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Heywood Williams Group PLC
(Registered in England No. 5954792)
(the "Company")

Registered Office

Premier Way
Lowfields Business Park
Elland
West Yorkshire
HX5 9HF

30 March 2007

Dear Shareholder

ANNUAL GENERAL MEETING – 3 MAY 2007

The Annual General Meeting of the Company will be held in the Alexandria Suite at the offices of Financial Dynamics, Holborn Gate, 26 Southampton Buildings, London, WC2A 1PB at 11.00 am on 3 May 2007. The Notice of Meeting is contained on pages 3 and 4 of this letter.

This is the first Annual General Meeting of the Company ("New Heywood Williams") which was incorporated on 3 October 2006 as HWG 2006 PLC and changed its name to Heywood Williams Group PLC on 11 December 2006. The Company formerly known as Heywood Williams Group PLC (company number 109354) ("Old Heywood Williams") changed its name to HWG 2006 PLC on the same day.

Following a Scheme of Arrangement which was approved by shareholders on 17 November 2006 and became effective on 11 December 2006 all shareholders of Old Heywood Williams are now shareholders of New Heywood Williams and Old Heywood Williams is now a wholly-owned subsidiary of New Heywood Williams.

RESOLUTIONS 1 TO 10

Resolutions 1 to 5 in the Notice of the Annual General Meeting deal with the routine business that takes place at Annual General Meetings.

Resolution 1 – Directors' Report and Accounts

The Directors must present the Directors' Report and Accounts for the financial year ended 31 December 2006 to shareholders at the Annual General Meeting. A copy is enclosed with this letter.

Resolution 2 – Directors' Remuneration Report

As required in the Directors' Remuneration Report Regulations 2002 (the "Regulations"), the Board has presented its Directors' Remuneration Report (the "Report") in the Annual Report and Accounts ("Annual Report"). The Report gives details of the Directors' remuneration for the year ending 31 December 2006 and sets out the Company's overall policy on Directors' remuneration. As required by the Regulations, the Company's auditors, Ernst & Young LLP, have audited those parts of the Report capable of being audited and their report may be found on page 79 of the Annual Report and Accounts.

The Board considers that appropriate executive remuneration plays a vital part in helping to achieve the Company's overall objectives and accordingly, in compliance with the Regulations, shareholders will be invited to approve the Report.

Resolutions 3 to 9 – Election of Directors

In accordance with Code Provision A.7.1 of the Combined Code, since this is the first Annual General Meeting of New Heywood Williams all the Directors are retiring and being eligible, offer themselves for election. All the Directors will be subject to re-election thereafter at intervals of no more than three years.

All of the Directors offering themselves for election have wide business knowledge and all bring valuable skills and experience to the Board. There is biographical information about all the Directors on page 19 of the Annual Report and Accounts.

Resolution 10 – The Auditors

Auditors are required to be appointed at each Annual General Meeting at which accounts are presented to shareholders. We propose to reappoint Ernst & Young LLP as the Company's auditors. It is normal practice for a Company's Directors to be authorised to agree the auditors' fees.

RESOLUTIONS 1 TO 10 CONTINUED

Resolutions 11 to 13

Resolutions 11 to 13 in the Notice of Meeting are items of special business.

Resolution 11 – Purchase of own shares

Special Resolution 11 seeks to confer upon the Company the authority to purchase up to a maximum of 8,485,351 ordinary shares of 20p each, representing not more than 10 per cent. of the present issued ordinary share capital of the Company.

This authority will only be exercised in circumstances which, in the light of market conditions prevailing at the time, would give rise to an increase in earnings per share and any purchase by the Company of its ordinary shares will only take place within the limits of available reserves. Save to the extent purchased pursuant to the regulations concerning treasury shares, any shares purchased in this way will be cancelled and the number of shares in issue will be accordingly reduced. The Company may hold in treasury any of its own shares that it purchases pursuant to the relevant regulations and the authority conferred by this Resolution. This would give the Company the ability to re-issue treasury shares quickly and cost effectively and would provide the Company with greater flexibility in the management of its capital base. The Company holds no shares in treasury and it is the Directors' current intention that any shares which are repurchased will be cancelled.

As at 19 March 2007 (the latest practicable date prior to the publication of this letter), options to subscribe for a total of 4,722,933 ordinary shares were outstanding under the Company's employee share schemes representing 5.6 per cent. of the issued ordinary share capital of the Company at that date. If the authority for the Company to purchase its own shares being sought at the Annual General Meeting were to be exercised in full, the number of ordinary shares subject to option would represent 6.2 per cent. of the reduced issued ordinary share capital at that date.

Resolution 12 – Authority to allot shares

In accordance with Section 80 of the Companies Act 1985 the Directors may generally only allot unissued shares if authorised to do so by the shareholders or by its Articles of Association.

Ordinary Resolution 12 seeks to confer upon the Directors the authority pursuant to Section 80 of the Companies Act 1985 to allot shares. This authority, which is limited to relevant securities up to a maximum nominal amount of £5,656,901 representing not more than one third of the present issued ordinary share capital of the Company, will expire on the date preceding the fifth anniversary of the passing of the Resolution. Apart from any issue of ordinary shares arising from the Company's long term share incentives and the exercise of options under the Company's share option schemes your Directors have no present intention of issuing any ordinary shares.

Resolution 13 – Authority to allot shares for cash

Special Resolution 13 seeks to confer upon the Directors the authority pursuant to Section 95 of the Companies Act 1985 to allot shares for cash without following the statutory pre-emption procedure. This power, which is limited to the issue of equity securities in connection with rights issues, open offers or other pro rata issues, or otherwise up to a maximum nominal amount of £848,535, representing not more than 5 per cent. of the present issued ordinary share capital of the Company, will expire at the conclusion of the 2008 Annual General Meeting of the Company or, if earlier, 15 months after the passing of the Resolution. Shareholders should note that this Resolution also refers to treasury shares.

ACTION TO BE TAKEN

Whether or not you intend to come to the meeting, please complete the enclosed proxy form in accordance with the instructions printed on it and return it to Lloyds TSB Registrars, as soon as possible but in any event so as to arrive no later than the time indicated thereon. Lodgement of a form of proxy will not prevent you from attending the Annual General Meeting and voting in person should you wish to do so.

RECOMMENDATION

The Board considers that the Resolutions to be proposed at the Annual General Meeting are in the best interests of the Company and the shareholders as a whole, and recommends you to vote in favour of the Resolutions set out in the Notice of Meeting as they intend to do in respect of their own beneficial holdings.

Yours sincerely



ROGER BOYES
Chairman

NOTICE OF MEETING

HEYWOOD WILLIAMS GROUP PLC

(Registered in England No. 5954792) (the "Company")

Notice is hereby given that the first Annual General Meeting of the Company will be held on 3 May 2007 at 11.00 am in the Alexandria Suite at the offices of Financial Dynamics, Holborn Gate, 26 Southampton Buildings, London WC2A 1PB for the following purposes:

ORDINARY BUSINESS

To consider and, if thought fit, passing the following Resolutions as Ordinary Resolutions.

1. To receive and adopt the Report of the Directors and the audited accounts for the year ended 31 December 2006.
2. To receive and approve the Directors' Remuneration Report for the year ended 31 December 2006.
3. To elect Robert Barr as a Director.
4. To elect Roger Boyes as a Director.
5. To elect Graham Menzies as a Director.
6. To elect Alan Parker as a Director.
7. To elect Edward Roderick as a Director.
8. To elect William Schmuhl as a Director.
9. To elect Richard Whiting as a Director.
10. To re-appoint Ernst & Young LLP as auditors of the Company to hold office until the conclusion of the next general meeting at which accounts are laid before the Company and to authorise the Directors to determine the auditors' remuneration.

SPECIAL BUSINESS

To consider and, if thought fit, pass the following Resolutions, of which Resolution 12 will be proposed as an Ordinary Resolution and Resolutions 11 and 13 as Special Resolutions:

11. THAT, in accordance with Article 10 of the Articles of Association of the Company and Section 166 of the Companies Act 1985, the Company be and is hereby granted general and unconditional authority to make one or more market purchases (as defined in Section 163 of the Companies Act 1985) of any of its own ordinary shares of 20p each on such terms and in such manner as the Board of Directors of the Company may from time to time determine provided that the authority conferred by this Resolution shall:
 - (a) be limited to 8,485,351 ordinary shares of 20p each being not more than 10 per cent. of the Company's present issued ordinary share capital;
 - (b) not permit the minimum price which may be paid per ordinary share to be less than 20p (exclusive of any expenses);
 - (c) not permit the payment per share of more than the higher of (i) 5 per cent. above the average middle market quotation of an ordinary share of the Company as derived from the London Stock Exchange Daily Official List on the five dealing days immediately preceding the date of purchase and (ii) an amount equal to the higher of the price of the last independent trade and the highest current independent bid as derived from the London Stock Exchange Trading System (in each case exclusive of any expenses); and
 - (d) expire, unless previously revoked or varied, on the date falling 15 months after the passing of this Resolution or the date of the next Annual General Meeting of the Company, whichever is the earlier, save that the Company may before such expiry enter into a contract to purchase its own ordinary shares pursuant to this authority which would or might be completed or executed wholly or partly after the expiration of this authority, and this authority shall supersede any and all previous authorities given to the Company in accordance with Article 10 and Section 166 of the Companies Act 1985.
12. THAT the Directors be and are hereby generally and unconditionally authorised to exercise all the powers of the Company to allot relevant securities (as defined in Section 80(2) of the Companies Act 1985) up to an aggregate nominal amount of £5,656,901 being not more than one third of the present issued ordinary share capital of the Company, provided that this authority shall expire on the day preceding the fifth anniversary of the date of the passing of this Resolution save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted in pursuance of such an offer or agreement after such expiry and the Directors may allot relevant securities pursuant to such offer or agreement as if the authority conferred hereby had not expired and this authority shall supersede any and all previous authorities given to the Directors in accordance with Section 80 of the Companies Act 1985.
13. THAT, subject to and conditional upon the passing of Resolution 12 set out in the Notice of this Meeting, the Directors be and are hereby generally and unconditionally empowered, pursuant to Section 95 of the Companies Act 1985, to allot equity securities (as defined in Section 94(2) of the Companies Act 1985) whether for cash pursuant to the authority conferred by the said Resolution 12 or otherwise in the case of treasury shares (as defined in Section 162A(3) of the Companies Act 1985) in each case as if Section 89(1) of that Act did not apply to such an allotment provided that this power shall be limited:

NOTICE OF MEETING CONTINUED

SPECIAL BUSINESS CONTINUED

13. (a) to the allotment of equity securities in connection with a rights issue, open offer or other pro rata issue in favour of ordinary shareholders where the equity securities respectively attributable to the interests of all such ordinary shareholders are proportionate (as nearly as may be) to the respective numbers of ordinary shares held by them, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or legal or practical problems arising under the laws of any territory or the requirements of any regulatory body or any stock exchange in any territory; and

(b) to the allotment (otherwise than pursuant to paragraph (a) above) of equity securities up to an aggregate nominal amount of £848,535, being not more than 5 per cent. of the present issued share capital of the Company;

and this power shall expire, unless previously revoked or varied, on the date falling 15 months after the passing of this Resolution or the date of the next Annual General Meeting of the Company after the passing of this Resolution, whichever is the earlier, save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities pursuant to such offer or agreement as if the authority conferred hereby had not expired.

By Order of the Board



MARK WILD
Secretary

30 March 2007

Registered Office

Premier Way
Lowfields Business Park
Elland
West Yorkshire
HX5 9HF

NOTES

- (i) A member entitled to attend and vote at the above Meeting is entitled to appoint one or more proxies to attend and, on a poll, to vote instead of the member. A proxy need not be a member of the Company. A proxy form is enclosed and instructions for completion are shown thereon.
- (ii) The Company specifies, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, that only those shareholders registered on the register of members of the Company as at 11.00 am on 1 May 2007 shall be entitled to attend or vote at the Annual General Meeting in respect of the number of shares registered in their name at that time. Changes to entries on the register after 11.00 am on 1 May 2007 shall be disregarded in determining the rights of any person to attend or vote at the Meeting.
- (iii) The proxy form and the power of attorney or other authority (if any) under which they are signed, or a notarially certified copy or a copy certified in accordance with the Powers of Attorney Act 1971 of such power or authority, must be deposited at the Company's registrars, Lloyds TSB Registrars, The Causeway, Worthing, West Sussex, BN99 6DB, not less than 48 hours before the time appointed for the holding of the Annual General Meeting. Completion of a proxy form does not preclude a member attending and voting in person at the Annual General Meeting.
- (iv) The following are available for inspection by the members at the registered office of the Company on any weekday (public holidays excluded) during normal business hours and will also be available prior to and during the Meeting:
 - (a) a register of Directors' interests and those of their families in the shares of the Company together with a statement of transactions;
 - (b) a copy of each Director's service agreement or letter of appointment with the Company; and
 - (c) a copy of the Articles of Association of the Company, which include (at Article 188), subject to the terms thereof, an indemnity in favour of every person who is or was at any time a Director, alternate Director, Secretary or other officer of the Company.