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If you sell or have sold or otherwise transferred all of your ordinary shares in London & Boston Investments plc (the "Company") please send this document, together with the accompanying form of proxy, immediately to the purchaser or transferee or to the stockbroker, bank or the other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

The Directors of the Company (the "Directors"), whose names appear on page 4 of this document, 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.

Shore Capital & Corporate Limited, ("Shore Capital") which is a member of the London Stock Exchange and is authorised and regulated by the Financial Services Authority, has agreed to act as Nominated Adviser to the Company for the purposes of the AIM Rules. Shore Capital Stockbrokers Limited, which is a member of the London Stock Exchange and is authorised and regulated by the Financial Services Authority, has agreed to act as the Broker to the Company. Persons receiving this document should note that, in connection with the Placing and Admission, Shore Capital is acting exclusively for the Company and no-one else and will not be responsible to anyone, other than the Company, for providing the protections afforded to customers of Shore Capital or for advising any other person on the transactions and arrangements described in this document.

London & Boston Investments plc

(incorporated in England & Wales under the Companies Act 1985 with Registered No 03170812)

NOTICE OF EXTRAORDINARY GENERAL MEETING

-concerning-

a share consolidation of the share capital of the Company of 1 new Ordinary Share of 20p each for every 10 Ordinary Shares of 2p each

-and-

a proposed placing of 8 million new Ordinary Shares of 20p by Shore Capital Stockbrokers Limited at 50p per new Ordinary Share

-and-

the increase in authorised share capital of the Company, the disapplication of statutory pre-emption rights and the authority to allot shares.

-and-

a change of name of the Company to PSG Solutions plc

and-

the proposed authority for the Company to buy back shares

-and-

the proposed adoption of an Executive Management Share Incentive Scheme.

A letter from the Chairman of the Company explaining the background to and the reasons for, inter alia, the proposed Placing and Share Consolidation, is set out on pages 4 to 10 of this document.

A notice convening an Extraordinary General Meeting of the Company to be held at 133 Ebury Street, London, SW1W 9QU on 14 February 2006 at 11.00 a.m. is set out at the end of this document. A form of proxy for use at the meeting is enclosed with this document and should be completed, signed and returned in accordance with the instructions thereon as soon as possible but in any event so as to be received by the Company's Registrars, Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, by not later than 11.00 a.m. on 12 February 2006. The completion and return of a form of proxy will not preclude you from attending and voting in person at the Extraordinary General Meeting should you wish to do so.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Latest time and date for receipt of Forms of Proxy	11 a.m. 12 February 2006
Extraordinary General Meeting	11 a.m. 14 February 2006
Record Date for the Share Consolidation	5 p.m. 14 February 2006
Admission and dealings in the new Ordinary Shares and the Placing Shares expected to commence on AIM	8 a.m. 15 February 2006
Crediting of CREST Accounts with new Ordinary Shares	15 February 2006
Despatch of certificates in respect of new Ordinary Shares and the Placing Shares	28 February 2006

PLACING AND SHARE CONSOLIDATION STATISTICS

Placing Price per Placing Share	50p
Number of existing Ordinary Shares prior to the Share Consolidation and the Placing	187,832,404
Consolidation Ratio: number of Ordinary Shares each consolidated into one ordinary share of 20p	10
Estimated number of new Ordinary Shares in issue immediately following the Share Consolidation¹	18,783,240
Number of Placing Shares	8,000,000
Estimated number of new Ordinary Shares in issue immediately following Admission¹	26,783,240
Market capitalisation of the company on Admission (following the Share Consolidation and the Placing)¹	£13,391,620
Gross proceeds of the Placing receivable by the Company	£4,000,000
Estimated net proceeds of the Placing receivable by the Company	£3,800,000

¹ The issued ordinary share capital on Admission may vary due to the number of fractional entitlements.

LETTER FROM THE CHAIRMAN

London and Boston Investments plc

(Incorporated and registered in England and Wales with registered number 03170812)

Directors:

Jonathan Philip Mervis
John Arthur Warwick FCA
Tweedie McGarth Brown CBE
Julie Amanda Hester
John Martin Burley
John David Gawain Holme FCA

Registered Office:
Winchester House
Deane Gate Avenue
Taunton
TA1 2UH

20 January 2006

To Shareholders

Dear Shareholder

Introduction

Your Board has announced today proposals to raise £4 million by the placing of 8 million new Ordinary Shares with institutional investors, directors and certain existing shareholders at a price of 50p per share (following the one for ten consolidation described below). It has also announced its intention to change the name of the Company to PSG Solutions plc and to approve an executive share option scheme.

The Placing is conditional (amongst other things) upon the passing of certain resolutions by the Shareholders at an extraordinary general meeting of the Company. A summary of these resolutions is set out on page 10 of this document. The Directors have convened the EGM at which Shareholders will be asked to consider and, if thought fit, pass the Resolutions set out in the Notice of EGM. The Placing is also conditional on Admission of the Placing Shares to trading on AIM, occurring by 15 February 2006, or such later date as the Company and Shore may agree.

The Company also announced the share consolidation of the share capital of the Company on the following terms:

1 new Ordinary Share of 20p each for every 10 existing Ordinary Shares of 2p each

The purpose of this letter is to provide you with further information on, *inter alia*, the proposed Share Consolidation, the Placing which is being carried out on a non-pre-emptive basis, the disapplication of pre-emption rights and the increase in authorised share capital and to explain why your Board considers them to be in the best interests of the Company and Shareholders as a whole.

Application will be made to the London Stock Exchange plc for the Placing Shares to be admitted to trading on AIM. It is expected that dealings in the new Ordinary Shares will commence on or around 15 February 2006. The Placing Shares will rank, *pari passu*, with the new Ordinary Shares in the Company.

An Extraordinary General Meeting of the Company is being convened for 14 February 2006 at which Shareholders will be asked to consider the Resolutions necessary to approve and implement, *inter alia*, the Placing and the Share Consolidation. Notice convening the EGM, which will be held at 133 Ebury Street, London, SW1W 9QU on 14 February 2006 at 11.00 a.m, is set out at the end of this document.

Background

Shareholders will be aware that there have been a number of changes to the Board of the Company in the last few months. Stephen Komlosy, Edward Adams and Peter Cotgrove all stood down on 28 October 2005, whilst I was appointed Executive Chairman on 31 October 2005. On 1 December 2005, John May resigned as Finance Director and John Warwick was appointed as his replacement. On 5 January 2006 Tweedie Brown, who is the Managing Director of the Group's main operating subsidiary PSG Franchising Limited trading as The Property Search Group, was appointed Operations Director and David Holme was appointed as a Non-Executive Director.

The Board structure now reflects the focus on the future growth of PSG and Paterson's Financial Services, with a sensible balance between executive and non-executive directors. However, the above changes have resulted in the Group incurring material one-off costs including settlement with departing directors and the costs associated with the purchase of warrants from Messrs Komlosy and May (announced on 1 December 2005) which have totalled £598,000.

PSG

PSG, as the leading provider of Local Authority residential property searches in England and Wales currently conducts over 250,000 searches a year. The Directors estimate that its market share is more than 20% and is rising. The business based in Huddersfield owns and operates the search business in the Huddersfield/Leeds area. The rest of England and Wales is covered through an established network of 86 franchisees. Agreement has been reached for PSG to acquire the Bradford franchise adjacent to Leeds.

PSG's customers now include more than 4,000 solicitors who are providing a potentially receptive channel through which other useful products can be offered to their clients by the Company and its franchisees.

The Board is pleased with the progress made with the recent investigation by the Office of Fair Trading into the property search market. Gerald Barling QC who advises PSG said that "The Markets and Policy Study, which has subsequently been endorsed by the DTI was an excellent result for PSG." PSG intends to continue using its resources to ensure that the favourable objectives set by the OFT and the DTI come into being and that PSG continues to protect its legal rights and defend its position.

PSG is the largest contributor to group operating profits and the Board is confident of a further increase in profits in the current year. This is despite an estimated 20% decline in the number of residential property transactions in calendar year 2005 as compared to 2004.

Home Information Packs ("HIPS")

It was recently announced that from June 2007, HIPS would become mandatory for residential property sellers. As the leading search company PSG is well placed to participate advantageously. It is forging relationships with estate agents and surveyors and building upon its existing solicitor client base to produce a HIP solution for the High Street. It calls this solution "The HIP Alliance". HIPS will necessitate the training of Home Inspectors and PSG is liaising with official government bodies to set up a training course for personnel to become the PSG "HIP Force".

PFS

PFS, initially acquired in January 2005 to comply with FSA regulations and to support PSG's franchise network, owns a small IFA and has developed a general insurance business mainly relating to property risk. The Directors intend to extend the range of products offered to solicitors to meet the needs and demands of their clients. It will continue to work closely with PSG and its franchisees to this end. As a result of its links with PSG, it is anticipated that profits in the year to 31 March 2007 should be significantly ahead of those in the current year.

Moore and Buckle ("M & B")

M & B provides solutions for the packaging of products which are not easily dealt with conventionally. Items for packaging may require special attention due to their inherent instability, or to the prevalent environment for their storage and use. The MOD and a major packaging company for example are customers. M & B has a team of only seven employees.

After a difficult year in 2004/2005, in which M & B moved premises, the Directors believe that M & B should return to gradually but consistently rising turnover and profits. Investment in clean room packaging facilities and the possible acquisition of two small businesses could further increase profits. These enhancements can be easily consolidated in its new purpose-built premises.

As M & B does not fit with the Group's core activities, the intention is that it should be disposed of on a basis which reflects its stable profitability and potential for expansion.

Audiotel

Audiotel designs and manufactures surveillance and counter-surveillance hardware and its clients are currently primarily governmental. Audiotel's core sales do not do justice to the high reputation of the brand and its products. This disparity is particularly incongruous with the current global need for equipment to identify passive explosive devices to protect internal security and to monitor threats. The current substantial contract with a foreign government for £1,800,000 is an example of what can be achieved. It will deliver profits in the years to 31 March 2006 (before restructuring costs) and 2007.

The necessary restructuring of Audiotel, and the overhaul of its sales strategy is in hand. This action will require additional expenditure, but should improve further future profitability.

A new commercial counter-surveillance product to provide 24 hour coverage of offices where sensitive commercial matters are dealt with is due on the market in June 2006. All indications are that there is considerable demand for this product.

Whilst Audiotel may prove to have good potential its business is also too diverse from that of PSG/PFS. The Board will be considering the best way to optimise Audiotel's value for shareholders outside of the Group.

Investments

Given your Board's decision to concentrate on PSG/PFS, the portfolio of minority investments will be disposed of when opportunities arise. However, a review of the investments has indicated that there is a need for provisions amounting to £1,317,000 representing their current book value which will be made in the second half of the current financial year. The investment portfolio is unlikely to impact materially upon the performance of the Group.

Change of name

The Board proposes to change the name of the Company to reflect the Group's focus on its core business of providing search, insurance and related services to solicitors and their clients through PSG/PFS. A special resolution to change the name of the Company to PSG Solutions plc is set out in the notice of EGM. Given the change of name and the one for ten consolidation, the Board has decided to issue new share certificates as further explained below.

Share consolidation

The Board proposes that the Ordinary Shares in the Company be consolidated on the basis of one new Ordinary Share of 20p for every 10 existing Ordinary Shares of 2p which the Directors consider to be a more appropriate par value for the Company's ordinary shares. The new Ordinary Shares will have the same rights as to voting, dividends and return on capital as the existing Ordinary Shares.

In the event that any Shareholders become entitled to fractions of new Ordinary Shares as a result of the Share Consolidation, the Directors are authorised by the Articles to deal with such fractions as they shall determine. The Articles grant the Directors the discretion to sell the new Ordinary Shares, representing such fractions, to any person for the best price reasonably obtainable and the net proceeds of the sale of such shares be retained for the benefit of the Company.

Shareholders who hold their existing Ordinary Shares in uncertificated form are expected to have their CREST accounts credited with the new Ordinary Shares on 15 February 2006.

Certificates for the new Ordinary Shares will be despatched by 28 February 2006. Temporary certificates of title will not be issued. Certificates of existing Ordinary Shares will no longer be valid from 5 p.m. on 14 February 2006 and should be destroyed upon receipt of certificates in respect of the new Ordinary Shares. Pending despatch of the definitive certificates in respect of the new Ordinary Shares, transfers of the new Ordinary Shares held in certificated form will be certified against the register.

All documents will be sent to Shareholders at their own risk.

Current trading and future prospects

As has been set out above trading in all the underlying businesses is anticipated to be positive for the second half of the year to 31 March 2006. However, exceptional costs relating to the Board restructuring, the costs associated with the purchase and cancellation of the warrants, restructuring costs at Audiotel and the need for provisions against the portfolio of minority investments will total approximately £2,500,000.

The immediate opportunities for PSG are to consolidate its wholly owned search business by acquiring the Bradford franchise and to consider other appropriate franchise acquisitions. Efficiency and quality will be engendered in the franchise network through the introduction of a new IT system in February 2006 and the appointment of additional regional Business Development Managers to supplement the work of the recently appointed Director of Network Effectiveness. These initiatives should generate growth by reinforcing the success of higher performing franchisees and encouraging improvement from the lesser performing franchisees.

PSG has a broad base of solicitor clients and aspires to provide an improved range of services to them through its integrated network of franchisees. It envisages that these services will encompass new search, insurance and related products that would be useful to solicitors and their clients.

The strengthened balance sheet, following the completion of the Placing, and the anticipated cash flow from future profits should enable the Group to fund organic expansion and the anticipated acquisitions without the need to issue any further equity.

Placing

On 19 January 2006, the Company and the Directors entered into a placing agreement with Shore pursuant to which Shore was appointed the Company's agent to use its reasonable endeavours to procure subscribers for the Placing Shares at the Placing Price.

The Placing Agreement contains certain indemnities from the Company and certain warranties from the Company and the Directors, breach of which will entitle Shore to terminate its placing obligations.

The Placing is conditional, inter alia, on:

- the passing of the Resolutions (and implementation of the Share Consolidation);
- there having been no material breach of the warranties or indemnities given to Shore by the Company and/or the Directors in the Placing Agreement; and
- Admission taking place on 15 February 2006 or such later date as Shore and the Company shall agree but in any event not later than 10 March 2006.

The Placing will raise £4,000,000 before expenses (£3,800,000 net of expenses). Wheddon Limited and Southwind Limited, existing major shareholders, have agreed to participate in the Placing and will be investing £1,000,000 between them. In addition several of the main Board directors have agreed to subscribe. I will be investing £400,000, John Warwick £75,000, Tweedie Brown £10,000 and David Holme £50,000.

The Board discussed with Shore, the possibility of an open offer to existing Shareholders to enable them to participate in the fundraising. However, the additional costs, uncertainty of outcome and extended timetable that this would entail have militated against this course of action.

The Placing Shares will rank pari passu in all respects with the existing new Ordinary Shares, including rights to receive all dividends and distributions declared, paid or made after the date of their allotment.

Reasons for the Placing

As at 30 September 2005, Shareholders' Funds stood at £9,838,000. This figure included £13,231,000 of intangible assets – mostly goodwill on the acquisition of PSG. Net debt at the end of September was £4,719,000, giving gearing of nearly 50%. Whilst this figure is not excessive it is higher than the Board would like to see. The exceptional costs associated with the changes to the Board and the costs of the purchase of the warrants, the restructuring of Audiotel and the provisions needed against the carrying value of the minority investments, together with the funds required for the purchase of the Bradford franchise have prompted the Placing. The additional capital will strengthen the balance sheet, reduce gearing and provide funds for the profitable development of the Group.

Service Agreements and EMI Options

The Remuneration Committee which comprises David Holme, John Burley and John Warwick (abstaining as appropriate) has approved the terms of new service agreements for myself and John Warwick. The terms of these are intended, with the EMI Share Options, to provide a remuneration package that will incentivise the Directors to increase Shareholder value. The respective salaries

will be £110,000 and £35,000 per annum with no additional benefits. John Warwick will be employed on a part time basis.

The Remuneration Committee has also approved the terms of an EMI Share Option Scheme under which the following options over ordinary shares will be granted:

Jonathan Mervis	1,200,000
John Warwick	350,000
Tweedie Brown	300,000
John Burley	100,000

The exercise price for the options will be 50p per new Ordinary Share and they will only be exercisable if the option holder has continued to be employed by the Company for 2 years from the date of grant of the option.

It is the Board's intention to keep the number of options outstanding at no more than 10% of the issued share capital. The option awards above will still leave available options over approximately 725,000 new Ordinary Shares, which will be available to incentivise other Group employees.

Copies of the service agreements and the EMI Share Options will be available at 133 Ebury Street, London, SW1W 9QU for 7 days prior to and at the EGM should any Shareholders wish to review them in more detail.

Increase in share capital and authorities to allot shares

The Board proposes to increase the authorised share capital of the Company to £7,000,000 by the creation of an additional 10,000,000 new Ordinary Shares of 20p, having the rights and being subject to the restrictions set out in the Articles, and to increase the authorities to allot shares.

It is proposed to authorise the Directors, pursuant to section 80 of the Act, to allot up to a maximum nominal amount of £1,600,000 in connection with the Placing of Placing Shares, and otherwise a maximum amount of £1,785,550 (representing approximately one third of the issued share capital following allotment of the Placing Shares). It is also proposed to authorise the Directors to disapply the statutory pre-emption rights contained in section 89 of the Act in relation to the allotment of equity securities for cash, up to an aggregate nominal amount of £1,600,000, (8,000,000 new Ordinary Shares) for the purposes of the Placing and in connection with any offer by way of rights in the future, and otherwise up to an aggregate nominal amount of £535,665 (representing approximately 10% of the issued share capital following allotment of the Placing Shares) such authority to expire at the conclusion of the next Annual General Meeting of the Company, or on 14 February 2007, whichever is the earlier.

The increase in the authorised share capital and authority under section 80 of the Act are required to create sufficient new Ordinary Shares for the purposes of the Placing and to provide an appropriate level of authorised but unissued share capital. The authority under section 95 of the Act is required to facilitate the Placing and to provide limited authority to allot shares for cash otherwise than pro rata to Shareholders.

Share Buy Back Arrangements

The Board are seeking a limited authority to buy back shares, in accordance with the Articles and the Act, if they perceive that the new Ordinary Shares are undervalued in the market with the aim of increasing shareholder value. The Directors are aware that liquidity in the shares of many smaller companies can fluctuate over time and that having available an authority to purchase shares is in the best interest of the Company and its Shareholders.

Extraordinary General Meeting

Set out at the end of this document is a notice convening an Extraordinary General Meeting of the Company to be held at 133 Ebury Street, London SW1W 9QU at 11 a.m on 14 February 2006 at which the following resolutions will be proposed to:

- (i) change the name of the Company to PSG Solutions plc;
- (ii) consolidate every ten Ordinary Shares of 2p each into one consolidated new Ordinary Share of 20p each;
- (iii) increase the authorised share capital of the Company from £5,000,000 to £7,000,000 by the creation of 10,000,000 additional new Ordinary Shares;
- (iv) authorise the Directors pursuant to section 80 of the Act to allot new Ordinary Shares up to;
 - a) a maximum of £1,600,000 in connection with the Placing of Placing Shares; and
 - b) otherwise a maximum of £1,785,550 (representing one third of the issued share capital following Admission) such authority to expire at the conclusion of the next Annual General Meeting of the Company, or on 14 February 2007, whichever is the earlier;
- (v) disapply the statutory pre-emption rights contained in section 89 of the Act in relation to the allotment of equity securities for cash, up to an aggregate nominal amount of £1,600,000 (8,000,000 new Ordinary Shares) for the purposes of the Placing, in connection with any offer by way of rights in the future, and otherwise up to an aggregate nominal amount of £535,665, such authority to expire at the conclusion of the next Annual General Meeting of the Company, or on 14 February 2007, whichever is the earlier;
- (vi) approve the authority to buy-back shares; and
- (vii) approve the EMI Share Option Scheme.

Action to be taken

You will find enclosed with this document a form of proxy for use at the EGM.

Whether or not you propose to attend the EGM in person, you are asked to complete the form of proxy and return it to the Company's Registrars, Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, so as to arrive as soon as possible, but in any event so as to be received not later than 11.00 am. on 12 February 2006. Completion and return of the form of proxy will not preclude you from attending and voting at the EGM in person if you wish.

If you are in any doubt as to what action you should take, you are recommended to seek immediately your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000.

Recommendation

Your Board considers the Placing and the Resolutions to be proposed at the EGM of the Company to be in the best interests of the Company and its Shareholders as a whole and accordingly your Directors unanimously recommend that Shareholders vote in favour of the Resolutions set out in the notice of Extraordinary General Meeting at the end of this document, as they intend to do in respect of their own beneficial holdings which amount to 29,412,970 Ordinary Shares (representing 15.66% of the existing issued ordinary share capital of the Company).

Yours sincerely,

Jonathan Mervis
Chairman

DEFINITIONS AND GLOSSARY OF TERMS

"the Act"	The Companies Act 1985, as amended;
"Admission"	Admission of the Placing Shares to trading on AIM on or around 15 February 2006 becoming effective as provided in Rule 6 of the AIM Rules;
"AIM"	the market of that name operated by the London Stock Exchange;
"AIM Rules"	the rules applying to companies whose shares are admitted to trading on AIM as published by the London Stock Exchange plc;
"Audiotel"	Audiotel International Limited, a company registered in England and Wales with company number 01557063 whose registered office is at Corby Road, Weldon, Corby Northamptonshire, NN17 3AR.
"Board" or "Directors"	the directors of the Company from time to time;
"the Company"	London & Boston Investments plc (to be renamed PSG Solutions plc)
"DTI"	the Department of Trade and Industry;
"EMI Share Option Scheme"	the EMI share option scheme details of which are set out on page 8 & 9 of this document;
"Extraordinary General Meeting" of "EGM"	the extraordinary general meeting of the Company to be held at 133 Ebury Street, London, SW1W 9QU on 14 February 2006 at 11.00 a.m.
"FSA"	the Financial Services Authority;
"the Group"	the Company together with any of its subsidiaries and associated companies;
"HIPS"	Home Information Packs
"IFA"	Independent Financial Advisor
"new Ordinary Shares"	ordinary shares of 20p each in the capital of the Company,
"MOD"	the Ministry of Defence
"OFT"	the Office of Fair Trade;
"Ordinary Share"	ordinary shares of 2p each in the capital of the Company;
"PFS"	Paterson's Financial Services Limited, a company registered in England and Wales with the company number 3867885 whose registered office is at Milsted Langdon, Winchester House, Deane Gate Avenue, Taunton, somerset TA1 2UH
"Placing"	the Placing of the Placing Shares at the Placing Price, details of which are set out in this document;
"Placing Agreement"	the conditional agreement dated 19 January 2006 between the Company, the Directors and Shore details of which are provided on page 8 of this document;
"Placing Price"	50p per new Ordinary Share;
"Placing Shares"	the new Ordinary Shares each to be issued pursuant to the Placing;
"PSG"	PSG (Franchising) Limited, a company registered in England and Wales with the company number 3674092 whose registered office is at 142 Trinity Street, Huddersfield, West Yorkshire HD1 3DJ
"Resolutions"	Resolutions 1 to 7 as set out in the Notice of EGM;
"Shore Capital"	together Shore Capital & Corporate Limited, the Company's Nominated Adviser, and Shore Capital Stockbrokers Limited the Company's Broker, as the context permits;
"Share Consolidation"	the proposed share consolidation of 10 Ordinary Shares of 2p each into 1 new Ordinary Share of 20 p each; and
"Shareholders"	the persons who are registered as holders of Ordinary Shares (and following the Share Consolidation, new Ordinary Shares) from time to time.

London & Boston Investments plc

(Registered in England No.03170812)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the Company will be held at 133 Ebury Street, London SW1W 9QU at 11.00 am. on 14 February 2006 for the purpose of considering and, if thought fit, passing the following resolutions, which will be proposed as to resolutions 3, 4, 6 and 7 as Ordinary Resolutions, and as to resolutions 1, 2 and 5 as Special Resolutions:

RESOLUTIONS

Change of name — special resolution

1. THAT the name of the Company be changed to “PSG Solutions plc”.

Share Consolidation – special resolution

2. THAT with effect from 5 p.m. on 14 February 2006, every ten issued and to be issued ordinary shares of 2p each be consolidated and converted into one ordinary share of 20p each in the capital of the Company but otherwise with the same rights attached to them as stated in the articles of association of the Company (the "Articles"), provided that the Directors may deal with fractional entitlements of shares as they shall see fit in accordance with article 48 of the Articles.

Increase of authorised share capital — ordinary resolution

3. THAT, subject to the passing of resolution 2 above, the authorised share capital of the Company be increased from £5,000,000 to £7,000,000 by the creation of 10,000,000 additional ordinary shares of 20p each ("Ordinary Shares"), such shares ranking pari passu in all respects with the existing Ordinary Shares and all such shares to have the rights and be subject to the restrictions set out in the Articles.

Section 80 authority to allot shares — ordinary resolution

4. THAT, subject to the passing of resolution 3 above, the Directors be and are hereby generally and unconditionally authorised in accordance with section 80 of the Companies Act 1985 (the "Act") (in substitution for any existing authority to allot relevant securities) to exercise all the powers of the Company to allot relevant securities (within the meaning of section 80 of the Act) in the capital of the Company up to:
 - (a) a maximum nominal amount of £1,600,000 in connection with the Placing of Placing Shares (as such terms are defined in the Circular); and
 - (b) otherwise a maximum amount of £1,785,550 (representing approximately one third of the issued share capital of the Company following allotment of the Placing Shares),

provided that this authority shall expire on the date of the next Annual General Meeting of the Company or on 14 February 2007 whichever is earlier (unless and to the extent that such authority is revoked or extended prior to such date) but so that the Company may before the expiry of such period make an offer or agreement which would or might require relevant securities to be allotted after the expiry of such period and the Directors may allot relevant securities pursuant to such an offer or agreement as if the authority conferred hereby had not expired.

Section 95 authority to allot shares for cash — special resolution

5. THAT, subject to the passing of resolution 4 above, the Directors be and they are hereby empowered pursuant to section 95 of the Act to allot equity securities (as defined in section 94(2) of the Act) of the Company for cash pursuant to the general authority conferred on the Directors pursuant to the authority granted in resolution 4 above as if section 89(1) of the Act did not apply to any such allotment, provided that this power shall be limited to:
- (a) the allotment of equity securities in connection with or pursuant to an offer by way of rights, open offer or other pre-emptive offer to the holders of new Ordinary Shares and other persons entitled to participate therein in proportion to their respective holdings, subject to such 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 of any territory or the regulations or requirements of any regulatory authority or any stock exchange in any territory;
 - (b) the allotment of equity securities up to an aggregate nominal amount of £1,600,000 pursuant to the Placing as described in the circular to shareholders dated 20 January 2006 (the "Circular"); and
 - (c) the allotment (otherwise than pursuant to sub-paragraphs (i) and (ii) above) of equity securities up to an aggregate nominal amount of £535,665,

and such power shall expire on the date of the next Annual General Meeting of the Company or on 14 February 2007, whichever is the earlier.

Purchase of Ordinary Shares by the Company — ordinary resolution

6. THAT, subject to the passing of resolutions 2 to 5 above, the Company be generally and unconditionally authorised, pursuant to Article 11.2 of the Articles of Association of the Company to make market purchases (as defined in section 163 of the Companies Act 1985) of up to 1,340,000 new Ordinary Shares of 20p (being approximately 5% 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:
- (a) the amount paid for each share (exclusive of expenses) shall not be more than 5% above the average of the middle market quotation for Ordinary Shares as derived from the Daily Official List of London Stock Exchange plc for the ten business days before the date on which the contract for the purchase is made, and in any event not less than 20p per share; and
 - (b) the authority herein contained shall expire at the conclusion of the next Annual General Meeting of the Company or on 14 February 2007,

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.

Executive share scheme – ordinary resolution

7. That the EMI Share Option Scheme, the principal terms of which are summarised in the Circular, be approved, and the Directors be authorised to do all such acts and things they consider necessary to carry it into effect.

Dated: 20 January 2006

Registered Office:

Winchester House
Deane Gate Avenue
Taunton
TA1 2UH

By order of the Board

Secretary

Notes:

1. A member entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and, on a poll, to vote in his stead. A proxy need not be a member of the Company. The return of a form of proxy will not preclude a member from attending and voting at the meeting in person should he subsequently decide to do so.
2. 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 or authority, in order to be valid, must be lodged with the Company's Registrars, Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, not less than 48 hours before the time of the meeting.
3. As permitted by regulation 41 of the Uncertificated Securities Regulations 2001, shareholders who hold their shares in uncertificated form must be entered on the Company's share register at 11.00 a.m. on 14 February 2006 in order to be entitled to attend and vote at the meeting. Such shareholders may only cast votes in respect of shares held at such time.

London and Boston Investments plc

Extraordinary General Meeting

FORM OF PROXY

I/We (block capitals please)

of.....
 being holder(s) of Ordinary Shares in the above-named Company hereby appoint the Chairman of the Meeting, or (see Note 2) as my/our proxy to vote for me/us and on my/our behalf at the Extraordinary General Meeting of the Company to be held at 11.00 a.m. on 14 February 2006 and at any adjournment thereof, and thereat to vote as indicated below.

Dated thisday of 2006

Signature(s)

Please indicate with an X in the spaces below how you wish your vote to be cast.

Resolutions	FOR	AGAINST	WITHHELD	DISCRETIONARY
1. change of name to PSG Solutions plc				
2. share consolidation				
3. increase of ordinary share capital				
4. s.80 power to allot shares				
5. s.89 disapplication of pre-emption rights				
6. approve the share buy back				
7. approval of executive share scheme				

Notes

1. All members are entitled to attend and vote at the meeting, whether or not they have returned a form of proxy.
2. If any other proxy is preferred, delete the words "the Chairman of the Meeting or," insert the name of the proxy you wish to appoint and initial the alteration. A proxy need not be a member of the Company.
3. In the case of a corporation this form of proxy must be executed under its common seal or under the hand of an officer or attorney duly authorised in writing.
4. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will 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.
5. If this form of proxy is returned duly signed but without any indication as to how the person appointed proxy shall vote, he will exercise his discretion as to how he votes and whether or not he abstains from voting.
6. To be effective, this form of proxy, duly executed together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified or office copy thereof) must be lodged at the Company Registrars not less than 48 hours before the time appointed for the holding of the meeting or adjourned meeting.
7. Any alterations made in this form of proxy should be initialled.
8. Appointment of a proxy will not preclude a member from attending and voting in person should he subsequently decide to do so.

Third fold and tuck in

BUSINESS REPLY SERVICE
Licence No MB122



Capita Registrars
PO Box 25
Beckenham
Kent BR3 4BR

First Fold

Second fold