

First Artist House
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3 August 2007

Dear Shareholder

Extraordinary General Meeting to approve certain Special Resolutions

You will remember that we held an Extraordinary General Meeting (“EGM”) of the Company on 22 December 2006. The main business of the meeting was to approve the acquisition of Dewynters Plc, and we also took the opportunity to propose a number of special resolutions on various technical matters concerning the Company’s share capital and the Articles of Association (the “Articles”).

Although shareholders voted in favour of the resolutions, the Company has been advised that the special resolutions may be invalid for technical reasons. To be sure the Board has therefore convened a further meeting for the purpose of putting these resolutions to the shareholders for their further approval. In addition we are asking the shareholders to ratify all actions of the Company and its Directors taken since 22 December 2006 as a result of the purported passing of the resolutions on that date. We are also proposing an amendment to the Articles concerning notice of general meetings.

I am therefore writing to you with the Notice of an Extraordinary General Meeting to be held at 11 am on 30 August 2007 at First Artist House, 87 Wembley Hill Road, Wembley, Middlesex HA9 8BU.

Details of the special resolutions purportedly passed at the EGM held on 22 December 2006 which we are asking you to approve are as follows:

- **RESOLUTION 1** (previously resolution 10): disapplication of pre-emption rights
- **RESOLUTION 2** (previously resolution 11): reduction of share premium account
- **RESOLUTION 3** (previously resolution 12): authority to purchase and cancel shares
- **RESOLUTION 4** (previously resolution 13): amendment to the Articles of Association

Please note that resolutions 1 and 3 have been updated to take account of the fact that the 2007 Annual General Meeting has already taken place.

The original notice of the EGM held on 22 December 2006 can be viewed on the Company’s website at www.firstartist.com/investor-notice.asp or can be obtained on request from the Company Secretary at the Company’s address stated above.

I would like to stress that the ordinary resolutions proposed at the EGM on 22 December 2006, which included such matters as the approval of the 2006 Accounts, the re-appointment of auditors, the acquisition of Dewynters and the approval of the rules of the Sharesave Scheme, were validly passed at that meeting and therefore there is no need for us to seek approval of these resolutions.

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Action to be taken

Whether or not you plan to attend the EGM in person, please would you complete, sign and return the enclosed form of proxy as soon as possible, but in any event so as to be received by Capita Registrars, Proxies, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4ZB not later than 48 hours before the time of the meeting. The return of the form of proxy will not prevent you from attending the EGM and voting in person should you wish to do so.

Recommendation

The Directors believe that the proposals set out in the Notice of Extraordinary General Meeting are in the best interests of the shareholders as a whole. Accordingly, they unanimously recommend that you vote in favour of each resolution, as they intend to do in respect of their own shares in the Company.

Yours sincerely,

JARVIS ASTAIRE

Chairman

FIRST ARTIST CORPORATION PLC

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the Company will be held at **11 am on 30 August 2007 at First Artist House, 87 Wembley Hill Road, Wembley, Middlesex HA9 8BU** for the purpose of considering and, if thought fit, passing the following resolutions, all of which are proposed as special resolutions:

SPECIAL RESOLUTIONS

1. **THAT** the Directors be and are hereby empowered to allot or make offers or agreements to allot equity securities (as defined in section 94(2) of the Companies Act 1985 (“Act”)) up to a nominal amount of £221,274.15 for the purposes of section 95 of the Act for cash, pursuant to the authority granted by Ordinary Resolutions numbered 6, 7 and 8 as passed on 22 December 2006 as if section 89(1) of the Act did not apply to any such allotment, provided that this power shall be in substitution for any existing powers conferred on the Directors pursuant to section 95 of the Act and shall be limited to the allotment of:
 - 1.1 1,600,000 New Ordinary Shares in connection with the Placing (as defined in the admission document dated 30 November 2006);
 - 1.2 up to 50,966 New Ordinary Shares pursuant to the exercise of Options to be issued to Dawnay, Day Corporate Finance Limited;
 - 1.3 equity securities in connection with a rights issue in favour of the holders of relevant shares and relevant employee shares, or in connection with any other form of issue of such securities in which such holders are offered the right to participate, in proportion (as nearly as may be) to their respective holdings but subject to such exclusion or other arrangements as the Directors consider necessary or expedient in connection with shares representing fractional entitlements or on account of either legal or practical problems arising in connection with the laws of any territory or of the requirements of any generally recognised regulatory body or stock exchange in any territory, and
 - 1.4 up to 7,200,000 New Ordinary Shares for cash otherwise than pro rata to existing shareholders for any other purposesuch power to expire on the earlier of the conclusion of the 2008 Annual General Meeting of the Company and the date falling 15 months from the date this Resolution comes into effect (save that the Company may before such expiry, make an offer or agreement which would or might, require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of the offer or agreement as if the power conferred by this Resolution had not expired).
2. **THAT** the share premium account of the Company be and the same is hereby reduced by £4,046,557 (from £8,849,063 to £4,802,506).
3. **THAT** pursuant to the Company’s Articles of Association, the Company be generally and unconditionally authorised to make market purchases (within the meaning of Section 163(3) of the Companies Act 1985) of ordinary shares of 2.5 pence each in the Company (“New Ordinary Shares”) provided that:
 - 3.1 the maximum number of New Ordinary Shares hereby authorised to be purchased is 1,953,881;
 - 3.2 the minimum price which may be paid for each such New Ordinary Share is the prevailing price at the relevant time or at a small premium;
 - 3.3 the maximum price which may be paid for each such ordinary share is an amount equal to 105 per cent of the average of the middle market quotations for New Ordinary Shares in the Company as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the share is contracted to be purchased; and

- 3.4 this authority shall expire at the conclusion of the 2008 Annual General Meeting of the Company or the date falling 15 months from the date that this Resolution comes into effect whichever is the earlier (except in relation to a purchase of such shares, the contract for which was concluded before such time and which will or may be executed wholly or partly after such time).
4. **THAT** the Articles of Association of the Company be and are hereby amended by the deletion of Article 111.3(a)(v)(A).
5. **THAT** all actions taken by the Company and its Directors in reliance on the special resolutions purportedly passed on 22 December 2006 be and are hereby ratified.
6. **THAT** the Articles of Association of the Company be and are hereby amended by deleting Article 51.1 and replacing it with the following:
- “51.1 Length of notice**
The length of notice required for an annual general meeting or an extraordinary general meeting of the Company shall be in accordance with the provisions of the Act.”

By order of the Board

JULIANNE COUTTS FCIS

Company Secretary
3 August 2007

Registered office: First Artist House, 87 Wembley Hill Road, Wembley, Middlesex HA9 8BU

NOTES

- (a) A shareholder entitled to attend and vote at the meeting is also entitled to appoint one or more proxies to attend and vote in his place. If you wish to appoint as a proxy a person other than the Chairman of the meeting, insert the name of the proxy in the space provided on the form. A proxy need not be a shareholder or member of the Company.
- (b) A corporation must execute the form of proxy under either its common seal or the hand of a duly authorised officer or attorney.
- (c) Please indicate by inserting an “X” in the relevant box how you wish your vote to be cast for each resolution. In the absence of any such direction as to how you wish your vote to be cast, the proxy may use his discretion as to how he votes or whether he abstains from voting.
- (d) The “Vote Withheld” option is to enable you to abstain on any particular resolution. Such a vote is not a vote in law and will not be counted in the votes “For” and “Against” a resolution.
- (e) The form of proxy must arrive not later than 48 hours before the time set for the meeting at Capita Registrars, Proxies, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4ZB
- (f) Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 the Company has specified that only those members registered in the Register of Members of the Company as at 6.00 pm on 28 August 2007 or, if a meeting is adjourned, 48 hours before the time fixed for the adjourned general meeting are entitled to attend and vote at the relevant general meeting in respect of the number of shares registered in their name at that time. Changes in the Register after such time shall be disregarded in determining the right to attend and vote at the meeting.
- (g) The completion and return of the form of proxy will not preclude you from attending and voting at the meeting if you wish. If you wish your votes to be cast at the meeting, you are advised to complete the forms of proxy even if you intend to attend the Meeting.