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If you sell or transfer or have sold or otherwise transferred all your Ordinary Shares, please send this document, but not the personalised Form of Proxy, as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer is or was effected, for delivery to the purchaser or transferee. If you have sold only part of your holding of Ordinary Shares, you should retain these documents and consult the stockbroker, bank or other agent through whom the sale was effected. Any person (including, without limitation, custodians, nominees and trustees) who may have a contractual or legal obligation or may otherwise intend to forward this document to any jurisdiction outside the United Kingdom should seek appropriate advice before taking any action.

No person has been authorised to give any information or make any representations other than those contained in this document and, if given or made, such information or representations must not be relied on as having been so authorised. The delivery of this document shall not, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this document or that the information in it is correct as of any subsequent time.

Lazard & Co., Limited (“Lazard”), which is authorised and regulated by the Financial Services Authority in the United Kingdom, is acting for Fiberweb plc (“Fiberweb” or the “Company”) and no one else in connection with the Disposal and will not be responsible to anyone other than Fiberweb for providing the protections afforded to clients of Lazard or for providing advice in relation to the Disposal referred to in this document.



FIBERWEB PLC

(Incorporated in England and Wales under the Companies Act 1985 with registered number 5683352)

PROPOSED DISPOSAL OF HYGIENE BUSINESS AND NOTICE OF GENERAL MEETING

This document should be read as a whole. Nevertheless, your attention is drawn to the letter from your Chairman which is set out in Part I (*Letter from the Chairman*) of this document which contains a recommendation from the Board that you vote in favour of the Disposal Resolution to be proposed at the General Meeting referred to below.

Notice of a General Meeting of Fiberweb to be held at the offices of Baker & McKenzie LLP, 100 New Bridge Street, London EC4V 6JA at 11.00 a.m. on 6 December 2011 is set out in Part IX (*Notice of General Meeting*) at the end of this document. A Form of Proxy for use at the General Meeting is enclosed. Whether or not you intend to be present at the General Meeting in person, you are asked to complete, sign and return the accompanying Form of Proxy in accordance with the instructions printed on it as soon as possible but, in any event, so as to be received by Fiberweb’s Registrar, Capita Registrars at The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU by no later than 11.00 a.m. on 4 December 2011. You may also submit your proxy electronically at www.capitaregistrars.com using your unique investor code on the Form of Proxy. If you are a member of CREST you may be able to use the CREST electronic proxy appointment service. Proxies sent electronically must be sent as soon as possible and, in any event, so as to be received by not later than 11.00 a.m. on 4 December 2011.

Your attention is drawn to Part II (*Risk Factors*) of this document which sets out and describes certain risks that Fiberweb Shareholders should consider carefully when deciding whether or not to vote in favour of the Disposal Resolution to be proposed at the General Meeting.

A summary of the action to be taken by Fiberweb Shareholders is set out on page 15 of this document and in the accompanying Notice of General Meeting. The completion and return of the completed Form of Proxy or submission of your proxy electronically or completing and transmitting a CREST Proxy Instruction will not prevent you from attending the General Meeting and voting in person (in substitution for your proxy vote) if you wish (and are so entitled).

THIS DOCUMENT DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY SECURITY.

Certain information in relation to the Company has been incorporated by reference into this document. You should refer to Part VII (*Information Incorporated by Reference*) for further details.

Capitalised terms have the meaning ascribed to them in Part VIII (*Definitions*) of this document.

FORWARD-LOOKING STATEMENTS

This document contains forward-looking statements which are subject to assumptions, risk and uncertainties. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, there can be no assurance that these expectations will prove to have been correct. As these statements involve risks and uncertainties, actual results may differ materially from those expressed or implied by those forward-looking statements. Each forward-looking statement is correct only at the date of the particular statement. The Company does not undertake any obligation publicly to update or revise any forward-looking statement as a result of new information, future events or other information, although such forward-looking statements will be publicly updated if required by the Listing Rules, the Prospectus Rules, the Disclosure and Transparency Rules, the rules of the London Stock Exchange or by law.

PRESENTATION OF FINANCIAL INFORMATION

Unless otherwise stated in this document, the exchange rate of US\$1.6 to £1 prevailing on 10 November 2011 has been used.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Announcement of the Disposal	11 November 2011
Latest time and date for receipt of Forms of Proxy from Fiberweb Shareholders	11.00 a.m. on 4 December 2011
General Meeting	11.00 a.m. on 6 December 2011
Expected date of Completion	30 December 2011

Notes:

1. References to times and dates in this document are to London times and dates unless otherwise stated.
2. If any of the above times and/or dates change, the revised times and/or dates will be notified to the Financial Services Authority and, where appropriate, Fiberweb Shareholders by announcement through the Regulatory Information Service of the London Stock Exchange.

DIRECTORS, COMPANY SECRETARY, REGISTERED OFFICE AND ADVISERS

Directors	Malcolm Coster (<i>Chairman</i>) Daniel Dayan (<i>Chief Executive Officer</i>) Daniel Abrams (<i>Chief Financial Officer</i>) Richard Stillwell (<i>Non-executive Director</i>) Stephen Dryden (<i>Non-executive Director</i>) Brian Taylorson (<i>Non-executive Director</i>)
Secretary	Anthony O'Carroll
Registered Office	Forsyth House 211-217 Lower Richmond Rd. Richmond on Thames London TW9 4LN
Sponsor and Financial Adviser	Lazard & Co., Limited 50 Stratton Street London W1J 8LL
Solicitors	Baker & McKenzie LLP 100 New Bridge Street London EC4V 6JA
Reporting Accountants and Auditors	Deloitte LLP 2 New Street Square London EC4A 3BZ
Registrar	Capita Registrars The Registry 34 Beckenham Road Beckenham Kent BR3 4TU

PART I

LETTER FROM THE CHAIRMAN



Fiberweb plc

*(incorporated and registered in England and Wales
under the Companies Act 1985 with registered number 5683352)*

Directors:

Malcolm Coster (*Chairman*)
Daniel Dayan (*Chief Executive Officer*)
Daniel Abrams (*Chief Financial Officer*)
Richard Stillwell (*Non-executive Director*)
Stephen Dryden (*Non-executive Director*)
Brian Taylorson (*Non-executive Director*)

Registered office:

Forsyth House
211-217 Lower Richmond Rd.
Richmond on Thames
London TW9 4LN

16 November 2011

To: Fiberweb Shareholders and, for information only, to participants in the Fiberweb Option Schemes

Dear Shareholder,

PROPOSED DISPOSAL OF HYGIENE BUSINESS AND NOTICE OF GENERAL MEETING

1. Introduction

On 11 November 2011, the Company announced that it and its wholly-owned subsidiary, Fiberweb Holdings, had entered into a conditional agreement with Petropar to sell the Target Group, the owner of the Hygiene Business, for an aggregate consideration of US\$286 million (approximately £178.8 million). Under the terms of the Disposal Agreement, US\$260 million (approximately £163 million) of the consideration is payable in cash on Completion. The remaining US\$26 million (approximately £16 million) of the consideration will be satisfied by the issue by the Purchaser to Fiberweb Holdings of the Guaranteed Note on Completion.

Petropar will assume all liabilities in Europe associated with the Hygiene Business including approximately £3 million in relation to certain pension liabilities and will assume all of the debt in the FitesaFiberweb Joint Venture, while the members of the Target Group wholly-owned by Fiberweb will be sold on a cash free, debt free basis subject to certain post-Completion adjustments relating to the amounts of debt, cash and working capital in those members of the Target Group. The principal terms of the Disposal Agreement, including details of the consideration adjustments, are set out in Part III (*Principal Terms of the Disposal Agreement*) of this document. Taking into account Fiberweb's share of the FitesaFiberweb Joint Venture debt of approximately £38.8 million (as at 31 August 2011) and other liabilities to be assumed by Petropar of approximately £11.8 million (as at 30 June 2011), the enterprise value of the transaction is approximately £229 million, representing a 2010 EBITDA multiple of 6.2x (using a 2010 EBITDA for the Hygiene Business of £22.0 million (excluding the FitesaFiberweb Joint Venture) and Fiberweb's share of 2010 EBITDA for the FitesaFiberweb Joint Venture of £15.2 million) and a 2010 EBIT multiple of 14.6x (using a 2010 EBIT for the Hygiene Business of £7.5 million (excluding the FitesaFiberweb Joint Venture) and Fiberweb's share of 2010 EBIT for the FitesaFiberweb Joint Venture of £8.2 million).

The Disposal is of sufficient size relative to that of the Group to constitute a Class 1 transaction for the purposes of the Listing Rules and is, therefore, conditional upon the approval of Fiberweb Shareholders. The Disposal is also conditional upon: (i) the Purchaser's shareholders having approved the Disposal; (ii) the completion of the Pre-Sale Reorganisation; and (iii) the Petropar Lenders having become bound (subject only to the satisfaction of any conditions relating to the Disposal Agreement) to provide funds to the Purchaser pursuant to the Petropar Mandate Letter for the purpose of part financing the cash consideration payable on completion of the Disposal.

Under the terms of a break fee agreement entered into between Fiberweb Holdings and the Purchaser on 10 November 2011, in the event that Completion does not occur as a result of: (i) the Fiberweb Shareholders failing to approve the Disposal or the Directors withdrawing their recommendation of the Disposal Resolution, Fiberweb Holdings will pay the Purchaser a break fee in an amount equal to £703,013; or (ii) the Purchaser's shareholders failing to approve the Disposal and/or the Petropar Lenders failing to provide funds to the Purchaser pursuant to the Petropar Mandate Letter for the purpose of part financing the cash consideration payable on completion of the Disposal, the Purchaser will pay Fiberweb Holdings a break fee in an amount equal to £703,013.

Fiberweb Shareholders' approval of the Disposal will be sought at a General Meeting to be held at the offices of Baker & McKenzie LLP, 100 New Bridge Street, London EC4V 6JA at 11.00 a.m. on 6 December 2011. A notice convening the General Meeting at which a resolution will be proposed to approve the Disposal is set out in Part IX (*Notice of General Meeting*) of this document.

The purpose of this letter is to (i) provide you with information on the Disposal; (ii) outline the background to and the reasons for the Disposal and to explain why the Directors unanimously consider that the Disposal is in the best interests of Fiberweb and Fiberweb Shareholders as a whole; and (iii) recommend that you vote in favour of the Disposal Resolution to be proposed at the General Meeting.

Fiberweb Shareholders should read the whole of this document and not just rely on the summarised information set out in this letter.

2. Summary information on the Group

The Fiberweb Group is one of the largest groups by revenue in the specialist nonwoven industry. Fiberweb's primary business is the development, manufacture and marketing of a diverse range of nonwoven products for the industrial and hygiene markets, including everyday products such as baby diapers, feminine care products, filters and construction products.

Fiberweb's business is divided into two segments: the Hygiene Business and the Industrial Business.

The Hygiene Business, which is the subject of the Disposal, differs from Fiberweb's previously reported hygiene division as a result of the following businesses, which were previously reported as part of Fiberweb's hygiene division, being retained within the Continuing Group as part of the Industrial Business:

- Production and sales of carded products for hygiene applications from the Tenotex business in Italy, which comprised revenues of £30 million in 2010;
- The fabric softener sheet business in Old Hickory, USA, which comprises revenues of £40 million in 2010;
- Production and sales of polypropylene spunbond products for hygiene applications from Fiberweb France SAS, which comprised revenues of £17 million in 2010; and
- The Coronor production line in Germany.

Note: The revenue figures above are derived from the audited consolidated financial statements for the Group for the year ended 31 December 2010. These revenue figures were previously reported within the Company's hygiene segment, but do not form part of the Hygiene Business, the subject of the Disposal.

During the last three years, Fiberweb's sales by segment were as follows:

£m	Year ended 31 December		
	2010	2009	2008
Hygiene Business	193.4	199.8	241.3
Industrial Business	269.8	254.4	271.5
Total	463.2	454.2	512.8

Note: This information is derived from the Hygiene Aggregated Income Statement in Part IV (*Financial Information relating to the Hygiene Business*) of this document

The information provided in the table above is on an entity basis reflecting sales by the entities comprising the Target Group, the owner of the Hygiene Business, and by the entities comprising the Continuing Group, the owner of the Industrial Business. This differs from the segment analysis set out in the audited consolidated financial statements of the Group for the year ended 31 December 2008, where segmentation was based on the classification of reporting entities according to the principal market (hygiene or industrial) served by their operational sites, and the audited consolidated financial statements of the Group for the years ended 31 December 2009 and 2010, where profit and losses of individual operating sites were further segmented by the markets served.

3. Summary information on the Hygiene Business

The Hygiene Business manufactures spunbond, carded and airlaid nonwoven fabrics for major consumer goods companies around the world. The Hygiene Business operates six manufacturing plants in Sweden, Germany, Italy, China and the USA and employs approximately 600 employees.

As described above, the Hygiene Business, unlike the previously reported hygiene division, does not include the Tenotex business in Italy, the Coronor production line in Germany, hygiene spunbond sales from Fiberweb France SAS or the fabric softener sheet business in Old Hickory, USA.

In 2010, approximately 63 per cent. of the Hygiene Business' sales were made to the baby diaper market, a market characterised by sophisticated products for softness, sustainability and body fit. A further approximately 19 per cent. of sales were made to the feminine hygiene market and of the Hygiene Business's remaining sales, approximately 15 per cent. were made to the adult incontinence market. The remaining approximately 3 per cent. of sales from the Hygiene Business were industrial sales. The Hygiene Business' largest customer is Procter & Gamble, which accounted for approximately 42 per cent. of the Hygiene Business' sales in 2010.

The Hygiene Business is organised into two global businesses: Consumer Fabrics and Airlaid. The split of revenue for the three years ended 31 December 2010 is shown below.

<i>Revenue in £m</i>	<i>Year ended 31 December</i>		
	<i>2010</i>	<i>2009</i>	<i>2008</i>
Consumer Fabrics	159.3	171.9	215.0
Airlaid	34.1	27.9	26.3
Hygiene	193.4	199.8	241.3

Note: This information is derived from the Hygiene Aggregated Income Statement in Part IV (*Financial Information relating to the Hygiene Business*) of this document.

Consumer Fabrics

In North America, the Hygiene Business produces carded thermal bond material which is used principally for extensible applications such as ear and side panels in baby diapers, resin-bond carded material used principally for acquisition layer materials in baby diapers, and spunbond and spunmelt materials as components for diapers and feminine care products. The Hygiene Business has manufacturing sites in Simpsonville and Green Bay in the US and, through the FitesaFiberweb Joint Venture, in Simpsonville and Washougal in the US, in Gravatai in Brazil and in Queretaro in Mexico.

In Europe, the Hygiene Business has manufacturing sites in Germany, Italy and Sweden and supplies products primarily for baby diapers, feminine care and adult incontinence markets.

Airlaid

In Asia, Fiberweb is the largest airlaid roll goods producer and is the market leader in feminine care applications, supplying many of the leading feminine care producers in China. At Fiberweb's Chinese facility based in Tianjin, Fiberweb produces advanced airlaid material for absorption and/or distribution of liquid for use in the manufacture of disposable feminine hygiene products.

4. Background to and reasons for the Disposal

The Board believes that the agreed price of US\$286 million (approximately £178.8 million) for the Hygiene Business recognises the high quality of the Hygiene Business and that, following the Disposal, Fiberweb's focus of resources on the Industrial Business will be in the best interest of Fiberweb Shareholders as a whole, for the following reasons:

- The Industrial Business has demonstrated higher operating margin and return on capital characteristics than the Hygiene Business due, amongst other things, to lower levels of customer concentration and less commoditisation;
- Fiberweb has some highly differentiated offerings in the industrial nonwoven fabrics market, particularly in filtration, geosynthetic and specialty construction segments, which by rewarding technical differentiation, close customer contact, branding strategy and innovation, provide Fiberweb with superior returns;
- The Industrial Business is now at a stage in its development where the Board considers it would benefit from access to additional funds to invest in expanding over and above that which Fiberweb can currently support;
- The Board believes that the Hygiene Business and the Industrial Business would each benefit from increased management focus, which would be achieved through the Disposal by a separation of the two businesses; and
- The Disposal will allow the Group to repay all its existing net debt and to employ a much-strengthened balance sheet to accelerate the development of the Industrial Business.

The Board has, therefore, concluded that it is in the best interests of the Company to focus its resources on the creation of a dedicated market leading, industrial materials business. Through improved productivity and continued and sustained efforts and investment in new product development in addition to, potentially, future acquisitions, it is envisaged that Fiberweb's Directors will develop the offering of the Industrial Business. It is envisaged that this will have the effect of broadening the Industrial Business' portfolio of products and its appeal to both current and new customers in established and emerging market segments and geographies.

5. Information on the Continuing Group

Following the Disposal, the Group's business will be focused on the Industrial Business, which, as described above, will also include the Tenotex business in Italy, the production and sales of polypropylene spunbond products for hygiene applications from Fiberweb France SAS, the Coronor production line in Germany and the fabric softener sheet business in Old Hickory, USA, which were previously reported as part of Fiberweb's hygiene division.

Within the Industrial Business, Fiberweb has built strong positions in selected niche markets including construction and filtration. In 2010, approximately 12 per cent. of the Industrial Business' sales were accounted for by Typar housewrap, an air and moisture management product range for timber-frame residential buildings, and approximately 10 per cent. were made to the roofing market, where Fiberweb's products include under-tile breathable underlays and a wide range of associated accessories. Geotextiles and agrotexiles, which provide environmental protection and stability, made up approximately 10 per cent. of the Industrial Business' sales in 2010, and approximately 15 per cent. of the Industrial Business' sales were attributable to the highly fragmented filtration market. Other industrial and medical fabrics, including protective clothing, trainer components, industrial wipes, drapes, facemask components and ostomy components, accounted for approximately 17 per cent. of the Industrial Business' sales in 2010, with fabrics for the graphic arts market accounting for approximately 3 per cent. of the Industrial Business' sales in 2010. Fabric softener sheets accounted for approximately 15 per cent. of the Industrial Business' sales in 2010. The remaining approximately 18 per cent. of sales were historically reported within the hygiene segment and included sales made in both the Tenotex and French entities which are being retained in the Industrial Business.

Historically, Fiberweb's industrial division was organised into Americas Industrial, Europe Industrial and Terram. However, following the acquisition of Boddingtons in January 2011, the industrial division was reorganised into Americas Industrial, Europe Industrial and Geosynthetics (which comprises the Terram business, other geotextiles and agrotextiles, the Boddingtons business and the recently acquired Tubex business). The industrial division's Bidim business unit, which was focused on the manufacture of standard polyester nonwoven fabrics predominantly for use in geotextile, roofing and footwear markets, was sold to MEXICHEM S.A.B de C.V., a subsidiary of Mexichem, for a cash consideration of Brazilian Real 55.5 million (£16.6 million) in April 2008.

A summary of the Industrial Business results for the three years ended 31 December 2010 is shown below.

<i>£m</i>	<i>Year ended 31 December</i>		
	<i>2010</i>	<i>2009</i>	<i>2008</i>
<i>Revenue</i>			
Americas Industrial	125.2	122.4	127.8
Europe Industrial	125.5	113.8	110.2
Geosynthetics	19.1	18.2	17.9
Discontinued	—	—	15.6
Total	<u>269.8</u>	<u>254.4</u>	<u>271.5</u>
EBITDA (before restructuring costs and non-recurring items)	28.9	26.8	17.8
Operating Profit (before restructuring costs and non-recurring items)	17.3	15.1	5.5

Based on the audited consolidated financial statements of the Group for the year ended 31 December 2010, the underlying trading profit of the Continuing Group following the disposal of the Hygiene Business is shown below.

<i>£m</i>	<i>Year ended 31 December 2010</i>		
	<i>As Previously Reported</i>	<i>Hygiene Business</i>	<i>Continuing Group</i>
<i>Underlying⁽¹⁾ trading profit</i>			
Industrial	20	—	25
Hygiene	17	12	—
Central	(8)	—	(8)
Group	<u>29</u>	<u>12</u>	<u>17</u>
Depreciation and amortisation	26	14	12
EBITDA	<u>55</u>	<u>26</u>	<u>29</u>

Note:

(1) Before restructuring costs and non-recurring items.

Americas Industrial

In North America, Fiberweb operates in a number of areas in construction, filtration, landscape, furniture and bedding, and specialities, primarily from its manufacturing site located in the US at Old Hickory, TN. In construction, Fiberweb's major products are in housewrap, landscape and geotextile markets. Fiberweb's Typar is a strong and well established brand for housewrap in North America and is the second largest housewrap brand in North America. In Canada, Typar is the leading market brand. Fiberweb is a leader in US pool and spa cartridge filtration markets under its Reemay brand. Fiberweb also manufactures high performance products for use in the graphic arts industry, such as nil-scratch wipes and dampener covers. Fiberweb is continuing to invest resources to maintain and grow its position in this business.

This business also includes the Reemay branded fabric softener sheets produced at Fiberweb's site at Old Hickory, USA, which was previously reported as part of Fiberweb's hygiene division.

Europe Industrial

Fiberweb's industrial business in Europe is less developed than in North America. It serves three main segments: construction, filtration and agriculture. In Europe, Fiberweb focuses on roofing underlay and speciality polyethylene-based fabrics from its two plants in Germany. This business includes a plant in

France, which produces crop cover fabrics, specialty hygiene spunbond nonwovens and filtration fabrics and also the Tenotex business in Italy and the Coronor business in Germany, which were previously reported as part of Fiberweb's hygiene division. At Tenotex, fabrics are produced for filtration, general industrial uses as well as hygiene applications, and the Coronor production line produces specialist medical laminates for use in disposable medical gowns and drapes.

Geosynthetics

The Geosynthetics business includes the Terram business, other geotextiles and agrotextiles, the Boddingtons business and the recently acquired Tubex business. In the UK, Fiberweb's Terram business located in South Wales produces branded geotextiles which have a strong market position in the UK, as well as specialty geosynthetics and constructions for a variety of applications, including to the rail and defence industries. The Boddingtons business is a leading UK based specialist geosynthetic and accessory manufacturer. In May 2011, Fiberweb completed the acquisition of Tubex, the largest European specialist producer of tree shelters. The Tubex business is complementary to Fiberweb's Acorn tree shelter business which was acquired as part of the acquisition of Boddingtons.

Strategy of the Continuing Group

Following Completion, the Continuing Group will be reported as two divisions:

- Fiberweb Geosynthetics based in Maldon, Essex, with major sites at Maldon and Aberdare in the UK, at Melbourne, Australia and at Old Hickory, TN in the USA; and
- Fiberweb Technical Fabrics based in Berlin, Germany, with major sites in Berlin and Aschersleben in Germany, Biesheim in France, Terno d'Isola in Italy and Old Hickory, TN in the USA.

The following table sets out the 2010 revenues of the Industrial Business.

<i>Revenue in £m</i>	<i>2010 Industrial division⁽²⁾</i>	<i>Drier Sheets</i>	<i>Hygiene from European Industrial sites</i>	<i>Industrial from European Hygiene sites</i>	<i>North America Housewrap to Geosynthetics</i>	<i>2010 Industrial Business</i>
Technical Fabrics	170	40	47	(6)	(32)	219
Geosynthetics ⁽¹⁾	19	—	—	—	32	51
Total Industrial Business	189	40	47	(6)	—	270

Notes:

(1) Figures stated before the acquisition of Boddingtons and Tubex in 2011, which will be included in this segment.

(2) As previously reported.

The following table sets out the 2010 Industrial Business revenues by market and region.

Revenue in £m

By market

Geosynthetics ⁽¹⁾	51
Filtration	41
European Roofing	26
Drier Sheet	40
Hygiene	48
Medical, Graphic Arts, Agriculture, Other	64
Total	270

By region

North America	125
Europe	125
Asia Pacific	1
UK	19
Total	270

The Continuing Group will be a focused leader in certain segments of the growing technical fabrics and construction products markets, with market-leading positions in several market and technology niches, notably in filtration, construction, specialities, geosynthetics, agriculture and several medical areas. The Group intends to exploit these strengths to generate superior returns for shareholders through continued operational improvement in the areas of flexibility, waste and energy reduction and productivity; geographic extension of existing market and brand positions, which are largely in North America and Western Europe, and continued technological development in the Group's core areas of polyester, polypropylene and polyethylene nonwoven fabrics and nets, laminates and composites as well as in the Group's core application areas of construction, filtration, agriculture and medical products. The Group will seek to excel particularly in understanding the evolving needs of its customers and in developing solutions for them, in providing outstanding levels of service and in differentiating its technical offerings. The Group will also move rapidly to review its cost base following Completion, recognising the smaller scale and reduced scope of the Industrial Business. This review is expected to result in restructuring costs, primarily with respect to employee severance payments, of approximately £3 million (approximately US\$5 million) in cash excluding other non-cash impairment and other write-down charges. The markets which the Group primarily service, notably filtration, medical products, agriculture, graphic arts, drier sheets and geosynthetics are expected to grow at around double the rate of GDP growth for a sustained period. In the medium-term, the Group is aiming to produce EBIT margins of 8 to 10 per cent., EBITDA margins of 12 to 15 per cent. and a return on capital employed of over 15 per cent., with sustained growth rates around double GDP. In comparison, in 2010, the Group achieved sales growth of approximately 3.3 per cent., EBIT margins of 10.5 per cent., EBITDA margins of 15.7 per cent. and a return on capital employed of 19.1 per cent.

6. Information on the Purchaser

Petropar is a Brazilian holding company with interests in aluminium cans, nonwovens and plastic closure businesses, which is headquartered in Porto Alegre, Rio Grande do Sul and listed on the Sao Paulo Stock Exchange. Petropar is Fiberweb's joint venture partner in the FitesaFiberweb Joint Venture.

7. Principal terms and conditions of the Disposal

The Hygiene Business will be sold to the Purchaser for a total consideration of US\$286 million (approximately £178.8 million). Under the terms of the Disposal Agreement, US\$260 million (approximately £163 million) of the consideration is payable in cash on Completion. The remaining US\$26 million (approximately £16 million) of the consideration will be satisfied by the issue by the Purchaser to Fiberweb Holdings of the Guaranteed Note on Completion. The consideration is subject to certain post-Completion adjustments relating to the amounts of debt, cash and working capital in the Target Group (other than the Joint Venture Companies) at Completion.

The Disposal will be effected by way of a sale of the shares held by the Fiberweb Group in each of the Target Companies (which includes Fiberweb's interest in the FitesaFiberweb Joint Venture). A pre-sale reorganisation will be carried out to, *inter alia*, remove from the Target Group any subsidiaries or other assets which form part of the Industrial Business and to transfer to the Target Group any assets of the Hygiene Business that are currently owned outside of the Target Group.

The Disposal is conditional upon the passing by the Fiberweb Shareholders of the Disposal Resolution at the General Meeting. The Disposal is also conditional upon: (i) the Purchaser's shareholders having approved the Disposal; (ii) the completion of the Pre-Sale Reorganisation; and (iii) the Petropar Lenders having become bound (subject only to the satisfaction of any conditions relating to the Disposal Agreement) to provide funds to the Purchaser pursuant to the Petropar Mandate Letter for the purpose of part financing the cash consideration payable on completion of the Disposal.

In the event that the conditions referred to above have not been satisfied by 31 March 2012, the Disposal Agreement will terminate.

The principal terms of the Disposal Agreement are set out in more detail in Part III (*Principal Terms of the Disposal Agreement*) of this document.

8. Use of proceeds and financial effects of the Disposal

At Completion, the gross cash proceeds arising from the Disposal are expected to be approximately US\$260 million (approximately £163 million), which will increase to US\$286 million (approximately £178.8 million) (the “**Disposal Proceeds**”) following redemption of the Guaranteed Note.

The Disposal Proceeds will be used by the Continuing Group as follows:

- ***Accelerated Payment into the Group’s closed defined benefit pension scheme in the US***
Following redemption by the Purchaser of the Guaranteed Note in full, the Company will consider making a payment of up to US\$16 million (approximately £10 million) of the Disposal Proceeds into the Group’s closed defined benefit pension scheme in the US as a special lump sum contribution. These funds had a combined deficit of US\$22.7 million (approximately £14.2 million) as at 30 June 2011. This accelerated payment, if made, would complement the other significant changes that have already been announced to other post-retirement benefit plans of the Continuing Group in the USA, which are expected to result in a reduction of approximately US\$14 million (approximately £8 million) in the Group’s pension deficit before 31 December 2011. As at 30 June 2011, the Group’s total pension and post-retirement medical benefit deficit stood at £32 million and, following the £8 million reduction referred to above and the assumption by Petropar of £3m of pensions liabilities on Completion, the Company expects the deficit to have reduced to £21 million by the end of 2011.
- ***Exceptional costs relating to the Disposal and subsequent restructuring of Fiberweb***
£5 million (approximately US\$8 million) of the Disposal Proceeds will be spent on fees relating to the transaction, including the necessary bank refinancing likely to be associated with a large transaction of this nature, and a further £3 million will be spent on restructuring initiatives to establish an overhead structure for the Continuing Group consistent with a business of only around 50 per cent. of the Company’s current turnover.
- ***Break fees with respect to the Company’s interest rate swaps***
An estimated £1.6 million (approximately US\$2.5 million) of the Disposal Proceeds will be spent on break fees that will be incurred in connection with the termination by the Continuing Group of its interest rate swap arrangements following Completion.
- ***Reduced Group Indebtedness***
The remainder of the Disposal Proceeds, being approximately US\$153 million (excluding the potential payment into the Continuing Group’s closed defined benefit pension scheme in the USA following redemption of the Guaranteed Note) (the “**Net Disposal Proceeds**”), will be used to reduce the net indebtedness of the Continuing Group. The Company intends to seek the consent of the requisite proportion of lenders under its existing Credit Facilities for the restatement of its existing Credit Facilities, to reduce the Credit Facilities in size to be a US\$40 million and €30 million revolving facility and to make certain other amendments to the terms of its existing Credit Facilities not affecting their pricing. The Company has received commitments from HSBC Bank PLC and Lloyds Bank PLC that, if such consents are not forthcoming, they will provide replacement facilities on the same terms as the proposed restated facilities. At 31 October 2011, Fiberweb’s net borrowings were approximately £145 million.
- ***Investment in Developing the Industrial Business***
The Board believes that the reduced leverage of the Continuing Group will provide Fiberweb with a strong financial base, allowing the Directors to continue to develop the industrial business and to support it in achieving its strategic objectives through both organic growth and, potentially, future accretive and synergistic acquisitions.

The uses of the Disposal Proceeds described above are based on the assumptions that: (i) the swap break fee costs will be recognised in full in 2011; (ii) unamortised facility fees of £2.3 million will be written off following Completion (iii) the Guaranteed Note (together with all accrued interest) will be repaid on or before 31 December 2012; (iv) all restructuring costs will be paid in cash during 2012; (v) £1.5 million

of the transaction costs will be paid in 2011 with the remainder to be paid in 2012 and (vi) the Continuing Group will be subject to an effective tax rate of 33 per cent, including the recognition of deferred tax on current UK tax losses.

The Board recognises that immediately following the Disposal, the Continuing Group will be under-leveraged with a correspondingly negative impact on earnings per share. However, given a number of possible acquisition opportunities currently under review and the current macro-economic uncertainty affecting a number of key markets, the Board believes this is an appropriate capital structure for a period of time. The Board will keep the capital structure under review and expects to be able to move to a more efficient position within 12 to 18 months, either through a synergistic acquisition, significant investment projects or through a return of capital to shareholders.

The estimated transaction costs and net borrowings figures in this paragraph 8 have been extracted from the unaudited pro forma financial information for the Group set out in Part V (*Unaudited Pro Forma Financial Information*) of this document.

The Disposal is expected to be dilutive to Fiberweb's earnings per share.

9. Dividend policy

The Board's policy on dividends is to seek to provide Fiberweb Shareholders with a payout of at least 30 per cent. of earnings, reflecting both the underlying profitability and cash flow of the Group, but having regard to the cash needs and investment opportunities available to the Group at the time. This policy will not change as a result of the Disposal.

10. Current trading and prospects of the Group

On 11 November 2011, the Group published an Interim Management Statement for the 19 week period from 1 July 2011 to 10 November 2011, which contained the following commentary on the Group's current trading and prospects:

“Group trading volumes in the period were stable, though weaker than expected, resulting in year-to-date growth of around 2 per cent. Geosynthetics has traded well with Boddingtons and Tubex both trading in-line with expectations. In Industrial, shipments to residential construction customers in Europe and North America were lower, impacted by weak markets as well as the planned closure of the site at Königswinter and the relocation of its activity to our upgraded facility in Berlin. Filtration sales have been stable, other than a significant reduction of filtration sales to North Africa as a result of political developments in that region, while the Agricultural season has got off to a strong start. Hygiene volumes in the period have also been generally stable, with strength in spunbond mitigating relative weakness in airlaid and carded products.

The sharp increase in raw material prices in the first half has materially abated and average polymer prices are now close to the level seen at the start of the year. While margins in the period have improved due to pricing actions, contractual pass-through and cost reduction, the full extent of the margin recovery has been limited by increases in other input costs.

After major capital expenditure on upgrading Industrial manufacturing assets, completion of a new Industrial R&D facility as well as restructuring spend associated with post-acquisition integration and site rationalisation, net debt at the end of October was £145 million.

In the US, Fiberweb has announced material changes to its post-retirement medical benefits scheme. These changes will result in curtailment and amortisation gains of some \$14 million this year, reducing the Group's pension deficit of £32 million as at the end of June 2011 by about £8 million.”

The current trading and prospects of the Continuing Group do not materially alter from the commentary in respect of the Group set out above.

Further information is set out in paragraph 13 (*Significant Changes*) of Part VI (*Additional Information*) of this document.

11. Risk Factors

For a discussion of the risks and uncertainties which you should take into account when considering whether to vote in favour of the Disposal Resolution, please refer to Part II (*Risk Factors*) of this document.

12. General Meeting

Set out in Part IX (*Notice of General Meeting*) of this document is a notice convening a General Meeting to be held at 11.00 a.m. on 6 December 2011 at the offices of Baker & McKenzie LLP, 100 New Bridge Street, London EC4V 6JA at which the Disposal Resolution will be proposed. The Disposal Resolution is set out in full in the notice of General Meeting.

13. Action to be taken

You will find enclosed with this document a Form of Proxy for use at the General Meeting. **Whether or not you intend to attend the General Meeting in person, it is important that you complete and sign the Form of Proxy in accordance with the instructions printed thereon and return it to the Company's Registrar, Capita Registrars at The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU as soon as possible and, in any event, so as to arrive no later than 11.00 a.m. on 4 December 2011.** Completion and return of the Form of Proxy will not preclude you from attending the General Meeting and voting in person if you so wish and are so entitled.

Alternatively, you may appoint a proxy or proxies and record your vote electronically either by utilising the web-based voting facility or the CREST electronic appointment service. If you would like to submit your Form of Proxy using the web-based voting facility, go to www.capitaregistrars.com and select the "shareholders" hyperlink. You will be asked to enter your unique investor code from the proxy card sent to you before you can lodge your vote. If you hold shares in CREST, you may appoint a proxy by completing and transmitting a CREST Proxy Instruction to ID RA10 so that it is received by no later than 11.00 a.m. on 4 December 2011.

14. Further information

Your attention is drawn to the further information set out in Parts II to IX of this document. You should read the whole of this document and not just rely on the information provided in this letter.

15. Recommendation

The Board has received financial advice from Lazard in connection with the proposed Disposal. In providing its advice to the Board, Lazard has relied upon the Board's commercial assessment of the proposed Disposal.

The Board considers the terms of the proposed Disposal to be in the best interests of Fiberweb and the Fiberweb Shareholders as a whole. Accordingly, the Board recommends that you vote in favour of the Disposal Resolution to be proposed at the General Meeting, as they intend to do in respect of their own beneficial holdings, amounting in aggregate to 3,203,824 Ordinary Shares, which represent approximately 1.9 per cent. of the Company's issued share capital.

Yours sincerely



Malcolm Coster
Chairman

PART II

RISK FACTORS

This Part II addresses the risks known to Fiberweb and the Directors to which the Group is exposed, which could materially and adversely affect the business, results of operations, financial condition, turnover, profits and assets of the Group, as appropriate. In such cases, the market price of the Ordinary Shares may decline and investors may lose all or part of their investment. Prior to voting on the Disposal, Shareholders should consider these risks fully and carefully, together with all other information set out in this document.

Additional risks and uncertainties currently unknown to Fiberweb and the Directors, or which Fiberweb and the Directors currently deem immaterial, may also have an adverse effect on the financial condition or business of the Group and/or the Continuing Group and/or the Target Group.

1. Risks relating to the Disposal

The Continuing Group may not realise the perceived benefits of the Disposal

The Continuing Group may not realise the anticipated benefits of the Disposal set out in paragraph 4 of Part I (*Letter from the Chairman*) of this document. The Continuing Group may encounter substantial difficulties in achieving these anticipated benefits and/or these anticipated benefits may not materialise.

Warranties and indemnities in the Disposal Agreement

The Disposal Agreement contains certain customary warranties and indemnities given by the Company and Fiberweb Holdings in favour of the Purchaser in respect of the Target Group. Furthermore, the Company will, with effect from Completion, guarantee all of Fiberweb Holdings' obligations under the Disposal Agreement (including under the warranties and indemnities) and all other agreements executed pursuant to the Disposal Agreement, including under the warranties and indemnities given in the Disposal Agreement. If the Company or Fiberweb Holdings is required in the future to make payments under any of these warranties or indemnities, this could have an adverse effect on the Group's financial condition.

The aggregate liability of Fiberweb Holdings and the Company for breaches of the Disposal Agreement, including the warranties (other than those relating to the ownership of the Target Business and the corporate existence, corporate structure, authority and capacity of the Group, Fiberweb Holdings and the Company) and indemnities contained in the Disposal Agreement is capped at 50 per cent. of the consideration received by Fiberweb Holdings under the Disposal Agreement. Further details of the Disposal Agreement are set out in Part III (*Principal Terms of the Disposal Agreement*) of this document.

Liabilities and obligations of the Purchaser

Under the terms of the Guaranteed Note, the Purchaser will be required to pay Fiberweb Holdings an amount equal to US\$26 million (approximately £16 million) (together with accrued interest at six per cent. per annum) by no later than the first anniversary of the date of issue of the Guaranteed Note. The Disposal Agreement contains certain warranties and indemnities given by the Purchaser in favour of Fiberweb Holdings. If the Purchaser suffers financial distress, any payment due to Fiberweb Holdings under the Guaranteed Note or under the warranties and indemnities in the Disposal Agreement may be put at risk.

Pre-Completion changes in the Hygiene Business

During the period from signing of the Disposal Agreement on 10 November 2011 to Completion, events or developments may occur which could make the terms of the Disposal Agreement less attractive for Fiberweb (primarily by virtue of the completion accounts price adjustment mechanism contained in the Disposal Agreement). The Company and Fiberweb Holdings will be obliged to complete the Disposal notwithstanding such events or developments. This may have an adverse effect on the business, financial condition and results of operations of the Continuing Group.

Conditions

Completion under the Disposal Agreement is conditional upon the approval of Fiberweb Shareholders. The Disposal is also conditional upon: (i) the Purchaser's shareholders having approved the Disposal; (ii) the completion of the Pre-Sale Reorganisation; and (iii) the Petropar Lenders having become bound (subject only to the satisfaction of any conditions relating to the Disposal Agreement) to provide funds to the Purchaser pursuant to the Petropar Mandate Letter for the purpose of part financing the cash consideration payable on completion of the Disposal. There can be no assurance that all conditions will be satisfied and that Completion will take place. In particular, the Petropar Mandate Letter is conditional upon, *inter alia*, the Purchaser and the Lenders agreeing the form of definitive documentation relating to the funding to be provided pursuant to the Mandate and the absence of any material adverse change to the Purchaser's business. If the Disposal does not complete, any of the risks and uncertainties set out in paragraph 2 of this Part II may affect the Group's business and results.

The Continuing Group's operations will be less diversified

Following the Disposal, the Continuing Group's business will be less diversified. Weak performance in the remaining Industrial Business, or in any particular part of that business, may have a proportionately greater adverse impact on the financial condition of the Continuing Group.

2. Risks relating to the Disposal not proceeding

If the Disposal does not proceed, the following risks and uncertainties may affect the Group's business and results:

Potentially disruptive effect on the Group

If the Disposal does not proceed, the Hygiene Business' management and employees may be affected and key management or employees may choose to leave the Hygiene Business. This may have a negative effect on the performance of the Hygiene Business under Fiberweb's ownership. To maintain shareholder value, Fiberweb's management would be required to continue to allocate time and cost to the ongoing supervision and development of the Hygiene Business.

Loss of shareholder value

The Board believes that the Disposal is in the best interests of Fiberweb Shareholders taken as a whole and that it currently provides the best opportunity to realise an attractive and certain value for the Hygiene Business. If the Disposal does not complete, the value to the Company of the Target Group may be lower than can be realised by way of the Disposal.

Risks related to the FitesaFiberweb Joint Venture

On completion of the Disposal, all of the assets and business of the FitesaFiberweb Joint Venture, which contributed £4.1 million to the Group's underlying EBITDA in 2010, will be transferred to Petropar and the joint venture will terminate. However, if the Disposal does not proceed, certain risks associated with the FitesaFiberweb Joint Venture will remain with the Group. In the current economic environment, bank lending has reduced significantly and the FitesaFiberweb Joint Venture may be unable to obtain the required financing either at all or on commercially acceptable terms. The majority of the revenues of one of the joint venture companies, FitesaFiberweb Brazil, are in Brazilian Reals. In addition, the FitesaFiberweb Joint Venture has substantial Dollar loans. The Real has over many years displayed significant volatility against both the Dollar and Sterling. As a result, the Group is subject to currency translation risk due to movements between the Brazilian Real and its reporting currency, Sterling. The Group is not hedged for the currency translation risk in the FitesaFiberweb Joint Venture and is therefore subject to the consequent volatility in its share of post-tax earnings. The FitesaFiberweb Joint Venture may be liable for the past acts, omissions or current liabilities of FitesaFiberweb Brazil in circumstances where the protections set out in the FitesaFiberweb Joint Venture transaction documents do not adequately reflect the eventual cost of these liabilities. These risks and liabilities could, in turn, have an adverse effect on the Group's business, results of operations, financial condition or the expected benefits of the transaction to the Group.

3. Risks relating to the Group

General Economy

Current global economic, market and trading conditions in general may adversely affect the operating and financial performance of the Group

The operating and financial performance of the Group is influenced by a variety of factors, some of which are not within its control. In general, the market for disposable hygiene products in Western Europe and North America has been relatively stable and, as reported, the Group experienced a sales volume increase in this market segment between January and December 2010 of approximately 1.9 per cent. on a like-for-like basis, i.e. after adjusting for the 2009 sales of the Washougal and Mexico businesses contributed to the FitesaFiberweb Joint Venture. Demand for fabrics for adult and baby diapers (which represents approximately 52 per cent. of the Group's historic hygiene segment sales) tends not to vary by more than 10 per cent. annually irrespective of the state of the economy. However, in a severe downturn, there may be a shift away from higher margin premium products, in which the Company has a larger market share, to value based offerings. In contrast, the market for industrial nonwovens is varied. Certain segments which are served by the Group, such as the US and European construction markets, are more exposed to the economic cycle, especially in the area of residential housing. A further negative change in general economic conditions, particularly in the regions in which the Group operates (being primarily the US and Europe but also including Brazil and China) or further deterioration in consumer confidence could adversely impact the Group's business. The above factors may have a material adverse effect on the Group's business, results of operations and overall financial position.

General Industry

Raw material costs that cannot be passed on to customers could have a material adverse effect on the Group's results and financial condition

Raw materials represent the single most important input for the Group's production, representing approximately 50 per cent. of total sales in 2010. Although there are a variety of raw materials used by the Group, the key raw materials are polypropylene and polyester. The prices of polypropylene and polyester are volatile and depend primarily on the price of crude oil and its derivatives as well as monomer and polymer manufacturing capacity and demand. Historically, increases in the price of polypropylene in particular have put pressure on the Group's margins. The Group is subject to contractual pass-through arrangements on approximately 50 per cent. of its revenues whereby polypropylene price increases or decreases are passed on to its customers. These pass-through arrangements are generally subject to a time lag of on average three months. The Group therefore has a material exposure to movements in raw material prices. Significant increases in raw material prices could have a material adverse effect on the Group's business, results of operations and overall financial position.

The increase of other costs could adversely impact the Group's results of operations

As well as the risks identified above in relation to raw material costs, significant increases in other costs affecting the Group's business could adversely impact the results of operations of the Group. Such other costs include energy costs, employment costs and the cost of transport and distribution in the locations of the Group's manufacturing sites.

Competition could have an adverse effect on the Group's sales, results of operations and financial condition

The Group faces competition from global competitors that provide similar products to those offered by the Group. Competition in the industry is based upon: the range and quality of products offered; the ability to deliver new products; geographical reach; reputation; price; and customer relationships. The hygiene market is characterised by large customers and some production over-capacity with the result that there is strong competition to secure contracts with these large customers. While these risks have not changed in nature over recent periods, prices and demand in the Group's markets could be negatively affected if existing competitors increase their supply, or if new competitors enter the market with new products and/or favourable cost structures, or if important customers reduce demand or request significantly reduced prices. In response to a changing competitive environment, the Group may need to make certain pricing, service or marketing decisions that could have an adverse effect on the Group's business, results of operations and overall financial condition.

Suppliers and Customers

A disruption in the supply chain for polypropylene and other resins and fibres could lead to the Group being unable to satisfy the needs of customers

The Group is reliant on a small number of critical suppliers in the global market for regular supplies of polypropylene and other resins and fibres to its business. Given the limited alternative suppliers for the Group, major disruptions in the supply chain could lead to the Group being unable to satisfy the needs of its customers. The failure of one or more of the key suppliers of the Group could therefore have a material adverse effect on the Group's reputation, business, results of operations and overall financial condition.

The bankruptcy of, or a dispute with the specialist supplier for manufacturing lines could lead to a significant disruption to the business of the Group

The Group is reliant on one specialist supplier, Reifenhäuser Reicofil GmbH & Co. KG, for the vast majority of its manufacturing lines for lightweight polypropylene spunbond products. These manufacturing lines are specialist in nature and cannot easily be replicated by other suppliers at the same level of throughput or efficiency. However, almost all of the important individual components of a line can be sourced from a variety of suppliers, and Reifenhäuser Reicofil GmbH & Co. KG also sources many of these components from such suppliers. Therefore, whilst the bankruptcy of, or a significant dispute with, Reifenhäuser Reicofil GmbH & Co. KG could lead to significant disruption to investment plans of the Group, such event would not be likely to impact the ongoing operations of the business of the Group.

Failure of the Group to renew contracts with a small number of key customers could result in a significant reduction in demand for their products

The Group's business has a fairly high degree of dependency on maintaining good relationships with a relatively small number of key customers in certain markets in which the Group operates. The failure of the Group to renew contracts with this small number of customers could result in a significant reduction in demand for the Group's products. If the Group is unable to replace that demand, this could have a material adverse effect on the business, results of operations and overall financial position of the Group. This is particularly the case in relation to the Hygiene Business, where Procter & Gamble which, through a large number of different contracts and purchasing arrangements of varying durations, accounted for approximately 42 per cent. of the Hygiene Business' sales in 2010. In terms of overall concentration for Fiberweb, the top ten customers accounted for approximately 46 per cent. of the Group sales in 2010. The failure of one or more of the Group's key customers could therefore have a material adverse effect on the Group's reputation, business, results of operations and overall financial condition.

The withdrawal of credit insurance for customers may result in the Group assuming credit risk

The Group has a limited history of bad debts and the Board believes its major customers are of good credit quality. The Group's customer base within its two divisions is significantly different, with the Hygiene Business being dominated by large and financially strong multinational customers such as Procter & Gamble and SCA, while the Industrial Business has a much more fragmented customer base, often including smaller and private customers with restricted availability of financial information and often less financial strength. Credit insurance is used by the Group in many markets to protect accounts receivable, especially for customers of the Industrial Business and smaller customers of the Hygiene Business. However, the inevitable consequence of the current uncertain economic environment, with limited availability of credit, means that the Group will increasingly have to assume a level of balance sheet risk for some trading customers (especially within the Industrial Business) for whom credit insurance is either restricted or unavailable. This in turn may have an adverse impact on the Group's results of operations, business and overall financial position.

Legal and Compliance

Compliance with and changes in laws and regulations may have an adverse effect on the business, financial condition, results of operations or prospects of the Group

In addition to the Company's continuing obligations under the rules made by FSA with which the Company complies, the Group is subject to various laws and regulations in different jurisdictions, including export control, anti-bribery, anti-trust, taxation and health and safety laws and regulations. These laws and regulations are complex, are subject to change, and typically vary from country to country. Any breach of these obligations, or changes to them, may have an adverse effect on the business, financial

condition, results of operations or prospects of the Group. In particular, the Group is subject to numerous environmental regulations covering emissions of fumes, greenhouse gases and the disposal of waste. The Group seeks to comply with all applicable regulations through regular audits and close cooperation with the relevant authorities, but any breach could lead to significant fines and/or costs for corrective action.

Product liability claims could have a material adverse effect on the business, financial condition, results of operations and prospects of the Group

Although the Group reviews its quality control procedures regularly, it has a potential exposure to product liability claims arising from the manufacture of faulty products. In particular the Group regularly receives claims relating to roofing and housewrap products which have been sold and used in the USA or Europe. Typically, these claims, which are individually under £30,000, will be investigated and defended, though on occasion, ex gratia payments have been made to claimants. The Group has insurance coverage which it believes to be appropriate for the size and nature of its businesses. However, it is possible that a claim could arise and fall outside the insurance cover and could have a material adverse effect on the Group's business, financial condition or results of operations. It is also possible that claims of this nature could cause reputational damage to the Group, which in turn could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The Group is exposed to potential environmental and health and safety liabilities

The Group is exposed to risks associated with the contamination of its sites and former sites, non-compliance with environmental, health and safety laws and personal injury claims resulting from injuries sustained at work. The Group has in place policies to manage the environmental, health and safety hazards associated with the conduct of its business and focuses considerable managerial and financial resources on managing risk and training its personnel in light of the heavy machinery and high-speed operations customary within its manufacturing operations. However, any of these risks could lead to the Group being subject to regulatory enforcement action, fines or penalties, or being required to compensate employees or other third parties, or pay for clean-up together with any loss of reputation that may follow this, all of which could have a material adverse impact on the Group's business, results of operations and overall financial position.

Potential changes in tax legislation and enforcement could impact upon the Group's results of operations or financial condition

The Group is exposed to the risk of changes in tax legislation and the interpretation and enforcement of such legislation in the jurisdictions in which it operates. The Group's activities are subject to tax at various rates computed in accordance with relevant legislation and practice. Action by governments to increase tax rates or to impose additional taxes would reduce the profitability of the Group. Revisions to tax legislation or to the interpretation of such legislation could have a material adverse effect on the Group's business, results of operations and overall financial condition.

Technology and Intellectual Property

Intellectual property protection is not guaranteed and an adverse or uncertain outcome of any dispute with respect to material proprietary rights may materially adversely affect the Group

The Group's success depends, in part, on the ability to protect current and future products and processes through securing, enforcing and defending intellectual property rights. The Group relies on a combination of trade marks, copyright, trade secrets, patents and contractual restrictions to establish and protect proprietary rights in its products and processes. There can be no assurance that these proprietary rights and contractual provisions will be adequate to prevent the misappropriation, infringement or other unauthorised use of the Group's intellectual property rights by third parties which could harm the Group. There can be no guarantee that patents will be granted with respect to patent applications for existing or new products or processes. The Group may also be required to defend itself against claims of patent infringement or infringement of proprietary rights of third parties or to take action to protect its own proprietary rights. An adverse or uncertain outcome of any dispute with respect to material patents or other material proprietary rights may materially adversely affect the Group's business, results of operations and overall financial position.

Changes in technology and new product development could increase the Group's cost base relative to their competitors and result in reduced competitiveness and revenues for the Group

Technological development, especially production technology, is a key driver of growth and of profitability in the nonwovens market. The Group's growth is also dependent on, among other things, its ability to renew its pipeline of new products and processes and to bring those products and processes to market. This ability may be adversely affected by difficulties or delays in product development such as the inability to: identify viable new products; successfully complete research and development; obtain relevant regulatory approvals; secure adequate intellectual property protection; or gain market acceptance of the new products and processes. The Group's competitors may also develop new products and processes which may prevent the Group from developing or using that particular product or process and which may successfully compete with the Group's existing products and processes. Failure by the Group to continually invest to develop a steady stream of successful new production technologies and processes could increase the Group's cost base relative to its competitors and result in reduced competitiveness and revenues.

Operations

The occurrence of major operational difficulties may adversely affect the Group's business, financial condition, results of operations and prospects

Revenues for the Group are dependent on the continued operation of their various manufacturing facilities. The Group's most significant manufacturing facilities are large single-line processes producing up to 50 tonnes per day of product with a value of up to approximately €100,000 per day. Significant disruption to this production through, for example, mechanical or electrical breakdowns or labour disruption could therefore be very costly, both in terms of lost production but also in respect of the Group's reputation with customers for delivery reliability. Such operational disruption could be caused by equipment failure, failure to comply with applicable regulations and standards leading to a shutdown forced by regulatory intervention, raw material supply disruptions, labour force shortages or work stoppages, events impeding, or increasing the cost of, transporting the Group's products and natural disasters. The repeated or sustained occurrence of major operational problems may adversely affect the Group's business, financial condition, results of operations and prospects

Interruption or failure of the Group's information technology ("IT") could have a material adverse effect on the Group's business, results of operations and overall financial condition

The Group uses a range of computer systems to provide order processing, inventory control and financial management within each country. Outages and interruptions could affect the Group's ability to conduct day-to-day operations in respect of ordering raw materials as required for planned production, booking orders sent by customers and logging progress made by production into the relevant IT system in order to enable further processing, quality control checks and despatch and invoicing and accurately paying employees and suppliers. Interruption to the Group's information technology systems could be caused by a number of factors, including human error or malfeasance, malfunction, damage, fire or power loss. There can be no certainty that recovery plans and contingency plans will be effective in the event that they need to be activated. Any lengthy failure or disruption to the IT system in any business unit or country would result in loss of sales and delays to cash flow and could have a material adverse effect on the Group's business, results of operations and overall financial condition.

Financing

The Group's exposure to capital risk and interest costs under the Credit Facilities, if combined with sustained revenue decreases or costs of sales increases as a result of further worsening economic conditions, could affect the Group's operational and financial flexibility and impact its ability to refinance the Credit Facilities upon maturity

Any further worsening in economic conditions that results in sustained declines in revenues or increases in costs of sales could, when combined with the margins payable under the Credit Facilities, restrict the operational and financial flexibility and management decisions of the Group. As a result, the Group may be unable to refinance the Credit Facilities at maturity in July 2013 or may only be able to secure further funding at maturity of the Credit Facilities at a significantly increased cost. The above may therefore have a material adverse effect on the price of the Company's shares and the Group's business, results of operations and overall financial condition.

The Group's financial indebtedness, the covenants contained in the Group's Credit Facilities and any worsening in economic conditions could restrict the Group's flexibility and management decisions

The existing level of the Group's financial indebtedness and gearing, combined with the financial covenants that are contained in the Credit Facilities Agreement could restrict the operational and financial flexibility and management decisions of the Group and place the Group at a disadvantage in relation to competitors. Should there be any further worsening in economic conditions resulting in declines in revenues or increases in costs of sales, operational and financial flexibility and management decisions could be further restricted. The above could have a material adverse effect on the price of the Company's shares and the Group's business, results of operations and overall financial condition.

Interest rate fluctuations could impact on the financial condition of the Group

The Group will remain predominantly exposed to interest rate fluctuations on the portion of its credit facilities that is not covered by hedging arrangements. The Group's policy is to use a combination of debt and derivative instruments to hedge portions of its interest rate exposure for varying periods, up to the maturity of its underlying borrowing facilities. After due consideration by the Group's treasury function of actual base interest rates and financial market projections for future changes to those rates based on economic conditions, interest rate swaps are entered into. Such swaps must be approved by the Board in line with the Group policy. The Group has entered into a series of interest swaps whereby it pays a fixed rate and receives a floating rate. These interest hedges accounted for more than 60 per cent. of the debt under the Group's credit facilities as at 31 December 2010. However, there can be no guarantee that the Group will be able to maintain similar hedging arrangements in the future and, accordingly, a material fluctuation in interest rates could have a material adverse impact on the financial condition of the Group. Rising interest rates may also have a more general effect on consumer confidence, resulting in lower demand in the markets in which the Group participates. This could have a material adverse effect on the Group's business, results of operations and overall financial condition.

Significant fluctuations in foreign currency exchange rates can have a material impact on the Group's business, results of operations and overall financial position

The Group operates globally, with the majority of its revenues earned outside the UK. The Group has significant investments around the world, with the largest proportion in the United States. As a result, the Group will remain subject to currency translation risk due to movements between various currencies (mainly the Dollar and the Euro) and its reporting currency, Sterling. In order to reduce the effect of foreign exchange movements on its reported earnings, the Group borrows, and will continue to borrow, where commercially appropriate, in the currencies of its operations, thus creating a natural hedge for a proportion of its balance sheet. Significant fluctuations in exchange rates can have a material impact on the Group's trading results. The consolidated balance sheet of the Group is inherently at risk from movements in the Sterling value of its net investments in foreign businesses and the Sterling value of its consolidated net debt. The Group seeks to minimise foreign currency risk in general by combining financial liabilities and derivatives in currencies that partially hedge the net investment values. At 31 December 2010, the Group had gross borrowings under the Credit Facilities amounting to a total of approximately £173.7 million, comprising: €77.0 million, US\$122.8 million, SEK229.0 million, and £7.5 million. Any significant adverse fluctuations in currency exchange rates could have a material adverse effect on the Group's business, results of operations and overall financial position.

Joint Ventures and Acquisitions

If the Group experiences difficulties with its joint venture partners, it may have to terminate or amend the joint venture arrangement on less favourable terms to it

The Group conducts some of its manufacturing business with strategic joint venture partners, including the FitesaFiberweb Joint Venture, which in aggregate contributed approximately £4.1 million to the Group's underlying EBITDA in 2010. The success of the Group's joint ventures is, in part, dependent upon the maintenance of a good working relationship between the related joint venture partners. Furthermore, there are a number of further costs and difficulties in managing joint venture operations which can impact on the success of the joint venture. If the Group experiences difficulties with its joint venture partners, the Group may have to sell its interest in the relevant joint venture or otherwise terminate or amend the arrangement on less favourable terms, all of which could have a materially adverse effect on the Group's business, results of operations and overall financial position.

The long term growth strategy for the Group is partly dependent upon the identification, financing and integration of appropriate acquisitions

The long term growth strategy for the Group is partly dependent upon the identification of appropriate acquisition opportunities at appropriate price levels, and the successful integration of acquisitions into the Group. The Group evaluates the management structures of its businesses to ensure that appropriate management time can be dedicated to the integration and operation of new businesses. The Group's ability to implement its long term acquisition and growth strategy is dependent on its ability to raise sufficient monies, whether through debt or equity finance. Failure to identify, finance, acquire and integrate new acquisitions could have a material adverse effect on the Group's business, results of operations and overall financial condition.

PART III

PRINCIPAL TERMS OF THE DISPOSAL AGREEMENT

The Disposal Agreement was entered into on 10 November 2011 between Fiberweb Holdings, the Company and the Purchaser for the sale and purchase of all of the shares held by the Group in each of the Target Companies. The principal terms of the Disposal Agreement are set out in this Part III.

1. Conditions precedent to completion

The Disposal is conditional upon the approval of Fiberweb Shareholders. The Disposal is also conditional upon: (i) the Purchaser's shareholders having approved the Disposal; (ii) the completion of the Pre-Sale Reorganisation; and (iii) the Petropar Lenders having become bound (subject only to the satisfaction of any conditions relating to the Disposal Agreement) to provide funds to the Purchaser pursuant to the Petropar Mandate Letter for the purpose of part financing the cash consideration payable on completion of the Disposal.

Under the terms of a break fee agreement entered into between Fiberweb Holdings and the Purchaser on 10 November 2011, in the event that Completion does not occur as a result of: (i) the Fiberweb Shareholders failing to approve the Disposal or the Directors withdrawing their recommendation of the Disposal Resolution, Fiberweb Holdings will pay the Purchaser a break fee in an amount equal to £703,013 or (ii) the Purchaser's shareholders failing to approve the Disposal and/or the Petropar Lenders failing to provide funds to the Purchaser pursuant to the Petropar Mandate Letter for the purpose of part financing the cash consideration payable on completion of the Disposal, the Purchaser will pay Fiberweb Holdings a break fee in an amount equal to £703,013.

2. Consideration

The total consideration payable by the Purchaser for the shares in the Target Companies will be US\$286 million (approximately £178.8 million) (the "**Purchase Price**"). The shares in the members of the Target Group (other than the Joint Venture Companies) will be sold on a cash free and debt free basis. Under the terms of the Disposal Agreement, US\$260 million of the Purchase Price is payable in cash on Completion. The remaining US\$26 million of the Purchase Price will be satisfied by the issue by the Purchaser to Fiberweb Holdings of the Guaranteed Note on Completion. The Purchase Price is subject to certain post-Completion adjustments relating to the amounts of debt, cash and working capital in the members of the Target Group (other than the Joint Venture Companies) at Completion.

Within 30 business days after Completion, Fiberweb Holdings will procure that a draft consideration adjustment statement and draft payment statement is prepared and submitted to the Purchaser. The Purchase Price will be reduced or increased as appropriate, on a pound-for-pound basis, by the amount equal to the amount by which the consideration as calculated in the consideration adjustment is greater than or less than the Purchase Price.

3. Warranties and Indemnities

Each party has given certain limited warranties under the Disposal Agreement relating to capacity and authority to enter into and perform the Disposal Agreement. Fiberweb Holdings has also given certain customary warranties and indemnities relating to the business, assets and liabilities of the Hygiene Business (other than the Joint Venture Companies) and will give certain indemnities relating to tax pursuant to a deed of tax indemnity to be entered into between Fiberweb Holdings and the Purchaser on Completion (the "**Tax Deed**").

The aggregate liability of the Company and Fiberweb Holdings for breaches of the Disposal Agreement (other than those relating to the ownership of the Target Business and the corporate existence, corporate structure, authority and capacity of the Group and the Company) and under the Tax Indemnity is capped at 50 per cent. of the consideration received by Fiberweb Holdings pursuant to the Disposal Agreement.

All warranty claims (other than with respect to tax matters) must be brought within 18 months after the date of Completion. All claims under the warranties relating to tax and the Tax Deed must be brought within five years after the date of Completion.

4. Guarantor

The Company has agreed, with effect from Completion, to guarantee all of the obligations of Fiberweb Holdings under the Disposal Agreement and all other agreements executed pursuant to the Disposal Agreement which remain outstanding following Completion.

5. Pre-sale Reorganisation

The parties have agreed that the Group will carry out a pre-sale reorganisation to, *inter alia*, remove from the Target Group any subsidiaries or other assets which form part of the Industrial Business and to transfer to the Target Group any assets of the Hygiene Business that are currently owned outside of the Target Group. The Pre-Sale Reorganisation will be carried out in accordance with the pre-completion separation steps agreed between the parties.

6. Restrictive covenants

The parties have agreed that no member of the Continuing Group shall (whether alone or jointly with another and whether directly or indirectly) carry on or be engaged or concerned or interested economically or otherwise in any business which is involved in the manufacture and sale of nonwovens for disposable hygiene products such as baby diaper, feminine hygiene, adult incontinence, wipes and home care products for a period of three years following Completion in those countries located in the European Union (as constituted from time to time and including Russia and Eastern Europe, whether those countries are in the European Union or not), North Africa, USA, Canada and Asia (excluding India, Bangladesh, Pakistan, Sri Lanka and Thailand), subject to certain customary exceptions.

7. Termination

The Disposal Agreement will automatically terminate in the event that the conditions precedent referred to in paragraph 1 above are not satisfied on or before 31 March 2012.

8. Guaranteed Note

Pursuant to the terms of the Disposal Agreement, the Purchaser will create and issue to Fiberweb Holdings US\$26 million a fixed rate guaranteed unsecured consideration note on Completion (the “**Guaranteed Note**”). Interest on the Guaranteed Note will accrue at a rate of six per cent. per annum. The Guaranteed Note will mature on the first anniversary of issue, but may be redeemed by the Purchaser (in whole or in part) at any time prior to that date. On maturity or full or partial earlier redemption, the Purchaser must pay the Company the principal amount of the Guaranteed Note redeemed together with all interest accrued thereon. The obligations of the Purchaser under the Guaranteed Note will be guaranteed by FitesaFiberweb Simpsonville, Inc.

9. Transitional Services Agreements

The Company and the Purchaser have agreed that they will on Completion enter into an agreement providing for certain IT services to be provided by the Continuing Group to the Target Group for a period following Completion (the “**IT Services Agreement**”). The Company and the Purchaser will also, on Completion, enter into two agreements providing for certain manufacturing services to be provided by the Purchaser to the Continuing Group and by the Company to the Purchaser (the “**Manufacturing Agreements**”). On Completion, Fiberweb, Inc. and the Purchaser will also enter into an agreement pursuant to which certain employees of Fiberweb, Inc. will provide certain services to the members of the Target Group located in the USA and certain employees of the Purchaser’s group will provide certain services to the members of the Continuing Group located in the USA, in each case for a period following Completion (the “**US Employee Services Agreement**”). Fiberweb Asia Pacific Limited and the Purchaser will also, on Completion, enter into an agreement pursuant to which certain employees of Fiberweb Asia

Pacific Limited will provide certain services to the members of the Target Group located in China for a period following Completion (the “**Hong Kong Employee Services Agreement**”). Fiberweb Holdings and the Purchaser will also, on Completion, enter into an agreement pursuant to which Fiberweb (China) Airlaid Company Limited will procure that certain of its employees will provide certain services to the members of the Continuing Group for a period following Completion and will provide use of certain office space in China by such employees during that period (the “**China Employee Services Agreement**”)

10. Patent Licence

The Purchaser or the relevant members of the Target Group will, on Completion, grant Fiberweb Holdings Limited a perpetual royalty-free licence to use certain patents acquired by the Purchaser as a consequence of acquiring the Target Group pursuant to the Disposal which relate to the Hygiene Business and which are not currently used by the Industrial Business, but which may be required by the Continuing Group in the future for use in the Industrial Business (the “**Patent Licence**”).

Fiberweb Holdings Limited will have a right of first refusal to acquire (at no cost) the patents owned by the Purchaser (and which are the subject of the Patent Licence) if the relevant licensor under the Patent Licence fails to maintain and defend those patents.

11. Governing law

The Disposal Agreement, the Tax Deed, the Manufacturing Agreements, the Patent Licence and the China Employee Services Agreement are governed by English law. The IT Services Agreement and the US Employee Services Agreement are governed by laws of the State of New York. The Hong Kong Employee Services Agreement is governed by the laws of Hong Kong.

PART IV

FINANCIAL INFORMATION RELATING TO THE HYGIENE BUSINESS

1. Nature of the Financial Information

The following historical information relating to the Hygiene Business, which has been prepared under IFRS, has been extracted without material adjustment from the consolidation schedules used in preparing the audited consolidated financial statements of the Group for the years ended 31 December 2008, 2009 and 2010 and the unaudited consolidated financial statements of the Group for the period ended 30 June 2011. The following financial information relating to the Hygiene Business does not include the parts of the previously reported hygiene division which are not included within the Hygiene Business, namely:

- Production and sales of carded products for hygiene applications from the Tenotex business in Italy;
- The fabric softener sheet business in Old Hickory, USA;
- Production and sales of polypropylene spunbond products for hygiene applications from Fiberweb France SAS; and
- The Coronor production line in Germany.

No adjustments have been made to the financial information in this Part IV to allocate central overhead costs that are accounted for centrally to the Hygiene Business as these will all be borne by the Industrial Business going forward. In addition, no adjustments have been made to allocate centrally held balances for items such as deferred tax assets. US tax is calculated on a consolidated US group basis and is not allocated to individual entities for segmental purposes. Balances relating to intra-group loans and investments in group companies have been eliminated as these do not form part of the Hygiene Business. Therefore the financial information in this Part IV does not fully reflect the business to be divested.

The financial information contained in this Part IV (*Financial Information relating to the Hygiene Business*) does not constitute statutory accounts within the meaning of Section 240 of the Companies Act 1985 or as the case may be Section 434 of the Companies Act 2006. The consolidated statutory accounts for the Company in respect of the financial years ended 31 December 2008, 2009 and 2010 have been delivered to the Registrar of Companies. The auditor's reports in respect of the statutory accounts for each of these three financial periods were unqualified and did not contain statements under section 237(2) or (3) of the Companies Act 1985 or as the case may be section 498(2) or (3) of the Companies Act 2006.

Fiberweb Shareholders should read the whole of this document and not rely solely on the summarised financial information contained in this Part IV (*Financial Information relating to the Hygiene Business*).

2. Hygiene Aggregated Income Statement

	<i>Period ended 30 June 2011 £m</i>	<i>Year ended 31 December 2010 £m</i>	<i>Year ended 31 December 2009 £m</i>	<i>Year ended 31 December 2008 £m</i>
Revenue	103.7	193.4	199.8	241.3
Cost of sales	(92.7)	(167.8)	(174.4)	(208.6)
Gross profit	11.0	25.6	25.4	32.7
SG&A	(7.3)	(18.0)	(20.1)	(19.4)
Share of results of associates and joint ventures	2.0	4.1	2.7	—
Operating profit before restructuring costs and non-recurring items	5.7	11.7	8.0	13.3
Restructuring costs and non-recurring items	0.2	(2.8)	(31.2)	(7.4)
Operating profit	5.9	8.9	(23.2)	5.9
Depreciation and amortisation	7.5	14.5	18.3	18.8
EBITDA (before restructuring costs and non-recurring items)	13.2	26.2	26.3	32.1

Note: It is not possible to attribute interest and taxation to the Hygiene Business activities on a meaningful basis.

3. Hygiene Aggregated Balance Sheet as at 30 June 2011 and 31 December 2010

	<i>30 June 2011</i>	<i>31 December 2010</i>
	<i>£m</i>	<i>£m</i>
Non-current assets		
Intangible assets	3.4	3.2
Tangible assets	126.7	127.1
Investments in joint ventures	55.1	54.2
Total non-current assets	<u>185.2</u>	<u>184.5</u>
Current assets		
Inventory	14.1	15.3
Trade receivables and other receivables	44.6	43.4
Assets held for sale	0.3	0.3
Cash and cash equivalents	7.3	7.3
Total current assets	<u>66.3</u>	<u>66.3</u>
Total assets	<u><u>251.5</u></u>	<u><u>250.8</u></u>
Current liabilities		
Trade and other payables	(37.6)	(27.9)
Tax liabilities	(0.3)	(0.5)
Bank overdrafts and loans	(0.2)	(1.3)
Other current liabilities	(0.8)	(1.5)
Total current liabilities	<u>(38.9)</u>	<u>(31.2)</u>
Non-current liabilities		
Intercompany loans	—	—
Retirement benefit obligations	(3.3)	(3.2)
Provisions	(2.5)	(2.7)
Deferred tax	(7.8)	(7.6)
Total non-current liabilities	<u>(13.6)</u>	<u>(13.5)</u>
Net assets	<u><u>199.0</u></u>	<u><u>206.1</u></u>

PART V

UNAUDITED PRO FORMA FINANCIAL INFORMATION

Sub-Section A: Accountant's Report on Unaudited Pro Forma Financial Information



Athene Place
66 Shoe Lane
London
EC4A 3BQ

The Board of Directors
on behalf of Fiberweb plc
Forsyth House
211-217 Lower Richmond Rd
Richmond on Thames
London
TW9 4LN

Lazard & Co., Limited
50 Stratton Street
London
W1J 8LL

16 November 2011

Dear Sirs,

Fiberweb plc (the "Company")

We report on the pro forma financial information (the "Pro forma financial information") set out in Sub-section B of Part V of the Class 1 circular dated 16 November 2011 (the "Investment Circular"), which has been prepared on the basis described in the notes thereto, for illustrative purposes only, to provide information about how the Disposal might have affected the financial information presented on the basis of the accounting policies adopted by the Company in preparing the financial statements for the period ended 30 June 2011. This report is required by Annex I item 20.2 of Commission Regulation (EC) No 809/2004 (the "Prospectus Directive Regulation") as applied by Listing Rule 13.3.3R and is given for the purpose of complying with that requirement and for no other purpose.

Responsibilities

It is the responsibility of the directors of the Company (the "Directors") to prepare the Pro forma financial information in accordance with Annex I item 20.2 and Annex II items 1 to 6 of the Prospectus Directive Regulation as applied by Listing Rule 13.3.3R.

It is our responsibility to form an opinion, in accordance with Annex I item 20.2 of the Prospectus Directive Regulation, as to the proper compilation of the Pro forma financial information and to report that opinion to you in accordance with Annex II item 7 of the Prospectus Directive Regulation as applied by Listing Rule 13.3.3R.

Save for any responsibility which we may have to those persons to whom this report is expressly addressed and which we may have to Fiberweb shareholders as a result of the inclusion of this report in the Investment Circular, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in accordance with this report or our statement, required by and given solely for the purposes of complying with Listing Rule 13.4.1R (6), consenting to its inclusion in the Investment Circular.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the Pro forma financial information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

Basis of Opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro forma financial information with the Directors.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Pro forma financial information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of the Company.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in jurisdictions outside the United Kingdom, including the United States of America, and accordingly should not be relied upon as if it had been carried out in accordance with those standards or practices.

Opinion

In our opinion:

- (a) the Pro forma financial information has been properly compiled on the basis stated; and
- (b) such basis is consistent with the accounting policies of the Company.

Yours faithfully

Deloitte LLP
Chartered Accountants

Deloitte LLP is a limited liability partnership registered in England and Wales with registered number OC303675 and its registered office at 2 New Street Square, London EC4A 3BZ, United Kingdom. Deloitte LLP is the United Kingdom member firm of Deloitte Touche Tohmatsu Limited ("DTTL"), a UK private company limited by guarantee, whose member firms are legally separate and independent entities. Please see www.deloitte.co.uk/about for a detailed description of the legal structure of DTTL and its member firms.

Member of Deloitte Touche Tohmatsu Limited

Sub-Section B: Unaudited Pro Forma Net Assets Statement

Set out below is an unaudited pro forma statement of consolidated net assets of the Group as at 30 June 2011. It has been prepared on the basis set out in the notes below to illustrate the effect of the Disposal on the consolidated net assets of the Continuing Group had the Disposal occurred on 30 June 2011. It has been prepared for illustrative purposes only. Because of its nature, the pro forma statement addresses a hypothetical situation and, therefore, does not represent the Continuing Group's actual financial position or results. It is based on the unaudited financial statements of the Company for the period ended 30 June 2011 and the unaudited financial information of the Hygiene Business as at 30 June 2011, which is set out in Part IV (*Financial Information relating to the Hygiene Business*) of this document.

Fiberweb Shareholders should read the whole of this document and not rely solely on the summarised financial information contained in this Part V (*Unaudited Pro Forma Financial Information*). The report on the unaudited pro forma statement of net assets is set out in Sub-section A of Part V (*Accountant's Report on the Unaudited Pro Forma Financial Information*) of this document.

	<i>Fiberweb plc unaudited net assets as at 30 June 2011 £m Note 1</i>	<i>Adjustments</i>		<i>Fiberweb plc pro forma net assets as at 30 June 2011 £m 4</i>
		<i>Hygiene Business £m 2</i>	<i>Other £m 3</i>	
ASSETS				
Non-current assets				
Goodwill	41.5	(1.9)	—	39.6
Other intangible assets	7.6	(1.5)	—	6.1
Property, plant and equipment	215.0	(126.7)	—	88.3
Investments in associates and joint ventures	55.1	(55.1)	—	—
Other investments	0.3	—	—	0.3
Deferred tax assets	22.0	—	—	22.0
Total non-current assets	341.5	(185.2)	—	156.3
Current assets				
Inventories	53.2	(14.1)	—	39.1
Trade and other receivables	103.1	(44.6)	—	58.5
Cash and cash equivalents	30.6	(7.3)	4.5	27.8
Guaranteed Note	—	—	16.2	16.2
Assets held for sale	0.7	(0.3)	—	0.4
Total current assets	187.6	(66.3)	20.7	142.0
Total assets	529.1	(251.5)	20.7	298.3
LIABILITIES				
Current liabilities				
Trade and other payables	(93.7)	37.6	—	(56.1)
Tax liabilities	(9.5)	0.3	—	(9.2)
Obligations under finance leases	(0.1)	—	—	(0.1)
Bank overdrafts and loans	(6.6)	0.2	6.4	—
Provisions	(7.2)	0.8	—	(6.4)
Total current liabilities	(117.1)	38.9	6.4	(71.8)
Net current assets	70.5	(27.4)	27.1	70.2
Non-current liabilities				
Obligations under finance leases	(0.4)	—	—	(0.4)
Bank loans	(153.1)	—	153.1	—
Loans to/(from) Group companies	—	—	—	—
Retirement benefit obligations	(32.1)	3.3	—	(28.8)
Deferred tax liabilities	(15.4)	7.8	—	(7.6)
Provisions	(2.5)	2.5	—	—
Total non-current liabilities	(203.5)	13.6	153.1	(36.8)
Total liabilities	(320.6)	52.5	159.5	(108.6)
NET ASSETS	208.5	(199.0)	180.2	189.7

Notes:

- (1) The net assets of Fiberweb plc have been extracted without material adjustment from the unaudited financial statements of the Company for the period ended 30 June 2011.

- (2) The consolidated net assets of Fiberweb plc's Hygiene Business have been extracted without adjustment from the financial information on the Hygiene Business as set out in Part IV (*Financial Information relating to the Hygiene Business*). No adjustment has been made to reflect the trading results or any other transaction of the Hygiene Business since 30 June 2011.
- (3) The adjustment is based on an assumed Disposal Price of \$286 million comprising cash proceeds of \$260 million (£162.2 million) and the Guaranteed Note of \$26 million (£16.2 million) as adjusted for cash, debt and corporation tax balances in the Hygiene Business at Completion. The cash proceeds are adjusted and used as follows:

Proceeds		162.2
Transaction fees and expenses		(5.0)
Cash free/debt free adjustment		
Hygiene cash	7.3	
Hygiene overdraft	(0.2)	
Hygiene corporation tax liability	(0.3)	
		<u>6.8</u>
Net proceeds		164.0
Repayment of bank loans		
Short term		(6.4)
Long term		(153.1)
		<u>4.5</u>

The actual adjustments at Completion will be based on the completion balance sheet and will differ from those above.

- (4) Save for the adjustment for the proceeds of the Disposal as described in Note 3 above, no adjustment has been made to reflect the trading results or any other transaction of the Company since 30 June 2011.
- (5) The pro forma impact of the Disposal on the earnings of the Group is an ongoing reduction in earnings.

PART VI

ADDITIONAL INFORMATION

1. Responsibility

The Directors of Fiberweb, whose names appear in paragraph 3 below, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. The Company

The Company was incorporated and registered in England and Wales on 22 January 2006 under the Companies Act 1985 as a private company limited by shares with the name Trushelfco (No. 3193) Limited and with registered number 5683352. By a written resolution passed on 8 March 2006, it resolved to change its name to Fiberweb Limited. Further, by a written resolution passed on 14 September 2006, Fiberweb resolved to re-register as a public limited company and change its name to Fiberweb plc. On 18 September 2006, the re-registration and change of name became effective. The registered and head office of the Company is Forsyth House, 211-217 Lower Richmond Rd., Richmond on Thames, London TW9 4LN. The telephone number of the registered address is +44 20 8090 6240. The principal laws and legislation under which the Company operates, and under which the Ordinary Shares have been created, are the Companies Act 1985, the 2006 Act and regulations made thereunder.

3. Directors, Company Secretary, Registered Office

Directors

Malcolm Coster (*Chairman*)
Daniel Dayan (*Chief Executive Officer*)
Daniel Abrams (*Chief Financial Officer*)
Richard Stillwell (*Non-executive Director*)
Stephen Dryden (*Non-executive Director*)
Brian Taylorson (*Non-executive Director*)

Secretary

Anthony O'Carroll

Registered Office

Forsyth House
211-217 Lower Richmond Rd.
Richmond on Thames
London TW9 4LN

4. Directors' Interests

As at 14 November 2011 (being the latest practicable date before the publication of this document), the interests of each Director, including those of any connected person (within the meaning of the 2006 Act and the provisions of the Disclosure and Transparency Rules), the existence of which is known to, or could with reasonable diligence be ascertained by, that Director whether or not held through another party, in the share capital of Fiberweb together with any options in respect of such capital were as follows:

<i>Name of Director</i>	<i>Number of Ordinary Shares as at 14 November 2011</i>	<i>Percentage of Ordinary Shares</i>
Malcolm Coster	700,393	0.40%
Daniel Dayan	1,647,335 ⁽¹⁾	0.95%
Daniel Abrams	628,097 ⁽²⁾	0.36%
Stephen Dryden	10,000	0.01%
Richard Stillwell	169,999	0.10%
Brian Taylorson	48,000	0.03%

Notes:

- (1) Daniel Dayan also holds options over 2,011,029 Ordinary Shares.
- (2) Daniel Abrams also holds options over 1,147,659 Ordinary Shares.

5. Directors' Service Contracts

- 5.1 The Directors each have a service contract or letter of appointment with a member of the Group as follows:

<i>Name of Director</i>	<i>Date of Contract</i>	<i>Notice Period</i>
Malcolm Coster	19 October 2006	6 months
Daniel Dayan	27 October 2006	12 months
Daniel Abrams	1 February 2008	12 months
Stephen Dryden	27 May 2009	3 months
Richard Stillwell	19 October 2006	3 months
Brian Taylorson	19 October 2006	3 months

- 5.2 As at the date of this document, the following are details of the existing service arrangements with the Directors:

(a) ***Malcolm Coster***

Malcolm Coster has an appointment letter dated 19 October 2006 in respect of his appointment as a non-executive director and Chairman, which (as amended and extended by letters dated 29 October 2009 and 29 April 2010) will expire at the close of the annual general meeting of the Company to be held in 2013. Re-appointment for a further term is not automatic but may be made by mutual agreement, subject to continued satisfactory performance. The appointment may be terminated by either him or the Company on six months' notice. In the event of termination by the Company, the Company has the discretion to make a payment in lieu of notice. Mr Coster's remuneration is determined by the Board on the recommendation of the Chief Executive Officer and his current fee is £120,000 per annum. He does not participate in the Company's annual bonus scheme, its pension arrangements or any of the Fiberweb Option Schemes.

(b) ***Daniel Dayan***

Daniel Dayan has entered into a service contract dated 27 October 2006 in respect of his appointment as Chief Executive Officer. The appointment will terminate automatically upon Mr Dayan reaching the age of 65, and may be terminated before then by either him or the Company giving 12 months' notice. In the event of early termination by the Company other than for cause, the Company may elect either to make a single payment in lieu of notice (which will include base salary, assessment of lost bonus opportunity and benefits, and to the extent prescribed by the relevant plan rules, share award entitlements) or to make that payment in three instalments. If the payment is made in instalments, the first instalment is payable on termination and will comprise six months' payment in lieu of notice (calculated to include the remuneration elements described above). The second and third payments will comprise three months' notice each. The second payment will be made six months after termination, with the third payment due nine months after termination and they will be reduced to take into account the remuneration paid pursuant to any alternative employment obtained by Mr Dayan prior to such payments becoming due. Mr Dayan's salary is currently £382,000 per annum. He is entitled to participate in a bonus arrangement that provides for an annual bonus of up to 100 per cent. of salary provided that a combination of specific financial performance targets, set by the Remuneration Committee, are met. In addition, Mr Dayan is entitled to private medical insurance, personal accident insurance, permanent health insurance and life assurance. Also, provided that he contributes at least 7.5 per cent. of his salary to the Company's defined contribution scheme, the Company makes a pension contribution at a rate of 25 per cent. of salary to Mr Dayan, which is invested in a defined contribution scheme nominated by him.

(c) ***Daniel Abrams***

Daniel Abrams has entered into a service contract dated 1 February 2008 in respect of his appointment as Chief Financial Officer. The appointment will terminate automatically upon Mr Abrams reaching the age of 65, and may be terminated before then by either him or the Company giving 12 months' notice. In the event of early termination by the Company other

than for cause, the Company may elect either to make a single payment in lieu of notice (which will include base salary, assessment of lost bonus opportunity and benefits, and to the extent prescribed by the relevant plan rules, share award entitlements) or to make that payment in three instalments. If the payment is made in instalments, the first instalment is payable on termination and will comprise six months' payment in lieu of notice (calculated to include the remuneration elements described above). The second and third payments will comprise three months' notice each. The second payment will be made six months after termination, with the third payment due nine months after termination. The payments will be reduced to take into account the remuneration paid pursuant to any alternative employment obtained by Mr Abrams prior to such payments becoming due. Mr Abrams' salary is currently £227,000 per annum. He is entitled to participate in a bonus arrangement that provides for an annual bonus of up to 100 per cent. of salary provided that a combination of specific financial performance targets, set by the Remuneration Committee, are met. In addition, Mr Abrams is entitled to private medical insurance, personal accident insurance, permanent health insurance and life assurance. Also, provided that he contributes at least 7.5 per cent. of his salary to the Company's defined contribution scheme, the Company makes a pension contribution at a rate of 15 per cent. of salary to Mr Abrams, which is invested in a defined contribution scheme nominated by him.

(d) ***Stephen Dryden***

Stephen Dryden has an appointment letter in respect of his appointment as a non-executive director, which fixes a term of appointment of three years from 1 June 2009. Re-appointment for a further term is not automatic but may be made by mutual agreement, subject to continued satisfactory performance. The appointment may be terminated by either him or the Company on three months' notice. In the event of termination by the Company, the Company has the discretion to make a payment in lieu of notice. Mr Dryden's remuneration is determined by the Board on the recommendation of the Chairman and the executive directors and his current fee is £32,000 per annum (together with an annual supplement of £6,000 for his services as Chairman of the Company's Audit Committee). He does not participate in the Company's annual bonus scheme, its pension arrangements or any of the Fiberweb Option Schemes.

(e) ***Richard Stillwell***

Richard Stillwell has an appointment letter in respect of his appointment as a non-executive director, which fixes a term of appointment of three years from 17 November 2006. By letter dated 17 August 2009 the term of appointment was extended until the close of the annual general meeting in 2010 and by a letter dated 29 April 2010, the term of appointment was further extended until the close of the annual general meeting of the Company in 2013. Re-appointment for a further term is not automatic but may be made by mutual agreement, subject to continued satisfactory performance. The appointment may be terminated by either him or the Company on three months' notice. In the event of termination by the Company, the Company has the discretion to make a payment in lieu of notice. Mr Stillwell's remuneration is determined by the Board on the recommendation of the Chairman and the executive directors and his current fee is £32,000 per annum (together with an annual supplement of £6,000 for his services as Chairman of the Company's Remuneration Committee). He does not participate in the Company's annual bonus scheme, its pension arrangements or any of the Fiberweb Option Schemes.

(f) ***Brian Taylorson***

Brian Taylorson has an appointment letter in respect of his appointment as a non-executive director, which fixes a term of appointment of three years from 17 November 2006. By letter dated 17 August 2009 the term of appointment was extended until the close of the annual general meeting in 2010 and by letter dated 29 April 2010, the term of appointment was further extended until the close of the annual general meeting of the Company to be held in 2013. Re-appointment for a further term is not automatic but may be made by mutual agreement, subject to continued satisfactory performance. The appointment may be terminated by either him or the Company on three months' notice. In the event of termination

by the Company, the Company has the discretion to make a payment in lieu of notice. Mr Taylorson's remuneration is determined by the Board on the recommendation of the Chairman and the executive directors and his current fee is £32,000 per annum. He does not participate in the Company's annual bonus scheme, its pension arrangements or any of the Fiberweb Option Schemes.

- 5.3 Save as disclosed above, there are no service agreements in force between any Director and the Company or any of its subsidiaries and, save as set out above, no such agreement has been entered into or amended during the six months preceding the publication of this document. Other than as set out above, none of the members of the administrative, management or supervisory bodies' service contracts with the Company or any of its subsidiaries provide for benefits upon termination of employment.

6. Share Schemes

- 6.1 As at 14 November 2011, (being the latest practicable date prior to the publication of this document), the following options over Ordinary Shares have been granted to the Directors under the LTIP, such options being exercisable at nil cost after the release date shown below:

		<i>Award Date</i>	<i>Exercise Price</i>	<i>Release Dates</i>	<i>Options</i>
Daniel Dayan	Normal Award	12.05.08	Nil cost	The third anniversary of the date of award	819,180
	Normal Award	26.06.09	Nil cost	The third anniversary of the date of award	703,400
	Normal Award	06.05.11	Nil cost	The third anniversary of the date of award	488,449
					2,011,029
Daniel Abrams	Normal Award	12.05.08	Nil cost	The third anniversary of the date of award	455,100
	Normal Award	26.06.09	Nil cost	The third anniversary of the date of award	408,731
	Normal Award	06.05.11	Nil cost	The third anniversary of the date of award	283,828
					1,147,659

- 6.2 Save as set out in this Part VI, no Director has any interest in the share capital of Fiberweb as at 14 November 2011 (being the latest practicable date prior to the publication of this Document).

7. Major Interests in Shares

- 7.1 Save as in respect of the interests of the Directors noted above and save as disclosed below, Fiberweb is not aware of any person who directly or indirectly, had, as at 14 November 2011 (being the latest practicable date before the publication of this document) a notifiable interest in the Ordinary Shares under Disclosure and Transparency Rule 5.

<i>Name of Shareholder</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of issued share capital</i>
Templeton Investment Counsel LLC	17,350,346	10.00
Standard Life Investments Ltd	15,830,085	9.12
BlackRock Investment Management (UK)	8,177,378	4.71
Schroders plc	6,292,510	3.63
Axa S.A.	6,110,534	3.52
Henderson Volantis Capital	5,895,096	3.40
River & Mercantile Asset Management LLP	5,668,205	3.27

- 7.2 The Fiberweb Shareholders detailed in the above table do not have different voting rights from those of the other Fiberweb Shareholders.

8. Key Individuals in the Target Group

The following individual is deemed by the Company to be key to the operations of the Target Group:

<i>Name</i>	<i>Position</i>
David Keough	Vice President Sales & Marketing Consumer Fabrics

9. Working Capital

Fiberweb is of the opinion that, taking into account the facilities available to the Continuing Group and the Net Disposal Proceeds, the Continuing Group has sufficient working capital for its present requirements, that is for, at least the next 12 months from the date of this document.

10. Material Contracts

10.1 *Continuing Group*

Save as disclosed below and in Part VI (Further Information on the Principal Transaction Documents) on pages 67 to 72 of the 2009 Circular, in paragraph 10 (Material Contracts) of Part VII (Additional Information) on pages and 75 to 76 of the 2009 Circular, in paragraph 16 of Part IX of the 2011 Prospectus, in paragraph of Part I (New Information) of the 2011 Supplementary Prospectus and in Part III (*Principal Terms of the Disposal Agreement*) of this document, no contracts (other than contracts entered into in the ordinary course of business) have been entered into by any member of the Continuing Group either: (i) within the period of two years immediately preceding the date of this document, which are or may be material to the Continuing Group; or (ii) at any time, which contain any provision under which any member of the Continuing Group has any obligation or entitlement which is, or may be, material to the Continuing Group as at the date of this document.

Acquisition of Tubex

Pursuant to a sale and purchase agreement dated 17 May 2011, Fiberweb Holdings Limited, a wholly owned subsidiary of the Company, acquired the entire issued share capital of Tubex from its existing shareholders (the “**Sellers**”). The consideration for the acquisition was £5.1 million of which £3.85 million was satisfied in cash and the remainder was satisfied by the issue to the Sellers of 1.8 million new Ordinary Shares, representing approximately 1.05 per cent. of the Company’s enlarged issued share capital. The new Ordinary Shares rank *pari passu* with existing Ordinary Shares. £200,000 of the cash portion of the consideration was paid into escrow for a period of twelve months as security for any claims under the sale and purchase agreement. Fiberweb Holdings Limited has the benefit of certain warranties and indemnities customary for a transaction of this nature. The warranties will expire on 17 May 2013 except for the environmental warranties which expire on 17 May 2015 and the tax warranties which expire on 17 May 2018.

10.2 *Target Group*

Save as disclosed below and in Part VI (Further Information on the Principal Transaction Documents) on pages 67 to 72 of the 2009 Circular, in paragraph 10 (Material Contracts) of Part VII (Additional Information) on pages and 75 to 76 of the 2009 Circular, no contracts (other than contracts entered into in the ordinary course of business) have been entered into by any member of the Target Group either: (i) within the period of two years immediately preceding the date of this document, which are or may be material to the Target Group; or (ii) at any time, which contain any provision under which any member of the Target Group has any obligation or entitlement which is, or may be, material to the Target Group as at the date of this document.

11. Related Party Transactions

Save as disclosed in note 34 on page 99 of the Company’s Annual Report and Financial Statements for the year ended 31 December 2009, note 32 on page 98 of the Company’s Annual Report and Financial Statements for the year ended 31 December 2010, in paragraph 10(a)(v) (Material Contracts) of Part VII (Additional Information) on page 76 of the 2009 Circular and in note 18 of the Company’s Interim Management Report for the six months ended 30 June 2011, each of which has been incorporated by

reference, Fiberweb has not entered into any related party transactions during the three financial years ended 31 December 2010, 2009 and 2008, nor during the period between 31 December 2010 and 14 November 2011, being the latest practicable date prior to publication of this document. Related party transactions for these purposes are those set out in the standards adopted according to Regulation (EC) No 1606/2002.

12. Litigation

12.1 *Continuing Group*

There are no, nor have there been any, governmental, legal or arbitration proceedings (nor is the Company aware of any such proceedings being pending or threatened) which during the last twelve months prior to the date of this document may have, or in the recent past have had, a significant effect on the Continuing Group's financial position or profitability.

12.2 *Target Group*

There are no, nor have there been any, governmental, legal or arbitration proceedings (nor is the Company aware of any such proceedings being pending or threatened) which during the last twelve months prior to the date of this document may have, or in the recent past have had, a significant effect on the Target Group's financial position or profitability.

13. Significant Changes

13.1 *Continuing Group*

There has been no significant change in the financial or trading position of the Continuing Group since 30 June 2011, being the date to which Fiberweb's most recent unaudited financial statements have been prepared.

13.2 *Target Group*

There has been no significant change in the financial or trading position of the Target Group since 30 June 2011, being the date to which the most recent financial information on the Target Group, presented in Part IV (*Financial Information relating to the Hygiene Business*) of this document has been prepared.

14. Consents

14.1 Lazard has given and has not withdrawn its written consent to the inclusion in this document of the references to its name in the form and context in which it is included.

14.2 Deloitte LLP has given and has not withdrawn its written consent to the inclusion in Part V (*Unaudited Pro Forma Financial Information*) of this document of its report on the unaudited pro forma financial statement of net assets for the Continuing Fiberweb Business in the form and context in which it is included.

15. Documents Available for Inspection

Copies of the following documents will be available for inspection during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the registered office of Fiberweb and at the offices of Baker & McKenzie LLP, 100 New Bridge Street, London EC4V 6JA from the date of this document up to and including the date of the General Meeting and for the duration of the General Meeting:

15.1 the Articles of Association of the Company;

15.2 the consolidated audited accounts of the Company for the financial years ended 31 December 2010, 31 December 2009 and 31 December 2008;

15.3 the unaudited financial statements of the Company for the period ended 30 June 2011;

15.4 the 2009 Circular;

- 15.5 the 2011 Prospectus;
- 15.6 the 2011 Supplementary Prospectus;
- 15.7 Deloitte LLP's report on the unaudited pro forma financial information;
- 15.8 the written consent letters referred to in paragraph 14 of this Part VI;
- 15.9 this document and the Form of Proxy; and
- 15.10 the Disposal Agreement.

16. Information Incorporated by reference

Certain information in relation to the Company has been incorporated by reference into this document. Please refer to Part VII (*Information Incorporated by Reference*) for further details.

Dated 16 November 2011

PART VII
INFORMATION INCORPORATED BY REFERENCE

The table below sets out the various sections of such documents which are incorporated by reference into this document, so as to provide the information required pursuant to the Listing Rules and to ensure that Fiberweb Shareholders and others are aware of all information which, according to the particular nature of the Company and the Disposal, is necessary to enable Fiberweb Shareholders and others to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Company and the Disposal. These documents are available on the Company's website at www.fiberweb.com.

<i>Document</i>	<i>Section</i>	<i>Page number(s) in such documents</i>
Interim Management Report of the Company for the six months ended 30 June 2011	Condensed Consolidated Income Statement	10
	Condensed Consolidated Statement of Comprehensive Income	11
	Condensed Consolidated Balance Sheet	12
	Condensed Consolidated Cash Flow Statement	13
	Condensed Consolidated Statement of Changes in Equity	14
	Notes to the Condensed Consolidated Financial Statements	15-23
	Independent Review Report to Fiberweb plc	24
The supplementary prospectus issued by the Company dated 14 March 2011	Paragraph 2 (New Material Contracts)	3-6
The prospectus issued by the Company dated 2 March 2011	Paragraphs 16 of Part IX (Additional Information)	135-137
Annual Report and Financial Statements of the Company for the year ended 31 December 2010	Notes to the Consolidated Financial Statements	62-99
Annual Report and Financial Statements of the Company for the year ended 31 December 2009	Notes to the Consolidated Financial Statements	60-99
The circular to the shareholders of the Company dated 26 June 2009	Part VII (Additional Information) – paragraph 10 (Material Contracts)	75-76
	Part VI (Further Information on the Principal Transaction Documents)	67-72
	Part VIII (Definitions)	79-82

Information that is itself incorporated by reference or referred or cross-referred to in these documents is not incorporated by reference into this document. Except as set forth above, no other portion of these documents is incorporated by reference into this document.

PART VIII
DEFINITIONS

The following definitions apply throughout this document, unless the context requires otherwise:

“2006 Act”	the Companies Act 2006 and every statute (including any orders regulations or other subordinate legislation made under it) from time to time in force concerning companies in so far as they apply to Fiberweb;
“2009 Circular”	the circular issued by the Company to Shareholders on 26 June 2009 in connection with the FitesaFiberweb Joint Venture;
“2011 Prospectus”	the prospectus issued by the Company on 2 March 2011 in connection with a 1 for 3 rights issue;
“2011 Supplementary Prospectus”	the supplementary prospectus issued by the Company on 14 March 2011;
“Board” or “Directors”	the directors of Fiberweb whose names are set out on page 5 of this document;
“Boddingtons”	Boddingtons International Limited;
“Completion”	completion of the Disposal in accordance with the terms of the Disposal Agreement;
“Continuing Group”	Fiberweb and its subsidiary undertakings excluding the Target Group;
“Credit Facilities”	a US\$170,000,000 revolving credit facility and a €110,000,000 revolving credit facility;
“Credit Facilities Agreement”	a facilities agreement dated 23 February 2010 between (1) the Company (as borrower) (2) the Company and certain of its subsidiaries (as original guarantors) (3) Barclays Capital (the Investment Banking Division of Barclays Bank PLC), HSBC Bank plc, Lloyds TSB Bank plc, the Royal Bank of Scotland plc (as mandated lead arrangers) (4) HSBC Bank plc and Lloyds TSB Bank plc (as bookrunners) (5) Lloyds TSB Bank plc, The Royal Bank of Scotland plc, HSBC Bank PLC and Barclays Bank PLC (as initial lenders) and (6) HSBC Bank plc;
“CREST”	the system of paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear UK & Ireland Limited in accordance with the Uncertificated Securities Regulations 2001 (SI 2001/3755);
“CREST Manual”	the manual, as amended from time to time, produced by Euroclear UK & Ireland Limited describing the CREST system and supplied by Euroclear UK & Ireland Limited to users and participants thereof;
“CREST Proxy Instruction”	the instruction whereby CREST members send a CREST message appointing a proxy for the meeting and instructing the proxy on how to vote;
“Disclosure and Transparency Rules”	the rules made by the FSA under Part VI of FSMA relating to the disclosure of information (as amended from time to time);

“Disposal”	the proposed disposal of the Target Group by Fiberweb Holdings to the Purchaser pursuant to the Disposal Agreement;
“Disposal Agreement”	the conditional share purchase agreement dated 10 November 2011 between Fiberweb Holdings, the Company and the Purchaser described in more detail in Part III (<i>Principal Terms of the Disposal Agreement</i>) of this document;
“Disposal Resolution”	the ordinary resolution to approve the Disposal to be proposed at the General Meeting, the full text of which is set out in Part IX (<i>Notice of General Meeting</i>) of this document;
“Dollars”, “USD” or “US\$”	United States dollars;
“EBIT”	earnings before interest and taxation;
“EBITDA”	earnings before interest, taxation, depreciation and amortisation;
“EU”	the European Union;
“Euro”, “EUR” or “€”	the single currency of the European Union;
“Fiberweb” or “Company”	Fiberweb plc, a company incorporated in England and Wales with registered number 5683352;
“Fiberweb Group” or “Group”	in respect of any time prior to Completion, Fiberweb and its subsidiaries and subsidiary undertakings, including the Target Group and, in respect of any time following Completion, the Continuing Group;
“Fiberweb Holdings”	means Fiberweb Holdings Limited, a company incorporated in England and Wales with registered number 05719031, a wholly owned subsidiary of the Company;
“Fiberweb Option Schemes”	the Fiberweb Deferred Share Matching Plan; the LTIP; the Fiberweb Executive Share Option Plan and the Fiberweb Savings-Related Share Option Scheme;
“Fiberweb Shareholder”	a holder of Ordinary Shares;
“FitesaFiberweb Brazil”	FitesaFiberweb NaoTecidos S.A.;
“FitesaFiberweb Joint Venture”	the 50/50 joint venture between the Company and Petropar;
“Form of Proxy”	the form of proxy accompanying this document for use by Fiberweb Shareholders in connection with the General Meeting;
“General Meeting”	the general meeting of the Company to be held at the offices of Baker & McKenzie LLP, 100 New Bridge Street, London EC4V 6JA at 11.00 a.m. on 6 December 2011, or any adjournment thereof;
“Guaranteed Note”	has the meaning given to that term in Part III (<i>Principal Terms of the Disposal Agreement</i>);
“Hygiene Business”	the business of manufacturing and selling nonwoven fabrics to the hygiene market conducted by the Group directly and through the FitesaFiberweb Joint Venture prior to Completion as described in more detail in paragraphs 2 and 3 of Part I (<i>Letter from the Chairman</i>) of this document;
“IFRS”	International Financial Reporting Standards as endorsed by the EU;

“Industrial Business”	the business of manufacturing and selling nonwoven fabrics to the industrial and fabric softener sheet markets conducted by the Group prior to Completion as described in more detail in paragraphs 2 and 5 of Part I (<i>Letter from the Chairman</i>) of this document;
“Joint Venture Companies”	those members of the Target Group that form part of the FitesaFiberweb Joint Venture;
“Kronor” or “SEK” or “kr”	Swedish kronor;
“Lazard”	Lazard & Co., Limited;
“Listing Rules”	the listing rules made by the Financial Services Authority under Part VI of the Financial Services and Markets Act 2000 (as amended);
“LTIP”	the long term incentive plan approved by Fiberweb Shareholders in November 2006;
“Net Disposal Proceeds”	has the meaning given to it in section 8 of Part I (<i>Letter from the Chairman</i>) of this document;
“Ordinary Shares”	ordinary shares of 5 pence each in the capital of Fiberweb;
“Petropar” or “Purchaser”	Petropar S.A., a company incorporated in Brazil with registered number 91.820.068/0001-72;
“Petropar Lenders”	Banco Bradesco BBI S.A., HSBC Bank Brazil S.A. and Banco Santander (Brasil) S.A.;
“Petropar Mandate Letter”	the conditional mandate letter entered into between the Lenders and the Purchaser for the purposes of financing the Disposal pursuant to which the Lenders have agreed to provide funds to the Purchaser on Completion of US\$210,000,000 in aggregate for the purpose of the Disposal;
“Pre-Sale Reorganisation”	the reorganisation of the Target Group to be carried out by the Company under the terms of the Disposal Agreement prior to Completion to, <i>inter alia</i> , remove from the Target Group any subsidiaries or other assets which form part of the industrial business of the Company;
“Reais” or “BRL” or “R\$”	Brazilian Reais and “ Real ” shall be construed accordingly;
“Sterling” or “GBP” or “£”	British Pounds;
“Target Companies”	FitesaFiberweb Limited, Fiberweb Simpsonville, Inc., Fiberweb Nonwovens S.r.l., Fiberweb China Holdings B.V., Fiberweb Corovin GmbH, Fiberweb Sweden AB, FitesaFiberweb NaoTecidos S.A and FitesaFiberweb Washougal, Inc;
“Target Group”	means the Target Companies and the Target Subsidiaries following completion of the Pre-Sale Reorganisation;
“Target Subsidiaries”	Fiberweb (China) Airlaid Company Limited, FitesaFiberweb Simpsonville, Inc, FitesaFiberweb Mexico Holdings Limited, FitesaFiberweb Mexico S.A. de CV, FitesaFiberweb Mexico Holdings S.A. de CV, FitesaFiberweb Servicios S.A. de CV, and FitesaFiberweb Peru S.A.C.;
“Tubex”	Tubex Limited;

“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland;
“UK Listing Authority”	the Financial Services Authority acting in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000 (as amended); and
“US” or “United States”	the United States of America, its territories and possessions, any state of the United States and the District of Columbia.

Words importing the singular shall include the plural and vice versa.

PART IX

NOTICE OF GENERAL MEETING



(Incorporated and registered in England and Wales under the Companies Act 1985 with registered number 5683352)

NOTICE IS HEREBY GIVEN that a General Meeting of Fiberweb plc (the “**Company**”) will be held at 11.00 a.m. on 6 December 2011 at the offices of Baker & McKenzie LLP, 100 New Bridge Street, London EC4V 6JA to consider and, if thought fit, to pass the following resolution as an ordinary resolution of the Company:

Ordinary Resolution

THAT the proposed disposal (the “**Disposal**”) of the Company’s hygiene business described in the circular to the shareholders of the Company dated 16 November 2011 (the “**Circular**”) be and is hereby approved and the Directors of the Company be and are hereby authorised to do such things as they may in their absolute discretion consider necessary or desirable in order to implement and complete the Disposal in accordance with the terms set out in the Disposal Agreement (as defined in the Circular), subject to such immaterial amendments thereto as the Directors of the Company (or any duly authorised committee thereof) may in their absolute discretion think fit.

By order of the Board

Anthony O’Carroll
Company Secretary

16 November 2011

Registered Office:
Forsyth House
211-217 Lower Richmond Rd.
Richmond on Thames
London TW9 4LN

Notes

1. A member is entitled to appoint a proxy to exercise all or any of his rights to attend and to speak and vote on his behalf at the general meeting convened by this notice. A member may appoint more than one proxy in relation to the General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him. A proxy need not be a member of the Company. A form of proxy which may be used to make such appointment and give proxy instructions accompanies this notice. If you do not have a form of proxy and believe that you should have one, or if you require additional forms of proxy, please contact Capita Registrars 0871 664 0300 (from inside the UK - calls cost 10p per minute plus network extras) or +44 20 8639 3399 (from outside the UK).
2. To be valid, forms of proxy, if used, must be lodged at Capita Registrars, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU, by no later than 48 hours before the time appointed for the holding of the General Meeting. Completion and return of the proxy form will not preclude a member from attending and voting at the General Meeting in person if he/she so wishes. Alternatively, you may record your proxy vote electronically, either by utilising the web-based voting facility or the CREST electronic appointment service. If you would like to submit your form of proxy using the web-based voting facility go to www.capitashareportal.com. You will be asked to enter your unique investor code from the proxy card sent to you before you can lodge your vote. You will be asked to enter your unique investor code from the Form of Proxy sent to you before you can lodge your vote.
3. A person who has been nominated under s146 Companies Act 2006 to enjoy information rights (a “Nominated Person”) may have a right under an agreement between him/her and the member by whom he/she was nominated to be appointed, or to have someone else appointed, as a proxy for the General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may have a right under such an agreement to give instructions to the member as to the exercise of voting rights.
The statement of the rights of members to appoint proxies in note 1 above does not apply to Nominated Persons. The rights described in note 1 can only be exercised by members.
4. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the General Meeting (and any adjournment thereof) by utilising the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a “CREST Proxy Instruction”) must be properly authenticated in accordance with Euroclear UK & Ireland’s specifications and must contain the information required for such instructions, as described in the CREST manual. The message (regardless of whether it constitutes the appointment of a proxy or an amendment to an instruction given to a previously appointed proxy) must, in order to be valid, be transmitted so as to be received by the Company’s agent (ID RA 10) by the latest time(s) for receipt of proxy appointments specified in the notice of General Meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by CREST Applications Host) from which the agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST proxy instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his/her CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

5. To be entitled to attend and vote at the General Meeting (and for the purpose of the determination by the Company of the votes they may cast), members must be registered in the register of members of the Company at 6.00 p.m. on 4 December 2011 (or, in the event of any adjournment, at such time as is 48 hours before the adjourned meeting) Changes to entries on the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the General Meeting.
6. As at 14 November 2011 (being the last business day prior to the publication of this Notice) the Company’s issued share capital consists of 173,583,551 Ordinary Shares with each share carrying the right to one vote. The Company holds no Ordinary Shares in treasury. The total number of voting rights in the Company, as at 14 November 2011, was therefore 173,583,551.
7. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
8. Any member attending the meeting has the right to ask questions. The company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the company or the good order of the meeting that the question be answered.
9. A copy of this notice, and other information required by s311A of the Companies Act 2006, can be found at www.fiberweb.com.

