

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the action you should take, you should immediately consult your stockbroker, solicitor, accountant or other independent financial adviser. If you have transferred all of your shares in Eros International PLC (the "**Company**"), you should send this document to the transferee or to the agent through whom the transfer was effected for transmission to the transferee.

EROS INTERNATIONAL PLC

(incorporated in the Isle of Man with Company No.: 116107C)

CIRCULAR TO SHAREHOLDERS

Notice of an Annual General Meeting ("**AGM**") of Eros International PLC, to be held at Fort Anne, Douglas, Isle of Man IM1 5PD on 28 September 2011 is enclosed with this document. Whether or not you propose to attend the AGM, you are requested to complete and return the Form of Proxy to the Company's Registrar, Cains Fiduciaries Limited, at Fort Anne, Douglas, Isle of Man IM1 5PD in accordance with the instructions printed thereon.

DEFINITIONS

In this Circular, the following definitions apply throughout unless otherwise stated:

"1931 Act"	the Isle of Man Companies Acts 1931–2004
"2006 Act"	the Isle of Man Companies Act 2006
"AGM"	annual general meeting of the Company
"Articles"	the articles of association of the Company
"Companies Registry"	the Companies Registry of the Isle of Man Department of Economic Development
"Company"	Eros International PLC, a company incorporated in the Isle of Man under the 1931 Act
"Directors"	the directors of the Company for the time being
"Memorandum"	the memorandum of association of the Company
"New Articles"	the new Articles of the Company to be adopted by the Company as a consequence of Re-Registration
"New Memorandum"	the new Memorandum of the Company to be adopted by the Company as a consequence of Re-Registration
"Re-Registration"	the proposed re-registration of the Company as a company governed by the 2006 Act
"Shareholders"	persons who are registered as holders of Shares in the Register of Members of the Company
"Shares"	ordinary shares in the capital of the Company

Words importing the singular shall, where applicable, include the plural and vice versa. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted.

Any word defined under the 2006 Act or any statutory modification thereof and not otherwise defined in this Circular shall have the same meaning assigned to it under the 2006 Act or any statutory modification thereof, as the case may be.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

EROS INTERNATIONAL PLC

(incorporated and registered in the Isle of Man under the Isle of Man Companies Acts 1931 to 2004
(as amended) with registered number 116107C)

Directors

Kishore Lulla
Dilip Thakkar
Sunil Lulla
Vijay Ahuja
Naresh Chandra

Registered Office

Fort Anne
Douglas
Isle of Man
IM1 5PD

26 August 2011

To: The Shareholders of Eros International PLC

Dear Sir/Madam,

1. INTRODUCTION

I am writing to give you details of your Board's proposal to seek the authority of shareholders to re-register the Company as a company governed under the 2006 Act.

2. PROPOSED RE-REGISTRATION

2.1 Background

The Company is currently incorporated under the 1931 Act. The 2006 Act updates and modernises the Isle of Man company law and, amongst other things, abolishes a number of traditional company law formalities including the concept of authorised share capital, the requirement to hold an annual general meeting, the requirement to maintain capital (subject to solvency), the requirement to have a company secretary, the prohibition on financial assistance and the number of compulsory registry filings. The result is a modern and simplified corporate vehicle.

The 2006 Act is a stand alone piece of legislation. Companies incorporated or re-registered under the 2006 Act are governed solely by its provisions and (save in relation to liquidation and receivership) are not subject to the provisions of the 1931 Act. Equally, present and future companies incorporated under the 1931 Act are not subject to or affected by the terms of the 2006 Act.

In the event Shareholders approve the proposed Re-Registration, the Company will re-register as a company governed by the 2006 Act and be subject to the New Memorandum and the New Articles. The Company considers the New Articles appropriate for a company incorporated under the 2006 Act; the shares of which are admitted to AIM. The proposed

New Articles are substantially the same as the Company's existing Articles; Shareholders are advised to refer to Appendix 1 of this Circular for a marked copy showing the proposed amendments to the existing Memorandum and Articles.

Copies of the New Memorandum and the New Articles are available for review at the Company's registered office at any time before the AGM; in addition, copies of the New Memorandum and the New Articles will be available at the AGM.

2.2 Consequences of Re-Registration

On the basis that the proposed Re-Registration proceeds, the 2006 Act provides that the Company will be the same legal entity as exists at present and the proposed Re-Registration will not serve to prejudice or affect the continuity of the Company. On the date the Companies Registry issues a certificate of re-registration in respect of the Company, the Company shall cease to be a company incorporated under and subject to the 1931 Act; instead the Company shall be subject to the 2006 Act.

Shareholders should note that the proposed Re-Registration would not affect or change Shareholders' rights or obligations for matters relating to the following, inter alia:

- (a) the right to attend, speak and vote at any Shareholders' meeting and the right to appoint proxies;
- (b) the right to receive rights offering and any other entitlements; and
- (c) the obligation to pay stamp duty on transfers of its securities.

Under Isle of Man law, all payments made by the Company may be made without deduction of any Isle of Man withholding tax and there is no capital controls over cash dividends or any other cash distribution payable to Shareholders in respect of its securities and there is no restriction on foreign shareholding limits.

Shareholders should also note that the proposed Re-Registration would not affect the existing share certificates which would continue to be prima facie evidence of legal title.

2.3 Summary of Key Characteristics of Companies Incorporated under the 2006 Act

The following are some of the key characteristics of companies incorporated under the 2006 Act. It should be noted that the following does not contain an exhaustive list of differences between the statutory regimes to which companies incorporated under the 1931 Act and the companies incorporated under the 2006 Act are subject to.

2.3.1 Share Capital

Under the 2006 Act, there is no longer the concept of authorised capital. Therefore, shares may be issued with or without par value.

2.3.2 Dividends, Redemptions and Buy-backs of Shares

Subject to compliance with the New Memorandum and the New Articles, the 2006 Act will allow the Company post re-registration to declare and pay dividends, and to purchase, redeem or otherwise acquire its own shares subject only to meeting a statutory solvency test.

2.3.3 Capacity and Powers

Companies incorporated under the 2006 Act have separate legal personality and perpetual existence. In addition, such companies have unlimited capacity to carry on or undertake any business or activity; this is so notwithstanding the matter of corporate benefit. The 2006 Act specifically states that no corporate act is beyond the capacity of a company incorporated under the 2006 Act by reason only of the fact that the relevant company has purported to restrict its capacity in any way in its memorandum or articles or otherwise. A person who deals in good faith with a company incorporated under the 2006 Act is entitled to assume that the directors of the company are acting without limitation.

2.3.4 Other points

In addition to the foregoing, the following other points should be noted in relation to companies incorporated under the 2006 Act:

- (a) there are no prohibitions in relation to the Company providing financial assistance for the purchase of its own shares;
- (b) there is a requirement for a registered agent appropriately licensed in the Isle of Man (Cains Fiduciaries Limited will be the Company's registered agent following Re-Registration);
- (c) there is no differentiation between public and private companies;
- (d) there are simple share offering/prospectus requirements;
- (e) there are reduced compulsory registry filings;
- (f) there is no statutory requirement for a company incorporated under the 2006 Act to have an annual general meeting (although a requirement to hold them has been inserted into the new Articles which may be adopted at the AGM); and
- (g) the statutory accounting requirements are simplified.

3. MEETING AND RESOLUTIONS

The proposed Re-Registration is conditional upon the approval by special resolution of the Shareholders in general meeting. Shareholders will find at the end of this document a notice convening the AGM and a form of proxy for use at the AGM.

The AGM is convened for the date and time set out in the notice, and will be held at Fort Anne, Douglas, Isle of Man IM1 5PD.

For the special resolution to be passed at the Meeting, 75 per cent. of the votes cast at the AGM must be cast in favour of the resolution to be proposed.

4. ACTION TO BE TAKEN

If you are unable to attend the AGM, notice of which is enclosed with this document, but wish to exercise your vote, please complete the attached Form of Proxy and return it for the attention of the Company's Registrar, Cains Fiduciaries Limited, at Fort Anne, Douglas, Isle of Man IM1 5PD.

To be valid the Form of Proxy must be received at the above address not later than 48 hours before the time fixed for the holding of the AGM.

Recommendation

The Directors of the Company consider that the proposed Re-Registration is in the best interests of the Company and the shareholders as a whole. Accordingly, the Directors of the Company recommend all shareholders to vote in favour of the special resolution at the Meeting.

Yours faithfully,



Kishore Lulla
Chairman and Chief Executive Officer
for and on behalf of
EROS INTERNATIONAL PLC

