

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to the action you should take, you are recommended to seek your own independent financial advice from your stockbroker, solicitor, accountant or other appropriate independent professional adviser authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom, or if not, from another appropriately authorised financial adviser.

If you have sold or otherwise transferred all your shares in Interserve Plc, please forward this document, together with the accompanying form of proxy, as soon as practicable to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.



(Registered in England No. 88456)

Notice of Annual General Meeting 2007

This document should be read in conjunction with the Annual report and financial statements of the Company for the year ended 31 December 2006.

Dear Shareholder

I have pleasure in sending you the Notice of this year's Annual General Meeting ("AGM") which will be held at the offices of JPMorgan Cazenove, London on Monday, 14 May 2007 at 10.00 am.

Information relating to the meeting is set out in this Notice of Meeting and at times the Notice may be cross-referenced to the Annual report and financial statements for the year ended 31 December 2006.

The AGM affords the Board an opportunity to communicate with its shareholders and to respond to shareholder questions. The Board positively encourages shareholder participation either through attending the AGM in person or voting by proxy on the resolutions.

Information about all the directors who are retiring by rotation in accordance with the Company's Articles of Association and who seek re-election is set out in Appendix I to this Notice.

In addition to the usual business dealt with at the AGM, a resolution will be proposed to make minor changes to the Articles of Association in preparation for provisions of the Companies Act 2006 that are expected to come into force in October 2007. Details can be found in the explanatory note on page 10.

If you are unable to attend the meeting in person, your vote is still important. You may vote either by completing, signing and returning the enclosed form of proxy, or by registering your proxy vote electronically by logging on to our Registrars' website (see note 3 on page 6 for instructions). We are also now able to offer CREST members the option to register their votes electronically through the CREST electronic proxy appointment service. For further details, please see note 4 on page 6.

The Board believes that the proposals described in this Notice are in the best interest of the Company and its shareholders as a whole and recommend you give them your support by voting in favour of the resolutions as the directors intend to do themselves in respect of their own holdings.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Lord Blackwell', written in a cursive style.

Lord Blackwell
Chairman

11 April 2007

Notice of Annual General Meeting

Notice is hereby given that the one-hundred-and-first Annual General Meeting of Interserve Plc (the "Company") will be held at The Auditorium, c/o JPMorgan Cazenove, 20 Moorgate, London EC2R 6DA, on Monday, 14 May 2007 at 10.00 am for the transaction of the following business:

Ordinary Business

Resolution No 1

To receive and consider the accounts and balance sheets, and the reports of the directors and the auditors for the year ended 31 December 2006.

Resolution No 2

To declare a final dividend.

Resolution No 3

To approve the Directors' remuneration report for the year ended 31 December 2006.

Resolution No 4

To re-elect Mr T C Jones who retires from the Board by rotation.

Resolution No 5

To re-elect Mr N F Keegan who retires from the Board by rotation.

Resolution No 6

To re-elect Mr D A Trapnell who retires from the Board by rotation.

Resolution No 7

To re-appoint Deloitte & Touche LLP as auditors of the Company in pursuance of a recommendation by the Audit Committee, to hold office until the conclusion of the next general meeting at which financial statements are laid before the Company.

Resolution No 8

To authorise the directors, acting through the Audit Committee, to determine the remuneration of the auditors.

Special Business

To consider and, if thought fit, pass the following resolutions:

Ordinary Resolution

Resolution No 9

THAT the directors be and they are hereby generally and unconditionally authorised in accordance with section 80 of the Companies Act 1985 to exercise all powers of the Company to allot relevant securities (as defined in that section) up to a maximum nominal amount of £2,262,073 provided that this authority shall expire 15 months from the date of this resolution or, if earlier, at the conclusion of the Annual General Meeting of the Company in 2008, save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities in pursuance of such offer or agreement as if the authority conferred hereby had not expired.

Ordinary Resolution

Resolution No 10

THAT the Company and its subsidiaries be and are hereby generally and unconditionally authorised:

- (a) to make Donations to EU Political Organisations; and
- (b) to incur EU Political Expenditure

in an aggregate amount not exceeding £50,000 during the period commencing on the date of this resolution up to and including the conclusion of the Annual General Meeting in 2008. For the purposes of this resolution, the expressions “Donations”, “EU Political Organisations” and “EU Political Expenditure” have the meanings set out in Part XA of the Companies Act 1985 (as amended by the Political Parties, Elections and Referendums Act 2000).

Special Resolution

Resolution No 11

THAT, subject to and conditionally upon the passing of Resolution No 9 above, the directors be and they are hereby empowered pursuant to section 95 of the Companies Act 1985 to allot equity securities (as defined in section 94(2) of that Act) for cash pursuant to the authority conferred by that resolution or to sell equity securities held as treasury shares for cash pursuant to section 162D of that Act, or partly in one way and partly in the other, in each case as if section 89(1) of the said Act did not apply to any such allotment, PROVIDED that the power hereby conferred shall be limited:

- (a) to the allotment and/or the sale of equity securities in connection with a rights issue in favour of shareholders where the equity securities respectively attributable to the interests of all shareholders are proportionate (as nearly as may be) to their holdings of such shares subject to such exclusions or other arrangements as the directors may consider necessary or expedient to deal with fractional entitlements, statutory restrictions or legal or practical problems under or resulting from the application of the laws of any territory or the requirements of any recognised regulatory body or stock exchange in any territory; and
- (b) to the allotment and/or the sale (otherwise than pursuant to sub-paragraph (a) above) of equity securities up to an aggregate nominal amount of £618,696;

and shall expire 15 months from the date of this resolution or, if earlier, at the conclusion of the Annual General Meeting of the Company in 2008, save that the Company 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 offer or agreement as if the power conferred hereby had not expired.

Special Resolution

Resolution No 12

THAT the Company be and is hereby generally and unconditionally authorised to make market purchases (as defined in section 163 of the Companies Act 1985) of its ordinary 10p shares provided that:

- (a) the Company does not purchase under this authority more than 12,373,926 ordinary shares;
- (b) the Company does not pay less than the nominal value for each share;
- (c) the Company does not pay more for each share than 105 per cent of the average of the middle market price of the ordinary shares according to the Daily Official List of the London Stock Exchange for the five business days immediately preceding the date on which the Company agrees to buy the shares concerned;

- (d) this authority shall expire 15 months from the date of this resolution or, if earlier, at the Annual General Meeting in 2008; and
- (e) the Company may agree before the authority terminates under (d) above to purchase ordinary shares where the purchase will or may be executed after the authority terminates (either wholly or in part). The Company may complete such a purchase even though the authority has terminated.

Special Resolution

Resolution No 13

THAT the Articles of Association of the Company be and are hereby altered as follows:

- (a) By inserting in Article 46 the words “within six months of its most recent accounting reference date” after the words “general meeting” in the second line;
- (b) By inserting in Article 142 the words “, directors’ remuneration reports” after the words “directors’ reports” in the first line of subsection (i);
- (c) By inserting a new Article 145:-

“NOMINATION OF PERSONS TO ENJOY INFORMATION RIGHTS

145. Any person in respect of whom a valid nomination remains in force pursuant to section 146 of the Companies Act 2006 (subject to sections 146 and 147 of that act and to Articles 142 to 144 inclusive) shall be entitled to receive copies of:
- (i) annual accounts, directors’ reports, directors’ remuneration reports and auditors’ reports (including summary financial statements) of the Company;
 - (ii) all notices given under these Articles; and
 - (iii) all other communications that the Company sends to the member who nominated that person.”

By order of the Board



T Bradbury
Company Secretary

Registered Office:
Interserve House
Ruscombe Park
Twyford
Reading
Berkshire
RG10 9JU

11 April 2007

Notes

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the time by which a person must be entered on the register of members in order to have the right to attend or vote at the Annual General Meeting is 10.00 am on 12 May 2007. If the meeting is adjourned, the time by which a person must be entered on the register of members in order to have the right to attend or vote at the adjourned meeting is 48 hours before the date and time fixed for the adjourned meeting. Changes to entries on the register of members after the relevant time will be disregarded in determining the rights of any person to attend or vote at the meeting.
2. Any member of the Company entitled to attend and vote at the above meeting may appoint one or more proxies to attend and, on a poll, vote instead of him/her. A proxy need not be a member of the Company. Completion and submission of an instrument appointing a proxy will not preclude a member from attending and voting in person at the meeting.
3. A form of proxy is enclosed for use by members. To be valid it should be completed and deposited with the Company's registrars, Capita Registrars, Proxy Processing Centre, Telford Road, Bicester, Oxfordshire OX26 4LD not later than 48 hours before the time fixed for holding the meeting (or any adjourned meeting). You may also deliver by hand to The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU during normal business hours within the time specified above. You may register your proxy electronically using The Share Portal service at www.capitashareportal.com. If not already registered for The Share Portal, you will need your Investor Code shown on your form of proxy. An appointment of a proxy submitted in electronic form must be received by Capita Registrars not later than 48 hours before the time fixed for holding the meeting (or adjourned meeting).
4. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Annual General Meeting to be held on 14 May 2007 and any adjournment(s) thereof 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 service 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.

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 CRESTCo's 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 the notice of meeting. 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 service 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.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

5. Copies of the following documents, which are available for inspection at the registered office of the Company during normal business hours on any weekday (Saturdays and public holidays excepted), will also be available for inspection at the place of the Annual General Meeting on 14 May 2007 from at least 15 minutes prior to the appointed time for the meeting until the meeting is concluded or adjourned:
- (a) the Memorandum and Articles of Association of the Company;
 - (b) the terms and conditions of appointment of all the non-executive directors and those of the Group Chairman;
 - (c) the register of interests of directors (and their families) in the share capital of the Company and of its subsidiaries; and
 - (d) printed copies of this Notice and the documentation made available to shareholders using electronic communication, including the financial statements and the reports of the directors and auditors for the year ended 31 December 2006.

INVITATION TO ACCESS SHAREHOLDER DOCUMENTS ELECTRONICALLY

As an alternative to receiving documentation through the post, the Company offers shareholders the option to receive by email or fax a notification that shareholder documents (including the Annual Report and Financial Statements, Interim Statements, Notices of Shareholder Meetings and Proxy Forms) are available for access on the Company's website. If you wish to make such an election you should register online at Capita Registrars' website at www.capitashareportal.com.

If you have already made such an election you need take no further action. Registration is entirely voluntary and you may request a hard copy of the shareholder documents or change your election at any time.

Explanatory Notes for Shareholders

Resolution No 1 (Annual report and financial statements 2006)

The directors are required to present to the Annual General Meeting the accounts and balance sheets, and reports of the directors and auditors for the year ended 31 December 2006. They are contained in the Company's Annual report and financial statements 2006.

Resolution No 2 (Declaration of final dividend)

The Company paid an interim dividend of 4.8p per share on 30 October 2006. The directors recommend a final dividend of 10.6p per share bringing the total dividend for the year to 15.4p per share. Subject to approval by the members, the final dividend will be paid on 8 June 2007 to shareholders on the register at close of business on 23 March 2007.

Resolution No 3 (Directors' remuneration report)

The Directors' Remuneration Report Regulations 2002 introduced a new statutory disclosure and shareholder approval regime for directors' remuneration. A copy of the Directors' remuneration report is contained in the Annual report and financial statements 2006.

Resolution Nos 4 to 6 (Directors retiring by rotation)

Under the Company's Articles of Association, one-third of the directors are required to retire by rotation at each AGM. The directors to retire are those who have been longest in office since their election or last re-election. Under this formula three directors are required to retire at this year's AGM – Mr T C Jones, Mr N F Keegan and Mr D A Trapnell.

Information about the directors who are proposed by the Board for re-election is set out in Appendix I to this Notice.

Resolution No 7 (Re-appointment of auditors)

At the AGM held on 17 May 2006, Deloitte & Touche LLP were re-appointed as auditors of the Company, to hold office until the conclusion of the next general meeting at which accounts were laid. This resolution proposes the re-appointment of Deloitte & Touche LLP.

Resolution No 8 (Auditors' remuneration)

In accordance with standard practice, this resolution gives authority to the directors to determine the auditors' remuneration.

Resolution No 9 (Authority to allot shares)

The Companies Act 1985 provides that the directors may not allot shares unless empowered to do so by the shareholders. Such a power cannot be given for longer than five years at any one time and the total nominal value of shares which can be allotted must be specified. In order to renew the Board's powers in respect of unissued shares, it is accordingly proposed that the directors be granted general authority at any time prior to the expiry of 15 months following the forthcoming AGM (or prior to the next AGM of the Company, if earlier) to allot shares up to an aggregate nominal value of £2,262,073 representing approximately 18.28 per cent of the Company's issued share capital as at 12 March 2007

(the latest practicable date prior to the publication of this Notice). The Company has no treasury shares in existence. The directors have no current plans to make use of this authority, other than the issue of shares pursuant to employee share schemes.

Resolution No 10

(Authority to make political donations/incur political expenditure)

It is not the Company's policy to make cash donations to political parties. This policy is strictly adhered to and there is no intention to change it. The Companies Act 1985 requires companies to obtain shareholder authority before they can make donations to EU political organisations (which includes UK political parties). However, the definitions used in the Act of "donations" to EU political organisations and "EU political expenditure" are very broad, which may have the effect of covering a number of normal business activities that would not be considered political donations in the usual sense. To avoid any possibility of inadvertently contravening the Act, the directors are seeking shareholder authority to ensure that the Company acts within the provisions of current UK law when carrying out its normal business activities.

Resolution No 11

(Disapplication of pre-emption rights)

This resolution renews the directors' authority to implement rights issues without complying fully with the technical requirements of section 89 of the Companies Act (relating to the allotment of shares for cash).

Furthermore, it gives the directors authority to allot shares for cash other than by way of rights to existing shareholders up to an aggregate nominal amount of £618,696. By restricting such authority to an aggregate nominal value of no more than 5 per cent of the Company's issued share capital (as at 12 March 2007, being the latest practicable date prior to the publication of this Notice), the Company will comply with current guidelines issued by the Investment Committees of the Association of British Insurers and National Association of Pension Funds Limited. This power will provide the directors with the flexibility to take advantage of business opportunities as they arise. Shareholders should note that the Listing Rules of the Financial Services Authority do not require shareholders' specific approval for each issue of shares for cash on a non pre-emptive basis to the extent that under section 95 of the Companies Act 1985 the provisions of section 89 are disapplied generally. If given, this authority will expire 15 months from the date of passing of the special resolution or, if earlier, on the date of the next AGM of the Company.

The Investment Committees also request that in any rolling three-year period a company may not make non pre-emptive issues for cash or equity securities exceeding 7.5 per cent of the company's issued share capital without prior consultation with them.

The Companies (Acquisition of Own Shares) (Treasury Shares) Regulations 2003 (the "Treasury Shares Regulations") came into force on 1 December 2003. The requirements of the Companies Act 1985 (section 89), as outlined above, will also apply to the sale by the Company of any shares it holds as treasury shares under the Treasury Shares Regulations. The authority sought and limits set by this resolution will apply also to the sale of treasury shares.

Resolution No 12

(Authority to purchase own shares)

With the authority of the shareholders in general meeting, the Company is empowered by its Articles to purchase its own shares subject to the provisions of the Statutes. Although the directors have no immediate plans to do so, they believe it is prudent to seek general authority from shareholders to be able to act if circumstances were to arise in which they considered such purchases to be desirable. This power will only be exercised if and when, in the light of market conditions prevailing at that time, the directors believe that such purchases would increase earnings per share and would be for the benefit of shareholders generally.

This special resolution specifies the maximum number of shares which may be acquired (approximately 10 per cent of the Company's issued share capital) and the maximum and minimum prices at which they may be bought.

Any shares purchased under this authority will, unless the directors determine that they are to be held as treasury shares, be cancelled and the number of shares in issue will be reduced accordingly.

The Treasury Shares Regulations will allow shares purchased by the Company out of distributable profits to be held as treasury shares, which may then be cancelled, sold for cash or used to meet the Company's obligations under its employee share schemes. The authority sought by this resolution is intended to apply equally to shares to be held by the Company as treasury shares in accordance with the Treasury Shares Regulations.

Options over 4,191,742 ordinary shares were outstanding as at 12 March 2007 (the latest practicable date prior to the publication of this Notice). This represents 3.39 per cent of the Company's issued share capital at that date. If the Company bought back the maximum number of shares permitted by this resolution and cancelled them, then the total number of options outstanding at that date would represent 3.76 per cent of the issued share capital thereby reduced. The Company has no warrants to subscribe for ordinary shares outstanding and no ordinary shares held in treasury.

*Resolution No 13
(Amendments to the Articles of Association)*

Provisions under the Companies Act 2006, relating to the timing of annual general meetings and a new members' power to nominate another person to enjoy information rights, are expected to come into force in October 2007. The proposed amendments to the Articles of Association reflect these provisions and, by including them in the AGM business, avoid the need to hold an extraordinary general meeting later in the year.

Your directors believe that the proposals in Resolution Nos 1 to 13 are in the best interests of both the Company and its shareholders. Accordingly, the directors unanimously recommend that you vote in favour of all these resolutions, as they intend to do in respect of their own beneficial holdings.

APPENDIX I

Biographies of directors standing for re-election

Tim C Jones

Group Finance Director

Tim joined Interserve as Group Finance Director in August 2003. He was previously Novar's Group Director of Financial Operations. Prior to joining Novar in 2001, Tim spent six years in a variety of senior financial positions at Exel, both in the UK and overseas. Having qualified as an accountant, Tim's early career was in corporate finance and acquisitions. Tim is 43.

Nicholas F Keegan¹²³

Non-executive director

Nicholas joined Interserve as a non-executive director in July 2003. He is Chief Financial Officer of CompAir Group and a non-executive director of Staffline Recruitment Group PLC. He has previously been Group Finance Director at Evenser Group, Frederick Cooper and Newman Tonks Group. Nicholas chairs the Audit Committee and is 51.

David A Trapnell¹²³

Non-executive director

David became a non-executive director of Interserve in July 2003. Previous roles include non-executive director and Chairman of the Audit Committee at The Royal Mint, Group Chief Executive of Marley and Vice-President of the Construction Products Association. David chairs the Remuneration Committee and is 62.

¹ Member of the Nomination Committee

² Member of the Audit Committee

³ Member of the Remuneration Committee

