

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

If you are in any doubt as to the action which you should take you are recommended to consult your solicitor, accountant or independent financial adviser authorised under the Financial Services and Markets Act 2000. If you have sold or transferred all of your ordinary shares in Impax Asset Management Group plc, you should pass this circular and the accompanying documents to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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# **Impax Asset Management Group plc**

## **(the “Company”)**

*(Incorporated and registered in England and Wales under  
the Companies Act 1985 (as amended) with registered number 3262305)*

**Directors:**

J. Keith R. Falconer (Chairman)  
Ian R. Simm  
Guy de Froment  
Peter J. Gibbs  
Vince G. O'Brien  
Mark B. E. White

**Registered Office:**

Norfolk House  
31 St James's Square  
London  
SW1Y 4JR

20 December 2011

*To the holders of the Ordinary Shares (“Shareholders”)*

Dear Shareholder,

The notice convening the annual general meeting is set out on pages 58 to 59 of the annual report and accounts. Resolutions 1 to 4 deal with the ordinary business that normally takes place at the annual general meeting, and require no explanation.

As recently announced, the Board is proposing payment of a final dividend of 0.7 pence per ordinary share in respect of the financial year ended 30 September 2011. If approved by Shareholders pursuant to resolution 5, the dividend will be payable to holders of Ordinary Shares on the register of members at the close of business on 6 January 2012, being the record date, and is expected to be paid on or around 6 February 2012.

The Directors took authority at the annual general meeting in 2009 to allot Ordinary Shares up to an aggregate nominal amount of £385,275. The authority conferred by ordinary resolution passed at that meeting expires on 2 February 2014. Resolution 6 will permit the issue of Ordinary Shares for cash otherwise than pro rata to existing Shareholders. The authority will also permit the sale for cash on a non-pre-emptive basis of shares held by the Company in treasury up to the relevant limit. The waiver will be limited by value to approximately 10 per cent. of the Company's nominal issued share capital and so will apply to Ordinary Shares having an aggregate nominal value of £115,582.43 The authority will lapse at the conclusion of the annual general meeting of the Company to be held in 2013. The new authority is being sought so as to maintain flexibility in the financing of the Company.

The purpose of resolution 7 is to allow the Company to buy back up to 11,558,243 of its Ordinary Shares. **The Directors will only carry out such purchases where there are sufficient liquid resources available in the Company and if the Directors believe it would be in the best interests of shareholders generally to do so. Ordinary Shares that are bought back under the proposed**

**authority will either be held in treasury or cancelled. The Directors believe that the ability to hold Ordinary Shares in treasury will provide the Company with additional flexibility in the management of its capital base. Any Ordinary Shares held in treasury may at a later date be cancelled or sold for cash, or may, as appropriate, be used to satisfy employee share options or be granted to employees in lieu of a portion of cash remuneration. The rights attaching to Ordinary Shares held in treasury, including voting rights and any right to receive dividends, are suspended whilst they are held in treasury. The proposed resolution specifies the maximum aggregate number of Ordinary Shares that may be acquired (namely, 11,558,243 being approximately 10 per cent. of the Company's current issued share capital), and the maximum and minimum price at which they may be bought. This authority will expire at the conclusion of the Company's annual general meeting to be held in 2013, unless renewed, varied or revoked by the Company in general meeting before such expiry.**

The Directors consider that all the resolutions to be put to the meeting are in the best interests of the Company and its Shareholders as a whole and recommend you vote in favour of the resolutions, as they intend to do in respect of their own beneficial shareholdings.

Yours faithfully,

**J. Keith R. Falconer**

*Chairman*