

RT GROUP PLC

(In Members' Voluntary Liquidation)

22 May 2009

Dear Shareholder,

As you are aware, RT Group PLC formerly Railtrack Group PLC ("the Company") was placed into liquidation on 18 October 2002. The Joint Liquidators have made four distributions to shareholders totalling 260.5 pence per share so far.

The Joint Liquidators are required to summon a general meeting of the Company following the end of the sixth year of the liquidation. The purpose of the meeting is for the Joint Liquidators to give an account of their acts and dealings, and of the conduct of the winding-up, during the preceding year. The Joint Liquidators will also be proposing a resolution to approve the fees and disbursements they have drawn on account during the year. Notice of the general meeting is attached.

In previous years, the general meeting has been held in the January/February following the passing of the anniversary of liquidation in October. In anticipation of being able to close the liquidation during the early part of 2009, we obtained the sanction of the Secretary of State for Business, Enterprise and Regulatory Reform to delay the meeting and convene a combined annual and final general meeting of shareholders. This would have saved the cost of holding two meetings within a few months of each other and also minimised the inconvenience to shareholders. Unfortunately, following receipt of a creditor claim for £10m (see paragraph 3 below) we are now obliged to delay the closure of the liquidation and so are convening the annual meeting only.

The report detailed below will be presented to the meeting. You do not need to attend the meeting unless you so wish. Attendance at the meeting and/or completion of the attached form of Proxy will not affect your entitlement to any future distribution.

We attach as Appendix 1 a summary of the Joint Liquidators' Receipts and Payments for the sixth year of the liquidation.

1 JOINT LIQUIDATORS' ACCOUNT OF RECEIPTS AND PAYMENTS (APPENDIX 1)

We would like to draw your attention to the following receipts and payments which have occurred during the year:

1.1 RECEIPTS

Bank Interest Gross - £690,822

The majority of funds continue to be held in the Insolvency Services Account at the Bank of England. The interest rate that these funds earned throughout the year was 7.0% gross. The interest received also includes interest recovered from HM Revenue & Customs relating to an overpayment of Corporation Tax. The interest rate at the Insolvency Services Account has fallen steadily since October 2008 and is currently 0.5%.

VAT Repayments and Refunds - £30,011

The Company has been deregistered for VAT with effect from 1 January 2004 and we have agreed refunds of VAT incurred since that date. We expect to receive further refunds during the rest of the liquidation period of the VAT incurred on the liquidation expenses.

1.2 PAYMENTS

Corporation Tax – £137,744

This payment relates to tax deducted at source at the rate of 20% on the gross interest received from the Insolvency Services Account.

Registrar Fees - £48,217

This payment relates to services not covered under the pre-paid negotiated agreement with Computershare Investor Services PLC (“the Registrar”). The Company now has 211,660 shareholders.

VAT Payments - £42,623

This represents the input VAT paid on various fees and expenses, which is recoverable in the liquidation.

Professional Fees - £19,491

These include payments of £1,671 to the Company’s lawyers, Ashurst, who have continued to advise on matters arising in the liquidation. £11,720 was paid to Lucid Communications Limited for the administration of the Company’s website and £4,100 was the cost of the venue for the annual meeting in January 2008.

Sundry Payments - £360

These include payments for storage and bank charges.

2 JOINT LIQUIDATORS’ REMUNERATION AND DISBURSEMENTS

A resolution was passed on 18 October 2002 that the remuneration of the Joint Liquidators should be fixed at their normal charging rates by reference to the time properly given to matters arising in the winding up. The Joint Liquidators were authorised to draw sums on account of their remuneration from time to time as the liquidation progresses but agreed to present their itemised bills to the Company in general meeting for approval.

We detail below the work we have carried out in the sixth year of the liquidation and the hours spent on each category by various grades of Deloitte staff.

Nature of Work	Hours	Deloitte Grade	Hours
Realisation of assets	24.5	Partner	14.0
Post liquidation payments & communication with suppliers	27.2	Director	256.8
VAT	41.8		
Tax	54.4	Manager	70.3
Shareholder issues, distributions, unclaimed payments, meetings etc.	313.5		
Investment of funds, cashiering, bank issues	30.3	Associate	252.9
Record maintenance, administration, compliance, statutory reporting	60.9		
Other - including record retention	41.4		
Total Hours	<u>594.0</u>	Total Hours	<u>594.0</u>
Total Cost	<u>£257,093</u>		

A more detailed breakdown will be available at the meeting, if required.

The Joint Liquidators' disbursements during the sixth year of the liquidation totalled £125. This represents out of pocket expenses such as courier charges, taxis and company searches.

In accordance with the resolution passed on liquidation, we have drawn remuneration of £227,799 and disbursements of £125 during the year. The major tasks we have performed have included the matters shown below.

2.1 Additional Realisation

During the year, we worked to ensure the recovery of funds to be released on the expiry of an insurance arrangement. We are pleased to report that in December 2008 we received £2,940,073, which is not shown on the attached Receipts and Payments Account as it was received after the end of the year under review. Part of this receipt will be taxable, but the majority of this recovery will be added to the funds available for distribution to shareholders, subject to paragraph 3 below.

2.2 Tax Issues

Corporation Tax returns have been submitted for all periods up to 18 October 2008. A refund of £47,095 has been received relating to the sixth year of the liquidation. This was recovered after the end of the year under review and is therefore not shown on the attached Receipts and Payments Account.

2.3 Share Scheme

The Registrar is holding liquidation payments totalling £132,383 due to unallocated shares relating to either the Deferred Bonus Scheme or the All Employee Share Scheme. These funds will be repatriated to the Company shortly and added to the funds available for distribution to all shareholders, subject to paragraph 3 below.

2.4 Unclaimed Dividends and Unclaimed Liquidation Payments

The Registrar is currently holding funds relating to unclaimed dividends (dividends declared and paid prior to liquidation) and liquidation payments (payments made during the course of liquidation). In the event that these amounts remain unclaimed at the close of the liquidation, we will pay the unclaimed funds into the Insolvency Services Unclaimed Monies Account to allow shareholders to claim their entitlement after the Company has been dissolved. The tracing agents have informed us that they have traced 1,483 shareholders and matched £863,037 of unclaimed payments to date.

2.5 Books and Records

In anticipation of the closure of the liquidation, during the year we have taken steps to ensure that the legislative requirements with regards to safeguarding certain books and records of the Company and its subsidiaries will be complied with following the dissolution of the companies.

3 CREDITOR CLAIM AGAINST COMPANY

On 4 February 2009 the Joint Liquidators received a proof of debt from a potential creditor claiming £10m in relation to a property development undertaken by a former joint venture company. The claim is being made under a guarantee provided by RT Group PLC (then Railtrack Group PLC) in 1999, some 3 years prior to liquidation. The Company has now become a defendant in Court proceedings brought in order to establish the amount and/or validity of the claim. As a result, given the size of the claim, we cannot make any further distribution to shareholders at present. Insolvency legislation provides that creditors must be paid in full before a liquidator can return capital to shareholders.

4 FUTURE DISTRIBUTION TO SHAREHOLDERS

A first payment of 200 pence per share was made on 10 January 2003, a second payment of 43 pence per share was made on 18 August 2003, the third payment of 9 pence per share was paid on 24 December 2004 and the fourth payment of 8.5 pence per share was paid on 20 December 2005. If you believe you have not received one or more of these payments please contact the Registrar on the helpline number shown in paragraph 9 below and they will arrange for a cheque to be reissued. We have now returned a total of £1,353,661,362 to shareholders.

Following the receipt of the monies outlined in paragraphs 2.1 and 2.2 above, we are now holding just over £13 million in the liquidation accounts, which represents over two pence per share. However, until such time as we are able to agree the position regarding the claim outlined above, we will be unable to make a final payment to shareholders and close the liquidation. Any remaining funds in the liquidation accounts will of course be paid to shareholders as a final distribution, subject to the further costs of the liquidation and liabilities of the Company. We are unable to predict the size or timing of the final payment at present.

5 SHARE TRANSFERS

The Company's shares are no longer listed on the London Stock Exchange. Private transfers of the Company's shares may not take place without the consent of the Joint Liquidators. If a request is made for the Joint Liquidators' consent, an administration fee of £10 per transfer must be paid directly to the Registrar. Please note that the fee is not payable to the Company. Probate transfers will be registered free of charge throughout the course of the liquidation.

6 DONATIONS OF SHARES TO CHARITY

With our reports in 2004 and 2005, we enclosed a form to allow shareholders to donate their shares to ShareGift, the charity share donation scheme, a registered charity which uses the proceeds from donated shares to support a wide range of different UK charities. Should you now wish to donate any future entitlement to distributions in the liquidation to this charity, please contact the Registrar on the helpline number shown in paragraph 9 below and they will send you a ShareGift transfer form. Once the transfer is completed, any future distribution will be made to ShareGift. There is no administration fee in respect of a transfer of your shares to ShareGift.

7 TAXATION FOR UK RESIDENT INDIVIDUAL SHAREHOLDERS

For the purposes of UK taxation of chargeable gains, cash returned to UK resident, individual shareholders in the Company's members' voluntary liquidation is a capital distribution and will therefore not be taxed as income.

Broadly speaking, if a UK resident, individual shareholder paid more for their shares than they receive back through all distributions by the Joint Liquidators, then they should have no tax to pay.

A summary of the tax consequences for a UK tax resident was set out as an appendix in previous reports which are available on the website, www.rtgroupp.co.uk. These were provided to you for information only, and should not be considered as tax advice. Shareholders are recommended to obtain their own tax advice from a professional adviser such as a qualified accountant, tax or other financial adviser.

8 GENERAL MEETING

We enclose notice of the meeting and a form of proxy for your completion if you wish to appoint someone to attend and vote on your behalf. The meeting to be held is a formal meeting where this report will be presented. The only resolution to be tabled is in respect of the Joint Liquidators' remuneration, as shown on the notice.

9 FURTHER INFORMATION AND QUERIES

If you have further questions, please call our helpline on 0870 702 0104, or visit the Company's website, www.rtgroupp.co.uk. Please note the helpline is not able to answer tax-related questions. Call charges may vary depending on your telephony provider.

Yours faithfully



N G Edwards

Joint Liquidator

RT Group PLC (in Members' Voluntary Liquidation)

(as agent without personal liability)

JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 17 OCTOBER 2008

	Year to 17.10.08	Whole Period of Liquidation 18.10.02 to 17.10.08	
	£	£	£
RECEIPTS			
Cash at Bank			1,225,727,699
Intercompany - RT Group Holdings Limited	-		121,584,839
Debtor - RT Group Holdings Limited	-		1,580,511
Investment Income	-		13,478,297
Bank Interest Gross	690,822		12,971,257
Receipts re tax losses	-		6,290,825
VAT Repayments and Refunds	30,011		3,873,753
Tax Refund	-		1,839,334
Retention Account Payment	-		991,188
Intercompany - Others	-		549,003
Sundry receipts	-		68,098
	<u>720,833</u>		<u>1,388,954,804</u>
PAYMENTS			
Professional Fees	19,491	4,131,028	
Registrar Fees	48,217	3,240,023	
Pre-appointment creditors	-	1,882,988	
Liquidators' Fees	227,799	3,009,707	
VAT Payments	42,623	1,383,344	
Corporation Tax	137,744	4,893,803	
Payment for tax relief	-	5,251,400	
Liquidators' Disbursements	125	379,796	
Intercompany	-	405,862	
Customs & Excise	-	347,637	
Sundry Payments	360	209,960	
Statutory Advertising	-	63,615	25,199,163
	<u>476,359</u>		<u>1,363,755,641</u>
ORDINARY SHAREHOLDERS			
First Distribution - 200p per share		1,039,279,356	
Second Distribution - 43p per share		223,445,062	
Third Distribution - 9p per share		46,767,571	
Fourth Distribution - 8.5p per share		44,169,373	
			<u>1,353,661,362</u>
BALANCE			<u>£ 10,094,279</u>

RT GROUP PLC

(IN MEMBERS' VOLUNTARY LIQUIDATION)

*(Incorporated and registered in England and Wales under the Companies Act 1985
with registered number 2904614)*

NOTICE TO SHAREHOLDERS OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that, pursuant to Section 93 of the Insolvency Act 1986, a **GENERAL MEETING** of RT Group PLC (In Members' Voluntary Liquidation) ("the Company") will be held at The Insurance Hall, The Chartered Insurance Institute, 20 Aldermanbury, London EC2V 7HY on 8 July 2009 at 11.30 am. This meeting is summoned by the Joint Liquidators of the Company for the purpose of receiving an account of the Joint Liquidators' acts and dealings and of the conduct of the winding up during the sixth year of the liquidation.

The meeting will also consider and, if thought fit, pass the following resolution, which will be proposed as an Ordinary Resolution:

Ordinary Resolution

"THAT the remuneration and disbursements of the Joint Liquidators of the Company for the sixth year of the liquidation be approved".

A member of the Company entitled to attend and vote at the General Meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him or her. A proxy need not be a member of the Company. A Form of Proxy is enclosed with this notice. Instructions for use are shown on the form.

Dated: 22 May 2009



N G Edwards
Joint Liquidator

