

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about the contents of this document or the action you should take, you should immediately consult an independent professional adviser authorised for the purposes of FSMA who specialises in advising on the acquisition of shares and other securities in the United Kingdom.

If you have sold or otherwise transferred all of your Ordinary Shares in IS Solutions plc you should at once forward this document and form of proxy to the purchaser or transferee or to the stockbroker, bank or other person through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

The Directors, whose names appear on page 4 of this document, and the Company accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Application will be made for the listing of the Ordinary Shares listed on the Official List to be cancelled and for the Ordinary Shares to be admitted to trading on AIM. It is expected that cancellation will take place at 8 a.m. on 16 June 2008 and that admission to AIM will become effective and that dealings will commence on AIM at 8 a.m. on 16 June 2008.

IS SOLUTIONS PLC

(Incorporated and registered in England and Wales under the Companies Act 1985 with registered number 01892751)

Proposed transfer from the Official List to AIM

Notice of Extraordinary General Meeting

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List.

Brewin Dolphin Limited, which is a member of the London Stock Exchange and is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting for the Company and no one else in connection with the proposals described in this document and will not be responsible for providing the protections afforded to customers of Brewin Dolphin Securities Limited nor for providing advice in relation to the contents of the document or any matter referred to in it.

Notice of an Extraordinary General Meeting of IS Solutions plc, to be held on 15 May 2008 at Windmill House, 91-93 Windmill Road, Sunbury on Thames, Middlesex at 10 a.m. (or as soon thereafter as the Annual General Meeting of the Company convened for the same day and place shall have concluded), is set out at the end of this document. Whether or not you intend to attend the Extraordinary General Meeting, you should complete and return the enclosed Form of Proxy.

To be valid, the Form of Proxy must be returned, in accordance with its instructions, so as to arrive with the Company at Windmill House, 91-93 Windmill Road, Sunbury, Middlesex TW16 7EF, as soon as possible and no later than 48 hours before the time of the Extraordinary General Meeting. Completion and return of a Form of Proxy will not prevent a Shareholder from attending and voting at the meeting in person.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

2008

Latest time and date for receipt of proxies for the Extraordinary General Meeting	10 a.m. on 13 May
Extraordinary General Meeting	10 a.m. on 15 May
Last day of dealings in Ordinary Shares on the Official List	13 June
Time and date of cancellation of listing of Ordinary Shares on the Official List	8 a.m. on 16 June
Time and date of admission to AIM	8 a.m. on 16 June

DEFINITIONS

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

"Admission"	the proposed admission of the Ordinary Shares to trading on AIM
"AIM"	a market operated by the London Stock Exchange
"AIM Rules"	the rules published by the London Stock Exchange entitled "AIM Rules for Companies"
"Brewin Dolphin"	Brewin Dolphin Limited, the Company's nominated adviser and broker (as defined in the AIM Rules), which is authorised and regulated by the FSA
"Company"	IS Solutions plc
"De-Listing"	the proposed cancellation of the listing of the Ordinary Shares on the Official List and from trading on the London Stock Exchange's main market for listed securities
"Directors" or "Board"	the directors of the Company as at the date of this document
"Form of Proxy"	the form of proxy accompanying this document for use by the Shareholders in connection with the Extraordinary General Meeting
"FSA"	the Financial Services Authority
"FSMA"	the Financial Services and Markets Act 2000
"Extraordinary General Meeting"	the Extraordinary General Meeting of the Company to be held on 15 May 2008 at Windmill House, 91-93 Windmill Road, Sunbury-on-Thames, Middlesex TW16 7EF at 10 a.m. (or as soon thereafter as the Annual General Meeting of the Company convened for the same day and place shall have concluded), notice of which is set out at the end of this document
"Group"	the Company, its subsidiaries and subsidiary undertakings
"ISA"	Individual Savings Account
"Listing Rules"	the Listing Rules made by the FSA under Part VI of FSMA
"London Stock Exchange"	London Stock Exchange plc
"Official List"	the Official List of the UKLA
"Ordinary Shares"	the ordinary shares of 2 pence each in the capital of the Company in issue at the date of this document
"PEP"	Personal Equity Plan
"Prospectus Rules"	the Prospectus Rules made by the FSA under Part VI of FSMA
"Resolution"	the resolution to be proposed at the Extraordinary General Meeting in connection with the Transfer
"Shareholders"	the holders of Ordinary Shares
"Transfer"	the De-Listing and Admission as described in this document
"UK"	United Kingdom of Great Britain and Northern Ireland
"UKLA"	the UK Listing Authority, the competent authority as that expression is defined in FSMA

LETTER FROM THE CHAIRMAN OF IS SOLUTIONS PLC

(Incorporated and registered in England and Wales under the Companies Act 1985 with registered number 01892751)

Directors

Registered Office

Barrie Clark (*Non-Executive Director and Chairman*)

Windmill House

John Lythall (*Chief Executive*)

Sunbury-on-Thames

Peter Kear (*Director*)

Middlesex

Jonathan West (*Director*)

TW16 7EF

James Dodkins (*Director*)

Peter English (*Non-Executive Director*)

Roger McDowell (*Non-Executive Director*)

23 April 2008

Michael Tinling (*Non-Executive Director and Company Secretary*)

Dear Shareholder

Proposed transfer of the Company's Ordinary Shares from the Official List to AIM

Introduction

The Company today announced its intention to de-list the Ordinary Shares from the Official List, to remove the Ordinary Shares from trading on the London Stock Exchange's main market for listed securities and to apply for the Ordinary Shares to be admitted to trading on AIM. In accordance with the Listing Rules the De-Listing is subject to the approval of at least 75% of the shareholders voting at the Extraordinary General Meeting, either in person or by proxy.

The purpose of this document is to provide Shareholders with information on the Transfer and to seek the approval of the Shareholders at the Extraordinary General Meeting, notice of which is set out on page 6 of this document.

Background to and reason for the transfer to AIM

AIM is the London Stock Exchange's international market for smaller growing companies. When launched in 1995 its objective was to offer smaller companies the opportunity to raise capital on a market with a pragmatic and appropriate approach to regulation and AIM was designed to be a highly flexible public market offering many unique attributes both for companies and investors.

There are now more than 1600 companies trading on AIM and over 270 have transferred to AIM from the Official List. The Board believes that AIM is a more appropriate market for the Company taking into account its size, market capitalisation and resources. The Board also believes that AIM will offer greater flexibility, particularly with regards to corporate transactions, and will enable the Company to agree and execute certain transactions more quickly and cost-effectively should any disposal, acquisition or other development opportunities arise in the future.

The regulatory obligations of the Company on AIM will be broadly similar to those while on the Official List. However there are a few notable exceptions:

- Under the AIM Rules, the Company will be required to appoint and retain a nominated adviser and broker at all times. The nominated adviser has ongoing responsibilities to both the Company and the London Stock Exchange. On Admission, Brewin Dolphin will be appointed as the Company's nominated adviser and broker.

- At present, and while the Company remains on the Official List, the Company requires the approval of shareholders on a broad range of transactions in accordance with the Listing Rules. In the event that the Transfer is approved and effected shareholder approval will only be required in limited circumstances, for example, where an acquisition may be classified as a 'reverse take-over' under the AIM Rules or where a disposal results in a fundamental change in the business of the Company.
- The Listing Rules require that 25% of the Company's issued share capital be held in public hands at all times. However there is no similar requirement under the AIM Rules.
- There is no requirement under the AIM Rules for a prospectus or admission document to be published for the issue of further securities in the Company, except as otherwise required by the Prospectus Rules.

In addition there are various tax reliefs available to investors in companies whose shares are traded on AIM. These tax advantages are those which relate to investments in qualifying unquoted companies. Companies traded on AIM are regarded by HM Revenue & Customs as unquoted for this purpose.

The tax reliefs which may be available include:

- **for individual investors:**
The Enterprise Investment Scheme (EIS)
Inheritance tax (business property relief)
Relief for losses
Venture Capital Trusts (VCTs)
- **For corporate investors:**
Corporate venturing scheme (CVS)

Shareholders or prospective investors should consult their own professional advisers on whether an investment in an AIM security is suitable for them or whether the tax advantages referred to above may be available to them. In particular it should be noted that it is not possible to hold shares traded on AIM in PEPs or ISAs. The Board understands that, under current HM Revenue & Customs' rules, Shareholders will have 30 days following Admission to either transfer their Ordinary Shares out of their PEP or ISA into their own name or sell their holding and retain the proceeds within the PEP or ISA.

The above comments on the tax implications of the Transfer are based on the Directors' current understanding of tax law and practice and are intended only as a general guide and do not constitute tax or legal advice. Tax rules can change and the precise tax implications will depend on Shareholders' individual circumstances. If you are in any doubt as to your tax position, or are resident or otherwise subject to taxation in a jurisdiction outside the United Kingdom, you should consult your tax adviser without delay.

Conditional upon the Resolution being approved, the Company will give notice to cancel the listing of the Ordinary Shares on the Official List and to remove them from trading on the London Stock Exchange's market for listed securities and will apply to the London Stock Exchange for the admission of the Ordinary Shares to trading on AIM.

It is anticipated that the last day of dealings on Ordinary Shares on the Official List will be 13 June 2008. Cancellation of the listing and trading of Ordinary Shares will take effect at 8 a.m. on 16 June 2008, being not less than 20 business days following the date of the Extraordinary General Meeting.

It is anticipated that Admission will take place and dealings will commence on AIM at 8 a.m. on 16 June 2008.

Risk Factors

Whilst the Transfer will not affect the way in which Shareholders buy and sell Ordinary Shares, the market for shares on AIM may be less liquid and/or subject to greater fluctuation than the Official List, and, accordingly, shares listed on AIM may be perceived as carrying a higher risk than shares on the Official List.

Extraordinary General Meeting

A notice convening the Extraordinary General Meeting is set out on page 6 of this document. The Extraordinary General Meeting is to be held on 15 May 2008 at Windmill House, 91-93 Windmill Road, Sunbury, Middlesex TW16 7EF at 10 a.m. (or as soon thereafter as the Annual General Meeting of the Company convened for the same day and place shall have concluded).

Action to be Taken

A Form of Proxy for use at the Extraordinary General Meeting is enclosed. Whether or not you intend to be present at the Extraordinary General Meeting, you are requested to complete the Form of Proxy in accordance with the instructions therein and return it to the Company at Windmill House, 91-93 Windmill Road, Sunbury, Middlesex TW16 7EF, as soon as possible and in any event not later than 48 hours before the date of the Extraordinary General Meeting. The completion and return of the Form of Proxy will not preclude you from attending the Extraordinary General Meeting and voting in person if you so wish.

Recommendations

The Board considers that the proposed Transfer is in the best interests of the Company and its Shareholders as a whole. Accordingly the Board unanimously recommends that Shareholders vote in favour of the Resolution as they intend to do in respect of their own holdings, which in aggregate amount to 7,871,929 Ordinary Shares representing approximately 33% of the total voting rights in the Company.

Yours faithfully



Barrie Clark

Chairman

NOTICE OF EXTRAORDINARY GENERAL MEETING

IS Solutions plc

(Incorporated and registered in England and Wales under the Companies Act 1985 with registered number 01892751)

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the members of the Company will be held on 15 May 2008 at Windmill House, 91-93 Windmill Road, Sunbury on Thames, Middlesex TW16 7EF at 10 a.m. (or as soon thereafter as the Annual General Meeting of the Company convened for the same day and place shall have concluded) to consider and, if thought fit, pass the following resolution as a special resolution:

SPECIAL RESOLUTION

THAT the listing of the issued ordinary share capital of the Company on the Official List be cancelled and application be made for the admission of the issued ordinary share capital of the Company to trading on AIM.

By order of the Board

Michael Tining
Company Secretary
IS Solutions plc
23 April 2008

NOTES:

1. Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on a show of hands as well as a poll on their behalf at the meeting. A shareholder may appoint more than one proxy in relation to the Extraordinary General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice. A proxy need not be a member of the Company but must attend the meeting in person to represent the member. The appointment of a proxy will not prevent a member from attending and voting at the Extraordinary General Meeting should he decide to do so.
2. To be valid any proxy form or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand at Windmill House, 91-93 Windmill Road, Sunbury on Thames TW16 7EF not less than 48 hours before the time for holding the meeting.
3. 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 Extraordinary General Meeting. 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 the voting rights.
4. The statement of the rights of shareholders in relation to the appointment of proxies in paragraphs 1 and 2 above does not apply to Nominated Persons. The rights described in those paragraphs can only be exercised by shareholders of the company.
5. To be entitled to attend and vote at the Extraordinary General Meeting (and for the purpose of the determination by the Company of the votes they may cast), Shareholders must be registered in the Register of Members of the Company at 10 a.m. on 13 May 2008 (or, in the event of any adjournment, on the date which is two days before the time of the adjourned meeting). 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.
6. As at 22 April 2008 (being the last business day prior to the publication of this Notice) the Company's issued share capital consists of 24,793,190 ordinary shares, carrying one vote each, of which 1,258,118 are held as Treasury Shares and in respect of which the voting rights are not exercisable. Therefore, the total voting rights in the Company as at 22 April 2008 are 23,535,072.
7. In order to facilitate voting by corporate representatives at the meeting, arrangements will be put in place at the meeting so that:
 - (ii) if a corporate shareholder has appointed the Chairman of the meeting as its corporate representative with instructions to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the meeting, then on a poll those corporate representatives will give voting directions to the Chairman and the Chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and
 - (iii) if more than one corporate representative for the same corporate shareholder attends the meeting but the corporate shareholder has not appointed the Chairman of the meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives – www.icsa.org.uk – for further details of this procedure. The guidance includes a sample form of representation letter if the Chairman is being appointed as described in (i) above.