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If you have sold or otherwise transferred all of your St Ives plc shares, please send this document, together with the accompanying documents as soon as possible 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.



St Ives plc
St Ives House
Lavington Street
London SE1 0NX
29 October 2010

Dear shareholder

I am pleased to send you the Annual Report and Accounts for 2010 with this letter, which contains the Notice of the Annual General Meeting to be held at 11.00 a.m. on Tuesday, 30 November 2010 and an explanation of the routine and non-routine business to be put to the meeting. The Notice is set out on pages 9 to 12 of this document. A Form of Proxy is separately enclosed.

Resolutions 1 to 9 and 12 will be proposed as Ordinary Resolutions and resolutions 10 and 11 will be proposed as Special Resolutions:

Routine business

Resolution 1 – Receipt of the 2010 Annual Accounts

Under companies legislation the directors of the Company must present their report and the annual statements to the Meeting. Shareholders may raise questions relating to the report and accounts under this Resolution.

Resolution 2 – Approval of the 2010 Directors' Remuneration Report

The Directors' Remuneration Report for the 52 weeks ended 30 July 2010 has been prepared and is laid before the Meeting for approval of shareholders in accordance with Section 439 of the Companies Act 2006 ('the 2006 Act'). The vote is advisory and does not affect the actual remuneration paid to any individual director. The Directors' Remuneration Report can be found on pages 45 to 54 in the Annual Report and Accounts 2010.

Resolution 3 – Declaration of the final dividend for 2010

A final dividend can only be paid after it has been approved by the shareholders. A final dividend of 1.75 pence per ordinary share is recommended by the directors for payment to shareholders who are on the shareholders' register at close of business on 3 December 2010. If approved, the final dividend will be paid on 23 December 2010.

Resolution 4 – Reappointment of Auditors

The Company is required under Section 489 of the 2006 Act to appoint Auditors at each general meeting at which the accounts are laid before the Company, to hold office until the conclusion of the next such meeting. This Resolution, on the audit committee's recommendation after undertaking a review described on pages 37 and 38 in the Annual Report and Accounts, proposes the reappointment of Deloitte LLP as Auditors of the Company.

Resolution 5 – Authority for the directors to agree the Auditors' remuneration

This Resolution authorises the directors, in accordance with standard practice, to set the remuneration of the Auditors. In accordance with its terms of reference, the Audit Committee will approve their remuneration and terms of engagement and make recommendations to the board.

Resolutions 6 and 7 – Reappointment of directors retiring by rotation

The Company's articles of association require that at each Annual General Meeting: (a) up to one third of the directors who are subject to retirement by rotation must retire; and (b) any director who has held office at the time of the two preceding annual general meetings and who did not retire by rotation at either of them, shall be subject to retirement by rotation at the Meeting. This year Simon Marquis and I each retire and, being eligible, we offer ourselves for reappointment. Separate resolutions will be proposed for these.

Resolution 8 – Reappointment of director appointed since the last Annual General Meeting

The Company's articles of association also provide that any person appointed to the board as an additional director since the last Annual General Meeting must retire at the next following Annual General Meeting.

Accordingly, Mike Butterworth, who was appointed a director from 1 August 2010 will retire at the Meeting and will seek reappointment.

Non-routine business

Resolution 9 – Allotment of share capital

This Resolution deals with the directors' authority to allot shares.

At the Annual General Meeting of the Company held on 30 November 2009, the directors were authorised to allot relevant securities up to an aggregate maximum nominal amount of £6,980,000. It is proposed to renew this authority, which reflects the ABI guideline limit of approximately two thirds of the Company's issued ordinary share capital as at 5 October 2010, together with relevant securities which may be issued pursuant to outstanding options under the Group's discretionary share option schemes and savings-related share option schemes. Of this amount 34,550,000 shares (representing approximately one third of the Company's issued ordinary share capital) can only be allotted pursuant to a rights issue. This power lasts until the conclusion of the next Annual General Meeting or, if earlier 29 February 2012. For the purposes of Sections 549, 551 and 559 of the Companies Act 2006, the directors will propose the renewal of this authority, *mutatis mutandis*, to reflect changes to the issued share capital of the Company and outstanding options as at 5 October 2010.

The directors have no present intention of exercising this authority.

Resolution 10 – Disapplication of statutory pre-emption rights

Approval is sought for the directors to be able to allot shares in the capital of the Company pursuant to the authority granted under Resolution 9 above for cash without complying with the pre-emption rights in the 2006 Act in certain circumstances. In the light of the ABI guidelines described in relation to Resolution 9 above, this authority will permit the directors to allot:

- (a) shares up to a nominal amount of £6,910,000 (representing approximately two-thirds of the company's issued share capital as at 5 October 2010) on an offer to existing shareholders on a pre-emptive basis. However unless the shares are allotted pursuant to a rights issue (rather than an open offer), the directors may only allot shares up to a nominal amount of £3,455,000 (representing approximately one-third of the company's issued share capital) (in each case subject to any adjustments, such as for fractional entitlements and overseas shareholders, as the directors see fit); and
- (b) shares up to a maximum nominal value of £518,300, (representing approximately 5% of the issued ordinary share capital of the Company as at 5 October 2010) otherwise than in connection with an offer to existing shareholders.

The directors have no present intention of exercising this authority.

The directors confirm their intention to follow the provisions of the Pre-emption Group's Statement of Principles regarding cumulative usage of authorities within a rolling three-year period. The Principles provide that companies should not issue shares for cash representing more than 7.5% of the company's issued share capital in any rolling three-year period, other than to existing shareholders, without prior consultation with shareholders.

Resolution 11 – Authority for the Company to purchase its own shares

This Resolution gives the Company authority to buy back its own ordinary shares in the market as permitted by the 2006 Act. The authority limits the number of shares that could be purchased to a maximum nominal value of £1,036,500 (representing approximately 10% of the Company's issued ordinary share capital as at 5 October 2010) and sets minimum and maximum prices. This authority will expire at the conclusion of the next Annual General Meeting or, if earlier, 29 February 2012.

The directors have no present intention of exercising the authority to purchase the Company's ordinary shares but will keep the matter under review, taking into account the financial resources of the Company, the Company's share price and future funding opportunities. The authority will be exercised only if the directors believe that to do so would result in an increase in earnings per share and would be in the interests of shareholders generally. Any purchases of ordinary shares would be by means of market purchases through the London Stock Exchange.

Listed companies purchasing their own shares are allowed to hold them in treasury as an alternative to cancelling them. No dividends are paid on shares whilst held in treasury and no voting rights attach to treasury shares.

If Resolution 11 is passed at the Annual General Meeting, it is the Company's current intention to cancel all of the shares it may purchase pursuant to the authority granted to it. However, in order to respond properly to the Company's capital requirements and prevailing market conditions, the directors will need to reassess at the time of any and each actual purchase whether to hold the shares in treasury or cancel them, provided it is permitted to do so.

As at 5 October 2010, there were options over 2,494,800 ordinary shares in the capital of the Company representing 2.41% of the Company's issued ordinary share capital. If the authority to purchase the Company's ordinary shares was exercised in full, these options would represent 2.35% of the Company's issued ordinary share capital. The Company does not currently have any treasury shares.

Resolution 12 – Approval of new long-term incentive plan

This Resolution seeks the approval of the St Ives Long-Term Incentive Plan 2010 ('the LTIP').

Over the course of the previous twelve months, the Remuneration Committee of the board of directors ('the Committee') undertook a review of the senior executives' remuneration policy. The purpose of the review was to ensure that:

- An appropriate portion of the executive directors' packages is linked to both the short and long-term performance of the Company and is, therefore, aligned with the interests of shareholders.
- The targets used in the Company's incentive arrangements are tailored to take specific account of the Company's particular circumstances and strategic priorities.
- The policy takes due account of market and best practice.

Further details regarding the outcome of the Committee's review are set out in the Directors' Remuneration Report. However, as regards future long-term incentive provisions, the Committee noted and determined, as follows:

- The Discretionary Executive Share Option Scheme 2001 ('the ESOS 2001'), which was approved by shareholders in 2001 and under which long-term incentive provision has previously been made will expire in 2011¹.
- Having carefully reviewed the various alternative approaches, the Committee determined that even if the ESOS 2001 were not expiring in 2011, the most appropriate approach is for shareholder approval to be sought at the forthcoming Annual General Meeting for the adoption of a new long-term incentive plan that is more reflective of current market and best practice.
- A new share ownership guideline will be established for executive directors.

St Ives Long-Term Incentive Plan 2010

Shareholders are, therefore, being asked to approve the adoption of the new St Ives Long-Term Incentive Plan 2010. Subject to the approval of the new LTIP, no further options will be granted under the ESOS 2001.

A summary of the principal terms of the new LTIP is set out in the Appendix to this letter. However, the key design points of the new approach, together with their rationale, are explained below:

- Grant of 'performance shares' rather than market value options:

This reflects common practice (around 75% of the FTSE SmallCap operates a long-term incentive plan for senior executives). Also, generally speaking, awards of performance shares under a long-term incentive plan are more efficient than options from an accounting and share dilution perspective.

- Maximum normal award limit of 125% of salary (200% in exceptional circumstances):

This limit allows for market competitive grants to be made which will be subject to challenging performance conditions for executive directors. The current 150% of salary limit contained in the ESOS 2001 was below market practice in 'expected value' terms.

- Performance conditions based on a number of financial metrics:

The most recent grants made under the ESOS 2001 during the financial year ended 30 July 2010 were subject to a sliding scale of normalised profit before tax targets. Previous to that, awards were made subject to a sliding scale of earnings per share targets.

It is currently proposed that three performance metrics be used in relation to the first awards to be granted under the new LTIP shortly following the Annual General Meeting. These three metrics are: (i) absolute adjusted earnings per share ('EPS'), (ii) the increase in 'added value' attributable to non-print activities, and, (iii) relative total shareholder return ('TSR'), with the final two metrics also subject to an EPS 'underpin'.

¹ Shareholder approval was also sought in 2001 for an 'Equity Partnership Plan' or 'EPP'. However, this Plan has not been employed since 2004, with no awards currently subsisting. The EPP will also expire in 2011.

The metrics chosen by the Committee reflect the wish to ensure that the LTIP is operated in such a manner so as to take account of both market/best practice and also the Company's strategic priorities. For example, most print markets are being impacted by digital technology and the Committee has recognised that new business for St Ives needs to come increasingly from non-print activities. St Ives has a well established and impressive customer list and enjoys good relationships with many of the country's largest companies. St Ives already provides non-print services to these customers, often at no charge. In 2009/2010 the added value attributable to these services was approximately 2%. The board is determined to broaden the base of those non-print activities and obtain real value from their provision. The recent acquisition of Occam is an example of the sort of business development which should characterise the next five years.

The inclusion of an EPS target, which represents one half of the total award and underpins the other half, provides reassurance that, even with a major shift in the Company's growth priorities, there remains a requirement to improve underlying performance throughout the period. Indeed, as the EPS target underpins the remaining two targets, no portion of the award to which the added value attributable to the non-print activities target or the TSR target will vest if EPS in the 2012/2013 financial year is less than 12 pence, regardless of actual performance in respect of the non-print and TSR targets.

- For 'good leavers' and on a change in control, the default position is that awards vest subject to performance and a pro rata reduction:

This reflects best and market practice

- Normal '10% in ten year for all schemes' dilution limit applies:

This also reflects market and best practice. The '5% in 10 year for discretionary schemes' limit is not included to ensure that the Company has sufficient flexibility to ensure that a genuine incentive opportunity can be provided over the ten year life of the LTIP to the senior executive team that will be crucial to the Company's success.

Share ownership guideline

In addition to the grant of awards under the LTIP and share deferral element in the annual bonus (as explained in the Directors' Remuneration Report), the interests of executives and investors will be further aligned by the introduction of a share ownership guideline under which executive directors will be required to build up and maintain a shareholding worth no less than 100% of salary. 50% of the net number of shares received under any future bonus share deferral or LTIP award must be retained until this guideline is satisfied.

Recommendation

The board considers the Resolutions will promote the success of the Company and are in the best interests of the Company and its shareholders as a whole. The directors unanimously recommend that you vote in favour of the Resolutions as they intend to do in respect of their own beneficial holdings which amount in aggregate to 153,673 shares representing approximately 0.15% of the existing issued ordinary share capital of the Company.

Yours sincerely



Miles Emley
Chairman

SUMMARY OF THE PRINCIPAL TERMS OF THE ST IVES LONG-TERM INCENTIVE PLAN 2010 ('the LTIP')

Operation

The Remuneration Committee of the board of directors of the Company ('the Committee') will supervise the operation of the LTIP.

Eligibility

Any employee (including an executive director) of the Company and its subsidiaries will be eligible to participate in the LTIP at the discretion of the Committee.

Grant of awards

The Committee may grant awards to acquire ordinary shares in the Company ('Shares') within six weeks following the Company's announcement of its results for any period. The Committee may also grant awards within six weeks of shareholder approval of the LTIP or at any other time when the Committee considers there are exceptional circumstances which justify the granting of awards. It is intended that the first awards will be made shortly following the adoption of the LTIP.

The Committee may grant awards as conditional shares, nil (or nominal) cost options or as forfeitable shares. The Committee may also decide to grant cash-based awards of an equivalent value to share-based awards or to satisfy share-based awards in cash, although it does not currently intend to do so.

An award may not be granted more than ten years after shareholder approval of the LTIP.

No payment is required for the grant of an award. Awards are not transferable, except on death. Awards are not pensionable.

Individual limit

An employee may not receive awards in any financial year over Shares having an aggregate market value in excess of 125% of his annual base salary in that financial year. In exceptional circumstances, this limit is increased to 200% of an employee's annual base salary.

Performance conditions

The vesting of awards to participants will be subject to performance conditions set by the Committee and to be measured over three years.

Summarised below are the performance conditions which it is currently intended will apply to initial awards made to executive directors under the LTIP.

(a) The EPS target

One half of the total number of Shares over which an award is granted will be subject to an absolute adjusted earnings per share ('EPS') target. For these purposes the EPS target will be calculated by reference to the adjusted EPS as set out in the Company's Annual Report and Accounts for the 2012/2013 financial year, (subject to such further adjustments as the Committee considers fair and reasonable). No part of the award subject to the EPS target will vest unless EPS for the 2012/2013 financial year is equal to or greater than 14 pence, with full vesting for EPS of 16 pence or more, as follows:

EPS for the 2012/2013 financial year	Percentage of the total number of Shares subject to the EPS target that will vest
16 pence or more	100% (i.e. 50% of the total number of Shares subject to the award)
From 14 pence to 16 pence	Between 25% and 100% on a straight-line basis (i.e. between 12.5% and 50% of the total number of Shares subject to the award)
Less than 14 pence	0%

(b) Non-print added value target

One quarter of the total number of Shares over which an award is granted will be subject to a target based on the increase in 'added value' attributable to non-print activities for the 2012/2013 financial year and an absolute EPS underpin. For these purposes added value attributable to non-print activities for the 2012/2013 financial year will be defined as sales less the costs of materials and bought-in costs attributable to non-print activities such as database marketing, pre-retail services and retail consultancy. No part of the award subject to the non-print added value target will vest unless the added value attributable to non-print activities for the 2012/2013 financial year is equal to 16%, with full vesting for added value attributable to non-print activities of 20% or more, as follows:

Added value attributable to non-print activities for the 2012/2013 financial year	Percentage of the total number of Shares subject to the non-print added value target that will vest, subject to satisfaction of the EPS underpin
20% or more	100% (i.e. 25% of the total number of Shares subject to the award)
From 16% to 20%	Between 25% and 100% on a straight-line basis (i.e. between 6.25% and 25% of the total number of Shares subject to the award)
Less than 16%	0%

No part of the award subject to the non-print activities condition described above will vest if EPS for the 2012/2013 financial year is less than 12 pence (unless the Committee, in its discretion, determines otherwise).

(c) Relative TSR target

One quarter of the total number of Shares over which an award is granted will be subject to a target measuring the relative Total Shareholder Return ('TSR') of the Company against a comparator group, initially comprising those companies listed in the FTSE All-Share Support Services sector (excluding FTSE100 companies) on the award date and the satisfaction of an absolute EPS underpin.

The TSR condition will be measured over a fixed three-year period and TSR will normally be averaged over the three-month period immediately prior to the commencement of the performance period and the three month period immediately preceding the end of the performance period.

No part of the award subject to the TSR target will vest unless the Company's TSR at the end of the performance period is at least the median of a ranking of the Total Shareholder Return of a comparator group as follows:

Rank of the Company's TSR against the comparator group at the end of the performance period	Percentage of the total number of Shares subject to the TSR target that will vest, subject to satisfaction of the EPS underpin
Upper quartile or above	100% (i.e. 25% of the total number of Shares subject to the award)
Between median and upper quartile	Between 25% and 100% on a straight-line basis (i.e. between 6.25% and 25% of the total number of Shares subject to the award)
Median	25% (i.e. 6.25% of the total number of Shares subject to the award)
Below median	0%

No part of the award subject to the TSR condition described above will vest if EPS for the 2012/2013 financial year is less than 12 pence (unless the Committee, in its discretion, determines otherwise).

The performance conditions applying to future awards (which may or may not include the metrics described above) will be set by the Committee at the relevant time provided that, in the reasonable opinion of the Committee, the new conditions are not materially less challenging in the circumstances than those applying to the initial awards as described above. These new targets will also be disclosed in the Directors' Remuneration Report.

The Committee may, in its discretion, vary the performance conditions applying to existing awards provided the Committee considers the varied conditions are fair and reasonable.

The performance conditions will not be retested and awards will lapse to the extent that the performance conditions have not been satisfied.

Vesting of awards

Awards normally vest three years after grant to the extent that the applicable performance conditions (see above) have been satisfied and provided the participant is still employed in the Company's group. Options are then exercisable up until the tenth anniversary of grant unless they lapse earlier.

Dividend equivalents

The Committee may decide that participants will receive a payment (in cash and/or Shares) on or shortly following the vesting (or in the case of options, the exercise) of their awards, of an amount equivalent to the dividends that would have been paid on those Shares between the time when the awards were granted and the time when they vest, or over such other period determined by the Committee. This amount may assume the reinvestment of dividends. Alternatively, participants may have their awards increased as if dividends were paid on the Shares subject to their award and then reinvested in further Shares.

Leaving employment

As a general rule, an award will lapse upon a participant ceasing to hold employment or be a director within the Company's group. However, if a participant ceases to be an employee or a director because of his death, injury, disability, retirement, his employing company or the business for which he works being sold or transferred out of the Company's group or in other circumstances at the discretion of the Committee, then his award will vest (or in the case of options, become exercisable) when he leaves.

The extent to which an award will vest in these situations will depend upon two factors: (i) the extent to which the performance conditions have, in the opinion of the Committee, been satisfied by reference to the date of cessation (or, in the opinion of the Committee, would have been satisfied had the relevant performance condition run its full course); and (ii) the pro-rating of the award to reflect the reduced period of time between its grant and vesting (rounded up to the next whole year), although the Committee can decide not to pro-rate an award if it regards it as inappropriate to do so in the particular circumstances.

Alternatively, if a participant ceases to be an employee or director in the Company's group for one of the 'good leaver' reasons specified above, the Committee can decide that his award will vest (or option become exercisable) on the date when it would have vested if he had not ceased such employment or office, subject to: (i) the extent to which the performance conditions have, in the opinion of the Committee, been satisfied over the original three year performance period, and (ii) pro-rating by reference to the time of cessation (rounded up to the next whole year) as described above, with the Committee having the ability to decide not to pro-rate if it deems it is inappropriate to do so.

Corporate events

In the event of a takeover or winding up of the Company (not being an internal corporate reorganisation) all awards will vest (or in the case of options, become exercisable) early subject to: (i) the extent that the performance conditions have, in the opinion of the Committee, been satisfied at that time (or, in the opinion of the Committee, would have been satisfied had the relevant performance condition run its full course), and (ii) the pro-rating of the awards to reflect the reduced period of time between their grant and vesting (rounded up to the next whole year), although the Committee can decide not to pro-rate an award if it regards it as inappropriate to do so in the particular circumstances.

In the event of an internal corporate reorganisation awards will be replaced by equivalent new awards over shares in a new holding company unless the Committee decides that awards should vest on the basis which would apply in the case of a takeover.

If a demerger, special dividend or other similar event is proposed which, in the opinion of the Committee, would affect the market price of Shares to a material extent, then the Committee may decide that awards will vest on the basis which would apply in the case of a takeover as described above.

Participants' rights

Awards of conditional shares and options will not confer any shareholder rights until the awards have vested or the options have been exercised and the participants have received their Shares. Holders of awards of forfeitable Shares will have shareholder rights from when the awards are made except they may be required to waive their rights to receive dividends.

Rights attaching to Shares

Any Shares allotted when an award vests or options are exercised will rank equally with Shares then in issue (except for rights arising by reference to a record date prior to their allotment).

Variation of capital

In the event of any variation of the Company's share capital or in the event of a demerger, payment of a special dividend or similar event which materially affects the market price of the Shares, the Committee may make such adjustment as it considers appropriate to the number of Shares subject to an award and/or the exercise price payable (if any).

Overall LTIP limits

The LTIP may operate over new issue Shares, treasury Shares or Shares purchased in the market.

In any ten calendar year period, the Company may not issue (or grant rights to issue) more than 10% of the issued ordinary share capital of the Company under the LTIP and any other employee share plan adopted by the Company.

Treasury Shares will count as new issue Shares for the purposes of this limit unless institutional investors decide that they need not count. Lapsed or surrendered awards will cease to count for the purposes of this limit.

Alterations to the LTIP

The Committee may, at any time, amend the LTIP in any respect, provided that the prior approval of shareholders is obtained for any amendments that are to the advantage of participants in respect of the rules governing eligibility, limits on participation, the overall limits on the issue of Shares or the transfer of treasury Shares, the basis for determining a participant's entitlement to, and the terms of, the Shares or cash to be acquired and the adjustment of awards.

The requirement to obtain the prior approval of shareholders will not, however, apply to any minor alteration made to benefit the administration of the LTIP, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants or for any company in the Company's group. Shareholder approval will also not be required for any amendments to any performance condition applying to an award.

Overseas LTIPs

The shareholder resolution to approve the LTIP will allow the board of directors to establish further plans for overseas territories, any such plan to be similar to the LTIP, but modified to take account of local tax, exchange control or securities laws, provided that any Shares made available under such further plans are treated as counting against the limits on individual and overall participation in the LTIP.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of St Ives plc (the 'Company') will be held at St Ives House, Lavington Street, London SE1 0NX on Tuesday 30 November 2010 at 11.00 a.m. for the following purposes:

Routine business

1. To receive and adopt the audited financial statements for the fifty two weeks ended 30 July 2010 together with the reports of the directors and Auditors.
 2. To approve the Directors' Remuneration Report for the 2009/2010 financial year.
 3. To declare a final dividend of 1.75p per ordinary share.
 4. To re-appoint Deloitte LLP as Auditors to the Company.
 5. To authorise the directors to fix the remuneration of the Auditors.
 6. To re-appoint Miles Emley, who is retiring from office by rotation, as a director of the Company.
 7. To re-appoint Simon Marquis, who is retiring from office by rotation, as a director of the Company.
 8. To re-appoint Mike Butterworth, who was appointed since the last Annual General Meeting, as a director of the Company.
- (ii) they are offered by way of a rights issue to holders of ordinary shares on the register of members at such record dates as the directors may determine where the equity securities respectively attributable to the interests of the ordinary shareholders are proportionate (as nearly as may be practicable) to the respective numbers of ordinary shares held by them on any such record dates, subject to such exclusions or other arrangements as the directors may deem necessary or expedient to deal with treasury shares, fractional entitlements or legal or practical problems arising under the laws of any overseas territory or the requirements of any regulatory body or stock exchange or by virtue of shares being represented by depositary receipts or any other matter,

provided that this authority shall expire on the date of the next Annual General Meeting of the Company or, if earlier, on 29 February 2012, save that the Company shall be entitled to make offers or agreements before the expiry of such authority which would or might require shares to be allotted or Rights to be granted after such expiry and the directors shall be entitled to allot shares and grant Rights pursuant to any such offer or agreement as if this authority had not expired; and all unexercised authorities previously granted to the directors to allot shares and grant Rights be and are hereby revoked.

Non-routine business

To consider and, if thought fit, to pass the following resolutions of which resolutions 9 and 12 will be proposed as Ordinary Resolutions and resolutions 10 and 11 will be proposed as Special Resolutions:

9. THAT the directors be and they are hereby generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for, or to convert any security into, shares in the Company ('Rights'):
 - (a) up to an aggregate nominal amount of £3,700,000; and
 - (b) up to a further aggregate nominal amount of £3,455,000 provided that:
 - (i) they are equity securities (within the meaning of section 560(1) of the Companies Act 2006); and
 - (ii) they are offered by way of a rights issue to holders of ordinary shares on the register of members at such record dates as the directors may determine where the equity securities respectively attributable to the interests of the ordinary shareholders are proportionate (as nearly as may be practicable) to the respective numbers of ordinary shares held by them on any such record dates, subject to such exclusions or other arrangements as the directors may deem necessary or expedient to deal with treasury shares, fractional entitlements or legal or practical problems arising under the laws of any overseas territory or the requirements of any regulatory body or stock exchange or by virtue of shares being represented by depositary receipts or any other matter; and
10. THAT the directors be and they are hereby empowered pursuant to section 570 and section 573 of the Companies Act 2006 to allot equity securities (within the meaning of section 560 of that Act) for cash either pursuant to the authority conferred by Resolution 9 above or by way of a sale of treasury shares as if section 561(1) of that Act did not apply to any such allotment provided that this power shall be limited to:
 - (a) the allotment of equity securities in connection with an offer of securities (but in the case of the authority granted under paragraph (b) of Resolution 9 by way of rights issue only) in favour of the holders of ordinary shares on the register of members at such record dates as the directors may determine where the equity securities respectively attributable to the interests of the ordinary shareholders are proportionate (as nearly as may be practicable) to the respective numbers of ordinary shares held by them on any such record dates, subject to such exclusions or other arrangements as the directors may deem necessary or expedient to deal with treasury shares, fractional entitlements or legal or practical problems arising under the laws of any overseas territory or the requirements of any regulatory body or stock exchange or by virtue of shares being represented by depositary receipts or any other matter; and

- (b) the allotment (otherwise than pursuant to sub-paragraph (a) of this Resolution 10 to any person or persons of equity securities up to an aggregate nominal amount of £518,000,

and shall expire upon the expiry of the general authority conferred by Resolution 9 above, save that the Company shall be entitled to make offers or agreements before the expiry of such power which would or might require equity securities to be allotted after such expiry and the directors shall be entitled to allot equity securities pursuant to any such offer or agreement as if the power conferred hereby had not expired.

11. THAT the Company be generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the Companies Act 2006) of ordinary shares of 10p each of the Company 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 hereby authorised to be acquired is 10,036,500 (representing 10% of the issued ordinary share capital of the Company as at 5 October 2010);
 - (b) the minimum price which may be paid for any such share is 10p;
 - (c) the maximum price which may be paid for any such share is the higher of (i) an amount equal to 105% of the average of the middle market quotations for an ordinary share in the Company as derived from The London Stock Exchange Daily Official List for the five business days immediately preceding the day on which such share is contracted to be purchased and (ii) the amount stipulated by Article 5(1) of the EU Buy-back and Stabilisation Regulation (being the higher of the price of the last independent trade and the highest current independent bid for an ordinary share in the Company on the trading venues where the market purchases by the Company pursuant to the authority conferred by this Resolution 11 will be carried out);
 - (d) the authority hereby conferred shall expire on the date of the next Annual General Meeting of the Company or, if earlier, on 29 February 2012 unless previously renewed, varied or revoked by the Company in general meeting; and
 - (e) the Company may make a contract to purchase its ordinary shares under the authority hereby conferred prior to the expiry of such authority, which contract will or may be executed wholly or partly after the expiry of such authority, and may purchase its ordinary shares in pursuance of any such contract.

12. THAT the rules of the St Ives Long-Term Incentive Plan 2010 ('the LTIP'), the principal terms of which are summarised in the Appendix to the Chairman of the board's letter to shareholders dated 29 October 2010, produced in draft to this meeting and, for the purposes of identification, initialled by the Chairman, be approved and the directors be authorised to:

- (a) make such modifications to the LTIP as they may consider appropriate to take account of the requirements of best practice and for the implementation of the LTIP and to adopt the LTIP as so modified and to do all such other acts and things as they may consider appropriate to implement the LTIP; and
- (b) establish further plans based on the LTIP but modified to take account of local tax, exchange control or securities laws in overseas territories, provided that any shares made available under such further plans are treated as counting against the limits on individual or overall participation in the LTIP.

By order of the board



Philip Harris
Company Secretary

29 October 2010

Registered number 1552113
Registered office:
St Ives House, Lavington Street
London SE1 0NX

1. A shareholder of the Company entitled to attend and vote at the Annual General Meeting 2010 ('AGM') is entitled to appoint one or more proxies to exercise all or any of his rights to attend, speak and, vote at the meeting provided that each proxy is appointed to exercise the rights attaching to different shares held by the shareholder. A proxy need not be a member of the Company but must attend the AGM to represent you.
2. The appointment of a proxy or proxies does not preclude a shareholder from attending the AGM and voting in person. A form of proxy is enclosed for use by shareholders.
3. To appoint more than one proxy (unless you are appointing your proxies via the CREST electronic proxy appointment service), please photocopy the form of proxy. Please insert the name and address (in capital letters) of each of your proxies on a separate copy of the form of proxy. On each copy of the form of proxy you must also include the number of shares in respect of which each proxy is appointed (which, in aggregate, should not exceed the number of shares held by you) and indicate how you wish each proxy to vote or abstain from voting. You may not appoint more than one proxy to exercise the rights attached to any one share. Please also indicate by ticking the box that the proxy is one of multiple instructions being given. Additional proxy form(s) may be obtained by contacting the Registrars' helpline: Calls from the UK 0871 664 0300 (calls cost 10p per minute plus network extras). Calls from overseas +44 20 8639 3399. Lines are open 8.30 a.m. to 5.30 p.m., Monday to Friday. If you wish to appoint the Chairman as one of your multiple proxies, simply leave the wording "the Chairman of the Meeting" on the relevant copy of the form of proxy. Please ensure you sign and date each copy of the form of proxy and, if returned by post, include them in the same envelope.
4. To change your proxy instructions you may return a new proxy appointment using the methods set out above. Where you have appointed a proxy using the hard copy proxy form and would like to change the instructions using another hard copy proxy form, please contact the Registrars (whose phone number is given in note 3). The deadline for receipt of proxy appointments (see above) also applies in relation to amended instructions. Any attempt to terminate or amend a proxy appointment received after the relevant deadline will be disregarded. Where two or more valid separate appointments of proxy are received in respect of the same share in respect of the same meeting, the one which is last sent shall be treated as replacing and revoking the other or others.
5. In order to be valid, the form of proxy must be received by the Company not less than 48 hours before the time of the AGM and be returned by one of the following methods: either (i) in hard copy form by post, by courier or by hand to St Ives plc's Registrars, Capita Registrars, (PXS), The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU; or (ii) in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in note 6 below.
6. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so by utilising the procedures described in the CREST Manual on the Euroclear website (www.Euroclear.com/CREST). 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 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 specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it relates to the appointment of a proxy or to 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 St Ives plc's Registrars (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 time stamp applied to the message by the CREST Applications Host) from which the Company's Registrars are able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in the Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited 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 sponsor(s) or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
7. A member of the Company which is a corporation may authorise a person or persons to act as its representative(s) at the AGM. In accordance with the provisions of the Companies Act 2006, each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of the Company, provided that he does not do so in relation to the same shares. It is no longer necessary to nominate a designated corporate representative.
8. A copy of this notice has been sent for information only to persons who have been nominated by a member to enjoy information rights under section 146 of the Companies Act 2006 (a "Nominated Person"). The rights to appoint a proxy can not be exercised by a Nominated Person: they can only be exercised by the member. However, a Nominated Person may have a right under an agreement between him and the member by whom he was nominated to be appointed as a proxy for the meeting or to have someone else so appointed. If a Nominated Person does not have such a right or does not wish to exercise it, he may have a right under such an agreement to give instructions to the member as to the exercise of voting rights.

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9. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, in order to be able to attend and vote at the AGM or any adjourned meeting, (and also for the purposes of calculating how many votes a person may cast), a person must have his/her name entered on the register of members of the Company by no later than 48 hours before the time appointed for the meeting. Changes to entries on the register of members after this time shall be disregarded in determining the rights of any person to attend or vote at the meeting.
 10. Members satisfying the thresholds in section 527 of the Companies Act 2006 can require the Company to publish a statement on its website setting out any matter relating to (a) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the meeting; or (b) any circumstances connected with an auditor of the Company ceasing to hold office since the last annual general meeting, that the members propose to raise at the AGM. The Company cannot require the members requesting the publication to pay its expenses. Any statement placed on the website must also be sent to the Company's auditors no later than the time it makes its statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required to publish on its website.
 11. The Company must cause to be answered at the AGM any question relating to the business being dealt with at the AGM which is put by a member attending the AGM (except in certain circumstances, including if it is undesirable in the interests of the Company or the good order of the meeting that the question be answered or if to do so would involve the disclosure of confidential information).
 12. The contents of this notice of meeting, details of the total number of shares in respect of which members are entitled to exercise voting rights at the AGM, the total voting rights that members are entitled to exercise at the AGM, details of the totals of the voting rights that members are entitled to exercise at the AGM and, if applicable, any members' statements, members' resolutions or members' matters of business received by the Company after the date of this notice will be available on the Company's website (www.st-ives.co.uk).
 13. As at 28 October 2010 (being the last business day prior to the publication of this Notice of AGM) the Company's issued share capital consisted of 103,679,310 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 28 October 2010 were 103,679,310. The Company does not hold any shares in treasury.
 14. Copies of the directors' service contracts and letters of appointment with the Company are available for inspection at the Company's registered office, which is at St Ives House, Lavington Street, London SE1 0NX, during normal business hours from the date of posting of this document, up to, and including, the date of the AGM and will also be available at the place of the AGM from 15 minutes prior to and during the AGM.
 15. A copy of the draft rules of the LTIP will be available for inspection at Hewitt New Bridge Street, 6 More London Place, London, SE1 2DA during normal business hours on any weekday (Saturdays, Sundays and English public holidays excepted) until the close of the AGM and at the place of the AGM for at least 15 minutes prior to and during the AGM.
 16. You may not use any electronic address provided in this notice of meeting to communicate with the Company for any purposes other than those expressly stated.
 17. In respect of the directors' power to allot shares, the aggregate nominal amount as set out in resolution 9(a) has been adjusted to take account of shares reserved pursuant to share options.