

**INTERNATIONAL MERGER BETWEEN REED SMITH AND RICHARDS BUTLER
GETS GREEN LIGHT FROM PARTNERS**

London UK: Thursday, 15th June 2006 The partnerships at international law firms, Reed Smith and Richards Butler have voted in favour of their merger, securing overwhelming support well in excess of the required majorities.

The successful vote marks the end of an intense period of detailed negotiation and rigorous due diligence, and now paves the way for the integration of the practices and the emergence of an international corporate and litigation powerhouse, effective as of 1 January 2007.

The deal propels the firm in the UK to that of a leader within the UK upper mid-market, with more than 300 lawyers in London. Overall, the combined offering now sits within the top 20 international law firms, with more than 1,300 lawyers operating out of three continents and global revenues in the region of \$750 million.

Close collaboration prior to the merger vote has already resulted in additional work for both firms and a number of joint projects. In the pharmaceuticals and banking sectors, for example various clients have asked the joint practices to represent them in US and European matters. Both firms are also already closely co-operating on various business development initiatives.

The merger does not involve Richards Butler Hong Kong with which discussions are ongoing.

Greg Jordan, Reed Smith's Managing Partner said: *"The merger makes London our largest office and results in more than twenty percent of the firm's total business being conducted in Europe. The fantastic response from clients to news of the merger, coupled with our very positive experiences to date of working with our colleagues at Richards Butler are a clear reaffirmation of our international strategy to move and expand in markets where our clients need us."*

Roger Parker, Richards Butler's Managing Partner commented:

"The spirit of our negotiations underlines our conviction that this deal is an ideal fit, in terms of common strategic objectives and shared values. It's enormously encouraging to see how strongly integrated the two businesses have already become and as this transformation continues it will be instrumental in helping us to achieve our twin objectives: enhanced client service and value, and greater opportunity for our people."

Tim Foster, UK Managing Partner added: *"The combination substantially enhances our joint offering to our domestic and international client base, through our deeper, broader range of services and the greater resources we can bring to bear. A higher profile on the international stage will prove attractive to our own lawyers and other top calibre hires we are competing for across the corporate, commercial and financial services sectors of the City."*

The combined firm will be known as Reed Smith. In the UK and Middle East the firm will operate as Reed Smith Richards Butler during the transition period. In Paris, the office will operate as Reed Smith Rambaud Charot, incorporating Richard Butler.

The new firm will be led by Greg Jordan as firmwide managing partner with Roger Parker of Richards Butler joining Reed Smith's Senior Management Team and taking on the role of European Managing Partner for the merged firm. Office Managing Partners across the expanded firm's network in the UK, Paris, Munich, Piraeus and Abu Dhabi report to Roger Parker. Tim Foster will continue in his now expanded role as UK Managing Partner. Michael Pollack, a member of Reed Smith's senior management team and the firm's director of strategic planning is moving to London to oversee the integration of the firms. Both Roger Parker and Paul Johnston, Chairman of Richards Butler, would also join Ian Fagelson as European representatives on an expanded Firm Executive Committee. Benoit Charot will lead the Paris office.

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About Reed Smith

Leading international law firm Reed Smith, is one of the 25 largest law firms worldwide with more than 1000 lawyers located across 18 cities, throughout the United States, United Kingdom, and Europe. Reed Smith in the UK is led by Tim Foster, UK Managing Partner.

Established in 1877, the firm represents large listed companies as well as mid-market and emerging companies. Clients include financial institutions, technology companies and innovators, pharmaceutical companies, health care providers and insurers, communications companies, manufacturers, universities, real estate developers, and municipalities on both sides of the Atlantic. Reed Smith currently represents:

- 23 of the top 25 world's largest commercial and savings banks
- 17 of the top 20 pharmaceutical companies
- 50 of the world's leading drug and device manufacturers
- 60% of the Fortune 500 companies

Reed Smith has an award-winning diversity initiative and a leading pro bono practice, and its Reed Smith University, in partnership with Wharton, has been recognized as an innovative and leading professional development program.

About Richards Butler

Richards Butler's is a top 30 City of London law firm advising clients in both developing and emerging markets. With over 400 partners and staff, and offices in Europe and the Middle East, the firm advises a range of blue chip organisations on complex, cross-border matters in industry sectors as diverse as financial services, insurance, media and film finance, real estate, shipping, and commodities. Its commercial and shipping practices are market leaders and its prominence in emerging sectors such as AIM are widely recognised by independent market commentators.