



LETTER FROM THE CHAIRMAN

To the holders of Ordinary Shares
22 December 2010

Dear Ordinary Shareholder

IDB HOLDINGS S.A. (THE “COMPANY”) – CAPITAL REDUCTION AND DISTRIBUTION - CONFIRMATION OF FINAL NUMBERS FOR PURPOSES OF EXTRAORDINARY GENERAL MEETING PREVIOUSLY CONVENED FOR 31 DECEMBER 2010

You are referred to the notice of the 31 December 2010 EGM sent to you on 9 December 2010 under cover of a letter from the Chairman of the Company.

As previously announced, the Group sold its interest in Equity Trust for estimated cash proceeds of €27.2 million. The estimated cash proceeds comprise an initial payment on completion of €16.7 million and a deferred payment of €10.5 million via the issue of guaranteed vendor loan notes, payable no later than 30 June 2011. Following this sale and receipt of the initial payment on completion, and as explained in the letter from the Chairman of the Company dated 9 December 2010, the Company plans on distributing funds to its Ordinary Shareholders by means of a capital reduction combined with a distribution of distributable reserves (the “**Distribution**”). The Distribution will be in the amount of up to €17,380,853 and is to be approved by Ordinary Shareholders at the EGM convened for 31 December 2010 (the “**Distribution EGM**”).

After having taken final advice, the Company is now in a position to confirm the final share and payment amounts under the Distribution.

Subject to shareholder approval at the Distribution EGM, the Company will redeem 1 Ordinary Share for every 2 Ordinary Shares (par value of €2.00 each) held for an amount of €3.50 per Ordinary Share. The redeemed Ordinary Shares will immediately be cancelled. To the extent that the redemption of shares under the Distribution results in fractional holdings, there will be no entitlement for Ordinary Shareholders with fractional holdings.

The Company will fund the Distribution payment per share as to €2.00 from share capital and the remainder, of €1.50 per share, from its distributable reserves. The Distribution will reduce the Company's issued Ordinary Shares by 4,965,958 shares to bring the amount of issued Ordinary Shares down from 9,931,915 to 4,965,957.

In accordance with article 69 of the Luxembourg Law of 10 August 1915 on commercial companies, as amended, the payment to shareholders pursuant to the Distribution will be made after at least 30 days after the date of the publication of the minutes of the Distribution EGM in the Luxembourg Mémorial C.

Yours faithfully,
IdB Holdings S.A.
By Order of the Board

Ian Kantor
Chairman