THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the action to be taken, you are recommended to seek immediately your own personal financial advice from an appropriately qualified independent adviser authorised pursuant to the Financial Services and Markets Act 2000 if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

If you receive this circular in any country or jurisdiction outside the United Kingdom you may not treat it as an invitation to elect to receive scrip dividend shares unless such an invitation could lawfully be made to you without International Public Partnerships Limited (the "**Company**") being required to comply with any registration or other legal requirements.

If you have sold or transferred all of your Shares in the Company prior to 21 April 2017 (the "**Record Date**"), please forward this document together with the Scrip Election Form without delay to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, except that such documents should not be sent into any jurisdiction where to do so might constitute a violation of local securities laws, including but not limited to the United States and Excluded Territories. Please refer to paragraph 8 of Part 2 of this circular if you intended to send these documents outside of the United Kingdom.

If you have sold or transferred only part of your holding of Shares in the Company prior to the Record Date, or if you have purchased additional Shares in the Company prior to the Record Date, but that sale, purchase or transfer has not been reflected in the number shown in Box 1 on the enclosed Scrip Election Form, you should contact your stockbroker, bank or other agent through whom the purchase, sale or transfer was made without delay for advice as to how this circular and the Scrip Election Form should be dealt with.

Part 3 contains a list of defined terms used in this circular.

INTERNATIONAL PUBLIC PARTNERSHIPS LIMITED

(Incorporated in Guernsey with registered number 45241)

Scrip Dividend Mandate Scheme

and

Offer of a Scrip Dividend Alternative to the Proposed Dividend for the period 1 July 2016 to 31 December 2016

If you wish to receive the dividend for the period 1 July 2016 to 31 December 2016 in cash on the whole of your holding of Shares, you should take no action.

If you hold share certificates for your Shares and wish to choose the Scrip Dividend Alternative in respect of all or some of your Shares, please complete the enclosed Scrip Election Form and return it as soon as possible, but in any case in order to reach the Company's registrar, Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, no later than 5.00 pm on 23 May 2017. If your Scrip Election Form has not been received by the Company's registrar by 5.00 pm on 23 May 2017, the full cash dividend entitlement will be paid in respect of all the Shares for which you hold share certificates.

If you wish to elect to receive Shares in lieu of all future dividends where a scrip dividend alternative is offered in respect of dividends made to holders of ordinary shares in respect of all the Shares for which you hold share certificates (a Scrip Dividend Mandate), you should mark Box 3 of the Scrip Election Form with a cross.

If you hold your Shares in CREST please refer to paragraph 7 of Part 2 of this circular.

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EXPECTED TIMETABLE OF EVENTS

Shares quoted ex dividend (the "**Ex Dividend Date**")	20 April 2017
Record date for the dividend for the period 1 July 2016 to 31 December 2016 and for Scrip Dividend Alternative entitlements (the "**Record Date**")	21 April 2017
Final time and date for receipt of Scrip Election Forms (including Scrip Dividend Mandates) and Dividend Election Input Messages in CREST	5.00 pm on 23 May 2017
Posting of cheques for payment of cash dividends	6 June 2017
Dispatch of certificates for Scrip Dividend Shares that are to be held in certificated form	7 June 2017
Dividend payment: cash dividends credited to bank accounts where instructed and (where applicable) CREST accounts credited with Scrip Dividend Shares	7 June 2017
Expected date for admission of new Scrip Dividend Shares to the Official List and to trading on the main market of the London Stock Exchange	7 June 2017

References to times in this document are to times in London, England unless otherwise stated.

The above times and/or dates may be subject to change and, in the event of such change, the revised times and/or dates will be notified to shareholders by an announcement through a regulatory information service.

PART 1: LETTER FROM THE BOARD

INTERNATIONAL PUBLIC PARTNERSHIPS LIMITED (the "Company")

(incorporated in Guernsey with registered number 45241)

Directors:
Rupert Dorey (Chairman)
Giles Frost
John Le Poidevin
John Stares
Claire Whittet
John Whittle

Registered Office
Heritage Hall
PO Box 225
Le Marchant Street
St Peter Port
GY1 4HY
Guernsey
Channel Islands

4 May 2017

To Qualifying Shareholders in International Public Partnerships Limited

Dear Qualifying Shareholder

Introduction
On 30 March 2017 your Board declared a dividend covering the period 1 July 2016 to 31 December 2016 of 3.325 pence per Share (the "**2016 Second Half Dividend**").

The Board intends to offer a scrip dividend alternative to the 2016 Second Half Dividend (the "**Scrip Dividend Alternative**") so that Qualifying Shareholders can elect to receive new Shares instead of a cash dividend ("**Scrip Dividend Shares**"). The 2016 Second Half Dividend is available to all Shareholders who have Shares registered in their names as at the close of business on 21 April 2017 (the Record Date). However, the Scrip Dividend Alternative is being offered only to Qualifying Shareholders. This circular explains how Qualifying Shareholders can take up this Scrip Dividend Alternative in respect of the 2016 Second Half Dividend and, separately, elect to receive new Shares instead of cash dividends in respect of future dividends when a scrip dividend alternative is offered to holders of ordinary shares.

The Board believes that the ability for Shareholders to elect to receive dividends from the Company wholly or partly in the form of new Shares rather than cash is likely to benefit both the Company and certain Shareholders. If Qualifying Shareholders do elect to receive Scrip Dividend Shares, the Company will benefit from the ability to retain the cash which would otherwise have been paid out as dividends. Qualifying Shareholders can also increase their shareholdings in the Company without incurring dealing costs or paying stamp duty reserve tax. Furthermore, the Board has been advised that under current UK law and HM Revenue & Customs practice, certain UK-resident Shareholders may be able to treat Scrip Dividend Shares as capital for tax purposes. Paragraph 12 of Part 2 of this circular ("United Kingdom taxation of the Scrip Dividend Alternative") contains further details.

At the extraordinary general meeting of the Company held on 15 January 2010, resolutions were passed approving amendments to the Company's articles of incorporation to permit scrip dividends and granting the Board authority to offer a scrip dividend alternative to Shareholders. This authority was most recently renewed at the Company's annual general meeting on 2 June 2016 for dividends declared in respect of any financial period of the Company ending prior to the Company's annual general meeting in 2017, although the Board's authority to issue the Scrip Dividend Shares remains conditional on the Board remaining satisfied, on reasonable grounds, that the Company will immediately after issuing the Scrip Dividend Shares satisfy the solvency test as set out in section 527 of the Law for the purposes of section 304 of the Law.

The Scrip Dividend Alternative is conditional on: (a) the listing of the Scrip Dividend Shares on the Official List of the UKLA; (b) admission of the Scrip Dividend Shares to trading on the London Stock Exchange's main market for listed securities; (c) the Board not deciding to revoke their decision to offer Scrip Dividend Shares; and (d) the Board remaining satisfied, on reasonable grounds, that the Company will immediately after issuing the Scrip Dividend Shares satisfy the solvency test as set out in section 527 of the Law for the purposes of section 304 of the Law.

Action to be taken
Qualifying Non-CREST Shareholders
If you are a Qualifying Shareholder and hold share certificates for your Shares, in order to elect to receive Scrip Dividend Shares in relation to all or part of your dividend entitlement you will need to complete the enclosed Scrip Election Form. Your completed Scrip Election Form must be received by the Company's registrar by no later than 5.00 pm on 23 May 2017. If it has not been received by then, you will receive the full cash dividend entitlement in respect of all of your Shares.

You can also give a Scrip Dividend Mandate, which is a standing election to receive not only the 2016 Second Half Dividend, but also all dividends declared by the Company in the future where the Board decides to offer a scrip dividend alternative, in the form of new Shares in respect of your entire shareholding. Scrip Dividend Mandates will only be valid in respect of scrip dividend alternatives offered in respect of dividends made to holders of ordinary shares in the Company. If you make this election, the Company will write to you each time the Board offers a scrip dividend alternative in the form of new ordinary shares, advising you of the basis of your entitlement to new Shares.

Scrip Dividend Mandates can also be given online via www.capitashareportal.com.

If you gave a Scrip Dividend Mandate at the time of a previous scrip dividend offered by the Company, then unless you want to change the mandate you need take no action. If you wish to change your election, you will need to revoke it. Please see Paragraph 6 of Part 2 of this circular for how to do this in time for this scrip dividend alternative to be paid to you in cash.

Qualifying CREST Shareholders
If you are a Qualifying Shareholder holding your Shares in CREST and wish to receive Scrip Dividend Shares in respect of all or some of your dividend entitlement, you should submit a Dividend Election Input Message (as defined in the CREST Manual) by 5.00 pm on 23 May 2017.

Unfortunately it is not possible for CREST Shareholders to make a standing election. However, the Company will write to all eligible Shareholders each time a dividend is declared and the Board decides to offer a scrip dividend alternative and you will have the opportunity to elect to receive that dividend in the form of new Shares where a scrip dividend alternative is offered.

If you do not wish to receive any Scrip Dividend Shares
If you would like to receive the 2016 Second Half Dividend in cash in respect of all of your dividend entitlement, you should take no action and need not respond to this circular (unless you wish to revoke a previous mandate to receive all dividends where a scrip dividend alternative is offered in new Shares). Your dividend will be paid to you in the usual way on the dividend payment date (on page 2 of this circular). This will not prevent you from choosing to receive future dividends in the form of new Shares where a scrip dividend alternative is offered, subject to applicable regulatory requirements at the time.

Non-Qualifying Shareholder
If you are not a Qualifying Shareholder, you may not receive Scrip Dividend Shares and you should take no action. Please note that all Shareholders who are located in, or who hold on behalf of persons located in, any jurisdiction in the EEA other than the UK and Ireland are not Qualifying Shareholders for this Scrip Dividend Alternative. If you were registered as holding Shares on the Record Date, your dividend will be paid to you in cash in the usual way on the dividend payment date. Please also see paragraph 8 of Part 2 of this circular.

Full details of what you need to do in response to this circular are set out in Part 2 of this circular and you are reminded to take professional advice from an appropriately qualified person. Part 2 also provides more information on the Scrip Dividend Alternative and Scrip Dividend Mandate and contains a summary as at the date of this circular of some of the UK taxation consequences of receiving Scrip Dividend Shares.

Yours faithfully

Rupert Dorey
Chairman

PART 2: TERMS AND CONDITIONS AND FURTHER INFORMATION

1. Terms of Election

Qualifying Shareholders with Shares registered in their names at the close of business on the Record Date may elect to receive all or part of their entitlement to the 2016 Second Half Dividend in the form of Scrip Dividend Shares credited as fully paid, instead of in cash, at a price of 154.16 pence per Share.

No fraction of a Scrip Dividend Share can be issued and the cash representing any fractional entitlement to a Scrip Dividend Share will be dealt with as described in paragraph 4 below. All elections will be subject to fulfilment of the conditions specified in paragraph 2 below. If the conditions are not satisfied, an election will automatically become void and Shareholders will receive the Full Cash Dividend in the usual way.

The entitlement to receive Scrip Dividend Shares under the Scrip Dividend Alternative and the Scrip Dividend Mandate is personal and non-transferable.

The Scrip Dividend Alternative election may be made by a Qualifying Shareholder in respect of all or part of the holding of Shares registered in their name at the close of business on the Record Date.

If the Board decides to offer Scrip Dividend Shares instead of any cash dividend in the future you will be informed separately and further scrip election forms will be sent to you unless you have validly made, and not elected to revoke or had cancelled by the Company, a Scrip Dividend Mandate (as described in paragraph 6 below), in which case a notice detailing the basis of your entitlement to new Shares and any residual cash balance will be sent to you instead.

By executing Scrip Election Forms, Qualifying Shareholders are deemed to accept the terms and conditions of the Scrip Dividend Alternative detailed herein and (if they have completed the Scrip Dividend Mandate) future scrip dividend alternatives to which the Scrip Dividend Mandate applies.

2. Conditions

The Scrip Dividend Alternative is conditional on:

(a) listing of the Scrip Dividend Shares on the Official List of the UKLA (see paragraph 10 below);

(b) admission of the Scrip Dividend Shares to trading on the London Stock Exchange's main market for listed securities;

(c) the Board not revoking their decision to offer Scrip Dividend Shares instead of the Full Cash Dividend; and

(d) the Board remaining satisfied, on reasonable grounds, that the Company will immediately after issuing the Scrip Dividend Shares satisfy the solvency test as set out in section 527 of the Law for the purposes of section 304 of the Law.

The Board has the power to revoke their decision to offer Scrip Dividend Shares instead of the Full Cash Dividend at any time up to 5.00 pm on 23 May 2017. It is envisaged that the Board would only revoke this decision if there is a change in market conditions, a significant fall in the price of the Shares, or an event occurs that in the Board's opinion would materially impact the Net Asset Value of the Company, such that the Board considers that the Scrip Dividend Alternative would be substantially less beneficial to Shareholders accepting the offer or that it would breach applicable regulatory requirements.

3. Basis of Entitlement

Each Qualifying Shareholder's entitlement to Scrip Dividend Shares under the Scrip Dividend Alternative in respect of the 2016 Second Half Dividend is based on a price for each Scrip Dividend Share of 154.16 pence per Share (being the average of the middle market prices of the Shares derived from the Daily Official List of the London Stock Exchange for the Ex Dividend Date and the four subsequent dealing days (the "**Reference Share Price**")).

The formulae used for calculating the maximum Scrip Dividend Share entitlement are as follows:

number of Shares held at the Record Date by Qualifying Shareholders x dividend per Share = aggregate dividend available for scrip election

and

$$\frac{\text{aggregate dividend available for scrip election}}{\text{Reference Share Price}} = \text{number of Scrip Dividend Shares (rounded down to the nearest whole number – see paragraph 4)}$$

4. Fractional Entitlements

Any residual cash amount representing a fraction of a Scrip Dividend Share arising as a result of an election for the Scrip Dividend Alternative in respect of all or part of a holding will never exceed the value of one Share at the Reference Share Price. Cheques for the value of any such residual cash amounts will be posted to Shareholders who are entitled to them on 6 June 2017.

5. Non-Crest Qualifying Shareholders: How to Make the Election for the Scrip Dividend Alternative

Note: this paragraph 5 applies only to Non-CREST Qualifying Shareholders, that is, Qualifying Shareholders who hold share certificates for their Shares.

To receive your full entitlement to Scrip Dividend Shares
To receive the maximum number of Scrip Dividend Shares to which you are entitled, sign, date and post the enclosed Scrip Election Form so as to reach the Company's registrar by no later than 5.00 pm on 23 May 2017.

If you would like to take Scrip Dividend Shares on this occasion but would like to consider your options each time a scrip dividend alternative is made available, then you should sign, date and post the Scrip Election Form but **not** mark Box 3 with a cross. If, however, you also wish to elect for the maximum number of Scrip Dividend Shares receivable in respect of each future dividend when a scrip dividend alternative is offered, you should mark Box 3 on the Scrip Election Form with a cross (and see further paragraph 6 below).

To receive a combination of Scrip Dividend Shares and cash
To receive your dividend as a combination of Scrip Dividend Shares and cash, insert in Box 2 on the enclosed Scrip Election Form the exact number of Shares of your existing holding in respect of which you wish to elect to receive Scrip Dividend Shares instead of the Full Cash Dividend, then sign, date and post the Scrip Election Form so as to reach the Company's registrar by no later than 5.00 pm on 23 May 2017. If on the Scrip Election Form you do not specify in Box 2 the number of Shares in respect of which you are making your election, or if you make the election in respect of a greater number of Shares than shown in Box 1 on the form, your election will be deemed to be in respect of all the Shares shown in Box 1.

To receive the Full Cash Dividend
To receive the Full Cash Dividend in the usual way, take no action. Your dividend will be paid in cash in the usual way.

6. Non-Crest Qualifying Shareholders: How to make the Election for the Scrip Dividend Mandate
Note: this paragraph 6 applies only to Non-CREST Qualifying Shareholders, that is, Qualifying Shareholders who hold share certificates for their Shares.

To receive your maximum entitlement to Scrip Dividend Shares for the 2016 Second Half Dividend and all future dividends when a scrip dividend alternative is offered in respect of dividends made to holders of ordinary shares, mark Box 3 on the Scrip Election Form with a cross and sign, date and post the Scrip Election Form so as to reach the Company's registrar by no later than 5.00 pm on 23 May 2017. Box 3 cannot be used to elect for future scrip dividend alternatives if you only wish to elect to receive future dividends in the form of Scrip Dividend Shares in respect of part of your holding.

Alternatively, Scrip Dividend Mandates can be made online via www.capitashareportal.com.

A Scrip Dividend Mandate, until revoked, instructs the Company to treat you as having elected to take the maximum whole number of Scrip Dividend Shares available instead of cash in respect of all future dividends for which a scrip dividend alternative is offered in respect of dividends made to holders of ordinary shares and for which you are eligible. The Scrip Dividend Mandate will apply to your entire holding of Shares on the record date for the relevant dividend. All Shareholders for whom a Scrip Dividend Mandate is in force will receive, prior to each dividend payment date, a notice containing details of the basis of their entitlement (if any) to Scrip Dividend Shares, which will be calculated in accordance with paragraph 3 above.

The Scrip Dividend Mandate will only apply in respect of any future dividend if the Board decides to offer a scrip dividend alternative in respect of that dividend. If the Board decides not to offer a scrip dividend alternative in respect of any particular dividend, a full cash dividend will be paid in the usual way. Scrip Dividend Mandates will also only be valid in respect of scrip dividend alternatives offered in respect of dividends made to holders of ordinary shares in the Company. If the Board decides to offer a scrip dividend alternative where Shareholders would receive new shares of a different class, Shareholders who wish to make an election in respect of that different class of shares will need to complete a new Scrip Dividend Mandate.

If you acquire or dispose of any Shares (including any scrip dividend Shares previously issued to you), the Scrip Dividend Mandate will continue to apply (until revoked) to such increased or decreased shareholding. Your Scrip Dividend Mandate may be cancelled by the Company at any time, or by you giving written notice to the Company's registrar so as to be received before the final time and date for receipt of scrip election forms in respect of the relevant dividend. Your Scrip Dividend Mandate will automatically be revoked if the Company registers a transfer of all your Shares or if the Company receives notice of your death, insolvency, bankruptcy or mental incapacity.

7. Crest Qualifying Shareholders: How to make the Election for the Scrip Dividend Alternative
Note: this paragraph 7 applies only to Qualifying Shareholders who hold their Shares in CREST. Terms defined in the CREST Manual and not re-defined in this circular have the meanings attributed to them in the CREST Manual unless the context otherwise requires.

(i) Election for Scrip Dividend Shares
You can only elect to receive your dividend in the form of Scrip Dividend Shares by means of CREST procedures to effect such an election. No other form of election will be permitted and if any is received it will be rejected and returned to you. If you are a CREST Personal Member, or other CREST Sponsored Member, you should consult your CREST sponsor, who will be able to take appropriate action on your behalf.

The CREST procedures require the use of the Dividend Election Input Message in accordance with the CREST Manual. The Dividend Election Input Message submitted must contain the number of Shares on which the election is being made, whether this is all or part of your holding at the Record Date.

An election for a Scrip Dividend Mandate will not be permitted.

The Dividend Election Input Message includes a number of fields which, for a valid election to be made, must be input correctly as indicated below:

(1) Dividend Election Reference – You must indicate here a reference for the dividend election which is unique to your CREST participant ID;
(2) Account ID – If you have more than one member account, you must indicate the member account ID to which the election relates;
(3) ISIN – This is GB00B188SR50;
(4) Dividend type – You must enter "SCRIP" here;

(5) Corporate Action – You must enter here the Corporate Action number for the dividend on which your election is being made. A Scrip Dividend Mandate cannot be made;
(6) Number of shares – You must enter here the number of Shares over which your election is made whether this is all or part of your holding. If you leave this field blank or enter zero in this field, your election will be rejected. If you enter a number of Shares greater than your holding in CREST on the Record Date, the election will be applied to the total holding in the relevant CREST member account at the Record Date; and
(7) Contact details – this field is optional, although you are asked to include contact details in the event of a query relating to your election.

The Company and/or its registrar reserve the right to treat as valid an election which is not complete in all respects.

By inputting a Dividend Election Input Message as described above, you confirm your election to participate in the Scrip Dividend Alternative in accordance with the details input and the terms and conditions of the Scrip Dividend Alternative as amended from time to time.

There is no facility to amend an election which has been made by Dividend Election Input Message; if you wish to change your election details, you must first cancel the existing election as described below and then input a Dividend Election Input Message with the required new details.

(ii) Partial elections
You can elect to receive Scrip Dividend Shares over part of your shareholding and receive the balance as a cash dividend.

(iii) Timing
If you wish to receive Scrip Dividend Shares in respect of some or all of your holding, you must make your election by 5.00 pm on 23 May 2017.

(iv) Cancelling an election
You may only cancel an election by utilising the CREST procedures for deletions described in the CREST Manual. Your deletion must be received and, in accordance with CREST procedures, accepted by 5.00 pm on 23 May 2017 for it to be valid for the 2016 Second Half Dividend. It is recommended that you input any deletion message 24 hours in advance of the above deadline to give the Company and its registrar sufficient time to accept the deletion.

(v) Basis of entitlement
Your entitlement to Scrip Dividend Shares is calculated in accordance with paragraph 3 above. Once your Scrip Dividend Shares have been issued, an accounting statement will be sent to you showing the number of Scrip Dividend Shares issued and the total cash equivalent of the Scrip Dividend Shares for tax purposes.

(vi) Residual cash balance
If you have elected to receive Scrip Dividend Shares in respect of your entire shareholding, then any residual cash balance will be paid to you by cheque as a cash dividend. No fractions of a Scrip Dividend Share will be issued.

If you elect to only receive part of your dividend as Scrip Dividend Shares, you will receive the balance as a cash dividend.

(vii) Future dividends
If you wish to receive Scrip Dividend Shares for future dividends where a scrip dividend alternative is offered, you must complete a Dividend Election Input Message on each occasion. If you do not complete a Dividend Election Input Message then you will receive your dividend in cash.

If the Directors decide not to offer a scrip dividend alternative in respect of a future dividend, the full cash dividend will be paid to you in the usual way.

8. Shareholders outside the United Kingdom
If you receive this letter in any country or jurisdiction outside the United Kingdom you may not treat it as an invitation to elect to receive Scrip Dividend Shares unless such an invitation could lawfully be made to you without the Company being required to comply with any registration or other legal requirements. In particular, Scrip Dividend Shares are not being offered to EEA Shareholders other than UK and Ireland Shareholders.

It is the responsibility of any person resident outside the UK wishing to elect to receive Scrip Dividend Shares, either in respect of the 2016 Second Half Dividend or (by way of a Scrip Dividend Mandate) on each occasion that a scrip dividend alternative is being offered by the Company, to be satisfied as to full observance of the laws of the relevant territory, including obtaining any government or other consents which may be required and observing any other formalities in such territories.

9. What to do if you have more than one Registered Holding
If for any reason your Shares are, on the Record Date, registered in more than one holding and as a result you have received more than one Scrip Election Form then, unless you are able to make arrangements with the Company's registrar to have your holdings consolidated before 23 May 2017, they will be treated for all purposes as separate and you should complete separate Scrip Election Forms (including separate Scrip Dividend Mandates) or, in the case of holdings in CREST, separate Dividend Election Input Messages accordingly.

10. Listing and Ranking of the Scrip Dividend Shares
Application will be made to the UKLA for admission of the Scrip Dividend Shares to the Official List and to the London Stock Exchange plc for admission of the Scrip Dividend Shares to trading on the main market of the London Stock Exchange.

The Scrip Dividend Shares will on issue be credited as fully paid and will rank pari passu in all respects with the existing Shares, except for participation in the 2016 Second Half Dividend, and will rank pari passu for all future dividends.

11. General

The Scrip Dividend Alternative is subject to the Company's articles of incorporation and the terms and conditions in this circular. The Scrip Dividend Alternative and such terms and conditions are governed by and to be construed in accordance with English law. By completing Scrip Election Forms or submitting Dividend Election Input Messages, Qualifying Shareholders agree to submit to the exclusive jurisdiction of the English courts in relation to the matters in this circular. See further paragraph 13.

No acknowledgement of Scrip Election Forms, Scrip Dividend Mandates or Dividend Election Input Messages will be issued.

Subject to satisfaction of the conditions set out in this circular, definitive share certificates for the Scrip Dividend Shares held outside CREST will be posted, at the risk of the persons entitled thereto, on 7 June 2017, while CREST members should have their accounts credited on 7 June 2017.

Dealings in the Scrip Dividend Shares are expected to begin on 7 June 2017. In the unlikely event that the UKLA does not agree before 7 June 2017 to admit the Scrip Dividend Shares to the Official List, or if any of the other conditions for the Scrip Dividend Alternative in paragraph 2 are not satisfied, Scrip Election Forms and Dividend Election Input Messages will be disregarded and the Company will pay the 2016 Second Half Dividend in cash in the usual way as soon as practicable on or after 7 June 2017.

If all Qualifying Shareholders were to decide to receive the 2016 Second Half Dividend in cash the total cash dividend payable by the Company (including to non-Qualifying Shareholders) would be £37,486,750.77 subject (where relevant) to a non-payable tax credit of one ninth of the amount of such dividend.

If all Qualifying Shareholders were to elect to receive Scrip Dividend Shares instead of cash in respect of their entire holdings, approximately 24,312,971 Scrip Dividend Shares would be issued based on the Reference Share Price (ignoring any reduction in respect of fractions), representing 2.16% of the issued ordinary share capital of the Company as at 10.00 am on the date of this circular. As at 10.00 am on the date of this circular the share capital of the Company was unlimited, and 1,127,421,076 Shares of 0.01 pence each were in issue.

Further copies of this letter and/or Scrip Election Forms may be obtained free of charge during normal business hours from any of the following:

Capita Asset Services
Corporate Actions
The Registry
34 Beckenham Road
Beckenham
Kent
BR3 4TU

Shareholder Helpline: 0371 664 0321 Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00 am and 5.30 pm, Monday to Friday excluding public holidays in England and Wales up to and including 23 May 2017. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes. All enquiries in respect of the Scrip Dividend Alternative and Scrip Dividend Mandate should be addressed to the Company's registrar, Capita Asset Services.

12. United Kingdom taxation of the Scrip Dividend Alternative

The following is a general summary of the UK tax consequences of electing to receive Shares under the Scrip Dividend Alternative instead of a cash dividend and is based on current UK law and HMRC practice as at the date of this circular (which are subject to change possibly with retrospective effect). It applies only to UK-resident Shareholders who are the beneficial owners of their Shares and who hold their Shares as an investment. The following summary does not address the position of certain classes of Shareholders, such as dealers in securities.

Investors should consult their own professional tax advisers in relation to the tax consequences of electing to receive Shares instead of a cash dividend as this will depend upon their individual circumstances. Shareholders who are in any doubt as to what action to take, or who are subject to tax in a jurisdiction other than the UK, should consult an independent professional adviser.

(i) UK Taxation of Chargeable Gains

On the basis of case law, UK-resident Shareholders should not receive any income liable to UK income tax or corporation tax to the extent that they elect to receive Scrip Dividend Shares instead of the cash dividend, nor should they make any disposal for chargeable gains tax purposes at the time the Scrip Dividend Shares are issued. Instead the Scrip Dividend Shares and the original registered holding of Shares in respect of which the Scrip Dividend Shares are issued (the "**Original Holding**") should be treated as a single holding acquired at the time of the Original Holding.

There will be no allowable expenditure for chargeable gains tax purposes arising in respect of the Scrip Dividend Shares and the allowable expenditure arising in respect of the Original Holding will be apportioned across the Original Holding and the Scrip Dividend Shares.

A disposal for chargeable gains tax purposes will only arise at the time the Shareholder subsequently disposes of the Scrip Dividend Shares or the Original Holding (a "**Subsequent Disposal**"). UK-resident individual Shareholders may be subject to capital gains tax in respect of chargeable gains arising on a Subsequent Disposal depending on the individual circumstances. UK-resident corporate Shareholders may be subject to corporation tax in respect of chargeable gains arising on a Subsequent Disposal depending on their individual circumstances. UK-resident exempt funds will not be liable to tax on chargeable gains arising upon a Subsequent Disposal of investments held for the purposes of the fund.

(ii) UK Stamp Duty and Stamp Duty Reserve Tax

No UK stamp duty or stamp duty reserve tax will be payable on the issue of any Shares pursuant to the Scrip Dividend Alternative.

13. AIFM Directive Disclosures

In order that the Scrip Dividend Alternative can be offered to investors in the UK in accordance with the Alternative Investment Fund Managers Directive (the "**AIFM Directive**"), certain pre-investment disclosures must be made by the Company.

Accordingly, this paragraph contains information required to be disclosed in accordance with the AIFM Directive, including by explaining where investors can find the relevant information in the Company's prospectus dated 12 April 2017 (the "**Prospectus**") and/or the Company's most recent audited annual report and accounts for the year ended 31 December 2016 (the "**Annual Report**") and/or the Company's most recent interim report and accounts for the period ended 30 June 2016 (the "**Half Year Report**"). The Prospectus, the Annual Report and the Half Year Report can be found on the Company's website, (www.internationalpublicpartnerships.com). Copies of each may also be obtained by writing to the Company's registered office.

By submitting a Scrip Election Form or a Dividend Election Input Message, UK investors will be deemed to have represented that they have received and read the required disclosures.

- Part I of the Prospectus contains a description of the investment strategy and objectives of the Company, the types of assets in which the Company may invest, the techniques it may employ, any applicable investment restrictions and the procedures by which the Company may change its investment strategy or investment policy. The Company's investment policy is also summarised on page 43 of the Annual Report.

- Part I of the Prospectus also contains a description of the circumstances in which the Company may use leverage, restrictions on the use of leverage and the maximum level of leverage which the Company is entitled to employ. There is no restriction on the types of leverage permitted. Borrowing from the Company is typically from lending banks. In view of the nature of the Company's underlying investments, such investments are not capable of being lent out or otherwise rehypothecated, so there are no collateral or asset reuse arrangements in place in respect of the Company's investment portfolio. The Company has not engaged the services of any prime broker.

- The key risks associated with the investment strategy, objectives and techniques of the Company and with the use of leverage by the Group are contained in the section of the Prospectus entitled "Risk Factors" and on pages 30 to 38 of the Annual Report.

- The Company is not a fund of funds and so there is no master AIF, nor are there any underlying funds.

- The procedure and conditions for the issue of and subscription for Scrip Dividend Shares is contained in Part 2 of this circular. This circular also explains the main legal implications of the contractual relationship entered into by applying to receive Scrip Dividend Shares in the Company and the applicable law and jurisdiction. Since the Scrip Dividend Alternative is governed by the law of England, a final and conclusive judgment, capable of execution, obtained in a superior court of England and Wales (being the Supreme Court and the Senior Courts of England and Wales excluding the Crown Court, having jurisdiction over a defendant for a fixed sum (other than for taxes or similar charges)) in respect of the Scrip Dividend Alternative and after a hearing of the merits in that court, would be recognised and enforced by the Royal Court of Guernsey without re-examination of the merits of that case, but subject to compliance with procedural and other requirements of the Judgments (Reciprocal Enforcement) (Guernsey) Law 1957, as amended, unless any such judgment (a) is obtained by fraud; (b) is in conflict with Guernsey public policy; (c) has already been satisfied wholly; or (d) could not be enforced by execution in the jurisdiction of origin.

- The Company is categorised in accordance with the AIFM Directive as an internally managed non-EEA alternative investment fund (or AIF) and so has no external alternative investment fund manager (or AIFM). While the Company is not subject to the AIFM Directive requirements relating to the appointment of depositaries generally, a depositary has been appointed and will carry out depositary services if certain conditions are met (as further described in paragraph 10.11 of Part X of the Prospectus) in connection with the Company's marketing effects in the EEA and arrangements have been made for the depositary to contractually discharge itself of liability in accordance with the requirements of Article 21(13) of the AIFM Directive.

- As an internally managed non-EEA AIF, the Company is not required to comply with Article 9(7) of the AIFM Directive in respect of professional liability risk.

- As described in Parts I and V of the Prospectus, the Directors delegate certain of their functions to other parties such as Amber Fund Management Limited ("**Amber**"), Heritage International Fund Managers Limited (the Company's administrator and company secretary) and Capita Asset Services. In particular, the Directors have delegated responsibility for investment advice and day-to-day management of the projects comprising the Company's portfolio to group entities within the Amber group, but investment decisions are taken by the Board, having regard to advice from Amber. The conflicts of interest which may arise in relation to such delegation and the methods to deal with them are described in Parts I and V of the Prospectus. As set out under paragraph 10.11 of the Prospectus, under the depositary agreement, the depositary will delegate the safekeeping of any financial instruments that are capable of being held in custody.

- A description of the Company's valuation procedure and of the pricing methodology for valuing assets, including the methods used in valuing hard-to-value assets, is contained in Part I of the Prospectus and pages 23 to 29 of the Annual Report

- The Company is a closed-ended investment company. However the Scrip Dividend Shares are to be listed on the Official List and admitted to trading on the Main Market and will be freely transferable. As regards liquidity risk management, a description of the discount management mechanisms which may be employed by the Company in respect of its ordinary shares is contained in Part I of the Prospectus, although the exercise by the Directors of the Company's powers to repurchase Shares either pursuant to a tender offer or any general repurchase authority is entirely discretionary.

- A description of all fees, charges and expenses and of the maximum amounts thereof which are borne by the Group (and thus indirectly by investors) is contained in Parts I and X of the Prospectus. The Annual Report also shows fees, charges and expenses borne by the Group in respect of the year ended 31 December 2016. The Half Year Report contains some details of expenses for the period 1 January to 30 June 2016. There are no expenses charged directly to investors by the Company.

- As its ordinary shares are admitted to the Official List, the Company is required to comply with, inter alia, the relevant provisions of the Listing Rules and the Disclosure Guidance and Transparency Rules and the City Code on Takeovers, all of which operate to ensure a fair treatment of investors. As at the date of this circular, no investor has obtained preferential treatment or the right to obtain preferential treatment.

- The Annual Report and the Half Year Report are available on the Company's website (www.internationalpublicpartnerships.com), together with annual and interim reports for prior periods containing the Company's historical performance. The Annual Report contains the most recently published net asset value per share for the Company, and Part I of the Prospectus contains an (unaudited) estimated net asset value. As a non-EEA AIF, the Company is not required to comply with Article 19 of the AIFM Directive.

- The information required under paragraphs 4 and 5 of Article 23 of the AIFM Directive is (where applicable) disclosed in the Annual Report, and will be disclosed to investors in the Company's annual report in respect of future periods.

If there are any material changes to any of the information in this paragraph 13, those changes will be notified to investors in the Company's annual report, in accordance with Article 23 of the AIFM Directive.

PART 3: DEFINITIONS

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

"2016 Second Half Dividend"	the dividend covering the period 1 July 2016 to 31 December 2016 of 3.325 pence per Share;
"AIFM Directive"	the Alternative Investment Fund Managers Directive (Directive 2011/61/EU);
"Amber"	Amber Fund Management Limited;
"Annual Report"	the annual report and accounts of the Company for the year ended 31 December 2016;
"Board"	the directors of the Company (or, where the context requires, any duly constituted committee thereof);
"Capita Asset Services"	Capita Asset Services is a trading name of Capita Registrars Limited;
"Company"	International Public Partnerships Limited, a company incorporated under the laws of Guernsey with registered number 45241;
"CREST"	a paperless settlement procedure, operated by Euroclear UK & Ireland Limited, enabling system securities to be evidenced otherwise than by written instrument;
"CREST Manual"	the rules governing the operation of CREST;
"Excluded Shareholders"	Shareholders with a registered address in, or who are located in, or who hold shares on behalf of persons located in, the United States or one of the Excluded Territories;
"Excluded Territories"	Australia, Canada, Japan, South Africa, New Zealand, all jurisdictions in the European Economic Area other than the UK and Ireland, and any other jurisdiction where the extension or availability of the Scrip Dividend Alternative and the Scrip Dividend Mandate Scheme (and any other transaction or election contemplated thereby) would breach any applicable law or regulation;
"Full Cash Dividend"	the entitlement to the 2016 Second Half Dividend payable fully in cash;
"Group"	the Company and its investment subsidiaries;
"Half Year Report"	the interim report and accounts of the Company for the six months to 30 June 2016;
"Law"	the Companies (Guernsey) Law, 2008, as amended;
"Prospectus"	the Company's prospectus dated 12 April 2017;
"Qualifying Shareholders"	holders of existing Shares on the register of members of the Company at the Record Date, other than Excluded Shareholders;
"Record Date"	21 April 2017;
"Scrip Dividend Alternative"	the scrip dividend alternative to the 2016 Second Half Dividend;
"Scrip Dividend Mandate"	a standing election to receive all future dividends where a scrip dividend alternative is offered in the form of new Shares instead of in cash;
"Scrip Dividend Mandate Scheme"	the proposals in this circular whereby Qualifying Shareholders who hold Shares in certificated form may give a Scrip Dividend Mandate;
"Scrip Election Form"	the scrip election form for use by Qualifying Shareholders accompanying this circular;
"Shareholder"	a registered holder of a Share;
"Shares"	ordinary shares of 0.01 pence each in the capital of the Company; and
"UKLA"	the UK Financial Conduct Authority in its capacity as a competent authority for listing in the UK.