



MEDIA RELEASE

VIRGIN TAKES 100% OWNERSHIP OF VIRGIN MONEY GROUP

28 April 2004 – Virgin announced overnight the acquisition of HHG PLC's 50% joint venture holding in Virgin Money Group Ltd. The transaction means that, for the first time, Virgin has become the 100% owner of the business.

HHG's debt and equity interest in Virgin Money Group has been sold to the Virgin Group for a cash consideration of A\$219.1 million. Of the consideration, A\$121.7 million is payable immediately, with two further installments of A\$48.7 million payable in 12 and 24 months' time.

The vast majority of Virgin's growth is organic and this acquisition - Virgin's biggest-ever of this type in the UK - reaffirms its long-held confidence in this philosophy.

Sir Richard Branson commented, "This deal signals the start of an exciting new chapter in Virgin Money's development. Financial Services will, along with Travel, Mobile Telephony and Entertainment, be one of the four key pillars of our plan to secure Virgin's position as the world's leading diversified consumer brand.

"With Virgin Money's UK business performing so strongly and Virgin Money Australia off to such a spectacular start with the credit card, we have the ideal platform from which to enter new territories and new products with real confidence."

The Virgin Money Group has recently enjoyed the most successful period in its eight-year history. Boosted by a highly successful Australian credit card launch, and continued broad-based growth from the UK business, Virgin Money recently welcomed its one-millionth customer worldwide – the second 500,000 being achieved in little more than 12 months.

Dr Paul Pester, chief executive officer, Virgin Money Group, said, "With this move, Richard Branson is giving the ultimate vote of confidence in our people, our business model and our strategy. The team at Virgin Money share Richard's boundless ambition for our business, and we really do now have the chance to realise our true potential in retail financial services. As a profitable operation, with a proven business model and over a million customers, we're already in great shape - now we have the opportunity to take the business to a whole new level."

Rohan Gamble, managing director, Virgin Money Australia, said, "In making this investment, Richard Branson is giving a huge endorsement to the success of Virgin Money Australia. The focus of the Australian operation will now be on the continued expansion of our credit card business, plus the development of new financial products, with a view to bringing Australians more market-breaking value in financial services."

- ENDS -

For more information contact:

Virgin Money: Kirsty Lamont
+61 2 9338 6124 or +61 (0)400 411 148

Virgin: Will Whitehorn
+44 207 229 4738

HHG: Graham Canning or Catherine Frost, Cannings
+61 2 9252 0622

About Virgin Money:

Virgin Money launched in Australia in May 2003 to shake up the financial services industry. Virgin Money's first product, the Virgin Credit Card, is the first in Australia to combine a low interest rate, no annual fees and up to 55 interest free days with valuable, instant rewards. There's no funny stuff, just money stuff. <http://virginmoney.com.au>

In the UK, Virgin Money offers a wide range of financial products including credit cards, personal loans, savings account, insurance, unit trusts, pensions and share dealing.

About Virgin Group:

The Virgin group of companies was first established by Richard Branson in 1970 and now encompasses a range of businesses around the world, which trade in more than 29 countries. Virgin 2003 worldwide sales topped A\$12 billion.

About HHG:

HHG PLC is a diversified investment management group that listed on the London and Australian stock exchanges in December 2003 and is a member of both the FTSE 250 and ASX 100 indices.

HHG consists of:

- Henderson Global Investors (Henderson), a top 10 UK-based investment manager with A\$172.9 billion of assets under management at 31 December 2003;
- Life Services, made up of the life and pension books of Pearl Assurance plc, NPI Limited, National Provident Life Limited and London Life Limited, which are closed to new business, and HHG Services, which provides administration services to the life companies; and
- Towry Law, the financial advisory firm.