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This announcement should be read in its entirety. In particular, you should read and understand the information provided in the 'Important Notice' section.

17 March 2014

## **Costain Group PLC** **(the “Company”)**

### **Results of Firm Placing and Placing and Open Offer**

On 27 February 2014, the Company announced that it proposed to raise gross proceeds of approximately £75.1 million by way of a Firm Placing and Placing and Open Offer of, in aggregate, 33,382,068 New Ordinary Shares at an issue price of 225 pence per New Ordinary Share, 11,111,112 New Ordinary Shares to be issued through the Firm Placing and 22,270,956 New Ordinary Shares through the Placing and Open Offer (on the basis of 1 New Ordinary Share for every 3 Existing Ordinary Shares).

The Company today announces that, as at 11.00 a.m. on 14 March 2014, being the latest date for receipt of valid acceptances under the Open Offer, it had received valid acceptances in respect of 8,823,449 New Ordinary Shares. Accordingly, 8,823,449 New Ordinary Shares will be issued pursuant to the Open Offer and 13,447,507 New Ordinary Shares pursuant to the Placing. The acquisition of the Firm Placing Shares was not subject to clawback, and the Company confirms that 11,111,112 New Ordinary Shares will be issued pursuant to the Firm Placing. In accordance with the terms and conditions of the Capital Raising, all applications made pursuant to the Open Offer have been met in full and a scaling back exercise has been undertaken with respect to applications received pursuant to the Placing.

The Capital Raising is conditional on, among other things, the passing of the Resolutions at the General Meeting to be held at 10.00 a.m. today.

Application has been made for the New Ordinary Shares to be admitted to the Official List of the UK Listing Authority and to trading on the Main Market of the London Stock Exchange ("Admission"). It is expected that Admission will become effective and dealings in the New Ordinary Shares will commence at 8.00 a.m. on 18 March 2014.

Following Admission, the number of ordinary shares that the Company has in issue will be 100,194,936. The total number of voting rights of the Company will be 100,194,936 and this figure may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in the Company.

Unless otherwise defined, the terms used in this Announcement shall have the same meaning as set out in the prospectus published by the Company on 27 February 2014 (the "Prospectus").

### **ENQUIRIES**

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The New Ordinary Shares have not been approved or disapproved by the SEC, any state securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the New Ordinary Shares or the accuracy or adequacy of this announcement. Any representation to the contrary is a criminal offence in the United States. There will be no public offer of the New Ordinary Shares in the United States.

The New Ordinary Shares to be issued or sold pursuant to the Capital Raising will not be admitted to trading on any stock exchange other than the London Stock Exchange.