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11 July 2013

Dear Shareholder

2013 Annual General Meeting

I am pleased to be writing to you with details of our Annual General Meeting ('AGM') which we are holding at the offices of College Hill, The Registry, Royal Mint Court, London EC3N 4QN on Thursday 8 August 2013 at 11.00am. The formal Notice of Annual General Meeting together with an explanation of the resolutions on which you will be asked to vote are set out on pages 2 to 10 attached.

The Directors consider that all the resolutions to be put to the meeting are in the best interests of Flybe Group plc (the 'Company') and its shareholders as a whole and unanimously recommend that you vote in favour of them, as they intend to do in respect of their own beneficial holdings.

If you would like to vote on the resolutions but cannot attend the AGM, please register your proxy appointment and voting instructions in one of the following ways:

- By lodging your instructions online at www.flybe-shares.com. To do this you will need your investor code, which is shown on your share certificate.
- By filling in the proxy form sent to you with this Notice of Annual General Meeting and returning it to our registrar as soon as possible.
- If you are a CREST member, by submitting a CREST message. Please see the 'Important information' section at the back of the Notice of Annual General Meeting for further details.

All proxy appointments and instructions, by whichever method you choose, must be received by our registrar by 11.00am on Tuesday 6 August 2013.

If you appoint a proxy this will not prevent you from attending and voting at the AGM in person, should you choose to do so.

I hope that you will be able to attend our AGM and I look forward to meeting you.

Yours sincerely

Jim French
Chairman and Chief Executive

THIS DOCUMENT, WHICH CONTAINS THE NOTICE OF THE COMPANY'S ANNUAL GENERAL MEETING, IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

IF YOU ARE IN ANY DOUBT AS TO ANY ASPECT OF THE PROPOSALS REFERRED TO IN THIS DOCUMENT, OR AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD IMMEDIATELY CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER INDEPENDENT PROFESSIONAL ADVISER AUTHORISED UNDER THE FINANCIAL SERVICES AND MARKETS ACT 2000 IF YOU ARE RESIDENT IN THE UNITED KINGDOM OR, IF YOU RESIDE ELSEWHERE, ANOTHER APPROPRIATELY AUTHORISED INDEPENDENT FINANCIAL ADVISER.

If you sell or transfer or have sold or otherwise transferred all of your Ordinary Shares, please forward this document, but not the personalised Form of Proxy, as soon as possible to the purchaser or transferee or to the bank, stockbroker or other agent through or to whom the sale or transfer was effected, for onward delivery to the purchaser or transferee. 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. If you sell or have sold or otherwise transferred only part of your holding, you should retain these documents.

A Form of Proxy for the Annual General Meeting is enclosed and should be completed and returned so as to reach the Company's registrars no later than 11.00am on Tuesday 6 August 2013. Completion and return of the Form of Proxy will not prevent you from attending the Annual General Meeting in person should you so wish.



Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting ('AGM') of Flybe Group plc (the 'Company') will be held at the offices of College Hill, The Registry, Royal Mint Court, London EC3N 4QN on Thursday 8 August 2013 at 11.00am for the purposes set out below:

To consider, and if thought fit, to pass the following resolutions:

Resolutions 1 to 10 will be proposed as Ordinary Resolutions and Resolutions 11 to 13 will be proposed as Special Resolutions.

Ordinary Resolutions

Resolution 1: Directors' Report and Accounts

To receive and approve the Directors' and auditor's reports and the audited financial statements of the Group and the Company for the financial year ended 31 March 2013.

Explanatory Note to Resolution 1

The Directors are required to present the audited financial statements and the reports of the Directors and the auditor to the shareholders at each annual general meeting. The Directors' and auditor's reports and the audited financial statements of the Group and the Company to be approved at this Annual General Meeting relate to the financial year ended 31 March 2013 and are set out in the Flybe Group plc Annual Report 2012/13.

Resolution 2: Directors' Remuneration Report

To receive and approve the Directors' Remuneration Report for the financial year ended 31 March 2013.

Explanatory Note to Resolution 2

In accordance with section 439 of the Companies Act 2006 (the '2006 Act'), the Board has presented its Directors' Remuneration Report (the 'Remuneration Report') to shareholders in the Flybe Group plc Annual Report 2012/13.

The Remuneration Report, which can be found in the Flybe Group plc Annual Report 2012/13 (pages 51 to 59) gives details of Directors' remuneration for the year ended 31 March 2013 and sets the Company's overall policy on Directors' remuneration. The Company's independent auditor, Deloitte LLP, has audited those parts of the Remuneration Report capable of being audited and its report can be found in the Annual Report 2012/13 (page 61).

The Board of Directors (the 'Board') considers that appropriate executive remuneration plays a vital role in helping to achieve the Company's overall objectives and, accordingly, in compliance with the 2006 Act, shareholders will be invited to approve the Remuneration Report. The vote on this Resolution 2 is advisory only, however, and the Directors' entitlement to remuneration is not conditional on this resolution being passed.

Resolution 3:

To re-elect Charlie Scott as a Director of the Company.

Resolution 4:

To re-elect Alan Smith as a Director of the Company.

Explanatory Note to Resolutions 3 and 4

In line with the UK Corporate Governance Code published by the Financial Reporting Council in June 2010 (the 'Code'), as it is applied to companies of the size of the Company, the Company's Articles of Association require Directors to submit themselves for re-election if they have not been elected or re-elected at either of the preceding two AGMs, and that one third of the Directors (or if not a whole number, the number which is nearest to, but does not exceed, one third) will retire from office and be eligible for re-election at each AGM. Under the provisions of the Company's Articles of Association, a Director retiring at an AGM counts towards the number of Directors obliged to retire by rotation. Mr Peter Smith has indicated to the Company that he wishes to retire from office and not stand for re-election. Consequently, each of the Directors named in Resolutions 3 and 4 will retire at the AGM and, being eligible, has indicated his willingness to stand for re-election. There is biographical information about each of the Directors in the Annual Report 2012/13 (pages 38 and 39). Following the annual performance evaluation, the Board considers that the performance of each of the Directors named in Resolutions 3 and 4 continues to be effective and they have demonstrated a strong commitment to their role. The Board recommends they be re-elected.

Resolution 5: electing a Director appointed to the Board since the last annual general meeting

To elect Mr Saad Hammad, who has been appointed as a Director of the Company since the last annual general meeting of the Company, as a Director of the Company.

Explanatory Note to Resolution 5

After a significant search to find an executive of the calibre necessary to lead the Company, Saad Hammad has been appointed as the Company's new Chief Executive Officer with effect from 1 August 2013 and will become an employee of the Company on the same date. Mr Hammad is now submitting himself for election by shareholders for the first time.

As Chief Commercial Officer of easyJet plc from October 2005 to April 2009, Mr Hammad was credited as being the architect and driving force behind the airline's commercial transformation, delivering significant revenue growth and margin enhancement and creating the European network which formed the basis of building easyJet into one of Europe's most successful airlines.

Mr Hammad was also, between May 2011 and October 2012, a non-executive Director of Air Berlin plc, the second largest airline in Germany with c. €4bn in revenue, where he was a member of the Finance Committee.

Prior to joining the Company, Mr Hammad was a Managing Director at the Gores Group, an operations-focused private equity firm with c.\$4bn under management, where he was responsible for leading operational due diligence efforts across Europe as well as working with portfolio company executive teams to achieve full operational potential.

Previously, Mr Hammad held a number of leadership positions in brand management, sales and marketing and retailing at Procter & Gamble, Thorn-EMI, Vision Express and the Minit Group and was Managing Director – Europe at Tibbett & Britten, the leader in consumer product logistics where he led a major business turnaround. Between August 2007 and March 2009, Mr Hammad was a non-executive director of Optos plc, the leading provider of medical retina-imaging technology, where he was a member of the Audit and Remuneration committees.

He spent three years with the Boston Consulting Group in London where he worked with the top management of leading corporations primarily in consumer-goods and retailing on developing growth strategies and driving operational improvement programmes.

Mr Hammad holds a BA (Hons) in Politics, Philosophy and Economics from Oxford University and an MBA from INSEAD.

Resolution 6: Re-appointment of Auditor

On the recommendation of the Company's Audit Committee, to re-appoint Deloitte LLP as auditor of the Company, to hold office until the conclusion of the next general meeting at which accounts are laid before the Company.

Explanatory Note to Resolution 6

Auditors are appointed at every general meeting at which accounts are presented to shareholders. The current appointment of Deloitte LLP as the Company's auditor will end at the conclusion of the AGM and it has advised of its willingness to stand for re-appointment. The Directors propose to re-appoint Deloitte LLP as the Company's independent auditor.

Resolution 7: Auditor remuneration

To authorise the Directors to determine the remuneration of the auditor.

Explanatory Note to Resolution 7

It is normal practice for a company's directors to be authorised to agree how much the auditor should be paid. This resolution proposes that the Directors be authorised to set the independent auditor's remuneration as they shall in their discretion see fit.

Resolution 8: Political donations and political expenditure

That, in accordance with sections 366 and 367 of the Companies Act 2006 (the '2006 Act'), the Company and all companies that are its subsidiaries at any time during the period for which this resolution has effect be authorised, in aggregate:

- (a) to make political donations to political parties and/or independent election candidates not exceeding £15,000 in total;
- (b) to make political donations to political organisations other than political parties not exceeding £15,000 in total; and
- (c) to incur political expenditure not exceeding £15,000 in total,

(as such terms are defined in sections 363 to 365 of the 2006 Act) during the period beginning with the date of the passing of this resolution and ending at the conclusion of the next annual general meeting (or, if earlier, until the close of business on 31 October 2014).

Explanatory Note to Resolution 8

Resolution 8 concerns Part 14 of the 2006 Act. It requires that political donations made by a company to political parties, to other political organisations and to independent election candidates and political expenditure incurred by a company in the European Union ("EU") (as such terms are defined in the 2006 Act) be authorised in advance by shareholders.

The Company's policy is that it does not make political donations or incur political expenditure in the EU of the type covered by these provisions and it has no intention of using the authority for this purpose. However, as a result of the wide definitions in the 2006 Act, there is some uncertainty over whether some normal expenditure and business activities (such as sponsorship, subscriptions, payment of expenses, paid leave for employees fulfilling certain public duties and support for bodies representing the business community in policy review or reform) that might not be considered to be political donations or political expenditure in the usual sense could be caught. The Company is therefore seeking authority under this resolution in order to prevent inadvertent breach of the 2006 Act.

If passed, this resolution would allow the Company and its subsidiaries to make political donations and incur political expenditure in the EU (as defined in the 2006 Act) up to an aggregate limit of £15,000 in respect of each of the actions set out in paragraphs (a) to (c) of this resolution and an overall aggregate limit of £45,000. Political donations made or political expenditure incurred will be disclosed in the Company's Annual Report the following year, as required by the 2006 Act.

The authority will only be valid until the conclusion of the next annual general meeting in 2014 or 8 November 2014, whichever is the earlier.

Resolution 9: Authority to allot shares

That, subject to and in accordance with Article 15 of the Articles of Association of the Company, the Board be and it is hereby generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 ("the 2006 Act") (in substitution for any existing authority to allot shares to the extent unused) to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of £250,000 provided that such authority shall expire on the conclusion of the next annual general meeting of the Company after the passing of this resolution, save that the Company may before such expiry make an offer or agreement which would or might require such shares to be allotted or rights to subscribe for or convert securities into shares to be granted after such expiry, and the Board may allot shares and grant rights to subscribe or convert securities into shares in pursuance of such offer or agreement as if the authority conferred by this resolution had not expired; and further, the Board be and it is hereby generally and unconditionally authorised to exercise all powers of the Company to allot equity securities (within the meaning of section 560 of the 2006 Act) in connection with a rights issue in favour of ordinary shareholders where the equity securities respectively attributable to the interests of all ordinary shareholders are proportionate (as nearly as may be) to the respective numbers of ordinary shares held by them up to an aggregate nominal amount of £250,000 provided that this authority shall expire on the conclusion of the next annual general meeting of the Company after the passing of this resolution save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Board may allot equity securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

Explanatory Note to Resolution 9

The 2006 Act provides that directors shall only allot shares with the authority of shareholders in general meeting. The authority given to the Directors at the last annual general meeting to allot shares pursuant to section 551 of the 2006 Act expires on the date of the AGM.

Resolution 9 will be proposed as an ordinary resolution for the renewal of the Directors' general authority to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of £250,000, representing approximately one third of the current issued share capital of the Company. In addition, the resolution seeks authority for the Directors to allot shares by way of a pre-emptive rights issue up to an aggregate nominal amount of £250,000, representing a further third of the current issued share capital of the Company. The Directors have no present intention of exercising this authority.

The authority granted under Resolution 9 will expire at the next annual general meeting or 8 November 2014, whichever is the earlier.

Resolution 10: Adoption of a new long term incentive plan for Saad Hammad

That the Board be, and is hereby authorised to adopt and establish the Long Term Incentive Plan for Saad Hammad, the principal terms of which are summarised in the explanatory note to this Resolution 10 below, the full terms of which are produced to this AGM, and for the purpose of identification only, initialled by the Chairman of the AGM, and to do all such acts and things which it may consider necessary or desirable to establish and carry it into effect.

Explanatory Note to Resolution 10

At the time of the Company's admission to the Official List of the London Stock Exchange in December 2010, the Board publicly stated that within three years of such admission, it intended to facilitate an orderly separation of the roles of Chairman and Chief Executive Officer in order to comply with the provisions of the Corporate Governance Code. On 8 November 2012 the Company issued its 2012/2013 half year results and stated that the Board had approved a timetable from the Company's nominations committee to commence a search for a new Chief Executive Officer with a view to completing such recruitment during the first half of 2013.

After a significant search to find an executive of the calibre necessary to lead the Company, Saad Hammad has been appointed as the Company's new Chief Executive Officer with effect from 1 August 2013 and will become an employee of the Company on the same date.

As part of the terms of his recruitment, the Company has agreed, subject to obtaining shareholder approval for the same, to establish the Long Term Incentive Plan for Saad Hammad.

Saad Hammad will be the sole participant under the Long Term Incentive Plan which has been specifically designed in order to incentivise him to grow the market capitalisation of the Company over a three year performance period commencing with the date that he joined the Company.

The principal terms of the Long Term Incentive Plan are:

- The award to be made under the terms of the Long Term Incentive Plan to Saad Hammad will entitle him to receive a cash payment, subject to the terms described below;
- The quantum of the cash payment will depend upon the extent to which the performance condition (summarised below) has been satisfied, as measured, in normal circumstances, over a three year performance period commencing on the date that Saad Hammad joined the Company (“Performance Period”);
- The performance condition is that the market capitalisation of the Company at the end of the Performance Period (“Ending Market Capitalisation”) must be greater than the market capitalisation of the Company at the start of the Performance Period (“Starting Market Capitalisation”). If this condition is not satisfied no payment will be made to Saad Hammad under the Long Term Incentive Plan;
- If the Ending Market Capitalisation exceeds the Starting Market Capitalisation, then:
 - in respect of the incremental increase in the Company’s market capitalisation above the Starting Market Capitalisation measured over the Performance Period up to a maximum market capitalisation of the Company of £150 million, Saad Hammad will be entitled to receive a cash payment of an amount equal to 4 per cent. of the amount by which the lower of: (i) the Ending Market Capitalisation and (ii) £150 million, exceeds the Starting Market Capitalisation; and
 - in respect of any incremental increase in the Company’s market capitalisation measured over the Performance Period in excess of £150 million, Saad Hammad will be entitled to receive a cash payment of an amount equal to 3 per cent. of the amount by which the Ending Market Capitalisation exceeds £150 million;
- For the purpose of the Long Term Incentive Plan, the Starting Market Capitalisation will be based on the average market capitalisation over the period of three months immediately preceding the start of the Performance Period and in normal circumstances the Ending Market Capitalisation will be based on the average market capitalisation over the period of three months immediately preceding the end of the Performance Period;
- At the end of the Performance Period, normally the award will vest as to 50 per cent. of the amount determined in accordance with the performance condition described above. Thereafter a further 25 per cent. of the award will vest on the date falling six months after the end of the Performance Period and a further 25 per cent. of the award will vest on the date falling twelve months after the end of the Performance Period;
- In any circumstances where there is a change of control of the Company (within the meaning of section 450 of the Corporation Tax Act 2010), then the Performance Period will be terminated so that it ends at the date of the change of control of the Company. In this case, the Ending Market Capitalisation will be determined as at the date that such change of control occurs based on the greater of:
 - the average market capitalisation of the Company over the period of three months immediately preceding such change of control; or
 - the market capitalisation of the Company as at the date of such change of control.

The Ending Market Capitalisation so determined will be used for the purpose of calculating any cash payment due to the Executive pursuant to the performance condition set out above. Any payment which is due to Saad Hammad on the change of control will be payable immediately upon the change of control of the Company and the vesting provisions described above will not apply;

- If Saad Hammad ceases to be employed by the Company before the end of the Performance Period, the award will normally lapse and he will cease to have any entitlement to receive a cash payment under the Long Term Incentive Plan;
- However, the Company’s remuneration committee may vary the treatment of the award described in the previous paragraph at its discretion in certain circumstances, for example, where Saad Hammad ceases to be an employee for certain good leaver reasons (which do not include the termination of Saad Hammad employment due to unsatisfactory performance in the reasonable opinion of the Company) and/or where any corporate or capital restructuring or other changes would produce an unfair adverse effect upon the amount of Saad Hammad’s entitlement under the Long Term Incentive Plan;
- Benefits under the Long Term Incentive Plan for Saad Hammad are not pensionable;

- The provisions of the Long Term Incentive Plan for Saad Hammad which relate to:
 - the person to whom the cash payment may be provided (being Saad Hammad);
 - the maximum entitlement for Saad Hammad;
 - the basis for determining Saad Hammad's entitlement to, and the terms of, the cash payment to be provided to him and for the adjustment thereof (if any) if there is a corporate or capital restructuring of the Company;

cannot be amended to the advantage of Saad Hammad without the prior approval of shareholders in general meeting (except for minor amendments to benefit the administration of the Long Term Incentive Plan for Saad Hammad, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control, or regulatory treatment for Saad Hammad or the Company or members of its group).

Resolution 10 will be proposed as an ordinary resolution. If Resolution 10 is passed by the Company's shareholders, the Board intends to implement the Long Term Incentive Plan for Saad Hammad.

Special Resolutions

Resolution 11: Disapplication of Pre-emption Rights

That, subject to the passing of Resolution 9 as set out in this Notice of Annual General Meeting, and in accordance with Article 16 of the Articles of Association of the Company, the Board be empowered pursuant to section 570 of the Companies Act 2006 (the '2006 Act') to allot equity securities (within the meaning of section 560 of the said Act) for cash pursuant to the general authority conferred by Resolution 9 as set out in the notice of this meeting and be empowered pursuant to section 573 of the said Act to sell ordinary shares (as defined in section 560 of the said Act) held by the Company as treasury shares (as defined in section 724 of the said Act) for cash, as if section 561(1) of the said Act did not apply to such allotment or sale, provided that this power shall be limited to allotments of equity securities and the sale of treasury shares:

- (a) in connection with or pursuant to an offer by way of rights, open offer or other pre-emptive offer to the holders of shares in the Company and other persons entitled to participate therein in proportion (as nearly as practicable) to their respective holdings, subject to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with fractional entitlements or legal or practical problems under the laws of any territory or the regulations or requirements of any regulatory authority or any stock exchange in any territory, and
- (b) otherwise than pursuant to sub-paragraph (a) above, up to an aggregate nominal amount of £37,500,

and such power shall expire on the conclusion of the next annual general meeting of the Company after the passing of this resolution or 8 November 2014, whichever is the earlier, save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted or treasury shares to be sold after such expiry, and the Board may allot equity securities or sell treasury shares in pursuance of such an offer or agreement as if the power conferred by this resolution had not expired.

Explanatory Note to Resolution 11

The 2006 Act also provides that any allotment of new shares for cash must be made pro rata to individual shareholders' holdings, unless such provisions are disapplied under section 570 of the 2006 Act. The authority given to the Directors at the time of the last annual general meeting to allot shares for cash pursuant to section 570 of the 2006 Act expires on the date of the AGM.

Resolution 11 will be proposed as a special resolution for the renewal of the Directors' authority to allot equity securities for cash without first offering them to shareholders pro rata to their holdings. This authority facilitates issues made by way of rights to shareholders which are not strictly in accordance with section 561(1) of the 2006 Act, and authorises other allotments of up to a maximum aggregate nominal amount of £37,500 of shares, representing approximately 5 per cent. of the current issued ordinary share capital of the Company. This authority also allows the Directors, within the same aggregate limit, to sell for cash shares that may be held by the Company in treasury. The Directors have no present intention of exercising this authority.

The authority granted under Resolution 11 will expire at the next annual general meeting or 8 November 2014, whichever is the earlier.

Resolution 12: Notice of general meetings

That a general meeting other than an annual general meeting may be called on not less than 14 clear days' notice.

Explanatory Note to Resolution 12

Resolution 12 will be proposed as a special resolution. Changes made to the Companies Act 2006 (the '2006 Act') by the Companies (Shareholders' Rights) Regulations 2009 (the 'Shareholders' Rights Regulations') increased the notice period required for general meetings of a traded company to 21 days unless shareholders approve a shorter notice period, which cannot however be less than 14 clear days. Annual general meetings will continue to be held on at least 21 clear days' notice.

Until the coming into force of the Shareholders Rights Regulations on 3 August 2009, a traded company was able to call general meetings other than an annual general meeting on 14 clear days' notice without obtaining such shareholder approval. In order to preserve this ability, Resolution 12 seeks such approval. The shorter notice period would not be used as a matter of routine for such meetings, but only in exceptional circumstances where the flexibility is merited by the business of the meeting and is thought to be to the advantage of shareholders as a whole. A full and detailed explanation will be provided if it is deemed necessary to call a meeting on 14 clear days' notice in the future. The approval will be effective until the Company's next annual general meeting, when it is intended that a similar resolution will be proposed.

Note that the changes to the 2006 Act mean that, in order to be able to call a general meeting on less than 21 clear days' notice, the Company must make a means of electronic voting available to all shareholders for that meeting and we do this by enabling shareholders to lodge their instructions online via www.flybe-shares.com. An electronic voting facility is also available to shareholders who hold their shares through CREST and such shareholders are requested to read the section headed 'Appointing a proxy through CREST' in the 'Important information' section at the back of the Notice of Annual General Meeting.

Resolution 13: Authority to purchase own shares

That, the Company be generally and unconditionally authorised, pursuant to Article 9 of the Articles of Association of the Company and pursuant to section 701 of the Companies Act 2006 (the '2006 Act'), to make market purchases (as defined in section 693(4) of the 2006 Act) of up to 7,500,000 Ordinary Shares of 1p each ('Ordinary Shares') in the capital of the Company (being approximately 10 per cent. of the current issued ordinary share capital of the Company) on such terms and in such manner as the Directors of the Company may from time to time determine, provided that:

- (a) the amount paid for each share (exclusive of expenses) shall not be more than the higher of (1) five per cent. above the average of the middle market quotation for Ordinary Shares as derived from the Daily Official List of the London Stock Exchange plc for the five business days before the date on which the contract for the purchase is made, and (2) an amount equal to the higher of the price of the last independent trade and current independent bid as derived from the London Stock Exchange Trading system or less than 1p per share; and
- (b) the authority herein contained shall expire at the conclusion of the next annual general meeting of the Company to be held in 2014 or on 8 November 2014, whichever is earlier, provided that the Company may, before such expiry, make a contract to purchase its own shares which would or might be executed wholly or partly after such expiry, and the Company may make a purchase of its own shares in pursuance of such contract as if the authority hereby conferred had not expired.

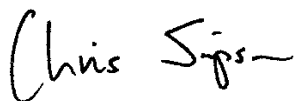
Explanatory Note to Resolution 13

Resolution 13 will be proposed as a special resolution to give the Company authority to purchase its own shares in the market during the period until the next annual general meeting of the Company or 8 November 2014, whichever is earlier, for up to 7,500,000 Ordinary Shares, representing approximately 10 per cent. of the issued ordinary share capital of the Company as at 9 July 2013 (being the last practicable date prior to the publication of this Notice of Annual General Meeting). The price payable shall not be more than five per cent. above the average of the middle market quotation as derived from the Daily Official List of the London Stock Exchange plc for the Ordinary Shares for the five business days before the purchase is made and in any event not more than the higher of the price of the last independent trade and current independent bid as derived from the London Stock Exchange Trading system and not less than 1p per share, being the nominal value of the shares.

It is the Directors' intention only to exercise the authority to purchase the Company's shares where it would increase the earnings per share of those Ordinary Shares that are not re-purchased. This power will only be used if the Directors consider that to do so would be in the best interests of shareholders generally. Save to the extent purchased pursuant to the regulations concerning treasury shares any Ordinary Shares purchased in this way will be cancelled and the number of shares in issue will be accordingly reduced. The Company may hold in treasury any of its own Ordinary Shares that it purchases pursuant to the relevant regulations and the authority conferred by this resolution. This would give the Company the ability to re-issue treasury shares quickly and cost effectively and would provide the Company with greater flexibility in the management of its capital base. As at 9 July 2013 (the last practicable date prior to the publication of this Notice of Annual General Meeting) options to subscribe for a total of 2,416,054 Ordinary Shares were outstanding under the Company's employee share schemes representing 3.21 per cent. of the issued share capital of the Company at that date and 3.57 per cent. of the issued share capital of the Company if the authority sought by this resolution were to be exercised in full.

Given the current shareholding of Rosedale Aviation Holdings Limited ('Rosedale') in the Company, any market purchase by the Company of its own shares would in any event be subject to prior consultation with the Takeover Panel and possibly further shareholder approval since such a purchase would increase the percentage of voting rights in which Rosedale is interested in a situation where Rosedale is already interested in more than 30 per cent. but not more than 50 per cent. of the Company's voting rights and so technically may trigger a mandatory offer obligation under Rule 9 of the Takeover Code.

By order of the Board



Chris Simpson
Company Secretary
11 July 2013

Registered Office:

Jack Walker House
Exeter International Airport
Exeter
Devon EX5 2HL

Registered in England and Wales No. 1373432

Important information about the AGM

1. Entitlement to attend and vote at the AGM

Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001 and section 360B of the Companies Act 2006 (the '2006 Act'), the Company specifies that only those shareholders entered on the register of members of the Company at 6.00pm on Tuesday 6 August 2013 or, in the event that the meeting is adjourned, in the register of members of the Company at 6.00pm on the day two days before the date of any adjourned meeting, shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their names at that time. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting or any adjourned meeting.

2. Asking a question at the AGM

Any member, or their duly appointed proxy, 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.

3. Appointing a proxy

Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. A shareholder may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company but must attend the AGM in person to represent you. Your proxy could be the Chairman of the meeting, another Director of the Company or another person who has agreed to attend to represent you. Your proxy must vote as you instruct and must attend the AGM for your vote to be counted.

A proxy form, which may be used to make such appointment and give proxy instructions, accompanies this Notice of Annual General Meeting. If you do not have a proxy form and believe that you should have one, or if you require additional forms, please contact our registrar, Capita Registrars (0871 664 0300 (UK callers, calls cost 10p per minute including VAT plus any additional network charges, lines are open 08.30 to 17.30 Monday to Friday) or +44 (0)20 8639 3399 (non-UK callers)).

Shareholders who prefer to register their proxy appointment and voting instructions electronically via the internet can do so at www.flybe-shares.com. To do this, shareholders will need their investor code which is shown on their share certificate. A proxy appointment and voting instructions submitted by this method will not be valid if received after 11.00am on Tuesday 6 August 2013.

To be valid any proxy form or other instrument appointing a proxy for use at the AGM (together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority) must be received by post or (during normal business hours only) by hand at Capita Registrars, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU or electronically at www.flybe-shares.com, in each case no later than 11.00am on Tuesday 6 August 2013.

The return of a completed proxy form, other such instrument appointing a proxy, or any CREST Proxy Instruction (as described below), or appointing a proxy and giving voting instructions via www.flybe-shares.com will not prevent a shareholder attending the AGM and voting in person if he/she wishes to do so.

4. Appointing a proxy through CREST

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using 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 using the CREST service to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com/CREST). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA10) by 11.00am on Tuesday 6 August 2013. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the issuer's 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 Limited does not make available special procedures in CREST for any particular message. 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 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 system 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. Joint holders

In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

6. Corporate representatives

Any corporation that is a shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder provided that they do not do so in relation to the same shares.

7. Nominated Persons

Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a 'Nominated Person') may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.

The statement of the rights of shareholders in relation to the appointment of proxies above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.

8. Voting rights

As at 10 July 2013 (being the last business day prior to the publication of this Notice of Annual General Meeting) the Company's issued share capital consists of 75,152,881 Ordinary Shares of 1p each, carrying one vote each. The Company holds no Ordinary Shares in treasury, therefore the total voting rights in the Company as at 10 July 2013 were 75,152,881.

9. Time of the AGM

The doors of the room in which the AGM will take place (directions are printed on the final page of this Notice of Annual General Meeting) will be open at 10.30am and the AGM will start promptly at 11.00am.

10. Other matters

Under section 527 of the 2006 Act shareholders meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the AGM; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the 2006 Act. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the 2006 Act. Where the Company is required to place a statement on a website under section 527 of the 2006 Act, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required under section 527 of the 2006 Act to publish on a website.

A copy of this notice, and other information required by section 311A of the Companies Act 2006, can be found at www.flybe.com/corporate/investors.

11. Electronic addresses

You may not use any electronic address (within the meaning of section 334(4) of the 2006 Act) provided either in this Notice of Annual General Meeting or any related documents (including the Chairman's letter and Form of Proxy) to communicate for any purpose other than those expressly stated.

12. Documents available for inspection

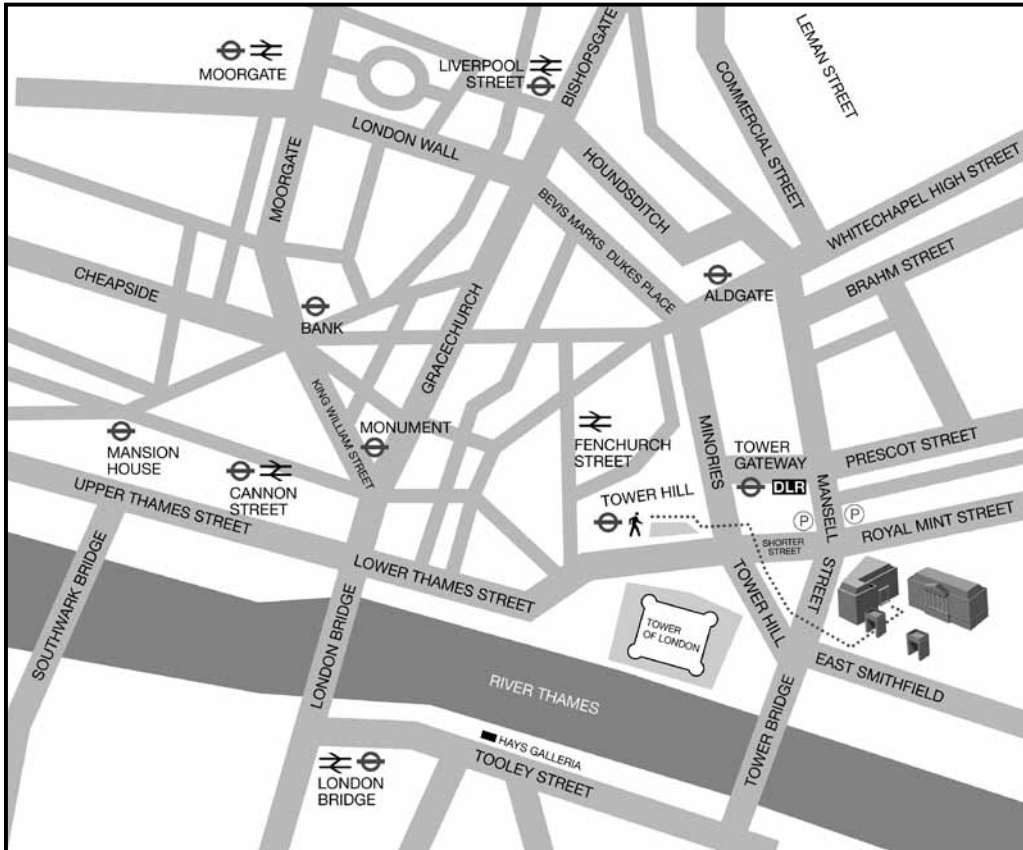
The copies of service contracts and letters of appointment of the Directors will be available for inspection at the registered office of the Company during normal business hours on any weekday (Saturday, Sunday and public holidays excluded) and on the date of the AGM when they will also be available for inspection at the offices of College Hill, The Registry, Royal Mint Court, London EC3N 4QN from 10.45am until the end of the AGM.

A copy of the terms of the Long Term Incentive Plan for Saad Hammad will be available for inspection at the registered office of the Company and at the offices of Eversheds LLP, One Wood Street, London EC2V 7WS during normal business hours on any weekday (Saturday, Sunday and public holidays excluded) from the date of this Notice of AGM until the close of the AGM, and will be made available for inspection at the offices of College Hill, The Registry, Royal Mint Court, London EC3N 4QN from 10.45am on the date of the AGM until the end of the AGM.

13. Queries

If you have any queries please contact the Company Secretary, Flybe Group plc, Jack Walker House, Exeter International Airport, Exeter, Devon, EX5 2HL.

Directions to AGM location



Location

College Hill
The Registry
Royal Mint Court
London EC3N 4QN

Tower Hill Underground

Take the main exit and walk past the Roman wall on your right hand side, follow edge of junction towards Tower Bridge crossing Minories, Shorter Street and Mansell Street. Royal Mint Court is under the arch opposite the Tower. The Registry is located to the left.

London Bridge Station

Take the Tooley Street exit, walk east along Tooley Street. Cut through Hay's Galleria, Hay's Lane. Walk east along Thames Path to Tower Bridge, walk across Tower Bridge and continue down Tower Bridge Approach. Cross the junction at East Smithfield, Royal Mint Court is under the arch opposite the Tower. Once through the arch The Registry is located to the left. Parking is located on Royal Mint Street.