

5 November 2008

**Grainger plc
("Grainger" or the "Company")**

UPDATE ON OFFER TO CONVERTIBLE BOND HOLDERS

At 7.00am on 5 November 2008, Grainger announced the results of its offer, dated 24 October 2008, to holders of the Company's £112mn 3.625% convertible bond (the "Offer"). Since that announcement, the Company has been approached on behalf of one or more bondholders who missed the Submission Deadline, who have requested that it considers extending the Submission Deadline. The Company has therefore decided to extend the Submission Deadline until 5.00pm on 10 November 2008 (the "Extended Submission Deadline") to provide a further opportunity for all bondholders who have not so far converted, to do so on the same terms of the Offer.

Holders who have already delivered a valid conversion notice in accordance with the Offer will still receive the Cash Amount as contemplated in the Offer. Holders who submit a conversion notice prior to the Extended Submission Deadline, will receive the Cash Amount on or around 12 November 2008.

Deutsche Trustee Company Limited, as trustee of the Bonds, expresses no opinion on the merits of, and makes no representation or recommendation whatsoever regarding, the content of this notice.

Capitalised terms used but not defined in this notice shall have the meanings given to them in the terms and conditions of the Bonds and the Offer.

For further information:

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