



14 November 2013

Dear Shareholder,

SPECIAL DIVIDEND

The Board of FFI Holdings Limited (“**FFI**” or the “**Company**”) is pleased to announce that FFI has declared a **special fully franked dividend of \$0.25 per share (“Special Dividend”)**.

The Special Dividend is consistent with the Board’s ongoing capital management programme and its policy of distributing accumulated franking credits as appropriate. The Board believes that this capital management initiative will add significant value for shareholders and will assist to improve FFI’s shareholder spread and the liquidity of its shares.

The Record Date for the Special Dividend will be Friday 6 December 2013 and it will be paid to shareholders on Friday 20 December 2013. The Special Dividend represents a total dividend of around \$2.15 million.

The FFI Holdings Limited Dividend Re-investment Plan (the “**Plan**”) will operate in relation to the Special Dividend. Shares will be issued under the Plan to participating shareholders at a **discount of 5%** to the volume weighted average ASX market price (on an ex-dividend basis) of FFI shares during the five trading days immediately preceding and inclusive of the Record Date. The Board has determined that the issue price of shares under the Plan with respect to the Special Dividend will also be subject to a **price cap of \$3.75 per share**.

The Directors of FFI intend to participate in the Plan in respect of FFI shares held by them or on their behalf and together representing approximately \$0.65 million of the total Special Dividend. FFI has also entered into an Underwriting Agreement with Taylor Collison Limited stockbrokers to underwrite the Plan to the extent of any shortfall up to \$1.08 million under the Special Dividend (or 50% of the Special Dividend).

The effect of the underwriting, combined with the intended participation of the Directors and the likely participation of other shareholders in the Plan, should be that the Special Dividend will involve minimal net cash outlay for the Company, other than underwriting and associated costs. Accordingly, FFI’s gearing and capital ratios essentially should not be affected by the Special Dividend.

The timetable for the Special Dividend is as follows:

Event	Date
Ex-dividend trading commences	Monday 2 December 2013
Record Date for Special Dividend	5pm (Perth time) Friday 6 December 2013
Payment Date and issue of Shareholding Statements	Friday 20 December 2013

All shareholders should have already elected whether or not they wish to participate in the DRP. If shareholders wish to make a change to their election they should contact the Company's share registry and fill out the relevant form. **The form must be received at the share registry on or before 5pm (Perth time) on Friday 6 December 2013 being the Record Date for the Special Dividend.**

Yours sincerely,



Rodney Moonen
Chairman