

9 June 2014

Dear Shareholder,

Annual General Meeting of Mitie Group Plc ("Mitie")


We are pleased to notify you that our 2014 Annual General Meeting (the "AGM") will be held at UBS Investment Bank, 1 Finsbury Avenue, London, EC2M 2PP on 9 July 2014 at 2.30pm. The formal Notice of AGM (the "Notice") and the details of resolutions on which you will be asked to vote are set out in this booklet.

We appreciate that you may not be able to attend the AGM but you can still register your vote by completing the enclosed form of proxy ("Proxy Form") and returning it in accordance with the instructions printed on it to Mitie's Registrars, Capita Asset Services, as soon as possible but in any event so as to be received by Capita not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. You may, if you wish, appoint your proxy electronically via the shareholder portal (www.mitie-shares.com). To do this you will need your Investor Code ("IVC") which you will find on your Proxy Form.

Your Board of Directors (the "Directors") believe that the proposals described in this document are in the best interests of Mitie and its shareholders as a whole and unanimously recommend that you vote in favour of all the resolutions. The Directors intend to do so in respect of their own beneficial holdings.

Both the Annual Report and Accounts for the year ended 31 March 2014 and our Sustainability Report have been published and are available on our website, www.mitie.com. These detail our financial, operational and corporate responsibility achievements in the last financial year and the Directors' plans for the future direction of Mitie. I hope that you find them informative and interesting.

Yours sincerely,



Roger Matthews
Chairman

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to the contents of this document and/or the action to take, you are advised to seek personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent professional adviser authorised pursuant to the Financial Services and Markets Act 2000 immediately.

If you have sold or otherwise transferred all of your ordinary shares in Mitie Group Plc, please pass this document and the accompanying Proxy Form as soon as possible to the purchaser or transferee or to the stockbroker, bank manager or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

NOTICE OF 2014 ANNUAL GENERAL MEETING OF MITIE GROUP PLC

Notice is hereby given that the 2014 annual general meeting (the "AGM") of Mitie Group plc ("Mitie") will be held at UBS Investment Bank, 1 Finsbury Avenue, London, EC2M 2PP on 9 July 2014 at 2.30pm to consider and, if thought fit, pass the following resolutions, of which resolutions 1-16 will be proposed as ordinary resolutions and resolutions 17-19 as special resolutions.

Resolution 1 – Report and Accounts

To receive the annual report and accounts for the year ended 31 March 2014 (the "Annual Report and Accounts"), together with the reports of the directors of Mitie (the "Directors") and auditors thereon.

Resolution 2 – Directors' Remuneration Report

To approve the Directors' remuneration report (excluding the Directors' remuneration policy) for the year ended 31 March 2014 contained on pages 52 to 67 in the Annual Report and Accounts.

Resolution 3 – Directors' Remuneration Policy

To approve the Directors' remuneration policy for the year ended 31 March 2014 set out on pages 53 to 59 of the Annual Report and Accounts.

Resolution 4 – Declaration of dividend

To declare a final dividend for the year ended 31 March 2014 of 6.1p per ordinary share.

Resolution 5 – Re-election of Non-Executive Chairman

To re-elect Roger John Matthews as a director.

Resolution 6 – Re-election of Chief Executive

To re-elect Ruby McGregor-Smith CBE as a director.

Resolution 7 – Re-election of Group Finance Director

To re-elect Suzanne Claire Baxter as a director.

Resolution 8 – Re-election of Executive Director

To re-elect William Robson as a director.

Resolution 9 – Re-election of Non-Executive Director

To re-elect Larry Hirst CBE as a director.

Resolution 10 – Re-election of Senior Non-Executive Director

To re-elect David Stannard Jenkins as a director.

Resolution 11 – Re-election of Non-Executive Director

To re-elect Jack Boyer as a director.

Resolution 12 – Re-election of Non-Executive Director

To re-elect Crawford Gillies as a director.

Resolution 13 – Re-appointment of auditors

To re-appoint Deloitte LLP as auditors of Mitie to hold office from the conclusion of this AGM until the conclusion of the next general meeting before which accounts are laid.

Resolution 14 – Remuneration of auditors

To authorise the Directors to determine the remuneration of the auditors.

Resolution 15 – Directors' authority to allot shares

That, in substitution for any equivalent authorities and powers granted to the Directors prior to the passing of this resolution, the Directors be and they are generally and unconditionally authorised pursuant to s551 Companies Act 2006 (the "Act") to exercise all the powers of Mitie to allot shares in Mitie, and grant rights to subscribe for or to convert any security into shares in Mitie (such shares, and rights to subscribe for or to convert any security into shares of Mitie being "Relevant Securities") up to an aggregate nominal amount of £3,374,263, provided that, unless previously revoked, varied or extended, this authority shall expire on the earlier of the date falling 15 months after the date of the passing of this resolution and the conclusion of the next annual general meeting of Mitie, except that Mitie may at any time 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 an offer or agreement as if the authority conferred hereby had not expired.

Resolution 16 – Political donations

That Mitie (together with any company which is or becomes a subsidiary of Mitie during the period to which this resolution relates) is hereby authorised, at any time during the period commencing on the date of passing this resolution 16 and ending at the conclusion of Mitie's next annual general meeting, to:

- a) make political donations to political parties and/or independent election candidates not exceeding £50,000 in total;
- b) make political donations to political organisations other than political parties not exceeding £50,000 in total; and,
- c) incur political expenditure not exceeding £50,000 in total;

provided that the total aggregate amount of such political donations and political expenditure during such period shall not exceed £50,000 for Mitie and all of its group of companies (provided that such amount may comprise sums in different currencies that shall be converted at such rate as the Directors may in their absolute discretion determine to be appropriate). Terms used in this resolution 16 have the same meaning as under Part 14 of the Act.

Resolution 17 – Dis-application of pre-emption rights

That, subject to the passing of resolution 15, the Directors be and they are generally empowered to allot equity securities (as defined in s560 of the Act) of Mitie wholly for cash pursuant to the authority of the Directors under s551 of the Act conferred by resolution 15 above (in accordance with s570(1) of the Act) and/or by way of a sale of treasury shares (in accordance with s573 of the Act), in each case as if s561(1) of the Act did not apply to such allotment, provided that the power conferred by this resolution shall be limited:

- a) to the allotment of equity securities in connection with an offer of, or invitation to apply for, equity securities to the holders of ordinary shares in the capital of Mitie in proportion as nearly as practicable to their respective holdings of such shares but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with treasury shares, fractional entitlements or any legal, regulatory or practical problems arising under the laws or requirements of any overseas territory or by virtue of shares being represented by depository receipts or the requirements of any regulatory body or any stock exchange or any other matter whatsoever; and
- b) otherwise than pursuant to sub-paragraph (a) above, to the allotment of equity securities to any person or persons up to an aggregate nominal value equal to £466,905,

and unless previously revoked, varied or extended, this power shall expire on the earlier of the date falling 15 months after the date of the passing of this resolution and the conclusion of the next annual general meeting of Mitie, except that Mitie may before the expiry of this power make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such an offer or agreement as if the power conferred hereby had not expired.

Resolution 18 – Authority to purchase own shares

That, Mitie be and is hereby generally and unconditionally authorised for the purposes of s701 of the Act to make market purchases (within the meaning of s693(4) of the Act) of its ordinary shares of 2.5p each ("Ordinary Shares"), on such terms and in such manner as the Directors may from time to time determine, provided that:

- a) the maximum number of Ordinary Shares that may be purchased is 37,352,400 representing approximately 10% of the issued ordinary share capital of Mitie as at 31 March 2014;
- b) the minimum price (exclusive of expenses) that may be paid for an Ordinary Share is 2.5p;
- c) the maximum price (exclusive of expenses) that may be paid for an Ordinary Share is the higher of (i) 105% of the average middle market value of an Ordinary Share (as derived from the Daily Official List of the London Stock Exchange) for the five business days immediately preceding the day on which the Ordinary Share is contracted to be purchased; and (ii) the value of an Ordinary Share calculated on the basis of the price quoted for (a) the last independent trade of, or (b) the highest current independent bid for, any number of Ordinary Shares on the trading venue where the purchase is carried out; and
- d) this authority shall, unless previously renewed, revoked or varied, expire on the earlier of the date falling 15 months after the date of the passing of this resolution and the conclusion of the next annual general meeting of Mitie, except in relation to purchases of Ordinary Shares, the contract for which was concluded before the expiry of this authority and which might be completed or executed wholly or partly after such expiry.

Resolution 19 – Notice of general meetings

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

By order of the Board:



Kyla Mullins
Group Company Secretary
9 June 2014

Registered Office: 35 Duchess Road, Rutherglen, Glasgow, G73 1AU
Registered number: SC 19230

MEETING NOTES

1. Only holders of ordinary shares are entitled to attend and vote at the meeting. Any member entitled to attend may appoint a proxy to attend, speak and vote at the meeting instead of him/her. A proxy need not be a member of Mitie but must attend the meeting to represent (and must vote in accordance with any instructions given by) the member by whom the proxy is appointed. A member may appoint more than one proxy provided that each proxy is appointed to exercise rights attached to different shares (so a member must have more than one share to be able to appoint more than one proxy). A proxy form is enclosed with this Notice and instructions for completion are shown on the form. A member may only appoint a proxy using the procedures set out in these notes and in the instructions on the proxy form. To be effective, proxy forms duly completed must be received by Mitie's registrars, Capita Asset Services, not less than 48 hours (excluding any part of a day that is not a working day) before the time appointed for the holding of the meeting or any adjournment thereof. Alternatively, you may, if you wish, appoint your proxy electronically via the shareholder portal (www.mitie-shares.com). To do this you will need your Investor Code ("IVC") which you will find on your proxy form. Appointing a proxy does not preclude a member from attending the meeting and voting in person. If you attend the meeting in person, your proxy appointment will automatically be terminated.
2. If you are a person who has been nominated by a shareholder to enjoy information rights in accordance with Section 146 of the Act, you do not have the right to appoint a proxy but you may have a right under an agreement between you and the shareholder by whom you were nominated to be appointed, or to have someone else appointed, as a proxy for the meeting. If you have no such right or do not wish to exercise it, you may have a right under such an agreement to give instructions to the shareholder as to the exercise of voting rights.
3. A member of Mitie who wishes to attend the meeting in person should arrive at UBS Investment Bank, 1 Finsbury Avenue, London, EC2M 2PP, in good time before the meeting, which will commence at 2.30pm. In order to gain admittance to the meeting, members may be required to produce their attendance card, which is attached to the form of proxy enclosed with this document, a copy of the notification email if you receive communications from Mitie in this way, or otherwise prove their identity.
4. Mitie, pursuant to Part 13 of the Companies Act 2006 and to regulation 41 of the Uncertificated Securities Regulations 2001 (as amended), specifies that only those shareholders registered in the register of members of Mitie at 6.00pm on 7 July 2014 (or if the meeting is adjourned, two working days before the time fixed for the adjourned meeting) shall be entitled to attend and vote at the AGM in respect of the number of shares registered in their name at that time. Any changes to the register of members after such time shall be disregarded in determining the rights of any person to attend or vote at the meeting or adjourned meeting.
5. In the case of joint holders of shares, the vote of the first named in the register of members of Mitie who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of other joint holders.
6. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting or any adjourned meeting by following 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, should refer to their CREST sponsor or voting service provider, who will be able to take the appropriate action on their behalf. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ('Euroclear') specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID RA10) by the latest time for receipt of proxy appointments specified above. 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. CREST members and, where applicable, their CREST sponsor or voting service providers, should note that Euroclear does not make available special procedures in CREST for 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, to procure that his CREST sponsor or voting service provider takes) 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. MITIE may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 (as amended).
7. Members attending the meeting have the right to ask and, subject to the provisions of the Act, Mitie must cause to be answered, any questions relating to the business being dealt with at the meeting.
8. As at 19 May 2014 (being the latest practicable date prior to the publication of this notice of annual general meeting) Mitie's issued share capital consists of 373,651,934 ordinary shares carrying one vote each. 5,800,000 ordinary shares were held in treasury and accordingly the total voting rights in Mitie as at 19 May 2014 are 367,851,934.
9. The following information is available at www.mitie.com (i) the matters set out in this Notice; (ii) the total numbers of shares in Mitie in respect of which members are entitled to exercise voting rights at the meeting; (iii) the totals of the voting rights that members are entitled to exercise at the meeting; and (iv) if applicable, members' statements, members' resolutions and members' matters of business received by Mitie after the date on which notice of the meeting was given.

10. Under s527 of the Act members meeting the threshold requirements set out in that section have the right to require Mitie to publish on a website a statement setting out any matter relating to: (i) the audit of Mitie's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the meeting; or (ii) any circumstance connected with an auditor of Mitie ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with Section 437 of the Act, that the members propose to raise at the meeting. Mitie may not require the shareholders requesting any such website publication to pay its expenses in complying with ss527 or 528 of the Act. Where Mitie is required to place a statement on a website under s527 of the Act, it must forward the statement to Mitie's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that Mitie has been required under s527 of the Act to publish on a website.
11. Copies of the Executive Directors' service contracts with Mitie and any of its subsidiary undertakings and letters of appointment of the Non-Executive Directors are available for inspection at the registered office and London office of Mitie (Ground Floor East, The Cottons Centre, Cottons Lane, 47/49 Tooley Street, London, SE1 2QG) during the usual business hours on any weekday (Saturday, Sunday or public holidays excluded) from the date of this Notice until the conclusion of the meeting and will also be available for inspection at the place of the meeting from 2.00pm on the day of the meeting until its conclusion.
12. You may not use any electronic address provided in this Notice to communicate with Mitie for any purposes other than those expressly stated.

EXPLANATORY NOTES TO AGM RESOLUTIONS

Approval of resolutions

Resolutions passed as '*ordinary resolutions*' require more than 50% of votes cast to be in favour of the resolution. Resolutions passed as '*special resolutions*' require 75% or more of votes cast to be in favour of the resolution.

Report and Accounts (resolution 1)

The Directors of Mitie must present the Annual Report and Accounts for the year ended 31 March 2014 to the meeting.

Directors' Remuneration Report (resolution 2)

All quoted companies are required by law to produce for each financial year a Directors' Remuneration Report which sets out the Remuneration Committee's policy in relation to directors' remuneration, together with the remuneration and benefits paid to Directors during the year. You can find this report on pages 52 to 67 of the Annual Report and Accounts for the year ended 31 March 2014. An ordinary resolution to approve the Directors' Remuneration Report must also be put to shareholders at the meeting at which the annual report and accounts for that year are laid. As in past years, this vote will be advisory. This approval will exclude the section of the report comprising the directors' remuneration policy, which is the subject of separate shareholder approval pursuant to resolution 3.

Directors' Remuneration Policy (resolution 3)

Under new provisions of the Companies Act 2006 introduced in October 2013, all quoted companies are required by law to seek binding shareholder approval to their Directors' Remuneration Policy. Accordingly, shareholders are asked to approve the Directors' Remuneration Policy set out on pages 53 to 59 of the Annual Report and Accounts for the year ended 31 March 2014. If approved, the policy will take effect from the conclusion of the meeting and remain in effect (unless altered by further shareholder vote) for up to three years. Once approved, Mitie will not be able to make a remuneration payment to a current or prospective director or a payment for loss of office to a current or past director, unless that payment is consistent with the policy or has been approved by a resolution of the shareholders of Mitie.

Declaration of dividend (resolution 4)

A final dividend can only be paid following approval by shareholders at a general meeting. A final dividend of 6.1p per ordinary share is recommended by the Directors for payment to shareholders who are on the register at close of business on 27 June 2013. If approved, the date of payment of the final dividend will be 6 August 2014. An interim dividend of 4.6p per ordinary share was paid to shareholders on 4 February 2014.

Annual Re-election of Directors (resolutions 5 to 12)

The UK Corporate Governance Code recommends that all Directors of FTSE 350 companies seek re-election by shareholders on an annual basis. The Board has decided to adopt this provision and all Directors currently in office will therefore seek re-election at the meeting. Separate resolutions will be proposed for each of these re-elections. The corporate governance report provides further details on the review of board composition and performance conducted by the Board. As part of this evaluation the Board has considered the performance of each Director seeking re-election. The Chairman has concluded that each Non-Executive Director is independent in character and judgement and confirms that each makes an effective and valuable contribution to the Board and demonstrates clear commitment to the role. Details of the Directors are set out below:

- Roger John Matthews (Non-Executive Chairman): Roger was appointed as a Non-Executive Director of Mitie in December 2006 and was appointed as Non-Executive Chairman in July 2008. Roger is a Non-Executive Chairman on the board of LSL Property Services plc and is also a Trustee of Cancer Research UK. Roger was previously Non-Executive Chairman of Pertemps Network Group Limited and held the roles of Group Finance Director of J Sainsbury plc, Group Managing Director and Group Finance Director of Compass Group PLC.
- Ruby McGregor-Smith CBE (Chief Executive): Ruby joined Mitie in 2002 and was appointed as Chief Executive in 2007. Ruby has extensive experience within the support services sector where, prior to joining Mitie, she held a range of senior roles, primarily at Serco Group plc. Ruby is an Independent Non-Executive Director of Michael Page International plc, appointed to the Board in May 2007, and is also a member of their Nomination and Remuneration Committees. She is a Non-Executive Director of the Department of Culture, Media and Sport. Ruby's charitable and community interests include acting as Chair of the Confederation of British Industry's Public Services Strategy Board, Chair of the Women's Business Council, and Business Ambassador for UK Trade & Investment.
- Suzanne Claire Baxter (Group Finance Director): Suzanne was appointed as Group Finance Director of Mitie Group plc in April 2006. Suzanne is a Chartered Accountant with a wealth of experience in the support services sector. Prior to joining Mitie, Suzanne specialised in mergers and acquisitions related transaction support and held a number of commercial and operational roles with Serco Group plc. Suzanne is a Non-Executive Director of WH Smith PLC, where she is also Chair of the Audit Committee and member of the Nomination and Remuneration Committees. She is Deputy Chairman and a member of the Council of the Business Services Association, a policy and research centre of excellence for the support services industry, and Deputy Chairman of Opportunity Now, a part of the BitC organisation with a focus on gender diversity in the workplace. Suzanne also acted as Interim Company Secretary during the year.
- William Robson (Executive Director): Bill is the longest serving Executive Director of Mitie Group plc. He joined the group in 1992 by way of the acquisition of his private painting and maintenance company. Bill was appointed to the board in August 2001 and has been responsible for the creation and strategic development of the Property Management division. On 31 July 2014 he will step down from the Board. He will remain as part of the executive team, continuing as Managing Director of the Property Management division, focusing on the many new opportunities that are developing within the housing sector.

- Larry Hirst CBE (Non-Executive Director): Larry was appointed as a Non-Executive Director on 1 February 2010. Until his retirement from IBM in 2010, Larry was Chairman of IBM (EMEA) where he held a number of senior positions during his 33 year career with IBM. Larry is a Non-Executive Director of ARM Holdings plc and is also the Chairman of the Imperial College Data Science Institute Advisory Board. His community interests include acting as an Ambassador to Everywoman, International Advisor to British Airways and a Global Ambassador to Mitie plc.
- David Stannard Jenkins (Senior Non-Executive Director): David was appointed as a Non-Executive Director in March 2006 and is currently the Senior Independent Director. David was previously a senior partner with Deloitte LLP in London having spent over 20 years in Assurance and Advisory Services. David is Chairman of Development Securities PLC and a Non-Executive Director of Renewable Energy Systems Holdings Limited.
- Jack Boyer (Non-Executive Director): Jack was appointed as a Non-Executive Director to the Board on 1 June 2013. He is Chairman of Ilika plc and iQur Ltd and a Non-Executive Director of Laird PLC where he chairs the Remuneration Committee. He also sits on the board of the Engineering and Physical Sciences Research Council. A serial entrepreneur, he previously founded and was CEO of companies in engineering, telecommunications and biotechnology. He has been an investment banker at Goldman Sachs and strategy consultant at Bain & Company Inc. He is Deputy Chairman of Godolphin & Latymer School. Educated at Stanford University (BA), the London School of Economics (M.Sc) and Insead (MBA).
- Crawford Gillies (Non-Executive Director): Crawford was appointed as a Non-Executive Director to the Board in July 2012 and Chairman of the Remuneration Committee with effect from 1 November 2013. Crawford spent 25 years with Bain & Company Inc., the international management consultants, where he was Managing Director Europe. He is also the Chairman of Scottish Enterprise and Control Risks Group, and a non-executive Director of Standard Life plc. He was recently appointed to the board of Barclays plc and is also a member of the Advisory Board of the School for CEOs.

Re-appointment of auditors (resolution 13)

Resolution 13 proposes the reappointment of Deloitte LLP as auditors of Mitie until the conclusion of the next general meeting at which accounts are laid, that is, the next annual general meeting.

Remuneration of auditors (resolution 14)

Resolution 14 authorises the Directors to fix the auditors' remuneration.

Directors' authority to allot shares (resolution 15)

The Directors may only allot shares or grant rights over shares if authorised to do so by the shareholders. This authority is renewed at every annual general meeting and accordingly this resolution authorises the Directors to allot additional shares or grant rights over shares until the earlier of 15 months after passing the resolution and the next annual general meeting. There are no current plans to exercise this authority other than in connection with employee share incentive schemes and acquisitions of minority held interests in Mitie subsidiary companies. However, the Directors believe that they should continue to have this authority to enable such allotments to take place to finance business opportunities as they arise. This resolution is in line with standard practice and guidelines. Mitie holds 5,800,000 treasury shares as at 31 March 2014, representing approximately 1.55% of the issued share capital. The power will be limited to one third of the issued share capital (excluding treasury shares) plus 12,395,869 shares representing Mitie's outstanding commitment as at 31 March 2014 in respect of options granted under Mitie's SAYE and Executive Share Option Schemes (such total equating to 36.13% of the issued share capital of Mitie as at 31 March 2014, or 40.15% of the issued share capital if the maximum number of ordinary shares were purchased under the authority proposed in resolution 18).

Political donations (resolution 16)

Resolution 16 concerns Part 14 of the Act which provides that political donations made by a company to political parties, to other political organisations and to independent election candidates or political expenditure incurred by a company must be authorised in advance by its shareholders. Mitie's long-standing policy of not making any political donations will continue. However, it is possible that certain routine activities (including charitable donations) undertaken by Mitie might unintentionally fall within the wide definition of payments constituting political donations and expenditure as set out in the Act. The resolution, if passed, will grant the Directors the relevant statutory authority until the 2014 annual general meeting subject to a total aggregate cap for Mitie and its subsidiary companies of £50,000.

Dis-application of pre-emption rights (resolution 17)

If the Directors wish to allot shares (and other equity securities) for cash, under s561(1) of the Act, the Directors are required to first offer such shares to existing shareholders in proportion to their existing holdings – i.e. on a pre-emptive basis. There may be occasions, however, when the Directors will need the flexibility to issue shares without a pre-emptive offer to existing shareholders. This cannot be done under the Act unless the shareholders have first waived their pre-emption rights. Resolution 17 therefore authorises the Directors to allot securities for cash without complying with the pre-emption rights in the Act up to a maximum 18,676,200 ordinary shares which equates to approximately 5% of Mitie's issued share capital as at 31 March 2014. This authority will expire upon the expiry of the general authority conferred in resolution 15 (that is, at the earlier of 15 months after the passing of the resolution and the next annual general meeting). This resolution is in line with standard practice and guidelines.

As at 31 March 2014, Mitie holds 5,800,000 ordinary shares in treasury, which it may sell at a later date for cash rather than simply cancelling them. Any such shares are required to be made on a pre-emptive, pro-rata basis to existing shareholders unless shareholders agree by special resolution to disapply such pre-emption rights. Accordingly, in addition to giving the Directors power to allot unissued ordinary shares on a non-pre-emptive basis, resolution 17 will also give Directors power to sell ordinary shares held in treasury on a non-pre-emptive basis, subject always to the limitations noted above. The Directors consider that the power proposed to be granted by resolution 16 is necessary to retain flexibility, although they do not have any intention at the present time of exercising such power.

Authority to purchase own shares (resolution 18)

The Act permits a company to purchase its own shares provided that the purchase has been authorised by shareholders in a general

meeting. In certain circumstances, it may be advantageous for Mitie to purchase its own shares and this resolution seeks the authority from shareholders to continue to do so. The Directors will continue to exercise this power only when, in light of market conditions prevailing at the time, they believe that the effect of such purchases is in the best interests of shareholders generally. Other investment opportunities, appropriate gearing levels and the overall position of Mitie will be taken into account when exercising this authority. Any purchases of shares would be by means of market purchases through the London Stock Exchange. As an alternative to cancellation, Mitie may hold in treasury any of its own shares that it purchases pursuant to the Act and the authority conferred by this resolution. This gives Mitie the ability to re-issue treasury shares quickly and cost-effectively and provides Mitie with greater flexibility in the management of its capital base. It also gives Mitie the opportunity to satisfy employee share scheme awards with treasury shares. Once held in treasury, Mitie is not entitled to exercise any rights, including the right to attend and vote at meetings, in respect of the shares. Further, no dividend or other distribution of Mitie's assets may be made to Mitie in respect of the treasury shares. This resolution is proposed as a special resolution and specifies the maximum number of ordinary shares that may be acquired (equating to 10% of Mitie's issued share capital as at 31 March 2014) and the maximum and minimum prices at which they may be bought. The authority will expire on the earlier of 15 months after the passing of the resolution and the next annual general meeting.

Notice of general meetings (resolution 19)

Changes made to the Act by the Companies (Shareholders' Rights) Regulations 2009 increase the notice period required for general meetings of Mitie to 21 days unless shareholders approve a shorter notice period of not less than 14 clear days. Before the coming into force of the Shareholders' Rights Regulations on 3 August 2009, Mitie was able to call general meetings other than the annual general meeting on 14 clear days' notice without obtaining such shareholder approval. In order to preserve this ability, Resolution 19, which is proposed as a special resolution, seeks such approval. The annual general meeting will continue to be held on at least 21 clear days' notice. The approval will be effective until Mitie's next annual general meeting, when it is intended that a similar resolution will be proposed. In order to be able to call a general meeting on less than 21 clear days' notice, Mitie must make a means of electronic voting available to all shareholders for that meeting. The Board will only utilise the authority to hold meetings on less than 21 clear days' notice where it considers it to be in the best interests of shareholders as a whole.
