

Special business continued

10.2 the authority herein contained shall expire at the conclusion of the next Annual General Meeting of the Company or the date which is 15 months from the date of this resolution, whichever is earlier, provided that the Company may, before such expiry, make a contract to purchase its own shares which would or might be executed wholly or partly after such expiry, and the Company may make a purchase of its own shares in pursuance of such contract as if the authority hereby conferred hereby had not expired.

Dated [•] September 2011

Registered Office:

Network House
Globe Business Park
Marlow
Buckinghamshire
SL7 1EY

By order of the Board
Chris Ogle
Company Secretary

Notes:

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy or proxies to attend and vote instead of him/her. A proxy need not be a member of the Company. The appointment of a proxy will not preclude a member from attending and voting at the meeting in person should he/she subsequently decide to do so.
2. To be effective, any form of proxy and power of attorney or other authority under which it is signed, or a notarially certified or office copy of such power of attorney must be completed and lodged with the Company's Registrars, Computershare Investor Services plc, The Pavilions, Bridgwater Road, Bristol BS99 6ZY no later than 48 hours before the time of the meeting.
3. The right of members to vote at the Annual General Meeting is determined by reference to the register of members. As permitted by Regulation 41 of the Uncertificated Securities Regulations 2001, shareholders who hold ordinary shares in uncertificated form must be entered on the Company's register of members 48 hours before the time of the meeting in order to be entitled to attend and/or vote at the meeting in respect of the number of shares registered in their name at such time. Changes to entries on the register of members after that time will be disregarded in determining the rights of any person to attend and/or vote at the meeting.
4. Copies of the service contracts and letters of appointment for each of the Directors will be available for inspection at the registered office of the Company during usual business hours from the date of this notice until the date of the meeting, and at the venue of the meeting for at least 30 minutes prior to and at the meeting.

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about its content, or the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent professional adviser authorised pursuant to the Financial Services and Markets Act 2000. If you have sold or transferred all your shares in EXPANSYS plc, you should pass this document and the accompanying documents to the purchaser or transferee or to the person through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

EXPANSYS plc

(the "Company")
(Incorporated in England and Wales with registered number 3593277)

2011 ANNUAL GENERAL MEETING**Directors:**

Bob Wigley (Chairman)
Peter Jones CBE
Anthony Catterson
Tim Eltze
Chris Ogle
Brian Collie
Graham Dawber
Stephen Vincent

Registered Office:

Network House
Globe Business Park
Marlow
Buckinghamshire
SL7 1EY

27 September 2011

Dear Shareholder

2011 Annual General Meeting

The 2011 Annual General Meeting is to be held at One Ropemaker Street, London EC2Y 9AW on Thursday 27 October 2011 at 2 p.m. The formal notice convening the meeting is set out on pages 3 to 4 of this document. In addition to the ordinary business set out in items numbered 1 to 8 of the notice, you will find resolutions numbered 9 and 10 which will be proposed as special business at the meeting.

This circular provides you with a detailed explanation of resolutions 8 to 10 and explains the action you should take.

Resolution 8 – authority to allot relevant securities

This ordinary resolution seeks to renew for a further year, in line with the UK corporate governance guidelines, the general authority previously given to the Directors to allot ordinary shares in the Company. It would give the Directors the authority to allot relevant securities of a maximum notional amount of £964,091.87, representing a maximum number of 385,636,748 ordinary shares of 0.25p each or approximately 33% of the Company's issued ordinary share capital as at the date of this circular. This authority would expire 15 months after the passing of the resolution or, if earlier, at the conclusion of the Annual General Meeting in 2012. The Directors have no present intention of exercising this authority.

Resolution 9 – disapplication of statutory pre-emption rights

This special resolution seeks, as in previous years and in line with the UK corporate governance guidelines, to give the Directors the power to allot small quantities of equity securities (such as ordinary shares in the Company) for cash without first offering them to existing shareholders. The authority is limited to the allotment (otherwise than pursuant to a rights issue or similar issue) of equity securities of a maximum nominal amount of £289,227.56 representing a maximum number of 115,691,024 ordinary shares of 0.25p each or approximately 10% of the Company's issued ordinary share capital at the date of this circular. This power would expire 15 months after the passing of the resolution or, if earlier, at the conclusion of the Annual General Meeting in 2012. Again, the Directors have no present intention of exercising this authority.

Resolution 10 – purchase of own ordinary shares

This special resolution seeks shareholders' authority for the Company to make market purchases of its own ordinary shares.

The Directors have no present intention of exercising this authority but would wish to have the flexibility to do so in the future. Purchases of own shares would only be made through AIM and any shares purchased would be cancelled or placed into treasury (no dividends are paid to shares whilst held in treasury and no voting shares attach to treasury shares).

NOTICE OF ANNUAL GENERAL MEETING

EXPANSYS plc
(Incorporated and registered in England and Wales under the Companies Act 2006 with registered number 03593277)

NOTICE IS HEREBY GIVEN that the 2011 Annual General Meeting of EXPANSYS plc (the "Company") will be held at One Ropemaker Street, London EC2Y 9AW on Thursday 27 October 2011 at 2 p.m. for the following purposes:

Ordinary business

To consider and, if thought fit, to pass the following resolutions which will be proposed as ordinary resolutions:

1. TO receive and adopt the audited financial statements for the year ended 30 April 2011 and the Directors' and Auditors' reports thereon.
2. TO re-elect Mr B Collie as a Director.
3. TO re-elect Mr C Ogle as a Director.
4. TO re-elect Mr A Catterson as a Director (who is retiring by rotation in accordance with Article 32.1 of the Company's Articles of Articles).
5. TO re-elect Mr T Eltze as a Director (who is retiring by rotation in accordance with Article 32.1 of the Company's Articles of Articles).
6. TO re-appoint PricewaterhouseCoopers LLP as auditors to the Company to hold office until the conclusion of the next general meeting at which the accounts are laid before the Company.
7. TO authorise the Directors to determine the remuneration of the auditors of the Company.
8. THAT, the Board be and it is hereby generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 (the "Act") (in substitution for any existing authority to allot shares) to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for, or convert any security into, shares in the Company up to an aggregate nominal amount of £964,091.87, provided that such authority, unless renewed, shall expire at the conclusion of the next Annual General Meeting of the Company or the date which is 15 months from the date of this resolution, whichever is the earlier but shall extend to the making, before such expiry, of an offer or agreement which would or might require such shares to be allotted or such rights to be granted after such expiry and the Directors may allot such shares and grant such rights in pursuance of such an offer or agreement as if the authority conferred hereby had not expired and further, that, the Board be and it is generally and unconditionally authorised to exercise all powers of the Company to allot equity securities (within the meaning of section 560 of the Act) in connection with a rights issue in favour of ordinary shareholders where the equity securities respectively attributable to the interests of all ordinary shareholders are proportionate (or as nearly as may be) to the respective numbers of ordinary shares held by them up to an aggregate nominal amount of £964,091.87 provided that such authority, unless renewed, shall expire at the conclusion of the next Annual General Meeting of the Company or the date which is 15 months from the date of this resolution, whichever is the earlier but shall extend to the making, before such expiry, of an offer or agreement which would or might require equity securities to be allotted after such expiry and the Board may allot equity securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

Special business

To consider and, if thought fit, pass the following resolutions which will be proposed as special resolutions:

9. THAT, subject to the passing of Resolution 8 above, in substitution for all subsisting authorities to the extent unused and in accordance with the Articles of Association of the Company and with section 570 of the Act, the Board be and it is hereby empowered to allot equity securities (as defined in section 560 of 3 the Act) for cash pursuant to the general authority conferred on them contained in Resolution 8 above as if sub-section (1) of section 561 of the Act did not apply to the allotment, provided that the power hereby conferred shall be limited to:
 - 9.1 the allotment of equity securities in connection with an issue or offering in favour of holders of equity securities and any other persons entitled to participate in such issue or offering where the equity securities respectively attributable to the interests of such holders and persons are proportionate (as nearly as may be) to the respective number of equity securities held by or deemed to be held by them on the record date of such allotment subject only to exclusions or other arrangements as the Directors may consider necessary or expedient to deal with fractional entitlements or legal or practical problems under the laws or requirements of any recognised regulatory body in any territory;
 - 9.2 the allotment of equity securities (otherwise than pursuant to sub-paragraphs 9.1 above) up to an aggregate nominal value of £289,227.56.

This power, unless renewed, shall expire at the conclusion of the next Annual General Meeting of the Company or the date which is 15 months from the date of this resolution, whichever is the earlier but shall extend to the making, before such expiry, of an offer or agreement which would or might require equity securities to be allotted after such expiry and the Board may allot equity securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.
10. THAT, the Company be generally and unconditionally authorised, pursuant to Article 15 of the Articles of Association of the Company and pursuant to section 701 of the Companies Act 2006, to make market purchases (as defined in section 693(4) of the Companies Act 2006) of up to 115,691,024 ordinary shares of 0.25p each in the capital of the Company (being approximately 10% of the current issued ordinary share capital of the Company) on such terms and in such manner as the Directors of the Company may from time to time determine, provided that:
 - 10.1 the amount paid for each share (exclusive of expenses) shall not be more than the higher of (1) 5% above the average market value for the five business days before the date on which the contract for the purchase is made, and (2) an amount equal to the higher of the price of the last independent trade and current independent bid as derived from the trading venue where the purchase was carried out or less than 0.25p per share; and

Resolution 10 – purchase of own ordinary shares continued

Accordingly, the Directors will only exercise the authority to make purchases of shares granted by this resolution if they believe that to do so would result in an improvement in the Company's earnings per share and is in the best interests of the shareholders generally. The maximum number of shares which may be purchased pursuant to this authority is 115,691,024 shares of 0.25p each representing 10% of the Company's issued ordinary share capital at the date of this circular. The authority would, again, expire 15 months after the passing of the resolution or, if earlier, at the conclusion of the Annual General Meeting in 2012. The minimum price that could be paid for an ordinary share would be 0.25p and the maximum price would be equal to the higher of 5% above the average of the middle market quotations for an ordinary share as derived from the AIM Appendix to the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the share is contracted to be purchased and an amount equal to the higher of the price of the last independent trade and current independent bid as derived from the trading venue where the purchase was carried out, in each case excluding expenses.

Action to be taken

Shareholders will find enclosed a reply-paid Form of Proxy for use in connection with the Annual General Meeting. Whether or not you are able to attend the Annual General Meeting, you are requested to complete the Form of Proxy and return it to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY as soon as possible and, in any event, so as to arrive no later than 48 hours before the time of the meeting. The completion and return of a Form of Proxy will not preclude you from attending and voting in person, if you wish to do so.

Recommendation

The Directors consider that the resolutions numbered 1 to 10 inclusive set out in the Notice of Annual General Meeting on pages 3 to 4 of this document are in the best interests of the Company and of the shareholders as a whole and the Directors recommend that you vote in favour of them, as each of the Directors intends to do in respect of his own beneficial holding of shares in the Company.

Yours faithfully



Bob Wigley
Chairman