

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY IN, INTO OR FROM THE UNITED STATES, CANADA, AUSTRALIA, JAPAN, THE REPUBLIC OF SOUTH AFRICA OR ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OF SUCH JURISDICTION. THIS LETTER CONTAINS INSIDE INFORMATION.

FIH Group plc
Kenburgh Court
133-137 South Street
Bishop's Stortford,
Hertfordshire
CM23 3HX

10 February 2017

Dear Shareholder,

Recommended Cash Offer for FIH Group plc

On 10 February 2017 it was announced that FIH Group plc ('**FIH**' or the '**Company**') had reached agreement on the terms of a recommended cash offer for the entire issued and to be issued ordinary share capital of FIH ('**Shares**') by Staunton Holdings Limited ('**Staunton**'), a private limited company incorporated in Guernsey, Channel Islands, at a price of 300 pence per share payable in cash pursuant to a takeover offer under Part 28 of the Companies Act 2006 (the '**Offer**').

Staunton is wholly owned by companies which are ultimately controlled by the corporate trustee of a Jersey trust established by the entrepreneur David Rowland for the benefit of his family (including Edmund Rowland the Executive Chairman of the Company) (the '**Rowland Purpose Trust 2001**'). Blackfish Capital, which holds 22.7 per cent. of the issued Shares, is also an associated entity of Staunton and ultimately controlled by the Rowland Purpose Trust 2001.

The Offer will be conditional on, amongst other things, Staunton receiving valid acceptances (which have not been withdrawn) in respect of and/or having otherwise acquired Shares which represent not less than 90 per cent. (or such lower percentage as Staunton may, subject to The City Code on Takeovers and Mergers (the '**Takeover Code**'), decide) in nominal value of Shares to which the Offer relates and of the voting rights attached to those Shares.

In accordance with Rule 2.11 of the Takeover Code I am writing to provide you with a copy of the announcement setting out the terms of the offer (the '**Announcement**'). The Announcement is also available on FIH's website at <http://www.fihplc.com>.

I draw your attention, in particular, to the sections of the Announcement entitled 'Recommendation of the Offer by the Independent Atlantic Directors', 'Background to and reasons for the recommendation of the Offer' and 'Future intentions for Atlantic, its management and employees'. Please be aware that addresses, electronic addresses and certain other information provided by you for the receipt of communications from FIH may be provided to Staunton, during the offer period as required under Section 4 of Appendix 4 of the Takeover Code. A summary of the provisions of Rule 8 (*Disclosure of Dealings and Positions*) of the Takeover Code is set out in the Appendix to this letter.

Shareholders can contact the Company on 01279 461630.

Yours faithfully,

John Foster
Chief Executive

APPENDIX

Disclosure requirements of the Takeover Code

Under Rule 8.3(a) of the Takeover Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified.

An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.