

28 October 2016

Fairpoint Group plc

Payment of deferred consideration pursuant to the acquisition of

Simpson Millar LLP

On 17 June 2014 Fairpoint Group plc ("**Fairpoint**" or "**the Group**") announced the acquisition of Simpson Millar LLP Solicitors ("**Simpson Millar**"), a consumer legal services business, the Group's entry platform into the consumer legal services marketplace.

The consideration payable on completion was £7 million in cash (on a debt free, cash free basis) and 1,415,529 ordinary shares in the Group. In addition, there was provision for the payment of an earn-out of up to £6 million based on the financial performance of Simpson Millar for two 12 month periods ending June 2015 and June 2016 (a maximum of £3 million to be payable in each 12 month period). Any additional consideration payable in the two 12 month periods was to be satisfied as to 50% by cash and as to 50% by shares ("**Earn-out Shares**").

Simpson Millar's financial performance has exceeded the financial hurdles set for the second earn-out period ended 30 June 2016 triggering the maximum earn-out for the period. Accordingly, the Group has paid £1.5 million in cash and issued 1,061,647 Earn-out Shares at the previously agreed price of 141p per share to the vendors of Simpson Millar. The vendors will be restricted from dealing in the 1,061,647 Earn-out Shares issued until after 30 June 2017.

Application has been made for the Earn-out Shares to be admitted to AIM on 3 November 2016. Upon admission of the Earn-out Shares to AIM, the enlarged issued share capital, excluding 1,194,167 shares held by Fairpoint in treasury, will be 46,709,518. This number may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest, or a change to their interest, in Fairpoint.

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Notes to editors:

Fairpoint Group plc is an AIM listed consumer professional services business specialising in the provision of consumer-focused legal services, personal debt solutions and claims management. The Group is structured into the following primary business lines:

1. Legal Services
2. Debt Management Plans (DMPs)
3. Claims Management

4. Individual Voluntary Arrangements (IVAs)

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