

Chairman's Letter and Notice of Annual General Meeting (AGM)

Thursday 30th April 2015 at 2.30pm to be held at LSL's offices,
1 Sun Street, London, EC2A 2EP

Registered in England and Wales with Company Number: 5114014

Registered Office Address: Newcastle House, Albany Court, Newcastle Business Park,
Newcastle Upon Tyne, NE4 7YB



This document is important and requires your immediate attention.

If you have any doubts about what action you need to take, you should immediately contact 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 otherwise transferred all of your registered holding of Ordinary Shares in LSL you should pass this document and the accompanying documents to the person through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

Electronic communications

In accordance with its articles of association and unless a Shareholder requests otherwise, LSL communicates with its Shareholders by publishing information (including statutory documents, such as the Annual Reports and Accounts) (**Shareholder Communications**) on to its website (www.lslps.co.uk) (**Website**).

In accordance with this policy, LSL has published the Annual Report and Accounts 2014 on the Website and for those Shareholders who elected to receive paper copies of any Shareholder Communications, a copy of the Annual Report and Accounts 2014 is enclosed with this Notice.

Any Shareholders wishing to receive paper copies of Shareholder Communications should advise Capita Asset Services on 0871 664 0300 (calls cost 10p per minute plus network extras and lines are open 9.00am to 5.30pm, Monday to Friday) or online at www.capitashareportal.com. or by e-mail at shareholderenquiries@capita.co.uk.

1st April 2015

To LSL Property Services plc (LSL) Shareholders

Dear Shareholder

2015 Annual General Meeting (AGM)

I am pleased to give you notice of the 2015 AGM which will be held at 2.30pm on Thursday 30th April 2015 at our offices, 1 Sun Street, London EC2A 2EP.

The Notice of the AGM is set out on pages 3 and 4 of this document, with Explanatory Notes to the resolutions set out on pages 5 to 7. There will be an opportunity for Shareholders to ask questions at the AGM.

Election of Directors

I would like to take this opportunity to make particular reference to resolutions 4 to 9 (inclusive) which relate to the election of the Directors.

The Board is committed to high levels of corporate governance in accordance with the principles of the UK Corporate Governance Code.

In accordance with best practice, all of the Directors will be standing for re-election at the AGM. The biographical details of all the Directors are set out on pages 40 and 41 of the Annual Report and Accounts 2014 and on pages 5 and 6 of the Explanatory Notes to the resolutions.

Final Dividend

I am delighted to report an increase in our proposed final dividend of 15% to 8.3 pence per share (2013: 7.2 pence). This will result in the total dividend for the year, excluding the special dividend of 16.5 pence relating to our disposal of Zoopla shares, increasing by 17% to 12.3 pence per share (2013: 10.5 pence), recognising our confidence in the future earnings prospects of the business.

Recommendation

The Board considers each of the proposed resolutions to be in the best interests of LSL and its Shareholders as a whole and to be most likely to promote the success of LSL for the benefit of its members as a whole. Accordingly, the Directors unanimously recommend that you vote in favour of all the resolutions, as they intend to do in respect of their beneficial holdings of Ordinary Shares (in respect of which they have the power to exercise or direct the exercise of voting rights) which, in aggregate, amount to 6,144,042 Ordinary Shares representing approximately 5.90% of the issued share capital of LSL.

Yours sincerely

Simon Embley
Chairman

LSL Property Services plc.

Registered Office: Newcastle House, Albany Court, Newcastle Business Park, Newcastle Upon Tyne, NE4 7YB (Company Number 5114014)

Voting Arrangements – Action to be taken

Shareholders are asked to either:

1. complete the enclosed Form of Proxy and return it, together with any power of attorney or other authority under which it is signed or a notarially certified copy thereof, to Capita Asset Services:

PXS 1, 34 Beckenham Road, Beckenham, Kent BR3 4TU, so as to arrive no later than 2.30pm on 28th April 2015; or

2. if you hold your shares in uncertificated form, use the CREST electronic proxy appointment service, details of which are set out in Note 3 of the Administrative Notes to the Notice of AGM set out on pages 8 and 9.

To appoint more than one proxy you will need to complete a separate Form of Proxy in relation to each appointment. You may photocopy the enclosed Form of Proxy, indicating on each copy the name of the proxy you wish to appoint and the number of shares in respect of which the proxy is appointed. All forms must be signed and should be returned together in the same envelope.

The Form of Proxy includes a 'Vote Withheld' option in order for Shareholders to abstain on any particular resolution. However, an abstention is not a vote in law and will not be counted in the calculation of the proportion of votes "For" or "Against" the relevant resolution.

Completion of the Form of Proxy or appointment of a proxy through CREST does not prevent you from attending and voting in person.

Capita Asset Services maintain LSL's share register. If you have any queries about voting or about your shareholding, please contact Capita Asset Services on:

Post: Capita Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU
Email: shareholderenquiries@capita.co.uk
Telephone: 0871 664 0300 (calls cost 10p a minute plus network extras and lines are open 9.00am to 5.30pm, Monday to Friday).
Online: www.capitashareportal.com – if you have internet access, you can amongst other things, view details of your shareholding, set up or amend a dividend mandate and update your address details.

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting (AGM) of LSL Property Services plc (LSL) will be held at its offices, 1 Sun Street, London EC2A 2EP on Thursday 30th April 2015 at 2.30 pm for the transaction of the following business.

At the AGM, Shareholders will be asked to consider and vote on the resolutions below. Resolutions 1 to 12 (inclusive) and 15 will be proposed as ordinary resolutions and resolutions 13, 14 and 16 will be proposed as special resolutions.

Resolution 1 – Annual Report and Accounts (ordinary resolution)

1. To receive, consider and adopt LSL's Annual Accounts for the year ended 31st December 2014, together with the Directors' Report and the Auditors' Report on those accounts.

Resolution 2 – Directors' Remuneration Report (ordinary resolution)

2. To approve the Directors' Remuneration Report contained within the LSL's Annual Report and Accounts 2014 for the year ended 31st December 2014.

Resolution 3 – Final Dividend (ordinary resolution)

3. To declare a final dividend, recommended by the Directors, of 8.3 pence per Ordinary Share in respect of the year ended 31st December 2014 to be paid on 7th May 2015 to Shareholders whose names appear on the register at the close of business on 27th March 2015.

Resolution 4 – Re-election of Director (ordinary resolution)

4. To re-elect Helen Buck as a Director of LSL.

Resolution 5 – Re-election of Director (ordinary resolution)

5. To re-elect Ian Crabb as a Director of LSL.

Resolution 6 – Re-election of Director (ordinary resolution)

6. To re-elect Simon Embley as a Director of LSL.

Resolution 7 – Re-election of Director (ordinary resolution)

7. To re-elect Adrian Gill as a Director of LSL.

Resolution 8 – Re-election of Director (ordinary resolution)

8. To re-elect Mark Morris as a Director of LSL.

Resolution 9 – Re-election of Director (ordinary resolution)

9. To re-elect Bill Shannon as a Director of LSL.

Resolution 10 – Appointment of Auditors (ordinary resolution)

10. To re-appoint Ernst & Young LLP as auditors of LSL to hold office from the conclusion of the AGM until the conclusion of the next general meeting at which accounts are laid before LSL.

Resolution 11 – Auditors' Remuneration (ordinary resolution)

11. To authorise the Directors to determine the auditors' remuneration.

Resolution 12 – Authority to Allot Shares (ordinary resolution)

12. That:

- 12.1. the Directors be and are hereby generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 (**the Act**) to allot shares in LSL and to grant rights to subscribe for, or to convert any security into, shares in LSL (**Rights**) up to an aggregate nominal amount of £69,439.30 provided that this authority shall expire in 15 months or at the conclusion of the next AGM (whichever occurs first and unless previously renewed, revoked or varied by LSL in general meeting) save that LSL may before such expiry make an offer or agreement which would or might require shares to be allotted or Rights to be granted after such expiry and the Directors may allot shares or grant Rights in pursuance of such an offer or agreement as if the authority conferred hereby had not expired;
- 12.2. the Directors be and are hereby generally and unconditionally authorised to exercise all powers of LSL to allot equity securities (within the meaning of section 560 of the Act) in connection with an offer by way of a rights issue in favour of ordinary shareholders where the new equity securities respectively attributable to the interests of all ordinary shareholders are proportionate (as nearly as may be practicable) to the respective numbers of ordinary shares held by them up to an aggregate nominal amount of £138,878.60 (such amount to be reduced by the nominal amount of any shares allotted or Rights granted under paragraph 12.1 above), provided that this authority shall expire in 15 months or at the conclusion of the next AGM (whichever occurs first and unless previously renewed, revoked or varied by LSL in general meeting) save that LSL may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired; and
- 12.3. all previous unutilised authorities given to the Directors pursuant to section 551 of the Act shall be revoked (save to the extent that the same are exercisable pursuant to section 551(7) of the Act by reason of any offer or agreement made prior to the date of this resolution which would or might require shares to be allotted or rights to be granted on or after that date).

Resolution 13 – Disapplication of Pre-emption Rights (special resolution)

13. That, subject to the passing of Resolution 12 (Authority to Allot Shares), the Directors be and are hereby generally empowered pursuant to section 570 of the Act to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority conferred by Resolution 12 as if section 561(1) of the Act did not apply to any such allotment provided that this power shall be limited:
- 13.1. to the allotment of equity securities where such securities have been offered (whether by way of a rights issue, open offer or otherwise) to ordinary shareholders in proportion (as nearly as may be practicable) to the respective numbers of ordinary shares held by them and to holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary, but subject to such exclusions or other arrangements as the Board may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange; and
- 13.2. to the allotment (otherwise than pursuant to paragraph 13.1 above) of equity securities up to an aggregate nominal value of £10,415.89, provided that this authority shall expire in 15 months or at the conclusion of the next AGM (whichever occurs first and unless previously renewed, revoked or varied by LSL in general meeting) save that LSL may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such an offer or agreement as if the power conferred hereby had not expired.

Resolution 14 – Authority for Market Purchase of Shares (special resolution)

14. That, LSL be and is hereby generally and unconditionally authorised for the purposes of section 701 of the Act to make market purchases (as defined in section 693(4) of the Act) of ordinary shares of 0.2 pence each in the capital of LSL (**Ordinary Shares**) on such terms and in such manner as the Directors may from time to time determine provided that:
- 14.1. the maximum number of Ordinary Shares hereby authorised to be purchased is 10,415,895;
- 14.2. the minimum price (exclusive of expenses) which may be paid for each Ordinary Share is 0.2 pence (being the nominal value thereof);
- 14.3. the maximum price (exclusive of expenses) which may be paid for each Ordinary Share shall be an amount equal to the highest of:
- (a) 5% above the average of the middle market quotations for the Ordinary Shares taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the relevant share is contracted to be purchased; and
 - (b) the higher of the price quoted for the last independent trade and the highest current independent bid for an Ordinary Share in LSL on the trading venue where the market purchase is carried out;
- 14.4. the authority hereby conferred shall (unless previously renewed or revoked) expire in 15 months or at the conclusion of the next AGM (whichever occurs first and unless previously renewed, revoked or varied by LSL in general meeting); and
- 14.5. LSL may make a contract to purchase Ordinary Shares under the authority conferred by this resolution prior to the expiry of such authority, and such contract will or may be executed wholly or partly after the expiry of such authority, and LSL may make a purchase of Ordinary Shares in pursuance of any such contract.

Resolution 15 – Political Donations (ordinary resolution)

15. That, in accordance with sections 366 and 367 of the Act, LSL and all companies that are subsidiaries of LSL at any time during the period for which this resolution is effective are authorised to:
- (a) make political donations to political parties and/or independent election candidates not exceeding £50,000 in total;
 - (b) make political donations to political organisations other than political parties, not exceeding £50,000 in total; and
 - (c) incur political expenditure not exceeding £50,000 in total;

and in each case the authority hereby conferred shall (unless previously renewed or revoked) expire in 15 months or at the conclusion of the next AGM (whichever occurs first and unless previously renewed, revoked or varied by LSL in general meeting) and provided further that the aggregate amount of any such donations and expenditure shall not exceed £50,000 during the period from the date of this AGM and the expiry of the authority. For the purpose of this resolution the terms 'political donations', 'political parties', 'independent election candidates', 'political organisations' and 'political expenditure' shall have the meanings set out in sections 363 to 365 (inclusive) of the Act.

Resolution 16 – General Meeting Notice Period (special resolution)

16. That a general meeting (other than an AGM) may be called on not less than 14 clear days' notice.

BY ORDER OF THE BOARD

Sapna Bedi FitzGerald
Company Secretary

Date: 1st April 2015

Registered Office: Newcastle House, Albany Court, Newcastle Business Park, Newcastle Upon Tyne NE4 7YB (Company Number 5114014)

Explanatory Notes to the Notice of the Annual General Meeting:

Resolution 1 – Annual Report and Accounts 2013 (ordinary resolution)

The Directors are required to present to the meeting LSL's audited annual accounts and related Directors' and Auditor's reports for the financial year ended 31st December 2014.

Resolution 2 – Directors' Remuneration Report (ordinary resolution)

The Directors are required to present to the meeting the Directors' Remuneration Report. This is an advisory vote, as the Directors' entitlement to remuneration is not conditional upon the resolution being passed. The Directors Remuneration Policy (Policy) which is summarised in the Directors Remuneration Report is not being presented for approval as the Policy was approved by Shareholders at the 2014 AGM.

Resolution 3 – Final Dividend (ordinary resolution)

Final dividends are approved by Shareholders but cannot exceed the amount recommended by the Directors. The Directors are recommending a final dividend for the year ended 31st December 2014 of 8.3 pence per Ordinary Share payable on 7th May 2015 (the ex dividend date is 26th March 2015 and the record date is 27th March 2015). The resolution seeks Shareholder approval of the proposed final dividend.

Resolutions 4 to 9 (inclusive) – Re-election of Directors (ordinary resolutions)

LSL's articles of association require that each Director retires at the third AGM after the meeting at which he/she was previously elected. In addition, best practice under the UK Corporate Governance Code (September 2014) is for Directors to submit themselves for re-election annually and accordingly all of the current Directors will retire and each offer themselves for re-election at the AGM.

During the 2014 annual Board effectiveness review, the performance of all the Directors was specifically evaluated and the Board confirms that it values the experience and commitment to the business demonstrated by each of the Directors and that each Director's performance continues to be effective. In addition the Board and the Nominations Committee have evaluated the Board composition at length and considered the balance of skills and experience required to optimise shareholder value and reviewed this in light of the Board's policy on diversity (including gender and racial diversity). The Directors recognise the benefits of diversity and the current Board composition includes one female Director, Helen Buck (independent Non Executive Director).

Amongst LSL's independent Non Executive Directors, the Board has experience in strategy, estate agency, surveying, financial services, the residential housing sector, retail and marketing, operations, business services, entrepreneurial private and public companies, finance, customer and employee matters and corporate governance. The biographical details for all the Directors are set out on pages 40 and 41 of the Annual Report and Accounts 2014 and below.

Director Biographies:

Helen Buck, Non Executive Director

Helen was appointed as an independent Non Executive Director on 1st December 2011. She is also a member of the operating board of Sainsbury's Supermarkets Ltd (Sainsbury's) having been appointed as retail director in March 2012, and became business development director in May 2014 with responsibility for developing the business beyond the core, as well as Mobile by Sainsbury's, Sainsbury's Energy and Sainsbury's Online. Helen joined Sainsbury's in 2005 and, after spending four years running Brand Communications, moved to Trading as business unit director, Grocery in 2009. Before joining Sainsbury's, Helen held a number of senior positions at M&S, Woolworths and Safeway and was a senior manager at McKinsey and Co.

Ian Crabb, Group Chief Executive Officer

Ian was appointed Group Chief Executive Officer on 9th September 2013 and his primary responsibility is for the performance, strategy and development of LSL. Previously Ian was Executive Chairman of Learndirect, where he worked closely with Lloyds Development Capital on Learndirect's growth strategy and before that was Chief Executive of Quadriga Worldwide, Europe's market leader in digital IP communication and entertainment services for hotels, where he was responsible for expanding the business into fifty countries. Over the seven year period of his stewardship, which included the 2007 sale of the company by Terra Firma, the business consistently over-achieved against demanding financial targets. Earlier, Ian was a member of the Industrial Advisory Board at Permira Advisers LLP and worked on major transactions including the €640m buy out of Hogg Robinson. Prior to this he was Chief Executive of IKON Office Solutions, the document management and office products provider for six years, delivering significant growth both organically and through several acquisitions.

Simon Embley, Chairman

Simon was appointed Non Executive Chairman on 1st January 2015, having previously held the positions of Deputy Chairman and Group Chief Executive Officer. He became the Group Chief Executive Officer of LSL at the time of the management buy-out of e.surv and Your Move from Aviva (formerly Norwich Union Life) in 2004. Prior to the management buy-out, Simon was responsible for the strategic direction of these companies, and subsequent to the management buy-out Simon has overseen and been responsible for the turnaround of the initial Group from a heavily loss-making business to the successful business it is today.

Adrian Gill, Executive Director, Estate Agency

Adrian was appointed as the Executive Director, Estate Agency responsible for Estate Agency on 24th November 2014 having served as an Independent Non Executive Director since September 2012. Adrian has overall responsibility for the performance, strategy and development of the Estate Agency Division across LSL. He was previously an executive director at Connells Limited, the national estate agency business of the Skipton Building Society, for over 10 years. Prior to his role at Connells, Adrian was Managing Director of Lush Retail. Adrian is a Chartered Accountant and is currently a director of Lifetime Legal Limited.

Mark Morris, Non Executive Director and Chairman of the Audit Committee

Mark was appointed as an independent Non Executive Director of LSL and Chairman of the Audit Committee on 21st November 2006 and he served as the Senior Independent Non Executive Director from November 2006 until 31st December 2014. Mark has many years' experience of business management with particular focus on growing businesses and mergers and acquisitions. Mark is a chartered accountant and worked for 12 years at PriceWaterhouseCoopers. Mark is currently non executive director and audit committee chairman at HomeServe plc and works with a number of entrepreneurial private companies. Mark previously worked at Sytner Group as finance director and managing director from 1995 to 2005 including the period during which it was listed on the London Stock Exchange.

Bill Shannon, Non Executive Director, Deputy Chairman, Senior Independent Director and Chairman of the Remuneration Committee and Nominations Committee

Bill was appointed as an independent Non Executive Director and Chairman of the Remuneration Committee on 7th January 2014 and on 1st January 2015, he took on the roles of Deputy Chairman, Senior Independent Director and Chairman of the Nominations Committee. Bill has significant PLC board experience in strategy, operations, finance and governance in the consumer, financial services, residential and commercial property sectors. He is currently non executive chairman of St Modwen Properties plc and non executive director of Johnson Service Group plc. He was previously at Whitbread Group plc from 1974 and between 1994 and 2004, he was divisional managing director. He has also served as non executive chairman of Aegon UK plc and non executive director of Rank Group plc, Barratt Developments plc, and Matalan plc.

Resolutions 10 and 11 – Appointment of Auditors and Auditors' Remuneration (ordinary resolutions)

LSL is required to appoint or reappoint auditors at each AGM at which its accounts are presented to hold office until the conclusion of the next AGM. The Audit Committee has reviewed the effectiveness, independence and objectivity of the external auditors, Ernst & Young LLP (**Ernst & Young**), on behalf of the Directors, who now propose their reappointment as auditors of LSL (Resolution 10). Ernst & Young has advised of its willingness to stand for reappointment as the auditor of LSL. Resolution 11 authorises the Directors, in accordance with standard practice, to agree the auditors' remuneration.

Resolution 12 – Authority to Allot Shares (ordinary resolution)

Resolution 12, which will be proposed as an ordinary resolution will (at paragraph 1), if passed, authorise the Directors to allot shares up to a maximum nominal amount of £69,439.30, which represents 33.33% of the total Ordinary Share capital (excluding treasury shares) in issue as at 30th March 2015 (being the latest practicable date prior to the publication of this document). In line with corporate governance guidelines, at the second paragraph of Resolution 12 the Directors have also sought authority to allot Ordinary Shares in connection only with a pre-emptive rights issue up to an amount representing two thirds of the issued Ordinary Share capital of LSL (excluding treasury shares). This maximum is reduced by the nominal amount of any shares allotted under the first paragraph of Resolution 12.

At close of business on 30th March 2015, LSL did not hold any treasury shares. This authority will expire in 15 months or at the conclusion of the next AGM (whichever occurs first). Other than in relation to LSL's employee share schemes, the Directors have no present intention of allotting, or agreeing to allot, any shares.

Resolution 13 – Disapplication of Pre-emption Rights (special resolution)

Resolution 13, which will be proposed as a special resolution, seeks authority to issue equity securities of LSL (or to sell any shares which LSL holds in treasury following a purchase of its own shares) for cash without application of the pre-emption rights provided by section 570 of the Act. The authority contained in this Resolution will be limited to non pre-emptive offers of an aggregate nominal value of up to £10,415.89 which represents 5% of the issued Ordinary Share capital of LSL as at 30th March 2015 (being the latest practicable date prior to the publication of this document).

The resolution also disapplies the statutory pre-emption provisions in connection with pre-emptive offerings (for example, rights issues) and allows the Directors, in the case of such offerings, to make appropriate arrangements in relation to fractional entitlements or other legal or practical problems which might arise. In accordance with corporate governance guidelines, the Directors do not intend, other than in relation to a rights issue, to allot more than 7.5 per cent of the issued Ordinary Share capital of LSL (excluding treasury shares) for cash on a non pre-emptive basis over a rolling three year period unless the Shareholders have been notified and consulted in advance. This authority will expire in 15 months or at the conclusion of next AGM (whichever occurs first).

Resolution 14 – Authority for Market Purchase of Shares (special resolution)

Resolution 14, which will be proposed as a special resolution, gives LSL authority to buy back its own Ordinary Shares in the market as permitted by the Act. The authority limits the number of shares that could be purchased to a maximum of 10,415,895 representing 10% of the issued Ordinary Share capital (excluding treasury shares) of LSL as at 30th March 2015 (being the latest practicable date prior to publication of this document).

The minimum price payable by LSL for the purchase of its own Ordinary Shares will be 0.2 pence per share (being the amount equal to the nominal value of an Ordinary Share). The maximum price payable will be limited to the highest of (a) an amount equal to 5% above the average of the middle market quotations of LSL's Ordinary Shares, as derived from the Daily Official List of the London Stock Exchange, for the five business days prior to the day on which the relevant share is contracted to be purchased; or (b) an amount equal to the higher of the price of the last independent trade and the highest current independent bid for an Ordinary Share in LSL on the London Stock Exchange. This authority will expire in 15 months or at the conclusion of the next AGM (whichever occurs first).

The Directors have no present intention of exercising the authority to purchase LSL's Ordinary Shares but will keep the matter under review. The authority will be exercised only if the Directors believe that to do so would result in an increase in earnings per share and would be in the interests of Shareholders generally.

Company law allows LSL to hold in treasury any shares purchased by it. Such shares will remain in issue and capable of being re-sold by LSL or used in connection with certain of its share schemes. LSL intends to take advantage of these provisions to the extent that it exercises the authority to buy back its shares, so as to hold the purchased shares in treasury.

Options to subscribe for up to 3,492,934 Ordinary Shares have been granted and are outstanding as at 30th March 2015 (being the latest practicable date prior to publication of this document) representing 3.35% of the issued Ordinary Share capital at that date. If the Directors were to exercise in full the power for which they are seeking authority under Resolution 14 the options outstanding at 30th March 2014 would represent 3.73% of the Ordinary Share capital in issue following such exercise.

Resolution 15– Political Donations (special resolution)

It is the policy of LSL not to make donations to political parties or incur political expenditure and it has no present intention of making any political donation or incurring any political expenditure in respect of any political party, political organisation or independent election candidate. However, the Act contains wide definitions of 'political donation', 'political organisation' and 'political party' and, as a result, it is possible that LSL and its subsidiaries may be prohibited from supporting bodies which it is in the Shareholders' interest for LSL to support; for example, bodies concerned with policy review or law reform, with the representation of the business community (or sections of it) or special interest groups. Sponsorship, subscriptions, payment of expenses and paid leave for employees fulfilling public duties may even fall under the definitions. If this resolution is passed, LSL and its subsidiaries will be authorised to make donations and incur expenditure which might otherwise be prohibited by legislation up to a limit of, in aggregate, £50,000. The Directors consider that the authority is necessary to provide LSL with comfort that it will not, because of uncertainties as to the scope and interpretation of the legislation, unintentionally commit a technical breach of it. In common with other listed companies, the Directors are therefore seeking Shareholders' approval in the terms outlined in this resolution.

Resolution 16– General Meeting Notice Period (special resolution)

The Act requires all listed companies, subject to any restrictions in their articles of association, to hold all general meetings, including AGMs on 21 days' notice. For general meetings other than AGMs, a company quoted on the Official List of the UK Listing Authority is allowed to hold such general meetings on 14 days' clear notice provided that it offers electronic voting facilities and Shareholders have approved the shorter notice period. This resolution seeks such approval.

LSL will only call a general meeting on 14 days' clear notice in limited circumstances when, in the opinion of the Directors, it would be to the advantage of the shareholders as a whole for the meeting in question to be called on short notice. However, the Directors believe it would be advantageous to LSL to be able to take advantage of the additional flexibility permitted by the Act in these and other circumstances. Please note that AGMs will always be called on 21 days' notice.

ADMINISTRATIVE NOTES

1. Form of Proxy

A shareholder entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend, speak and vote on a show of hands or on a poll instead of him or her. A proxy need not be a shareholder. A Form of Proxy is enclosed and notes for completion can be found on the form and should be read carefully before it is completed. To be valid, the Form of Proxy, together with any required power of attorney or other authority (if any) under which it is signed or a notarially certified copy of the same, must be deposited by 2.30pm on 28th April 2015 at the offices of Capita Asset Services at PXS 1, 34 Beckenham Road, Beckenham, Kent BR3 4TU. Completion of the Form of Proxy does not prevent you from voting at and attending the meeting in person.

To appoint more than one proxy, you will need to complete a separate Form of Proxy in relation to each appointment, in which case you may photocopy the enclosed Form of Proxy, indicating on each copy the name of the proxy you wish to appoint and the number of shares in respect of which the proxy is appointed. All forms must be signed and should be returned together in the same envelope.

LSL specifies that only those shareholders registered in the relevant Register of Members of LSL as at 6.00pm on 28th April 2015 (or if the meeting is adjourned, 6.00pm on the day two days prior to the day fixed for the adjourned meeting) shall be entitled to attend or vote at the AGM in respect of the number of shares registered in their name at that time. Changes to entries on the relevant Register of Members after the relevant time shall be disregarded in determining the rights of any person to attend or vote at the meeting.

To change your proxy instructions you should submit a new proxy appointment using the methods set out above. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

2. Website giving information regarding the AGM

Information regarding the AGM, including the information required by section 311A of the Act is available at www.lslps.co.uk.

3. CREST Proxy Voting (uncertificated shareholders)

(a) CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM and any adjournment by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting services 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.

(b) In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK and Ireland Limited's (EUI) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA10) by the latest time(s) for receipt of proxy appointments specified in this Notice of AGM. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. CREST members and, where applicable, their CREST sponsors or voting service providers should note that CRESTCo 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. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting services provider(s), to procure that his CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. LSL may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5) (a) of the Uncertificated Securities Regulations 2001.

4. Joint Holders (certificated and uncertificated shareholders)

In the case of joint holders the vote of the senior holder who tenders a vote whether in person or by proxy 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 Register of Members of LSL in respect of the joint holding.

5. Corporate Representatives

A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.

6. Right to appoint proxy

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 communication from LSL in accordance with section 146 of the Act (Nominated Persons). Nominated Persons may have a right under an agreement with the registered shareholder who holds 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.

7. Issued Share Capital and Total Voting Rights

The total number of LSL's Ordinary Shares in issue at 6.00pm on 30th March 2015 is 104,158,950 Ordinary Shares. Each Ordinary Share carries the right to one vote (on a show of hands and on a poll) and, therefore, the total number of voting rights in LSL at 6.00pm on 30th March 2015 is 104,158,950.

8. Meeting arrangements

The doors will open at 2.15pm and the AGM will start promptly at 2.30pm.

9. Section 527 of the Act

It is possible that, pursuant to requests made by members of LSL under sections 527 of the Act, LSL may be required to publish on its website a statement setting out any matter relating to the audit of LSL's accounts (including the Auditor's report and the conduct of the audit) that are to be laid before the AGM. The business which may be dealt with at the AGM includes any statement that LSL has been required under section 527 of the Act to publish on its website.

10. Questions at the meeting

Any shareholder (or a duly appointed proxy) attending the AGM has the right to ask questions. LSL must cause to be answered any such question relating to the business being dealt with at the AGM but no such answer need be given if (a) to do so would interfere unduly with the preparation for the AGM 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 LSL or the good order of the AGM that the question be answered.

11. Documents available for inspection

There will be available for inspection at LSL's registered office during usual business hours on any day (Saturdays, Sundays and public holidays excluded) from the date of this Notice until the conclusion of the AGM and at the place of the AGM for at least 15 minutes prior to and during the meeting:

- (a) copies of the Executive Directors' service contracts and Non-Executive Directors' appointment letters;
- (b) the Register of Directors' Interests; and
- (c) a copy of the Articles of Association.

12. Electronic communication

You may not use any electronic address provided in this Notice of AGM or any related documents to communicate with LSL for any purpose other than those expressly stated.

13. General enquiries

Capita Asset Services maintain LSL's share register. If you have any queries about voting or about your shareholding, please contact Capita Asset Services:

Post: Capita Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU
Email: shareholderenquiries@capita.co.uk
Telephone: 0871 664 0300 (calls cost 10p a minute plus network extras and lines are open 9.00am to 5.30pm, Monday-Friday)
Online: www.capitashareportal.com. If you have internet access, you can amongst other things, view details of your shareholding, set up or amend a dividend mandate and update your address details

