

## TELIT COMMUNICATIONS PLC

### NOTICE OF ANNUAL GENERAL MEETING

This year's annual general meeting will be held at 7th Floor, 90 High Holborn, London WC1V 6XX on 13 July 2009 at noon. You will be asked to consider and pass the resolutions below. Resolution 8 will be proposed as a special resolution. All other resolutions will be proposed as ordinary resolutions.

#### Ordinary resolutions

1. To receive, approve and adopt the Company's annual accounts for the financial year ended 31 December 2008 together with the directors' report and the auditors' report on those accounts.
2. To approve the directors' remuneration report for the financial year ended 31 December 2008 together with the auditor's report on it.
3. To appoint KPMG Audit plc as auditors to hold office from the conclusion of this meeting until the conclusion of the next general meeting of the Company at which accounts are laid.
4. To authorise the directors to fix the remuneration of the auditors.
5. To reappoint Andrea Mandel-Mantello as a director retiring by rotation in accordance with the Company's articles of association.
6. To reappoint Massimo Testa as a director who, having been appointed a director by the directors since the last annual general meeting, would in accordance with the Company's articles of association vacate office at the conclusion of this meeting unless reappointed.
7. THAT the directors be generally and unconditionally authorised under section 80 of the Companies Act 1985 (the "**1985 Act**") to exercise all the powers of the Company to allot relevant securities (as defined in that section):
  - 7.1 up to an aggregate nominal amount of £148,000; and
  - 7.2 comprising equity securities (as defined in section 94 of the 1985 Act), up to an aggregate nominal amount of £296,000 (including within such limit any relevant securities issued under 7.1 above) in connection with an offer by way of a rights issue to:
    - 7.2.1 ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
    - 7.2.2 people who are holders of other equity securities, if this is required by the rights of those securities or, if the directors consider it necessary as permitted by the rights of those securities,

and so that the directors may impose any limits or restrictions and make any arrangements which they may consider necessary or appropriate to deal with fractional

entitlements, record dates, treasury shares or any legal, regulatory or practical problems under the laws of any territory (including the requirements of any regulatory body or stock exchange) or any other matter,

such authorities to expire (unless previously revoked by the Company) on the earlier of 30 June 2010 and the conclusion of the Annual General Meeting of the Company in 2010 and in each case during this period the Company may make an offer or agreement which would or might require relevant securities to be allotted after the authority has expired and the directors may allot relevant securities in pursuance of any such offer or agreement notwithstanding that this authority has expired and all previous authorities to allot relevant securities, to the extent unused, shall be revoked.

### **Special resolution**

8. That:

8.1 subject to the passing of resolution 7, the directors shall be authorised under section 95 of the 1985 Act to allot equity securities (as defined in section 94 of the 1985 Act) for cash under the authority conferred by resolution 7 and/or where the allotment constitutes an allotment of equity securities by virtue of section 94(3A) of the 1985 Act, as if section 89(1) of the 1985 Act did not apply to the allotment, provided that this authority shall be limited to:

8.1.1 the allotment of equity securities in connection with an offer of equity securities (but in the case of the authority granted under resolution 7.2 above, by way of a rights issue only):

8.1.1.1 to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings or in accordance with the rights attached to them; and

8.1.1.2 to holders of other equity securities, as required by the rights of those securities or, as the directors otherwise consider necessary,

and so that the directors may impose any limits or restrictions and make any arrangements which they may consider necessary or appropriate to deal with fractional entitlements, record dates, treasury shares or any legal or practical problems under the laws of any territory (including the requirements of any regulatory body or stock exchange) or any other matter; and

8.1.2 in the case of the authority granted under resolution 7.1, the allotment (other than under paragraph 8.1.1 above) of equity securities up to an aggregate of £44,514,

such authority to expire when the authority given by resolution 7 is revoked or expires, but the Company may make an offer or agreement before this authority expires which would or might require equity securities to be allotted after it expires and the directors may allot equity securities in pursuance of that offer or agreement notwithstanding that the authority has expired.

18 June 2009

By order of the Board

Michael Galai

Company Secretary

Registered Office:

7<sup>th</sup> Floor, 90 High Holborn, London WC1V 6XX

Registered in England and Wales No. 5300693

**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 meeting. A shareholder may appoint more than one proxy in relation to the Annual General Meeting 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. If you do not have a proxy form and believe that you should have one, or if you require additional forms, please contact Capita Registrars on +44 (0) 871 664 0300 (calls to this number cost 10 pence per minute plus network extras.)
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 at Capita Registrars, Proxy Department, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU no later than noon on 11 July 2009.
3. The return of a completed proxy form, other such instrument or any CREST Proxy Instruction (as described in paragraph 6 below) will not prevent a shareholder attending the Annual General Meeting and voting in person if he/she wishes to do so.
4. To be entitled to attend and vote at the Annual General Meeting (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the Register of Members of the Company at 6.00pm on 11 July 2009 (or, in the event of any adjournment, 6.00 pm on the date which is two days before the time of the adjournment). Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
5. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so 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 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.

6. 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 the specifications of Euroclear UK & Ireland Limited, (the operator of the CREST system), and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is 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 noon on 11 July 2009. 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 Application 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.
7. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK and Ireland Limited does not make available special procedures in CREST for any particular message. 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(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 system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
8. 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.
9. In order to facilitate voting by corporate representatives at the meeting, arrangements will be put in place at the meeting so that (i) if a corporate shareholder has appointed the chairman of the meeting as its corporate representative with instructions to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the meeting, then on a poll those corporate representatives will give voting directions to the chairman and the chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and (ii) if more than one corporate representative for the same corporate shareholder attends the meeting but the corporate shareholder has not appointed the chairman of the meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives ([www.icsa.org.uk](http://www.icsa.org.uk)) for further details of this procedure. The guidance includes a sample form of representation letter if the chairman is being appointed as described in (i) above.

## **EXPLANATORY NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING**

The notes on the following pages give an explanation of the proposed resolutions.

Resolutions 1 to 7 are proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution. Resolution 8 is proposed as a special resolution. This means that for this resolution to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

### **Resolution 1 (annual report and accounts)**

The directors of the Company must present to the meeting the audited annual accounts and the directors' and auditors' report for the financial year ended 31 December 2008.

### **Resolution 2 (remuneration report)**

The Company's shareholders will be asked to approve the remuneration report set out on pages 22 to 23 in the annual report and accounts at the Annual General Meeting. It sets out the Company's policy on, and gives details of, Directors' remuneration and other relevant information.

### **Resolutions 3 and 4 (appointment and remuneration of auditors)**

The Company is required to appoint auditors at each general meeting at which accounts are presented to shareholders to hold office until the conclusion of the next such meeting. Resolution 3 seeks shareholder approval to appoint KPMG Audit plc as the Company's auditors. Following a recent review, the directors of the Company have accepted the audit committee's recommendation to appoint KPMG Audit plc as auditors to the Company in place of Deloitte LLP who have indicated that they will not seek reappointment for a further term. In accordance with section 519 Companies Act 2006, Deloitte LLP have delivered a statement confirming that there are no circumstances in connection with their ceasing to hold office that they consider need to be brought to the attention of members or creditors of the company.

Resolution 4 seeks authority for the Company's directors to fix their remuneration. In accordance with best practice in corporate governance separate authorities are being sought to appoint the auditors and to fix their remuneration.

### **Resolutions 5 and 6 (election and re-election of directors)**

The Company's articles of association permit any director appointed by the directors since the date of the last Annual General Meeting to hold office only until the date of the next Annual General Meeting. The director is then eligible for election by shareholders. In addition, one third of the remaining directors (rounded down, if the number of directors is not a multiple of three) are required to retire by rotation each year and, further, no director may serve for more than three years without being re-elected by shareholders. The Board of Directors has five members (not including Massimo Testa) at the date of this notice and consequently, one director is standing for re-election.

By resolution 5, Andrea Mandel-Mantello is standing for re-election as a non-executive Director.

By resolution 6, Massimo Testa is standing for election as a non-executive director following his appointment on 16 February 2009.

The Board believes that each of the Directors standing for election or re-election has considerable and wide ranging experience, which will be invaluable to the Company. Each of the Directors has given an assurance to the Board that they remain committed to their role and will ensure that they devote sufficient time to it, including attendance at Board and Committee meetings.

#### **Resolution 7 (authority to allot)**

Under section 80 Companies Act 1985, the directors are prevented, subject to certain exceptions, from allotting relevant securities without the authority of the shareholders in general meeting. Relevant securities are defined in that Act to include the Company's ordinary shares or securities convertible into the Company's ordinary shares. Resolution 7 is proposed as an ordinary resolution to authorise the directors to allot relevant securities up to an aggregate nominal value of £148,000 and up to an aggregate nominal value of a further £148,000 where the offer is by way of rights issue, such amounts each representing approximately one third of the ordinary share capital of the Company in issue at 18 June 2009 (being the last practicable date prior to the publication of this notice) in accordance with institutional investor guidelines. The directors' authority will expire at the conclusion of the next Annual General Meeting or on 30 June 2010, whichever is the earlier. The directors have no immediate plans to make use of this authority. As at the date of this notice the Company does not hold any ordinary shares in the capital of the Company in treasury.

#### **Resolution 8 (statutory pre-emption rights)**

Under section 89 of the Companies Act 1985, when new shares are allotted or treasury shares are sold for cash (other than preference shares and shares which are held in pursuance of an employee share scheme or are to be allotted or, if they are treasury shares, transferred in pursuance of such a scheme), they must first be offered to existing shareholders pro rata to their holdings. This special resolution renews, for the period ending on the date of the next Annual General Meeting or 30 June 2010 whichever is the earlier, the authorities previously granted to the directors to: (a) allot shares of the Company in connection with a rights issue; and (b) otherwise allot shares of the Company, or sell treasury shares for cash, up to an aggregate nominal value of £44,514 (representing in accordance with institutional investor guidelines, approximately 10% of the ordinary share capital in issue as at 18 June 2009 (being the last practicable date prior to the publication of this notice) as if the pre-emption rights of section 89 did not apply. The existing waiver applies to 5% of the Company's issued share capital. The increase in the disapplication limit is being sought because the directors consider that the existing limit is not of sufficient size to provide the Company with sufficient flexibility in the event it wishes to issue new shares for cash. Before any exercise of the authority sought under this resolution, the Company would consult its Nominated Advisor regarding the terms and conditions of any issue.

**TELIT COMMUNICATIONS PLC**  
**Form of Proxy for use at**  
**Annual General Meeting**  
**to be held on 13 July 2009**

I/We .....  
 (please use block capitals)

of .....

being (a) member(s) of Telit Communications Plc (the "Company") hereby appoint the Chairman of the meeting, or (see note 3)

.....  
 (Insert name(s) here in block letters) as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held at 7<sup>th</sup> Floor, 90 High Holborn, London WC1V 6XX on 13 July 2009 at noon.

Signed ..... (see Notes 4 and 5)

Dated ..... 2009

Please tick here if this proxy appointment is one of multiple appointments being made (see Note 1)

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

(see Note 6)

	FOR	AGAINST	VOTE WITHHELD
<b>Ordinary Resolutions</b>			
Resolution 1: To receive, approve and adopt the Company's annual accounts			
Resolution 2: To approve the directors' remuneration report together with the auditors report on it			
Resolution 3: To appoint KPMG Audit plc as auditors of the Company			
Resolution 4: To authorise the directors to fix the remuneration of the auditors			
Resolution 5: To reappoint Andrea Mandel-Mantello as a director			
Resolution 6: To reappoint Massimo Testa as a director			
Resolution 7: To authorise the directors to allot relevant securities			
<b>Special Resolution</b>			
Resolution 8: To suspend pre-emption rights in respect of certain allotments of shares			

**Notes:-**

- 1 A member of the Company entitled to attend, speak and vote on the above Annual General Meeting may appoint one or more proxies to attend, speak and vote instead of him. A shareholder may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder.
- 2 This form of proxy together with any power of attorney or other written authority under which it is signed, or a certified copy of such power or authority, must be deposited at Capita Registrars, Proxy Department, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU not later than 48 hours before (i) the time of the meeting, being noon on 11 July 2009; or (ii) any adjournment of the meeting.
- 3 A person other than the Chairman of the meeting may be appointed by a member inserting the name and address in the space provided. The proxy need not be a member of the Company. To appoint more than one proxy, additional proxy forms may be obtained by contacting Capita Registrars on +44 (0)871 664 0300 (calls to this number cost 10 pence per minute plus network extras) or you may photocopy this form. Please indicate next to the proxy holders name the number of shares in relation to which they are authorised to act as your proxy. Please also indicate if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope.
- 4 In the case of a corporation, this form of proxy must be executed under its common seal or signed on its behalf by a duly authorised attorney or duly authorised officer of the corporation. If the appointor is not a corporation, this proxy must be executed under the hand of the appointor or of his duly authorised attorney.

- 5 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 any joint holders. For these purposes, seniority shall be determined by the order of the names appearing in the register of Shareholders in respect of the joint holding.
- 6 Please indicate with an "X" in the appropriate box how you wish to vote. If this form of proxy is returned signed, but without indication in the manner provided for above, the proxy will vote or abstain as he thinks fit, in respect of the member's total holding.
- 7 The 'Vote Withheld' option is provided to enable you to abstain on any particular resolution. However, it should be noted that a 'Vote Withheld' is not a vote in law and will not be counted in the calculation of the proportion of the votes 'For' and 'Against' a resolution.
- 8 In order to facilitate voting by corporate representatives at the meeting, arrangements will be put in place at the meeting so that (i) if a corporate shareholder has appointed the chairman of the meeting as its corporate representative with instructions to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the meeting, then on a poll those corporate representatives will give voting directions to the chairman and the chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and (ii) if more than one corporate representative for the same corporate shareholder attends the meeting but the corporate shareholder has not appointed the chairman of the meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives ([www.icsa.org.uk](http://www.icsa.org.uk)) for further details of this procedure. The guidance includes a sample form of representation letter if the chairman is being appointed as described in (i) above.
- 9 Shares held in an uncertified form (i.e. in CREST) may be voted through the CREST Proxy Voting Service in accordance with the procedure set out in the CREST manual.
- 10 Any alteration made to this form of proxy should be initialled.
- 11 Completion and return of a form of proxy will not affect the right of a member to attend and vote at the meeting.