

The Directors
First Flexible no 5 PLC – 4236601
51 Homer Road,
Solihull,
West Midlands,
B91 3QR

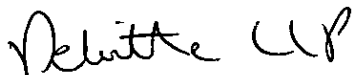
11 February 2016

Dear Sirs

Statement of matters relating to the intention of Deloitte LLP not to seek re-appointment as auditors to First Flexible no.5 PLC ("the company") at the conclusion of our term of office

As described on page 76 of The Paragon Group of Companies PLC Annual report and Accounts, the Audit Committee conducted a tender process for the Group external audit which included all entities consolidated in its Group accounts, and recommended the appointment of KPMG LLP as external auditor. Subsequent to this, the company's directors put forward a resolution to appoint KPMG LLP as external auditor, which was subsequently passed at its Annual General Meeting on 11 February 2016.

Unless the company applies to the court, this statement of matters, which we consider should be brought to the attention of members or creditors of the company, must be sent by the company within 14 days to every person entitled under Section 423 of the Companies Act 2006 to be sent copies of the company's accounts. This is a requirement of Section 520(2) of that Act.



Deloitte LLP

