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If you have sold or otherwise transferred all of your Ordinary Shares, please immediately forward this document, together with the accompanying Form of Proxy, 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. If you have sold only part of your holding of Ordinary Shares, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

Dyson Group plc

(Incorporated and registered in England and Wales with registered number 00163096)

Notice of Annual General Meeting

To Consider Serious Loss of Capital

Your attention is drawn to the letter from the Chairman of the Company which is set out on pages 4 to 6 of this document. No resolutions are proposed in the notice of the Annual General Meeting.

Notice of the Annual General Meeting of Dyson Group plc, to be held at Buchanan Communications, 6th Floor, 45 Moorfields, London EC2Y 9AE, at 11.00 a.m. on 29 October 2009 is set out on page 7 of this document.

To be valid, the accompanying Form of Proxy for use in connection with the meeting should be completed, signed and returned as soon as possible and, in any event, so as to reach Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA, by no later than 11.00 a.m. on 27 October 2009. Alternatively, Shareholders may register the appointment of a proxy electronically with Neville Registrars Limited at www.nevilleproxy.co.uk using your personal proxy registration code as shown on the Form of Proxy enclosed with this document.

Electronic proxy appointments must also be received by Neville Registrars Limited by no later than 11.00 a.m. on 27 October 2009.

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EXPECTED TIMETABLE OF EVENTS

Latest time and date for receipt of Forms of Proxy	11.00 a.m. on 27 October 2009
Annual General Meeting	11.00 a.m on 29 October 2009

DEFINITIONS

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

“AGM” or “Annual General Meeting”	the annual general meeting of the Company convened by the notice set out at the end of this document, and any adjournment thereof
“Articles”	the articles of association of the Company
“Company”	Dyson Group plc
“Directors” or “Board”	the directors of the Company whose names are set out on page 4 of this document
“Form of Proxy”	the proxy form enclosed with this document for use by Shareholders in connection with the AGM
“Group”	Dyson Group plc and its subsidiary undertakings
“Ordinary Shares”	ordinary shares of 25 pence each in the capital of the Company
“Interim Management Statement”	the Interim Management Statement for the period from 1 April 2009 to 17 August 2009 which the Company announced on 19 August 2009
“Shareholders”	holders of Ordinary Shares

LETTER TO SHAREHOLDERS

DYSON GROUP PLC

(incorporated and registered in England and Wales with registered number 00163096)

Directors:

Dr. Christopher Honeyborne (Chairman)
Patrick Lammers (Group Chief Executive)
Dr Krishnamurthy Rajagopal (Non-Executive Director)
John Lomas (Non-Executive Director)

Registered Office:
Baslow Road
Sheffield
S17 3BL

5 October 2009

Dear Shareholder

Notice of Annual General Meeting to consider serious loss of capital

1. Introduction

The purpose of this letter is to give notice of, and to explain the reasons for calling the Annual General Meeting to be held on 29 October 2009 and additionally to explain the background to, and reasons for, the need to consider the serious loss of capital of the Company.

As you may be aware, the Company's report and accounts for the year ended 31 March 2009 (the Accounts) have not been audited and published as a result of the dialogue with its two banks, Lloyds TSB and Svenska Handelsbanken not having yet been finalised. Due to this delay in publishing the Accounts, they are not available in time for the Annual General Meeting, which must be held on or before 31 October 2009 under the company law provisions applicable to the Company. Once the Accounts have been finalised and published, a separate shareholder meeting will be convened at which the Accounts can be presented to shareholders and related matters (such as approval of the remuneration report and reappointment of the auditors) can be dealt with. Additionally, Patrick Lammers and I were reappointed as directors at last year's annual general meeting and Dr Rajagopal and John Lomas were reappointed at the annual general meeting in 2007 and, as such, there is no requirement under the Articles for any director to retire from office and offer themselves for re-election this year, as would normally be the case. The Board also believes it is not appropriate at this time to bring forward any resolutions in relation to share issues and/or share buy backs as would normally be the case at an AGM. As such, none of the ordinary or special business or resolutions normally dealt with at an annual general meeting are to be considered at this time.

2. Update on the Company's position

The significant downturn in the global automotive market, the Group's main area of focus, and the weakened economic climate more generally, affected trading during the year ended 31 March 2009.

On 17 July 2009, the Company announced that, during the process of finalising the Accounts, the Group had undertaken impairment reviews of all businesses which would result in impairment provisions against the carrying value of goodwill, fixed assets, and capitalised development costs in relation to certain businesses and provisions against inventory and other items. In addition, the annual revaluations of the Group's property portfolio and pension funds had been finalised resulting in a reduction in the property valuation of £11.9 million and an increase of £10.6 million in the pension scheme deficit. At that time the Directors' expectation was a total reduction in net asset value of the Group from £38.1 million at 31 March 2008 to no more than £5 million at 31 March 2009. These impairment reviews are now complete and, whilst still being subject to audit, have resulted in a total reduction in net asset value of the Group from £38.1 million at 31 March 2008 to circa £4.7 million at 31 March 2009. There has been no cash impact of the impairment. Unaudited Group management accounts at 31 August 2009 show net assets of the Group at circa £1.1million.

As the Company has not been able to publish its Accounts by 31 July 2009 as required by Disclosure and Transparency Rule (DTR) 4.1.3, trading in the Company's shares was suspended on 31 July 2009 pending publication of the Accounts.

In its Interim Management Statement issued on 19 August 2009 the Company announced:

"The highlights for the year ended 31 March 2009 on an unaudited basis were as follows. However, the Directors have identified a material uncertainty surrounding the ongoing support of the Group's two banks.

Financial Highlights (year ended March 31 2009)

- Revenue of £53.5 million (2008: £63.9 million)
- Underlying loss before tax of £2.2 million (2008: £6.5 million profit)
- Exceptional charges of £16.5 million (2008: £20.4 million) including £14.2 million of asset carrying value reductions
- Net debt at end of period £38.8 million (2008: £32.7 million)
- Full year dividend cancelled (2008: 4.30 pence per share)
- Basic loss in earnings per ordinary share of 63.84p (2008: 36.02p) and underlying loss per ordinary share of 6.14p (2008: earnings per ordinary share of 13.29p)
- Adverse market conditions have resulted in a decline of £11.9 million to the value of the property portfolio, including £3.5 million exceptional charges, and the pension deficit has increased by £10.6 million to £19.3 million

Operational Highlights (year ended March 31 2009)

- Significant restructuring of the Group has been completed, with further projects to streamline the production facilities currently underway
- Headcount reduction of 19% from 740 to 600 people
- Unprecedented and sudden adverse conditions in the automotive markets in the second half, and continued decline in the markets for ceramic products
- Sales in the Performance Materials business declined by 17% due, primarily, to the reduced demand for Ecoflex® products in the automotive markets
- Thermal Technologies revenues were unchanged against last year, but margins were reduced as a result of adverse pricing and sub-optimal production levels

During the period from 1 April 2009 to 17 August 2009, there have been no major changes to the trading performance of the Group. Sales revenues are running at approximately 65% of the levels for the corresponding period last year due to the continued low levels of customer demand.

Further significant restructuring, cash and cost containment actions have been implemented. These include additional headcount reductions, short-time working, factory closures and price reductions from suppliers.

In its announcement dated 31 July 2009, Dyson confirmed that it was in constructive dialogue with its two banks, Lloyds TSB and Svenska Handelsbanken, with the intention of determining the appropriate way forward. The discussions are ongoing.

As announced on 28 April 2009, the sale of the Fulwood Road, Sheffield premises (used as the Group's registered office) is due to be completed by 15 September 2009, and the registered head office will be transferred to the following address: Dyson Group Plc, Topley Works, Baslow Road, Sheffield, S17 3BL".

Trading continues in line with management expectations as previously announced and this means the underlying pre-tax loss and a consequent reduction in the share capital and reserves seen in respect of the year ended 31 March 2009 has continued into the current financial year.

3. Serious loss of capital

On the basis set out above, the Directors have concluded that the value of the Company's net assets is now less than half of its called-up share capital. In such circumstances, the Directors are required under section 656 of the Companies Act 2006 to convene a general meeting of the Company for the purpose of considering whether any, and if so what, steps should be taken to deal with the situation.

Accordingly, this matter is going to be considered at the Annual General Meeting to be held at Buchanan Communications, 6th Floor, 45 Moorfields, London EC2Y 9AE at 11.00 a.m. on 29 October 2009. The formal Notice of the Annual General Meeting is set out on page 7 of this document.

4. Action already taken by the Board

As stated above, the Company has been in discussions with its two banks and the dialogue is continuing. The Company is only able to continue to trade with the support of its lenders. A range of options is under active consideration to enable the Group to carry on trading with the support of its lenders and Group pension scheme creditors.

Significant restructuring of the Group has already been achieved with further projects in hand to reduce staff numbers and increase production efficiencies. A rigorous programme of cost reduction has been implemented and continues. The Board is advised in these and other respects by Julian Cooper of MPC Partners LLP.

Against this background, the Board has taken, and continues to take, action that it believes is appropriate to address the Group's current financial and trading position. Accordingly, the Board does not propose to recommend at the AGM that any additional action be taken to deal with this situation.

5. Action to be taken by Shareholders

Set out at the end of this document is a notice convening the AGM of the Company to be held at Buchanan Communications, 6th Floor, 45 Moorfields, London EC2Y 9AE at 11.00 a.m. on 29 October 2009 for the purpose of considering, in accordance with section 656 of the Companies Act 2006, whether any, and if so what, steps should be taken to deal with the situation that the net assets of the Company are half or less of its called-up share capital.

A Form of Proxy for use at the AGM accompanies this document. To be valid, the enclosed Form of Proxy should be completed and signed in accordance with the instructions thereon and returned to Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA, as soon as possible, but in any event so as to be received no later than 11.00 a.m. on 27 October 2009. Alternatively, Shareholders may register the appointment of a proxy electronically with Neville Registrars Limited at www.nevilleproxy.co.uk using your personal proxy registration code as shown on the Form of Proxy enclosed with this document. Electronic proxy appointments must also be received by Neville Registrars Limited by no later than 11.00 a.m. on 27 October 2009.

The appointment of a proxy will not preclude Shareholders from attending and voting on any business which may properly come before the meeting in person at the AGM should they so wish.

Yours faithfully

Dr. Christopher Honeyborne

Chairman

NOTICE OF ANNUAL GENERAL MEETING

DYSON GROUP PLC

(incorporated and registered in England and Wales with registered number 00163096)

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of Dyson Group plc ("Company") will be held at Buchanan Communications, 6th Floor, 45 Moorfields, London EC2Y 9AE, at 11.00 a.m. on 29 October 2009 for the purpose of considering, in accordance with section 656 of the Companies Act 2006, whether any, and if so what, steps should be taken to deal with the situation that the net assets of the Company are half or less of its called-up share capital.

Registered Office:
Baslow Road
Sheffield
S17 3BL

By order of the Board
Richard P McQuinn LLB
(Hons) ACIS
Secretary
5 October 2009

1. Only the holders of Ordinary Shares are entitled to attend or vote on any business that may properly come before the meeting in person or by proxy at the Annual General Meeting convened by the above notice. On a poll votes may be given either personally or by proxy. A total of 33,032,349 Ordinary Shares are in issue at the date of this notice of Annual General Meeting.
2. A member is entitled to appoint one or more proxies to exercise all or any of their rights to attend, speak and vote (both on a show of hands and on a poll) on any business that may properly come before the meeting instead of them. A proxy need not be a member of the Company. A white Form of Proxy for use by the holders of Ordinary Shares in connection with the Annual General Meeting convened by this notice is enclosed with this document. Additional copies can be made by photocopying the Form of Proxy.
3. A member may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by them. To appoint more than one proxy, a member will need to complete a separate Form of Proxy in relation to each appointment. Members will need to state clearly on each Form of Proxy the number of shares in relation to which the proxy is appointed. A failure to specify the number of shares each proxy appointment relates to or specifying a number in excess of those held by the member may result in the proxy appointment being invalid. Members can only appoint a proxy using the procedures set out in these notes and the notes to the Form of Proxy. The right of a member under section 324 of the Companies Act 2006 ("2006 Act") to appoint a proxy does not apply to a person nominated to enjoy information rights under section 146 of the 2006 Act.
4. To be effective the instrument appointing a proxy and 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 deposited at the registrar's office (details of which are set out in note 12 below) not less than forty-eight hours before the time appointed for holding the meeting or any adjournment thereof.
5. As an alternative to completing the hard copy Form of Proxy, members can appoint proxies electronically by registering the proxy with Neville Registrars at www.nevilleproxy.co.uk using your personal proxy registration code as shown on the Form of Proxy enclosed with this document. For an electronic proxy appointment to be valid, the appointment must be received by the Company's registrar no later than 11.00 a.m. on 27 October 2009. Any electronic communication sent by a member to the Company or the Company's registrar which is found to contain a virus will not be accepted by the Company but every effort will be made by the Company to inform the member of the rejected communication.
6. The completion and return of a Form of Proxy will not prevent the holders of Ordinary Shares from attending and voting in person at the meeting if desired.

7. Where a copy of this notice is being received by a person who has been nominated to enjoy information rights under section 146 of the 2006 Act ("nominee"):
 - a. the nominee may have a right under an agreement between the nominee and the member by whom he was appointed, to be appointed, or to have someone else appointed, as a proxy for the meeting; or
 - b. if the nominee does not have any such right or does not wish to exercise such right, the nominee may have a right under any such agreement to give instructions to the member as to the exercise of voting rights.
8. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, to be entitled to attend and vote at the meeting (and for the purpose of determination of the number of votes they may cast) members must be entered on the register of members at 6.00 p.m. on the day which is two days before the day of the Annual General Meeting or, if the meeting is adjourned, the day of the adjourned meeting. Any change to the register of members after such time shall be disregarded in determining the rights of any person to attend or vote at the meeting.
9. Members have the right to ask questions at the meeting in accordance with section 319A of the 2006 Act.
10. The information required by section 311A of the 2006 Act to be published in advance of the meeting is available at www.dyson-group.com.
11. Copies of the appointment letters of non-executive directors and the executive director's service contract will be available for inspection during business hours at the registered office of the Company on any weekday from the date of this notice until the date of the Annual General Meeting and will also be available for inspection at the place of the Annual General Meeting from 10.45 a.m. on the day of the meeting until the conclusion of the meeting.
12. The registrar's office is Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA; telephone number: 0121 585 1131.