

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Grafton Group plc will be held at the Radisson SAS St Helen's Hotel, Stillorgan Road, County Dublin on 9 May 2003 at 12:30 p.m. for the following purposes:

1. To receive and consider the financial statements for the year ended 31 December 2002 together with the reports of the Directors and auditors.

(Resolution No. 1)

2. To re-appoint the following Directors who retire in accordance with the Articles of Association and, being eligible, offer themselves for re-appointment:

Mr. M. Chadwick

(Resolution No. 2a)

Mr. N. D. Kilroy

(Resolution No. 2b)

Mr. C. Ó Nualláin

(Resolution No. 2c)

3. To authorise the Directors to fix the remuneration of the auditors for the year ending 31 December 2003.

(Resolution No. 3)

As Special Business:

4. **To consider and, if thought fit, pass the following resolution as a special resolution:**

“That, subject to the provisions of the Companies Acts, 1963 to 2001, the Directors be and they are hereby generally authorised to exercise all the powers of the Company for the time being to make market purchases from time to time of its own shares (within the meaning of Section 212 of the Companies Act, 1990) up to a maximum number of shares equal to ten per cent of the Company's issued share capital at the date of the passing of this resolution, provided that this authority shall expire on the date of the next Annual General Meeting of the Company after the passing of this resolution, or the date 15 months after the date of the passing of this resolution, whichever comes first, save that the Company may before such expiry make a contract of purchase which would or might be executed wholly or partly after the expiry of this authority, so, however, that purchases of shares will be limited to a maximum price which will not exceed 5% above the average of the middle market quotations taken from the Stock Exchange Official List in Dublin or, as the case may be, in London, for the ten business days before the purchase is made and to a minimum price which will not be less than the par value of the shares at the time the purchase is made.”

(Resolution No. 4)

5. **To consider and, if thought fit, pass the following resolution as a special resolution:**

“That, pursuant to the authority conferred by the special resolution authorising the Directors to exercise the powers of the Company to make market purchases from time to time of its own shares passed earlier this day (Resolution No. 4), for the purposes of Section 209 of the Companies Act, 1990 the re-issue price range at which any treasury shares (as defined by the said Section 209) for the time being held by the Company may be re-issued off-market shall be as follows:

- (a) the maximum price at which a treasury share may be re-issued off-market shall be an amount equal to 120% of the Appropriate Price; and

- (b) the minimum price at which a treasury share may be re-issued off-market shall be an amount equal to 95% of the Appropriate Price.

For the purposes of this resolution the expression "Appropriate Price" shall mean the average of ten amounts resulting from determining whichever of the following ((i), (ii) or (iii) specified below) in relation to shares of the class of which such treasury share is to be re-issued shall be appropriate in respect of each of the 10 business days immediately preceding the day on which the treasury share is re-issued, as determined from information published in the Irish Stock Exchange Daily Official List reporting the business done on each of these 10 business days:

- (i) if there shall be more than one dealing reported for the day, the average of the prices at which such dealings took place; or
- (ii) if there shall be only one dealing reported for the day, the price at which such dealing took place; or
- (iii) if there shall not be any dealing reported for the day, the average of the closing bid and offer prices for the day

and if there shall be only a bid (but not an offer) or an offer (but not a bid) price reported, or if there shall not be any bid or offer price reported, for any particular day then that day shall not count as one of the said 10 business days for the purposes of determining the Appropriate Price. If the means of providing the foregoing information as to dealings and prices by reference to which the Appropriate Price is to be determined is altered or is replaced by some other means, then the Appropriate Price shall be determined on the basis of the equivalent information published by the relevant authority in relation to dealings on the Irish Stock Exchange or its equivalent. The authority hereby conferred shall expire at the close of business on the day of the next Annual General Meeting of the Company or the date 18 months after the date of the passing of this resolution, whichever is the earlier, unless previously varied or renewed in accordance with the provisions of Section 209 of the Companies Act, 1990."

(Resolution No. 5)

By order of the Board

Charles Rinn

Secretary

Grafton Group plc

Heron House

Corrig Road

Sandyford Industrial Estate

Dublin 18

7 March 2003

Notice of Annual General Meeting

Notes

- 1 Any member entitled to attend and vote at the meeting is entitled to appoint one or more proxies (who need not be a member of the Company) to attend, speak and vote in his/her place. Completion of a form of proxy will not affect the right of a member to attend, speak and vote at the meeting in person.
2. To be valid, proxy forms duly signed together with the power of attorney or such other authority (if any) under which they are signed (or a certified copy of such power or authority) must be lodged with the Company's Registrars, Capita Corporate Registrars Plc, Unit 5 Manor Street Business Park, Manor Street, Dublin 7, not later than 12.30 p.m. on 7 May 2003.
3. The Company, pursuant to Regulation 14 of the Companies Act, 1990 (Uncertificated Securities) Regulations, 1996, hereby specifies that only those shareholders entered in the Register of Members of the Company as at 12.30 p.m. on 7 May 2003 (or, in the case of an adjournment, as at 48 hours before the time fixed for the adjourned meeting) shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their name at that time. Changes to entries in the register after that time will be disregarded in determining the right of any person to attend and/or vote at the meeting.