

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document and/or the action you should take you should consult your stockbroker, bank manager, solicitor or other independent financial adviser authorised under the Financial Services and Markets Act 2000 (“FSMA”) if you are in the United Kingdom or, if not, another appropriately authorised independent financial adviser.**

**If you have sold or otherwise transferred all of your Ordinary Shares please send this document, together with the accompanying Form of Proxy, to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee. If you have sold only part of your holding of Ordinary Shares, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately.**

**The Directors, whose names appear on page 5, and the Company, collectively and individually, accept responsibility for all the information contained in this document. To the best of the knowledge and belief of the Directors and the Company (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.**

---

**INFOSERVE GROUP PLC**

**(Incorporated and registered in England and Wales with Registered No. 05750143)**

**Proposed cancellation of admission to trading on AIM of the Ordinary Shares  
Proposed change of name to CityVisitor Group plc  
and  
Notice of General Meeting**

---

This document should be read as a whole. Your attention is drawn to the letter from the Executive Chairman of Infoserve Group plc set out on page 5 of this document and which recommends that you vote in favour of the Resolutions to be proposed at the General Meeting referred to below.

**A Notice convening a General Meeting of Infoserve Group plc to be held at the The Café Bar, Multiflight Training Centre, South Side Aviation, Leeds Bradford International Airport, Leeds LS19 7UG at 9.30 a.m. on 18 February 2011 is set out at the end of this document. A Form of Proxy for use at the meeting is enclosed and should be completed, signed and returned to the Company at its registered office, FAO The Company Secretary, Infoserve Group plc, South Side Aviation, Leeds Bradford International Airport, Leeds LS19 7UG by post or by hand as soon as possible and, in any event, by no later than 9.30 a.m. on 16 February 2011, being 48 hours before the time appointed for the holding of the General Meeting. Completion of Forms of Proxy will not preclude Shareholders from attending and voting at the General Meeting should they so wish.**

## CONTENTS

---

<b>EXPECTED TIMETABLE OF PRINCIPAL EVENTS</b>	<b>3</b>
<b>DEFINITIONS</b>	<b>4</b>
<b>LETTER FROM THE EXECUTIVE CHAIRMAN OF INFOSERVE</b>	<b>5</b>
<b>NOTICE OF GENERAL MEETING</b>	<b>10</b>

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

---

Date of publication of this document	2 February 2011
Last time and date for receipt of Forms of Proxy	9.30 a.m. on 16 February 2011
General Meeting	9.30 a.m. on 18 February 2011
Last day of dealings of Ordinary Shares on AIM	2 March 2011
Cancellation of Admission	3 March 2011

**Note:**

If any of the above times and/or dates change, the revised times and/or dates will be notified to Shareholders by an announcement through a regulatory information service recognised by the LSE.

## DEFINITIONS

---

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

<b>“2006 Act”</b>	the Companies Act 2006;
<b>“Admission”</b>	admission to trading on AIM of the Ordinary Shares;
<b>“AIM”</b>	a market operated by the London Stock Exchange;
<b>“AIM Rules”</b>	the AIM Rules for Companies governing the admission to and operation of AIM published by the LSE from time to time;
<b>“Board” or “Directors”</b>	the directors of the Company, whose names are set out on page 5 of this document or any duly authorised committee thereof;
<b>“Cancellation”</b>	the proposed cancellation of admission of the Ordinary Shares to trading on AIM;
<b>“Company” or “Infoserve”</b>	Infoserve Group plc;
<b>“CREST”</b>	the relevant system (as defined in the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755), as amended) operated by Euroclear UK & Ireland Limited in accordance with which securities may be held or transferred in uncertificated form;
<b>“EMI Options”</b>	the enterprise management incentive options to subscribe for Ordinary Shares granted or to be granted by the Company to certain directors and employees and former directors and employees of the Company and its group;
<b>“Form of Proxy”</b>	the form of proxy for use by Shareholders in connection with the GM, which is enclosed with this document;
<b>“General Meeting” or “GM”</b>	the general meeting of the Company to be held at The Café Bar, Multiflight Training Centre, South Side Aviation, Leeds Bradford International Airport, Leeds, LS19 7UG at 9.30 a.m. on 18 February 2011 (or any adjournment thereof), notice of which is set out at the end of this document;
<b>“LSE”</b>	London Stock Exchange plc;
<b>“Ordinary Shares”</b>	ordinary shares of 5 pence each in the capital of the Company;
<b>“Proposals”</b>	the proposals set out in this document, comprising the Cancellation and the proposed change of name of the Company to CityVisitor Group plc;
<b>“Resolutions”</b>	the resolutions to be put to Shareholders at the General Meeting as set out in the notice of General Meeting which is set out at the end of this document;
<b>“Share Options”</b>	the EMI Options and the Unapproved Share Options;
<b>“Shareholders”</b>	holders of Ordinary Shares;
<b>“SME”</b>	small and medium-sized enterprises; and
<b>“Unapproved Share Options”</b>	the unapproved options to subscribe for Ordinary Shares granted by the Company to certain directors and employees and former directors and employees of the Company and its group.

PART I

LETTER FROM THE EXECUTIVE CHAIRMAN OF INFOSERVE GROUP PLC

---

## Infoserve Group plc

(Incorporated and registered in England and Wales with Registered No. 05750143)

*Directors*

Steve Barnes, Executive Chairman  
Derek Oliver, Operations Director  
Mark Riley, Sales Director  
Jonathan Simpson, Finance Director  
David Hood, Senior Non-Executive Director  
Andrew Thirkill, Non-Executive Director

*Registered Office*

South Side Aviation  
Leeds Bradford International Airport  
Leeds  
LS19 7UG

2 February 2011

*To Shareholders and, for information only, holders of Share Options*

Dear Shareholder,

**Proposed cancellation of admission to trading on AIM of the Ordinary Shares  
Proposed change of name to CityVisitor Group plc  
and  
Notice of General Meeting**

### INTRODUCTION

On 2 February 2011, the Company announced that it intended to seek Shareholder approval for the cancellation of admission to trading on AIM of the Ordinary Shares. In addition, the Company is seeking Shareholder approval to change its name to CityVisitor Group plc.

The purpose of this document is to provide you with information on the background to the Proposals and to explain why the Directors consider the Proposals to be in the best interests of the Company and its Shareholders as a whole and to seek the approval of Shareholders for the Proposals at the General Meeting convened for this purpose.

### BACKGROUND TO THE CANCELLATION

The Ordinary Shares were admitted to trading on AIM on 23 June 2006. For some time the Board has been concerned that liquidity in the Ordinary Shares has become progressively more limited, especially now that more than 89% of the Ordinary Shares are in the hands of the Directors. In conjunction with its advisers therefore, the Board has conducted a review of the costs and benefits associated with having the Company's shares traded on AIM.

As a result of this review, the Board has concluded that it is no longer in the best interests of the Company or its Shareholders as a whole to maintain the admission to trading on AIM of the Ordinary Shares and intends to seek the authority of Shareholders for the cancellation of the Admission.

## **RATIONALE FOR THE CANCELLATION**

The Directors have concluded that a resolution should be put to Shareholders to approve a Cancellation for the following reasons:

- there is a lack of liquidity in the Ordinary Shares which, in the Directors' view, has contributed to the decline in the market capitalisation of the Company; the Directors believe that this lack of liquidity makes it very difficult for anyone wishing to buy a substantial number of shares to do so at a reasonable price. In addition, the small market capitalisation of the Company has made it difficult for the Company to attract broad analytical coverage or investor interest, which, the Directors believe, prevents anyone wishing to sell any substantial number of shares from doing so at a reasonable price;
- the ability to secure new equity participation at levels which fairly reflect the underlying equity value of the Company, in the opinion of the Directors, is significantly undermined by the low share price. The Directors believe that this inability to access additional equity capital at a reasonable valuation severely limits the Company's ability to grow the business and achieve its strategic aims and objectives; and
- the Directors believe that the costs associated with maintaining Admission are now disproportionate to the value provided by Admission, and the Directors expect savings arising from the Cancellation to amount to approximately £60,000 per annum.

Against this background, the Board has spent significant time evaluating different strategic alternatives for the Company. These deliberations have taken into account the current financial position of the Company, the Company's growth strategy, the current financial climate and the relative benefits compared to the ongoing costs of maintaining Admission. The Board has also taken into account the views of the Company's large Shareholders, as well as assessing the position of the Shareholders as a whole.

Following careful consideration of these factors with its advisers, the Board has decided that the disadvantages and the ongoing costs of maintaining Admission outweigh the benefits that Admission provides to the Company.

## **CURRENT TRADING**

On 28 January 2011, the Company issued the following trading update:

“The Company estimates that the severe weather in late November and December resulted in reduced revenues, and therefore cash, of around £60,000. It is unlikely that this trading shortfall will be recovered over the remaining three months of the financial year and the Directors therefore expect the Company's final results for the year ending 31 March 2011 to be below previous expectations.”

A number of cost saving measures are being put into place in order to preserve cash, including the cessation of future funding to 2i Local Limited, the Company's joint venture with Iliffe News and Media Limited (“INML”). Despite this, the Directors expect that Infoserve will continue to have a strong trading relationship with INML.

The Company now expects that the cash shortfall from trading, together with the Company's planned investment in new products, the cost of the proposed cancellation of Admission, and the potential write off of loans to the joint venture may require the remaining £190,000 of the existing loan facility with David Hood to be drawn down before the end of the current financial year, slightly earlier than previously expected.

## **STRATEGY FOLLOWING THE CANCELLATION**

Following the Cancellation, the Directors intend to continue to seek to maximize the value of the Company's assets. The Company has seen many of its SME customers go through difficult trading times for the last twelve months and the Directors continue to look for ways to develop the Company's product offering and value proposition to maintain volumes and revenues. The Company has seen little improvement in confidence levels even from those business sectors that are experiencing growth, and the Directors believe that discretionary marketing spend by SMEs, even in the online sector, has been affected.

Although the Directors see little change in macro economic circumstances in the economy as a whole, they intend to continue to investigate ways to adapt the business to the current economic climate. In particular, the Directors believe that strategic alliances, investment in existing products and exploration of new products, and investment in the sales force remain the best ways to achieve Shareholder value.

The Company intends to continue to invest in growth and development, but will do so slowly and in a planned, steady and risk averse way in keeping with the current economic climate. In order to achieve this, the Directors believe that it is essential that the Company continues to drive down costs, especially those which do not add to its customer offering.

## **CANCELLATION PROCESS**

In accordance with Rule 41 of the AIM Rules, the Company has notified the LSE of the Cancellation. Under the AIM Rules, it is a requirement that the Cancellation is approved by the requisite majority of Shareholders voting at the General Meeting (being not less than 75 per cent. of the votes cast in person or by proxy). Accordingly, the Resolution numbered 1 set out in the Notice of General Meeting at the end of this document seeks Shareholders' approval for the Cancellation. The Resolution approving the Cancellation is not conditional on the passing of the other Resolution. Subject to the Resolution approving the Cancellation being passed at the General Meeting, it is anticipated that trading in the Ordinary Shares on AIM will cease at close of business on 2 March 2011 with the Cancellation taking effect at 7.00 a.m. on 3 March 2011. Upon the Cancellation becoming effective, WH Ireland Limited will cease to be nominated adviser and broker to the Company.

## **PRINCIPAL EFFECTS OF THE CANCELLATION**

The principal effects of the Cancellation will include (inter alia) the following:

- (a) there will be no public stock market on which Shareholders can trade their Ordinary Shares and, further, no other trading facility (other than the Third Party Facility referred to in the paragraph entitled "Transactions in the Ordinary Shares following the Cancellation" below) will be available to enable trading of the Ordinary Shares. Consequently, following the Cancellation, there can be no guarantee that a Shareholder will be able to purchase or sell any Ordinary Shares;
- (b) no price will be publicly quoted for the Ordinary Shares;
- (c) it is expected that the Ordinary Shares will continue to be transferable through CREST;

- (d) the Company will not be subject to the AIM Rules and, accordingly, it will not (amongst other things) be required to retain a nominated adviser or to comply with the requirements of AIM in relation to annual accounts and half-yearly reports, the disclosure of price sensitive information or the disclosure of information on corporate transactions; and
- (e) the Company will no longer be subject to the Disclosure Rules and Transparency Rules of the UK Financial Services Authority and will therefore no longer be required specifically to disclose major shareholdings in the Company.

**Shareholders who are in any doubt about their tax position should consult their own professional independent adviser immediately.**

Shareholders should note that, even if the Cancellation becomes effective, the Company will remain subject to the City Code on Takeovers and Mergers (the “Code”). Accordingly, Shareholders will continue to receive the minority and other protections afforded by the Code in the event that an offer is made to Shareholders to acquire their Ordinary Shares.

As the Ordinary Shares are currently admitted to trading on AIM, the Company is not required to comply with the provisions of the UK Corporate Governance Code. Nevertheless, the Company seeks, within the practical confines of being a small company, to act in compliance with the principles of good governance and the code of best practice. Shareholders should note that following the Cancellation, the Directors intend that the Company should continue to seek to comply with these principles of good governance on the same basis as currently. If the Cancellation becomes effective, this will not affect the Company’s position as a public company for the purposes of the 2006 Act.

## **TRANSACTIONS IN THE ORDINARY SHARES FOLLOWING THE CANCELLATION**

In order to assist Shareholders who wish to trade in Ordinary Shares following the Cancellation, the Board currently intends to employ the services of a third-party matched bargain trading facility (the “Third-Party Facility”) for at least one year. Under this Third-Party Facility, Shareholders or persons wishing to acquire Ordinary Shares will be able to leave an indication with the Third-Party Facility provider that they are prepared to buy or sell at an agreed price. In the event that the Third-Party Facility provider is able to match that order with an opposite sell or buy instruction, the Third-Party Facility provider will contact both parties and then effect the bargain. In these circumstances, Shareholders who do not have their own broker may need to register with any such Third-Party Facility provider as a new client. This can take some time to process and, therefore, Shareholders who consider they are likely to use this facility would be encouraged to commence registration at the earliest opportunity.

Once such arrangements have been set up by the Company, details will be made available to Shareholders on the Company’s website ([www.infoservegroup.com](http://www.infoservegroup.com)).

**If Shareholders wish to buy or sell Ordinary Shares on AIM they must do so prior to the Cancellation becoming effective. As noted above, in the event that Shareholders approve the Cancellation, it is anticipated that the last day of dealings in the Ordinary Shares on AIM will be 2 March 2011 and that the effective date of the Cancellation will be 3 March 2011.**

## **COMMUNICATIONS WITH SHAREHOLDERS**

Following the Cancellation, there is no intention to change the constitution of the Board and the Directors’ current intention is to continue to:

- (a) hold general meetings in accordance with applicable statutory requirements and the Articles; and
- (b) post certain information relating to the Company, including notices of general meetings, copies of the Company's audited accounts and details of any arrangements made to assist Shareholders to trade in Ordinary Shares, on its website ([www.infoservegroup.com](http://www.infoservegroup.com)) and to notify shareholders by post when such communications are made available.

## **PROPOSED CHANGE OF NAME**

In order to align the name of the Company more closely with its major product, the Company proposes, subject to the approval of Resolution 2 set out in the Notice of General Meeting, to change its name to CityVisitor Group plc following the Cancellation.

## **GENERAL MEETING**

Set out at the end of this document is a notice convening a General Meeting to be held at The Café Bar, Multiflight Training Centre, South Side Aviation, Leeds Bradford International Airport, Leeds LS19 7UG at 9.30 a.m. on 18 February 2011. The purpose of the General Meeting is to seek Shareholders' approval for the Proposals.

## **ACTION TO BE TAKEN**

A Form of Proxy is enclosed for use by Shareholders at the General Meeting. Whether or not Shareholders intend to be present at the General Meeting, they are requested to complete the Form of Proxy, sign and return it to the Company's registered office at South Side Aviation, Leeds Bradford International Airport, Leeds, LS19 7UG, as soon as possible, but in any event so as to arrive no later than 9.30 a.m. on 16 February 2011. Completion and return of a Form of Proxy will not preclude a Shareholder from attending and voting in person at the General Meeting should they wish to do so. **Accordingly, whether or not Shareholders intend to attend the General Meeting, they are urged to complete and return the Form of Proxy as soon as possible.**

## **RECOMMENDATION**

**The Directors consider that the Resolutions are fair and reasonable and in the best interests of the Company and its Shareholders as a whole and the Directors unanimously recommend that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting as they intend to do in respect of their own beneficial holdings, amounting to, in aggregate, 52,617,549 Ordinary Shares representing approximately 89.07 per cent. of the Company's current issued voting share capital.**

Yours sincerely



Steve Barnes  
Executive Chairman

## INFOSERVE GROUP PLC

(the "Company")

### NOTICE OF GENERAL MEETING

---

Notice is hereby given that a General Meeting of Infoserve Group plc (the "Company") will be held at The Café Bar, Multiflight Centre, South Side Aviation, Leeds Bradford International Airport, Leeds LS19 7UG on 18 February 2011 at 9.30 a.m. to consider and, if thought fit, to pass the resolutions set out below as special resolutions.

#### SPECIAL RESOLUTIONS

THAT:

1. The admission of the Company's ordinary shares of 5 pence each to trading on AIM (a market operated by the London Stock Exchange plc) be cancelled (the "**Cancellation**") and that the directors of the Company be and are hereby authorised to take all steps which are necessary or desirable in order to effect the Cancellation.
2. The name of the Company be changed to CityVisitor Group plc.

By Order of the Board



Michael Deakin  
Company Secretary  
Dated 2 February 2011

Registered Office:  
South Side Aviation  
Leeds Bradford International Airport  
Leeds  
West Yorkshire  
LS19 7UG  
Registered in England and Wales No 05750143

#### Notes

1. Shareholders are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the General Meeting. A shareholder may appoint more than one proxy provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice.
2. To be valid any proxy form or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand to the Company's registered office, FAO The Company Secretary, Infoserve Group plc, South Side Aviation,

Leeds Bradford International Airport, Leeds LS19 7UG, in each case no later than 9.30 a.m. on 16 February 2011;

3. The return of a completed proxy form will not prevent a shareholder attending the General Meeting and voting in person if he/she wishes to do so.
4. If you wish to attend the meeting in person, please attend at The Café Bar, Multiflight Centre, South Side Aviation, Leeds Bradford International Airport, Leeds LS19 7UG on 18 February 2011 bringing appropriate identification so that you can be identified by the Company. It is recommended that you arrive at least 15 minutes before the time appointed for the General Meeting to begin.
5. To be entitled to attend and vote at the General Meeting (and for the purpose of the determination by the Company of the votes which may be cast), Shareholders must be registered in the Register of Members of the Company at 6pm on 16 February 2011.
6. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded. 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.
7. To terminate a hard copy proxy instruction, send a signed hard copy notice clearly stating your intention to revoke your proxy appointment for the attention of The Company Secretary, Infoserve Group plc, South Side Aviation, Leeds Bradford International Airport, Leeds LS19 7UG. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice. The revocation notice must be received by the Company no later than 9.30a.m. on 16 February 2011. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then your proxy appointment will remain valid.
8. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.

