THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in doubt about the action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Market Act 2000 immediately.

If you have sold or otherwise transferred all your shares in HomeServe plc ("the Company") you should send this document and the accompanying form of proxy to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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HomeServe

ANNUAL GENERAL MEETING
TO BE HELD ON 26 JULY 2013

Notice of the Annual General Meeting to be held on 26 July 2013 is set out at the end of this circular.

Forms of proxy for use at this meeting should be completed and returned as soon as possible and to be valid must arrive no later than 3.00pm on 24 July 2013.
10 June 2013

Dear Shareholder

This document contains details of the matters which will be considered at the Annual General Meeting of the Company to be held on 26 July 2013.

ANNUAL REPORT AND ACCOUNTS AND DIVIDEND
Resolutions 1 and 2 deal with the approval of the Report and Accounts and the Remuneration Report. Resolution 3 deals with the declaration of the final dividend of 7.67p per ordinary share proposed to be paid on 1 August 2013 (subject to shareholder approval) to shareholders on the Register of Members at the close of business on 5 July 2013.

DIRECTORS
All of the Directors will be offering themselves for annual re-election. Johnathan Ford has been appointed since the last AGM and is therefore offering himself for election. Resolutions 4 to 12 deal with this. Biographical details in respect of the Directors are included in Appendix 1.

As Chairman, I confirm on behalf of the Board that each Director standing for election or re-election continues to make a valuable contribution to the Board's deliberations and continues to demonstrate commitment. The Board supports and recommends the proposed appointments.

AUDITOR
Resolution 13 deals with the reappointment of Deloitte LLP as auditor and authorising the Directors to fix their remuneration.

ALLOTMENT OF SHARES AND PRE-EMPTION RIGHTS
Resolutions 14 and 15 are seeking to renew the Directors’ general authority to allot shares up to a maximum nominal amount ("the Allotment Amount") and the Directors’ authority to issue shares for cash without applying the statutory pre-emption rights up to a maximum nominal amount ("the Disapplication Amount"). These authorities will lapse on the date of the Annual General Meeting of the Company to be held in 2014 or on 26 October 2014, whichever is the earlier.

The Allotment Amount is equivalent to approximately one third of the Company's issued ordinary share capital as at 21 May 2013. The Directors have no present intention of allotting any new shares under this authority.

The Disapplication Amount represents 5% of the Company’s issued ordinary share capital as at 21 May 2013. The Directors confirm their present intention, in line with Institutional Investment Committee guidelines, that no more than 7.5% of the issued ordinary share capital will be allotted for cash on a non pre-emptive basis during any three year period. In addition to the Disapplication Amount, in certain circumstances, the Directors will have authority to allot shares for cash, otherwise than pro rata to shareholders, in connection with rights issues and open offers.
AUTHORITY TO PURCHASE OWN SHARES

Resolution 16 is seeking approval to renew the existing authority to make market purchases of the Company’s own ordinary shares. The Board has no current intention that the Company should make purchases of its own shares if the renewal becomes effective, but would like to be able to act quickly if circumstances arise in which such a purchase would be desirable. Purchases will only be made on the London Stock Exchange and only in circumstances where the Board believes that they are in the best interests of the shareholders generally. Furthermore, purchases will only be made if the Board believes that they would result in an increase in earnings per share.

The proposed authority will be limited by the terms of the special resolution to the purchase of ordinary shares representing 10% of the Company’s issued ordinary share capital as at 21 May 2013. The minimum price per ordinary share payable by the Company (exclusive of expenses) will be the nominal value of the ordinary shares acquired. The maximum to be paid will be the higher of (i) an amount not more than 5% above the average of the middle market quotations for ordinary shares of the Company as derived from The London Stock Exchange Daily Official List for the five business days immediately preceding the date of each purchase and (ii) the price stipulated by Article 5(1) of the Buy Back and Stabilisation Regulation (EC No. 2273/2003). The maximum number of shares and the permitted price range are stated in order to comply with statutory and London Stock Exchange requirements and should not be taken as representative of the number of shares (if any) which may be purchased or of the terms of such a purchase. The authority will lapse on the date of the Annual General Meeting of the Company in 2014 or on 26 October 2014, whichever is the earlier. In order to maintain the Board’s flexibility of action, it is envisaged that the authority will continue to be renewed at future Annual General Meetings. Any shares purchased are likely to be cancelled.

NOTICE OF GENERAL MEETINGS

Resolution 17 is seeking to allow the Company to hold general meetings (other than annual general meetings) on 14 clear days’ notice. Changes made to the Companies Act 2006 by the Shareholders’ Rights Regulations increase the notice period required for general meetings of the Company to 21 days unless shareholders approve a shorter notice period, which cannot however be less than 14 clear days. (Annual general meetings will continue to be held on at least 21 clear days’ notice.)

Before the coming into force of the Shareholders’ Rights Regulations the Company was able to call general meetings (other than an annual general meeting) on 14 clear days’ notice without obtaining such shareholder approval. The approval, if passed, will be effective until the Company’s next Annual General Meeting, when it is intended that a similar resolution will be proposed. The Company will only convene general meetings on less than 21 days’ notice if the proposals to be considered are believed by the Directors to be time sensitive and clearly to the advantage of shareholders as a whole.

NOTICE OF ANNUAL GENERAL MEETING

The notice of the Annual General Meeting is set out at the end of this document. Resolutions 1 to 14 will be proposed as ordinary resolutions meaning that for each resolution to be passed more than half of the votes cast must be in favour of the resolution. The remaining resolutions will be proposed as special resolutions meaning that for each resolution to be passed at least 75% of the votes cast must be in favour of the resolution.
RECOMMENDATION
The Directors consider that all the resolutions to be put to the meeting are in the best interests of
the Company and its shareholders as a whole. The Directors will be voting in favour of them and
unanimously recommend that you do so as well.

Yours faithfully

JM Barry Gibson
Chairman
Appendix 1

Directors’ Biographical Details

Details in respect of the Directors offering themselves for election and re-election are as follows:

JM Barry Gibson (61) 1 3 4
Appointed to the Board in April 2004 and appointed as Chairman on 1 April 2010 following a year as Senior Non-Executive Director. Also Non-Executive Chairman of Harding Brothers Holdings Ltd. Previously Group Retailing Director at BAA plc, Group Chief Executive of Littlewoods plc and Non-Executive Director of Somerfield plc, National Express plc and William Hill plc.

Richard Harpin (48)
Founder and Chief Executive Officer of HomeServe which was set up in 1993 as a joint venture with South Staffordshire Group. Appointed to the Board in May 2001. Previously a brand manager with Procter & Gamble, followed by management consultancy with Deloitte and his own company.

Martin Bennett (44)
A Board member since 2009. Appointed as Group Chief Operating Officer in January 2012 following three years as Chief Financial Officer. Previously Finance Director of UK Membership having been Finance Director of the Warranties business and Commercial Director. Prior to joining HomeServe in 2003, he spent three years as Group Finance Director of Clarity Group and ten years at Arthur Andersen where he qualified as a chartered accountant.

Johnathan Ford (43)
Appointed as Chief Financial Officer in September 2012. Previously the Group Finance Director of NWF Group plc, an AIM listed specialist agricultural and distribution group. Prior to joining NWF in March 2009 he spent four years at HomeServe, firstly as Group Commercial Director and later as Finance Director of the Emergency Services Division. Before joining HomeServe he was Head of Corporate Finance at Kidde plc. Qualified as a chartered accountant at PwC.

Jonathan King (52)
A Board member since 2010. Appointed as Chief Executive Officer of HomeServe Membership in the UK in August 2011. He spent six years as Chief Executive Officer of HomeServe USA following four years as Managing Director of the UK Membership business and a year as Business Development Director. He previously worked in retail marketing with the Boots Company as Group Brand Manager for No.7 Cosmetics.

Ian Chippendale (64) 1 2 3 4
Appointed to the Board in January 2007 and as Senior Non-Executive Director on 1 April 2010. Currently an independent Director of Alleghany Corporation and Chairman of Allen and Allen Group Ltd. Previously Chairman of RBS Insurance, Group Chief Executive of the Direct Line Group of companies, Chief Executive of Privilege Insurance and Chairman of the Insurance Division of Provident Financial plc.
Stella David (50) 134
Appointed to the Board in November 2010. Currently Chief Executive Officer of William Grant & Sons having joined them in 2009 following more than fifteen years with Bacardi Ltd where she undertook a number of roles culminating in four years as Global Chief Marketing Officer. Currently a Non-Executive Director of C&J Clark Limited, she also spent seven years as a Non-Executive Director at Nationwide Building Society.

Ben Mingay (48) 123
Appointed to the Board in January 2012. Currently Managing Partner of Smith Square Partners, an independent corporate finance advisory firm. He has more than 20 years’ experience as a corporate finance adviser and, prior to co-founding Smith Square Partners, he was a Managing Director of Hawkpoint Partners Ltd and Credit Suisse First Boston (Europe). He is also a Non-Executive Director of AIM-listed Alternative Networks plc.

Mark Morris (53) 1234
Appointed to the Board in February 2009. Previously in audit, business advisory and corporate finance with Price Waterhouse before joining Sytner Group plc as Finance Director, later becoming Managing Director. Currently Senior Non-Executive Director of LSL Property Services plc and a former Non-Executive Director of Christian Salvesen plc and Maxima Holdings plc.

Key:
1 Non-Executive
2 Audit & Risk Committee (Chairman: Mark Morris)
3 Nomination Committee (Chairman: Barry Gibson)
4 Remuneration Committee (Chairman: Ian Chippendale)
NOTICE OF MEETING

Notice is hereby given that the Annual General Meeting of HomeServe plc will be held at The Hyatt Regency, 2 Bridge Street, Birmingham B1 2JZ on Friday 26 July 2013 at 3.00pm for the following purposes:

1. To receive and adopt the audited Accounts for the year ended 31 March 2013 and the Reports of the Directors and the Auditor therein.

2. To approve the Remuneration Report for the year ended 31 March 2013.

3. To declare the final dividend of 7.67p per ordinary share.

4. To re-elect Mr Gibson as a Director.

5. To re-elect Mr Harpin as a Director.

6. To re-elect Mr Bennett as a Director.

7. To re-elect Mr King as a Director.

8. To re-elect Mr Chippendale as a Director.

9. To re-elect Mrs David as a Director.

10. To re-elect Mr Mingay as a Director.

11. To re-elect Mr Morris as a Director.

12. To elect Mr Ford as a Director.

13. To reappoint Deloitte LLP as auditor of the Company and to authorise the Directors to fix their remuneration.

14. To consider, and if thought fit, pass the following Ordinary Resolution:

“THAT the Directors be and are hereby generally and unconditionally authorised pursuant to 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 up to an aggregate nominal amount of £2,722,615 provided that this authority shall expire on the date of the Annual General Meeting of the Company to be held in 2014 or on 26 October 2014 if earlier, save that the Company may before such expiry make an offer or agreement which would or might require shares to be allotted or rights to subscribe for or convert securities into shares to be granted after such expiry and the Directors may allot shares or grant rights to subscribe for or convert securities into shares in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.”
15. Subject to the passing of Resolution 14, to consider, and if thought fit, pass the following Special Resolution:

“THAT the Directors be and are hereby empowered pursuant to Sections 570 and 573 of the Companies Act 2006 to allot equity securities (within the meaning of Section 560 of the Companies Act 2006) for cash pursuant to the authority conferred by resolution 13 or by way of the sale of treasury shares as if Section 561 of the Companies Act 2006 did not apply to any such allotment provided that this power shall be limited:

(i) to the allotment of equity securities in connection with an offer of equity securities open for acceptance for a period fixed by the Directors to holders of ordinary shares (other than the Company) on the register on a record date fixed by the Directors in proportion to their respective holdings but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in or under the laws of any territory; and

(ii) to the allotment of equity securities up to an aggregate nominal value of £412,517 and shall expire on the date of the Annual General Meeting of the Company to be held in 2014 or on 26 October 2014 if earlier save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such an offer or agreement as if the power conferred hereby had not expired.

16. To consider, and if thought fit, pass the following Special Resolution:

“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 in the capital of the Company on such terms and in such manner as the Directors may determine provided that:

(i) the maximum number of ordinary shares hereby authorised to be acquired is 33,001,392 ordinary shares of 2.5 pence each;

(ii) the minimum price which may be paid for any such share is the nominal value thereof;

(iii) 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 price stipulated by Article 5(1) of the Buy-Back and Stabilisation Regulation (EC No. 2273/2003);

(iv) the authority hereby conferred shall expire on the date of the Annual General Meeting of the Company to be held in 2014 or, if earlier, on 26 October 2014;
(v) the Company may make a contract to purchase its 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 shares in pursuance of any such contract.”

17. To consider, and if thought fit, pass the following Special Resolution:

“That a general meeting of the Company, other than an Annual General Meeting, may be called on not less than 14 clear days’ notice.”

By Order of the Board

Anna Maughan
Company Secretary

Cable Drive
Walsall
WS2 7BN

10 June 2013
As at 21 May 2013 the Company’s issued share capital consists of 330,013,918 ordinary shares of 2.5 pence carrying one vote each.

Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information on the day of the meeting at The Hyatt Regency, 2 Bridge Street, Birmingham B1 2JZ from 2.45pm until the conclusion of the meeting.

Notes

1. To be entitled to attend and vote at the meeting (and for the purposes of the determination by the Company of the number of votes that may be cast), members must be entered on the Company’s Register of Members by 6.00pm on 24 July 2013 or, if the meeting is adjourned, 48 hours prior to the time fixed for the adjourned meeting. Changes to the register of members after that time shall be disregarded in determining the right of any person to attend and vote at the meeting.

2. A member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend, speak and vote instead of him. A proxy need not be a Member of the Company but must attend the meeting to represent you. A proxy form 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 the Company’s registrars, Computershare Investor Services PLC, on 0870 707 1053 (calls charged at national rate, network charges may vary) or, if telephoning from overseas, on +44 870 707 1053. Lines are open 8.30am - 5.30pm BST Monday to Friday.

3. A member may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member.

4. To be valid the instrument appointing a proxy and the Power of Attorney (if any) under which it is signed must be received by Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZT not less than 48 hours before the time of the meeting. A member who returns a completed proxy form (or CREST Proxy Instruction) is not precluded, if subsequently he so wishes, from attending the meeting instead of his proxy and voting in person.

5. A member may also lodge their proxy form electronically via the internet at www.eproxyappointment.com. Full details of the procedures are given on that website and your Control Number, Shareholder Reference Number (SRN) and PIN can be found on your Proxy Form or email.

6. Shareholders who are CREST members with shares held in uncertificated form who wish to appoint a proxy or proxies are encouraged to use the CREST electronic proxy appointment service by using the procedures described in the CREST Manual. CREST personal members and other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a “CREST Proxy Instruction”) must be properly authenticated in accordance with 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 constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer’s agent (ID 3RA50) by the latest time for receipt of proxy appointments specified in paragraph 4 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 sponsors or voting service provider(s) 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 or her CREST sponsor or voting service provider(s) 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 connection with this, CREST members and, where applicable, their CREST sponsors 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.

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.

7. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a “Nominated Person”) may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights. The statement of rights in notes 1 to 3 above can only be exercised by shareholders and do not apply to nominated persons.

8. As at 21 May 2013 the Company’s issued share capital consists of 330,013,918 ordinary shares of 2.5 pence carrying one vote each. Therefore the total voting rights in the Company as at 21 May 2013 are 330,013,918.

9. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.

10. Under section 527 of the Companies Act 2006 members meeting the threshold requirements set out in that section have the right to require the company to publish on a website a statement setting out any matter relating to: (i) 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 Annual General Meeting, or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Companies Act 2006. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under section 527 of the Companies Act 2006, it must forward the statement to the

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Company’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 Annual General Meeting includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on a website.

11. Any member attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) it would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

12. A copy of this notice, and other information required by s311A of the Companies Act 2006, can be found at www.homeserveplc.com.

13. Except as provided above, members who have general queries about the Meeting should use the following means of communication (no other methods of communication will be accepted):

- calling Computershare Investor Services PLC on 0870 707 1053, or
- contacting Computershare Investor Services PLC via their website at www.investorcentre.co.uk/contactus, or
- contacting the Company at Cable Drive, Walsall, WS2 7BN.

You may not use any electronic address provided either in this notice of Annual General Meeting or any related documents (including the Chairman’s letter and proxy form) to communicate with the Company for any purposes other than those expressly stated.
Getting to the AGM

The AGM is being held at the Hyatt Regency Birmingham:

2 Bridge Street
Birmingham
B1 2JZ

The nearest train station is Birmingham New Street which is a 10 minute taxi ride or a 20 minute walk away.

If you are travelling by car, the nearest car park is the Arena Central car park on Holliday Street which is 350 yards from the hotel:

- Coming from the city centre/Paradise Circus, turn left onto Bridge Street, then left onto Holliday Street.

- Coming from Five Ways, turn right onto Gas Street, then left onto Holliday Street.