

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the action you should take, you are recommended to seek your own independent financial advice from your stockbroker, solicitor, accountant, bank manager or other independent financial adviser authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom or, if not, from another appropriately authorised financial adviser.

If you have sold or otherwise transferred all of your shares in Fidelity Special Values PLC, please forward this document, together with the accompanying form of proxy and/or voting instruction form, immediately to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

FIDELITY SPECIAL VALUES PLC

*(incorporated in England and Wales with registered number 2972628)
(an investment company within the meaning of section 833 of the Companies Act 2006)*

Recommended proposals to sub-divide the Company's issued share capital and to clarify and make certain changes to the Company's investment objective and investment policy

and

Notice of General Meeting

Your attention is drawn to the letter from the Chairman of Fidelity Special Values PLC which is set out in Part 1 of this document. The letter contains the recommendation that you vote in favour of the Resolutions to be proposed at the General Meeting referred to below.

Notice of a general meeting of Fidelity Special Values PLC to be held at 9.30 a.m. on 20 May 2015 at 25 Cannon Street, London EC4M 5TA is set out at the end of this document. Enclosed with this document is a form of proxy for use by Shareholders and a voting instruction form for use by individuals who hold some or all of their Existing Ordinary Shares through one or both of the Savings Schemes. To be valid, such forms must be completed and returned, in accordance with the instructions printed on them and set out on page 7 of this document.

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KEY STATISTICS

Total number of Existing Ordinary Shares in issue as at the date of this document	54,128,896
Total number of New Ordinary Shares in issue immediately following the Sub-division	270,644,480
Identifiers of New Ordinary Shares:	
ISIN	GB00BWXC7Y93
SEDOL	BWXC7Y9

EXPECTED TIMETABLE

2015

Ex dividend date	30 April
Dividend record date	1 May
Latest time and date for receipt of voting instruction forms	9.30 a.m. on 14 May
Latest time and date for receipt of forms of proxy	9.30 a.m. on 18 May
General Meeting	9.30 a.m. on 20 May
Dividend payment date	20 May
Reinvestment of dividend commences	on or around 20 May
Record Date for the Sub-division	5.00 p.m. on 26 June
Trading of the New Ordinary Shares commences	8.00 a.m. on 29 June
CREST members' accounts credited in respect of the New Ordinary Shares in uncertificated form	8.00 a.m. on 29 June
Despatch of definitive share certificates for the New Ordinary Shares held in certificated form	by 13 July

Notes:

- (i) References to times in this document are to London time.
- (ii) The dates set out in the expected timetable may be adjusted by the Company in which event details of the new dates will be notified to the UK Listing Authority and the London Stock Exchange and an announcement made through a Regulatory Information Service.

PART 1

FIDELITY SPECIAL VALUES PLC

*(incorporated in England and Wales with registered number 2972628)
(an investment company within the meaning of section 833 of the Companies Act 2006)*

Directors:

Lynn Ruddick (*Chairman*)
Ben Thomson (*Senior Independent Director*)
Sharon Brown
Andy Irvine
Douglas Kinloch Anderson
Nicky McCabe

Registered Office:

Beech Gate
Millfield Lane
Lower Kingswood
Tadworth
Surrey
KT20 6RP

23 April 2015

Dear Shareholder

RECOMMENDED PROPOSALS TO SUB-DIVIDE THE COMPANY'S ISSUED SHARE CAPITAL AND TO CLARIFY AND MAKE CERTAIN CHANGES TO THE COMPANY'S INVESTMENT OBJECTIVE AND INVESTMENT POLICY

Introduction

The purpose of this letter is to explain the Resolutions to be proposed at the General Meeting of the Company which will be held at 25 Cannon Street, London EC4M 5TA on 20 May 2015 at 9.30 a.m. in connection with the Board's intention to sub-divide the Company's issued share capital. At the same time, we are taking the opportunity to clarify and make certain amendments to the Company's investment objective and investment policy and use of derivatives and to provide you with an update on our discount management policy. A resolution will be proposed at the General Meeting to approve the revised investment objective and policy.

The notice of the General Meeting is set out on pages 19 and 20 of this document. A form of proxy and/or a voting instruction form and reply paid envelope for use in respect of the General Meeting are enclosed.

Both of the Resolutions to be proposed at the General Meeting are explained in further detail below.

Business to be proposed at the General Meeting

Resolution 1 – proposed Sub-division of the Company's issued share capital

The Board is proposing a Sub-division of the Existing Ordinary Shares on a 5 for 1 basis. The Company's Existing Ordinary Shares have a nominal value of 25 pence each. The Board is conscious that the Company's Existing Ordinary Share price has increased substantially from its launch price of £1.00 per Existing Ordinary Share in 1994 to a price of £9.25 per Existing Ordinary Share as at close of business on 22 April 2015 (being the latest practicable date prior to the publication of this document). The Board is also aware that smaller investors, or investors who participate in monthly saving plans or dividend reinvestment schemes, have sometimes

experienced difficulty fulfilling their order because of the high price at which the Existing Ordinary Shares trade, resulting in a cash surplus that cannot be invested until sufficient funds have built up in their accounts to buy the next Ordinary Share.

It is therefore proposed that on 26 June 2015 (or such other time and date as the Directors may determine) each of the Existing Ordinary Shares that appear on the share register at the Record Date of 5.00 p.m. on 26 June 2015, will be sub-divided into five New Ordinary Shares of 5 pence each. The resolution is conditional and takes effect on the admission of the New Ordinary Shares to the Official List of the UK Listing Authority and to trading on the London Stock Exchange's market for listed securities.

The Board are of the opinion that the lower price per share as a result of the Sub-division will enhance the appeal of investing in the Company for smaller investors.

The New Ordinary Shares will carry the same rights in all respects as the Existing Ordinary Shares, including voting rights. The only change will be the aggregate number of shares held and the nominal value per share. By way of example, a Shareholder who held 1,000 Existing Ordinary Shares prior to the Sub-division would immediately following the Sub-division, hold 5,000 New Ordinary Shares.

Save for the costs to be incurred by the Company in implementing the Sub-division (which the Board believes will not be material), the Company's net assets will remain unchanged following the Sub-division and the Company's daily released Net Asset Value per share will equate to one fifth of its original Net Asset Value per share.

Resolution 1 is therefore asking Shareholders to consider and, if thought fit, approve the proposed Sub-division of the Company's issued share capital. Resolution 1 will be proposed as an ordinary resolution.

Further information in relation to the Sub-division is set out in Part 2 of this document.

Resolution 2 – proposed clarification of the investment objective and investment policy

The Company is seeking to clarify and make changes to its investment objective and investment policy by:

- broadening the wording of the investment objective to make it clear that investments into companies can be made directly through stocks as well as via derivatives;
- clarifying the use of derivatives within the Company's investment policy. Derivatives are used principally in the following ways:
 - (i) as an alternative form of gearing to bank loans or bonds. The Company will purchase long CFDs that achieve an equivalent effect to bank gearing but currently at lower financing costs;
 - (ii) to hedge equity market risks where the Portfolio Manager considers that suitable protection can be positioned to limit the downside of a falling market at a reasonable cost; and
 - (iii) to enhance the investment returns by taking short exposures on stocks that the Portfolio Manager considers to be over-valued; and

- changing the Gross Gearing limit from 130 per cent. to 140 per cent. This will allow the Portfolio Manager the flexibility to manage the Net Gearing of the portfolio within a typical range of 100 per cent. to 120 per cent. while running short positions of up to 10 per cent. The Board believe that this will increase the Portfolio Manager's ability to add value for Shareholders through stock selection and risk management.

The full text of the Company's current and amended investment objective and investment policy are set out in Part 3 of this document.

Resolution 2 is therefore asking Shareholders to consider and, if thought fit, approve the proposed changes to the Company's investment objective and investment policy. Resolution 2 will be proposed as an ordinary resolution.

Discount management

As noted in the Half Yearly Report which accompanies this document, in the six months to 28 February 2015 the Company repurchased 665,000 Ordinary Shares at an average discount of 7.7 per cent. These Ordinary Shares are held in treasury. During the period to 28 February 2015 the Ordinary Shares traded within a discount range of 3.9 per cent. to 10.3 per cent. and as at 28 February 2015 the discount to Net Asset Value was 9.6 per cent.

The Board has also recently reviewed its discount management policy. Previously the Board had no rigid premium management or discount control policy but undertook to issue or repurchase Ordinary Shares if deemed to be in the best interests of Shareholders at the time. Under the new policy the Board will seek to maintain the discount in single digits in normal market conditions and will also, subject to market conditions, consider repurchasing Ordinary Shares with the objective of stabilising the share price discount based on the cum income Net Asset Value within a single digit range.

Risk factors in relation to the Company

The risk factors set out below are those which are considered to be material to the Company and the Ordinary Shares but they are not the only risks the Company or the Ordinary Shares. There may be additional material risks that the Company does not currently consider to be material or of which the Company is not aware.

Derivatives carry some different risks from investing directly in stocks with or without being funded by borrowing. The use of derivatives may lead to a higher volatility in the NAV and share price than might otherwise be the case and may increase the investment risk in the Company's portfolio.

The Manager may use one or more separate counterparties to undertake derivative transactions on behalf of the Company and may be required to pledge collateral paid out of the property of the Company to secure the Company's obligations under such contracts.

There may be a risk that the counterparty will wholly or partially fail to honour its contractual obligations regarding the return of collateral and any other payments due to the Company.

In accordance with the risk management process which the Manager already employs to oversee and manage derivative exposures, the Manager will seek to minimise such risk by only entering into transactions with counterparties that it believes to have an adequate credit rating at the time the transaction is entered into and by ensuring that formal legal agreements covering the terms of the contract are entered into in advance. In certain circumstances, however, the

Company may be unable to enforce or rely on rights and obligations arising under such agreements. In the event of bankruptcy or insolvency of a counterparty, the Company may only have the rights of a general creditor and so recovery of money owed may be slow or impossible and the Company may incur losses. The Manager will assess on a continuing basis the creditworthiness of counterparties as part of its risk management process but would not be liable for any default by any counterparty (absent any negligence, recklessness, wilful default or fraud by the Manager).

The Company may invest in securities that are not readily tradeable or may accumulate investment positions that represent a significant multiple of the normal trading volumes of an investment, which may make it difficult for the Company to sell its investments.

There is no guarantee that the Company's investment objective will be achieved or provide the returns sought by the Company.

An investment in shares is only suitable for investors who are capable of evaluating the merits and risk of such an investment and who have sufficient resources to be able to bear any losses which may arise therefrom (which may be equal to the whole amount invested). Such an investment should be seen as long term in nature and complementary to existing investments in a range of other financial assets and should not form a major part of an investment portfolio.

There is no guarantee that the Company will repurchase Ordinary Shares pursuant to its discount management policy. Ordinary Shares may still trade at a discount to Net Asset Value which may be wider than the stated discount range.

Action to be taken

Shareholders will find enclosed with this document a form of proxy for use in connection with the General Meeting. Whether or not Shareholders propose to attend the General Meeting, they are requested to complete, sign and return the form of proxy as soon as possible, in accordance with the instructions printed on it. The completion and return of the form of proxy will not prevent a Shareholder from attending and voting in person at the General Meeting.

To be valid, such proxy forms must be completed and returned, in accordance with the instructions printed on them, so as to be received by the Company's registrars, Capita Asset Services, PXS1, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4ZF, as soon as possible, but in any event not later than 9.30 a.m. on 18 May 2015.

Some Shareholders have chosen to hold their Existing Ordinary Shares through the Savings Schemes. As at 31 March 2015, 16,476,488 Existing Ordinary Shares representing approximately 30.4 per cent. of the issued capital of the Company were held in this way. Shareholders who hold their Existing Ordinary Shares through the Saving Schemes are being given the opportunity to vote on the Proposals and will find enclosed a voting instruction form. Where voting instruction forms are not received, the Existing Ordinary Shares will be voted in favour of the Resolutions by the Savings Schemes' managers in line with the terms and conditions of the Savings Schemes.

To be valid, such voting instruction forms must be completed and returned, in accordance with the instructions printed on them, so as to be received by the Company's registrars, Capita Asset Services, PXS1, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4ZF, as soon as possible, but in any event not later than 9.30 a.m. on 14 May 2015.

Recommendation

The Board considers that the Resolutions are in the best interests of the Shareholders as a whole. Accordingly, the Board unanimously recommends that all Shareholders vote in favour of the Resolutions to be proposed at the General Meeting.

The Directors intend to vote in favour of the Resolutions in respect of their own beneficial holdings of Existing Ordinary Shares (amounting to 68,185 Existing Ordinary Shares in aggregate representing approximately 0.1 per cent. of the issued share capital of the Company as at the date of this document).

Yours faithfully

Lynn Ruddick
Chairman

PART 2

FURTHER INFORMATION ON THE PROPOSED SUB-DIVISION OF THE COMPANY'S ISSUED SHARE CAPITAL

As explained in the letter from the Chairman, it is proposed that the issued share capital of the Company be sub-divided such that each Existing Ordinary Share of 25 pence be sub-divided into five New Ordinary Shares of 5 pence each.

The number of Existing Ordinary Shares in issue on 23 April 2015 (being the latest practicable date prior to the publication of this document) was 54,128,896 Existing Ordinary Shares. If the resolution in relation to the Sub-division is passed at the General Meeting and becomes effective the number of shares in issue following the Sub-division will be 270,644,480 New Ordinary Shares.

Based on current UK tax legislation and the practice of HM Revenue & Customs, for those Shareholders who (i) are beneficial owners of their Existing Ordinary Shares, (ii) hold their Existing Ordinary Shares as an investment and (iii) are ordinarily resident in the UK for taxation purposes, the Sub-division will not be treated as a disposal for the purposes of UK capital gains tax or as a distribution of income for the purposes of UK income tax. If you are in any doubt as to your taxation position or if you are subject to tax in any jurisdiction other than the UK then you should consult your own professional adviser. No UK stamp duty or stamp duty reserve tax will be payable by Shareholders as a result of the Sub-division.

If the resolution in relation to the Sub-division is passed at the General Meeting, applications will be made for admission of the New Ordinary Shares to the Official List of the UK Listing Authority and to trading on the London Stock Exchange's market for listed securities. Based on the timetable set out on page 3 of this document, if the applications are accepted it is proposed that the last day of trading on the London Stock Exchange of the Existing Ordinary Shares will be 26 June 2015 and the New Ordinary Shares will commence trading on 29 June 2015, with the following identifiers:

ISIN: GB00BWXC7Y93

SEDOL: BWXC7Y9

New share certificates representing the New Ordinary Shares will be sent to Shareholders who currently hold Existing Ordinary Shares in certificated form on or about 13 July 2015. Once received, all old share certificates which relate to the Existing Ordinary Shares must be destroyed as they will no longer be valid. If you do not receive a new share certificate but believe you are entitled to one please call 0871 664 0300 (calls cost 10 pence per minute plus network extras. Lines are open 8.30 a.m. – 5.30 p.m. Monday to Friday) or email: shareholderenquiries@capita.co.uk. No temporary documents of title will be issued. Transfers between 29 June 2015 and 12 July 2015 will be certified against the register of members of the Company. CREST accounts are expected to be credited on 29 June 2015.

No fractional entitlements will arise as a result of the Sub-division, as each Shareholder's holding of Existing Ordinary Shares will be capable of division into New Ordinary Shares on a whole number basis.

PART 3

PROPOSED INVESTMENT OBJECTIVE AND INVESTMENT POLICY

Set out below is the full text of the current and amended investment objective and investment policy:

Current investment objective and policy

Investment objective

The investment objective of the Company is to achieve long-term capital growth from a portfolio of shares consisting primarily of UK listed companies. The Company will have a blend of investments in larger, medium and small-sized companies and be guided by contrarian philosophy.

Investment policy

The Company invests predominantly in UK-listed companies.

The Portfolio Manager has a contrarian style which focuses on significant valuation anomalies in stocks which are out of favour with other investors, yet show potential for change. The Portfolio Manager believes these opportunities exist across the market capitalisation spectrum, and the investment approach is flexible, with positions in large, medium sized and smaller companies. The proportions in each size category may vary over time, as stocks are selected on a bottom up basis.

Amended investment objective and policy

Investment objective

The investment objective of the Company is to achieve long-term capital growth ~~from a portfolio of shares consisting primarily of~~ predominantly through investment in UK listed companies. ~~The Company will have a blend of investments in larger, medium and small-sized companies and be guided by~~ contrarian philosophy.

Investment policy

The Company ~~invests~~ seeks to meet its investment objective through investment in a diversified portfolio of securities issued by or related to predominantly ~~in~~ UK-listed companies.

The Company will have a blend of investments in larger, medium and smaller-sized companies and be guided by a contrarian philosophy.

The Portfolio Manager has a contrarian style which focuses on significant valuation anomalies in stocks which are out of favour with other investors, yet show potential for change. The Portfolio Manager believes these opportunities exist across the market capitalisation spectrum, and the investment approach is flexible, with positions in large, medium sized and smaller companies. The proportions in each size category may vary over time, as ~~stocks~~ investment opportunities are selected on a bottom up basis.

Current investment objective and policy

Investments typically have the following characteristics:

- Limited downside risk: the Portfolio Manager invests in companies where market expectations are very low. They will have some asset or characteristic that should prevent significant falls in the share price.
- Unrecognised potential for positive change: the Portfolio Manager also wants to see evidence of the company embarking upon a period of positive change. Once this change begins to be recognised by the market, there is potential for substantial upside.

The Board believes that investment in such securities will achieve the long term capital growth objective and considers five years to be the most appropriate time span over which to make this assessment.

The Benchmark of the Company against which performance is measured is the FTSE All-Share Index.

Although the portfolio consists predominantly of holdings in UK companies, up to 20% can be invested in the shares or related instruments of companies listed on overseas exchanges. The Company invests mainly in shares but may also invest in equity-related instruments (such as convertible bonds, warrants or derivative contracts) and in debt instruments. The Company may also invest up to 5% of its assets in unquoted securities, but it is unlikely that the Portfolio Manager will make such investments except where it is expected that the securities will shortly be listed. The Board has a policy whereby the Company will not, at the time of investment, have a holding in a company that represents more than 10% by value of the investing company's investments. Cash and cash equivalents are not included within this guideline.

Amended investment objective and policy

Investments typically have the following characteristics:

- Limited downside risk: the Portfolio Manager invests in companies where market expectations are very low. They will have some asset or characteristic that should prevent significant falls in the share price.
- Unrecognised potential for positive change: the Portfolio Manager also wants to see evidence of the company embarking upon a period of positive change. Once this change begins to be recognised by the market, there is potential for substantial upside.

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Current investment objective and policy

The Company may utilise derivative instruments, including index-linked notes, CFDs, covered options and other equity-related derivative instruments on a limited basis as a tool to meet the investment objectives of the Company.

They are used principally in the following ways:

- As an alternative form of gearing to bank loans or bonds. The Company will purchase long CFDs that achieve an equivalent effect to bank gearing but normally at lower financing costs.
- To hedge equity market risks where the Portfolio Manager considers that suitable protection can be purchased to limit the downside of a falling market at a reasonable cost.
- To enhance the investment returns by taking short exposures on stocks that the Portfolio Manager considers to be over-valued.

The Board has created strict policies and exposure limits to manage derivatives and their impacts on the different parts of the business and these are monitored on a daily basis.

The Company will not undertake any naked shorts.

Amended investment objective and policy

The Company may invest directly in the shares of companies or indirectly through equity-related instruments (such as derivative contracts, warrants or convertible bonds) and in debt instruments. The Company may also invest in unquoted securities, subject to the investment restrictions set out below.

The Company may utilise derivative instruments, including index-linked notes, CFDs, covered options and other equity-related derivative instruments ~~on a limited basis~~ as a tool to meet the investment objectives of the Company.

~~They are~~ Derivatives usage will focus on, but not be limited to used principally in the following ways investment strategies:

- as an alternative form of Gearing to bank loans or bonds. The Company will purchase long CFDs that achieve an equivalent effect to bank Gearing but normally at lower financing costs.
- to hedge equity market risks where the Portfolio Manager considers that suitable protection can be purchased to limit the downside of a falling market at a reasonable cost; and
- ~~to enhance the investment returns by taking short exposures on stocks that the Portfolio Manager considers to be over-valued~~ by taking short exposures on stocks that the Portfolio Manager considers to be over-valued.

~~The Board has created strict policies and exposure limits to manage derivatives and their impacts on the different parts of the business and these are monitored on a daily basis.~~

The Company will not undertake any naked shorts.

Current investment objective and policy

The Company may use gearing to enhance long term capital growth. The Portfolio Manager has the discretion to gear up to a maximum of 30% in excess of total net assets, and will use a range of instruments for gearing, such as debt and CFDs, depending on the relative cost and availability of those instruments.

Under the AIFMD, rules have been introduced that change the way in which borrowing and market exposure of Investment Companies is reported. These leverage rules are in addition to the existing gearing limits and, rather than applying to the Company, apply to FIL Investment Services (UK) Limited as the AIFM. The maximum leverage limits are 1.80 (when calculating leverage without reducing exposure for hedging) and 1.50 (when calculating leverage by reducing exposure for hedging).

The Company does not carry out currency speculation. However, as a sterling based fund, investments can be made in stocks in overseas currencies and the Portfolio Manager can reduce currency exposure through the use of CFDs.

The Company will predominantly invest in marketable securities. The Company will also ensure it has sufficient liquidity to meet its ongoing obligations.

The Board has set a limit of 15% on the proportion of the Company's total assets that can be invested in the securities of other listed investment companies (including listed investment trusts) which themselves do not have stated investment policies.

Amended investment objective and policy

The Company may use Gearing to enhance long term capital growth. ~~The Portfolio Manager has discretion to gear up to a maximum of 30% in excess of total net assets, and will use~~ maximum level of Gross Gearing will be of 30% in excess of total net assets, and will use 140%. Within this limit the Portfolio Manager has the discretion to use a range of instruments for Gearing, such as debt and CFDs, depending on the relative cost and availability of those instruments. It is the current intention of the Board that, in normal market circumstances the Portfolio Manager will maintain Net Gearing in the range of 100% to 120%.

~~Under the AIFMD, rules have been introduced that change the way in which borrowing and market exposure of Investment Companies is reported. These leverage rules are in addition to the existing gearing limits and, rather than applying to the Company, apply to FIL Investment Services (UK) Limited as the AIFM. The maximum leverage limits are 1.80 (when calculating leverage without reducing exposure for hedging) and 1.50 (when calculating leverage by reducing exposure for hedging).~~

The Company does not carry out currency speculation. However, as a sterling based fund, investments can be made in stocks in overseas currencies and the Portfolio Manager can reduce currency exposure through the use of CFDs.

~~The Company will predominantly invest in marketable securities. The Company will also ensure it has sufficient liquidity to meet its ongoing obligations.~~

~~The Board has set a limit of 15% on the proportion of the Company's total assets that can be invested in the securities of other listed investment companies (including listed investment trusts) which themselves do not have stated investment policies.~~

Current investment objective and policy

Amended investment objective and policy

Investment Restrictions

The Company will invest and manage its assets with an objective of spreading risk through the following investment restrictions:

- no single investment (excluding cash and cash equivalents) nor the aggregate investment in any one company shall represent more than 10% of the Company's portfolio, measured as at the time of investment;
- no more than 20% of the portfolio will be invested in companies listed on overseas exchanges;
- the Company will not investment more than 5% of its Gross Assets in unquoted securities; and
- the Company will not invest more than 15% at the time of investment, of its Gross Assets in listed investment companies (including listed investment trusts), including no more than 10% at the time of investment, of its Gross Assets in funds that do not have stated policies to invest no more than 15% of their Gross Assets in other listed closed-ended investment funds.

GLOSSARY OF TERMS AND DEFINITIONS

Unless the context otherwise requires, the following words and expressions have the following meanings in this document:

AIFM	an alternative investment fund manager under the AIFMD, being FIL Investment Services (UK) Limited
AIFMD	the Alternative Investment Fund Managers Directive is a European Union Directive that came into force on 22 July 2013
Board or Directors	the directors of the Company from time to time
Contract for Difference or CFD	a Contract for Difference is a derivative. It is a contract between the Company and an investment bank for a fixed period at the end of which the parties exchange the difference between the opening price and the closing price of the underlying asset of the specified financial instrument. It does not involve the Company buying or selling the underlying asset, only agreeing to receive or pay the movement in its share price. A Contract for Difference allows the Company to gain access to the movement in the share price by depositing a small amount of cash known as margin. The Company may reason that the asset price will rise, by buying (“long” position) or fall, by selling (“short” position). If the Company holds long positions, dividends are received and interest is paid. If the Company holds short positions, dividends are paid and interest is received
Covered Option	see under Option
Company	Fidelity Special Values PLC, a company incorporated in England and Wales with the registered number 2972628
CREST	the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear UK & Ireland Limited in accordance with the Uncertificated Securities Regulations 2001 (SI 2001/3755) (as amended)
Derivatives	financial instruments (such as futures, options and Contracts for Difference) whose value is derived from the value of an underlying asset
Existing Ordinary Shares	ordinary shares of 25 pence each in the capital of the Company
Future	an agreement to buy or sell a stated fixed amount of an asset at a fixed future date and fixed price

Gearing, Gross Gearing and Net Gearing	<p>describes the level of the Company's exposure and is expressed as a percentage of Shareholders' funds. It reflects the amount of exposure the Company uses to invest in the market. It can be obtained through the use of bank loans, bank overdrafts or derivatives, in order to increase the Company's exposure to investments. The Company uses two key measures of Gearing:</p> <ul style="list-style-type: none"> • Gross Gearing is the total of all long exposures, plus the total of all short exposures and less the total of all exposures hedging the portfolio, expressed as a percentage of Shareholders' funds (i.e. net asset value) • Net Gearing is the total of all long exposures, less the total of all short exposures and less the total of all exposures hedging the portfolio, expressed as a percentage of Shareholders' funds (i.e. net asset value)
General Meeting	the general meeting of the Company convened for 9.30 a.m. on 20 May 2015 or any adjournment of that meeting
Gross Assets	the total assets of the Company as determined in accordance with the Company's normal accounting policies
Hedging	a strategy aimed at minimising or eliminating the risk or loss through adverse price movements, normally involving taking a position in a derivative such as a future or an option
Listing Rules	the listing rules made by the Financial Conduct Authority under Part VI of the Financial Services and Markets Act 2000 as amended from time to time
London Stock Exchange	London Stock Exchange plc
Manager	FIL Investment Services (UK) Limited, was appointed as the manager in accordance with the AIFMD and has delegated, inter alia, investment management of the Company to FIL Investments International
NAV or Net Asset Value	also described as "Shareholders' funds", represents the total value of the Company's assets less the total value of its liabilities. For valuation purposes it is common to express the net asset value on a per share basis
New Ordinary Shares	subject to the resolution in relation to the Sub-division being passed at the General Meeting, ordinary shares of 5 pence each in the capital of the Company

Option	<p>an option is a contract which gives the right, but not the obligation, to buy or sell an underlying asset at an agreed price on or before an agreed date. An option may be a call option or a put option</p> <p>Where the Company is writing a call option, it is selling to the other party to the transaction (the option holder), the right to require the Company to sell the underlying asset to the option holder at the agreed price, but only if the option holder chooses to exercise the option. If it is a covered call option, this means that the Company has covered its obligation to sell the underlying asset on exercise because when it writes the option, it already owns the underlying asset</p> <p>If the Company writes a put option, it will have the obligation to buy the underlying asset at the agreed price from the option holder if the option holder exercises its right to exercise the option</p> <p>The Company could also buy either call options or put options (and be the option holder)</p> <p>Options may therefore be used to gain or reduce exposure to the underlying asset on a conditional basis</p>
Ordinary Shares	the Existing Ordinary Shares and the New Ordinary Shares as the context may require
Portfolio Manager	FIL Investments International, a company incorporated in England and Wales with the registered number 1448245
Proposals	the proposals to sub-divide the Company's issued share capital and to clarify and make certain changes to the Company's investment policy
Record Date	the record date and time for implementation of the Sub-division, being 5.00 p.m. on 26 June 2015 (or, if the General Meeting is adjourned, 5.00 p.m. on the date of the passing of Resolution 1)
Regulatory Information Service	a regulatory information service that is on the list of regulatory information services maintained by the Financial Conduct Authority
Resolutions	Resolution 1 and Resolution 2
Resolution 1	the ordinary resolution to be proposed at the General Meeting to approve the Sub-division of the Company's issued share capital
Resolution 2	the ordinary resolution to be proposed at the General Meeting to approve the amended investment policy of the Company
Savings Schemes	the Fidelity Investment Trust Share Plan and the Fidelity Individual Savings Account or either of them

Shareholders	holders of Ordinary Shares
Sub-division	the proposed sub-division of the Company's issued share capital into New Ordinary Shares
UK Listing Authority	the Financial Conduct Authority in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000, as amended

FIDELITY SPECIAL VALUES PLC

*(incorporated in England and Wales with registered number 2972628)
(an investment company within the meaning of section 833 of the Companies Act 2006)*

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a general meeting of Fidelity Special Values PLC (the “Company”) will be held at 25 Cannon Street, London EC4M 5TA on 20 May 2015 at 9.30 a.m. to consider and, if thought fit, pass the following resolutions as ordinary resolutions:

ORDINARY RESOLUTIONS

1. THAT each ordinary share of 25 pence in the capital of the Company be and hereby is sub-divided into five ordinary shares of 5 pence each, having the rights and subject to the restrictions (save in relation to any provision concerning nominal value) set out in the articles of association of the Company from time to time, on the terms set out in the circular to shareholders of the Company dated 23 April 2015.
2. THAT the proposed investment objective and investment policy set out in the circular to shareholders of the Company dated 23 April 2015, a copy of which has been produced to the meeting and signed by the Chairman for the purposes of identification, be and hereby is adopted as the investment policy of the Company to the exclusion of all previous investment policies of the Company.

By order of the Board
FIL Investments International
Secretary
23 April 2015

Registered Office
Beech Gate
Millfield Lane
Lower Kingswood
Tadworth
Surrey
KT20 6RP

Notes:

1. A Shareholder who is entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend, speak and vote on his/her behalf. Such proxy need not also be a Shareholder of the Company. If appointing more than one proxy, each proxy must be appointed to exercise rights attaching to different shares held by the Shareholder.
2. A proxy form for use by Shareholders at the meeting is enclosed with this document. Proxies must be lodged with the Company's registrar, Capita Asset Services, PXS1, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4ZF not less than 48 hours (excluding non-working days) before the time appointed for the meeting together with any power of attorney or other authority (if any) under which it is signed. Completion of the proxy form will not prevent a shareholder from attending the meeting and voting in person.
3. Only those Shareholders having their name entered on the Company's share register not later than 5.30 p.m. on 18 May 2015 or, if the meeting is adjourned, at 5.30 p.m. two days (excluding non-working days) prior to the date of the adjourned meeting, shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their name at that time. Changes to the entries on the Company's share register after that time shall be disregarded in determining the rights of any Shareholder to attend, speak and vote at the meeting, notwithstanding any provision in any enactment, the articles of association of the Company or other instrument to the contrary.
4. Any corporation which 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.
5. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual and by logging on to the website www.euroclear.com/CREST. 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, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must be transmitted so as to be received by the Company's registrars, Capita Asset Services (RA10), by no later than 9.30 a.m. on 18 May 2015. No such message received through the CREST network after this time will be accepted. The time of receipt will be taken to be the time from which the Registrars are able to retrieve the message by enquiry to CREST.

CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions.

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.

6. The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from the Company in accordance with section 146 of the Companies Act 2006 ("Nominated Persons"). Nominated Persons may have a right under an agreement with the member who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if Nominated Persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights. The statement of the rights of members in relation to the appointment of proxies in notes 1 and 2 above do not apply to Nominated Persons. The rights described in these notes can be exercised only by members of the Company.
7. As at 23 April 2015 (the latest practicable date prior to the publication of this document), the Company's issued share capital comprised 54,128,896 ordinary shares of 25 pence. This figure includes 829,000 ordinary shares of 25 pence held in treasury. Therefore as at 23 April 2015 the total number of voting rights in the Company was 53,299,896.
8. Any person holding three per cent. of the total voting rights in the Company who appoints a person other than the Chairman as his/her proxy will need to ensure that both he/she and such third party comply with their respective disclosure obligations under the Disclosure and Transparency Rules.
9. Information regarding the meeting, including information required by section 311A of the Companies Act 2006, is available from the Company's page of the Manager's website, www.fidelity.co.uk/its.
10. Under section 319A of the Companies Act 2006, the Company must answer any question relating to the business being dealt with at the meeting put by a member attending the meeting unless:
 - (a) answering the question 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.
11. Shareholders are advised that, unless otherwise stated, any telephone number, website or email address which may be set out in this notice of meeting or in any related documents (including the proxy form and voting instruction form) is not to be used for the purposes of serving information or documents on, or otherwise communicating with, the Company for any purposes other than those expressly stated.
12. In the case of joint holders, the vote of the senior who tenders the vote shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand in the Company's share register.