federal income or withholding tax on gain realized, if any, on the exchange of Ensco Delaware shares for ADSs or on the receipt of cash in exchange for fractional shares of Ensco Delaware common stock unless: (1) such gain is effectively connected with the conduct by the non-U.S. holder of a trade or business within the U.S. (or, if a tax treaty applies, is attributable to a permanent establishment or fixed place of business maintained by the non-U.S. holder in the U.S.); (2) in the case of certain capital gains recognized by a non-U.S. holder that is an individual, such individual is present in the U.S. for 183 days or more during the taxable year in which the capital gain is recognized and certain other conditions are met; (3) the non-U.S. holder is subject to backup withholding; or (4) Ensco Delaware is or has been a U.S. real property holding corporation within the meaning of Section 897(c)(2) of the Code at any time within the shorter of the five-year period preceding the merger or such non-U.S. holder s holding period, and the non-U.S. holder holds, or has held at any time during such shorter period, more than 5 percent of the Ensco Delaware common stock. Ensco Delaware does not believe that it is or has been a U.S. real property holding corporation within the last five years.

If a non-U.S. holder is a citizen or resident of, or otherwise subject to taxation in, a country other than the U.S. or the U.K., the tax consequences of the exchange of Ensco Delaware shares for ADSs will depend on the applicable tax laws in such country.

Consequences of Owning and Disposing of ADSs

A non-U.S. holder generally should not be subject to U.S. federal income or withholding tax on dividends from Ensco UK unless: (1) the dividends are effectively connected with the non-U.S. holder s conduct of a trade or business in the U.S. (or, if a tax treaty applies, the dividends are attributable to a permanent establishment or fixed place of business maintained by the non-U.S. holder in the U.S.); or (2) such non-U.S. holder is subject to backup withholding.

In addition, a non-U.S. holder generally will not be subject to U.S. federal income or withholding tax on any gain recognized on the sale, exchange or other disposition of ADSs unless: (1) such gain is effectively connected with the conduct by the non-U.S. holder of a trade or business within the U.S. (or, if a tax treaty applies, is attributable to a permanent establishment or fixed place of business maintained by the non-U.S. holder in the U.S.); (2) in the case of certain capital gains recognized by a non-U.S. holder that is an individual, such individual is present in the U.S. for 183 days or more during the taxable year in which the capital gain is recognized and certain other conditions are met; or (3) the non-U.S. holder is subject to backup withholding.

If a non-U.S. holder is a citizen or resident of, or otherwise subject to taxation in, a country other than the U.S. or the U.K., the tax consequences of owning and disposing of ADSs will depend on the applicable tax laws in such country.

Material Tax Consequences to U.S. Holders if Ensco UK is Ultimately Determined to Be a U.S. Corporation for U.S. Federal Income Tax Purposes

Notwithstanding the foregoing, it is possible that the IRS may assert and ultimately establish that Ensco UK should be treated as a U.S. corporation for U.S. federal income tax purposes under Section 7874 of the Code. If the IRS were to prevail, Section 1.7874-2T(m)(1) of the 2009 Regulations provides that Ensco UK should be deemed to convert to a U.S. corporation in a reorganization described in Section 368(a)(1)(F) of the Code on the day before the effective date of the merger. Consequently, the merger should qualify as a reorganization within the meaning of Section 368(a) of the Code, and the holders of Ensco Delaware shares should not be subject to U.S. federal income tax on the receipt of ADSs in exchange for their Ensco Delaware shares under Section 367(a) of the Code or otherwise. In such case, the

adjusted tax basis of the ADSs received by a U.S. holder should be equal to such holder s adjusted tax basis in its Ensco Delaware shares exchanged therefor. In addition, the holding period for any ADSs received by holders should include the holding period of the Ensco Delaware shares exchanged therefor. The consequences of owning and disposing of the ADSs should be the same as those of owning and disposing of Ensco Delaware shares.

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If the IRS asserts and ultimately establishes that Ensco UK should be treated as a U.S. corporation for U.S. federal income tax purposes under Section 7874 of the Code, the resolution of the tax controversy may not be known until several years following the merger. Consequently, a U.S. holder that reported gain on its 2009 U.S. income tax return under Section 367(a) of Code as a result of the merger (as discussed above) may need to file an amended U.S. federal income tax return for the year in which the merger occurred in order to reflect that such U.S. holder should not have recognized gain under Section 367(a) of the Code. Furthermore, such U.S. holder may need to file an amended U.S. federal income tax return for any taxable year in which such U.S. holder disposed of any ADS received in the merger in order to reflect that the U.S. holder s adjusted tax basis in such ADS should equal such holder s adjusted tax basis in its Ensco Delaware shares exchanged therefor.

Importantly, it is possible that a tax controversy on the application of Section 7874 to the merger may not be resolved within the period of time a holder is eligible to file an amended return. As such, it is possible that certain holders may not have the opportunity to amend their 2009 U.S. income tax returns, or subsequent tax returns, as described herein. Thus, certain holders who recognize gain under Section 367(a) of the Code in 2009 could lose the opportunity to seek a refund of tax paid with respect to such gain if the IRS asserts and ultimately establishes that no gain should have been realized by such holder in 2009 because Ensco UK should be treated as a U.S. corporation for U.S. federal income tax purposes under Section 7874 of the Code. In addition, such holders may not be permitted to increase their adjusted tax basis in their ADSs, notwithstanding that such holders recognized gain under Section 367(a) of the Code.

Information Reporting and Backup Withholding

U.S. holders that own at least five percent (of total voting power or total value) of Ensco Delaware immediately before, and/or at least five percent (of total voting power or total value) of Ensco UK immediately after, the merger will be required to file with the IRS certain Section 368(a) reorganization and/or Section 351 statements. Other information reporting, including with respect to certain U.S. holders, information reporting on IRS Form 926, could also apply to the merger. Shareholders of Ensco Delaware should consult their own tax advisors about the information reporting requirements that could be applicable to the exchange of Ensco Delaware shares for ADSs in the merger and any potential penalties associated with a failure to satisfy such requirements.

Dividends on ADSs paid within the U.S. or through certain U.S.-related financial intermediaries are subject to information reporting and may be subject to backup withholding (currently at a 28 percent rate) unless the holder (1) is a corporation or other exempt recipient (including generally non-U.S. holders who establish such foreign status) or (2) provides a taxpayer identification number and satisfies certain certification requirements. Information reporting requirements and backup withholding may also apply to the payment of proceeds from a sale of ADSs within the U.S. Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against the holder s U.S. federal income tax liability, provided that the holder furnishes certain required information to the IRS. Holders should consult their tax advisor regarding the application of information reporting and backup withholding to their particular situations.

If a U.S. holder of ADSs does not provide us (or our paying agent) the holder s correct taxpayer identification number or other required information, the holder may be subject to penalties imposed by the IRS.

THE U.S. FEDERAL INCOME TAX CONSEQUENCES SUMMARIZED ABOVE ARE FOR GENERAL INFORMATION ONLY. EACH ENSCO DELAWARE SHAREHOLDER SHOULD CONSULT HIS OR HER TAX ADVISOR AS TO THE PARTICULAR CONSEQUENCES THAT MAY APPLY TO SUCH SHAREHOLDER.

U.K. Tax Considerations

Material Tax Consequences to Shareholders

Scope of Discussion

The following paragraphs are the opinion of our external counsel and are intended as a general guide to current U.K. tax law and HMRC practice applying as at the date of this document (both of which are subject to change at any time, possibly with retrospective effect) in respect of the taxation of capital gains, the taxation of dividends paid

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by Ensco UK and stamp duty and stamp duty reserve tax on the transfer of Class A Ordinary Shares, uncertificated ADSs and ADSs evidenced by ADRs. They relate only to persons who are beneficial owners of the ADSs, or the ADS Holders. These paragraphs may not relate to certain classes of holders of the ADSs, such as employees or directors of Ensco UK or its affiliates, persons who are connected with Ensco UK, insurance companies, charities, collective investment schemes, pension schemes or persons who hold ADSs otherwise than as an investment, or individuals who are not domiciled in the U.K. These paragraphs do not describe all of the circumstances in which ADS Holders may benefit from an exemption or relief from taxation. It is recommended that all ADS Holders obtain their own taxation advice. In particular, non-U.K. resident or domiciled ADS Holders are advised to consider the potential impact of any relevant double tax agreements.

Taxation of Merger

Capital Gains Tax

At the effective time of the merger, an individual stockholder of Ensco Delaware who is resident or ordinarily resident in the U.K. will be treated as disposing of his or her stock in Ensco Delaware for a consideration equal to the market value of the stock at that time, which may, depending on the stockholder s individual circumstances, give rise to a chargeable gain or an allowable loss for the purposes of capital gains tax. An individual stockholder who is neither resident nor ordinarily resident in the U.K. will not be chargeable to capital gains tax on capital gains arising on the disposal of his or her stock in Ensco Delaware, unless the stockholder carries on a trade, profession or vocation in the U.K. through a branch or agency in the U.K. and the stock was acquired, used in or for the purposes of the branch or agency or used in or for the purposes of the trade, profession or vocation carried on by the stockholder through the branch or agency. In these circumstances, the stockholder will be treated as disposing of their stock in Ensco Delaware for a consideration equal to the market value of the stock at that time, which may, depending on the stockholder s individual circumstances, give rise to a chargeable gain or an allowable loss for the purposes of capital gains tax. The rate of capital gains tax on chargeable gains is 18 percent for the tax year 2009/2010.

The merger should not be treated as giving rise to a distribution which will be chargeable to income tax. The individual stockholder will be treated as acquiring the ADSs for a consideration equal to his or her market value at the time of the merger for capital gains tax purposes.

Corporation Tax

At the effective time of the merger, a corporate stockholder of Ensco Delaware who is resident in the U.K. will be treated as disposing of its stock in Ensco Delaware for a consideration equal to the market value of the stock at that time, which may, depending on the stockholder s individual circumstances, give rise to a chargeable gain or an allowable loss for the purposes of corporation tax. A corporate stockholder which is not resident in the U.K. will not be liable for corporation tax on chargeable gains accruing on the disposal of its stock in Ensco Delaware unless it carries on a trade in the U.K. through a permanent establishment in the U.K. and the stock was acquired, used in or for the purposes of the permanent establishment or used in or for the purposes of the trade carried on by the stockholder through the permanent establishment. In these circumstances, the non-U.K. resident stockholder of the Ensco Delaware stock may, depending on its individual circumstances, be chargeable to corporation tax on chargeable gains arising from a disposal of its Ensco Delaware stock. The merger should not be treated as giving rise to a distribution which will be chargeable to corporation tax.

The full rate of corporation tax on chargeable gains in financial years 2009 and 2010 is 28 percent, although small companies may be entitled to claim the small companies rate of tax, in which case chargeable gains will be subject to corporation tax at rates of between 21 percent and 28 percent. A corporate stockholder of Ensco Delaware will be entitled to an indexation allowance in computing the amount of a chargeable gain accruing on the disposal of its Ensco

Delaware stock, which will provide relief for the effects of inflation by references to movements in the U.K. retail price index. If the conditions of the substantial shareholding exemption set out in s.192A and Schedule 7AC of the Taxation of Chargeable Gains Act 1992 are satisfied in relation to a chargeable gain accruing to a corporate holder of Ensco Delaware stock, the chargeable gain will be exempt from corporation tax. The conditions of the substantial shareholding exemption which must be satisfied will depend on the individual

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circumstances of the corporate stockholder. One of the conditions of the substantial shareholding exemption which must be satisfied is that the stockholder must have held a substantial shareholding in Ensco Delaware throughout a twelve-month period beginning not more than two years before the day on which the disposal takes place. Ordinarily, a corporate stockholder will not be regarded as holding a substantial shareholding in Ensco Delaware unless it (whether alone or together with other group companies) holds not less than 10 percent of Ensco Delaware s ordinary share capital. The corporate stockholder will be treated as acquiring the ADSs for a consideration equal to their market value at the effective time of the merger for corporation tax purposes.

Taxation of Dividends

Withholding Tax

Dividends paid by Ensco UK will not be subject to any withholding or deduction for or on account of U.K. tax, irrespective of the residence or the individual circumstances of the ADS Holders.

Income Tax

An individual ADS Holder who is resident or ordinarily resident in the U.K. may, depending on his or her individual circumstances, be subject to income tax on dividends received from Ensco UK. An individual ADS Holder who is not resident or ordinarily resident in the U.K. will not be chargeable to income tax on dividends received from Ensco UK, unless the ADS Holder carries on (whether solely or in partnership) any trade, profession or vocation through a branch or agency in the U.K. and the ADSs are used by or held by or for that branch or agency. In these circumstances, the non-U.K. resident ADS Holder may, depending on his or her individual circumstances, be chargeable to income tax on dividends received from Ensco UK.

The rate of income tax which is chargeable on dividends received by higher rate taxpayers in the tax year 2009/2010 is 32.5 percent. Individual ADS Holders who are resident in the U.K. will be entitled to a tax credit equal to one-ninth of the amount of the dividend received from Ensco UK, which will be taken into account in computing the gross amount of the dividend which is chargeable to income tax. The tax credit will be credited against the ADS Holder s liability (if any) to income tax on the gross amount of the dividend. An individual ADS Holder who is not subject to income tax on dividends received from Ensco UK will not be entitled to claim payment of the tax credit in respect of such dividends. The right of an individual ADS Holder who is not resident in the U.K. to a tax credit will depend on his or her individual circumstances. The U.K. Government announced in its Budget 2009 on April 22, 2009 that individuals whose total income chargeable to income tax exceeds £150,000 will be chargeable to income tax in respect of dividends in excess of that amount at the new rate of 42.5 percent in the tax year 2010/2011. An individual s dividend income is treated as the top slice of their total income which is chargeable to income tax.

Corporation Tax

Unless an exemption is available as discussed below, a corporate ADS Holder that is resident in the U.K. will be subject to corporation tax on dividends received from Ensco UK. A corporate ADS Holder that is not resident in the U.K. will not be subject to corporation tax on dividends received from Ensco UK unless the ADS Holder carries on a trade in the U.K. through a permanent establishment in the U.K. and the dividends form part of the profits of a trade carried on through or from the permanent establishment or the ADSs are used by, for or held by or for, the permanent establishment. In these circumstances, the non-U.K. resident corporate ADS Holder may, depending on its individual circumstances and if the exemption discussed below is not available, be chargeable to corporation tax on dividends received from Ensco UK.

The full rate of corporation tax chargeable on dividends received from Ensco UK in financial years 2009 and 2010 is 28 percent, although smaller companies may be entitled to claim the small companies rate of tax. If dividends paid by Ensco UK fall within an exemption from corporation tax set out in Part 9A of the Corporation Tax Act 2009, the receipt of the dividend by a corporate ADS Holder will be exempt from corporation tax. Generally, the conditions for exemption from corporation tax on dividends paid by Ensco UK should be satisfied, although the conditions which must be satisfied in any particular case will depend on the individual circumstances of the corporate ADS Holders.

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ADS Holders that are regarded as small companies should generally be exempt from corporation tax on dividends received from Ensco UK, unless the dividends are made as part of a tax advantage scheme. ADS Holders that are not regarded as small companies should generally be exempt from corporation tax on dividends received from Ensco UK on the basis that the Class A Ordinary Shares underlying the ADSs should be regarded as non-redeemable ordinary shares. Alternatively, ADS Holders that are not small companies should also generally be exempt from corporation tax on dividends received from Ensco UK if they hold ADSs which represent less than 10 percent of the issued share capital of Ensco UK, would be entitled to less than 10 percent of the profits available for distribution to holders of the issued share capital of Ensco UK and would be entitled on a winding up to less than 10 percent of the assets of Ensco UK available for distribution to holders of its issued share capital. In certain limited circumstances, the exemption from corporation tax will not apply to such ADS Holders if a dividend is made as part of a scheme which has a main purpose of falling within the exemption from corporation tax.

Taxation of Capital Gains

Capital Gains Tax

A disposal of ADSs by an individual ADS Holder who is resident or ordinarily resident in the U.K. may, depending on his or her individual circumstances, give rise to a chargeable gain or an allowable loss for the purposes of capital gains tax. An individual ADS Holder who temporarily ceases to be resident or ordinarily resident in the U.K. for a period of less than five years and who disposes of his or her ADSs during that period of temporary non-residence may be liable to capital gains tax on a chargeable gain accruing on the disposal on his or her return to the U.K. under certain anti-avoidance rules. An individual ADS Holder who is neither resident nor ordinarily resident in the U.K. will not be chargeable to capital gains tax on capital gains arising on the disposal of their ADSs unless the ADS Holder carries on a trade, profession or vocation in the U.K. through a branch or agency in the U.K. and the ADSs were acquired, used in or for the purposes of the branch or agency or used in or for the purposes of the trade, profession or vocation carried on by the ADS Holder through the branch or agency. In these circumstances, the non-U.K. resident ADS Holder may, depending on his or her individual circumstances, be chargeable to capital gains tax on chargeable gains arising from a disposal of their ADSs. The rate of capital gains tax on chargeable gains is 18 percent in the tax year 2009/2010.

Corporation Tax

A disposal of ADSs by a corporate ADS Holder which is resident in the U.K. may give rise to a chargeable gain or an allowable loss for the purposes of corporation tax. A corporate ADS Holder that is not resident in the U.K. will not be liable for corporation tax on chargeable gains accruing on the disposal of its ADSs unless it carries on a trade in the U.K. through a permanent establishment in the U.K. and the ADSs were acquired, used in or for the purposes of the permanent establishment or used in or for the purposes of the trade carried on by the ADS Holder through the permanent establishment. In these circumstances, the non-U.K. resident ADS Holder may, depending on its individual circumstances, be chargeable to corporation tax on chargeable gains arising from a disposal of its ADSs.

The full rate of corporation tax on chargeable gains in financial years 2009 and 2010 is 28 percent, although small companies may be entitled to claim the small companies rate of tax. Corporate ADS Holders will be entitled to an indexation allowance in computing the amount of a chargeable gain accruing on a disposal of the ADSs, which will provide relief for the effects of inflation by reference to movements in the U.K. retail price index. If the conditions of the substantial shareholding exemption set out in s.192A and Schedule 7AC of the Taxation of Chargeable Gains Act 1992 are satisfied in relation to a chargeable gain accruing to a corporate ADS Holder, the chargeable gain will be exempt from corporation tax. The conditions of the substantial shareholding exemption which must be satisfied will depend on the individual circumstances of the corporate ADS Holder. One of the conditions of the substantial shareholding exemption which must be satisfied is that the corporate ADS Holder must have held a substantial

shareholding in Ensco UK throughout a twelve-month period beginning not more than two years before the day on which the disposal takes place. Ordinarily, a corporate ADS Holder will not be regarded as holding a substantial shareholding in Ensco UK unless it (whether alone, or together with other group companies) directly holds not less than 10 percent of Ensco UK s ordinary share capital (not represented by ADRs).

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Stamp Duty and Stamp Duty Reserve Tax

The discussion below relates to holders of Class A Ordinary Shares or ADSs wherever resident (but not to holders such as market makers, brokers, dealers and intermediaries, to whom special rules apply).

Transfer of Class A Ordinary Shares and Uncertificated ADSs

Provided that any instrument of transfer is not executed in the U.K. and remains at all times outside the U.K. and the transfer does not relate to any matter or thing done or to be done in the U.K., no stamp duty is payable on the acquisition or transfer of (i) Class A Ordinary Shares not represented by ADSs and (ii) uncertificated ADSs (*i.e.,* not evidenced by ADRs) held in a direct registration system. ADSs held in book-entry form on the facilities of The Depository Trust Company are not considered to be in a direct registration system. However, an unconditional agreement for such transfer, or a conditional agreement which subsequently becomes unconditional, will be liable to stamp duty reserve tax, or SDRT, generally at the rate of 0.5 percent of the consideration for the transfer; but such liability will be cancelled if the agreement is completed by a duty stamped instrument of transfer within six years of the date of the agreement, or if the agreement was conditional, the date the agreement became unconditional. Where stamp duty is paid, any SDRT previously paid will be repaid on the making of an appropriate claim. Stamp duty and SDRT are normally paid by the purchaser.

Transfer of ADSs Evidenced by ADRs

No stamp duty need, in practice, be paid on the acquisition or transfer of ADSs evidenced by ADRs provided that any instrument of transfer or contract for sale is not executed in the U.K. and remains at all times outside the U.K. and the transfer does not relate to any matter or thing done or to be done in the U.K. An agreement for the transfer of ADSs evidenced by ADRs will not give rise to a SDRT liability.

THE U.K. TAX CONSEQUENCES SUMMARIZED ABOVE ARE FOR GENERAL INFORMATION ONLY. EACH ENSCO DELAWARE STOCKHOLDER SHOULD CONSULT HIS OR HER TAX ADVISOR AS TO THE PARTICULAR U.K. TAX CONSEQUENCES THAT MAY APPLY TO SUCH STOCKHOLDER.

Material U.K. Tax Considerations Relating to and After the Merger

The following paragraphs are intended to be a general summary of certain material U.K. tax consequences relating to the merger based on current English law relating to corporation tax, stamp duty and stamp duty reserve tax and on Ensco Delaware s external counsel s understanding of the current administrative policies and practices of HMRC published in writing prior to the date hereof. This summary, and all other statements, do not otherwise take into account or anticipate any changes in law or practice, whether legislative, governmental or judicial decision or action, which could possibly be made effective on a retroactive basis. This summary does not address all U.K. corporation tax, stamp duty or stamp duty reserve tax consequences that may be relevant to Ensco Delaware, Ensco UK or any of their subsidiaries, and is not intended to be, nor should it be construed to be, legal or tax advice to any person.

The Merger

We expect that none of Ensco Delaware, Ensco UK or any of their subsidiaries will incur UK corporation tax as a result of completion of the merger.

Subject to certain exemptions, a charge to stamp duty or SDRT generally arises under U.K. law on the issue, transfer or appropriation of shares of companies incorporated in the U.K. to the issuer of depositary receipts, its nominee or agent. Such stamp duty or SDRT is payable by the issuer of the depositary receipts. The rate of such stamp duty or

SDRT is generally 1.5 percent of either (i) in the case of an issue of shares, the issue price of the shares concerned, (ii) in the case of a transfer of shares, the amount or value of the consideration for the transfer, or (iii) in the case of an appropriation of shares, the value of the shares concerned. However, in view of the judgment of the European Court of Justice in *HSBC Holdings plc, Vidacos Nominees Ltd v HMRC* Case C-569/07 given on October 1, 2009, such charge to stamp duty or SDRT may be prohibited by Council Directive 69/335/EEC of July 17, 1969 concerning indirect taxes on the raising of capital (as amended).

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The U.K. Government is considering the judgment of the Court and has not announced what action (if any) it intends to take in relation to the stamp duty and SDRT treatment of the issue, transfer or appropriation of shares of companies incorporated in the U.K. to the issuer of depositary receipts. Accordingly, with respect to the issue of Class A Ordinary Shares to the depositary on September 29, 2009, SDRT at the rate of 1.5 percent on the issue price of the Class A Ordinary Shares has been paid by Ensco Delaware on behalf of the depositary on the basis that all rights to claim repayment of the SDRT are reserved. Any claim for payment of overpaid SDRT, based on the *HSBC Holdings* judgment or otherwise, must be submitted to HMRC within six years after the date on which the SDRT was paid.

After the Merger

General

Subject to any available exemptions or other forms of relief, a U.K. resident company, such as Ensco UK, is subject to corporation tax on its worldwide income profits and chargeable gains. The current rate of corporation tax (except for small companies and in respect of certain offshore oil and gas extraction activities) is 28 percent.

Dividend Exemption

A U.K. resident company, such as Ensco UK, is exempt from corporation tax in respect of certain broad classes of dividend or other distributions (except of a capital nature) received from companies, whether they are resident in the U.K. or overseas, including dividends or other distributions from controlled companies and in respect of non-redeemable ordinary shareholdings.

Substantial Shareholding Exemption

A U.K. resident company, such as Ensco UK, which is a shareholder of a trading group is also exempt from corporation tax in respect of capital gains arising from the actual or deemed disposal of qualifying shareholdings in qualifying companies, whether they are resident in the U.K. or elsewhere. For this purpose, a capital distribution is treated as deemed disposal of the shares of the distributing company.

Controlled Foreign Companies

Subject to certain exemptions and other forms of relief, a U.K. resident company, such as Ensco UK, is liable to corporation tax on the income profits (whether or not distributed) of any controlled company which is resident in a foreign jurisdiction and is subject to a lower level of taxation on those profits. A controlled company will be regarded as being subject to a lower level of taxation if the amount of foreign income tax on its profits is less than three-quarters of the corresponding corporation tax that would be payable in the U.K. if the company were resident in the U.K. Any such foreign income tax on the profits of the controlled company is generally creditable for U.K. corporation tax purposes.

HMRC has, subject to certain conditions and limitations based on our facts and circumstances, granted exemption from the CFC regime in respect of all material subsidiaries of Ensco UK under the motive test exclusion for a period after the merger ending December 31, 2012, which period may be reduced or altered by subsequent legislation. The present U.K. Government is consulting on a potentially major reform of the CFC regime and has stated its intention to legislate in 2011. However, the U.K. Government has not yet put forward any reform proposals and there can be no certainty about the nature and extent of any future changes to the current CFC regime.

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DESCRIPTION OF CLASS A ORDINARY SHARES OF ENSCO UK

General

The following information is a summary of the material terms of the Class A Ordinary Shares, nominal value $0.10 per share, as specified in the form of Ensco UK s articles of association and which are proposed to be adopted immediately prior to the consummation of the merger, which we refer to as the New Articles. You are encouraged to read the New Articles, which are included as Annex B to this proxy statement/prospectus. See also Description of American Depositary Shares of Ensco UK and Comparison of Rights of Stockholders/Shareholders.

Pursuant to the merger agreement, each issued and outstanding share of common stock of Ensco Delaware will be converted into the right to receive one ADS. Each ADS represents one Class A Ordinary Share. The deposit agreement among Ensco UK, Citibank and you governs the rights of holders of the ADSs as described in Description of American Depositary Shares of Ensco UK.

All of the issued Class A Ordinary Shares are fully paid and not subject to any further calls or assessments by Ensco UK. There are no conversion rights, redemption provisions or sinking fund provisions relating to any Class A Ordinary Shares.

All Class A Ordinary Shares, including those underlying the ADSs to be delivered in the merger, are to be represented by certificates in registered form issued (subject to the terms of issue of the shares) by Ensco UK s registrar.

Under English law, persons who are neither residents nor nationals of the U.K. may freely hold, vote and transfer the Ensco UK shares in the same manner and under the same terms as U.K. residents or nationals.

Share Capital

As of the date of this proxy statement/prospectus and on the date of adoption of the New Articles there are, and will be:

(a) 50,000 Class B Ordinary Shares in issue; and

(b) 150,000,000 Class A Ordinary Shares in issue (all of which are and will continue to be represented by ADSs).

As of the date of this proxy statement/prospectus and immediately prior to the consummation of the merger, the Ensco UK Board is or will be authorized to allot a total of an additional number of shares as follows:

(a) 100,000,000 Class A Ordinary Shares; and

(b) 20,000,000 Unclassified Shares of $1.00 per share, or Unclassified Shares, which Unclassified Shares are a class of shares of Ensco UK that may be issued by the Ensco UK Board pursuant to a shareholder resolution that is intended to be passed prior to the consummation of the merger. The Unclassified Shares will have such rights as the Ensco UK Board shall determine at the time of allotment and issuance.

The Class A Ordinary Shares and the Class B Ordinary Shares, or together the Ordinary Shares, will have the same rights and privileges in all respects. The outstanding Class B Ordinary Shares will remain outstanding after the merger, but will have no voting rights or rights to dividends or distributions to the extent that they are held by Ensco Delaware. If issued, the rights of holders of Unclassified Shares will be determined by the Ensco UK Board in accordance with Ensco UK s articles of association.

Dividends

Subject to the Companies Act, the Ensco UK Board may declare a dividend to be paid to the shareholders according to their respective rights and interests in Ensco UK, and may fix the time for payment of such dividend. The Ensco UK Board may from time to time declare and pay (on any class of shares of any amounts) such dividends as appear to them to be justified by the profits of Ensco UK that are available for distribution. There are no fixed dates on which entitlement to dividends arise on any of the Ordinary Shares. The Ensco UK Board may direct the

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payment of all or any part of a dividend to be satisfied by distributing specific assets, in particular paid up shares or debentures of any other company. The New Articles also permit a scrip dividend scheme under which shareholders may be given the opportunity to elect to receive fully paid Ordinary Shares instead of cash, with respect to all or part of future dividends. Shares held by or for the benefit of an Ensco UK subsidiary will have no voting rights and will not be entitled to any dividends or distributions, including any scrip dividends, bonus shares or dividends or distributions of property or debentures of any other company.

To the extent that as a result of the merger any Class A Ordinary Shares held by the custodian are represented by ADSs held by or for the benefit of any of Ensco UK s subsidiaries, such as Ensco Delaware, then the New Articles provide that such Class A Ordinary Shares will not be entitled to receive dividends or distributions, including any scrip dividends, bonus shares or dividends or distributions of property or debentures of any other company, and therefore the holder of such ADSs shall not be entitled to any such dividends or distributions while such ADSs representing those Class A Ordinary Shares are held by or for the benefit of such subsidiaries.

If a shareholder owes any money to Ensco UK relating in any way to any class of Ensco UK shares, the Ensco UK Board may deduct any of this money from any dividend on any shares held by the shareholder, or from other money payable by Ensco UK in respect of the shares. Money deducted in this way may be used to pay the amount owed to Ensco UK.

Unclaimed dividends and other amounts payable by Ensco UK in respect of an Ordinary Share can be invested or otherwise used by directors for the benefit of Ensco UK until they are claimed under English law. A dividend or other money remaining unclaimed for a period of twelve years after it first became due for payment will be forfeited and cease to remain owed by Ensco UK.

Voting Rights

At a general meeting any resolutions put to a vote must be decided on a poll.

Subject to any rights or restrictions as to voting attached to any class of shares in accordance with the articles of association of Ensco UK and subject to disenfranchisement (i) in the event of non-payment of any call or other sum due and payable in respect of any shares not fully paid, (ii) in the event of any non-compliance with any statutory notice requiring disclosure of an interest in shares or (iii) with respect to any shares held by any subsidiary of Ensco UK, every shareholder (other than Ensco Delaware or any other subsidiary of Ensco UK) who (being an individual) is present in person or (being a corporation) is present by a duly authorized corporate representative at a general meeting of Ensco UK will have one vote for every share of which he or she is the holder, and every person present who has been appointed as a proxy shall have one vote for every share in respect of which he or she is the proxy, except that any proxy who has been appointed by the depositary shall have such number of votes as equals the number of shares in relation to which such proxy has been appointed.

In the case of joint holders, the vote of the person whose name stands first in the register of shareholders and who tenders a vote, whether in person or by proxy, is accepted to the exclusion of any votes tendered by any other joint holders.

The necessary quorum for a general shareholder meeting is the shareholders who together represent at least the majority of the voting rights of all the shareholders entitled to vote present in person or by proxy (*i.e.*, any shares whose voting rights have been disenfranchised (whether pursuant to the Companies Act and/or under the New Articles) shall be disregarded for the purposes of determining a quorum).

An annual general meeting shall be called by not less than 21 clear days notice and no more than 60 days notice. For all other general meetings except general meetings properly requisitioned by shareholders, such meetings shall be called by not less than 14 clear days notice and no more than 60 days notice. The notice of meeting must also specify a time (which shall not be more than 60 days nor less than 10 days before the date of the meeting) by which a person must be entered on the register in order to have the right to attend or vote at the meeting. The number of shares then registered in their respective names shall determine the number of votes a person is entitled to cast at that meeting.

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An appointment of proxy (whether in hard copy form or electronic form) must be received by Ensco UK before the time for holding the meeting or adjourned meeting at which the person named in the appointment of proxy proposes to vote; in the case of a poll taken more than 48 hours after the meeting at which the relevant vote was to be taken, an appointment of proxy must be received after such meeting and not less than 24 hours (or such shorter time as the Ensco UK Board may determine) before the time appointed for taking the poll; or in the case of a poll not taken immediately but taken not more than 48 hours after the meeting, the appointment of proxy must be delivered at the meeting at which the poll is to be taken. An appointment of proxy not received or delivered in accordance with the New Articles is invalid under English law.

To the extent that as a result of the merger any Class A Ordinary Shares held by the custodian are represented by ADSs held by or for the benefit of any of Ensco UK s subsidiaries, including Ensco Delaware, then under the Companies Act such Class A Ordinary Shares will not have voting rights.

Return of Capital

In the event of a voluntary winding-up of Ensco UK, the liquidator may, on obtaining any sanction required by law, divide among the shareholders the whole or any part of the assets of Ensco UK, whether or not the assets consist of property of one kind or of different kinds.

The liquidator may also, with the same authority, transfer the whole or any part of the assets to trustees upon any trusts for the benefit of the shareholders as the liquidator decides. No past or present shareholder can be compelled to accept any asset which could subject him or her to a liability.

Preemptive Rights and New Issues of Shares

Under Section 549 of the Companies Act, directors are, with certain exceptions, unable to allot securities without being authorized either by the shareholders in a general meeting or by Ensco UK s articles of association pursuant to Section 551 of the Companies Act. In addition, under the Companies Act, the issuance of equity securities that are to be paid for wholly in cash (except shares held under an employees share scheme) must be offered first to the existing equity shareholders in proportion to the respective nominal (*i.e.*, par) values of their holdings on the same or more favorable terms, unless a special resolution (*i.e.*, 75 percent of votes cast) to the contrary has been passed in a general meeting of shareholders or the articles of association otherwise provide an exclusion from this requirement (which exclusion can be for a maximum of five years after which shareholders approval would be required to renew the exclusion). In this context, equity securities generally means in relation to Ensco UK, Ordinary Shares (being shares other than shares which with respect to dividends or capital, carry a right to participate only up to a specified amount in a distribution) and all rights to subscribe for or convert securities into such shares.

A shareholder resolution proposed to be passed immediately prior to the consummation of the merger will authorize the directors (generally and unconditionally), for a period up to five years from the date on which the resolution is passed to allot equity securities, or to grant rights to subscribe for or to convert or exchange any security into shares of the Company, up to an aggregate nominal amount of $10,000,000 Class A Ordinary Shares and $20,000,000 Unclassified Shares and exclude preemptive rights in respect of such issuances for the same period of time. Such authority will continue for five years and thereafter it must be renewed, but we may seek renewal for additional five year terms more frequently. Ensco UK may, before the expiration of any such authority, make an offer or agreement which would or might require Ensco UK shares to be allotted (or rights to be granted) after such expiration, and the directors may allot shares or grant rights in pursuance of such an offer or agreement as if the authority to allot had not expired.

Subject to the provisions of the Companies Act and to any rights attached to any existing shares, any Ensco UK shares may be issued with, or have attached to them, such rights or restrictions as the shareholders of Ensco UK may by ordinary resolution determine, or, where the above authorizations are in place, the Ensco UK Board may determine such rights or restrictions.

The Companies Act prohibits an English company from issuing shares for no consideration, including with respect to grants of restricted stock made pursuant to equity incentive plans. Accordingly, the nominal value of the

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shares issued upon the lapse of restrictions or the vesting of any restricted stock award or any other share-based grant underlying any ADS must be paid pursuant to the Companies Act.

Disclosure of Interests in Shares

Section 793 of the Companies Act gives Ensco UK the power to require persons whom it knows has, or whom it has reasonable cause to believe has, or within the previous three years has had, any ownership interest in any shares (which we refer to as the default shares) to disclose prescribed particulars of those shares. For this purpose default shares includes any shares allotted or issued after the date of the Section 793 notice in respect of those shares. Failure to provide the information requested within the prescribed period after the date of sending the notice will result in sanctions being imposed against the holder of the default shares as provided within the Companies Act.

Under Ensco UK s articles of association, Ensco UK will also withdraw voting and certain other rights, place restrictions on the rights to receive dividends and transfer default shares if the relevant holder of default shares has failed to provide the information requested within 14 days after the date of sending the notice, depending on the level of the relevant shareholding (and unless the Ensco UK Board decides otherwise).

Alteration of Share Capital/Repurchase of Shares

Ensco UK may from time to time by ordinary resolution of its shareholders:

- increase its share capital by allotting new shares in accordance with the authority contained in the shareholder resolution referred to above and the articles of association;
- consolidate and divide all or any of its share capital into shares of a larger nominal amount than the existing shares; and
- subdivide any of its shares into shares of a smaller nominal amount than its existing shares.

Subject to the Companies Act and to any rights the holders of any Ensco UK shares may have, Ensco UK may purchase any of its own shares of any class (including any redeemable shares, if the Ensco UK Board should decide to issue any) by way of off market purchases with the prior approval of 75 percent of shareholders by special resolution. Such approval lasts for up to five years from the date of the special resolution, and renewal of such approval for additional five year terms may be sought more frequently. A special resolution, which would authorize the repurchase of up to 30 percent per annum of the share capital outstanding as of the beginning of each fiscal year, is anticipated to be adopted prior to the effective time of the merger. However, shares may only be repurchased out of distributable profits or the proceeds of a fresh issue of shares made for that purpose, and, if a premium is paid, it must be paid out of distributable profits.

Transfer of Shares

Ensco UK s New Articles allow shareholders to transfer all or any of their shares by instrument of transfer in writing in any usual form or in any other form which is permitted by the Companies Act and is approved by the Ensco UK Board. The instrument of transfer must be executed by or on behalf of the transferor and (in the case of a transfer of a share which is not fully paid) by or on behalf of the transferee and must be delivered to the registered office or any other place the directors decide.

The Ensco UK Board may refuse to register a transfer:

(1) if the shares in question are not fully paid;

(2) if it is with respect to more than one class of shares;

(3) if it is with respect to shares on which Ensco UK has a lien;

(4) if it is in favor of more than four persons jointly;

(5) if it is not duly stamped (if such a stamp is required);

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(6) if it is not presented for registration together with the share certificate and evidence of title as the Ensco UK Board reasonably requires; or

(7) in certain circumstances, if the holder has failed to provide the required particulars to Ensco UK as described under Disclosure of Interests in Shares above.

If the Ensco UK Board refuses to register a transfer of a share, it shall, within two months after the date on which the transfer was lodged with Ensco UK, send to the transferee notice of the refusal, together with its reasons for refusal.

General Meetings and Notices

The notice of a general meeting shall be given to the shareholders (other than any who, under the provisions of the New Articles or the terms of allotment or issue of shares, are not entitled to receive notice), to the Ensco UK Board and to the auditors. Holders of ADSs are entitled to receive notices under the terms of the deposit agreement relating to ADSs. See Description of American Depositary Shares of Ensco UK Voting Rights.

Under English law, Ensco UK is required to hold an annual general meeting of shareholders within 6 months from the day following the end of its fiscal year and, subject to the foregoing, the meeting may be held at a time and place determined by the Ensco UK Board.

Liability of Ensco UK and its Directors and Officers

The New Articles provide that English courts have exclusive jurisdiction with respect to any suits brought by shareholders against Ensco UK or its directors. See Comparison of Rights of Stockholders/Shareholders Liability of Directors and Officers for a discussion of the inability of an English company to exempt directors and officers from certain liabilities.

Anti-takeover Provisions

The level of anti-takeover provisions with respect to Ensco UK differs from that with respect to Ensco Delaware by virtue of the differences between the DGCL and the Companies Act, the differences between the certificate of incorporation and bylaws of Ensco Delaware and the New Articles of Ensco UK and the differences between the rights of holders of Ensco Delaware common stock and the terms and conditions related to the ADSs as described in the deposit agreement. The provisions summarized below do not include those provisions required by the Companies Act. The provisions of the New Articles summarized below may have the effect of discouraging, delaying or preventing hostile takeovers, including those that might result in a premium being paid over the market price of Class A Ordinary Shares or ADSs, as applicable, and discouraging, delaying or preventing changes in control or management of Ensco UK.

Takeover offers and certain other transactions in respect of certain public companies are regulated by the U.K. City Code on Takeovers and Mergers, or Takeover Code, which is administered by the Takeover Panel, a body consisting of representatives of the City of London financial and professional institutions which oversees the conduct of takeovers. An English public limited company is potentially subject to the Takeover Code if, among other factors, its central place of management and control are within the U.K., the Channel Islands or the Isle of Man. The Takeover Panel will generally look to the residency of a company s directors to determine where it is centrally managed and controlled. The Takeover Panel has confirmed that, based upon Ensco UK s current and intended plans for its directors and management, for purposes of the Takeover Code, Ensco UK will be considered to have its place of central management and control outside the U.K., the Channel Islands or the Isle of Man and, therefore, that the Takeover Code will not apply to Ensco UK. It is possible that in the future circumstances could change that may cause the

Takeover Code to apply to Ensco UK.

Classified Board of Directors

The Ensco UK Board, like our Board, will be divided into three classes, with the members of each class serving for staggered three-year terms. As a result, only one class of directors will be elected at each annual general meeting of shareholders, with the other classes continuing for the remainder of their respective three-year terms. Under English law, shareholders have no cumulative voting rights. In addition, Ensco UK s articles of association incorporate similar provisions to those contained in Ensco Delaware s bylaws and certificate of incorporation,

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which regulate shareholders ability to nominate directors for election subject to a 5 percent share ownership requirement. Although shareholders have the ability to remove a director without cause under English law, the classification of the directors, the lack of cumulative voting and the limitations on shareholders powers to nominate directors will have the effect of making it more difficult not only for any party to obtain control of Ensco UK by replacing the majority of the Ensco UK Board but also to force an immediate change in the composition of the Ensco UK Board. However, under the New Articles, if the shareholders remove the entire board, a shareholder may then convene a general meeting for the purpose of appointing directors. It should be noted that holders of ADSs may have to surrender their ADSs and withdraw their Class A Ordinary Shares in order to exercise their rights to nominate and remove directors.

Issuance of Unclassified Shares

The Ensco UK Board will have the authority, without further action of its shareholders for a period of five years, but subject to its statutory and fiduciary duties, to issue up to 20,000,000 Unclassified Shares, par value $1.00 per share, in one or more series and to fix the powers, preferences, rights and qualifications, limitations or restrictions thereof. Such authority will continue for five years and thereafter it must be renewed, but we may seek renewal for additional five year terms more frequently. The issuance of Unclassified Shares on various terms could adversely affect the holders of Class A Ordinary Shares or ADSs. The potential issuance of Unclassified Shares may discourage bids for Class A Ordinary Shares or ADSs at a premium over the market price, may adversely affect the market price of ADSs and may discourage, delay or prevent a change of control of Ensco UK.

Shareholder Rights Plan

The Ensco UK Board will have the necessary corporate authority, without further action of its shareholders for a period of five years, but subject to its statutory and fiduciary duties, to give effect to a shareholder rights plan and to fix the terms thereof. Such a plan could make it more difficult for another party to obtain control of Ensco UK by threatening to dilute a potential acquirer s ownership interest in the company under certain circumstances. The Ensco UK Board may adopt a shareholder rights plan at any time, including in conjunction with the consummation of the merger or sometime thereafter. Ensco Delaware currently has the authority to adopt a shareholder rights plan under Delaware law. See Comparison of Rights of Stockholders/Shareholders Anti-takeover Matters.

The anti-takeover and other provisions of the New Articles, as well as the adoption of a shareholder rights plan, could discourage potential acquisition proposals and could delay or prevent a change in control. These provisions are intended to enhance shareholder value by discouraging certain types of abusive takeover tactics. However, these provisions could have the effect of discouraging others from making tender offers for Class A Ordinary Shares or ADSs and, as a consequence, also may inhibit fluctuations in the market price of ADSs that could result from actual or rumored takeover attempts.

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DESCRIPTION OF AMERICAN DEPOSITARY SHARES OF ENSCO UK

Citibank has agreed to act as the depositary for the ADSs evidencing the Class A Ordinary Shares. Citibank s depositary offices are located at 388 Greenwich Street, New York, New York 10013. ADSs represent ownership interests in securities that are on deposit with the depositary. ADSs are normally evidenced by ADRs. The depositary typically appoints a custodian to safekeep the securities on deposit. In this case, the custodian is Citibank, N.A. (London Branch), located at 25 Molesworth Street Lewisham, London SE137EX.

We have appointed Citibank as depositary pursuant to a deposit agreement. A copy of the deposit agreement is on file with the SEC under cover of a Registration Statement on Form F-6. You may obtain a copy of the deposit agreement from the SEC s Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549 and from the SEC s website (www.sec.gov).

We are providing a summary description of the material terms of the ADSs and of your material rights as an owner of ADSs. Please remember that summaries by their nature lack the precision of the information summarized and that the rights and obligations of an owner of ADSs will be determined by reference to the terms of the deposit agreement and not by this summary. We urge you to review the deposit agreement in its entirety.

Each ADS represents the right to receive one Class A Ordinary Share of Ensco UK on deposit with the custodian. An ADS also represents the right to receive any other property received by the depositary or the custodian on behalf of the owner of the ADS but that has not been distributed to the owners of ADSs because of legal restrictions or practical considerations.

If you become an owner of ADSs, you will become a party to the deposit agreement and therefore will be bound by its terms and by the terms of any ADR that evidences your ADSs. The deposit agreement and the ADR specify our rights and obligations as well as your rights and obligations as owner of ADSs and those of the depositary. As an ADS holder you appoint the depositary to act on your behalf in certain circumstances. The deposit agreement and the ADRs are governed by New York law. However, our obligations to the holders of Class A Ordinary Shares will continue to be governed by English law.

As an owner of ADSs, you may hold your ADSs either by means of one or more ADRs registered in your name, through a brokerage or safekeeping account, or through an account established by the depositary in your name reflecting the registration of uncertificated ADSs directly on the books of the depositary (commonly referred to as the direct registration system or DRS). The direct registration system reflects the uncertificated (book-entry) registration of ownership of ADSs by the depositary. Under the direct registration system, ownership of ADSs is evidenced by periodic statements issued by the depositary to the holders of the ADSs. The direct registration system includes automated transfers between the depositary and The Depository Trust Company, or DTC, the central book-entry clearing and settlement system for equity securities in the U.S.

If you decide to hold your ADSs through your brokerage or safekeeping account, you must rely on the procedures of your broker or bank to assert your rights as ADS owner. Banks and brokers typically hold securities such as the ADSs through clearing and settlement systems such as DTC. The procedures of such clearing and settlement systems may limit your ability to exercise your rights as an owner of ADSs. Please consult with your broker or bank if you have any questions concerning these limitations and procedures. All ADSs held through DTC will be registered in the name of a nominee of DTC. This summary description assumes you have opted to own the ADSs directly by means of an ADS registered in your name and, as such, we will refer to you as the holder. When we refer to you, we assume the reader owns ADSs and will own ADSs at the relevant time.

Dividends and Distributions

As a holder, you generally have the right to receive the distributions we make on the securities deposited with the custodian. Your receipt of these distributions may be limited, however, by practical considerations and legal limitations. Holders will receive such distributions under the terms of the deposit agreement in proportion to the number of ADSs held as of a specified record date.

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Distributions of Cash

Whenever we make a cash distribution for the securities on deposit with the custodian, we will deposit the funds with the custodian. Upon receipt of confirmation of the deposit of the requisite funds, the depositary will arrange for the funds to be converted into U.S. dollars, if necessary, and for the distribution of the U.S. dollars to the holders, subject to English law.

The conversion into U.S. dollars will take place only if practicable and if the U.S. dollars are transferable to the U.S., which we expect them to be. The amounts distributed to holders will be net of the fees, expenses, taxes and governmental charges payable by holders under the terms of the deposit agreement. The depositary will apply the same method for distributing the proceeds of the sale of any property (such as undistributed rights) held by the custodian in respect of securities on deposit.

Distributions of Class A Ordinary Shares

If we elect to make a free distribution of Class A Ordinary Shares for the securities on deposit with the custodian, we will deposit the applicable number of Class A Ordinary Shares with the custodian. Upon receipt of confirmation of such deposit, the depositary will either distribute to holders new ADSs representing the Class A Ordinary Shares deposited or modify the ADS-to-Class A Ordinary Shares ratio, in which case each ADS you hold will represent rights and interests in the additional Class A Ordinary Shares so deposited. Only whole new ADSs will be distributed. Fractional entitlements will be sold and the proceeds of such sale will be distributed as in the case of a cash distribution.

The distribution of new ADSs or the modification of the ADS-to-Class A Ordinary Shares ratio upon a distribution of Class A Ordinary Shares will be made net of the fees, expenses, taxes and governmental charges payable by holders under the terms of the deposit agreement. In order to pay such taxes or governmental charges, the depositary may sell all or a portion of the new Class A Ordinary Shares so distributed.

No such distribution of new ADSs will be made if it would violate a law (*i.e.*, the U.S. securities laws) or if it is not operationally practicable. If the depositary does not distribute new ADSs as described above, it may sell the Class A Ordinary Shares received upon the terms described in the deposit agreement and will distribute the proceeds of the sale as in the case of a distribution of cash.

Distributions of Rights

Whenever we intend to distribute rights to purchase additional Class A Ordinary Shares, we will give prior notice to the depositary and we will assist the depositary in determining whether it is lawful and reasonably practicable to distribute rights to purchase additional ADSs to holders.

The depositary will establish procedures to distribute rights to purchase additional ADSs to holders and to enable such holders to exercise such rights if it is lawful and reasonably practicable to make the rights available to holders of ADSs, and if we provide all of the documentation contemplated in the deposit agreement (such as opinions to address the lawfulness of the transaction). You may have to pay fees, expenses, taxes and other governmental charges to subscribe for the new ADSs upon the exercise of your rights. The depositary is not obligated to establish procedures to facilitate the distribution and exercise by holders of rights to purchase new Class A Ordinary Shares other than in the form of ADSs.

The depositary will *not* distribute the rights to you if:

We do not timely request that the rights be distributed to you or we request that the rights not be distributed to you;

We fail to deliver satisfactory documents to the depositary; or

It is not reasonably practicable to distribute the rights.

The depositary will sell the rights that are not exercised or not distributed if such sale is lawful and reasonably practicable. The proceeds of such sale will be distributed to holders as in the case of a cash distribution. If the depositary is unable to sell the rights, it will allow the rights to lapse.

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Elective Distributions

Whenever we intend to distribute a dividend payable at the election of shareholders either in cash or in additional shares, we will give prior notice thereof to the depositary and will indicate whether we wish the elective distribution to be made available to you. In such case, we will assist the depositary in determining whether such distribution is lawful and reasonably practicable.

The depositary will make the election available to you only if it is reasonably practicable and if we have provided all of the documentation contemplated in the deposit agreement. In such case, the depositary will establish procedures to enable you to elect to receive either cash or additional ADSs, in each case as described in the deposit agreement.

If the election is not made available to you, you will receive either cash or additional ADSs, depending on what a shareholder under English law would receive upon failing to make an election, as more fully described in the deposit agreement.

Other Distributions

Whenever we intend to distribute property other than cash, Class A Ordinary Shares or rights to purchase additional Class A Ordinary Shares, we will notify the depositary in advance and will indicate whether we wish such distribution to be made to you. If so, we will assist the depositary in determining whether such distribution to holders is lawful and reasonably practicable.

If it is reasonably practicable to distribute such property to you and if we provide all of the documentation contemplated in the deposit agreement, the depositary will distribute the property to the holders in a manner it deems practicable.

The distribution will be made net of fees, expenses, taxes and governmental charges payable by holders under the terms of the deposit agreement. In order to pay such taxes and governmental charges, the depositary may sell all or a portion of the property received.

The depositary will *not* distribute the property to you and will sell the property if:

We do not request that the property be distributed to you or if we ask that the property not be distributed to you;

We do not deliver satisfactory documents to the depositary; or

The depositary determines that all or a portion of the distribution to you is not reasonably practicable. The proceeds of such a sale will be distributed to holders as in the case of a cash distribution.

Redemption

Whenever we decide to redeem any of the securities on deposit with the custodian, we will notify the depositary in advance. If it is practicable and if we provide all of the documentation contemplated in the deposit agreement, the depositary will provide notice of the redemption to the holders.

The custodian will be instructed to surrender the Class A Ordinary Shares being redeemed against payment of the applicable redemption price. The depositary will convert the redemption funds received into U.S. dollars, if necessary, upon the terms of the deposit agreement and will establish procedures to enable holders to receive the net proceeds

from the redemption upon surrender of their ADSs to the depositary. You may have to pay fees, expenses, taxes and other governmental charges upon the redemption of your ADSs. If less than all ADSs are being redeemed, the ADSs to be retired will be selected by lot or on a *pro rata* basis, as the depositary may determine.

Changes Affecting Class A Ordinary Shares

The Class A Ordinary Shares held on deposit for your ADSs may change from time to time. For example, there may be a change in nominal or par value, a split-up, cancellation, consolidation or reclassification of such Class A Ordinary Shares or a recapitalization, reorganization, merger, consolidation or sale of assets.

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If any such change were to occur, your ADSs would, to the extent permitted by law, represent the right to receive the property received or exchanged in respect of the Class A Ordinary Shares held on deposit. The depositary may in such circumstances deliver new ADSs to you, amend the deposit agreement, the ADRs and the applicable Registration Statement(s) on Form F-6, call for the exchange of your existing ADSs for new ADSs and take any other actions that are appropriate to reflect as to the ADSs the change affecting the Class A Ordinary Shares. If the depositary may not lawfully distribute such property to you, the depositary may sell such property and distribute the net proceeds to you as in the case of a cash distribution.

Issuance of ADSs upon Deposit of Class A Ordinary Shares

The depositary may create ADSs on your behalf if you or your broker deposit Class A Ordinary Shares with the custodian. The depositary will deliver these ADSs to the person you indicate only after you pay any applicable issuance fees and any charges and taxes payable for the transfer of the Class A Ordinary Shares to the custodian. Your ability to deposit Class A Ordinary Shares and receive ADSs may be limited by U.S. and English law considerations applicable at the time of deposit.

The issuance of ADSs may be delayed until the depositary or the custodian receives confirmation that all required approvals have been given and that the Class A Ordinary Shares have been duly transferred to the custodian. The depositary will only issue ADSs in whole numbers.

When you make a deposit of Class A Ordinary Shares, you will be responsible for transferring good and valid title to the depositary. As such, you will be deemed to represent and warrant that:

The Class A Ordinary Shares are duly authorized, validly issued, fully paid, non-assessable and legally obtained.

All preemptive (and similar) rights, if any, with respect to such Class A Ordinary Shares have been validly waived or exercised.

You are duly authorized to deposit the Class A Ordinary Shares.

The Class A Ordinary Shares presented for deposit are free and clear of any lien, encumbrance, security interest, charge, mortgage or adverse claim, and are not, and the ADSs issuable upon such deposit will not be, restricted securities (as defined in the deposit agreement).

The Class A Ordinary Shares presented for deposit have not been stripped of any rights or entitlements.

If any of the representations or warranties are incorrect in any way, we and the depositary may, at your cost and expense, take any and all actions necessary to correct the consequences of the misrepresentations.

Transfer, Combination and Split Up of ADRs

As an ADR Holder, you will be entitled to transfer, combine or split up your ADRs and the ADSs evidenced thereby. For transfers of ADRs, you will have to surrender the ADRs to be transferred to the depositary and also must:

ensure that the surrendered ADR certificate is properly endorsed or otherwise in proper form for transfer;

provide such proof of identity and genuineness of signatures as the depositary deems appropriate;

provide any transfer stamps required by the State of New York or the U.S.; and

pay all applicable fees, charges, expenses, taxes and other government charges payable by ADR Holders pursuant to the terms of the deposit agreement, upon the transfer of ADRs.

To have your ADRs either combined or split up, you must surrender the ADRs in question to the depositary with your request to have them combined or split up, and you must pay all applicable fees, charges and expenses payable by ADR Holders, pursuant to the terms of the deposit agreement, upon a combination or split up of ADRs.

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Withdrawal of Class A Ordinary Shares Upon Cancellation of ADSs

As a holder, you will be entitled to present your ADSs to the depositary for cancellation and then receive the corresponding number of underlying Class A Ordinary Shares at the custodian s offices. Your ability to withdraw the Class A Ordinary Shares may be limited by U.S. and English legal considerations applicable at the time of withdrawal. You assume the risk for delivery of all funds and securities upon withdrawal. Once canceled, the ADSs will not have any rights under the deposit agreement.

If you hold ADSs registered in your name, the depositary may ask you to provide proof of identity and genuineness of any signature and such other documents as the depositary may deem appropriate before it will cancel your ADSs. The withdrawal of the Class A Ordinary Shares represented by your ADSs may be delayed until the depositary receives satisfactory evidence of compliance with all applicable laws and regulations. Please keep in mind that the depositary will only accept ADSs for cancellation that represent a whole number of securities on deposit.

You will have the right to withdraw the securities represented by your ADSs at any time except for:

Temporary delays that may arise because (i) the transfer books for the Class A Ordinary Shares or ADSs are closed, or (ii) Class A Ordinary Shares are immobilized on account of a shareholders meeting or a payment of dividends.

Obligations to pay fees, taxes and similar charges.

Restrictions imposed because of laws or regulations applicable to ADSs or the withdrawal of securities on deposit.

The deposit agreement may not be modified to impair your right to withdraw the securities represented by your ADSs except to comply with mandatory provisions of law.

Voting Rights

As a holder of ADSs (or ADRs evidencing ADSs), you generally have the right under the deposit agreement to instruct the depositary to exercise the voting rights for the Class A Ordinary Shares represented by your ADSs. The voting rights of holders of Class A Ordinary Shares are described in Description of Class A Ordinary Shares of Ensco UK Voting Rights.

At our request, the depositary will distribute to you any notice of shareholders meeting received from us together with information explaining how to instruct the depositary to exercise the voting rights of the Class A Ordinary Shares of Ensco UK represented by ADSs.

If the depositary timely receives voting instructions from a holder of ADSs, it will endeavor to vote Class A Ordinary Shares represented by the holder s ADSs in accordance with such voting instructions.

Please note that the ability of the depositary to carry out voting instructions may be limited by practical and legal limitations and the terms of the Class A Ordinary Shares on deposit. We cannot assure you that you will receive voting materials in time to enable you to return voting instructions to the depositary in a timely manner. Class A Ordinary Shares for which no voting instructions have been received will not be voted.

Fees and Charges

The Company has agreed to pay certain fees to the Depositary and to reimburse the Depositary for certain expenses.

As an ADS holder you will be responsible to pay certain fees and expenses incurred by the depositary and certain taxes and governmental charges such as:

Fees for the transfer and registration of Class A Ordinary Shares charged by the registrar and transfer agent for the Class A Ordinary Shares in England (*i.e.*, upon deposit and withdrawal of Class A Ordinary Shares).

Expenses incurred for converting foreign currency into U.S. dollars.

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Expenses for cable, telex and fax transmissions and for delivery of securities.

Taxes and duties upon the transfer of securities (*i.e.*, when Class A Ordinary Shares are deposited or withdrawn from deposit).

Fees and expenses incurred in connection with the delivery or servicing of Class A Ordinary Shares on deposit.

The Company shall pay to the Depositary such fees and charges and reimburse the Depositary for such out-of-pocket expenses as the Depositary and the Company may agree from time to time.

Amendments and Termination

We may agree with the depositary to modify the deposit agreement at any time without your consent. We undertake to give holders 30 days prior notice of any modifications that would materially prejudice any of their substantial rights under the deposit agreement. We will not consider to be materially prejudicial to your substantial rights any modifications or supplements that are reasonably necessary for the ADSs to be registered under the Securities Act or to be eligible for book-entry settlement, in each case without imposing or increasing the fees and charges you are required to pay. In addition, we may not be able to provide you with prior notice of any modifications or supplements that are required to accommodate compliance with applicable provisions of law.

You will be bound by the modifications to the deposit agreement if you continue to hold your ADSs after the modifications to the deposit agreement become effective. The deposit agreement cannot be amended to prevent you from withdrawing the Class A Ordinary Shares represented by your ADSs (except as permitted by law).

We have the right to direct the depositary to terminate the deposit agreement. Similarly, the depositary may in certain circumstances on its own initiative terminate the deposit agreement. In either case, the depositary must give notice to the holders at least 30 days before termination. Until termination, your rights under the deposit agreement will be unaffected during such notice period.

After termination, the depositary will continue to collect distributions received (but will not distribute any such property until you request the cancellation of your ADSs) and may sell the securities held on deposit. After the sale, the depositary will hold the proceeds from such sale and any other funds then held for the holders of ADSs in a non-interest bearing account. At that point, the depositary will have no further obligations to holders other than to account for the funds then held for the holders of ADSs still outstanding (after deduction of applicable fees, taxes and expenses).

Books of Depositary

The depositary will maintain ADS holder records at its depositary office. You may inspect such records at such office during regular business hours but solely for the purpose of communicating with other holders in the interest of business matters relating to the ADSs and the deposit agreement.

The depositary will maintain in New York facilities to record and process the issuance, cancellation, combination, split-up and transfer of ADSs. These facilities may be closed from time to time, to the extent not prohibited by law.

Limitations on Obligations and Liabilities

The deposit agreement limits our obligations and the depositary s obligations to you. Please note the following:

We and the depositary are obligated only to take the actions specifically stated in the deposit agreement without negligence or bad faith.

The depositary disclaims any liability for any failure to carry out voting instructions, for any manner in which a vote is cast or for the effect of any vote, provided it acts in good faith and in accordance with the terms of the deposit agreement.

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The depositary disclaims any liability for any failure to determine the lawfulness or practicality of any action, for the content of any document forwarded to you on our behalf or for the accuracy of any translation of such a document, for the investment risks associated with investing in Class A Ordinary Shares, for the validity or worth of the Class A Ordinary Shares, for any tax consequences that result from the ownership of ADSs, for the credit-worthiness of any third party, for allowing any rights to lapse under the terms of the deposit agreement, for the timeliness of any of our notices or for our failure to give notice.

We and the depositary will not be obligated to perform any act that is inconsistent with the terms of the deposit agreement.

We and the depositary disclaim any liability if we or the depositary are prevented or forbidden from or subject to any civil or criminal penalty or restraint on account of, or delayed in, doing or performing any act or thing required by the terms of the deposit agreement, by reason of any provision, present or future of any law or regulation, or by reason of present or future provision of any provision of our articles of association, as amended from time to time, or any provision of or governing the securities on deposit, or by reason of any act of God or war or other circumstances beyond our control.

We and the depositary disclaim any liability by reason of any exercise of, or failure to exercise, any discretion provided for the deposit agreement or in our articles of association, as amended from time to time, or in any provisions of or governing the securities on deposit.

We and the depositary further disclaim any liability for any action or inaction in reliance on the advice or information received from legal counsel, accountants, any person presenting Class A Ordinary Shares for deposit, any holder of ADSs or authorized representatives thereof, or any other person believed by either of us in good faith to be competent to give such advice or information.

We and the depositary also disclaim liability for the inability by a holder to benefit from any distribution, offering, right or other benefit that is made available to holders of Class A Ordinary Shares but is not, under the terms of the deposit agreement, made available to you.

We and the depositary may rely without any liability upon any written notice, request or other document believed to be genuine and to have been signed or presented by the proper parties.

We and the depositary also disclaim liability for any consequential or punitive damages for any breach of the terms of the deposit agreement.

Pre-Release Transactions

The depositary may, in certain circumstances, issue ADSs before receiving a deposit of Class A Ordinary Shares or release Class A Ordinary Shares before receiving ADSs for cancellation. These transactions are commonly referred to as pre-release transactions. The deposit agreement limits the aggregate size of pre-release transactions and imposes a number of conditions on such transactions (*i.e.*, the need to receive collateral, the type of collateral required, the representations required from brokers, etc.). The depositary may retain the compensation received from the pre-release transactions.

Taxes

You will be responsible for the taxes and other governmental charges payable on the ADSs and the securities represented by the ADSs. We, the depositary and the custodian may deduct from any distribution the taxes and governmental charges payable by holders and may sell any and all property on deposit to pay the taxes and governmental charges payable by holders. You will be liable for any deficiency if the sale proceeds do not cover the taxes that are due.

The depositary may refuse to issue ADSs, to deliver, transfer, split and combine ADRs or to release securities on deposit until all taxes and charges are paid by the applicable holder. The depositary and the custodian may take reasonable administrative actions to obtain tax refunds and reduced tax withholding for any distributions on your behalf. However, you may be required to provide to the depositary and to the custodian proof of taxpayer status and residence and such other information as the depositary and the custodian may require to fulfill legal obligations.

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You are required to indemnify us, the depositary and the custodian for any claims with respect to taxes based on any tax benefit obtained for you.

Foreign Currency Conversion

We intend to make distributions in U.S. dollars. To the extent any distributions are made in currencies other than U.S. dollars, the depositary will arrange for the conversion of all non-U.S. currency received into U.S. dollars if such conversion is practical, and it will distribute the U.S. dollars in accordance with the terms of the deposit agreement. You may have to pay fees and expenses incurred in converting foreign currency, such as fees and expenses incurred in complying with currency exchange controls and other governmental requirements.

If the conversion of foreign currency is not practical or lawful, or if any required approvals are denied or not obtainable at a reasonable cost or within a reasonable period, the depositary may take the following actions in its discretion:

Convert the foreign currency to the extent practical and lawful and distribute the U.S. dollars to the holders for whom the conversion and distribution is lawful and practical.

Distribute the foreign currency to holders for whom the distribution is lawful and practical.

Hold the foreign currency (without liability for interest) for the applicable holders.

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COMPARISON OF RIGHTS OF STOCKHOLDERS/SHAREHOLDERS

Your rights as a stockholder of Ensco Delaware are governed by the DGCL and Ensco Delaware s certificate of incorporation and bylaws. After the merger, you, through your ownership of ADSs and subject to the terms of the deposit agreement, will have the rights of a shareholder of Ensco UK, and your rights will generally be governed by English law and Ensco UK s articles of association.

The economic and voting rights of Ensco Delaware common stock and the ADSs representing Class A Ordinary Shares are similar. However, there are differences between your rights under the DGCL and under applicable English law. In addition, there are differences between Ensco Delaware s certificate of incorporation and bylaws and Ensco UK s articles of association.

The following discussion is a summary of the material differences in your rights that would result from the merger and assuming you hold Class A Ordinary Shares. As such, this summary does not cover all the differences between applicable English law and the DGCL affecting corporations and their stockholders or all of the differences between Ensco Delaware s certificate of incorporation and bylaws and Ensco UK s articles of association. While we believe this summary is accurate in all material respects, the following descriptions are qualified in their entirety by reference to the complete text of the relevant provisions of applicable English law, the DGCL, Ensco Delaware s certificate of incorporation and bylaws and Ensco UK s articles of association. We encourage you to read those laws and documents. A copy of Ensco UK s articles of association is attached to this proxy statement/prospectus as Annex B. For information as to how you can obtain a copy of Ensco Delaware s certificate of incorporation and bylaws, see Where You Can Find More Information. Further, to exercise some of the rights reserved to registered holders of Class A Ordinary Shares, you would need to surrender your ADSs and withdraw the underlying Class A Ordinary Shares. See Description of American Depositary Shares of Ensco UK Withdrawal of Class A Ordinary Shares Upon Cancellation of ADSs.

Provisions Currently Applicable to Ensco Delaware Stockholders	Provisions Applicable to Ensco UK Shareholders
Voting Rights	
Voting, Generally	
§ Each stockholder is entitled to one vote for each share of capital stock held by the stockholder, unless the certificate of incorporation provides otherwise.	§ Each shareholder of Ensco UK is entitled to one vote for each Class A Ordinary Share held by such shareholder.
§ If issued, the voting rights of holders of preferred stock will be determined by the certificate of incorporation or the certificate of designation with respect to such preferred stock.	§ If issued, the voting rights of holders of Unclassified Shares will be determined by the Ensco UK Board in accordance with the articles of association.
§ Ensco Delaware s bylaws also provide that, as a general matter, when a quorum is present, action on a matter will be approved if the votes cast in favor of the matter exceed	§ Under English law and Ensco UK s articles, certain matters require ordinary resolutions, which must be approved by at least a majority of the votes cast by shareholders, and certain other matters require special

the votes cast opposing the matter.

resolutions, which require the affirmative vote of at least 75 percent of the votes cast at the meeting.

§ An ordinary resolution is needed to (among other things): remove a director; provide, vary or renew a director s authority to allot shares; and appoint directors (where appointment is by shareholders).

§ A special resolution is needed to (amongst other things): alter a company s articles of association,

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Provisions Currently Applicable to Ensco Delaware Stockholders	Provisions Applicable to Ensco UK Shareholders
	change the company s name, exclude statutory preemptive rights on allotment of securities for cash; reduce a company s share capital; re-register a public company as a private company (or vice versa); approve a scheme of arrangement. § The Ensco UK board will also have the authority under the articles of association to change the company s name.
Quorum	
§ Holders of at least a majority of the stock issued and outstanding and entitled to vote, present at a meeting, shall constitute a quorum.	§ Holders of at least a majority of the shares issued and outstanding and entitled to vote, present at a general meeting, shall constitute a quorum.
Cumulative Voting	
§ Ensco Delaware s certificate of incorporation and bylaws specifically exclude cumulative voting of common stock and preferred stock. § Ensco Delaware s certificate of incorporation provides that at each election of directors, every stockholder entitled to vote at any meeting shall have the right to vote, in person or by proxy, the number of shares owned by him or her for as many persons as there are directors to be elected.	§ Cumulative voting is not recognized under English law.
Action by Written Consent	
§ Ensco Delaware s bylaws and certificate of incorporation provides that subject to the rights, if any, of the holders of any then outstanding class or series of preferred stock or indebtedness of the corporation with special rights to elect directors, any action required or permitted to be taken by the stockholders of the corporation must be effected at a duly called annual or special meeting of the stockholders or by unanimous written consent of stockholders, and stockholders may not otherwise act by written consent.	§ Under English law, a public limited company s shareholders cannot pass a resolution by written consent; they can only pass resolutions taken at shareholder meetings.
Shareholder Proposals and Shareholder Nominations of Directors	

Shareholders Ability to Call a Special Meeting

§ Ensco Delaware s bylaws provide that the company s stockholders may not call a special meeting of stockholders. Under Delaware law, any stockholder may petition the Court of Chancery to order a meeting to elect directors if such meeting, or action to elect directors by written consent in lieu of a meeting, has not been held within thirteen months.

§ Under English law, the ownership of shares (by one or more shareholders) representing 5 percent of the paid-up capital of Ensco UK carrying voting rights gives the right to requisition the holding of a general meeting of shareholders.

§ See Meetings of Shareholders below.

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Provisions Currently Applicable to Ensco Delaware Stockholders	Provisions Applicable to Ensco UK Shareholders
Shareholder Proposals: Director Nominations, Generally	
§ Under Ensco Delaware s bylaws, stockholders have an express right to nominate candidates for election to the Board and bring other business before an annual meeting, provided the shareholder was a stockholder of record at the time notice was given of the meeting and is a stockholder at the time of the meeting, is entitled to vote at the meeting and complies with the notice procedures set forth below as to such business or nomination. The shareholder must give timely notice and the notice must: (A) set forth, as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or proposal is made (i) the name and address of such stockholder (ii) the class or series and number of shares of the corporation owned, any option or convertible security and certain other information regarding shareholder ownership of shares and (iii) any other information relating to such stockholder and beneficial owner that would be required to be disclosed in a proxy; (B) if the notice relates to any business other than a nomination of a director(s), set forth (i) a brief description of the business desired to be brought before the meeting, the reasons for conducting such business at the meeting and any material interest of such stockholder and beneficial owner in such business and (ii) a description of all agreements, between such stockholder and beneficial owner, and any other person in connection with the proposal of such business by such stockholder; (C) set forth, for each nominee (i) information relating to such person that would be required to be disclosed in a proxy statement and (ii) a description of all direct and indirect compensation during the past three years, and any other material relationships, between or among such stockholder and beneficial owner on the one hand, and each proposed nominee, on the other hand; and (D) include a completed and signed questionnaire, representation and agreement for each nominee.	§ One or more shareholders holding at least 5 percent of the paid-up capital of Ensco UK carrying voting rights can require resolutions to be put before the annual general meeting. The request must be received at least 6 weeks before the relevant annual general meeting. If so requested, the company is required to give notice of a resolution in the same manner and at the same time (or as soon as reasonably practical thereafter) as the notice of the annual general meeting. § All shareholder resolutions thus proposed must not be: (A) if passed, ineffective (whether by reason of inconsistency with any enactment or Ensco UK s articles of association); (B) defamatory of any person; or (C) frivolous or vexatious. § One or more shareholders holding at least 5 percent of the paid-up capital of Ensco UK carrying voting rights, or at least 100 shareholders who have a right to vote and hold (on average) at least £100 per shareholder of paid-up share capital, can require the company to circulate to shareholders a statement of up to 1,000 words relating to a matter referred to in a proposed resolution or any other business matter to be dealt with in any type of general meeting. The request must be received at least 1 week before the meeting to which it relates. If so requested, the company is required to circulate a statement in the same manner and at the same time (or as soon as reasonably practical thereafter) as the notice of the relevant general meeting. § Shareholders, whether individually or collectively, who do not meet the 5 percent threshold will not be entitled to nominate a director or propose a shareholder resolution for consideration at a meeting of the shareholders except for shareholder proposals required

§ To be timely, a stockholder s notice must be delivered to the secretary of the corporation not earlier than the close of business on the 75th day and not later than the close of business on the

by SEC Rule 14a-8 under the Exchange Act.

§ Directors of Ensco UK that are proposed to be elected at a shareholder meeting generally must be elected individually pursuant to separate proposals at the meeting; more than one director cannot be elected under the same shareholder proposal.

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Provisions Currently Applicable to Ensco Delaware Stockholders	Provisions Applicable to Ensco UK Shareholders
50th day prior to the first anniversary of the preceding year s annual meeting, subject to any other requirements of law; provided, however, that in the event that the date of the annual meeting is more than 30 days before or more than 60 days after such anniversary date, notice by the stockholder to be timely must be so delivered not earlier than the close of business on the 75th day prior to the date of such annual meeting and not later than the close of business on the later of the 50th day prior to the date of such annual meeting or, if the first public announcement of the date of such annual meeting is less than 65 days prior to the date of such annual meeting, the 15th day following the day on which public announcement of the date of such meeting is first made by the corporation.	§ The New Articles continue Ensco Delaware s current mechanism for nominating directors, subject to the 5 percent shareholding requirement set forth above.
§ Under Ensco Delaware s bylaws and except as otherwise provided by law, the certificate of incorporation or the bylaws, the Chairman of the meeting shall determine whether a nomination or any business proposed to be brought before the meeting was properly made and if not, to declare that such defective proposal or nomination shall be disregarded.	

Sources and Payment of Dividends

Sources of Dividends

§ Under Delaware law, subject to any restriction in the corporation s certificate of incorporation, the Board may declare and pay dividends out of (1) surplus of the corporation, which is defined as net assets less statutory capital; or (2) if no surplus exists, out of the net profits of the corporation for the year in which the dividend is declared and/or the preceding year; provided, however, that if the capital of the corporation have been diminished to an amount less than the aggregate amount of capital represented by the issued and outstanding stock of all classes having preference upon the distribution of assets, the Board may not declare and pay	§ Ensco UK may pay dividends on its ordinary shares only out of its distributable profits, defined as accumulated, realized profits less accumulated, realized losses, and not out of share capital, which includes share premiums (which are equal to the excess of the consideration for the issue of shares over the aggregate nominal amount of such shares). § In addition, under English law, Ensco UK will not be permitted to make a distribution if, at the time, the amount of its net assets is less than the aggregate of its issued and paid-up share capital and undistributable reserves or to the extent that the distribution will reduce the net assets below such amount.

dividends out of the corporation s net profits until the deficiency in the capital has been repaired.

Declaration of Dividends

§ Ensco Delaware s certificate of incorporation provides that dividends (payable in cash, stock

§ Ensco UK s articles of association authorize the directors to declare dividends if the Ensco UK

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Provisions Currently Applicable to Ensco Delaware Stockholders	Provisions Applicable to Ensco UK Shareholders
or otherwise) may be declared by the Board from time to time out of any funds legally available therefor.	Board consider that the financial position of Ensco UK justifies such payment.
§ Ensco Delaware s bylaws provide that dividends may be declared by the Board at any regular or special meeting, and may be paid in cash, property or in shares of the company s capital stock. Before payment of any dividend, there may be set aside out of the funds of the corporation available for dividends such sums as the directors think proper as a reserve to meet contingencies, to equalize dividends or to repair or maintain company property or for any other purpose.	§ Ensco UK s articles of association provide that dividends may be paid in cash or in property, paid-up shares, or debentures of another company. § Ensco UK s articles of association provide that shares held by or for the benefit of subsidiaries of Ensco UK will not be entitled to dividends, including any scrip dividends, bonus shares or dividends or distributions of property or debentures of any other company.
Record Date	
§ Ensco Delaware s bylaws provide that for dividends and other matters, the record date must be set not more than 60 days prior to such action.	§ Ensco UK s articles of association provide that, subject to certain restrictions, the Ensco UK Board may set the record date for a dividend or other distribution, provided the date is not more than 60 days before the date of declaration of the dividend.
Purchase and Redemption of Stock	
Purchase and Redemption of Stock, Generally	
§ Under Delaware law, a corporation may purchase, redeem, receive, take or otherwise acquire, own and hold, sell, lend, exchange, transfer or otherwise dispose of, pledge, use and otherwise deal in and with its own shares; provided, however, that no corporation shall: (1) Purchase or redeem its own shares of capital stock for cash or other property when the capital of the corporation is impaired or when such purchase or redemption would cause any impairment of the capital of the corporation, except that a corporation may purchase or redeem out of capital any of its own shares which are entitled upon any distribution of its assets, whether by dividend or in liquidation, to a preference over another class or series of its stock, or, if no shares entitled to such a preference are outstanding, any of its own shares, if such	§ Ensco UK s articles of association provide that it may purchase its own shares, which, if purchased off market, requires approval of the shareholders by special resolution, and redeem outstanding redeemable shares, which, if requiring shareholder approval, requires an ordinary resolution. A special resolution, which would authorize the repurchase of up to 30 percent per annum of the share capital outstanding as of the beginning of each fiscal year, is anticipated to be adopted prior to the effective time of the merger. See Description of Class A Ordinary Shares of Ensco UK Alteration of Share Capital/Repurchase of Shares. § Ensco UK may redeem or purchase shares only if the shares are fully paid and only out of

shares will be retired upon their acquisition and the capital of the corporation reduced;

(2) Purchase, for more than the price at which they may then be redeemed, any of its shares which are redeemable at the option of the corporation; or

(3) Redeem any of its shares unless their redemption is authorized by a subsection of the

(1) distributable profits; or

(2) the proceeds of a new issue of shares made for the purpose of the purchase or redemption.

§ Under English law, any shares (including redeemable shares) purchased by Ensco UK must then be cancelled and cannot be resold by the company.

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Delaware Code and then only in accordance with such section and the certificate of incorporation.	
§ Under Delaware law, a corporation has a right to resell any of its shares theretofore purchased or redeemed out of surplus and which have not been retired, for such consideration as shall be fixed by the Board.	
Voting Treasury Stock	
§ Under Delaware law, shares of its own capital stock belonging to the corporation or to another corporation, if a majority of the shares entitled to vote in the election of directors of such other corporation is held, directly or indirectly, by the corporation, are neither entitled to vote nor counted for quorum purposes; however, a corporation has a right to vote stock, including but not limited to its own stock, held by it in a fiduciary capacity	§ Under English law, because Ensco UK will not be quoted on certain exchanges in the European Economic Area (*i.e.*, it will be listed only on the NYSE), it may not hold treasury shares.
§ Under Delaware law, shares which have been called for redemption shall not be deemed to be outstanding shares for the purpose of voting or determining the total number of shares entitled to vote on any matter on and after the date on which written notice of redemption has been sent to holders thereof and a sum sufficient to redeem such shares has been irrevocably deposited or set aside to pay the redemption price to the holders of the shares upon surrender of certificates therefor.	§ Any redeemable shares which are redeemed by Ensco UK must be cancelled, but pending redemption could be voted and deemed outstanding for the purpose of determining the total number of shares entitled to vote on any such matter unless the terms of issue provide otherwise.
Meetings of Shareholders	
§ Ensco Delaware s bylaws provide that all meetings of stockholders are to be held at any place designated by the Board. Also, written notice of the annual meeting stating the place, date and hour of the meeting shall be given to each stockholder entitled to vote at such meeting not less than 10 nor more than 60 days before the date of the meeting.	§ Ensco UK s articles of association provide that the Ensco UK Board, chairman, or chief executive officer may convene general meetings of the shareholders at any place they so designate.
	§ The notice of the general meeting must state the time, date and place of the meeting and the general nature of the business to be dealt with. The general meeting may be within or outside the U.K.

§ Ensco UK must hold its annual general meeting within 6 months from the day following the end of its fiscal year.

§ Under English law, an annual general meeting must be called by at least 21 clear days notice. It is possible to extend this notice period in the company s articles of association. This notice period can be shortened if all shareholders who are permitted to attend and vote agree to the shorter notice. A meeting other than the annual general meeting must be called by not less than 14 clear

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	days notice, but this too can be longer or shortened by agreement. The maximum notice in Ensco UK s articles is 60 days for both types of meeting. § Clear days means calendar days and excludes (1) the date of receipt or deemed receipt of the notice; and (2) the date of the meeting itself.
Special Meetings of Shareholders	
Calling a Special Meeting	
§ Ensco Delaware s certificate of incorporation and bylaws provide that special meetings of stockholders may be called only on the order of (1) the Board; or (2) the chairman of the Board; or (3) the chief executive officer.	§ Ensco UK s articles of association provide that general meetings of shareholders may be called on the order of (1) the Ensco UK Board; or (2) the chairman of the Ensco UK Board; or (3) the chief executive officer. § Under English law, one or more shareholders representing at least 5 percent of the paid up capital of Ensco UK carrying voting rights have the right to requisition the holding of a general meeting.
Notice	
§ Ensco Delaware s bylaws provide that stockholders entitled to vote at such special meeting must receive notice of the meeting not less than 10 days and not more than 60 days prior to the meeting. This notice must state the place, date and hour of the meeting and the purpose or purposes for which the meeting is called. Business transacted at any special meeting of stockholders shall be limited to the purposes stated in the notice.	§ English law requires that notice of a general meeting of shareholders (other than the annual meeting convened by the officers, which requires at least 21 clear days) must be delivered to the shareholders at least 14 clear days prior to the meeting. Under Ensco UK s articles of association the notice must be delivered not more than 60 days prior to the meeting. This notice must state the place, date and hour of the meeting and the purpose or purposes for which the meeting is called. Business transacted at any general meeting of shareholders shall be limited to the purposes stated in the notice.

§ Where the meeting is properly requisitioned by the shareholders of Ensco UK, the Ensco UK Board must call the general meeting within 21 days, and the meeting itself should be held not more than 28 days, after the date of the notice convening the meeting. The 28 day requirement may *not be lengthened*. It *can, however, be shortened* with shareholder consent.

§ Notice periods for general meetings can be shortened for public companies if shareholders holding 95 percent of the voting rights agree to hold the meeting at short notice. In the case of

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	annual general meetings, all shareholders entitled to attend and vote must agree to short notice.
Appraisal Rights	
To Whom are Appraisal Rights Available	
§ Under Delaware law, stockholders of a corporation involved in a merger who hold shares of stock on the date a demand is made with respect to such shares, who continuously holds such shares through the effective date of the merger or consolidation, and who has neither voted in favor of the merger or consolidation nor consented thereto in writing generally have the right to demand and receive payment in cash of the fair value of their stock as determined by the Delaware Court of Chancery, in lieu of receiving the merger consideration. However, appraisal rights are not available to holders of shares (1) listed on a national securities exchange; or (2) held of record by more than 2,000 stockholders.	§ English law does not provide for appraisal rights similar to those rights under Delaware law. However, English law will provide for dissenter s rights which permit a shareholder to object to a Court in the context of the compulsory acquisition of minority shares. See Shareholders Votes on Certain Transactions below.
Exceptions to Appraisal Rights	
§ Appraisal rights shall be available for the shares of any class or series of stock of a constituent corporation if the holders are required by the terms of an agreement of merger or consolidation to accept for such stock anything except: (1) shares of stock of the corporation surviving or resulting from such merger or consolidation, or depositary receipts in respect thereof; (2) shares of stock or depositary receipts of another corporation that, at the effective date of the merger, will be either(a) listed on a national securities exchange; or (b) held of record by more than 2,000 holders; or (3) cash in lieu of fractional shares of the stock or depositary receipts received; or	

(4) any combination of the shares of stock, depositary receipts and cash in lieu of fractional shares or fractional depositary receipts described in the foregoing (1) (3)

In addition, appraisal rights are not available to the holders of shares of the surviving corporation in the merger, if the merger does not require the approval of the stockholders of that corporation.

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Preemptive Rights	
§ Under Delaware law, a stockholder is not entitled to preemptive rights to subscribe for additional issuances of stock or any security convertible into stock unless they are specifically granted in the certificate of incorporation. § Ensco Delaware s certificate of incorporation provides that the Board may issue authorized but unissued shares for such consideration as it may determine, and holders of common stock and preferred stock shall have no preemptive rights to purchase any shares or securities of any class, including treasury shares, which may at any time be issued or sold or offered for sale by the corporation.	§ Under English law, unless either a special resolution to the contrary has been passed by the shareholders or there is a provision in the articles of association conferring a corresponding right, the issuance for *cash* of: (1) equity securities, (*i.e.*, ordinary shares, which are shares other than shares which, with respect to dividends or capital, carry a right to participate only up to a specified amount in a distribution); or (2) rights to subscribe for or convert securities into, ordinary shares, must be offered first to the existing ordinary shareholders in proportion to their respective nominal values of their holdings. English law permits a company s shareholders by special resolution or a provision in a company s articles of association to exclude preemptive rights for a period of up to five years. § Preemptive rights do not generally apply to a company s issuance of shares in exchange for consideration other than cash. § A special resolution is anticipated to be passed immediately prior to the effective time of the merger to exclude preemptive rights for a period of five years. See Description of Class A Ordinary shares of Ensco UK Preemptive Rights and New Issues of Shares.
Amendment of Governing Instruments	
Amending the Certificate of Incorporation	
§ Under Delaware law, unless the certificate of incorporation requires a greater vote, an amendment to the certificate of incorporation requires	§ The provisions in the articles of association of an English public limited company are generally equivalent to the collective provisions in a certificate of

(1) recommendation of the Board;

(2) the affirmative vote of a majority of the outstanding stock entitled to vote; and

(3) the affirmative vote of a majority of the outstanding stock of each class entitled to vote.

§ Under Delaware law, stockholders have the power to adopt, amend or repeal bylaws by the affirmative vote of a majority of the stock present and entitled to vote at a meeting at which a quorum is present,

incorporation and bylaws of a Delaware corporation.

§ Under English law, a special resolution of the shareholders is required to amend any provision of Ensco UK s articles of association. The Ensco UK Board does not have the power to amend the New Articles without shareholder approval.

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unless the certificate of incorporation or the bylaws specify a greater vote. § Ensco Delaware s certificate of incorporation requires a vote of stockholders holding two-thirds of the company s shares for the stockholders to amend or repeal the following provisions in the certificate of incorporation: (1) provisions regarding the numbers of directors, staggered board, filling vacancies and certain other provisions regarding the directors (Articles 6); (2) provisions regarding the Board s power to alter, amend or repeal the corporation s bylaws, and to adopt new bylaws (Article 9); (3) provisions regarding removal of directors (Article 13); and (4) provisions regarding action at a shareholders meeting (Article 16).	
Amending the Bylaws § The bylaws provide that the bylaws may be altered, amended or repealed by a vote of the stockholders holding two-thirds of the company s shares. § Under Delaware law, if provided by the certificate of incorporation, the board of directors has the power to adopt, amend or repeal the bylaws of a company. Ensco Delaware s certificate of incorporation authorizes the Board to alter, amend, repeal or adopt new bylaws.	
Preferred Stock/Unclassified Shares	
§ Ensco Delaware s certificate of incorporation authorizes the Board (1) to provide for the issuance of one or more series of preferred stock;	§ Preferred shares can be issued by English companies, giving the holders rights of priority over ordinary shareholders. § Subject to there being an unexpired authority to allot shares, Ensco UK s articles of association permit the

(2) to establish from time to time the number of shares to be included in such series; and

(3) to fix the powers, designations, preferences, and relative participating, optional, or other special rights, and qualifications, limitations and restrictions thereof.

§ Ensco Delaware s bylaws provide that the voting rights of holders of preferred stock shall be determined by the certificate of incorporation or the certificate of designation with respect to such preferred stock.

directors to issue shares with rights to be determined by the directors at the time of issuance, which may include preferred rights.

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Ensco Delaware currently does not have any shares of preferred stock outstanding.	
Stock Class Rights	
§ Under Delaware law, any change to the rights of holders of Ensco Delaware s common or preferred stock would require an amendment to Ensco Delaware s certificate of incorporation. Holders of shares of a class are entitled to vote as a class upon a proposed amendment to the certificate of incorporation if the amendment will (1) increase or decrease the authorized shares of the class; (2) increase or decrease the par value of the shares of the class; or (3) alter or change the powers, preferences or special rights of the shares of the class so as to affect them adversely.	§ Amendments affecting the rights of the holders of any class of shares may, depending on the rights attached to the class and the nature of the amendments, also require approval of the class affected at a separate class meeting. § Ensco UK s articles of association provide that shareholders of the relevant class of shares can approve any amendment to their rights either by (1) consent in writing of shareholders holding at least 75 percent of the issued shares of that class by amount; or (2) a special resolution passed at a class meeting of the relevant class.
Shareholders Votes on Certain Transactions	
Approval of Mergers and Acquisitions Generally	
§ Generally, under Delaware law, unless the certificate of incorporation provides for the vote of a larger portion of the stock, completion of a merger or consolidation or substantially all of a corporation s assets or dissolution requires: (1) the approval of the board of directors; and (2) approvals by the vote of the holders of a majority of the outstanding stock or, if the certificate of incorporation provides for more or less than one vote per share, a majority of the votes of the outstanding stock of a corporation entitled to vote on the matter. § Ensco Delaware s certificate of incorporation does not provide for a higher vote for certain transactions than a	§ As noted above, ordinary resolutions must be approved by at least a majority of the votes cast by shareholders. Special resolutions require the affirmative vote of at least 75 percent of the votes cast at the meeting to be approved. § There is no concept of a statutory merger under English law (except where an English company merges with another company based in the European Economic Area). § Under English law and subject to applicable U.S. securities laws and NYSE rules and regulations, where Ensco UK proposes to acquire another company, approval of Ensco UK s shareholders is not required.

majority vote of the stockholders.

§ Under English law, where another company proposes to acquire Ensco UK, the requirement for the approval of the shareholders of Ensco UK depends on the method of acquisition.

§ Schemes of arrangement are arrangements or compromises between a company and any class of shareholders or creditors, and are used in certain types of reconstructions, amalgamations, capital reorganizations or takeovers (similar to a merger in the U.S.). Such arrangements require the approval of: (i) a majority in number of shareholders or creditors (as the case may be) representing

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	75 percent in value of the creditors or class of creditors or shareholders or class of shareholders present and voting either in person or by proxy at a special meeting convened by order of the court; and (ii) the English court. § Once approved, sanctioned and becoming effective, all shareholders and creditors of the relevant class are bound by the terms of the scheme, and a dissenting shareholder would have no rights comparable to appraisal rights provided under Delaware law. § The Companies Act also provides that where (i) a takeover offer is made for shares, and (ii) following the offer, the offeror has acquired or contracted to acquire not less than 90 percent in value of the shares to which the takeover offer relates, and not less than 90 percent of the voting rights carried by the shares to which the offer relates, the offeror may require the other shareholders who did not accept the offer to transfer their shares on the terms of the offer. § A dissenting shareholder may object to the transfer on the basis that the bidder is not entitled to acquire shares or to specify terms of acquisition different from those in the offer by applying to the court within six weeks of the date on which notice of the transfer was given. In the absence of fraud or oppression, the court is unlikely to order that the acquisition shall not take effect, but it may specify terms of the transfer that it finds appropriate. § A minority shareholder is also entitled in similar circumstances to require the offeror to acquire his or her shares on the terms of the offer.
Related Party Transactions	
§ Under the rules of the NYSE, shareholder approval is required prior to the issuance of common stock, or of securities convertible into or exercisable for common stock, in any transaction or series of related transactions, to:	§ Ensco UK will be subject to the rules of the NYSE regarding related party transactions. § Under English law, certain transactions between a director and a related company of which he or she is a

director are prohibited unless approved by the shareholders, such as loans, credit transactions and substantial property transactions.

(1) a director, officer or substantial security holder of the company (each a Related Party);

(2) a subsidiary, affiliate or other closely-related person of a Related Party; or

(3) any company or entity in which a Related Party has a substantial direct or indirect interest;

if the number of shares of common stock to be issued, or if the number of shares of common stock into which the securities may be convertible or exercisable, exceeds either one percent of the

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number of shares of common stock or one percent of the voting power outstanding before the issuance. However, if the Related Party involved in the transaction is classified as such solely because such person is a substantial security holder, and if the issuance relates to a sale of stock for cash at a price at least as great as each of the book and market value of the issuer s common stock, then shareholder approval will not be required unless the number of shares of common stock to be issued, or unless the number of shares of common stock into which the securities may be convertible or exercisable, exceeds either five percent of the number of shares of common stock or five percent of the voting power outstanding before the issuance.	
Greater than 20 Percent Change in Common Shares or Voting Power	
§ Under the rules of the NYSE, stockholder approval is required prior to the issuance of common stock, or of securities convertible into or exercisable for common stock, in any transaction or series of related transactions if: (1) the common stock has, or will have upon issuance, voting power equal to or in excess of 20 percent of the voting power outstanding before the issuance of such stock or of securities convertible into or exercisable for common stock; or (2) the number of shares of common stock to be issued is, or will be upon issuance, equal to or in excess of 20 percent of the number of shares of common stock outstanding before the issuance of the common stock or of securities convertible into or exercisable for common stock.	§ Ensco UK will continue to be subject to the rules of the NYSE regarding the issuances of shares representing 20 percent or more of its outstanding share capital.
Rights of Inspection	
Rights of Inspection Generally	

§ Delaware law allows any stockholder in person or by attorney or other agent, upon written demand under oath stating the purpose thereof, during the usual hours for business to inspect for any proper purpose, and to make copies and extracts from:

(1) The corporation s stock ledger, a list of its stockholders, and its other books and records; and

(2) A subsidiary s books and records, to the extent that:

a. The corporation has actual possession and control of such records of such subsidiary; or

§ Generally, the register and index of names of shareholders of Ensco UK may be inspected at any time (1) for free, by its shareholders, and (2) for a fee by any other person.

§ The inspecting shareholder has to show he or she has a proper purpose in inspecting the register. Documents may be copied for a fee.

§ The service contracts, if any, of Ensco UK s directors can be inspected without charge and during business hours. In this and certain other contexts under applicable English law, a director includes certain executive officers and a service

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b. The corporation could obtain such records through the exercise of control over such subsidiary, provided that as of the date of the making of the demand: (1) The stockholder inspection of such books and records of the subsidiary would not constitute a breach of an agreement between the corporation or the subsidiary and a person or persons not affiliated with the corporation; and (2) The subsidiary would not have the right under the law applicable to it to deny the corporation access to such books and records upon demand by the corporation.	contract includes any contract under which such a director or executive officer undertakes personally to provide services to the company or a subsidiary company, whether in that person s capacity as a director, an executive officer or otherwise. § The shareholders of Ensco UK may also inspect, without charge and during business hours, the minutes of meetings of the shareholders for the previous 10 years and obtain copies of the minutes for a fee. § In addition, the published annual accounts of Ensco UK are required to be available for shareholders at a general meeting and a shareholder is entitled to a copy of these accounts. The accounts must also be made available on Ensco UK s website and remain available until the accounts for the next financial year are placed on the website. § Under English law, the shareholders of a company do not have the right to inspect the corporate books of a subsidiary of that company. § Ensco UK s articles of association continue the current practice in relation to permitting shareholders to examine a complete list of shareholders prior to, and at, a shareholder meeting.
Stockholder List § Ensco Delaware s bylaws state that a complete list of the stockholders entitled to vote at the meeting, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder shall be open to the examination of any stockholder, for any purpose germane to the shareholder meeting, during ordinary business hours, for a period of at least ten days prior to the meeting. The list shall also be produced and kept at the time and place of the meeting and may be inspected by any stockholder who is present.	
Standard of Conduct for Directors	

§ Delaware law does not contain any specific provisions setting forth the standard of conduct of a director. The scope of the fiduciary duties of the Board is thus determined by the courts of the State of Delaware. In general, directors have a duty to act in good faith, on an informed basis and in a manner they reasonably believe to be in the best interests of the stockholders.

§ English law imposes certain specific obligations on the directors of Ensco UK. In addition to certain common law and equitable principles, there are statutory director duties, including seven codified duties as follows:

(1) To act in a way he or she considers, in good faith, would be most likely to promote the

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§ The Board currently consists of 9 directors, one of whom is an executive officer of Ensco Delaware. § Ensco Delaware s bylaws provide that a majority of the directors shall be independent of the corporation and its management. § Ensco Delaware s certificate of incorporation states that the number of directors of the corporation shall be not less than three nor more than 15, with the number fixed within the foregoing limits from time to time by resolution adopted by the Board.	success of the company for the benefit of its shareholders as a whole; (2) To act in accordance with the company s constitution and exercise powers only for the purposes for which they are conferred; (3) To exercise independent judgment; (4) To exercise reasonable care, skill and diligence; (5) To avoid conflicts of interest; (6) Not to accept benefits from third parties; and (7) To declare an interest in a proposed transaction with the company.
Classification of the Board of Directors	
§ Delaware law permits the certificate of incorporation or a stockholder-adopted bylaw to provide that directors be divided into one, two or three classes, with the term of office of one class of directors to expire each year. § Ensco Delaware s bylaws provide that the Board will be divided into three classes of directors, each class is elected to serve for a term of three years, with the term of only one class expiring every year.	§ English law permits a company to provide for terms of different length for its directors. However, it also requires, in the case of officers who are also considered directors under English law, that employment agreements with a guaranteed term of more than two years be subject to a prior approval of shareholders at a general meeting. § Ensco UK s articles of association incorporate the board of director classifications from the Ensco Delaware bylaws.
Removal of Directors	
§ Delaware law provides that a director or the entire board may be removed with or without cause by the holders of a majority of the shares entitled to vote at an election of directors, except that (1) shareholders of a classified board of directors may be removed only for cause, unless the certificate of incorporation provides otherwise; and	§ Under English law, shareholders may remove a director without cause by ordinary resolution, irrespective of any provisions in the company s articles of association, provided that 28 clear days notice of the resolution is given to the company. § Unless otherwise provided in the articles of association, the director has a right to make written

(2) directors may not be removed in certain situations in the case of a corporation having cumulative voting.

§ Under Ensco Delaware s certificate of incorporation, a director of the company may be removed only with cause and only by the affirmative vote of holders of a majority of the representations, which the company must circulate to shareholders, as to why he or she should not be removed. This right is not excluded by Ensco UK s articles of association.

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outstanding shares entitled to vote upon the election of directors.	
§ Under Ensco Delaware s bylaws, subject to the rights, if any, of the holders of any then outstanding class or series of preferred stock or indebtedness of the corporation with special rights to elect directors, any or all of the directors of the corporation may be removed from office at any time, but only with cause and only by the affirmative vote of the holders of a majority of the outstanding shares of the corporation then entitled to vote generally in the election of directors, voting together as a single class.	
Vacancies on the Board of Directors	
Vacancies, Generally	
§ Under Delaware law, unless otherwise provided in the certificate of incorporation or the bylaws, (1) vacancies on a board of directors; and (2) newly created directorships resulting from an increase in the number of directors may be filled by a majority of the directors in office, although less than a quorum, or by a sole remaining director. In the case of a classified board, directors elected to fill vacancies or newly created directorships will hold office until the next election of the class for which the directors have been chosen. If, at the time of filling any vacancy or any newly created directorship, the directors then in office shall constitute less than a majority of the whole board, the Court of Chancery may, upon application of any stockholder or stockholders holding at least 10 percent of the voting stock at the time outstanding having the right to vote for such directors, summarily order an election to be held to fill any such vacancies or newly created directorships, or to replace the directors chosen by the directors then in office.	§ Ensco UK s articles of association provide for a continuation of the mechanism of filling director vacancies under Ensco Delaware s bylaws and certificate of incorporation. If there are, however, no directors in office, a shareholder may convene a general meeting for the purpose of appointing directors. § Shareholders also have a right to propose directors for appointment at a general meeting convened by the Ensco Board for such purpose, provided the shareholder(s) comply with the relevant procedural requirements. See Shareholder Proposals and Shareholder Nominations of Directors and Special Meetings of Shareholders above.
§ Under Delaware law, unless otherwise provided in the certificate of incorporation or the bylaws, when one or more directors shall resign from the board, effective at a	

future date, a majority of the directors then in office, including those who have so resigned, shall have power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective, and each director so chosen shall hold office as provided in this section in the filling of other vacancies.

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§ Ensco Delaware s bylaws and certificate of incorporation both provide that (1) any vacancies on the Board; or (2) newly created directorships, shall be filled by the majority vote of the remaining directors of all classes, whether or not a quorum, or by a sole remaining director. If there are no directors in office, then an election of directors may be held in the manner provided by statute.	
Term of Service After Appointment to Fill a Vacancy	
§ Ensco Delaware s bylaws and certificate of incorporation further provide that any director appointed to fill a vacancy shall serve for the remainder of the then present term of office of the class to which he or she was appointed. In the event such term extends beyond the next annual meeting of stockholders for which a definitive proxy statement has not been filed at the time of the appointment, the director or directors so appointed shall be named and described in the next definitive annual meeting proxy statement and shall stand for election for the remaining portion of the term of office at the annual meeting of stockholders subject to said proxy statement.	§ Ensco UK s articles of association provide for the same arrangements in relation to term of service.
Impact on Classification of the Board	
§ Ensco Delaware s bylaws and certificate of incorporation also provide that in the event of any change in the authorized number of directors, the newly created or eliminated directorships resulting from such increase or decrease shall be apportioned by the Board among the classes of directors so as to maintain such classes as nearly equal as possible.	§ Ensco UK s articles of association provide for the same apportionment among the classes of directors.
Liability of Directors and Officers	
§ Delaware law permits a corporation s certificate of incorporation to include a provision eliminating or limiting the personal liability of a director to the corporation and its	§ English law does not permit a company to exempt any director or certain officers from any liability arising from negligence, default, breach of duty or breach of

stockholders for damages arising from a breach of fiduciary duty as a director. However, no provision can limit the liability of a director for

(1) any breach of his or her duty of loyalty to the corporation or its stockholders;

trust against the company. However, despite this prohibition, an English company is permitted to purchase and maintain insurance for a director or executive officer of the company against any such liability.

§ Shareholders can ratify by ordinary resolution a director s or certain officer s conduct amounting to

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Provisions Currently Applicable to Ensco Delaware Stockholders	Provisions Applicable to Ensco UK Shareholders
(2) acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; (3) intentional or negligent payment of unlawful dividends or stock purchases or redemptions; or (4) any transaction from which he or she derives an improper personal benefit. § Ensco Delaware s certificate of incorporation provides that a director of the company will not be personally liable to the company or its stockholders for monetary damages for breach of fiduciary duty as a director. However, a director will be liable (i) for any breach of the director s duty of loyalty, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) pursuant to Section 174 of the Delaware General Corporation Law, or (iv) for any transaction from which such director derived an improper personal benefit.	negligence, default, breach of duty or breach of trust in relation to the company.
Indemnification of Directors and Officers	
§ Delaware law provides that a corporation may indemnify a person who is made a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding on account of being a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation, against expenses (including attorneys fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with such action, suit or proceeding if the person (1) acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the corporation; and (2) in a criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful. § Ensco Delaware s certificate of incorporation provides that Ensco will indemnify, to the fullest extent permitted	§ Subject to exceptions, English law does not permit a company to exempt a director or certain officers from, or indemnify him or her against, liability in connection with any negligence, default, breach of duty or breach of trust by him or her in relation to the company. § The exceptions allow a company to: (1) purchase and maintain director and officer insurance, or D&O Insurance against any liability attaching in connection with any negligence, default, breach of duty or breach of trust owed to the company. D&O Insurance generally covers costs incurred in defending allegations and compensatory damages that are awarded. However, D&O Insurance will not cover damages awarded in relation to criminal acts, intentional malfeasance or other forms of dishonesty, regulatory offences or excluded matters such as environmental liabilities. In relation to these matters, D&O Insurance generally only covers defense costs, subject to the

by Delaware law, members of its board, officers of the company and all persons whom the company will have the power to indemnify from and against all expenses, liabilities or other matters. Further, the company may purchase and maintain insurance or create a trust fund, grant a security interest and/or use other means to effect indemnification.

obligation of the director or officer to repay the costs if an allegation of criminality, dishonesty or intentional malfeasance is subsequently admitted or found to be true; and

(2) provide a qualifying third party indemnity provision, or QTPIP. This permits a company to

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Provisions Currently Applicable to Ensco Delaware Stockholders	Provisions Applicable to Ensco UK Shareholders
§ Ensco Delaware s bylaws provide that the company shall defend and indemnify its officers, directors, employees and agents to the full extent permitted by the General Corporation Law of Delaware.	indemnify its directors and certain officers (and directors and certain officers of an associated company) in respect of proceedings brought by third parties (covering both legal costs and the amount of any adverse judgment, except for: the legal costs of an unsuccessful defense of criminal proceedings or civil proceedings brought by the company itself; fines imposed in criminal proceedings; and penalties imposed by regulatory bodies). Ensco UK can therefore indemnify directors and certain officers against such third party actions as class actions or actions following mergers and acquisitions or share issues; and (3) indemnify a director or certain officers in respect of defense costs in relation to civil and criminal proceedings against him or her (even if the action is brought by the company itself). This is subject to the requirement for the director or officer to reimburse the company if the defense is unsuccessful. However, if the company has a QTPIP in place whereby the director or officer is indemnified in respect of legal costs in civil proceedings brought by third parties, then the director or officer will not be required to reimburse the company. § Ensco UK s New Articles include a provision requiring the company to indemnify to any extent permitted by law any person who is or was a director or officer of any associated company, directly or indirectly (including by funding any expenditure incurred or to be incurred by him or her) against any loss or liability, whether in connection with any negligence, default, breach of duty or breach of trust by him or her or otherwise, in relation to the company or any associated company. The articles go on to state that where a person is so indemnified, such indemnity may extend to all costs, losses, expenses and liabilities incurred by him or her. § In addition to the provisions of the articles of association, it is common to set out the terms of the QTPIP in the form of a deed of indemnity between the company and the relevant director or executive officer which essentially indemnifies the director or executive officer against claims brought by third parties to the

fullest extent permitted under English law. We expect to enter into new indemnification agreements and deeds of indemnity with directors, executive officers and certain other officers and employees (including directors, officers and employees of subsidiaries and other affiliates). See Proposal 1 Approval

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Provisions Currently Applicable to Ensco Delaware Stockholders	Provisions Applicable to Ensco UK Shareholders
	of the Adoption of the Merger Agreement Additional Agreements.
	§ Ensco UK will be required to disclose in its annual directors report any QTPIP in force at any point during the relevant financial year or in force when the directors report is approved. A copy of the indemnity or, if it is not in writing, a memorandum setting out its terms must be open to inspection during the life of the indemnity and for a period of one year from the date of its termination or expiration. Any shareholder may inspect the indemnity, or memorandum, without charge or may request a copy on payment of a fee.
Shareholders Suits	
§ Under Delaware law, a stockholder may initiate a derivative action to enforce a right of a corporation if the corporation fails to enforce the right itself. The complaint must (1) state that the plaintiff was a stockholder at the time of the transaction of which the plaintiff complains or that the plaintiff s shares thereafter devolved on the plaintiff by operation of law; and (2)(a) allege with particularity the efforts made by the plaintiff to obtain the action the plaintiff desires from the directors; or (b) state the reasons for the plaintiff s failure to obtain the action or for not making the effort. § Additionally, the plaintiff must remain a stockholder through the duration of the derivative suit. The action will not be dismissed or compromised without the approval of the Delaware Court of Chancery. § An individual may also commence a class action suit on behalf of himself or herself and other similarly situated stockholders where the requirements for maintaining a class action under Delaware law have been met.	§ While English law only permits a shareholder to initiate a lawsuit on behalf of the company in limited circumstances, it does permit a shareholder whose name is on the register of shareholders of Ensco UK to apply for a court order: (1) when Ensco UK s affairs are being or have been conducted in a manner unfairly prejudicial to the interests of all or some shareholders, including the shareholder making the claim; or (2) when any act or omission of Ensco UK is or would be so prejudicial. § As discussed in Description of Class A Ordinary Shares of Ensco UK Anti-takeover Provisions, Ensco UK will not be subject to the U.K. Takeover Panel (*i.e.*, the regulator of the Takeover Code).

Share Acquisitions

§ Section 203 of the Delaware General Corporation Law prohibits business combinations. A corporation shall not engage in any business combination with any interested stockholder for a period of 3 years following the time that such stockholder became an interested stockholder, unless:

§ See Description of Class A Ordinary Shares of Ensco UK Anti-takeover Provisions.

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Provisions Currently Applicable to Ensco Delaware Stockholders	Provisions Applicable to Ensco UK Shareholders
(1) Prior to such time the board of directors of the corporation approved either the business combination or the transaction which resulted in the stockholder becoming an interested stockholder;	
(2) Upon consummation of the transaction which resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85 percent of the voting stock of the corporation outstanding at the time the transaction commenced, excluding for purposes of determining the voting stock outstanding (but not the outstanding voting stock owned by the interested stockholder) those shares owned (i) by persons who are directors and also officers and (ii) employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or	
(3) At or subsequent to such time the business combination was approved by the board of directors and authorized at an annual or special meeting of stockholders, and not by written consent, by the affirmative vote of at least 66 2/3 percent of the outstanding voting stock which is not owned by the interested stockholder.	
Anti-Takeover Matters	
§ A Delaware court will generally uphold board of director decisions to adopt anti-takeover measures in the face of a potential takeover where the directors are able to show that	§ English law does not expressly prohibit anti-takeover measures, such as shareholder rights plans. Similar to what is permitted under Delaware law, the Ensco UK Board may adopt a shareholder rights plan at any time, including in conjunction with the consummation of the merger or sometime thereafter. See Description of Class A Ordinary Shares of Ensco UK Anti-takeover Provisions.
(1) they had reasonable grounds for believing that there was a danger to corporate policy and effectiveness from an acquisition proposal; and	
(2) the board action taken was reasonable in relation to the threat posed.	
Disclosure of Interests	

Short Form Disclosure

§ Certain acquisitions of Ensco Delaware stock may require disclosure under the Exchange Act. Some acquisitions, however, may qualify for a short-form disclosure on Schedule 13G. Generally, an acquisition of more than a 5 percent interest in a U.S. publicly-held issuer by

§ The Section 13D/G reporting regime will continue to apply to Ensco UK as it will have its shares registered under Section 12 of the U.S. Securities Exchange Act of 1934.

§ In addition, English law provides that a company may, by notice in writing, require a person whom the company knows or reasonably believes to be or

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Provisions Currently Applicable to Ensco Delaware Stockholders	Provisions Applicable to Ensco UK Shareholders
(1) certain types of persons, including a broker-dealer, a bank, an insurance company, an investment company and an investment adviser, or (2) a passive investor who is not seeking to acquire or influence control of the issuer, so long as the investor owns less than 20 percent of the class of stock it is acquiring, may be disclosed on a Schedule 13G.	to have been within the three preceding years, interested in its issued voting share capital to: (1) confirm whether this is or is not the case; and (2) if this is the case, to give further information that it requires relating to his or her interest and any other interest in the company s shares of which he or she is aware. The disclosure must be made within a reasonable period as specified in the relevant notice which may be as short as one or two days.
Amendments to Short Form Disclosure § A buyer who files a Schedule 13G must amend it periodically (1) to report any change in the information previously reported; or (2) if it acquires more than 10 percent of the class of stock and, thereafter, if it undergoes any change in ownership of 5 percent or more of the class of stock.	

Limitation on Enforceability of Civil Liabilities Under U.S. Federal Securities Laws

Ability to Bring Suits, Enforce Judgments and Enforce U.S. Law

§ Ensco Delaware is a U.S. company incorporated under the laws of Delaware and has substantial assets located in the U.S. As a result, investors generally can initiate lawsuits in the U.S. against Ensco Delaware and its directors and officers and can enforce lawsuits based on U.S. federal securities laws in U.S. courts.	§ As a company listed on the NYSE, Ensco UK and its directors and officers would be subject to U.S. Federal securities laws, and investors could initiate civil lawsuits in the U.S. against Ensco UK for breaches of the U.S. Federal securities laws. § Because Ensco UK will be a public limited company incorporated under English law after the effective time of the merger, investors could experience more difficulty enforcing judgments obtained against Ensco UK in U.S. courts than would currently be the case for U.S. judgments obtained against Ensco Delaware. In

addition, it may be more difficult (or impossible) to bring some types of claims against Ensco UK in courts sitting in England than it would be to bring similar claims against a U.S. company in a U.S. court. In addition, the Ensco UK articles of association will provide that English courts have exclusive jurisdiction with respect to any suits brought by shareholders against Ensco UK or its directors.

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Provisions Currently Applicable to Ensco Delaware Stockholders	Provisions Applicable to Ensco UK Shareholders
	§ A judgment obtained against Ensco UK from a U.S. court will not be recognized by the English courts but an action may be commenced in the English courts for an amount due under a judgment given by the U.S. courts if that judgment is (a) for a debt or definite sum of money; (b) final and conclusive; and (c) not of a penalty or revenue nature. A judgment may be impeached by showing that: (i) the court in question did not, in the circumstances of the case, and in accordance with the English rules of private international law, have jurisdiction to give that judgment; or (ii) the judgment was obtained through fraud; or (iii) the enforcement of the judgment would be contrary to the public policy of the U.K.; or (iv) the proceedings in which the judgment was obtained were opposed to the rules of natural justice. § Ensco UK and its directors and officers may be subject to criminal penalties in the U.S. arising from breaches of the U.S. federal securities laws, but may not be subject to criminal penalties unless the criminal laws of the U.K. were violated. § A criminal judgment in a U.S. court under U.S. Federal securities laws may not be enforceable in the English courts on public policy grounds and a prosecution brought before the English courts under U.S. federal securities laws might not be permitted on public policy grounds.
Short Swing Profits	
§ Directors and officers of Ensco Delaware are governed by rules under the Exchange Act that may require directors and officers to forfeit to Ensco Delaware any short swing profits realized from purchases and sales, as determined under the Exchange Act and the rules thereunder, of Ensco Delaware equity securities.	§ As a company listed on the NYSE, directors and officers of Ensco UK would be subject to the U.S. securities laws, including the prohibitions on short swing trading.
Proxy Statements and Reports	
Notices and Reports to Shareholders; Matters to Include	

Proxy Statements Generally

§ Under the Exchange Act proxy rules, Ensco Delaware must comply with notice and disclosure requirements relating to the solicitation of proxies for stockholder meetings.

§ The Exchange Act proxy rules will continue to apply to Ensco UK (unless there are further changes in the Company as described in Effect of the Reorganization on Potential Future Status as a Foreign Private Issuer).

§ English law does not have specific proxy solicitation legislation, but approaches to

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Provisions Currently Applicable to Ensco Delaware Stockholders	Provisions Applicable to Ensco UK Shareholders
	shareholders may need to comply with Financial Services and Markets Act 2000.
Voting by Proxy	
§ Ensco Delaware s bylaws provide that each stockholder is entitled to vote in person or by proxy for each share of the capital stock having voting power held by such stockholder, but no proxy shall be voted on after three years from its date, unless the proxy provides for a longer period.	§ These provisions are included in Ensco UK s articles of association.
Reports	
§ Ensco Delaware s bylaws provide that the Board, through the chairman of the board, chief executive officer, or president, shall present at each annual meeting, and at any special meeting of the stockholders when called for by vote of the stockholders, a full and clear statement of the business and condition of the corporation.	
Approval of Director Compensation	
§ Ensco Delaware s stockholders generally do not have the right to approve directors compensation.	§ Because shares of Ensco UK will trade on the NYSE in ADS form only, Ensco UK will not be required to prepare and submit for shareholder approval a directors remuneration report. Ensco UK will remain subject to SEC reporting requirements for director and executive officer compensation.
Approval of Auditors	
§ Ensco Delaware s stockholders do not have the right to appoint the Company s auditors; however, Ensco Delaware typically includes in its proxy statement a shareholder proposal to ratify the appointment of its auditors.	§ Under English law, Ensco UK s shareholders approve the company s auditors each year. In addition, the company s annual financial statements, which must, to the satisfaction of the directors, give a true and fair view of the assets, liabilities, financial position and profit or loss of Ensco UK and the consolidated group, must be presented to the shareholders at a general meeting but are not required to be approved by the shareholders.

Notice

§ Ensco Delaware s bylaws provide that whenever notice is required to be given to any stockholder, such notice may be given in writing, by mail, addressed to such stockholder, at his or her address as it appears on the records of the corporation, with postage thereon prepaid, and such notice shall be deemed to be given at the time when the same shall be deposited in the U.S. mail.

§ Ensco UK s articles of association provide that whenever notice is required to be given to any shareholder, such notice may be given in writing

(1) personally;

(2) by mail, addressed to such shareholder, at his or her address as it appears on the records of the company, with postage thereon prepaid;

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Provisions Currently Applicable to Ensco Delaware Stockholders	Provisions Applicable to Ensco UK Shareholders
	(3) by sending it in electronic form (if the shareholder has so agreed); or
	(4) in certain circumstances, by making the notice available on a website.
Reporting Requirements	
§ As a U.S. public company, Ensco Delaware must file with the SEC, among other reports and notices:	§ Since Ensco UK would be considered a successor issuer to Ensco Delaware and would be listed on the NYSE, Ensco UK would remain subject to U.S. securities laws, but would not be subject to the reporting obligations of companies listed on the London Stock Exchange or on any other securities exchange.
(1) an Annual Report on Form 10-K within 60 days after the end of a fiscal year;	
(2) a Quarterly Report on Form 10-Q within 40 days after the end of a fiscal quarter ending; and	
(3) Current Reports on Form 8-K upon the occurrence of certain important corporate events. Unless otherwise specified, a report is to be filed or furnished within four business days after occurrence of the event.	

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SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS

The following table summarizes amounts and percentages of shares of Ensco Delaware common stock owned beneficially as of October 31, 2009 by each person or group known by us to own more than 5 percent of the outstanding shares of Ensco Delaware common stock (the only class of voting securities outstanding):

Name and Address of Beneficial Owner	Amount of Beneficial Ownership[1]	Percentage
FMR LLC 82 Devonshire Street Boston, MA 02109	14,536,724[2]	10.20%
Barclays Global Investors, NA 400 Howard Street San Francisco, CA 94105	11,571,212[3]	8.12%
State Street Bank and Trust Company One Lincoln Street Boston, MA 02111	7,936,965[4]	5.57%
The Vanguard Group, Inc. 100 Vanguard Boulevard Malvern, PA 19355	7,355,236[5]	5.16%

(1) As of October 31, 2009, there were 142,510,350 shares of our common stock outstanding. Unless otherwise indicated, each person or group has sole voting and dispositive power with respect to all shares.

(2) Based on the Schedule 13G filed on November 10, 2009, FMR, LLC and/or certain related parties described in the Schedule 13G may be deemed to be the beneficial owners of 14,536,724 shares of our common stock as of October 31, 2009, for which they have sole voting power for 793,717 shares.

(3) Based on the Schedule 13G filed on February 5, 2009, Barclays Global Investors, NA and/or certain related parties described in the Schedule 13G may be deemed to be the beneficial owners of 11,571,212 shares of our common stock as of December 31, 2008, for which they have sole voting power for 9,981,783 shares.

(4) Based on the Schedule 13G filed on February 13, 2009, State Street Bank and Trust and/or certain related parties described in the Schedule 13G may be deemed to be the beneficial owners of 7,936,965 shares of our common stock as of December 31, 2008, for which they have sole voting power.

(5) Based on the Schedule 13G filed on February 13, 2009, The Vanguard Group, Inc. and/or certain related parties described in the Schedule 13G may be deemed to be the beneficial owners of 7,355,236 shares of our common stock as of December 31, 2008, for which they have sole voting power for 157,202 shares.

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SECURITY OWNERSHIP OF MANAGEMENT

The following table sets forth, as of October 31, 2009, information with respect to our shares of stock owned beneficially by each director, by each of our executive officers who are identified as named executive officers in the proxy statement for our 2009 Annual Meeting of Stockholders, and by all of our directors and executive officers as a group:

Executive Officers, Directors and Director Nominees	Amount of Beneficial Ownership[1]	Percentage
Daniel W. Rabun Chairman, President and Chief Executive Officer	305,898[1]	[7]
William S. Chadwick, Jr. Executive Vice President and Chief Operating Officer	194,243[1][2]	[7]
James W. Swent III Senior Vice President Chief Financial Officer	119,704[1]	[7]
Phillip J. Saile Senior Vice President Operations	94,898[2][3]	[7]
H. E. Malone, Jr. Vice President Finance ENSCO Offshore International Company	40,932[1]	[7]
Paul E. Rowsey, III Director	37,731[4]	[7]
Gerald W. Haddock Director	29,903[4][5]	[7]
Rita M. Rodriguez Director	23,982[4]	[7]
David M. Carmichael Director	21,320[4]	[7]
Thomas L. Kelly II Director	20,719[4]	[7]
C. Christopher Gaut Director	20,570[4]	[7]
Keith O. Rattie Director	12,389[4][5]	[7]
J. Roderick Clark Director	10,320[4]	[7]
All Directors and executive officers as a Group (20 persons, including those named above)	1,191,103[6]	[7]

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(1) Includes shares immediately issuable upon exercise of stock options as of October 31, 2009 and shares issuable upon exercise of stock options that vest within 60 days of October 31, 2009, and shares of restricted stock that vest at an annual rate as follows:

		Restricted Stock	
	Options	**Number of Shares**	**Annual Vesting**
Daniel W. Rabun	112,500	10,000	5,000
		35,000	5,000
		24,999	8,333
		61,332	15,333
		27,030	9,010
		158,361	
William S. Chadwick, Jr.	46,250	20,000	4,000
		1,750	1,750
		7,441	1,063
		7,666	3,833
		9,999	3,333
		26,668	6,667
		18,333	6,111
		91,857	
James W. Swent III	36,250	20,000	5,000
		1,500	1,500
		4,666	2,333
		8,001	2,667
		18,668	4,667
		9,849	3,283
		6,000	3,000
		68,684	
H. E. Malone, Jr.	12,375	875	875
		2,134	1,067
		3,201	1,067
		8,000	2,000
		10,665	2,133
		24,875	

(2) Also includes the following shares held indirectly under the ENSCO Savings Plan and the ENSCO Supplemental Executive Retirement Plans (SERP), which is described in the Compensation Discussion and Analysis section of the proxy statement for our 2009 Annual Meeting of Stockholders:

	ENSCO Savings Plan	SERP
William S. Chadwick, Jr.	9	2
Phillip J. Saile	4,201	1,176

(3) Mr. Saile retired from his position as Senior Vice President Operations of Ensco Delaware on July 31, 2009.

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(4) Includes shares immediately issuable upon exercise of stock options (all outstanding non-employee director stock options fully vested upon grant) and shares of restricted stock that vest at an annual rate as follows:

		Restricted Stock	
	Options	**Number of Shares**	**Annual Vesting**
Paul E. Rowsey, III	12,000	150	150
		600	300
		900	300
		2,400	600
		5,570	1,114
		9,620	
Rita M. Rodriguez	12,000	150	150
		600	300
		900	300
		2,400	600
		5,570	1,114
		9,620	
David M. Carmichael	9,000	150	150
		600	300
		900	300
		2,400	600
		5,570	1,114
		9,620	
Gerald W. Haddock	9,000	150	150
		600	300
		900	300
		2,400	600
		5,570	1,114
		9,620	
Thomas L. Kelly II	9,000	150	150
		600	300
		900	300
		2,400	600
		5,570	1,114

	9,620	
C. Christopher Gaut	4,000	1,000
	5,570	1,114
	9,570	
Keith O. Rattie	4,000	1,000
	5,570	1,114
	9,570	
J. Roderick Clark	4,000	1,000
	5,570	1,114
	9,570	

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(5) Also includes the following shares held indirectly under the Non-Employee Director Deferred Compensation Plan, which is described in the Compensation Discussion and Analysis section of the proxy statement for our 2009 Annual Meeting of Stockholders:

Gerald W. Haddock	8,583
Keith O. Rattie	1,319

(6) Denotes all shares owned by our executive officers and directors and members of their immediate family sharing the same household, including 632,384 shares of unvested restricted stock, 289,540 shares issuable upon exercise of stock options and 18,099 shares held indirectly under the ENSCO Savings Plan, SERP and the Non-Employee Director Deferred Compensation Plan.

(7) Ownership is less than 1 percent of the shares of our common stock outstanding.

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LEGAL MATTERS

Baker & McKenzie LLP (U.S.) has advised us in connection with certain U.S. legal matters with respect to the reorganization and Baker & McKenzie LLP (U.K.) has advised us in connection with certain U.K. legal matters with respect to the reorganization, including legal matters with respect to the validity of the Class A Ordinary Shares represented by the ADSs to be issued pursuant to the merger.

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The consolidated financial statements of Ensco Delaware and subsidiaries as of December 31, 2008 and 2007, and for each of the years in the three-year period ended December 31, 2008, and management s assessment of the effectiveness of internal control over financial reporting as of December 31, 2008 have been incorporated by reference in this proxy statement/prospectus in reliance upon the reports of KPMG LLP, independent registered public accounting firm, incorporated by reference in this proxy statement/prospectus, and upon the authority of said firm as experts in accounting and auditing.

The audit report covering the December 31, 2008 consolidated financial statements refers to the adoption, effective January 1, 2008, of the provisions of Statement of Financial Accounting Standards No. 157, *Fair Value Measurements*, as it relates to financial assets and liabilities and the adoption, effective January 1, 2007, of the provisions of Financial Accounting Standards Board Interpretation No. 48, *Accounting for Uncertainty in Income Taxes*.

With respect to the unaudited interim financial information for the periods ended September 30, 2009 and 2008, incorporated by reference in this proxy statement/prospectus, the independent registered public accounting firm has reported that they applied limited procedures in accordance with professional standards for a review of such information. However, their separate report included in Ensco Delaware s quarterly report on Form 10-Q for the quarter ended September 30, 2009, and incorporated by reference in this proxy statement/prospectus, states that they did not audit and they do not express an opinion on that interim financial information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied. The independent registered public accounting firm is not subject to the liability provisions of Section 11 of the Securities Act for their report on the unaudited interim financial information because that report is not a report or a part of any registration statement prepared or certified by the independent registered public accounting firm within the meaning of Sections 7 and 11 of the Securities Act.

WHERE YOU CAN FIND MORE INFORMATION

Ensco Delaware is subject to the informational requirements of the Exchange Act and in accordance therewith files annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy any reports, statements or other information we file at the SEC s public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference rooms. Ensco Delaware s SEC filings also are available to the public from commercial document retrieval services and at the SEC s website at www.sec.gov. You may also inspect those reports, proxy statements and other information concerning Ensco Delaware at the offices of the NYSE, 20 Broad Street, New York, New York 10005, on which the Ensco Delaware common stock is currently listed.

Ensco UK has filed a Registration Statement on Form S-4 with the SEC to register its Class A Ordinary Shares underlying the ADSs in connection with the merger. This proxy statement/prospectus is a part of that registration

statement and constitutes a prospectus of Ensco UK under applicable U.S. securities laws in addition to being the proxy statement of Ensco Delaware for the special meeting. This proxy statement/prospectus is not intended to be and is not a prospectus for purposes of the U.K. Financial Services Authority s Prospectus Rules. A registration statement on Form F-6 in respect of the ADSs has also been filed with the SEC.

In addition to the information set forth in this proxy statement/prospectus, SEC rules allow Ensco Delaware and Ensco UK to incorporate by reference information into this proxy statement/prospectus, which means that Ensco Delaware can disclose important information to you by referring you to another document filed separately

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with the SEC. The information incorporated by reference is deemed to be part of this proxy statement/prospectus, except for any information therein that is superseded by information set forth in this proxy statement/prospectus. We incorporate by reference the documents listed below and any additional documents that we will file with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act (excluding any information furnished but not filed) following the date of this document, but prior to the date of the special meeting. These documents contain important information about Ensco Delaware. The documents incorporated by reference are:

1. Annual Report on Form 10-K for the year ended December 31, 2008, filed with the SEC on February 26, 2009;

2. Proxy Statement on Schedule 14A, filed with the SEC on April 14, 2009, as amended by Amendment No. 1 thereto, filed with the SEC on April 14, 2009;

3. Quarterly Report on Form 10-Q for the quarter ended March 31, 2009, filed with the SEC on April 23, 2009;

4. Quarterly Report on Form 10-Q for the quarter ended June 30, 2009, filed with the SEC on July 23, 2009;

5. Quarterly Report on Form 10-Q for the quarter ended September 30, 2009, filed with the SEC on October 22, 2009; and

6. Current Reports on Form 8-K (in each case, other than information and exhibits furnished to and not filed with the SEC in accordance with SEC rules and regulations) filed with the SEC January 13, 2009, January 15, 2009, January 28, 2009, February 17, 2009, February 26, 2009, March 16, 2009, April 15, 2009, April 23, 2009, May 15, 2009, June 9, 2009, June 15, 2009, June 30, 2009, July 15, 2009, July 16, 2009, July 23, 2009, August 18, 2009, September 8, 2009, September 15, 2009, October 14, 2009, October 15, 2009, October 22, 2009, November 6, 2009 and November 16, 2009.

If you are a stockholder of record or beneficial owner, we may already have sent you some of the documents incorporated by reference, but you can obtain any of them from us or the SEC. Stockholders of record, beneficial owners, and any other person to whom a proxy statement is delivered, may obtain without charge a copy of documents that we incorporate by reference into this proxy statement/prospectus (including exhibits, but only if specifically requested) by requesting them by telephone at (214) 397-3000 or in writing at the following address:

ENSCO International Incorporated
500 North Akard Street, Suite 4300
Dallas, Texas 75201-3331
Attn: Investor Relations Department

If you would like to request documents from us, please do so by December 11, 2009, to assure that you will receive them before the special meeting.

You should rely only on the information contained or incorporated by reference into this proxy statement/prospectus to consider and vote upon the adoption of the merger agreement. We have not authorized anyone to provide you with information that is different from what is contained in this proxy statement/prospectus. The date of this proxy statement/prospectus can be found on the first page. You should not assume that the information contained in this proxy statement/prospectus is accurate as of any date other than that date, and neither the mailing of this proxy statement/prospectus to stockholders nor the issuance of ADSs representing Class A Ordinary Shares in the merger

shall create any implication to the contrary.

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OTHER INFORMATION

Stockholder Proposals for Next Annual Meeting

If the proposal to approve the adoption of merger agreement is not approved by our stockholders, any of our stockholders intending to present a proposal at the 2010 annual meeting of ENSCO International Incorporated must deliver such proposal to our principal executive offices, in writing and in accordance with SEC Rule 14a-8, no later than December 14, 2009, for inclusion in the proxy statement related to that meeting. The proposal should be delivered to our Secretary by certified mail, return receipt requested.

A stockholder whose proposal is not included in the proxy statement related to the 2010 annual meeting, but who still intends to submit a proposal at that meeting, is required by our bylaws to deliver such proposal, in writing, to our Secretary at our principal executive offices and to provide certain other information, not less than 50 days nor more than 75 days prior to the first anniversary of our prior year s annual meeting, subject to any other requirements of law; provided, however, that if the date of the annual meeting is more than 30 days before or more than 60 days after such anniversary date, notice by the stockholder to be timely must be delivered not less than 50 days nor more than 75 days prior to the annual meeting, or, in the event that less than 65 days prior public announcement of the date of the meeting is given or made to stockholders, notice by the stockholder to be timely must be received no later than the close of business on the fifteenth day following the day on which public announcement of the date of the meeting was first made. The first anniversary of last year s annual meeting is May 28, 2010. Any such proposal must also comply with the other provisions contained in our bylaws relating to stockholder proposals.

Information Concerning Stockholder Proposals Made at Special Meeting

According to Section 8 of Ensco Delaware s bylaws, business transacted at any special meeting of stockholders will be limited to the purposes stated in the notice of such special meeting. Therefore, no stockholder may present a proposal at the special meeting.

Shareholder Proposals After Merger

If the merger is approved, Ensco UK will become the successor issuer of Ensco Delaware for purposes of U.S. securities laws. Shareholder proposals to be included in the proxy materials for our annual general meeting to be held in 2010 must be received by us by December 14, 2009, and must otherwise comply with Rule 14a-8 promulgated by the SEC to be considered for inclusion in our proxy statement for that year. If you do not comply with Rule 14a-8, we will not be required to include the proposal in our proxy statement and the proxy card mailed to our shareholders.

If you desire to bring a matter before a meeting of the shareholders and the proposal is submitted outside the process of Rule 14a-8, a shareholder must follow the procedures set out under the Companies Act, the New Articles as set out in Annex B and the deposit agreement, which may require you to surrender the ADSs and withdraw the Class A Ordinary Shares.

Communications to the Board

We have established a process by which stockholders and other interested parties may communicate directly with our board of directors, any committee of the board, the non-employee directors as a group or any individual director. The established process, which is published on our website: (www.enscointernational.com/ENSCO/governance.asp), provides a means for submission of such interested parties communications via an independent, third party mail

forwarding service. Such communications may be submitted by mail, addressed as follows: Ensco Stockholder Communications, 5600 W. Lovers Lane, Suite 116, Box #130, Dallas, Texas 75209-4330. Mail so addressed will be forwarded directly to the then presiding Chairmen of our board s standing committees and will not be screened by management.

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Householding of Proxy Materials

We participate, and some brokers, banks, trusts and other nominee record holders may be participating, in the practice of householding proxy materials. This procedure allows multiple stockholders residing at the same address the convenience of receiving a single proxy statement/prospectus and any other proxy materials. You may request a separate copy of the proxy statement/prospectus by calling 1-800-579-1639 or e-mailing sendmaterial@proxyvote.com. You also may request paper copies when prompted after you vote at www.proxyvote.com.

By Order of the Board of Directors,

Cary A. Moomjian, Jr.
Vice President, General Counsel and Secretary

November 20, 2009

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ANNEX A

AGREEMENT AND PLAN OF MERGER AND REORGANIZATION

This AGREEMENT AND PLAN OF MERGER AND REORGANIZATION (this "Agreement") is entered into as of November 9, 2009, by and between ENSCO International Incorporated, a Delaware corporation ("Ensco Delaware"), and ENSCO Newcastle LLC, a Delaware limited liability company and a wholly-owned indirect subsidiary of Ensco Delaware ("Mergeco").

RECITALS:

A. The Board of Directors of Ensco Delaware has unanimously determined that it is advisable and in the best interests of Ensco Delaware's stockholders to reorganize so that Mergeco will merge with and into Ensco Delaware with Ensco Delaware as the surviving corporation (the "Merger").

B. The Board of Directors of Ensco Delaware has unanimously approved the Merger, this Agreement and, to the extent applicable to Ensco Delaware, the other transactions described herein or contemplated hereby, pursuant to which Ensco Delaware will be the surviving corporation in the Merger and will become a wholly-owned subsidiary of ENSCO Global Limited, a newly formed Cayman Islands exempted company ("Ensco Cayman"), all upon the terms and subject to the conditions set forth in this Agreement, and whereby each issued share of common stock, par value US$0.10 per share, of Ensco Delaware ("Ensco Delaware Common Stock"), other than those shares of Ensco Delaware Common Stock held by Ensco Delaware in treasury or by any subsidiaries of Ensco Delaware, shall be converted into the right to receive one American depositary share (each, an "ADS," and, collectively, the "ADSs"), which represents one Class A Ordinary Share, par value US$0.10 per share (collectively, the "Class A Ordinary Shares") of ENSCO International Limited, a newly formed private limited company incorporated under English law, which, prior to the Effective Time (defined below), will re-register as a public limited company to be named "Ensco International plc" ("Ensco UK").

C. The sole member of Mergeco has approved the Merger, this Agreement and, to the extent applicable, the other transactions described herein or contemplated hereby.

D. The Merger requires, among other things, the adoption of this Agreement by the affirmative vote of the holders of a majority of the issued and outstanding shares of Ensco Delaware Common Stock entitled to vote thereon.

E. Ensco Delaware and Mergeco intend for the Merger to qualify as a reorganization under Section 368(a)(1) and/or an exchange under Section 351 of the Internal Revenue Code of 1986, as amended (the "Code"), and the Treasury regulations promulgated thereunder (the "Treasury Regulations").

F. Ensco Delaware and Mergeco further intend for this Agreement to constitute a plan of reorganization within the meaning of Section 368 of the Code and the Treasury Regulations.

AGREEMENT:

NOW THEREFORE, in consideration of the foregoing and of the covenants and agreements contained herein, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

ARTICLE I
THE MERGER

Section 1.1 The Merger. Subject to the terms and conditions of this Agreement, and in accordance with the Delaware General Corporation Law (the DGCL), at the Effective Time, Mergeco shall merge with and into Ensco Delaware in accordance with this Agreement, and the separate corporate existence of Mergeco shall thereupon cease. From and after the Effective Time and in accordance with the DGCL, (a) Ensco Delaware shall continue as the surviving corporation in the Merger (sometimes hereinafter referred to as the Surviving Corporation), becoming a wholly-owned subsidiary of Ensco Cayman, (b) the corporate identity, existence, powers, rights and immunities of Ensco Delaware as the Surviving Corporation shall continue unimpaired by the Merger, and

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(c) Ensco Delaware shall succeed to and shall possess all the assets, properties, rights, privileges, powers, franchises, immunities and purposes, and be subject to all the debts, liabilities, obligations, restrictions and duties of Mergeco, all without further act or deed.

Section 1.2 Filing Certificate of Merger; Effective Time. As soon as practicable following the satisfaction or, to the extent permitted by applicable law, waiver of the conditions set forth in Article V, if this Agreement shall not have been terminated as provided in Section 6.1, Mergeco and Ensco Delaware shall cause a certificate of merger (the Certificate of Merger) meeting the requirements of Section 264(c) of the DGCL to be properly executed and filed in accordance with such section and otherwise make all other filings or recordings as required by the DGCL in connection with the Merger. Following the filing of the certificate of merger as provided above, the Merger shall become effective at 12:01 a.m., Eastern Time on the first business day after the stockholders of Ensco Delaware approve the adoption of this Agreement, or at such later date as the parties hereto shall agree (the Effective Time).

ARTICLE II
CHARTER DOCUMENTS; DIRECTORS AND OFFICERS OF SURVIVING CORPORATION

Section 2.1 Name of the Surviving Corporation. The name of the Surviving Corporation shall be ENSCO International Incorporated.

Section 2.2 Certificate of Incorporation of the Surviving Corporation. From and after the Effective Time, the Certificate of Incorporation of Ensco Delaware in effect immediately prior to the Effective Time shall be the Certificate of Incorporation of the Surviving Corporation, until duly amended in accordance with applicable law.

Section 2.3 Bylaws of Surviving Corporation. From and after the Effective Time, the Bylaws of Ensco Delaware in effect immediately prior to the Effective Time shall be the Bylaws of the Surviving Corporation, until duly amended in accordance with applicable law.

Section 2.4 Directors of Surviving Corporation. From and after the Effective Time, the directors of Ensco Delaware immediately prior to the Effective Time shall be the directors of the Surviving Corporation, each such director to serve in such capacity until his or her earlier death, resignation or removal or until his or her successor is duly elected or appointed.

Section 2.5 Officers of Surviving Corporation. From and after the Effective Time, the officers of Ensco Delaware immediately prior to the Effective Time shall be the officers of the Surviving Corporation, each such officer to serve in such capacity until his or her earlier death, resignation or removal or until his or her successor is duly elected or appointed.

ARTICLE III
CANCELLATION AND CONVERSION OF STOCK

Section 3.1 Effect on Capital Stock. At the Effective Time, by virtue of the Merger and without any action on the part of the holder of any Ensco Delaware Common Stock, any membership interests in Mergeco, any Class A Ordinary Shares of Ensco UK, any Class B Ordinary Shares of Ensco UK or any ADSs or ADRs (as defined below) of Ensco UK:

a. Cancellation of Ensco Delaware Common Stock. Each issued share of Ensco Delaware Common Stock that is owned by Ensco Delaware (as a treasury share or otherwise) or by any subsidiaries of Ensco Delaware (excluding, for

the avoidance of doubt, any shares of Ensco Delaware Common Stock held by T. Rowe Price Trust Company as trustee pursuant to the Trust Agreement, as revised and restated effective January 1, 2004, and the 2005 Benefit Reserve Trust Agreement, dated January 1, 2005, in both cases between the Company, such trustees and the other parties named therein) immediately prior to the Effective Time shall automatically be cancelled and retired and shall cease to exist, and no consideration shall be delivered or deliverable hereunder in connection with such cancellation.

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b. Conversion of Remaining Ensco Delaware Shares. Subject to Section 3.2(l), each issued and outstanding share of Ensco Delaware Common Stock (other than the issued shares of Ensco Delaware Common Stock referenced in Section 3.1(a)) shall be converted into the right to receive one validly issued, fully paid and nonassessable ADS, which, collectively, immediately after the Effective Time shall be represented by one or more American depositary receipts (each, an ADR, and, collectively, the ADRs).

c. Conversion of Mergeco Membership Interests. All issued and outstanding membership interests in Mergeco shall be converted into one validly issued, fully paid and nonassessable share of common stock, par value US$0.10 per share, of the Surviving Corporation (the Surviving Corporation Common Share).

d. Stock-Based Compensation Plans. As of the Effective Time, Ensco Delaware shall assign to Ensco UK, and shall cause Ensco UK to assume and adopt, Ensco Delaware s rights and obligations under those equity incentive plans, compensation plans, and other plans, agreements, awards and other arrangements outstanding that provide for options, awards of restricted stock or other rights to purchase or receive shares of Ensco Delaware (or the right to receive benefits or amounts by reference to those shares) (collectively, the Equity Plans), except that Ensco Delaware shall remain the plan sponsor of those Equity Plans listed on Exhibit A, in accordance with Article IV of this Agreement (collectively, the Unassumed Plans). To the extent an Equity Plan provides for awards of incentive stock options pursuant to Section 422 of the U.S. Internal Revenue Code of 1986, as amended (the Code), approval of such plan by Ensco Delaware, as the sole direct or indirect shareholder of Ensco UK, shall be deemed, as of the Effective Time, to constitute shareholder approval of such Equity Plan and the issuance or delivery of ADSs by Ensco UK under the share limitations set forth thereunder for purposes of Section 422(b) of the Code.

e. Class B Ordinary Shares of Ensco UK. Each issued and outstanding Class B Ordinary Share, par value £1.00 per share, of Ensco UK that is owned by Ensco Delaware immediately prior to the Effective Time shall remain outstanding.

Section 3.2 Surrender and Exchange of Shares.

a. Following the date of this Agreement and in any event not less than three business days prior to the Effective Time, Ensco Delaware shall select a bank or trust company to act as exchange agent in connection with the Merger (the Exchange Agent) for the purpose of exchanging certificates representing Ensco Delaware Common Stock (Certificates) for ADSs or ADRs evidencing one or more ADSs.

b. The Exchange Agent shall act as the agent for each holder of shares of Ensco Delaware Common Stock to receive the ADSs to which such holder shall become entitled to receive with respect to such holder s shares of Ensco Delaware Common Stock pursuant to this Article III.

c. Prior to the Effective Time Mergeco, or, after the Effective Time, the Surviving Corporation, shall deposit with the Exchange Agent, from time to time, (i) that number of ADSs and/or ADRs evidencing ADSs, in such denominations as the Exchange Agent shall specify, as are deliverable pursuant to Section 3.1, and (ii) the amount of cash that is payable pursuant to this Article III, in each case in respect of shares of Ensco Delaware Common Stock for which Certificates are expected to be properly delivered to the Exchange Agent.

d. Promptly after the Effective Time, the Surviving Corporation shall cause to be mailed to each record holder, immediately prior to the Effective Time, of shares of Ensco Delaware Common Stock, a form of letter of transmittal, which shall specify that delivery shall be effected, and risk of loss and title to the Certificates held by such holder representing such shares of Ensco Delaware Common Stock shall pass, only upon actual and proper delivery of the Certificates to the Exchange Agent.

e. Each holder of shares of Ensco Delaware Common Stock shall be entitled to receive in exchange for such holder s shares of Ensco Delaware Common Stock, upon surrender to the Exchange Agent of a Certificate, together with a letter of transmittal, duly completed and validly executed in accordance with the instructions thereto, and such other documents as may be required pursuant to such instructions, the number of whole ADSs into which such holder s shares of Ensco Delaware Common Stock represented by such holder s properly surrendered Certificates were converted in accordance with Section 3.1 and any cash dividends or other distributions that such holder has the right to receive pursuant to Section 3.2(i) and Section 3.2(l).

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f. If delivery of the ADSs is to be made to a person other than the person in whose name the surrendered Certificate is registered, it shall be a condition of delivery that the Certificate so surrendered shall be properly endorsed or shall be otherwise in proper form for transfer and that the person requesting such payment or delivery shall have paid to the Exchange Agent any transfer and other taxes required by reason of the delivery of the ADSs to a person other than the registered holder of the Certificate surrendered or shall have established to the satisfaction of the Exchange Agent that such tax either has been paid or is not applicable. Until so surrendered, each Certificate shall, after the Effective Time, represent for all purposes only the right to receive upon such surrender the applicable ADSs as contemplated by this Article III.

g. At the Effective Time, the stock transfer books of Ensco Delaware shall be closed and thereafter there shall be no further registration of transfers of shares of Ensco Delaware Common Stock that were outstanding prior to the Effective Time. After the Effective Time, Certificates presented to the Surviving Corporation for transfer shall be canceled and exchanged for the consideration provided for, and in accordance with the procedures set forth, in this Article III.

h. Any ADSs to be delivered plus any cash dividend or other distribution that a former holder of shares of Ensco Delaware Common Stock has the right to receive pursuant to this Article III that remains unclaimed by any former holder of shares of Ensco Delaware Common Stock after the Effective Time shall be held by the Exchange Agent (or a successor agent appointed by the Surviving Corporation). None of the Surviving Corporation, Ensco UK or the Exchange Agent shall be liable to any former holder of shares of Ensco Delaware Common Stock for any securities properly delivered or any amount properly paid by the Exchange Agent or its nominee, as the case may be, to a public official pursuant to applicable abandoned property, escheat or similar law nine months after the Effective Time. If any Certificate has not been surrendered prior to two years after the Effective Time (or immediately prior to an earlier date on which the ADSs in respect of the Certificate would otherwise escheat to or become the property of any governmental entity) any cash, share dividends and distributions otherwise payable in respect of the Certificate shall, to the extent permitted by applicable law, become the property of the Surviving Corporation, free and clear of all claims or interest of any person previously entitled thereto.

i. No dividends or other distributions with respect to ADSs deliverable with respect to the shares of Ensco Delaware Common Stock shall be paid to the holder of any unsurrendered Certificates until after those Certificates are surrendered as provided in this Article III. After surrender, there shall be delivered and/or paid to the holder of the ADSs delivered in exchange therefor, without interest, (A) at the time of surrender, the dividends or other distributions payable with respect to those ADSs with a record date on or after the date of the Effective Time and a payment date on or prior to the date of this surrender and not previously paid and (B) at the appropriate payment date, the dividends or other distributions payable with respect to those ADSs with a record date on or after the date of the Effective Time but with a payment date subsequent to surrender.

j. No holder of Ensco Delaware Common Stock will be entitled to exercise voting rights with respect to ADSs deliverable with respect to such Ensco Delaware Common Stock until after such holder has surrendered the Certificates representing such Ensco Delaware Common Stock as provided in this Article III.

k. In the event that any Certificate shall have been lost, stolen or destroyed, upon the holder s compliance with the replacement requirements established by the Exchange Agent, including, if necessary, the posting by the holder of a bond in customary amount as indemnity against any claim that may be made against it with respect to the Certificate, the Exchange Agent shall deliver in exchange for the lost, stolen or destroyed Certificate the applicable ADSs deliverable in respect of the shares of Ensco Delaware Common Stock represented by the Certificate pursuant to this Article III.

l. Each holder of shares of Ensco Delaware Common Stock otherwise entitled to receive a fractional interest in an ADS pursuant to the terms of this Article III, shall be entitled to receive, in accordance with the provisions of this Section 3.2(l), a cash payment (without interest) in lieu of that fractional interest in an ADS determined by multiplying the fractional interest to which such holder would otherwise be entitled by the closing price for an ADR as reported on the New York Stock Exchange (NYSE) on the last trading day prior to the date on which the Effective Time occurs. Any cash payment in lieu of a fractional interest shall be made in U.S. dollars.

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m. Notwithstanding anything in this Agreement to the contrary, the Surviving Corporation and the Exchange Agent shall be entitled to deduct and withhold from the consideration otherwise payable to any former holder of shares of Ensco Delaware Common Stock pursuant to this Agreement any amounts as may be required to be deducted and withheld with respect to the making of this payment under the U.S. Internal Revenue Code of 1986, as amended, or under any provision of state, local or foreign tax law. To the extent that amounts are so withheld and paid over to the appropriate taxing authority, the Surviving Corporation shall be treated as though it withheld an appropriate amount of the type of consideration otherwise payable pursuant to this Agreement to any former holder of shares of Ensco Delaware Common Stock, sold this consideration for an amount of cash equal to the fair market value of the consideration at the time of the deemed sale and paid these cash proceeds to the appropriate taxing authority.

Section 3.3 No Dissenters Rights. There are no dissenters rights or appraisal rights available to holders of Ensco Delaware Common Stock under the DGCL in connection with the Merger.

ARTICLE IV
EMPLOYEE BENEFIT AND COMPENSATION PLANS AND AGREEMENTS

Section 4.1 Assignment and Assumption of Assumed Equity Plans. At the Effective Time, Ensco Delaware shall assign to Ensco UK, and shall cause Ensco UK to adopt and assume, the rights and obligations of Ensco Delaware under Equity Plans, except that Ensco Delaware shall remain the plan sponsor of the Unassumed Plans.

Section 4.2 Application of Equity Plans to ADSs. To the extent any Equity Plan provides for the grant, issuance, delivery or purchase of, or otherwise relates to, options, awards of restricted stock or other rights to purchase or receive shares of Ensco Delaware Common Stock (or the right to receive benefits or amounts by reference to those shares), from and after the Effective Time, Ensco Delaware or Ensco UK, as applicable, shall cause such Equity Plan to be amended to provide for the grant, issuance, delivery or purchase of, or otherwise relate to, ADSs and ADRs, as applicable, and all options or awards issued, or benefits available or based upon the value of a specified number of shares of Ensco Delaware Common Stock, under such Equity Plans after the Effective Time shall entitle the holder thereof to purchase or receive, or receive payment based on, as applicable, an equal number of ADSs in accordance with the terms of such Equity Plan. Except as provided in this Section 4.2 and for certain amendments to Equity Plans intended to clarify the meaning of certain provisions in such Equity Plans, the outstanding options, restricted stock awards or other equity-based awards or benefits available under the terms of any Equity Plan at and following the Effective Time shall, to the extent permitted by law and otherwise reasonably practicable, be subject to the same terms and conditions as under such Equity Plan and the agreements relating thereto immediately prior to the Effective Time (including, for greater certainty, having the same option exercise or measurement price). Notwithstanding the foregoing, the number of ADSs and ADRs, as applicable, issuable or available upon the exercise, payment, issuance or availability of such option, award or benefit immediately after the Effective Time, and the option exercise or measurement price of each such option, award or benefit, shall be subject to adjustment by Ensco Delaware or Ensco UK, as applicable, only to the extent necessary to comply with applicable law. The foregoing adjustments shall be made in accordance with applicable law (and administrative practice of applicable governmental authorities), including but not limited to Section 409A of the Code and the U.S. Treasury Regulations promulgated thereunder, to the extent such provisions are applicable to an option, award, or benefit. Other than as set forth above, the Merger shall constitute a reorganization for purposes of the Equity Plans, to the extent such term is applicable, and will not affect the underlying terms or conditions of any outstanding equity awards, which shall remain subject to their original terms and conditions.

Section 4.3 Issuance of ADSs under Equity Plans. To the extent any ADSs are held by Ensco Delaware after the Effective Time, Ensco Delaware agrees to use such ADSs for future issuances in connection with the Equity Plans, as directed by Ensco UK.

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ARTICLE V
CONDITIONS PRECEDENT

Section 5.1 Conditions Precedent to the Obligations of Each Party. The obligations of the respective parties hereto to effect the Merger are subject to the satisfaction or waiver of the following conditions:

a. Holders of a majority of the issued and outstanding shares of Ensco Delaware Common Stock entitled to vote thereon at the record date for such actions as set by the Board of Directors of Ensco Delaware shall have approved the adoption of this Agreement.

b. Ensco Delaware shall have contributed all ADRs to Ensco Cayman, which shall, in turn, have contributed all such ADRs to Mergeco.

c. Ensco UK shall have re-registered as a public limited company.

d. Following the approval referenced in Section 5.1(a), Ensco Delaware shall have contributed all shares of Ensco Cayman to Ensco UK.

e. Neither of the parties hereto shall be subject to any decree, order or injunction of any court of competent jurisdiction, whether in the U.S., the U.K., the European Union or any other country, that prohibits the consummation of the Merger.

f. The registration statement on Form S-4 filed with the Securities and Exchange Commission filed by Ensco UK in connection with the offer of the Class A Ordinary Shares represented by the ADSs to be delivered as consideration pursuant to the Merger shall have become effective under the U.S. Securities Act of 1933, as amended (the Securities Act), and no stop order with respect thereto shall be in effect.

g. The registration statement on Form F-6 filed with the Securities and Exchange Commission in connection with the offer and delivery of the ADSs, as evidenced by the ADRs, to be delivered pursuant to the Merger shall have become effective under the Securities Act, and no stop order with respect thereto shall be in effect.

h. Ensco Delaware shall have received an opinion of counsel as to certain tax matters in form and acceptable to Ensco Delaware.

i. The ADSs shall have been authorized for listing on the NYSE, subject to official notice of delivery and satisfaction of other standard conditions.

j. Other than the filing of the Certificate of Merger provided for under Article I, all material consents and authorizations of, filings or registrations with, and notices to, any governmental or regulatory authority required of Ensco Delaware, Mergeco or any of their respective subsidiaries to consummate the Merger and the other transactions contemplated hereby, including without limitation any filings required under (i) applicable U.S. state securities and Blue Sky laws and (ii) applicable securities laws in the U.K., shall have been obtained or made.

k. A special resolution shall have been passed to alter the rights of the holders of the Class A Ordinary Shares to have the same rights as holders of ordinary shares of Class B Ordinary Shares, conditional upon the Merger becoming unconditional.

ARTICLE VI
TERMINATION, AMENDMENT AND WAIVER

Section 6.1 Termination. This Agreement may be terminated and the Merger abandoned by action of the Board of Directors of Ensco Delaware at any time prior to or after approval by the stockholders of Ensco Delaware of this Agreement but before the Effective Time.

Section 6.2 Effect of Termination. In the event this Agreement is terminated as provided in Section 6.1, this Agreement shall forthwith become void and have no effect, without any liability or obligation on the part of Ensco Delaware or Mergeco.

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Section 6.3 Amendment. This Agreement may be amended by the parties hereto at any time before or after the stockholders of Ensco Delaware approve the adoption this Agreement; provided, however, that after any such adoption by the Ensco Delaware stockholders, this Agreement shall not be further amended without the approval of the Ensco Delaware stockholders unless any such amendment shall not require the approval of such stockholders under applicable law or under the NYSE listing rules. This Agreement may not be amended except by an instrument in writing signed on behalf of each of the parties hereto.

Section 6.4 Waiver. At any time prior to the Effective Time, the parties may waive compliance with any of the agreements or covenants contained in this Agreement, or may waive any of the conditions to consummation of the Merger contained in this Agreement. Any agreement on the part of a party to any such waiver shall be valid only if set forth in an instrument in writing signed on behalf of such party. The failure of any party to this Agreement to assert any of its rights under this Agreement or otherwise shall not constitute a waiver of such rights.

ARTICLE VII
COVENANTS

Section 7.1 Rule 16b-3 Approval. Ensco Delaware and Mergeco shall take, and cause their respective subsidiaries to take, all such steps as may reasonably be required to cause the transactions contemplated by Section 3.1 and any other dispositions of Ensco Delaware equity securities (including derivative securities) or acquisitions of ADSs (including derivative securities thereof) in connection with this Agreement by each individual who (a) is a director or officer of Ensco Delaware, or (b) at the Effective Time, is or will become a director or officer of Ensco UK, to be exempt under Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended.

ARTICLE VIII
GENERAL PROVISIONS

Section 8.1 Assignment; Binding Effect; Benefit. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by either of the parties hereto (whether by operation of law or otherwise) without the prior written consent of the other party. Subject to the preceding sentence, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. Notwithstanding anything contained in this Agreement to the contrary, nothing in this Agreement, expressed or implied, is intended to confer on any person other than the parties hereto or their respective successors and assigns any rights, remedies, obligations or liabilities under or by reason of this Agreement.

Section 8.2 Entire Agreement. This Agreement and any documents delivered by the parties in connection herewith constitute the entire agreement between the parties with respect to the subject matter hereof and supersede all prior agreements and understandings between the parties with respect thereto.

Section 8.3 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without regard to its rules of conflict of laws that would apply any other law.

Section 8.4 Counterparts. This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument. Each counterpart may consist of a number of copies hereof, each signed by less than all, but together signed by both of the parties hereto.

Section 8.5 Headings. Headings of the Articles and Sections of this Agreement are for the convenience of the parties only and shall be given no substantive or interpretative effect whatsoever.

Section 8.6 Severability. If any provision of this Agreement is determined by any court or arbitrator of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such provision will be enforced to the maximum extent possible given the intent of the parties hereto. If such clause or provision cannot be so enforced, such provision shall be stricken from this Agreement and the remainder of this Agreement shall be enforced as if such invalid, illegal or unenforceable clause or provision had (to the extent not enforceable) never been contained in this Agreement.

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IN WITNESS WHEREOF, Ensco Delaware and Mergeco have executed this Agreement as of the date first written above.

ENSCO INTERNATIONAL INCORPORATED,
a Delaware corporation

By: /s/ James W. Swent III
James W. Swent III, Senior Vice President
Chief Financial Officer

ENSCO NEWCASTLE LLC,
a Delaware limited liability company

By: ENSCO Global Limited,
a Cayman Islands exempted company,
its sole member

By: /s/ David Armour
David A. Armour, President

[Signature Page to Agreement and Plan of Merger]

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Exhibit A

Unassumed Plans

ENSCO Savings Plan
2005 Supplemental Executive Retirement Plan
2005 Non-Employee Director Deferred Compensation Plan
Supplemental Executive Retirement Plan
Non-Employee Director Deferred Compensation Plan

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ANNEX B

FORM OF ARTICLES OF ASSOCIATION
OF
ENSCO INTERNATIONAL PLC

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COMPANY NO. 7023598

THE COMPANIES ACTS 1985 TO 2006

PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION
OF
ENSCO INTERNATIONAL PLC

PRELIMINARY

1. ARTICLES OF ASSOCIATION

These Articles constitute the articles of association of the Company. No regulations contained in any statute or subordinate legislation, including the regulations contained in the Schedule to The Companies (Tables A to F) Regulations 1985 (as amended), apply to the Company.

2. INTERPRETATION

2.1 In these Articles, unless the context otherwise requires, the following words and expressions have the following meanings:

Acts means CA 2006 and every other enactment from time to time in force concerning companies (including any orders, regulations or other subordinate legislation made under CA 2006 or any such other enactment), so far as they apply to or affect the Company;

ADR Depositary means a depositary or custodian or other person approved by the board who holds shares in the Company under arrangements where either the depositary or some other person issues American Depositary Receipts which evidence American Depositary Shares representing shares in the Company;

American Depositary Receipts means the certificates issued by the ADR Depositary to evidence the American Depositary Shares;

American Depositary Shares means American Depositary Shares which represent shares in the Company and are evidenced by American Depositary Receipts;

Articles means the articles of association of the Company as altered from time to time;

auditors or **external auditors** means the auditors from time to time of the Company or, in the case of joint auditors, any one of them;

board means the board of directors from time to time of the Company or the directors present at a duly convened meeting of the directors at which a quorum is present;

business day means a day (excluding Saturday) on which banks generally are open in the City of London and New York for the transaction of normal banking business;

CA 2006 means the Companies Act 2006;

certificated in relation to a share means a share which is not in uncertificated form;

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Class A Ordinary Shareholders means the holders for the time being of the allotted and issued Class A Ordinary Shares;

Class B Ordinary Shareholders means the holders for the time being of the allotted and issued Class B Ordinary Shares;

Class A Ordinary Shares means the class A ordinary shares of US$0.10 each in the share capital of the Company;

Class B Ordinary Shares means the class B ordinary shares of £1.00 each in the share capital of the Company;

clear days in relation to a period of notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;

Company means Ensco International plc;

company includes any body corporate (not being a corporation sole) or association of persons, whether or not a company within the meaning of the Acts;

director means a director of the Company;

electronic address means any number or address used for the purposes of sending or receiving notices, documents or information by electronic means;

electronic form has the same meaning as in section 1168 of CA 2006;

electronic means has the same meaning as in section 1168 of CA 2006;

entitled by transmission means, in relation to a share, entitled as a consequence of the death or bankruptcy of a member, or as a result of another event giving rise to a transmission of entitlement by operation of law;

Exchange Act means the United States Securities Exchange Act of 1934, as amended from time to time;

financial year in relation to a company is determined as follows:

(a) its first financial year begins with the first day of its first accounting reference period and ends with the last day of that period or any other date, not more than seven days before or after the end of that period, as the board may determine; and

(b) subsequent financial years begin with the day immediately following the end of the company s previous financial year and end with the last day of its next accounting reference period or any other date, not more than seven days before or after the end of that period, as the board may determine;

hard copy form and **hard copy** have the same meanings as in section 1168 of CA 2006;

holder or **shareholder** in relation to shares means the member whose name is entered in the register as the holder of the shares;

independent or **independence** in relation to a director or proposed director means that such director or proposed director is (a) independent as defined by Rule 10A-3 promulgated by the Securities and Exchange Commission under the Exchange Act (or any successor rule thereto) and (b) independent as defined by the listing standards of the New York Stock Exchange or, if the Company is not subject to the listing standards of the New York Stock Exchange, as defined from time to time by resolution of the board;

member means a member of the Company;

office means the registered office of the Company;

paid , **paid up** and **paid-up** mean paid or credited as paid;

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paid-up amount means, in respect of any share, the amount paid or credited as paid up on that share, including sums paid, or credited as paid, by way of premium;

public announcement means disclosure in a press release reported by a national news service or in a document filed or furnished by the Company with or to the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the Exchange Act and the rules and regulations promulgated thereunder;

recognised financial institution means a recognised clearing house acting in relation to a recognised investment exchange or a nominee of a recognised clearing house acting in that way or of a recognised investment exchange which is designated for the purposes of section 778(2) of CA 2006;

register means the register of members of the Company kept pursuant to section 113 of CA 2006 or the issuer register of members and Operator register of members maintained pursuant to Regulation 20 of the Uncertificated Securities Regulations and, where the context requires, any register maintained by the Company or the Operator of persons holding any renounceable right of allotment of a share and cognate expressions shall be construed accordingly;

seal means the common seal of the Company and includes any official seal kept by the Company by virtue of sections 49 or 50 of CA 2006;

secretary means the secretary of the Company or any other person appointed by the board to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary;

share means any share (of whatever class or denomination) in the share capital of the Company, and **shares** shall be construed accordingly;

uncertificated proxy instruction means an instruction or notification sent by means of a relevant system and received by such participant in that system acting on behalf of the Company as the board may prescribe, in such form and subject to such terms and conditions as may from time to time be prescribed by the board (subject always to the facilities and requirements of the relevant system concerned);

Uncertificated Securities Regulations means the Uncertificated Securities Regulations 2001;

uncertificated means, in relation to a share, a share title to which is recorded in the register as being held in uncertificated form and title to which, by virtue of the Uncertificated Securities Regulations, may be transferred by means of a relevant system;

United Kingdom means Great Britain and Northern Ireland; and

United States means the United States of America.

2.2 The expressions **issuer register of members** , **Operator** , **Operator-instruction** , **Operator register of members** , **participating issuer** , **participating security** and **relevant system** have the same meanings as in the Uncertificated Securities Regulations.

2.3 All references in the Articles to the giving of instructions by means of a relevant system shall be deemed to relate to a properly authenticated dematerialised instruction given in accordance with the Uncertificated Securities Regulations. The giving of such instructions shall be subject to:

(a) the facilities and requirements of the relevant system;

(b) the Uncertificated Securities Regulations; and

(c) the extent to which such instructions are permitted by or practicable under the rules and practices from time to time of the Operator of the relevant system.

2.4 Where an ordinary resolution of the Company is expressed to be required for any purpose, a special resolution is also effective for that purpose.

2.5 References to a **meeting** shall not be taken as requiring more than one person to be present if any quorum requirement can be satisfied by one person.

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2.6 References to a **debenture** include debenture stock.

2.7 The word **directors** in the context of the exercise of any power contained in the Articles includes any committee consisting of one or more directors, any director holding executive office and any local or divisional board, manager or agent of the Company to which or, as the case may be, to whom the power in question has been delegated.

2.8 Powers of delegation shall not be restrictively construed but the widest interpretation shall be given to them.

2.9 No power of delegation shall be limited by the existence or, except where expressly provided by the terms of delegation, the exercise of that or any other power of delegation.

2.10 Except where expressly provided by the terms of delegation, the delegation of a power shall not exclude the concurrent exercise of that power by any other body or person who is for the time being authorised to exercise it under the Articles or under another delegation of the power.

2.11 Save as aforesaid and unless the context otherwise requires, words or expressions contained in the Articles have the same meanings as in the Acts but excluding any statutory modification thereof not in force when the Articles become binding on the Company.

2.12 References to a document being executed include references to its being executed under hand or under seal or by any other method.

2.13 Unless the context otherwise requires, any reference to **writing** or **written** shall include any method of reproducing words or text in a legible and non-transitory form and documents or information sent or supplied in electronic form or made available on a website are in writing for the purposes of the Articles.

2.14 Save where specifically required or indicated otherwise words importing one gender shall be treated as importing any gender, words importing individuals shall be treated as importing corporations and vice versa, words importing the singular shall be treated as importing the plural and vice versa, and words importing the whole shall be treated as including a reference to any part thereof.

2.15 Article headings are inserted for ease of reference only and shall not affect construction.

2.16 References to any statutory provision or statute include any modification or re-enactment thereof for the time being in force and all orders, regulations or other subordinate legislation made thereunder. This Article does not affect the interpretation of Article 2.11.

3. LIABILITY OF MEMBERS

The liability of the members is limited to the amount, if any, unpaid on the shares in the Company held by them.

4. CHANGE OF NAME

The Company may change its name by resolution of the board.

SHARES

5. SHARE CAPITAL

5.1 The allotted and issued share capital of the Company at the date of adoption of the Articles is US$15,000,000 and £50,000 divided into 150,000,000 Class A Ordinary Shares and 50,000 Class B Ordinary Shares.

5.2 In the Articles, unless the context requires otherwise, references to Class A Ordinary Shares and Class B Ordinary Shares shall include shares of those respective classes allotted and/or issued after the date of adoption of these Articles and ranking pari passu in all respects (save only as to the date from which such shares rank for dividend) with the shares of the relevant class then in issue.

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5.3 The Class A Ordinary Shares and the Class B Ordinary Shares shall have such rights as are provided for by the Articles and, save as otherwise expressly provided for by the Articles, shall rank pari passu in all respects.

6. ALLOTMENT

6.1 Subject to the provisions of the Acts and any relevant authority given by the Company in general meeting, the board may exercise any power of the Company to allot shares of the Company in one or more series, or to grant rights to subscribe for or to convert or exchange any security into or for shares of the Company or its successors in one or more series, to such persons or excluding such persons, at such times and on such terms as the board may decide.

6.2 The board may at any time after the allotment of a share but before a person has been entered in the register as the holder of the share recognise a renunciation of the share by the allottee in favour of another person and may grant to an allottee a right to effect a renunciation on such terms and conditions as the board thinks fit.

7. POWER TO ATTACH RIGHTS

Subject to the provisions of the Acts and to any rights attached to any existing shares, any share may be issued with, or have attached to it, such powers, designations, preferences and relative participating, optional or other special rights and qualifications, limitations and restrictions attaching thereto as the board may determine.

8. VARIATION OF CLASS RIGHTS

8.1 Subject to the provisions of the Acts, the rights attached to a class of shares may be varied or abrogated (whether or not the Company is being wound up) either with the consent in writing of the holders of at least three-fourths of the nominal amount of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the issued shares of that class validly held in accordance with Article 8.3 and other relevant provisions of the Articles.

8.2 The rights attached to a class of shares are not, unless otherwise expressly provided for in the rights attaching to those shares, varied or deemed to be varied by:

(a) the allotment or issue of; or

(b) the grant of rights to subscribe for or to convert or exchange any security into or for

further shares ranking in priority to or pari passu with or subsequent to them or by the purchase or redemption by the Company of its own shares in accordance with the provisions of the Acts.

8.3 All the Articles relating to general meetings will apply to any class meeting, with any necessary changes. The following changes will also apply:

(a) a quorum will be present at any class meeting or adjournment thereof if one or more shareholders who are entitled to vote are present in person or by proxy who own individually or in aggregate at least 20% in nominal amount of the issued shares of the relevant class; and

(b)

every shareholder who is present in person or by proxy and entitled to vote is entitled to one vote for every share he has of the class (but this is subject to any special rights or restrictions which are attached to any class of shares).

8.4 The provisions of Articles 8.1, 8.2 and 8.3 will apply to a variation or abrogation of rights of shares forming part of a class. Each part of the class which is being treated differently is treated as a separate class in applying this Article.

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9. REDEEMABLE SHARES

Subject to the provisions of the Acts and to any rights attached to any existing shares, shares may be issued which are to be redeemed or are liable to be redeemed at the option of the Company or the holder, and the board may determine the terms, conditions and manner of redemption of any shares so issued.

10. COMMISSION AND BROKERAGE

The Company may exercise all the powers conferred or permitted by the provisions of the Acts of paying commission or brokerage. Subject to the provisions of the Acts, any such commission or brokerage may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other.

11. TRUSTS NOT RECOGNISED

Except as ordered by a court of competent jurisdiction or as required by law, no person shall be recognised by the Company as holding any share on trust and (except as otherwise provided by the Articles or by law) the Company shall not be bound by or recognise any interest in any share except an absolute right in the holder to the whole of the share, whether or not the Company shall have notice thereof.

12. ALTERATION OF SHARE CAPITAL

12.1 The Company may:

(a) increase its share capital by allotting new shares in accordance with the Acts and the Articles;

(b) subject to the provisions of the Acts, by ordinary resolution consolidate and divide all or any of its share capital into shares of a larger nominal amount than its existing shares;

(c) subject to the provisions of the Acts, by ordinary resolution sub-divide its shares, or any of them, into shares of a smaller nominal amount than its existing shares; and

(d) subject to the provisions of the Acts, by special resolution reduce its share capital, any capital redemption reserve and any share premium account in any way.

12.2 Whenever as a result of a consolidation of shares any members would become entitled to fractions of a share, the directors may, on behalf of those members, sell the shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Acts, the Company) and distribute the net proceeds of sale in due proportion among those members, and the directors may authorise some person to execute an instrument of transfer of the shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

13. PURCHASE OF OWN SHARES

Subject to the provisions of the Acts, the Company may purchase its own shares (including any redeemable shares).

14. UNCERTIFICATED SHARES

14.1 Subject to the provisions of the Acts and to the Uncertificated Securities Regulations, the board has the power to resolve that a class of shares shall become a participating security and/or that a class of shares shall cease to be a participating security.

14.2 Uncertificated shares of a class are not to be regarded as forming a separate class from certificated shares of that class.

14.3 A member may, in accordance with the Uncertificated Securities Regulations, change a share of a class which is a participating security from a certificated share to an uncertificated share and from an uncertificated share to a certificated share.

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14.4 The Company may give notice to a member requiring the member to change uncertificated shares to certificated shares by the time stated in the notice. The notice may also state that the member may not change certificated shares to uncertificated shares. If the member does not comply with the notice, the board may authorise a person to change the uncertificated shares to certificated shares in the name and on behalf of the member.

14.5 While a class of shares is a participating security, the Articles only apply to an uncertificated share of that class to the extent that they are consistent with:

(a) the holding of shares of that class in uncertificated form;

(b) the transfer of title to shares of that class by means of a relevant system; and

(c) the Uncertificated Securities Regulations.

SHARE CERTIFICATES

15. RIGHT TO CERTIFICATE

15.1 A person (except a person to whom the Company is not required by law to issue a certificate) whose name is entered in the register as a holder of a certificated share is entitled, without charge, to receive within two months of allotment or lodgement with the Company of a transfer to him of those shares or within two months after the relevant Operator instruction is received by the Company (or within any other period as the terms of issue of the shares provide) one certificate for all the certificated shares of a class registered in his name or, in the case of certificated shares of more than one class being registered in his name, to a separate certificate for each class of shares.

15.2 Where a member transfers part of his shares comprised in a certificate he is entitled, without charge, to one certificate for the balance of certificated shares retained by him.

15.3 The Company is not bound to issue more than one certificate for certificated shares held jointly by two or more persons and delivery of a certificate to one joint holder is sufficient delivery to all joint holders.

15.4 A certificate shall specify the number and class and the distinguishing numbers (if any) of the shares in respect of which it is issued and the amount paid up on the shares. In addition, it shall specify the powers, designations, preferences and relative participating, optional or other special rights in respect of such shares and the qualifications, limitations or restrictions of such rights, set forth in full or summarised on the face or back of the certificate. Alternatively, the Company may set forth on the face or back of the certificate a statement that the Company will furnish, without charge, to the shareholder holding such certificate and who so requests it, the powers, designations, preferences and relative participating, optional or other special rights of such shares and the qualifications, limitations or restrictions of such rights.

15.5 A certificate shall be issued under the seal, which may be affixed to or printed on it, or in such other manner as the board may approve, having regard to the terms of allotment or issue of the shares.

15.6 The issued shares of a particular class which are fully paid up and rank pari passu for all purposes shall not bear a distinguishing number. All other shares shall bear a distinguishing number.

15.7

Notwithstanding anything in this Article 15, but subject to the Acts, the board may from time to time determine, either generally or in any particular case, the method by which any share certificate issued by the Company in respect of the Company s shares, stock, debentures or other securities shall be authenticated or executed by or on behalf of the Company and, in particular:

(a) the board may dispense with the need to affix the common seal, or any official seal, of the Company to such certificate;

(b) the board may determine the manner, and by whom, any such certificate is to be signed, and may dispense with the need for such certificate to be signed or executed in any way;

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(c) the board may permit the signature or a facsimile of the signature of any person to be applied to such share certificate by any mechanical or electronic means in place of that person s actual signature

and any certificate issued in accordance with the requirements of the board shall, as against the Company, be *prima facie* evidence of the title of the person named in that certificate to the shares comprised in it.

16. REPLACEMENT CERTIFICATES

16.1 Where a member holds two or more certificates for shares of one class, the board may at his request, on surrender of the original certificates and without charge, cancel the certificates and issue a single replacement certificate for certificated shares of that class.

16.2 At the request of a member, the board may cancel a certificate and issue two or more in its place (representing certificated shares in such proportions as the member may specify), on surrender of the original certificate and on payment of such reasonable sum as the board may decide.

16.3 Where a certificate is worn out or defaced the board may require the certificate to be delivered to it before issuing a replacement and cancelling the original. If a certificate is lost or destroyed, the board may cancel it and issue a replacement certificate on such terms as to provision of evidence and indemnity and to payment of any exceptional out-of-pocket expenses incurred by the Company in the investigation of that evidence and the preparation of that indemnity as the board may decide.

16.4 Any or all of the signatures on a certificate may be facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Company with the same effect as if he or she were such officer, transfer agent or registrar at the date of issue.

LIEN

17. COMPANY S LIEN ON SHARES NOT FULLY PAID

17.1 The Company has a first and paramount lien on all partly paid shares for an amount payable in respect of the share, whether the due date for payment has arrived or not. The lien applies to all dividends from time to time declared or other amounts payable in respect of the share.

17.2 The board may either generally or in a particular case declare a share to be wholly or partly exempt from the provisions of this Article. Unless otherwise agreed with the transferee, the registration of a transfer of a share operates as a waiver of the Company s lien (if any) on that share.

18. ENFORCEMENT OF LIEN BY SALE

18.1 For the purpose of enforcing the lien referred to in Article 17, the board may sell all or any of the shares subject to the lien at such time or times and in such manner as it may decide provided that:

(a) the due date for payment of the relevant amounts has arrived; and

(b) the board has served a written notice on the member concerned (or on any person who is entitled to the shares by transmission or by operation of law) stating the amounts due,

demanding payment thereof and giving notice that if payment has not been made within 14 clear days after the service of the notice that the Company intends to sell the shares.

18.2 To give effect to a sale, the board may authorise a person to transfer the shares in the name and on behalf of the holder (or any person who is entitled to the shares by transmission or by operation of law), or to cause the transfer of such shares, to the purchaser or his nominee. The purchaser is not bound to see to the application of the purchase money and the title of the transferee is not affected by an irregularity in or invalidity of the proceedings connected with the sale.

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19. APPLICATION OF PROCEEDS OF SALE

The net proceeds of a sale effected under Article 18, after payment of the Company s costs of the sale, shall be applied in or towards satisfaction of the amount in respect of which the lien exists. The balance (if any) shall (on surrender to the Company for cancellation of any certificate for the shares sold, or the provision of an indemnity as to any lost or destroyed certificate required by the board and subject to a like lien for any amounts not presently payable as existed on the shares before the sale) be paid to the member (or any person entitled to the shares by transmission or by operation of law) immediately before the sale.

CALLS ON SHARES

20. CALLS

The board may make calls on members in respect of amounts unpaid on the shares held by them respectively (whether in respect of the nominal value or a premium) and not, by the terms of issue thereof, made payable on a fixed date. Each member shall (on receiving at least 14 clear days notice specifying when and where payment is to be made) pay to the Company, at the time and place specified, the amount called as required by the notice. A call may be made payable by instalments and may, at any time before receipt by the Company of an amount due, be revoked or postponed in whole or in part as the board may decide. A call is deemed made at the time when the resolution of the board authorising the call is passed. A person on whom a call is made remains liable to pay the amount called despite the subsequent transfer of the share in respect of which the call is made. The joint holders of a share are jointly and severally liable to pay all calls in respect of that share.

21. POWER TO DIFFERENTIATE

The board may make arrangements on the allotment or, subject to the terms of the allotment, on the issue of shares for a difference between the allottees or holders in the amounts or times of payment of a call on their shares or both.

22. INTEREST ON CALLS

If a sum called is not paid on or before the date fixed for payment, the person from whom it is payable shall pay interest on the unpaid amount from the day the unpaid amount is due until the day it has been paid. The interest rate may be fixed by the terms of allotment or issue of the share or, if no rate is fixed, at such rate (not exceeding eight per cent. per annum) as the board may decide. The board may waive payment of the interest in whole or in part.

23. PAYMENT IN ADVANCE

The board may, if it thinks fit, receive from a member all or part of the amounts uncalled and unpaid on shares held by him. A payment in advance of calls extinguishes to the extent of the payment the liability of the member on the shares in respect of which it is made. The Company may pay interest on the amount paid in advance, or on so much of it as from time to time exceeds the amount called on the shares in respect of which the payment in advance has been made, at such rate (not exceeding eight per cent. per annum) as the board may decide.

24. AMOUNTS DUE ON ALLOTMENT OR ISSUE TREATED AS CALLS

An amount (whether in respect of the nominal value or a premium) which by the terms of issue of a share becomes payable on allotment or issue or on a fixed date shall be deemed to be a call. In case of non-payment, the provisions of the Articles as to payment of interest, forfeiture or otherwise apply as if that amount has become payable by virtue of a call.

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FORFEITURE

25. NOTICE IF CALL NOT PAID

If a member fails to pay the whole of a call or an instalment of a call by the date fixed for payment, the board may serve notice on the member or on a person entitled automatically by law to the share in respect of which the call was made demanding payment of the unpaid amount, on a date not less than 14 clear days from the date of the notice, together with any interest that may have accrued on it and all costs, charges and expenses incurred by the Company by reason of the non-payment. The notice shall state:

(a) the place where payment is to be made; and

(b) that if the notice is not complied with the share in respect of which the call was made will be liable to be forfeited.

26. FORFEITURE FOR NON-COMPLIANCE

If the notice referred to in Article 25 is not complied with, any share in respect of which it is given may, at any time before the payment required by the notice (including interest, costs, charges and expenses) has been made, be forfeited by a resolution of the board. All dividends declared or other amounts due in respect of the forfeited share and not paid before the forfeiture shall also be forfeited.

27. NOTICE AFTER FORFEITURE

When a share has been forfeited, the Company shall serve notice of the forfeiture on the person who was before forfeiture the holder of the share or the person entitled by transmission to the share. An entry of the fact and date of forfeiture shall be made in the register. No forfeiture shall be invalidated by any omission to give such notice or to make such entry in the register.

28. DISPOSAL OF FORFEITED SHARES

28.1 A forfeited share and all rights attaching to it shall become the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the person who was before such forfeiture the holder thereof or to another person, on such terms and in such manner as the board may decide. The board may, if necessary, authorise a person to transfer a forfeited share to a new holder. The Company may receive the consideration (if any) for the share on its disposal and may register or cause the registration of the transferee as the holder of the share.

28.2 The board may, before a forfeited share has been sold, re-allotted or otherwise disposed of, annul the forfeiture on such conditions as it thinks fit.

28.3 A statutory declaration that the declarant is a director or the secretary and that a share has been forfeited or sold to satisfy a lien of the Company on the date stated in the declaration is conclusive evidence of the facts stated in the declaration against all persons claiming to be entitled to the share. The declaration (subject if necessary to the transfer of the share) constitutes good title to the share and the person to whom the share is sold, re-allotted or disposed of is not bound to see to the application of the consideration (if any). His title to the share is not affected by an irregularity in or invalidity of the proceedings connected with the forfeiture or disposal.

29. ARREARS TO BE PAID NOTWITHSTANDING FORFEITURE

A person whose share has been forfeited ceases on forfeiture to be a member in respect thereof and if that share is in certificated form shall surrender to the Company for cancellation any certificate for the forfeited share. A person remains liable to pay all calls, interest, costs, charges and expenses owing in respect of such share at the time of forfeiture, with interest, from the time of forfeiture until payment, at such rate as may be fixed by the terms of allotment or issue of such share or, if no rate is fixed, at such rate (not exceeding eight per cent. per annum) as the board may decide. The board may if it thinks fit enforce payment without allowance for the value of such share at the time of forfeiture or for any consideration received on its disposal.

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30. SURRENDER

The board may accept the surrender of a share liable to be forfeited and in that case references in the Articles to forfeiture include surrender.

TRANSFER OF SHARES

31. METHOD OF TRANSFER

31.1 A member may transfer all or any of his certificated shares by instrument of transfer in writing in any usual form or in any other form approved by the board, and the instrument shall be executed by or on behalf of the transferor and (in the case of a transfer of a share which is not fully paid) by or on behalf of the transferee.

31.2 A member may transfer all or any of his uncertificated shares in accordance with the Uncertificated Securities Regulations.

31.3 Subject to the provisions of the Uncertificated Securities Regulations, the transferor of a share is deemed to remain the holder of the share until the name of the transferee is entered in the register in respect of it.

32. RIGHT TO REFUSE REGISTRATION

32.1 Subject to this Article and Article 76, shares of the Company are free from any restriction on transfer. In exceptional circumstances approved by the relevant regulatory authority (if any), the board may refuse to register a transfer of certificated shares provided that such refusal would not disturb the market in those shares. Subject to the requirements of the relevant listing rules (if applicable), the board may, in its absolute discretion, refuse to register the transfer of a certificated share which is not fully paid or the transfer of a certificated share on which the Company has a lien.

32.2 The board may also, in its absolute discretion, refuse to register the transfer of a certificated share or a renunciation of a renounceable letter of allotment unless all of the following conditions are satisfied:

(a) it is in respect of only one class of shares;

(b) it is in favour of (as the case may be) a single transferee or renouncee or not more than four joint transferees or renouncees;

(c) it is duly stamped (if required); and

(d) it is delivered for registration to the office or such other place as the board may decide, accompanied by the certificate for the shares to which it relates (except in the case of a transfer by a recognised financial institution where a certificate has not been issued, or in the case of a renunciation) and such other evidence as the board may reasonably require to prove the title of the transferor or person renouncing and the due execution by him of the transfer or renunciation or, if the transfer or renunciation is executed by some other person on his behalf, the authority of that person to do so.

32.3 If the board refuses to register the transfer of a certificated share it shall, within two months after the date on which the transfer was lodged with the Company, send notice of the refusal, together with its reasons for the refusal, to the transferee. An instrument of transfer which the board refuses to register shall (except in the

case of suspected fraud) be returned to the person depositing it. Subject to Article 143, the Company may retain all instruments of transfer which are registered.

32.4 In accordance with and subject to the provisions of the Uncertificated Securities Regulations, the Operator of the relevant system shall register a transfer of title to any uncertificated share or any renounceable right of allotment of a share which is a participating security held in uncertificated form unless the Uncertificated Securities Regulations permit the Operator of the relevant system to refuse to register such a transfer in certain circumstances in which case the said Operator may refuse such registration.

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32.5 If the Operator of the relevant system refuses to register the transfer of an uncertificated share or of any such uncertificated renounceable right of allotment of a share it shall, within the time period stipulated by the Uncertificated Securities Regulations, send notice of the refusal to the transferee.

32.6 In accordance with and subject to the provisions of the Uncertificated Securities Regulations, where title to an uncertificated share is transferred by means of a relevant system to a person who is to hold such share in certificated form thereafter, the Company as participating issuer shall register the transfer in accordance with the relevant Operator-instruction, but so that the Company may refuse to register such a transfer in any circumstance permitted by the Uncertificated Securities Regulations.

32.7 In accordance with the Uncertificated Securities Regulations, if the Company as participating issuer refuses to register the transfer of title to an uncertificated share transferred by means of a relevant system to a person who is to hold such share in certificated form thereafter, it shall, within two months after the date on which the Operator-instruction was received by the Company, send notice of the refusal, together with its reasons for the refusal, to the transferee.

33. NO FEES ON REGISTRATION

No fee shall be charged for registering the transfer of a share or the renunciation of a renounceable letter of allotment or other document or instructions relating to or affecting the title to a share or the right to transfer it or for making any other entry in the register.

TRANSMISSION OF SHARES

34. ON DEATH

34.1 The Company shall recognise only the personal representative or representatives of a deceased member as having title to a share held by that member alone or to which he alone was entitled. In the case of a share held jointly by more than one person, the Company may recognise only the survivor or survivors as being entitled to it.

34.2 Nothing in the Articles releases the estate of a deceased member from liability in respect of a share which has been solely or jointly held by him.

35. ELECTION OF PERSON ENTITLED BY TRANSMISSION

35.1 A person becoming entitled by transmission to a share may, on production of such evidence as the board may require as to his entitlement, elect either to be registered as a member or to have a person nominated by him registered as a member.

35.2 If he elects to be registered himself, he shall give notice to the Company to that effect. If he elects to have another person registered, he shall:

(a) if it is a certificated share, execute an instrument of transfer of the share to that person; or

(b) if it is an uncertificated share:

(i) procure that instructions are given by means of a relevant system to effect transfer of the share to that person; or

(ii) change the share to a certificated share and execute an instrument of transfer of the share to that person.

35.3 All the provisions of the Articles relating to the transfer of certificated shares apply to the notice or instrument of transfer (as the case may be) as if it were an instrument of transfer executed by the member and his death, bankruptcy or other event giving rise to a transmission of entitlement had not occurred.

35.4 The board may give notice requiring a person to make the election referred to in Article 35.1. If that notice is not complied with within 60 days, the board may withhold payment of all dividends and other amounts payable in respect of the share until notice of election has been made.

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36. RIGHTS ON TRANSMISSION

Where a person becomes entitled by transmission to a share, the rights of the holder in relation to that share cease. The person entitled by transmission may, however, give a good discharge for dividends and other amounts payable in respect of the share and, subject to Articles 35 and 124, has the rights to which he would be entitled if he were the holder of the share. The person entitled by transmission is not, however, before he is registered as the holder of the share entitled in respect of it to receive notice of or exercise rights conferred by membership in relation to meetings of the Company or a separate meeting of the holders of a class of shares.

UNTRACED SHAREHOLDERS

37. POWER OF SALE

37.1 Subject to the Uncertificated Securities Regulations, the Company may sell the share of a member or of a person entitled by transmission at the best price reasonably obtainable at the time of sale, if:

(a) during a period of not less than 12 years before the date of publication of the advertisements referred to in Article 37.1(c) (or, if published on two different dates, the first date) (the **relevant period**) at least three cash dividends have become payable in respect of the share;

(b) throughout the relevant period no cheque, warrant or money order payable on the share has been presented by the holder of, or the person entitled by transmission to, the share to the paying bank of the relevant cheque, warrant or money order, no payment made by the Company by any other means permitted by Article 124.1 has been claimed or accepted and, so far as any director of the Company at the end of the relevant period is then aware, the Company has not at any time during the relevant period received any communication from the holder of, or person entitled by transmission to, the share;

(c) on expiry of the relevant period the Company has given notice of its intention to sell the share by advertisement in a newspaper in general circulation in the area of the address of the holder of, or person entitled by transmission to, the share shown in the register; and

(d) the Company has not, so far as the board is aware, during a further period of three months after the date of the advertisements referred to in Article 37.1(c) (or the later advertisement if the advertisements are published on different dates) and before the exercise of the power of sale received a communication from the holder of, or person entitled by transmission to, the share.

37.2 Where a power of sale is exercisable over a share pursuant to Article 37.1**,** the Company may at the same time also sell any additional share issued in right of such share or in right of such an additional share previously so issued provided that the requirements of Articles 37.1(a) to 37.1(d) (as if the words throughout the relevant period were omitted from Article 37.1(b) and the words on expiry of the relevant period were omitted from Article 37.1(c)) shall have been satisfied in relation to the additional share.

37.3 To give effect to a sale pursuant to Articles 37.1 or 37.2, the board may authorise a person to transfer the share in the name and on behalf of the holder of, or the person entitled by transmission to, the share, or to cause the transfer of such share, to the purchaser or his nominee and in relation to an uncertificated share may require the Operator to convert the share into certificated form in accordance with the Uncertificated Securities Regulations. The purchaser is not bound to see to the application of the purchase money and the

title of the transferee is not affected by an irregularity or invalidity in the proceedings connected with the sale of the share.

38. APPLICATION OF PROCEEDS OF SALE

The Company shall be indebted to the member or other person entitled by transmission to the share for the net proceeds of sale and shall carry any amount received on sale to a separate account. The Company is deemed to be a debtor and not a trustee in respect of that amount for the member or other person. Any

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amount carried to the separate account may either be employed in the business of the Company or invested as the board may think fit. No interest is payable on that amount and the Company is not required to account for money earned on it.

FRACTIONS

39. FRACTIONS

39.1 If, as the result of consolidation and division or sub-division of shares, members would become entitled to fractions of a share, the board may on behalf of the members deal with the fractions as it thinks fit. Subject to the provisions of the Acts, the board may, in effecting divisions and/or consolidations, treat a member s shares held in certificated form and uncertificated form as separate holdings. In particular, the board may:

(a) sell any shares representing fractions to a person (including, subject to the provisions of the Acts, to the Company) and distribute the net proceeds of sale in due proportion amongst the persons entitled or, if the board so decides, some or all of the sum raised on a sale may be retained for the benefit of the Company; or

(b) subject to the provisions of the Acts, allot or issue to a member credited as fully paid by way of capitalisation the minimum number of shares required to round up his holding of shares to a number which, following consolidation and division or sub-division, leaves a whole number of shares (such allotment or issue being deemed to have been effected immediately before consolidation or sub-division, as the case may be).

39.2 To give effect to a sale pursuant to Article 39.1(a) the board may arrange for the shares representing the fractions to be entered in the register as certificated shares. The board may also authorise a person to transfer the shares to, or to the direction of, the purchaser. The purchaser is not bound to see to the application of the purchase money and the title of the transferee to the shares is not affected by an irregularity or invalidity in the proceedings connected with the sale.

39.3 If shares are allotted or issued pursuant to Article 39.1(b), the amount required to pay up those shares may be capitalised as the board thinks fit out of amounts standing to the credit of reserves (including a share premium account, capital redemption reserve and profit and loss account), whether or not available for distribution, and applied in paying up in full the appropriate number of shares. A resolution of the board capitalising part of the reserves has the same effect as if the capitalisation had been effected pursuant to Article 129. In relation to the capitalisation the board may exercise all the powers conferred on it by Article 129.

GENERAL MEETINGS

40. ANNUAL GENERAL MEETINGS

The Company shall hold annual general meetings in accordance with the requirements of the Acts. Such meetings shall be convened by the board at such times and, subject to Article 59, places as it thinks fit.

41. CONVENING OF GENERAL MEETINGS

The board, the chairman or the chief executive officer may convene a general meeting whenever and at any place it, he or she thinks fit. A general meeting may also be convened in accordance with Article 93.

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42. LENGTH AND FORM OF NOTICE

42.1 Subject to the provisions of the Acts, an annual general meeting shall be called by not less than 21 clear days notice and not more than 60 clear days notice and all other general meetings shall be called by not less than 14 clear days notice and not more than 60 clear days notice.

42.2 Subject to the provisions of the Acts, and although called by shorter notice than that specified in Article 42.1, a general meeting is deemed to have been duly called if it is so agreed:

(a) in the case of an annual general meeting, by all the members entitled to attend and vote at the meeting; and

(b) in the case of another meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority who together hold not less than 95 per cent. in nominal value of the shares giving that right.

42.3 The notice of meeting shall:

(a) if it is a notice calling an annual general meeting, state that the meeting is an annual general meeting;

(b) specify the time, the date and the place of the meeting (including any satellite meeting place arranged for the purpose of Article 55, which shall be identified as such in the notice of meeting);

(c) in the case of special business, specify the general nature of that business;

(d) if the meeting is convened to consider a special resolution, include the text of the resolution and specify the intention to propose the resolution as a special resolution; and

(e) state, with reasonable prominence, that a member is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and to speak and vote at the meeting and to 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), and that a proxy need not also be a member.

42.4 The notice of meeting shall be given to the members (other than any who, under the provisions of the Articles or the terms of allotment or issue of shares, are not entitled to receive notice), to the directors and to the auditors.

42.5 The board may determine that persons entitled to receive notices of meeting are those persons entered on the register at the close of business on a day determined by the board (which shall not be more than 60 days nor less than ten days before the date for the holding of the meeting), provided that, if the Company is a participating issuer, the day determined by the board shall not be more than 21 clear days before the day that the relevant notice of the meeting is being given.

42.6 The notice of meeting must also specify a time (which shall not be more than 60 days nor less than ten days before the date for the holding of the meeting) by which a person must be entered on the register in order to have the right to attend or vote at the meeting. Changes to entries on the register after the time so specified in the notice shall be disregarded in determining the rights of any person to so attend or vote. In calculating the

period referred to in this Article 42.6 no account shall be taken of any part of a day that is not a working day.

42.7 The notice of meeting shall include details of any arrangements made for the purpose of Article 55 making it clear that participation in those arrangements will amount to attendance at the meeting to which the notice relates.

42.8 Where the Company has given an electronic address in any notice of meeting, any document or information relating to proceedings at the meeting may be sent by electronic means to that address, subject to any conditions or limitations specified in the relevant notice of meeting.

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43. OMISSION TO SEND NOTICE

Subject to the provisions of the Acts, the accidental omission to give notice of a meeting or any resolution intended to be moved at a meeting or any document relating to a meeting, or the non-receipt of any such notice, resolution or document by a person entitled to receive any such notice, resolution or document, shall not invalidate the proceedings at that meeting.

44. POSTPONEMENT OF GENERAL MEETINGS

If the board, in its absolute discretion, considers that it is impractical or unreasonable for any reason to hold a general meeting at the time or place specified in the notice calling the general meeting, it may move and/or postpone the general meeting to another time and/or place. When a meeting is so moved and/or postponed, notice of the time and place of the moved and/or postponed meeting shall (if practical) be placed in the Wall Street Journal and the Financial Times or at least two other newspapers in national circulation, one in each of the United States and the United Kingdom, respectively. Notice of the business to be transacted at such moved and/or postponed meeting is not required. The board must take reasonable steps to ensure that members trying to attend the general meeting at the original time and/or place are informed of the new arrangements for the general meeting. Proxy forms can be delivered as specified in Article 63 until the time for holding the rearranged meeting. Any moved and/or postponed meeting may also be moved and/or postponed under this Article.

45. SPECIAL BUSINESS

45.1 All business transacted at a general meeting is deemed special except the following business transacted at an annual general meeting:

(a) the receipt and consideration of the annual accounts, the directors report and the auditors report on those accounts and the directors report;

(b) the appointment or reappointment of directors and other officers in place of those retiring or otherwise ceasing to hold office; and

(c) the appointment or reappointment of the auditors (when special notice of the resolution for appointment is not required by the provisions of the Acts) and determining or authorising the manner of determining the remuneration of the auditors.

45.2 All business transacted at a general meeting shall be limited to the purposes stated in the notice of the meeting.

46. NOMINATIONS AND BUSINESS PROPOSALS

46.1 Subject to the provisions of the Articles, nominations of persons for appointment to the board and the proposal of other business to be considered by the members at an annual general meeting may be made only:

(a) by or at the direction of the board; or

(b) by any shareholder or shareholders of the Company who:

(i)

is or are shareholder(s) of record, whose interest in shares, individually or in aggregate, represent(s) at least five per cent of such of the paid-up share capital of the Company as carries the right of voting at general meetings of the Company, at the time of giving of notice provided for in this Article 46 and at the time of the annual general meeting;

(ii) is or are entitled to vote at the meeting; and

(iii) complies or comply with the notice procedures set forth in this Article 46 as to such nomination or business; this paragraph (b) shall be the exclusive means for a shareholder to make nominations or propose other business (other than matters properly brought

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under Rule 14a-8 under the Exchange Act, and included in the Company s notice of meeting) for consideration at an annual general meeting.

46.2 Without qualification, for any nominations or any other business to be properly brought before an annual general meeting by a shareholder pursuant to Article 46.1(b), the shareholder must have given timely notice thereof in writing to the secretary and such other business must otherwise be a proper matter for shareholder action. To be timely, a shareholder s notice must be delivered to or mailed and received by the secretary at the office not earlier than the close of business on the 75th day and not later than the close of business on the 50th day prior to the first anniversary of the preceding year s annual general meeting, subject to any other requirements of law; provided, however, that (i) in the event that the date of the annual general meeting is more than 30 days before or more than 60 days after such anniversary date, notice by the shareholder to be timely must be so delivered not earlier than the close of business on the 75th day prior to the date of such annual general meeting and not later than the close of business on the later of the 50th day prior to the date of such annual general meeting or, if the first public announcement of the date of such annual general meeting is less than 65 days prior to the date of such annual general meeting, the 15th day following the day on which public announcement of the date of such meeting is first made by the Company, and (ii) in relation to the first annual general meeting of the Company occurring after January 1, 2010, references to the anniversary date of the preceding year s annual general meeting shall be to May 28, 2010. In no event shall any adjournment or postponement of an annual general meeting or the announcement thereof commence a new time period for the giving of a shareholder s notice as described above. To be in proper form, a shareholder s notice (whether given pursuant to this Article 46.2 or Article 46.8) to the secretary must:

(a) set forth, as to the shareholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or proposal is made:

(i) the name and address of such shareholder, as they appear in the register, and of such beneficial owner, if any;

(ii) (A) the class or series and number of shares of the Company which are, directly or indirectly, owned beneficially and of record by such shareholder and such beneficial owner;

(B) any option, warrant, convertible security, share appreciation right, or similar right with an exercise or conversion privilege or a settlement payment or mechanism at a price related to any class or series of shares of the Company or with a value derived in whole or in part from the value of any class or series of shares of the Company, whether or not such instrument or right shall be subject to settlement in the underlying class or series of shares of the Company or otherwise (a **Derivative Instrument**) directly or indirectly owned beneficially by such shareholder and any other direct or indirect opportunity to profit or share in any profit derived from any increase or decrease in the value of shares of the Company;

(C) any proxy, contract, arrangement, understanding, or relationship pursuant to which such shareholder has a right to vote any shares or any security of the Company;

(D) any short interest in any security of the Company (for purposes of this Article a person shall be deemed to have a short interest in a security if such person directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has the opportunity to profit or share in any profit derived from any decrease in the value

of the subject security);

(E) any rights to dividends on the shares of the Company owned beneficially by such shareholder that are separated or separable from the underlying shares of the Company;

(F) any proportionate interest in shares of the Company or Derivative Instruments held, directly or indirectly, by a general or limited partnership in which such shareholder is a

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general partner or, directly or indirectly, beneficially owns an interest in a general partner; and

(G) any performance-related fees (other than an asset-based fee) that such shareholder is entitled to based on any increase or decrease in the value of shares of the Company or Derivative Instruments, if any, as of the date of such notice, including without limitation any such interests held by members of such shareholder s immediate family sharing the same household (which information shall be supplemented by such shareholder and beneficial owner, if any, not later than ten days after the record date for the meeting to disclose such ownership as of the record date); and

(iii) any other information relating to such shareholder and beneficial owner, if any, that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for, as applicable, the proposal and/or for the election of directors in a contested election pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder;

(b) if the notice relates to any business other than a nomination of a director or directors that the shareholder proposes to bring before the meeting, set forth:

(i) a brief description of the business desired to be brought before the meeting, the reasons for conducting such business at the meeting and any material interest of such shareholder and beneficial owner, if any, in such business; and

(ii) a description of all agreements, arrangements and understandings between such shareholder and beneficial owner, if any, and any other person or persons (including their names) in connection with the proposal of such business by such shareholder;

(c) set forth, as to each person, if any, whom the shareholder proposes to nominate for appointment or reappointment to the board:

(i) all information relating to such person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors in a contested election pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder (including such person s written consent to being named in the proxy statement as a nominee and to serving as a director if elected); and

(ii) a description of all direct and indirect compensation and other material monetary agreements, arrangements and understandings during the past three years, and any other material relationships, between or among such shareholder and beneficial owner, if any, and their respective affiliates and associates, or others acting in concert therewith, on the one hand, and each proposed nominee, and his or her respective affiliates and associates, or

others acting in concert therewith, on the other hand, including, without limitation, all information that would be required to be disclosed pursuant to Item 404 of Regulation S-K promulgated by the U.S. Securities Exchange Commission under the Exchange Act if the shareholder making the nomination and any beneficial owner on whose behalf the nomination is made, if any, or any affiliate or associate thereof or person acting in concert therewith, were the registrant for purposes of such rule and the nominee were a director or executive officer of such registrant; and

(d) with respect to each nominee for appointment or reappointment to the board, include a completed and signed questionnaire, representation and agreement required by Article 46.7. The Company may require any proposed nominee to furnish such other information as may reasonably be required by the Company to determine the eligibility of such proposed nominee to serve as an independent director of the Company or that could be material to a reasonable shareholder s understanding of the independence, or lack thereof, of such nominee.

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46.3 Subject to the provisions of the Articles, only such persons who are nominated in accordance with the procedures set forth in this Article 46 shall be eligible to serve as directors and only such business shall be conducted at a general meeting as shall have been brought before the meeting in accordance with the procedures set forth in this Article 46.

46.4 Except as otherwise provided by law or the Articles, the chairman of the meeting shall have the power and duty to determine whether a nomination or any business proposed to be brought before the meeting was made or proposed, as the case may be, in accordance with the procedures set forth in this Article 46 and, if any proposed nomination or business is not in compliance with this Article 46, to declare that such defective proposal or nomination shall be disregarded.

46.5 Notwithstanding any other provisions of this Article 46, a shareholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth in this Article 46; provided, however, that any references in the Articles to the Exchange Act or the rules promulgated thereunder are not intended to and shall not limit the requirements applicable to nominations or proposals as to any other business to be considered pursuant to Article 46.1(b) or Article 46.8.

46.6 Nothing in this Article 46 shall be deemed to affect any rights (i) of shareholders to request inclusion of proposals in the Company s proxy statement pursuant to Rule 14a-8 under the Exchange Act or (ii) of the holders of any series of preferred shares if and to the extent provided for under law or the Articles.

46.7 To be eligible to be a nominee for appointment or reappointment as a director of the Company, a person must deliver (in accordance with the time periods prescribed for delivery of notice set forth in this Article 46) to the secretary at the office a written questionnaire with respect to the background and qualification of such person and the background of any other person or entity on whose behalf the nomination is being made (which questionnaire shall be provided by the secretary upon written request) and a written representation and agreement (in the form provided by the secretary upon written request) that such person:

(a) is not and will not become a party to:

(i) any agreement, arrangement or understanding with, and has not given any commitment or assurance to, any person or entity as to how such person, if appointed as a director of the Company, will act or vote on any issue or question (a **Voting Commitment**) that has not been disclosed to the Company; or

(ii) any Voting Commitment that could limit or interfere with such person s ability to comply, if appointed as a director of the Company, with such person s fiduciary duties under applicable law;

(b) is not and will not become a party to any agreement, arrangement or understanding with any person or entity other than the Company with respect to any direct or indirect compensation, reimbursement or indemnification in connection with service or action as a director that has not been disclosed therein; and

(c) in such person s individual capacity and on behalf of any person or entity on whose behalf the nomination is being made, would be in compliance, if appointed as a director of the Company, and will comply with all applicable publicly disclosed corporate governance, conflict of interest,

confidentiality and share ownership and trading policies and guidelines of the Company.

46.8 Subject to the provisions of the Articles, if the board has convened a general meeting (other than an annual general meeting) for the purpose of appointing to the board one or more directors nominated by or at the direction of the board, as specified in the notice of meeting, nominations of alternative persons for appointment to the board may only be made by any shareholder or shareholders of the Company who:

(i) is or are shareholder(s) of record, whose interest in shares, individually or in aggregate, represent(s) at least five per cent of such of the paid-up share capital of the

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Company as carries the right of voting at general meetings of the Company, at the time of giving of notice provided for in this Article 46 and at the time of the general meeting;

(ii) is or are entitled to vote at the meeting; and

(iii) complies or comply with the shareholder s notice requirements set forth in Article 46.2(a), (c) and (d) with respect to any nomination (including the completed and signed questionnaire, representation and agreement required by Article 46.7) provided that such notice (and accompanying documentation) is delivered or mailed to and received by the secretary at the office not earlier than the close of business on the 75th day prior to the date of such general meeting and not later than the close of business on the 50th day prior to the date of such general meeting, subject to any other requirements of law; provided, however, that, if the first public announcement of the date of such general meeting is less than 65 days prior to the date of such general meeting, notice by the shareholder to be timely must be so delivered no later than the 15th day following the day on which public announcement of the date of such meeting is first made by the Company. In no event shall any adjournment or postponement of a general meeting or the announcement thereof commence a new time period for the giving of a shareholder s notice as described above.

46.9 For the purpose of this Article 46, where nominations of persons for appointment to the board and/or proposals of other business to be considered by the members at a general meeting (as the case may be) are made by more than one shareholder, references to a shareholder in relation to notice and other information requirements shall apply to each shareholder, respectively, as the context requires.

47. LIST OF SHAREHOLDERS

47.1 At least ten days before every general meeting, the secretary shall prepare a complete list of the shareholders entitled to vote at the meeting.

47.2 The list of shareholders shall:

(a) be arranged in alphabetical order;

(b) show the address of each shareholder; and

(c) show the number of shares registered in the name of each shareholder.

47.3 The list of shareholders shall be available during ordinary business hours for a period of at least ten days before the meeting for inspection by any shareholder for any purpose relevant to the shareholder meeting. The notice of the meeting may specify the place where the list of shareholders may be inspected. If the notice of the meeting does not specify the place where shareholders may inspect the list of shareholders, the list of shareholders shall be available for inspection at the place where the meeting is to be held.

47.4 The list of shareholders shall be available for inspection by any shareholder who is present at the meeting, at the place, and for the duration, of the meeting.

PROCEEDINGS AT GENERAL MEETINGS

48. QUORUM

48.1 No business may be transacted at a general meeting unless a quorum is present. The absence of a quorum does not prevent the appointment of a chairman in accordance with the Articles, which shall not be treated as part of the business of the meeting.

48.2 The quorum for a general meeting is a member or members present in person or by proxy who represent(s) at least the majority of the voting rights of all the members entitled to attend and vote at the meeting.

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49. PROCEDURE IF QUORUM NOT PRESENT

49.1 If a quorum is not present within ten minutes (or such longer time not exceeding 30 minutes as the chairman decides to wait) after the time fixed for the start of the meeting or if there is no longer a quorum present at any time during the meeting, the meeting stands adjourned to such other day (being not less than 14 nor more than 28 days later) and at such other time and/or place as the chairman (or, in default, the board) decides. If at the adjourned meeting a quorum is not present within five minutes after the time fixed for the start of the meeting, the meeting is dissolved.

49.2 The Company shall give not less than seven clear days notice of any meeting adjourned for the lack of a quorum and the notice shall state the quorum requirement. No business may be dealt with at any meeting adjourned for the lack of a quorum the general nature of which was not stated in the notice convening the original meeting.

50. CHAIRMAN

50.1 The chairman (if any) of the board or, in his absence, the deputy chairman (if any) shall preside as chairman at a general meeting. If there is no chairman or deputy chairman, or if at a meeting neither is present and willing and able to act within five minutes after the time fixed for the start of the meeting or neither is willing and able to act, the directors present shall select one of their number to be chairman. If only one director is present and willing and able to act, he shall be chairman. In default, the members present in person and entitled to vote shall choose one of their number to be chairman.

50.2 Without prejudice to any other power which he may have under the provisions of the Articles or at common law, the chairman may take such action as he thinks fit to promote the orderly conduct of the business of the meeting as specified in the notice of meeting. The chairman s decision on matters of procedure or arising incidentally from the business of the meeting shall be final, as shall be his determination as to whether any matter is of such a nature.

51. RIGHT TO ATTEND AND SPEAK

51.1 Each director shall be entitled to attend and speak at a general meeting and at a separate meeting of the holders of a class of shares or debentures whether or not he is a member.

51.2 The chairman may invite any person to attend and speak at any general meeting of the Company where he considers that this will assist in the deliberations of the meeting.

52. POWER TO ADJOURN

52.1 The chairman or the holder or holders of shares representing the majority of the voting rights present at any general meeting shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting.

52.2 Without prejudice to any other power which he may have under the provisions of the Articles or at common law, the chairman may interrupt or adjourn a meeting from time to time and from place to place or for an indefinite period if he decides that it has become necessary to do so in order to:

(a) secure the proper and orderly conduct of the meeting;

(b) give all persons entitled to do so a reasonable opportunity of speaking and voting at the meeting; or

(c) ensure that the business of the meeting is properly disposed of.

53. NOTICE OF ADJOURNED MEETING

53.1 Whenever a meeting is adjourned pursuant to Article 52, regardless of the adjournment period, the board may (but need not) make a fresh determination of persons entitled to receive notice of such adjourned meeting (provided any record date shall not be more than 60 days nor less than ten days before the date for the holding of the meeting), in which case at least seven clear days notice specifying the place, date and time of the adjourned meeting and the general nature of the business to be transacted shall be given to the

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members (other than any who, under the provisions of the Articles or the terms of allotment or issue of the shares, are not entitled to receive notice), the directors and the auditors. Except in these circumstances, and those expressed in Article 53.2 below, it is not necessary to give notice of a meeting adjourned pursuant to Article 52 or of the business to be transacted at the adjourned meeting.

53.2 Whenever a meeting is adjourned for more than 30 days or for an indefinite period pursuant to Article 52, at least seven clear days notice specifying the place, date and time of the adjourned meeting and the general nature of the business to be transacted shall be given to the members (other than any who, under the provisions of the Articles or the terms of allotment or issue of the shares, are not entitled to receive notice), the directors and the auditors. Except in these circumstances, and those expressed in Article 53.1 above, it is not necessary to give notice of a meeting adjourned pursuant to Article 52 or of the business to be transacted at the adjourned meeting.

53.3 The notice of an adjourned meeting given in accordance with this Article must, if the adjournment is for more than 30 days, and may, in all other cases, also specify a date and time (which shall not be more than 60 days nor less than ten days before the date for the holding of the meeting) by which a person must be entered on the register in order to have the right to attend or vote at the meeting. Changes to entries on the register after the time so specified in the notice shall be disregarded in determining the rights of any person to so attend or vote. In calculating the period referred to in this Article 53.3 no account shall be taken of any part of a day that is not a working day.

54. BUSINESS AT ADJOURNED MEETING

Subject to Article 53.2 at an adjourned meeting at which a quorum shall be present or represented any business may be transacted which might have been transacted at the meeting as originally notified.

55. SATELLITE MEETINGS

55.1 The board may resolve to enable persons entitled to attend a general meeting to do so by simultaneous attendance and participation at a satellite meeting place anywhere in the world. The members present in person or by proxy at satellite meeting places shall be counted in the quorum for, and entitled to vote at, the general meeting in question, and that meeting shall be duly constituted and its proceedings valid provided that the chairman of the general meeting is satisfied that adequate facilities are available throughout the general meeting to ensure that members attending at all the meeting places are able to:

(a) participate in the business for which the meeting has been convened;

(b) hear and see all persons present who speak (whether by the use of microphones, loud-speakers, audio-visual communications equipment or otherwise) in the principal meeting place and any satellite meeting place; and

(c) be heard and seen by all other persons present in the same way.

55.2 The chairman of the general meeting shall be present at, and the meeting shall be deemed to take place at, the principal meeting place.

56. ACCOMMODATION OF MEMBERS AT MEETING

If it appears to the chairman that the principal meeting place or any satellite meeting place is inadequate to accommodate all members entitled and wishing to attend, the meeting shall be duly constituted and its proceedings valid if the chairman is satisfied that adequate facilities are available to ensure that a member who is unable to be accommodated is able to:

(a) participate in the business for which the meeting has been convened;

(b) hear and see all persons present who speak (whether by the use of microphones, loud-speakers, audio-visual communications equipment or otherwise) whether in the principal meeting place, any satellite meeting place or elsewhere; and

(c) be heard and seen by all other persons present in the same way.

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57. SECURITY

The board may make any arrangement and impose any restriction it considers appropriate to ensure the security of a meeting including, without limitation, the searching of a person attending the meeting and the restriction of the items of personal property that may be taken into the meeting place. The board may authorise one or more persons, who shall include a director, an officer or the secretary or the chairman of the meeting, to:

(a) refuse entry to a meeting to a person who refuses to comply with these arrangements or restrictions; and

(b) eject from a meeting any person who causes the proceedings to become disorderly.

VOTING

58. METHOD OF VOTING

58.1 Any resolution put to the vote at a general meeting shall be decided on a poll and, for the avoidance of doubt, no resolution shall be decided on a show of hands.

58.2 Cumulative voting of shares of the Company, regardless of the class of shares, is prohibited.

59. PROCEDURE

59.1 Each poll shall be conducted in such a manner as the chairman directs. In advance of any meeting, the chairman shall appoint scrutineers, who need not be members, to act at the meeting. The chairman may appoint one or more persons as alternate scrutineers to replace any scrutineer who fails to act. If no scrutineer or alternate scrutineer is willing or able to act at a meeting, the chairman shall appoint one or more scrutineers to act at the meeting. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was conducted.

59.2 Each scrutineer appointed in accordance with this Article shall, prior to acting, be required to provide an undertaking to the Company, in a form determined by the board, that he or she will execute the duties of a scrutineer with strict impartiality and according to the best of his or her ability.

59.3 A poll conducted on the election of a chairman or on any question of adjournment shall be taken at the meeting and without adjournment. A poll conducted on another question shall be taken at such time and place as the chairman decides, either at once or after an interval or adjournment (but not more than 30 clear days after the date of the meeting at which such question arose).

59.4 The date and time of the opening and the closing of a poll for each matter upon which the shareholders will vote at a meeting shall be announced at the meeting. No ballot, proxies or votes, nor any revocations thereof or changes thereto, shall be accepted by the scrutineers after the closing of the poll unless a court with relevant jurisdiction upon application by a shareholder shall determine otherwise.

59.5 The conduct of a poll (other than on the election of a chairman or on a question of adjournment) does not prevent the meeting continuing for the transaction of business other than the question on which a poll is to be conducted.

59.6 On a poll a member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.

60. VOTES OF MEMBERS

60.1 Subject to any rights or restrictions as to voting attached to any class of shares by or in accordance with the Articles and subject to Article 73 and the Acts, at a general meeting on a vote on a resolution every member (whether present in person or by proxy) has one vote for every share of which he is the holder.

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60.2 In the case of joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote or votes of the other joint holder or holders, and seniority shall be determined by the order in which the names of the holders stand in the register.

60.3 A member in respect of whom an order has been made by any court or official having jurisdiction (whether in the United Kingdom, the United States or elsewhere) that he is or may be suffering from mental disorder or is otherwise incapable of running his affairs may vote by his guardian, receiver, curator bonis or other person authorised for that purpose and appointed by the court. A guardian, receiver, curator bonis or other authorised and appointed person may vote by proxy if evidence (to the satisfaction of the board) of the authority of the person claiming to exercise the right to vote is received at the office (or at another place specified in accordance with the Articles for the delivery or receipt of forms of appointment of a proxy) or in any other manner specified in the Articles for the appointment of a proxy within the time limits prescribed by the Articles for the appointment of a proxy for use at the meeting, adjourned meeting or poll at which the right to vote is to be exercised.

61. RESTRICTION ON VOTING RIGHTS FOR UNPAID CALLS ETC.

Unless the board otherwise decides, no member is entitled in respect of a share held by him to be present or to vote, either in person or by proxy, at a general meeting or at a separate meeting of the holders of a class of shares or on a poll, or to exercise other rights conferred by membership in relation to the meeting or poll, if a call or other amount due and payable in respect of the share is unpaid. This restriction ceases on payment of the amount outstanding and all costs, charges and expenses incurred by the Company by reason of the non-payment.

62. VOTING BY PROXY

62.1 A member is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and to speak and vote at a meeting of the Company. Such a proxy can himself appoint another person to be his proxy in relation to the number of shares held by him, and such proxy can himself appoint another person to be his proxy in relation to the number of shares held by him and so on ad infinitum, and the provisions of Articles 62 to 64 shall apply to all such appointments as if the appointee was the registered holder of such shares and the appointment was made by him in that capacity.

62.2 A proxy need not be a member.

62.3 Subject to Article 62.4, an instrument appointing a proxy shall be in hard copy in any usual form (or in another form approved by the board) executed under the hand of the appointor or his duly constituted attorney or, if the appointor is a corporation, under its seal or under the hand of its duly authorised officer or attorney or other person authorised to sign.

62.4 The Company may provide an electronic address for the receipt of any document or information relating to proxies for a general meeting (including any instrument of proxy or invitation to appoint a proxy, any document necessary to show the validity of, or otherwise relating to, an appointment of proxy and notice of the termination of the authority of a proxy). The Company shall be deemed to have agreed that any such document or information may be sent by electronic means to that address (subject to any conditions or limitations specified by the Company when providing the address).

62.5 A member may appoint more than one proxy in relation to a meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him. References in the Articles to an

appointment of proxy include references to an appointment of multiple proxies.

62.6 Where two or more valid but conflicting appointments of proxy are delivered or received for the same share or shares for use at the same meeting, the one which is last validly delivered or received (regardless of its date or the date of its execution) shall be treated as replacing and revoking the other or others as regards that share or those shares. If the Company is unable to determine which appointment was last validly delivered or received, none of them shall be treated as valid in respect of that share or those shares.

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62.7 Delivery or receipt of an appointment of proxy does not prevent a member attending and voting in person at the meeting or an adjournment of the meeting.

62.8 The appointment of a proxy shall (unless the contrary is stated in it) be valid for an adjournment of the meeting as well as for the meeting or meetings to which it relates. A proxy given in the form of a power of attorney or similar authorisation granting power to a person to vote on behalf of a member at forthcoming meetings in general shall not be treated as valid for a period of more than three years, unless the contrary is stated in it.

62.9 Subject to the provisions of the Acts and the requirements of any relevant listing rules (if applicable), the board may at the expense of the Company send or make available appointments of proxy or invitations to appoint a proxy to the members by post or by electronic means or otherwise (with or without provision for their return prepaid) for use at any general meeting or at any separate meeting of the holders of any class of shares, either in blank or nominating in the alternative any one or more of the directors or any other person. If for the purpose of any meeting appointments of proxy or invitations to appoint as proxy a person or one of a number of persons specified in the invitation are issued at the Company s expense, they shall be issued to all (and not to some only) of the members entitled to be sent a notice of the meeting and to vote at it. The accidental omission or the failure, due to circumstances beyond the Company s control, to send or make available such an appointment of proxy or give such an invitation to, or the non-receipt thereof by, any member entitled to attend and vote at a meeting shall not invalidate the proceedings at that meeting.

63. APPOINTMENT OF PROXY

63.1 An appointment of proxy (and, where such proxy is himself appointed by a proxy, such appointor(s) proxies), and (if required by the board) a power of attorney or other authority under which it is, or they are, as applicable, executed or a copy of it notarially certified or certified in some other way approved by the board, shall:

(a) in the case of an appointment of proxy in hard copy form, be received at the office, or another place specified in the notice convening the meeting or in any appointment of proxy or any invitation to appoint a proxy sent out or made available by the Company in relation to the meeting, before the time for holding the meeting or adjourned meeting at which the person named in the appointment of proxy proposes to vote;

(b) in the case of an appointment of proxy in electronic form, be received at the electronic address specified in the notice convening the meeting or in any appointment of proxy or any invitation to appoint a proxy sent out or made available by the Company in relation to the meeting, before the time for holding the meeting or adjourned meeting at which the person named in the appointment of proxy proposes to vote;

(c) in the case of a poll taken more than 48 hours after the meeting at which the relevant vote was to be taken, be received as aforesaid after such meeting and not less than 24 hours (or such shorter time as the board may determine) before the time appointed for the taking of the poll; or

(d) in the case of a poll not taken immediately but taken not more than 48 hours after the meeting at which the relevant vote was to be taken, be delivered at such meeting to the chairman or to the secretary or to any director.

An appointment of proxy not received or delivered in accordance with this Article is invalid.

The board may at its discretion determine that, in calculating the periods mentioned in this Article 63.1, no account shall be taken of any part of any day that is not a working day.

63.2 Without limiting the foregoing, in relation to any shares which are held in uncertificated form, the board may from time to time permit appointments of proxy to be made by electronic means in the form of an uncertificated proxy instruction and may in a similar manner permit supplements to, or amendments or revocations of, any such uncertificated proxy instruction to be made by like means. The board may in addition prescribe the method of determining the time at which any such uncertificated proxy instruction

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(and/or other instruction or notification) is to be treated as received by the Company or a participant acting on its behalf. The board may treat any such uncertificated proxy instruction which purports to be or is expressed to be sent on behalf of a holder of a share as sufficient evidence of the authority of the person sending that instruction to send it on behalf of that holder.

64. WHEN VOTES BY PROXY VALID ALTHOUGH AUTHORITY TERMINATED

A vote cast by a proxy is valid despite the previous termination of the authority of a person to act as a proxy unless notice of such termination shall have been received by the Company at the office, or at such other place or address at which an appointment of proxy may be duly received or delivered, not later than the time at which an appointment of proxy should have been received or delivered in order for it to be valid for use at the meeting or adjourned meeting at which the vote is cast or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for use in relation to the poll at which the vote is cast.

ADR DEPOSITARY ARRANGEMENTS

65. ADR DEPOSITARY CAN APPOINT MULTIPLE PROXIES

65.1 The ADR Depositary can appoint more than one person to be its proxy (each person validly so appointed being referred to as an **Appointed Proxy**) and the provisions of Articles 62 to 64 shall apply to any such appointment(s).

65.2 Appointments of all proxies shall set out the number of shares in relation to which an Appointed Proxy, Sub Proxy or Appointee (as defined in Articles 68.1 and 68.2 respectively), as the case may be, is appointed (the **Appointed Number**). The Appointed Number of shares of all Appointed Proxies, when added together, must not be more than the total number of shares registered in the name of the ADR Depositary. The Appointed Proxy, Sub Proxy and Appointee(s) together being the **ADS Proxies** and individually an **ADS Proxy**.

66. THE ADR DEPOSITARY SHALL KEEP A PROXY REGISTER

66.1 The ADR Depositary shall keep a register of the names and addresses of all the Appointed Proxies (the **Proxy Register**). The Proxy Register shall set out the Appointed Number of shares of each Appointed Proxy. This may be shown by setting out the number of American Depositary Receipts which each Appointed Proxy holds and stating that the Appointed Number of shares can be ascertained by multiplying the said number of American Depositary Receipts by such number which for the time being is equal to the number of shares which any one American Depositary Receipt represents.

66.2 The ADR Depositary shall allow anyone whom the board nominates to inspect the Proxy Register during usual business hours on any business day at the registered office of the ADR Depositary. The ADR Depositary shall also provide, as soon as possible, any information contained in the Proxy Register which may be requested by the Company or its agents.

67. APPOINTED PROXIES AND THEIR PROXIES CAN ONLY ATTEND GENERAL MEETINGS IF PROPERLY APPOINTED

An Appointed Proxy, Sub Proxy or an Appointee may only attend a general meeting if he provides the Company with written evidence of his appointment and, in the case of Sub Proxies and Appointees, written evidence of their appointor(s) appointment, for that general meeting. Such written evidence shall be in a

form agreed between the board and the ADR Depositary.

68. RIGHTS OF APPOINTED PROXIES AND THEIR PROXIES

Subject to the Acts and providing the total number of shares registered in the name of the ADR Depositary is sufficient to include an Appointed Proxy s Appointed Number:

68.1 an Appointed Proxy can himself appoint another person to be his proxy (each person validly so appointed being referred to as a **Sub Proxy**) in relation to his Appointed Number of shares and the provisions of

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Articles 62 to 64 shall apply to such appointment as if the Appointed Proxy was the registered holder of such shares and the appointment was made by him in that capacity;

68.2 a Sub Proxy can himself appoint another person to be his proxy in relation to his Appointed Number of shares, and such appointee shall be entitled to appoint another person to be his proxy in relation to his Appointed Number of shares and so on ad infinitum (each such person validly so appointed being referred to as an **Appointee**), and the provisions of Articles 62 to 64 shall apply to all such appointments as if the Sub Proxy or the Appointee, as the case may be, was the registered holder of such shares and the appointment was made by him in that capacity; and

68.3 at a general meeting which an Appointed Proxy, Sub Proxy or an Appointee is entitled to attend, he is entitled to the same rights and has the same obligations in relation to his Appointed Number of shares as if such shares were registered in his name.

69. SENDING INFORMATION TO AN APPOINTED PROXY

The Company may send to an Appointed Proxy at his address in the Proxy Register all or any of the documents which are sent to members.

70. THE PROXY REGISTER MAY BE FIXED AT A CERTAIN DATE

70.1 In order to determine which persons are entitled as Appointed Proxies to:

(a) exercise the rights conferred by Article 68; and

(b) receive documents sent pursuant to Article 69

and the Appointed Number of shares in respect of which a person is to be treated as Appointed Proxy for such purpose, the ADR Depositary may determine that the persons who are entitled are those persons entered in the Proxy Register at the close of business on a date (a **Record Date**) determined by the ADR Depositary in consultation with the Company.

70.2 When a Record Date is determined for a particular purpose:

(a) the Appointed Number of shares of an Appointed Proxy will be treated as the number appearing against his name in the Proxy Register as at the close of business on the Record Date (this may be shown by setting out the number of American Depositary Receipts which each Appointed Proxy holds and stating that the number of shares can be ascertained by multiplying the said number of American Depositary Receipts by such number which for the time being is equal to the number of shares which each American Depositary Receipt represents); and

(b) changes to entries in the Proxy Register after the close of business on the Record Date will be ignored in determining the entitlement of any person for the purpose concerned.

71. THE NATURE OF AN APPOINTED PROXY S INTEREST

Except as required by the Acts, no ADS Proxy will be recognised by the Company as holding any interest in shares upon any trust. Except for recognising the rights given in relation to general meetings by appointments made by ADS Proxies pursuant to Article 68, the Company is entitled to treat any person

entered in the Proxy Register as an Appointed Proxy as the only person (other than the ADR Depositary) who has any interest in the shares in respect of which the Appointed Proxy has been appointed.

72. VALIDITY OF THE APPOINTMENT OF APPOINTED PROXIES

72.1 If any question arises at or in relation to a general meeting as to whether any particular person has been validly appointed as an ADS Proxy to vote (or exercise any other right) in respect of any shares, the question will be determined by the chairman of the general meeting. His decision (which may include declining to recognise a particular appointment as valid) will, if made in good faith, be final and binding on all persons interested.

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72.2 If a question of the type described in Article 72.1 arises in any circumstances other than at or in relation to a general meeting, the question will be determined by the board. Its decision (which can include declining to recognise a particular appointment as valid) will also, if made in good faith, be final and binding on all persons interested.

73. CORPORATE REPRESENTATIVES

73.1 A corporation which is a member may, by resolution of its directors or other governing body, authorise a person or persons to act as its representative or representatives at any meeting of the Company, or at any separate meeting of the holders of any class of shares (a **representative**).

73.2 Subject to Article 73.3, a representative is entitled to exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of the Company.

73.3 Where a corporation authorises more than one representative and more than one representative purport to exercise a power under Article 73.2 in respect of the same shares:

(a) if they purport to exercise the power in the same way as each other, the power is treated as exercised in that way;

(b) if they do not purport to exercise the power in the same way as each other, the power is treated as not exercised.

73.4 A director, the secretary or other person authorised for the purpose by the secretary may require a representative to produce a certified copy of the resolution of authorisation before permitting him to exercise his powers.

74. OBJECTIONS TO AND ERROR IN VOTING

No objection may be made to the qualification of any person voting at a general meeting or to the counting of, or failure to count, any vote, except at the meeting, adjourned meeting or poll at which the vote objected to is tendered or at which the error occurs. An objection properly made shall be referred to the chairman whose decision on such matter shall be final and conclusive.

75. AMENDMENTS TO RESOLUTIONS

No amendment to a resolution duly proposed as a special resolution (other than an amendment to correct a patent error) may be considered or voted on. No amendment to a resolution duly proposed as an ordinary resolution (other than an amendment to correct a patent error) may be considered or voted on unless either:

(a) at least 48 hours before the time appointed for holding the meeting or adjourned meeting at which the ordinary resolution is to be considered, notice of the terms of the amendment and intention to move it has been lodged at the office; or

(b) the chairman in his absolute discretion decides that the amendment may be considered or voted on.

If an amendment proposed to a resolution under consideration is ruled out of order by the chairman the proceedings on the substantive resolution are not invalidated by an error in his ruling.

76. FAILURE TO DISCLOSE INTERESTS IN SHARES

76.1 Where notice is served by the Company under section 793 of CA 2006 (a **section 793 notice**) on a member, or another person appearing to be interested in shares held by that member, and the member or other person has failed in relation to any shares (the **default shares** , which expression includes any shares allotted or issued after the date of the section 793 notice in respect of those shares) to give the

Company the information required within the prescribed period from the date of service of the section 793 notice, the following sanctions apply, unless the board otherwise decides:

(a) the member shall not be entitled in respect of the default shares to be present or to vote (either in person or by proxy) at a general meeting or at a separate meeting of the holders of a class of shares or on a poll; and

(b) where the default shares represent at least 0.25 per cent. in nominal value of the issued shares of their class:

(i) a dividend (or any part of a dividend) or other amount payable in respect of the default shares shall be withheld by the Company, which has no obligation to pay interest on it, and the member shall not be entitled to elect, pursuant to Article 128, to receive shares instead of a dividend; and

(ii) no transfer of any certificated default shares shall be registered unless the transfer is an excepted transfer or:

(A) the member is not himself in default in supplying the information required; and

(B) the member proves to the satisfaction of the board that no person in default in supplying the information required is interested in any of the shares the subject of the transfer.

76.2 For the purpose of enforcing the sanction in Article 76.1(b)(ii), the board may give notice to the member requiring the member to change default shares held in uncertificated form to certificated form by the time stated in the notice. The notice may also state that the member may not change any default shares held in certificated form to uncertificated form. If the member does not comply with the notice, the board may require the Operator to convert default shares held in uncertificated form into certificated form in the name and on behalf of the member in accordance with the Uncertificated Securities Regulations.

76.3 The sanctions under Article 76.1 cease to apply seven days after the earlier of:

(a) receipt by the Company of notice of an excepted transfer, but only in relation to the shares thereby transferred; and

(b) receipt by the Company, in a form satisfactory to the board, of all the information required by the section 793 notice.

76.4 Where, on the basis of information obtained from a member in respect of a share held by him, the Company issues a section 793 notice to another person, it shall at the same time send a copy of the section 793 notice to the member, but the accidental omission to do so, or the non-receipt by the member of the copy, does not invalidate or otherwise affect the application of Articles 76.1 or 76.2.

76.5 Where any person appearing to be interested in the default shares has been duly served with a section 793 notice and the default shares which are the subject of such section 793 notice are held by the ADR Depositary, the provisions of this Article shall be treated as applying only to such default shares held by the ADR Depositary and not (insofar as such person s apparent interest is concerned) to any other shares held by the ADR Depositary.

76.6 For the purposes of this Article 76:

(a) a person, other than the member holding a share, shall be treated as appearing to be interested in that share if the member has informed the Company that the person is or may be interested, or if the Company (after taking account of information obtained from the member or, pursuant to a section 793 notice, from anyone else) knows or has reasonable cause to believe that the person is or may be so interested;

(b) *interested* shall be construed as it is for the purpose of section 793 of CA 2006;

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(c) reference to a person having failed to give the Company the information required by a section 793 notice, or being in default in supplying such information, includes (a) reference to his having failed or refused to give all or any part of it, and (b) reference to his having given information which he knows to be false in a material particular or having recklessly given information which is false in a material particular;

(d) the **prescribed period** means 14 days;

(e) an **excepted transfer** means, in relation to shares held by a member:

(i) a transfer pursuant to acceptance of a takeover offer for the Company (within the meaning of Chapter 3 of Part 28 of CA 2006); or

(ii) a transfer in consequence of a sale made through a recognised investment exchange (as defined in the Financial Services and Markets Act 2000) or another stock exchange outside the United Kingdom on which shares in the capital of the Company are normally traded; or

(iii) a transfer which is shown to the satisfaction of the board to be made in consequence of a sale of the whole of the beneficial interest in the shares to a person who is unconnected with the member and with any other person appearing to be interested in the shares.

76.7 The provisions of this Article are in addition and without prejudice to the provisions of the Acts.

APPOINTMENT, RETIREMENT AND REMOVAL OF DIRECTORS

77. NUMBER OF DIRECTORS

77.1 The number of directors must not be less than three and must not be more than fifteen. The number of directors may be fixed within the foregoing limits from time to time by resolution of the board.

77.2 A majority of the directors shall be independent.

78. APPOINTMENT OF EXECUTIVE DIRECTORS

78.1 Subject to the provisions of the Acts, the board may appoint one or more of its body to hold an executive office with the Company for such term and on such other terms and conditions as the board thinks fit. The board may revoke or terminate an appointment, without prejudice to a claim for damages for breach of the contract of service between the director and the Company or otherwise.

78.2 Subject to the provisions of the Acts, the board may enter into an agreement or arrangement with any director for the provision of any services outside the scope of the ordinary duties of a director. Any such agreement or arrangement may be made on such terms and conditions as the board thinks fit and (without prejudice to any other provision of the Articles) it may remunerate any such director for such services as it thinks fit and provide for the payment of expenses properly incurred by the director.

79. NO SHARE QUALIFICATION

A director is not required to hold any shares in the capital of the Company.

80. VOTING ON RESOLUTION FOR APPOINTMENT

At a general meeting a motion for the appointment of two or more persons as directors by a single resolution shall not be made unless an ordinary resolution that it should be so made has first been agreed to by the meeting without any vote being given against it, and for the purposes of this Article a motion for approving a person s appointment or for nominating a person for appointment shall be treated as a motion for his appointment. A resolution moved in contravention of this Article is void (whether or not its being so moved was objected to at the time).

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81. CLASSIFICATION OF THE BOARD

81.1 The directors of the Company shall be classified with respect to the time for which they severally hold office into three classes (**Class I** , **Class II** and **Class III**), as nearly equal in number as possible and as provided in the Articles. The initial term of:

(a) Class I shall expire at the annual general meeting to be held in 2012;

(b) Class II shall expire at the annual general meeting to be held in 2010; and

(c) Class III shall expire at the annual general meeting to be held in 2011,

with each class to hold office until its successors are duly elected.

81.2 At each annual general meeting the number of directors equal to the number of the Class whose term expires at such meeting shall be appointed to hold office until the third succeeding annual general meeting. Except as provided in Article 81.3, directors of the Class whose term is expiring at an annual general meeting shall be appointed at such meeting, and each director elected shall hold office until his or her successor is appointed or until his or her death, retirement, resignation or removal.

81.3 In the event of any change in the authorised number of directors, the newly created or eliminated directorships resulting from such increase or decrease shall be apportioned by the board among the Classes of directors so as to maintain such Classes as nearly equal as possible.

81.4 Should a vacancy on the board of directors occur or be created, whether arising through death, retirement, resignation or removal of a director, or through an increase in the number of directors of any Class, such vacancy shall be filled by the majority vote of the remaining directors of all Classes, whether or not a quorum, or by a sole remaining director. Subject to the provisions hereof, any director appointed to fill a vacancy shall serve for the remainder of the then present term of office of the Class to which he or she was appointed. In the event such term extends beyond the next annual general meeting for which a notice of the meeting has not been sent at the time of the appointment, the director or directors so appointed shall be named and described in the notice of the next annual general meeting and shall stand for election for the remaining portion of the term of office at such annual general meeting.

82. VACATION OF OFFICE BY DIRECTOR

82.1 Without prejudice to the provisions for retirement contained in the Articles, the office of a director is vacated if:

(a) he resigns by notice delivered to the secretary at the office or tendered at a board meeting;

(b) where he has been appointed for a fixed term, the term expires;

(c) he ceases to be a director by virtue of a provision of the Acts, is removed from office pursuant to the Articles or becomes prohibited by law from being a director;

(d) he becomes bankrupt or compounds with his creditors generally or he applies to the court for an interim order under section 253 of the Insolvency Act 1986 in connection with a voluntary arrangement under that statute;

(e) he is or has been suffering from mental ill health or becomes a patient for the purpose of any statute relating to mental health or any court claiming jurisdiction on the ground of mental disorder (however stated) makes an order for his detention or for the appointment of a guardian, receiver or other person (howsoever designated) to exercise powers with respect to his property or affairs, and in any such case the board resolves that his office be vacated.

82.2 A resolution of the board declaring a director to have vacated office under the terms of this Article is conclusive as to the fact and grounds of vacation stated in the resolution.

82.3 If the office of a director is vacated for any reason, he shall cease to be a member of any committee of the board.

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ALTERNATE DIRECTORS

83. APPOINTMENT

83.1 A director (other than an alternate director) may by notice delivered to the secretary at the office or tabled at a meeting of the board, or in any other manner approved by the board, appoint as his alternate director:

(a) another director; or

(b) another person approved by the board and willing to act.

No appointment of an alternate director who is not already a director shall be effective until his consent to act as a director in the form prescribed by the provisions of the Acts has been received at the office or tabled at a meeting of the board.

83.2 An alternate director is not required to hold any shares in the capital of the Company and shall not be counted in reckoning the number of directors for the purpose of Article 77.

84. REVOCATION OF APPOINTMENT

A director may by notice delivered to the secretary at the office or tabled at a meeting of the board revoke the appointment of his alternate director and, subject to the provisions of Article 83, appoint another person in his place. If a director ceases to hold the office of director or if he dies, the appointment of his alternate director automatically ceases. If a director retires but is reappointed or deemed reappointed at the meeting at which his retirement takes effect, a valid appointment of an alternate director which was in force immediately before his retirement continues to operate after his reappointment as if he had not retired. The appointment of an alternate director ceases on the happening of an event which, if he were a director otherwise appointed, would cause him to vacate office.

85. PARTICIPATION IN BOARD MEETINGS

An alternate director shall, if he gives the Company an address at which notices may be served on him or an address at which notices may be served on him by electronic means, be entitled to receive notice of all meetings of the board and all committees of the board of which his appointor is a member and, in the absence from those meetings of his appointor, to attend and vote at the meetings and to exercise all the powers, rights, duties and authorities of his appointor. A director acting as alternate director has a separate vote at meetings of the board and committees of the board for each director for whom he acts as alternate director but he counts as only one for the purpose of determining whether a quorum is present.

86. RESPONSIBILITY

A person acting as an alternate director shall be an officer of the Company, shall alone be responsible to the Company for his acts and defaults, and shall not be deemed to be the agent of his appointor.

REMUNERATION, EXPENSES AND PENSIONS

87. REMUNERATION AND EXPENSES OF DIRECTORS

87.1

Subject to the provisions of the Articles, the board shall have the authority to determine the compensation of directors who are not officers or employees of the Company or a subsidiary of the Company. Such directors may be paid their expenses, if any, of attendance at each meeting of the board or committee of the board and may be paid a fixed sum for attendance at or participation in each meeting of the board or committee of the board, which may be in addition to stated director compensation in cash or equity (shares or options) or other benefits, or any combination thereof.

87.2 No such compensation under Article 87.1 shall preclude any director from serving the Company in any other capacity and receiving compensation therefor. Members of any special or standing committees may be allowed like compensation for attending or participating in committee meetings. A non-executive chairman of the board and the chairman of a special or standing committee may be paid a supplemental fixed sum for serving as chairman of each meeting of the board or the special or standing committee.

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87.3 Subject to the provisions of the Acts, the Company may also fund a director s expenditure on defending proceedings (including investigations by or action proposed to be taken by any regulatory authority) or in connection with any application under the Acts and may do anything to enable a director to avoid incurring such expenditure.

88. REMUNERATION AND EXPENSES OF ALTERNATE DIRECTORS

An alternate director is not entitled to compensation from the Company for his services as an alternate director. The compensation payable to an alternate director is payable out of the compensation payable to his appointor and consists of such portion (if any) of the compensation as he agrees with his appointor. The Company shall, however, repay to an alternate director expenses incurred by him in the performance of his duties if the Company would have been required to repay the expenses to him under Article 87 had he been a director.

89. DIRECTORS PENSIONS AND OTHER BENEFITS

89.1 The board may exercise all the powers of the Company to provide pensions or other retirement or superannuation benefits and to provide death or disability benefits or other allowances or gratuities (by insurance or otherwise) for a person who is or has at any time been a director of:

(a) the Company;

(b) a company which is or was a subsidiary undertaking of the Company;

(c) a company which is or was allied to or associated with the Company or a subsidiary undertaking of the Company; or

(d) a predecessor in business of the Company or of a subsidiary undertaking of the Company,

(or, in each case, for any member of his family, including a spouse or former spouse, a civil partner or a former civil partner, or a person who is or was dependent on him). For this purpose the board may establish, maintain, subscribe and contribute to any scheme, trust or fund and pay premiums. The board may arrange for this to be done by the Company alone or in conjunction with another person.

89.2 A director or former director is entitled to receive and retain for his own benefit a pension or other benefit provided under Article 89.1 and is not obliged to account for it to the Company.

90. REMUNERATION OF EXECUTIVE DIRECTORS

The salary or other remuneration of a director appointed to hold employment or executive office in accordance with the Articles may be a fixed sum of money, or wholly or in part governed by business done or profits made, or as otherwise decided by the board, and may be in addition to or instead of compensation payable to him for his services as director pursuant to the Articles.

91. INSURANCE

Subject to the provisions of the Acts, the board may exercise all the powers of the Company to purchase and maintain insurance for the benefit of a person who is or was a director, alternate director or officer of the Company or of any associated company against any liability attaching to him in connection with any

negligence, default, breach of duty or breach of trust or any other liability which may lawfully be insured against by the Company.

POWERS AND DUTIES OF THE BOARD

92. POWERS OF THE BOARD

Subject to the provisions of the Acts and the Articles and to directions given by special resolution of the Company, the business and affairs of the Company shall be managed by the board which may exercise all the powers of the Company whether relating to the management of the business or not. No alteration of the Articles and no direction given by the Company shall invalidate a prior act of the board which would have

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been valid if the alteration had not been made or the direction had not been given. The provisions of the Articles giving specific powers to the board do not limit the general powers given by this Article.

93. POWERS OF DIRECTORS BEING LESS THAN MINIMUM REQUIRED NUMBER

If the number of directors is less than the minimum prescribed by the Articles, the remaining director or directors may act only for the purposes of appointing an additional director or directors to make up that minimum or convening a general meeting of the Company for the purpose of making such appointment. If no director or directors is or are able or willing to act, notwithstanding any other provisions of the Articles, a member may convene a general meeting for the purpose of appointing directors. An additional director appointed in this way holds office (subject to the Articles) only until the dissolution of the next annual general meeting after his appointment unless he is reappointed during the meeting.

94. POWERS OF EXECUTIVE DIRECTORS

The board may delegate to a director holding executive office any of its powers, authorities and discretions for such time and on such terms and conditions as it thinks fit. In particular, without limitation, the board may grant the power to sub-delegate, and may retain or exclude the right of the board to exercise the delegated powers, authorities or discretions collaterally with the director. The board may at any time revoke the delegation or alter its terms and conditions.

95. CHAIRMAN OF THE BOARD, CHIEF EXECUTIVE OFFICER AND PRESIDENT

95.1 The chairman of the board, if one has been appointed, shall perform such duties as may be delegated by the board. The board may designate whether the chairman of the board, or the president, if such an officer shall have been appointed, shall be the chief executive officer of the Company. The chairman of the board, the chief executive officer, or the president, if one has been appointed, shall preside at all general meetings and meetings of the board.

95.2 Unless the board shall otherwise delegate such duties, the chief executive officer shall have general and active management of the business of the Company, and shall see that all orders and resolutions of the board are carried into effect. The chief executive officer shall execute bonds, mortgages and other contracts requiring a seal, under the seal of the Company, except where required or permitted by law to be otherwise signed and executed, including designation of authority by power of attorney, or where the signing and execution thereof shall be expressly delegated by the board to some other officer or agent of the Company. The chief executive officer or such other officer as shall be authorised by him or her shall have such powers and duties as usually pertain to the office of chief executive officer, except as the same may be modified by the board.

96. VICE PRESIDENTS

The president, executive vice president, senior vice president, or vice president, in the order of their seniority, unless otherwise determined by the board, shall, in the event of absence or disability of the chief executive officer or the president, as the case may be, perform the duties and exercise the powers of the absent or disabled chief executive officer or president. They shall perform such other duties and have such other powers as the board may from time to time prescribe during the period of the absence or disability.

97. DELEGATION TO COMMITTEES

97.1 The board may by a majority of the whole board delegate any of its powers, authorities and discretions (with power to sub-delegate) to a committee consisting of one or more persons (whether a member or members of the board or not) as it thinks fit. A committee may exercise its power to sub-delegate by sub-delegating to any person or persons (whether or not a member or members of the board or of the committee). The board may retain or exclude its right to exercise the delegated powers, authorities or discretions collaterally with the committee. The board may at any time revoke the delegation or alter any terms and conditions or discharge the committee in whole or in part. Where a provision of the Articles refers to the exercise of a power, authority or discretion by the board (including, without limitation, the power to pay fees, remuneration, additional remuneration, expenses and pensions and other benefits

pursuant to Articles 78 and 87 to 91 and that power, authority or discretion has been delegated by the board to a committee, the provision shall be construed as permitting the exercise of the power, authority or discretion by the committee.

97.2 Committee membership designations shall be subject to provisions regarding independence or other qualifications for committee service which may be imposed by applicable laws, rules or regulations.

97.3 The board may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee.

97.4 Standing committee functions, one or more of which may be performed by a single committee, shall include audit, compensation, governance and nominating. Any committee of the board, to the extent provided in the resolution of the board or the board approved committee charter, shall have and may exercise all the powers and authority of the board in the management of the business and affairs of the Company, including:

(a) authorising the seal of the Company to be affixed to all papers which may require it;

(b) in relation to the allotment or issue of shares approved by the board, fix any of the preferences or rights of such shares relating to voting, dividends, redemption, dissolution, any distribution of assets of the Company or the conversion into, or the exchange of such shares for, shares of any other class or classes or any other series of the same or any other class or classes of shares of the Company;

but no such committee shall have the power or authority in reference to:

(a) adopting an agreement of merger, consolidation, scheme of arrangement or similar arrangement;

(b) recommending to the shareholders the sale, lease or exchange of all or substantially all of the Company s property and assets;

(c) recommending to the shareholders a dissolution of the Company or a revocation of a dissolution,

provided further that, unless the resolution or the Articles expressly so provide, no such committee shall have the power or authority to declare a dividend or to authorise the allotment or issue of shares.

Such committee or committees shall have such name or names as may be determined from time to time by resolution of the board.

98. OFFICERS

98.1 The officers of the Company shall be chosen in such a manner, shall hold their offices for such terms and shall carry out such duties as are prescribed herein or determined solely by the board, subject to the right of the board to remove any officer or officers at any time with or without cause. The board may determine that all of the officers of the Company shall be appointed or reappointed by the board on an annual basis.

98.2 The officers of the Company shall include a secretary and may include a chairman of the board, a chief executive officer, a president, one or more executive vice presidents, senior vice presidents, vice presidents, and a treasurer, each of whom shall be elected by the board. Any number of offices may be held by the same person unless the Acts or the Articles otherwise provide.

98.3 Such other officers and assistant officers and agents as may be deemed necessary may be elected or appointed by the board.

98.4 Any officer of the Company may be removed at any time, with or without cause, by the board.

98.5 The salaries of all officers and agents of the Company shall be fixed by the board or a duly constituted committee thereof.

98.6 Each officer of the Company shall hold office until his or her successor is appointed or until his or her earlier resignation or removal. Any vacancy occurring in any office of the Company by death, resignation, removal or otherwise shall be filled by the board or other governing body.

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99. AGENTS

The board may by power of attorney or otherwise appoint a person to be the agent of the Company and may delegate to that person any of its powers, authorities and discretions for such purposes, for such time and on such terms and conditions (including as to remuneration) as it thinks fit. In particular, without limitation, the board may grant the power to sub-delegate and may retain or exclude the right of the board to exercise the delegated powers, authorities or discretions collaterally with the agent. The board may at any time revoke or alter the terms and conditions of the appointment or delegation with or without cause.

100. EXERCISE OF VOTING POWERS

The board may exercise or cause to be exercised the voting powers conferred by shares in the capital of another company held or owned by the Company, or a power of appointment to be exercised by the Company, in any manner it thinks fit (including the exercise of the voting power or power of appointment in favour of the appointment of a director as an officer or employee of that company or in favour of the payment of remuneration to the officers or employees of that company).

101. PROVISION FOR EMPLOYEES

The board may exercise the powers conferred on the Company by the Acts to make provision for the benefit of a person employed or formerly employed by the Company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation or the transfer to a person of the whole or part of the undertaking of the Company or the subsidiary.

102. REGISTERS

Subject to the provisions of the Acts, the board may exercise the powers conferred on the Company with regard to the keeping of an overseas branch, local or other register and may make and vary regulations as it thinks fit concerning the keeping of a register.

103. REGISTER OF CHARGES

The Company shall keep a register of charges in accordance with the provisions of the Acts and the fee to be paid by a person other than a creditor or member for each inspection of the register of charges is the maximum sum prescribed by the provisions of the Acts or, failing which, decided by the board.

104. DIRECTORS CONFLICTS OF INTEREST OTHER THAN IN RELATION TO TRANSACTIONS OR ARRANGEMENTS WITH THE COMPANY

104.1 If a situation (a **relevant situation**) arises in which a director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company (including, without limitation, in relation to the exploitation of any property, information or opportunity, whether or not the Company could take advantage of any such property, information or opportunity, but excluding any situation which cannot reasonably be regarded as likely to give rise to a conflict of interest) the following provisions shall apply if the conflict of interest does not arise in relation to a transaction or arrangement with the Company:

(a) if the relevant situation arises from the appointment or proposed appointment of a person as a director of the Company, the board may resolve to authorise the appointment of the director and the relevant situation;

(b) if the relevant situation arises in circumstances other than those in Article 104.1(a), the board may resolve to authorise the relevant situation and the continuing performance by the director of his duties,

in each case on such terms as the board may determine and such determination shall be notified in writing to the relevant directors.

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104.2 Any authorisation under Article 104.1 shall be effective only if:

(a) the matter in question shall have been proposed in writing for consideration at a meeting of the board, in accordance with the board s normal procedures or in such other manner as the board may approve;

(b) any requirement as to the quorum at the meeting of the board for that part of the meeting at which the matter is considered is met without counting the director in question and any other interested director (together the **interested directors**); and

(c) the matter was agreed to without the interested directors voting or would have been agreed to if the votes of the interested directors had not been counted

and may be terminated by the board at any time after prior consultation with the interested directors, reasonable account being taken of their representations.

104.3 Any reference in Article 104.1 to a conflict of interest includes a conflict of interest and duty and a conflict of duties.

104.4 Any terms determined by the board under Article 104.1(a) or Article 104.1(b) may be imposed at the time of the authorisation or may be imposed or varied subsequently after prior consultation with the interested directors, reasonable account being taken of their representations, and may include (without limitation):

(a) whether the interested director(s) may vote (or be counted in the quorum at a meeting) in relation to any resolution relating to the relevant situation;

(b) the exclusion of the interested director(s) from all information and discussion by the board or any committee of the board of the relevant situation; and

(c) (without prejudice to the general obligations of confidentiality) the application to the interested director(s) of a strict duty of confidentiality to the Company for any confidential information of the Company in relation to the relevant situation.

104.5 A director must act in accordance with any terms determined by the board under Article 104.1(a) or Article 104.1(b) and shall be entitled to rely on any such determination in the absence of fraud.

104.6 Except as specified in Article 104.2, any proposal made to the board and any authorisation by the board in relation to a relevant situation shall be dealt with in the same way as any other matter that may be proposed to and resolved upon by the board in accordance with the provisions of the Articles.

104.7 If a relevant situation has been authorised by the board under Article 104.1 then (subject, in any case, to any terms determined by the board under Article 104.1(a) or Article 104.1(b)):

(a) where the director obtains (other than through his position as a director of the Company) information relating to that relevant situation which is confidential to a third party, he will not be obliged to disclose it to the board or to any director or other officer or employee of the Company or to use it in relation to the Company s affairs in circumstances where to do so would amount to a breach of that confidence;

(b) the director may absent himself from meetings of the board or any committee of the board at which anything relating to that relevant situation will or may be discussed; and

(c) the director may make such arrangements as he thinks fit for board and committee papers to be received and read by a professional adviser on his behalf

and the general duties which any director owes to the Company under CA 2006 will not be infringed by anything done (or omitted to be done) in accordance with the provisions of this Article 104.7.

104.8 A director shall not be liable to account to the Company for any profit, remuneration or other benefit which he (or any person connected with him within the meaning of section 252 of CA 2006) may derive from any relevant situation authorised under Article 104.1 (subject, in any case, to any terms determined by the

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board in connection with such authorisation that are notified as aforesaid) and no contract, arrangement, transaction or proposal is liable to be avoided on the grounds of any director (or any person connected with him as aforesaid) having any type of interest authorised under Article 104.1 (subject as aforesaid).

105. DECLARATIONS OF INTEREST BY DIRECTORS

105.1 A director must declare the nature and extent of his interest in a relevant situation within Article 104.1 to the other directors.

105.2 If a director is in any way, directly or indirectly, interested in a proposed transaction or arrangement with the Company, he must declare the nature and extent of his interest to the other directors.

105.3 Where a director is in any way, directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company, he must declare the nature and extent of his interest to the other directors, unless the interest has already been declared under Article 105.2.

105.4 The declaration of interest must (in the case of Article 105.3 and may, but need not (in the case of Article 105.1 or Article 105.2) be made:

(a) at a meeting of the board; or

(b) by notice to the other directors in accordance with:

(i) section 184 of CA 2006 (notice in writing); or

(ii) section 185 of CA 2006 (general notice).

105.5 If a declaration of interest proves to be, or becomes, inaccurate or incomplete, a further declaration must be made.

105.6 Any declaration of interest required by Article 105.1 must be made as soon as is reasonably practicable. Failure to comply with this requirement does not affect the underlying duty to make the declaration of interest.

105.7 Any declaration of interest required by Article 105.2 must be made before the Company enters into the transaction or arrangement.

105.8 Any declaration of interest required by Article 105.3 must be made as soon as is reasonably practicable. Failure to comply with this requirement does not affect the underlying duty to make the declaration of interest.

105.9 A declaration in relation to an interest of which the director is not aware, or where the director is not aware of the transaction or arrangement in question, is not required.

For this purpose a director is treated as being aware of matters of which he ought reasonably to be aware.

105.10 A director need not declare an interest:

(a) if it cannot be reasonably be regarded as likely to give rise to a conflict of interest;

(b) if, or to the extent that, the other directors are already aware of it (and for this purpose the other directors are treated as being aware of anything of which they ought reasonably to be aware); or

(c) if, or to the extent that, it concerns terms of his service contract that have been or are to be considered:

(i) by a meeting of the board; or

(ii) by a committee of the board appointed for the purpose under the Articles.

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106. DIRECTORS INTERESTS AND VOTING

106.1 Subject to the provisions of the Acts and provided he has declared his interest in accordance with Article 105, a director, notwithstanding his office:

(a) may enter into or otherwise be interested in a contract, arrangement, transaction or proposal with the Company or in which the Company is otherwise interested either in connection with his tenure of an office or place of profit or as seller, buyer or otherwise;

(b) may hold another office or place of profit with the Company (except that of auditor or auditor of a subsidiary of the Company) in conjunction with the office of director and may act by himself or through his firm in a professional capacity to the Company, and in that case on such terms as to remuneration and otherwise as the board may decide either in addition to or instead of remuneration provided for by another Article; and

(c) may be or become a director or other officer of, or employed by, or a party to a contract, transaction, arrangement or proposal with or otherwise interested in, a company promoted by the Company or in which the Company is otherwise interested or as regards which the Company has a power of appointment.

106.2 A director shall not be liable to account to the Company for any profit, remuneration or other benefit resulting from any interests permitted under Article 106.1 and no contract, arrangement, transaction or proposal is liable to be avoided on the grounds of any director having any type of interest permitted under Article 106.1.

106.3 A director may not vote on or be counted in the quorum in relation to a resolution of the board or of a committee of the board concerning any contract, arrangement, transaction or proposal with the Company or in which the Company is otherwise interested and in which he has an interest which may reasonably be regarded as likely to give rise to a conflict of interest, but this prohibition does not apply to a resolution concerning any of the following matters:

(a) any contract, arrangement, transaction or proposal in which he is interested by virtue of an interest in shares, debentures or other securities of the Company, or otherwise in or through the Company;

(b) the giving of a guarantee, security or indemnity in respect of money lent or obligations incurred by him or any other person at the request of or for the benefit of the Company or any of its subsidiary undertakings;

(c) the giving of a guarantee, security or indemnity in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part, either alone or jointly with others, under a guarantee or indemnity or by the giving of security;

(d) a contract, arrangement, transaction or proposal concerning an offer of shares, debentures or other securities of the Company or any of its subsidiary undertakings for subscription or purchase, in which offer he is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which he is to participate;

(e)

a contract, arrangement, transaction or proposal to which the Company is or is to be a party concerning another company (including a subsidiary undertaking of the Company) in which he is interested (directly or indirectly) whether as an officer, shareholder, creditor or otherwise (a **relevant company**), if he does not to his knowledge hold an interest in shares (as that term is used in sections 820 to 825 of CA 2006) representing one per cent. or more of either any class of the equity share capital of or the voting rights in the relevant company;

(f) a contract, arrangement, transaction or proposal for the benefit of the employees of the Company or any of its subsidiary undertakings (including any pension fund or retirement, death or disability scheme) which does not award him a privilege or benefit not generally awarded to the employees to whom it relates; and

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(g) a contract, arrangement, transaction or proposal concerning:

(i) indemnification (including loans made in connection with it) by the Company in relation to the performance of his duties on behalf of the Company or any of its subsidiary undertakings; or

(ii) the purchase or maintenance of any insurance policy for the benefit of directors or for the benefit of persons including directors.

106.4 A director may not vote on or be counted in the quorum in relation to a resolution of the board or committee of the board concerning his own appointment (including, without limitation, fixing or varying the terms of his appointment or its termination) as the holder of an office or place of profit with the Company or any company in which the Company is interested. Where proposals are under consideration concerning the appointment (including, without limitation, fixing or varying the terms of appointment or its termination) of two or more directors to offices or places of profit with the Company or a company in which the Company is interested, such proposals shall be divided and a separate resolution considered in relation to each director. In that case each of the directors concerned (if not otherwise debarred from voting under this Article) is entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

106.5 If a question arises at a meeting as to whether the interest of a director (other than the interest of the chairman of the meeting) may reasonably be regarded as likely to give rise to a conflict of interest or as to the entitlement of a director (other than the chairman) to vote or be counted in a quorum and the question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, the question shall be referred to the chairman and his ruling in relation to the director concerned is conclusive and binding on all concerned.

106.6 If a question arises at a meeting as to whether the interest of the chairman of the meeting may reasonably be regarded as likely to give rise to a conflict of interest or as to the entitlement of the chairman to vote or be counted in a quorum and the question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, the question shall be decided by resolution of the directors or committee members present at the meeting (excluding the chairman) whose majority vote is conclusive and binding on all concerned.

106.7 For the purposes of this Article, the interest of a person who is connected with (within the meaning of section 252 of CA 2006) a director is treated as the interest of the director and, in relation to an alternate director, the interest of his appointor is treated as the interest of the alternate director in addition to an interest which the alternate director otherwise has. This Article applies to an alternate director as if he were a director otherwise appointed.

106.8 Subject to the provisions of the Acts, the Company may by ordinary resolution suspend or relax the provisions of this Article to any extent or ratify any contract, arrangement, transaction or proposal not properly authorised by reason of a contravention of this Article.

PROCEEDINGS OF DIRECTORS AND COMMITTEES

107. BOARD MEETINGS

107.1

Subject to the Articles, the board may meet for the despatch of business, adjourn and otherwise regulate its proceedings as it thinks fit.

107.2 The first board meeting following the election of directors at an annual general meeting shall ordinarily be held immediately following the annual general meeting but may be held at such other time and place as shall be specified in a notice given to the directors in accordance with Article 108.

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108. NOTICE OF BOARD MEETINGS

108.1 Regular meetings of the board may be held without notice at such time and at such place as shall from time to time be determined by the board.

108.2 Special meetings of the board may be called by the chairman of the board or the chief executive officer on not less than 24 hours advance notice to each director, given personally by telephone, in hard copy form or by electronic means; special meetings shall be called by the chief executive officer or secretary, in like manner and on like notice, on the written request of two directors.

108.3 A director may waive the requirement that notice be given to him of a board meeting, either prospectively or retrospectively.

109. QUORUM

109.1 The quorum necessary for the transaction of business is a majority of the directors, present in person or by alternate director. A duly convened meeting of the board at which a quorum is present is competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the board.

109.2 If a quorum shall not be present at any board meeting, the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

110. CHAIRMAN OF BOARD

The board may appoint one of its body as chairman to preside at every board meeting at which he is present and one or more deputy chairman or chairmen and decide the period for which he is or they are to hold office (and may at any time remove him or them from office). If no chairman or deputy chairman is elected, or if at a meeting neither the chairman nor a deputy chairman is present within five minutes of the time fixed for the start of the meeting, the directors and alternate directors (in the absence of their appointors) present shall choose one of their number to be chairman. If two or more deputy chairmen are present, the senior of them shall act as chairman, seniority being determined by length of office since their last appointment or reappointment or deemed reappointment. As between two or more who have held office for an equal length of time, the deputy chairman to act as chairman shall be decided by those directors and alternate directors (in the absence of their appointors) present. A chairman or deputy chairman may hold executive office or employment with the Company.

111. VOTING

Questions arising at a meeting of the board are determined by a majority of votes.

112. PARTICIPATION BY TELEPHONE

A director or his alternate director may participate in a meeting of the board or a committee of the board through the medium of conference telephone, video teleconference or similar form of communication equipment if all persons participating in the meeting are able to hear and speak to each other throughout the meeting. A person participating in this way is deemed to be present in person at the meeting and is counted in a quorum and entitled to vote. Subject to the provisions of the Acts, all business transacted in this way by the board or a committee of the board is for the purposes of the Articles deemed to be validly and effectively transacted at a meeting of the board or a committee of the board although fewer than two directors or

alternate directors are physically present at the same place. The meeting is deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.

113. RESOLUTION IN WRITING

A resolution in writing executed by all directors for the time being entitled to receive notice of a board meeting and not being less than a quorum or by all members of a committee of the board for the time being entitled to receive notice of a committee meeting and not being less than a quorum is as valid and effective for all purposes as a resolution passed at a meeting of the board (or committee, as the case may be). The

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resolution in writing may consist of several documents in the same form each executed by one or more of the directors or members of the relevant committee. The resolution in writing need not be executed by an alternate director if it is executed by his appointor and a resolution executed by an alternate director need not be executed by his appointor. Any resolution in writing is to be kept with the minutes of the proceedings of the board (or committee, as the case may be).

114. PROCEEDINGS OF COMMITTEES

114.1 At all meetings of committees of the board a majority of the directors who are members of the committee shall constitute a quorum for the transaction of business and the act of a majority of the committee members present at any meeting at which there is a quorum shall be the act of the committee, except as may be otherwise specifically provided by the Acts or the Articles. If a quorum shall not be present at any meeting of a committee of the board, the committee members present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

114.2 Regular committee meetings may be held without notice at such time and at such place as shall from time to time be determined by the committee.

114.3 Special committee meetings may be called by the chairman of a committee on not less than 24 hours advance notice to each committee member, given personally by telephone, in hard copy form or by electronic means; special meetings shall be called by the chief executive officer or secretary, in like manner and on like notice on the written request of two committee members unless the committee consists of only one member, in which case special meetings shall be called by the chief executive officer or secretary in like manner and on like notice on the written request of the sole committee member.

114.4 Subject to the Articles, proceedings of any committee of the board shall be conducted in accordance with applicable provisions of the Articles regulating the proceedings of the board.

115. MINUTES OF PROCEEDINGS

115.1 The board shall cause minutes to be made in books kept for the purpose of:

(a) all appointments of officers and committees made by the board and of any remuneration fixed by the board; and

(b) the names of directors present at every meeting of the board, committees of the board, meetings of the Company or meetings of the holders of a class of shares or debentures, and all orders, resolutions and proceedings of such meetings.

115.2 If purporting to be signed by the chairman of the meeting at which the proceedings were held or by the chairman of the next succeeding meeting, minutes are receivable as prima facie evidence of the matters stated in them.

115.3 Minutes of every meeting of a committee of the board shall be distributed to all of the directors of the Company.

116. VALIDITY OF PROCEEDINGS OF BOARD OR COMMITTEE

All acts done by a meeting of the board, or of a committee of the board, or by a person acting as a director, alternate director or member of a committee are, notwithstanding that it is afterwards discovered that there was a defect in the appointment of a person or persons acting, or that they or any of them were or was disqualified from holding office or not entitled to vote, or had in any way vacated their or his office, as valid as if every such person had been duly appointed, and was duly qualified and had continued to be a director, alternate director or member of a committee and entitled to vote.

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SECRETARY AND AUTHENTICATION OF DOCUMENTS

117. SECRETARY

117.1 Subject to the provisions of the Acts, the board shall appoint a secretary or joint secretaries and may appoint one or more persons to be an assistant or deputy secretary on such terms and conditions (including, without limitation, remuneration) as it thinks fit. The board may remove a person appointed pursuant to this Article from office and appoint another or others in his place.

117.2 The secretary or other officer appointed by the board shall attend meetings of the board and general meetings, and record all the proceedings of the general meetings and of the board in a book to be kept for that purpose. The secretary shall give, or cause to be given, notice of all general meetings and meetings of the board, and shall perform such other duties as may be prescribed by the board or the chief executive officer, under whose supervision he or she shall act.

117.3 The assistant secretaries, in the order of their seniority, unless otherwise determined by the board, shall, in the event of absence or disability of the secretary, perform the duties and exercise the powers of the secretary. They shall perform such other duties and have such other powers as the board may from time to time prescribe or as the chief executive officer may from time to time delegate.

117.4 Any provision of the Acts or of the Articles requiring or authorising a thing to be done by or to a director and the secretary is not satisfied by its being done by or to the same person acting both as director and as, or in the place of, the secretary.

118. AUTHENTICATION OF DOCUMENTS

A director or the secretary or another person appointed by the board for the purpose may authenticate documents affecting the constitution of the Company (including, without limitation the Articles) and resolutions passed by the Company or holders of a class of shares or the board or a committee of the board and books, records, documents and accounts relating to the business of the Company, and certify copies or extracts as true copies or extracts; and where any books, records, documents or accounts are elsewhere than the office, the local manager or other officer of the Company having their custody shall be deemed to be a person appointed by the board for this purpose. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company, the board or any committee which is so certified shall be conclusive evidence in favour of all persons dealing with the Company that such resolution has been duly passed or, as the case may be, that any minute so extracted is a true and accurate record of the proceedings at a duly constituted meeting.

SEALS

119. SAFE CUSTODY

The secretary shall provide for the safe custody of every seal.

120. APPLICATION OF SEALS

120.1 A seal shall have the Company s name engraved in legible characters.

120.2

Subject to the provisions of the Articles in relation to share certificates issued by the Company in respect of the Company s shares, stock, debentures or other securities, a seal may be used only by the secretary with the authority of a resolution of the board. The secretary, treasurer, an assistant secretary, or an assistant treasurer shall sign an instrument (other than such share certificates) to which a seal is affixed. The board may decide, either generally or in a particular case, that a signature may be dispensed with or affixed by mechanical means.

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DIVIDENDS AND OTHER PAYMENTS

121. RESERVES

The board may, before paying any dividend (whether preferential or otherwise), carry to reserve out of the profits of the Company such sums as it thinks fit. All sums standing to reserve may be applied from time to time, at the discretion of the board, for any purpose to which the profits of the Company may properly be applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments as the board thinks fit. The board may divide the reserve into such special reserves as it thinks fit, and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided as it thinks fit. Any sum which the board may carry to reserve out of the unrealised profits of the Company shall not be mixed with any reserve to which profits available for distribution have been carried. The board may also, without placing the same to reserve, carry forward any profits which it may think prudent not to distribute.

122. PAYMENT OF DIVIDENDS

Subject to the provisions of the Acts, if the board considers that the financial position of the Company justifies such payments, it can pay interim, final or other dividends on any class of shares of any amounts and on any dates and for any periods which it decides.

123. ENTITLEMENT TO DIVIDENDS

123.1 All dividends will be divided and paid in proportions based on the amounts paid up on the shares during any period for which the dividend is paid, provided that no dividend (nor, for the avoidance of doubt, any dividend in specie or any scrip dividend payable in accordance with Articles 127 or 128, respectively) shall be payable in respect of any share which, or the American Depositary Share, representing which, is for the time being held by or for the benefit of any entity which is a subsidiary or subsidiary undertaking of the Company. Sums which have been paid up in advance of calls will not count as paid up for this purpose. If the terms of any share provide that it will be entitled to a dividend as if it were a fully paid up, or partly paid up, share from a particular date (in the past or future), it will be entitled to a dividend on this basis. This Article applies unless the Articles, the rights attached to any shares, or the terms of any shares, provide otherwise.

123.2 Unless the rights attached to any shares, the terms of any shares or the Articles provide otherwise, a dividend or any other money payable in respect of a share can be declared and paid in any currency the board decides using an exchange rate selected by the board for any currency conversions required. The board can also decide how any costs relating to the choice of currency will be met.

123.3 The board can offer shareholders the choice to receive dividends and other money payable in respect of their shares in a currency other than that in which the dividend or other money payable is declared on such terms and conditions as the board may prescribe from time to time.

123.4 If a shareholder owes the Company any money for calls on shares or money in any other way relating to his shares, the board can deduct any of this money from any dividend or other money payable to the shareholder on or in respect of any share held by him. Money deducted in this way can be used to pay amounts owed to the Company.

123.5

Unless the rights attached to any shares, or the terms of any shares, provide otherwise, no dividend or other sum payable by the Company on or in respect of its shares carries a right to interest from the Company.

124. METHOD OF PAYMENT

124.1 The Company may pay any dividend, interest or other amount payable in respect of a share:

(a) in cash;

(b) by cheque, warrant or money order made payable to or to the order of the person entitled to the payment (and which may, at the Company s option, be crossed account payee where appropriate);

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(c) by a bank or other funds transfer system to an account designated in writing by the person entitled to the payment;

(d) if the board so decides, by means of a relevant system in respect of an uncertificated share, subject to any procedures established by the board to enable a holder of uncertificated shares to elect not to receive dividends by means of a relevant system and to vary or revoke any such election; or

(e) by such other method as the person entitled to the payment may in writing direct and the board may agree.

124.2 The Company may send a cheque, warrant or money order by post:

(a) in the case of a sole holder, to his registered address;

(b) in the case of joint holders, to the registered address of the person whose name stands first in the register;

(c) in the case of a person or persons entitled by transmission to a share, as if it were a notice given in accordance with Article 140 or

(d) in any case, to a person and address that the person or persons entitled to the payment may in writing direct.

124.3 Where a share is held jointly or two or more persons are jointly entitled by transmission to a share:

(a) the Company may pay any dividend, interest or other amount payable in respect of that share to any one joint holder, or any one person entitled by transmission to the share, and in either case that holder or person may give an effective receipt for the payment; and

(b) for any of the purposes of this Article 124, the Company may rely in relation to a share on the written direction or designation of any one joint holder of the share, or any one person entitled by transmission to the share.

124.4 Every cheque, warrant or money order sent by post is sent at the risk of the person entitled to the payment. If payment is made by bank or other funds transfer, by means of a relevant system or by another method at the direction of the person entitled to payment, the Company is not responsible for amounts lost or delayed in the course of making that payment.

124.5 Without prejudice to Article 76, the board may withhold payment of a dividend (or part of a dividend) payable to a person entitled by transmission to a share until he has provided such evidence of his right as the board may reasonably require.

125. UNCLAIMED DIVIDENDS ETC.

Any unclaimed dividend, interest or other amount payable by the Company in respect of a share may be invested or otherwise made use of by the board for the benefit of the Company until claimed. A dividend unclaimed for a period of 12 years from the date it was declared or became due for payment is forfeited and ceases to remain owing by the Company. The payment of an unclaimed dividend, interest or other amount payable by the Company in respect of a share into a separate account does not constitute the Company a

trustee in respect of it.

126. UNCASHED DIVIDENDS

If, in respect of a dividend or other amount payable in respect of a share, on any one occasion:

(a) a cheque, warrant or money order is returned undelivered or left uncashed; or

(b) a transfer made by a bank or other funds transfer system is not accepted,

and reasonable enquiries have failed to establish another address or account of the person entitled to the payment, the Company is not obliged to send or transfer a dividend or other amount payable in respect of that share to that person until he notifies the Company of an address or account to be used for that purpose.

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If the cheque, warrant or money order is returned undelivered or left uncashed or transfer not accepted on two consecutive occasions, the Company may exercise this power without making any such enquiries.

127. PAYMENT OF DIVIDENDS IN SPECIE

Without prejudice to Article 76, the board may direct that payment of a dividend may be satisfied wholly or in part by the distribution of specific assets and in particular of paid-up shares or debentures of another company. Where a difficulty arises in connection with the distribution, the board may settle it as it thinks fit and in particular, without limitation, may:

(a) issue fractional certificates (or ignore fractions);

(b) fix the value for distribution of the specific assets (or any part of them);

(c) decide that a cash payment be made to a member on the basis of the value so fixed, in order to secure equality of distribution; and

(d) vest assets in trustees on trust for the persons entitled to the dividend as seems expedient to the board.

128. PAYMENT OF SCRIP DIVIDENDS

128.1 Subject to the provisions of the Acts, but without prejudice to Article 76, the board may allot to those holders of a particular class of shares who have elected to receive them further shares of that class or shares of any other class in either case credited as fully paid (**new shares**) instead of cash in respect of all or part of any dividend or dividends, subject to any exclusions, restrictions or other arrangements the board may in its absolute discretion deem necessary or expedient to deal with legal or practical problems under the laws of, or the requirements of a recognised regulatory body or a stock exchange in, any territory.

128.2 The board shall determine the basis of allotment of new shares so that, as nearly as may be considered convenient without involving rounding up of fractions, the value of the new shares (including a fractional entitlement) to be allotted (calculated by reference to the average quotation, or the nominal value of the new shares, if greater) equals (disregarding an associated tax credit) the amount of the dividend which would otherwise have been received by the holder (the **relevant dividend**). For this purpose the **average quotation** of each of the new shares is the average of the middle-market quotations for a fully-paid share of the Company of that class derived from such source as the board may deem appropriate for the business day on which the relevant class of shares is first quoted ex the relevant dividend (or such other date as the board may deem appropriate) and the four subsequent business day(s). A certificate or report by the auditors as to the value of the new shares to be allotted in respect of any dividend shall be conclusive evidence of that amount.

128.3 The board may make any provision it considers appropriate in relation to an allotment made or to be made pursuant to this Article including, without limitation:

(a) the giving of notice to holders of the right of election offered to them;

(b) the provision of forms of election (whether in respect of a particular dividend or dividends generally);

(c) determination of the procedure for making and revoking elections;

(d) the place at which, and the latest time by which, forms of election and other relevant documents must be lodged in order to be effective; and

(e) the disregarding or rounding up or down or carrying forward of fractional entitlements, in whole or in part, or the accrual of the benefit of fractional entitlements to the Company (rather than to the holders concerned).

128.4 The dividend (or that part of the dividend in respect of which a right of election has been offered) is not declared or payable on shares in respect of which an election has been duly made (the **elected shares**); instead new shares are allotted to the holders of the elected shares on the basis of allotment calculated as in

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Article 128.2. For that purpose, the board may resolve to capitalise out of amounts standing to the credit of reserves (including a share premium account, capital redemption reserve and profit and loss account), whether or not available for distribution, a sum equal to the aggregate nominal amount of the new shares to be allotted and apply it in paying up in full the appropriate number of new shares for allotment and distribution to the holders of the elected shares. A resolution of the board capitalising part of the reserves has the same effect as if the board had resolved to effect the capitalisation pursuant to Article 129. In relation to the capitalisation the board may exercise all the powers conferred on it by Article 129.

128.5 The new shares rank pari passu in all respects with each other and with the fully-paid shares of the same class in issue on the record date for the dividend in respect of which the right of election has been offered, but they will not rank for a dividend or other distribution or entitlement which has been declared or paid by reference to that record date.

128.6 In relation to any particular proposed dividend, the board may in its absolute discretion decide:

(a) that shareholders shall not be entitled to make any election in respect thereof and that any election previously made shall not extend to such dividend; or

(b) at any time prior to the allotment of the new shares which would otherwise be allotted in lieu thereof, that all elections to take ordinary shares in lieu of such dividend shall be treated as not applying to that dividend, and if so the dividend shall be paid in cash as if no elections had been made in respect of it.

129. CAPITALISATION OF RESERVES

Subject to the provisions of the Acts, the board may:

(a) resolve to capitalise an amount standing to the credit of reserves (including a share premium account, capital redemption reserve and profit and loss account), whether or not available for distribution;

(b) appropriate the sum resolved to be capitalised to the members in proportion to the nominal amount of shares (whether or not fully paid) held by them respectively and apply that sum on their behalf in or towards:

(i) paying up the amounts (if any) for the time being unpaid on shares held by them respectively; or

(ii) paying up in full unissued shares or debentures of a nominal amount equal to that sum,

and allot the shares or debentures, credited as fully paid, to the members (or as they may direct) in those proportions, or partly in one way and partly in the other, but the share premium account, the capital redemption reserve and profits which are not available for distribution may, for the purposes of this article, only be applied in paying up unissued shares to be allotted to members credited as fully paid;

(c) make any arrangements it thinks fit to resolve a difficulty arising in the distribution of a capitalised reserve and in particular, without limitation, where shares or debentures become distributable in fractions the board may deal with the fractions as it thinks fit, including issuing fractional certificates, disregarding fractions or selling shares or debentures representing the fractions to a

person for the best price reasonably obtainable and distributing the net proceeds of the sale in due proportion amongst the members (except that if the amount due to a member is less than US$5, or such other sum as the board may decide, the sum may be retained for the benefit of the Company);

(d) authorise a person to enter (on behalf of all the members concerned) into an agreement with the Company providing for either:

(i) the allotment to the members respectively, credited as fully paid, of shares or debentures to which they may be entitled on the capitalisation, or

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(ii) the payment by the Company on behalf of the members (by the application of their respective proportions of the reserves resolved to be capitalised) of the amounts or part of the amounts remaining unpaid on their existing shares, an agreement made under the authority being effective and binding on all those members; and

(e) generally do all acts and things required to give effect to the resolution.

130. CAPITALISATION OF RESERVES EMPLOYEES SHARE SCHEMES

130.1 This Article (which is without prejudice to the generality of the provisions of the immediately preceding Article 129) applies where:

(a) a person is granted pursuant to an employees share scheme a right to subscribe for shares in the capital of the Company in cash at a subscription price less than their nominal value; and

(b) pursuant to an employees share scheme, the terms on which any person is entitled to subscribe for shares in the capital of the Company are adjusted as a result of a capitalisation issue, rights issue or other variation of capital so that the subscription price is less than their nominal value.

130.2 In any such case the board shall:

(a) transfer to a reserve account a sum equal to the deficiency between the subscription price and the nominal value of the shares (the **cash deficiency**) from the profits or reserves of the Company which are available for distribution and not required for the payment of any preferential dividend; and

(b) subject to Article 130.4, not apply that reserve account for any purpose other than paying up the cash deficiency on the allotment of those shares.

130.3 Whenever the Company is required to allot shares pursuant to such a right to subscribe, the board shall, subject to the provisions of the Acts:

(a) appropriate to capital out of the reserve account an amount equal to the cash deficiency applicable to those shares;

(b) apply that amount in paying up the deficiency on the nominal value of those shares; and

(c) allot those shares credited as fully paid to the person entitled to them.

130.4 If any person ceases to be entitled to subscribe for shares as described, the restrictions on the reserve account shall cease to apply in relation to such part of the account as is equal to the amount of the cash deficiency applicable to those shares.

130.5 No right shall be granted under any employees share scheme under Article 130.1(a) and no adjustment shall be made as mentioned in Article 130.1(b) unless there are sufficient profits or reserves of the Company available for distribution and not required for the payment of any preferential dividend to permit the transfer to a reserve account in accordance with this Article of an amount sufficient to pay up the cash deficiency applicable to the shares concerned.

131. RECORD DATES

Notwithstanding any other provision of the Articles, but subject to the provisions of the Acts and rights attached to shares, the board may fix any date (which shall not be more than 60 days before the date on which a dividend, distribution, allotment or issue is declared, made or paid) as the record date for a dividend, distribution, allotment or issue.

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ACCOUNTS

132. TREASURER

132.1 The treasurer shall have the custody of the corporate funds and securities, and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Company, and shall deposit all moneys and other valuable effects in the name and to the credit of the Company in such depositories as may be designated by the board.

132.2 The treasurer shall disburse the funds of the Company as may be ordered by the board, taking proper vouchers for such disbursements, and shall render to the chief executive officer and the board at its meetings, or when the board so requires, an account of all his or her transactions as treasurer, and of the financial condition of the Company, which account may be submitted directly or through the chief financial officer. The treasurer shall perform such other duties and have such other authority and powers as the board may from time to time prescribe or as the chief executive officer may from time to time delegate.

132.3 If required by the board, the treasurer shall give the Company a bond in such sum, and with such surety or sureties, as shall be satisfactory to the board for the faithful execution of the duties of his or her office, in case of his or her death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his or her possession or under his or her control belonging to the Company.

132.4 The assistant treasurers, in the order of their seniority, unless otherwise determined by the board, shall, in the event of absence or disability of the treasurer, perform the duties and exercise the powers of the treasurer. They shall perform such other duties and have such other powers as the board may from time to time prescribe or the chief executive officer may from time to time delegate.

133. KEEPING AND INSPECTION OF ACCOUNTING RECORDS

133.1 The board shall ensure that accounting records are kept in accordance with the provisions of the Acts.

133.2 The accounting records shall be kept at the office or, subject to the provisions of the Acts, at another place decided by the board and shall be available at all times for the inspection of the directors and other officers. No member (other than a director or other officer) has the right to inspect an accounting record or other document except if that right is conferred by the Acts or he is authorised by the board or by an ordinary resolution of the Company.

134. ACCOUNTS TO BE SENT TO MEMBERS ETC.

134.1 In respect of each financial year, a copy of the Company s annual accounts, the directors report and the auditors report on those accounts and on the directors report shall be sent to:

(a) every member (whether or not entitled to receive notices of general meetings);

(b) every holder of debentures (whether or not entitled to receive notices of general meetings); and

(c) every other person who is entitled to receive notices of general meetings

not less than 21 clear days before the date of the meeting at which copies of those documents are to be laid in accordance with the Acts.

This Article does not require copies of the documents to which it applies to be sent to:

(d) a person for whom the Company does not have a current address; or

(e) more than one of the joint holders of shares or debentures.

134.2 The board may determine that persons entitled to receive a copy of the Company s annual accounts, the directors report and the auditors report on those accounts and on the directors report are those persons entered on the register at the close of business on a day determined by the board, provided that, if the Company is a participating issuer, the day determined by the board may not be more than 21 days before the day that the relevant copies are being sent.

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134.3 Where permitted by the Acts, a summary financial statement derived from the Company s annual accounts and the directors report in the form and containing the information prescribed by the Acts may be sent to a person so electing in place of the documents required to be sent by Article 134.1.

135. EXTERNAL AUDITOR

The audit committee of the board shall have exclusive authority and responsibility to recommend, approve the compensation of, and oversee the Company s external audit firm. The external auditor shall be recommended by the audit committee on an annual basis, and such auditor recommendation shall be submitted for shareholder approval at each annual general meeting.

NOTICES

136. NOTICES TO BE IN WRITING

136.1 A notice to be given to or by any person pursuant to the Articles shall be in writing.

136.2 Where any notice is required to be given under the Acts or the Articles, to the extent permitted by the Acts, a waiver thereof in writing and signed by the persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent thereto.

137. SERVICE OF NOTICES, DOCUMENTS AND INFORMATION ON MEMBERS

137.1 Any notice, document or information may be given, sent or supplied by the Company to any member:

(a) personally;

(b) by sending it by post in a pre-paid envelope addressed to the member at his registered address, or by leaving it at that address;

(c) by sending it in electronic form to the electronic address specified for the purpose by the member (generally or specifically), provided that the member has agreed (generally or specifically) that the notice, document or information may be sent or supplied in that form (and has not revoked that agreement); or

(d) subject to the provisions of the Acts, by making it available on a website, provided that the requirements in Article 137.2 are satisfied.

137.2 The requirements referred to in Article 137.1(d) are that:

(a) the member has agreed (generally or specifically) that the notice, document or information may be sent or supplied to him by being made available on a website (and has not revoked that agreement), or the member has been asked by the Company to agree that the Company may send or supply notices, documents and information generally, or the notice, document or information in question, to him by making it available on a website and the Company has not received a response within the period of 28 days beginning with the date on which the Company s request was sent and the member is therefore taken to have so agreed (and has not revoked that agreement);

(b)

the member is sent a notification of the presence of the notice, document or information on a website, the address of that website, the place on that website where it may be accessed, and how it may be accessed (**notification of availability**);

(c) in the case of a notice of meeting, the notification of availability states that it concerns a notice of a company meeting, specifies the place, date and time of the meeting, and states whether it will be an annual general meeting; and

(d) the notice, document or information continues to be published on that website, in the case of a notice of meeting, throughout the period beginning with the date of the notification of availability and ending with the conclusion of the meeting and, in all other cases, throughout the period

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specified by any applicable provision of the Acts or, if no such period is specified, throughout the period of 28 days beginning with the date on which the notification of availability is sent to the member, save that if the notice, document or information is made available for part only of that period then failure to make it available throughout that period shall be disregarded where such failure is wholly attributable to circumstances which it would not be reasonable to have expected the Company to prevent or avoid.

137.3 In the case of joint holders of shares:

(a) it shall be sufficient for all notices, documents and other information to be given, sent or supplied to the joint holder whose name stands first in the register in respect of the joint holding (the **first named holder**) only; and

(b) anything to be agreed or specified in relation to any notice, document or information to be sent or supplied to them may be agreed or specified by the first named holder and any such agreement or specification shall be binding on all the joint holders.

137.4 For the avoidance of doubt, the provisions of this Article 137 are subject to Article 43.

137.5 The Company may at any time and at its sole discretion choose to give, send or supply notices, documents and information only in hard copy form to some or all members.

138. EVIDENCE OF SERVICE

138.1 Any notice, document or information given, sent or supplied by the Company to the members or any of them:

(a) by post, shall be deemed to have been received 24 hours after the time at which the envelope containing the notice, document or information was posted unless it was sent by second class post or there is only one class of post in which case it shall be deemed to have been received 48 hours after it was posted. Proof that the envelope was properly addressed, prepaid and posted shall be conclusive evidence that the notice, document or information was sent;

(b) by electronic means, shall be deemed to have been received 6 hours after it was sent provided that the Company is able to show that it was properly addressed;

(c) by making it available on a website, shall be deemed to have been received on the date on which notification of availability on the website is deemed to have been received in accordance with this Article or, if later, the date on which it is first made available on the website.

138.2 Any notice, document or information given, sent or supplied by the Company by any other means authorised in writing by the member concerned is deemed to be received when the Company has taken the action it has been authorised to take for that purpose.

138.3 A member present in person or by proxy at a meeting or at a meeting of the holders of a class of shares is deemed to have received due notice of the meeting and, where required, of the purposes for which it was called.

139. NOTICE BINDING ON TRANSFEREES ETC.

A person who becomes entitled to a share by transmission, transfer or otherwise is bound by a notice in respect of that share (other than a notice served by the Company under section 793 of CA 2006) which, before his name is entered in the register, has been properly served on a person from whom he derives his title.

140. NOTICE IN CASE OF ENTITLEMENT BY TRANSMISSION

Where a person is entitled by transmission to a share, any notice, document or information may be given, sent or supplied by the Company to that person as if he were the holder of a share by sending or delivering it in any manner authorised by the Articles for the giving of notice to a member addressed to that person by name, or by the title of representative of the deceased or trustee of the bankrupt member (or by similar

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designation), at the address supplied for that purpose by the person claiming to be entitled by transmission. Until such an address has been supplied, any notice, document or information may be given, sent or supplied in any manner in which it might have been given if the death or bankruptcy or other event had not occurred. The giving of notice in accordance with this Article is sufficient notice to any other person interested in the share.

141. VALIDATION OF DOCUMENTS IN ELECTRONIC FORM

141.1 Where a document is required under the Articles to be signed by a member or any other person, if the document is in electronic form, then in order to be valid the document must either:

(a) incorporate the electronic signature, or personal identification details (which may be details previously allocated by the Company), of that member or other person, in such form as the board may approve; or

(b) be accompanied by such other evidence as the board may require in order to be satisfied that the document is genuine.

141.2 The Company may designate mechanisms for validating any document in electronic form and a document not validated by the use of any such mechanisms shall be deemed as having not been received by the Company. In the case of any document or information relating to a meeting, an instrument of proxy or invitation to appoint a proxy, any validation requirements shall be specified in the relevant notice of meeting in accordance with Articles 42 and 62

142. DISPUTE RESOLUTION

142.1 The courts of England and Wales shall have exclusive jurisdiction to determine any dispute brought by a member in that member s capacity as such against the Company and/or the board and/or any of the directors individually, arising out of or in connection with the Articles or (to the maximum extent permitted by applicable law) otherwise.

142.2 Damages alone may not be an adequate remedy for any breach of this Article 142, so that, in the event of a breach or anticipated breach, the remedies of injunction and/or an order for specific performance would in appropriate circumstances be available.

142.3 The governing law of the Articles is the substantive law of England.

142.4 For the purposes of this Article 142:

(a) a **dispute** shall mean any dispute, controversy or claim;

(b) references to **Company** shall be read so as to include each and any of the Company s subsidiary undertakings from time to time; and

(c) **director** shall be read so as to include each and any director of the Company from time to time in his capacity as such or as an employee of the Company and shall include any former director of the Company.

MISCELLANEOUS

143. DESTRUCTION OF DOCUMENTS

143.1 The Company may destroy:

(a) a share certificate which has been cancelled at any time after one year from the date of cancellation;

(b) a mandate for the payment of dividends or other amounts or a variation or cancellation of a mandate or a notification of change of name or address at any time after two years from the date the mandate, variation, cancellation or notification was recorded by the Company;

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(c) an instrument of transfer of shares (including a document constituting the renunciation of an allotment of shares) which has been registered at any time after six years from the date of registration; and

(d) any other document on the basis of which any entry in the register is made at any time after six years from the date an entry in the register was first made in respect of it.

143.2 It is presumed conclusively in favour of the Company that every share certificate destroyed was a valid certificate validly cancelled, that every instrument of transfer destroyed was a valid and effective instrument duly and properly registered and that every other document destroyed was a valid and effective document in accordance with the recorded particulars in the books or records of the Company, but:

(a) the provisions of this Article apply only to the destruction of a document in good faith and without express notice to the Company that the preservation of the document is relevant to a claim;

(b) nothing contained in this Article imposes on the Company liability in respect of the destruction of a document earlier than provided for in this Article or in any case where the conditions of this Article are not fulfilled; and

(c) references in this Article to the destruction of a document include reference to its disposal in any manner.

144. WINDING UP

Subject to the provisions of the Articles, on a voluntary winding up of the Company the liquidator may, on obtaining any sanction required by law, divide among the members in kind the whole or any part of the assets of the Company, whether or not the assets consist of property of one kind or of different kinds, and vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he, with the like sanction, shall determine. For this purpose the liquidator may set the value he deems fair on a class or classes of property, and may determine on the basis of that valuation and in accordance with the then existing rights of members how the division is to be carried out between members or classes of members. The liquidator may not, however, distribute to a member without his consent an asset to which there is attached a liability or potential liability for the owner.

145. INDEMNITY

145.1 To the extent permitted by the Acts and without prejudice to any indemnity to which any person may otherwise be entitled, the Company shall:

(a) indemnify to any extent any person who is or was a director or officer of the Company, or a director or officer of any associated company, directly or indirectly (including by funding any expenditure incurred or to be incurred by him) against any loss or liability, whether in connection with any negligence, default, breach of duty or breach of trust by him or otherwise, in relation to the Company or any associated company;

(b) indemnify to any extent any person who is or was a director or officer of an associated company that is a trustee of an occupational pension scheme, directly or indirectly (including by funding any expenditure incurred or to be incurred by him) against any liability incurred by him in connection with the company s activities as trustee of an occupational pension scheme;

(c) create a trust fund, grant a security interest and/or use other means (including, without limitation, letters of credit, surety bonds and/or other similar arrangements), as well as enter into contracts providing indemnification to the full extent authorised or permitted by law and including as part thereof provisions with respect to any or all of the foregoing paragraphs of this Article 145.1 to ensure the payment of such amounts as may become necessary to effect indemnification as provided therein, or elsewhere.

145.2 Where a person is indemnified against any liability in accordance with Article 145.1, such indemnity shall extend to all costs, charges, losses, expenses and liabilities incurred by him in relation thereto.

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ATTN: INVESTOR RELATIONS
500 NORTH AKARD STREET
SUITE 4300
DALLAS, TX 75201

VOTE BY INTERNET www.proxyvote.com
Use the Internet to vote these shares up until 11:59 P.M. Eastern Standard Time the day before the special meeting date. Have the Proxy Card in hand when accessing the website and follow the instructions.

TO VOTE, MARK BLOCKS BELOW IN BLUE OR BLACK INK AS FOLLOWS: ý

ENSCO1

KEEP THIS PORTION FOR YOUR RECORDS

THIS PROXY CARD IS VALID ONLY WHEN SIGNED AND DATED.

DETACH AND RETURN THIS PORTION ONLY

ENSCO INTERNATIONAL INCORPORATED

The Board of Directors recommends you vote FOR the following proposals:

	For	Against	Abstain
1. Approval of the proposal to adopt the Agreement and Plan of Merger and Reorganization, entered into as of November 9, 2009, by and between ENSCO International Incorporated, a Delaware corporation, and ENSCO Newcastle LLC, a Delaware limited liability company:	o	o	o
2. Approval of the adjournment of the special meeting to a later date to solicit additional proxies if there are insufficient votes at the time of the special meeting to approve the adoption of the Agreement and Plan of Merger and Reorganization:	o	o	o

And on any other business that may properly come before the special meeting, in the discretion of the proxies.
Note: Please sign exactly as the name or names appear(s) on this Proxy Card. When shares are held jointly, each holder should sign. When signing as executor, administrator, attorney, trustee or guardian, please give full title as such. If the signer is a corporation, please sign full corporate name by duly authorized officer, giving full title as such. If signer is a partnership, please sign in partnership name by authorized person.

For address changes and/or comments, please check this box and write them on the reverse side where indicated. o

	Yes	No
Please indicate if you plan to attend this Meeting.	o	o

Signature [PLEASE SIGN WITHIN BOX]	Date	Signature (Joint Owners)	Date

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SPECIAL MEETING OF STOCKHOLDERS OF
ENSCO INTERNATIONAL INCORPORATED
December 22, 2009
Please date, sign and mail
the Proxy Card in the
envelope provided as soon
as possible.

Important Notice Regarding Internet Availability of Proxy Materials for the Special Meeting:
The Notice and Proxy Statement are available at www.proxyvote.com.

If voting by mail, please detach along perforated line and mail in the envelope provided.

PROXY
ENSCO INTERNATIONAL INCORPORATED
Board of Directors Proxy for the Special Meeting
of Stockholders at 10:00 a.m. Central Standard Time, Tuesday, December 22, 2009
5-Star Worldwide Conference Center at Lincoln Plaza
Suite B30 Lower Level
500 N. Akard Street
Dallas, Texas 75201

The undersigned stockholder of ENSCO International Incorporated (the Company) hereby revokes all previous proxies and appoints James W. Swent III and David A. Armour, or any of them, each with full power of substitution, to vote the shares of the undersigned at the above-stated special meeting and any adjournment(s) thereof.

THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS AND WILL BE VOTED IN ACCORDANCE WITH THE SPECIFICATIONS MADE HEREIN. IF A CHOICE IS NOT INDICATED WITH RESPECT TO ITEM (1) OR (2), THIS PROXY WILL BE VOTED FOR EACH ITEM. THE PROXIES ARE AUTHORIZED TO USE THEIR DISCRETION WITH RESPECT TO ANY OTHER MATTER THAT MAY PROPERLY COME BEFORE THE MEETING. THIS PROXY IS REVOCABLE AT ANY TIME BEFORE IT IS EXERCISED.

Your Board of Directors recommends a vote FOR the proposal to approve the adoption of the Agreement and Plan of Merger and Reorganization and FOR the proposal to adjourn the special meeting to a later date to solicit additional proxies if there are insufficient votes at the time of the special meeting to approve the adoption of the Agreement and Plan of Merger and Reorganization.

Address Changes/Comments:

(If you noted any Address Changes/Comments above, please mark corresponding box on the reverse side.)