



PENSION
CORPORATION

Offer declared wholly unconditional for telent plc

15 November 2007

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Recommended Cash Offer for telent plc ("telent") by Co-Investment No. 5 L.P. Incorporated ("CILP") a limited partnership whose general partner is advised by Pension Corporation LLP ("Pension Corporation")

Offer declared wholly unconditional

Further to CILP's announcement of 9 November 2007, CILP continues to hold discussions with the Pensions Regulator and other interested parties in relation to the circumstances which impact on the condition in paragraph (k) of Part A of Appendix I to the Offer Document. As a result of the ongoing discussions, and the Pensions Regulator's most recent communication with CILP in relation to these matters, in the present circumstances there is a realistic prospect of a resolution of the issues relating to the actions of the Pensions Regulator in exercising its statutory powers to appoint three trustees of telent's UK pension scheme in a manner satisfactory to CILP and, accordingly, CILP announces that the Offer is now declared unconditional in all respects. The Offer will remain open until further notice and telent Shareholders who have yet to accept the Offer are urged to do so as soon as possible.

As at 3.45 pm on 15 November 2007, CILP had received valid acceptances in respect of a total of 40,586,442 telent Shares, representing approximately 91.90 per cent. of telent's issued share capital to which the Offer relates. CILP has become entitled to acquire compulsorily the remaining telent Shares pursuant to the Companies Act 2006 and it intends to exercise that right shortly.

This total includes acceptance of the Offer received in respect of 846 telent Shares which were subject to irrevocable undertakings procured by CILP from the Board of telent.

As at 14 November 2007, CILP and Merrill Lynch (which is deemed to be acting in concert with CILP (within the meaning of the City Code)) held such number of telent Shares as set out below:

Holder	Number of telent Shares	% of total issued share capital
CILP	18,369,372	29.38
Merrill Lynch	734	0.00

As at 14 November 2007, CILP had received no valid acceptance of the Offer with respect to the telent Shares held by Merrill Lynch.

Save as disclosed in this announcement, neither CILP, nor any person acting in concert with CILP, had any other interest in or had any rights to subscribe for any relevant securities of telent nor had any short position or any arrangement in relation to any relevant securities of telent. For these purposes, "arrangement" includes any agreement to sell or any delivery obligation or option arrangement or right to require another person to purchase or take delivery of any relevant securities of telent and any borrowing or lending of any relevant securities of telent which have not been on-lent or sold and any outstanding irrevocable undertaking with respect to any relevant securities of telent.

Settlement of consideration due under the Offer in respect of valid acceptances received on or before today's date will be despatched by first class post (in the case of certificated holders) or credited to the relevant CREST account (in the case of non-certificated holders) on or before 29 November 2007. Settlement in respect of further valid acceptances will be despatched within 14 days of receipt of such acceptances.

Terms defined in the Offer Document have the same meaning in this announcement.



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This announcement is not intended to and does not constitute, or form part of, an offer to sell or invitation to purchase or subscribe for any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Offer or otherwise, nor will there be any purchase or transfer of the securities referred to in this announcement in any jurisdiction in contravention of applicable law or regulation. The Offer is being made solely through the Offer Document and, in the case of certificated telent Shares, the Form of Acceptance accompanying the Offer Document, which contains the full terms and conditions of the Offer, including details of how to accept the Offer. Any acceptance or other response to the Offer should be made only on the basis of the information in such documents.

Merrill Lynch, which is authorised and regulated in the UK by the Financial Services Authority, is acting exclusively for CILP and Pension Corporation and no one else in connection with the Offer and will not be responsible to anyone other than CILP and Pension Corporation for providing the protections afforded to customers of Merrill Lynch or for giving advice in relation to the Offer.

The availability of the Offer to persons who are not resident in the UK may be affected by the laws of the relevant jurisdictions. Persons who are not so resident should inform themselves about, and observe, any applicable requirements. Further details in relation to overseas shareholders will be contained in the Offer Document.

The release, publication or distribution of this announcement in jurisdictions other than the UK or the Offer Document may be restricted by law and/or regulation and therefore any persons who are subject to the laws and regulations of any jurisdiction other than the UK should inform themselves about, and observe, any applicable requirements. Any failure to comply with the applicable requirements may constitute a violation of the laws and/or regulations of any such jurisdiction. This announcement and the Offer Document have been prepared for the purpose of complying with English law and the City Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws and/or regulations of jurisdictions outside the UK.

Any person (including, without limitation, any custodian, nominee and trustee) who would, or otherwise intends to, or who may have a contractual or legal obligation to, forward this announcement and/or the Offer Document and/or any other related document to any jurisdiction outside the UK should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdiction.

Notice to US investors

This announcement does not constitute, or form part of, any offer for, or any solicitation of any offer for securities, nor is it a solicitation of any vote or approval in any jurisdiction, nor will there be any purchase or transfer of the securities referred to in this announcement in any jurisdiction in contravention of applicable law or regulation.



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The Offer is being made for securities of a UK company and United States investors should be aware that this announcement, the Offer Document and any other documents relating to the Offer have been or will be prepared in accordance with the City Code and UK disclosure requirements, format and style, all of which differ from those in the United States. telent's financial statements, and all financial information that is included in this announcement or that may be included in the Offer Document or any other documents relating to the Offer, have been or will be prepared in accordance with United Kingdom generally accepted accounting principles and International Financial Reporting Standards and thus may not be comparable to financial statements of United States companies or companies whose financial statements are prepared in accordance with US generally accepted accounting principles.

The Offer is being made in the United States in accordance with any obligations CILP may have under applicable securities laws (including any obligations under Rule 14e-1(d)) and otherwise in accordance with the requirements of the City Code. Accordingly, the Offer is being made subject to disclosure and other procedural requirements, including with respect to withdrawal rights, offer timetable, settlement procedures and timing of payments that are different from those applicable under US domestic tender offer procedures and law.

The receipt of cash pursuant to the Offer by a United States holder of telent Shares may be a taxable transaction for United States federal income tax purposes and under applicable US state and local, as well as non-US and other tax laws. Each holder of telent Shares is urged to consult his independent professional adviser immediately regarding the tax consequences of acceptance of the Offer.

telent is incorporated under the laws of England and Wales. No telent Director is a resident of the United States. In addition, telent's articles of association contain provisions to the effect that all proceedings between a telent Shareholder (in its capacity as such) and telent or any of its Directors or professional service providers may only be brought in the courts of England and Wales. As a result, it may not be possible for United States shareholders of telent to effect service of process within the United States upon telent or such telent Directors or to enforce against any of them judgements of the United States predicated upon the civil liability provisions of the federal securities laws of the United States. It may not be possible to sue telent or its officers or directors in a non-US court for violations of the US securities laws.

To the extent permitted by applicable law, in accordance with the City Code and normal UK market practice and pursuant to class exemptive relief granted by the Staff of the Division of Market Regulation of the US Securities and Exchange Commission from Rule 14e-5 of the US Exchange Act, CILP or its nominees or brokers (acting as agents) may from time to time during the period in which the Offer remains open for acceptance make certain purchases of, or arrangements to purchase, telent Shares otherwise than under the Offer, such as in open market or privately negotiated purchases. In accordance with the requirements of Rule 14e-5 and exemptive relief granted by the SEC, such purchases, or arrangements to purchase, will comply with all applicable UK rules, including the City Code and the rules of the London Stock Exchange. In addition, in accordance with the City Code, normal UK market practice and Rule 14e-5(b) of the Exchange Act, Merrill Lynch will continue to act as exempt principal traders in telent securities on the London Stock Exchange. Information regarding such activities which is required to be made public in the United Kingdom pursuant to the City Code will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at www.londonstockexchange.com. This information will also be communicated in the United States in accordance with applicable US securities laws to the extent that such information is made public in the United Kingdom.

Forward-looking statements

This announcement may contain "forward-looking statements" concerning the Offer, CILP and telent. Generally, the words "will", "may", "should", "continue", "believes", "expects", "intends", "anticipates" or similar expressions identify forward-looking statements. The forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond the companies' abilities to control or estimate precisely, such as future market conditions and the behaviours of other market participants, and therefore undue reliance should not be placed on such statements. CILP and telent assume no obligation and do not intend to update these forward-looking statements, except as required pursuant to applicable law and regulation.