

THIS DOCUMENT AND THE ENCLOSED FORM OF PROXY ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended to seek advice from your own stockbroker, bank manager, solicitor, accountant or other financial adviser authorised pursuant to the Financial Services and Markets Act 2000 if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all of your shares in AEC Education plc, please send this document and the accompanying form of proxy at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold only part of your holding of Ordinary Shares, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

THIS DOCUMENT SHOULD BE READ IN CONJUNCTION WITH THE NOTICE OF ANNUAL GENERAL MEETING OF THE COMPANY SET OUT AT THE END OF THIS DOCUMENT.

AEC EDUCATION PLC

(a company incorporated in England and Wales and registered with number 5174452)

NOTICE OF ANNUAL GENERAL MEETING

This document should be read as a whole. Your attention is drawn to the letter from the Chairman of AEC Education plc which is set out on pages 4 to 7 of this document and which contains, amongst other matters, your Board's recommendation to vote in favour of the Resolutions to be proposed at the Annual General Meeting.

Notice of the Annual General Meeting of the Company to be held at 9.00 a.m. on Wednesday, 30 June 2010 at the offices of WH Ireland Limited at 24 Martin Lane, London EC4R 0DR is set out at the end of this document. Shareholders are requested to return the enclosed form of proxy, which to be valid must be completed and returned in accordance with the instructions printed thereon so as to be received as soon as possible by the Company's registrars, Neville Registrars, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA but in any event so as to be received by them not later than 9.00 a.m. on Monday, 28 June 2010 (being 48 hours (excluding any part of a day that is not a working day) before the time of the meeting). Completion and return of a form of proxy will not preclude Shareholders from attending and voting in person at the Annual General Meeting should they so wish.

Copies of this document are available free of charge at the offices of WH Ireland Limited at 24 Martin Lane, London EC4R 0DR during usual business hours on any weekday (public holidays excepted) and on the Company's website www.aeceducationplc.co.uk.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

| | |
|--|----------------------|
| Record date for final dividend June | 25 June 2010 |
| Ex-entitlement date | 23 June 2010 |
| Publication of this document and posting to Shareholders | 7 June 2010 |
| Latest time and date for receipt of the Form of Proxy | 9.00 a.m. on 28 June |
| Time and date of Annual General Meeting | 9.00a.m. on 30 June |
| Payment date for final dividend | August 2010 |

DEFINITIONS

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|--------------------------------------|--|
| Annual General Meeting or AGM | the general meeting of the Company convened for 9.00 a.m. on Wednesday, 30 June 2010 and any adjournment thereof, notice of which is set out at the end of this document |
| Board or Directors | the directors of the Company at the date of this document whose names are set out on page 4 of this document |
| CA 2006 | the Companies Act 2006 |
| Company or AEC Education | AEC Education plc |
| Form of Proxy | the form of proxy for use in connection with the Annual General Meeting which accompanies this document |
| Notice | the notice convening the Annual General Meeting which is set out at the end of this document |
| Ordinary Shares | ordinary shares of 10 pence each in the capital of the Company |
| Resolutions | the resolutions set out in the Notice |
| Shareholders | holders of Ordinary Shares |
| WH Ireland | WH Ireland Limited, the Company's nominated adviser and broker |

LETTER FROM THE CHAIRMAN

AEC EDUCATION PLC

(a company incorporated in England and Wales and registered with number 5174452)

William J Swords *Chairman*
David Ho Peng Cheong *Chief Executive Officer*
Naresh Malhotra *Executive Director*
Gopinath Pillai *Non-Executive Director*
Ramasamy Jayapal *Non-Executive Director*

1 Park Row
Leeds
LS1 5AB
United Kingdom

7 June 2010

To Shareholders and, for information only, to the holders of options over Ordinary Shares

Dear Shareholder

NOTICE OF ANNUAL GENERAL MEETING

1. Introduction

The Company has today announced that an Annual General Meeting of the Company will be held at 9.00 a.m. on Wednesday, 30 June 2010 at which the Directors are proposing the Resolutions. Notice of the Annual General Meeting is set out at the end of this document.

The purpose of this document is to provide you with information on, and to outline the reasons for, the Resolutions and to explain why the Board considers each of them to be in the best interests of the Company and Shareholders as a whole, and why it recommends that you vote in favour of the Resolutions. A Form of Proxy for use at the Annual General Meeting is enclosed with this document.

2. Notice of Annual General Meeting

A notice is set out at the end of this document convening the Annual General Meeting of the Company to be held at the offices of WH Ireland at 24 Martin Lane, London EC4R 0DR at 9.00 a.m. on Wednesday, 30 June 2010.

At the Annual General Meeting, Resolutions will be proposed as explained below.

Resolutions 1 to 7 (inclusive) and Resolution 9 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. Resolutions 8 and 10 are proposed as special resolutions. This means that for each of those resolutions to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

Copies of the Company's annual accounts for the financial year ended 31 December 2009 will be posted to Shareholders under separate cover on or before Friday 11 June 2010 and will also be made available on the Company's website www.aeceducationplc.co.uk from this date.

Resolution 1 – Receiving the accounts

A resolution will be proposed to receive and consider the Company's annual accounts for the financial year ended 31 December 2009, the Directors' report and the auditors' report on those accounts.

Resolution 2 – Final Dividend

Resolution 2 is an ordinary resolution which will authorise the directors of the Company to pay a final dividend of 0.15 pence in total, amounting to 0.15 pence per Ordinary Share. Final dividends are approved by the Shareholders of the Company but cannot be more than the amount recommended by the directors. The Directors are recommending a final dividend for the year ended 31 December 2009 of 0.15 pence per Ordinary Share due and payable in August 2010 to the Shareholders on the register of members at the close of business on 25 June 2010 and will have an ex dividend date of 23 June 2010. This Resolution seeks the approval of Shareholders to the proposed final dividend.

Resolution 3 – Reappointment of auditors

A resolution will be proposed to re-appoint Sawin and Edwards Chartered Accountants as auditors of the Company from the conclusion of the Annual General Meeting until the conclusion of the next annual general meeting and to authorise the Directors to determine their remuneration.

Resolution 4, 5 and 6 – Reappointment of Directors

A resolution will be proposed to re-appoint each of David Ho Peng Cheong, Gopinath Pillai and Naresh Malhortra who are each retiring by rotation in accordance with the Company's articles of association and are each offering themselves up for re-election as directors of the Company. Resolutions 4, 5 and 6 will be voted on separately.

Resolution 7 – Authority to make donations to political organisations and to incur expenditure

Part 14 of CA 2006, among other things, prohibits the Company and its subsidiaries from making donations to an EU political party or other EU political organisation or to an independent election candidate in the EU of more than £5,000 in any 12 month period unless they have been authorised to make donations by the Company's shareholders.

CA 2006 defines 'political organisations', 'political donations' and 'political expenditure' widely. It includes organisations which carry on activities which are capable of being reasonably regarded as intended to affect public support for a political party or an independent election candidate in any EU Member State or to influence voters in relation to any referendum in any EU Member State. As a result, it is possible that the definition may include bodies, such as those concerned with policy review and law reform, which the Company and/or its subsidiaries may see benefit in supporting.

Accordingly, the Company wishes to ensure that neither it nor its subsidiaries inadvertently commits any breaches of CA 2006 through the undertaking of routine activities, which would not normally be considered to result in the making of political donations and political expenditure being incurred.

Neither the Company nor any of its subsidiaries has any intention of making any particular political donations under the terms of this Resolution.

Resolution 8 Amendment to Articles of Association

Resolution 8 is a special resolution to amend the Company's articles of association. The provisions regulating the operations of the Company are currently set out in the Company's memorandum and articles of association. The Company's memorandum contains, among other things, the objects clause which sets out the scope of the activities the Company is authorised to undertake. This is drafted to give a wide scope.

CA 2006 significantly reduces the constitutional significance of a company's memorandum. CA 2006 provides that a memorandum will record only the names of the subscribers and the number of shares each subscriber has agreed to take in the company. Under CA 2006, for companies existing at 1 October 2009, the objects clause and all other provisions which are contained in a company's memorandum are deemed to be contained in the company's articles of association but the company can remove these provisions by special resolution.

Further CA 2006 states that unless a company's articles provide otherwise, a company's objects are unrestricted. This abolishes the need for companies to have objects clauses. For this reason the Company is proposing to remove its objects clause together with all other provisions of its memorandum which, by virtue of CA 2006, are treated as forming part of the Company's articles of association as of 1 October 2009.

The Company's current articles of association also specify the Company's authorised share capital. The concept of an authorised share capital is no longer recognised under CA 2006. Accordingly it is proposed that the reference in the Company's articles of association to the authorised share capital is removed. Directors will still be limited as to the number of shares they can at any time allot or grant rights in respect of because authority to allot or grant such rights continues to be required under CA 2006, save in respect of employee share schemes.

Resolution 8 effects the removal of these provisions. As the effect of this resolution will be to remove the statement currently in the Company's memorandum of association regarding the limited liability of shareholders, the revised articles of association will, for the avoidance of all doubt, contain an express statement regarding the limited liability of shareholders. This is also reflected in Resolution 8.

Further CA 2006 states that a company may change its name by any means provided for by the company's articles of association. The Company is proposing to introduce a new regulation within its articles of association to enable the Company to change its name by a majority decision of the board of directors. The Company has no current intention of changing its name.

Resolution 9 – Authority to allot shares

It is proposed to grant an authority pursuant to section 511 CA 2006 to allot shares and to grant rights to subscribe for or to convert any security into shares in the Company for cash up to an aggregate nominal value of £1,473,292 being approximately equal to one third of the Company's issued share capital.

The authority will expire on the earlier of the date which is 15 months from the date of the passing of the Resolution and the conclusion of the next annual general meeting of the Company, unless previously renewed, varied or revoked by the Company in general meeting. The Resolution will replace all such existing authorities.

Resolution 10 – Disapplication of statutory pre-emption rights

Resolution 10 is proposed as a special resolution. It is proposed to grant an authority to allot equity securities for cash on a non-pre-emptive basis up to an aggregate nominal value of £441,987 (representing approximately ten per cent. of the issued share capital of the Company). The authority will expire on the earlier of the date which is 15 months from the date of the passing of the Resolution and the conclusion of the next annual general meeting of the Company, unless previously renewed, varied or revoked by the Company in general meeting. The Resolution will replace all such existing disapplications.

Your directors consider that this authority would enable the Company to issue a limited number of shares for cash to third parties in the future should that be considered desirable.

3. Action to be taken

A Form of Proxy for use by Shareholders at the Annual General Meeting is enclosed. Whether or not

you propose to attend the Annual General Meeting, you are requested to complete and sign the Form of Proxy in accordance with the instructions printed thereon and return it to the Company's registrars, Neville Registrars, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA, as soon as possible and in any event so as to be received by the registrars no later than 9.00 a.m. on Monday, 28 June 2010. The completion and return of the Form of Proxy will not preclude you from attending the

4. **Recommendation**

Your Directors consider that all of the Resolutions are in the best interests of the Company and its Shareholders as a whole and accordingly unanimously recommend Shareholders to vote in favour of the Resolutions to be proposed at the Annual General Meeting as they intend to do in respect of their own and deemed beneficial holdings of 16,650,918 Ordinary Shares representing 37.67 per cent. of the current issued share capital of the Company.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'W. J. Swords', written in a cursive style.

William J Swords

Chairman

AEC EDUCATION PLC

(a company incorporated in England and Wales and registered with number 5174452)

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of AEC Education plc (the "Company") will be held at the offices of WH Ireland Limited at 24 Martin Lane, London EC4R 0DR on Wednesday, 30 June 2010 at 9.00 a.m. for the following purpose of considering and, if thought fit, passing the following Resolutions of which Resolutions 1 to 7 (inclusive) and Resolution 9 are proposed as ordinary resolutions and Resolutions 8 and 10 are proposed as special resolutions. For each ordinary resolution to be passed at least half of the votes cast must be in favour of the resolution. For each special resolution to be passed at least three-quarters of the votes cast must be in favour of the resolution.

ORDINARY RESOLUTIONS

1. That the Company's annual accounts for the financial year ended 31 December 2009, the Directors' report and the auditors report on those accounts be received.
2. That a final dividend of 0.15 pence per ordinary share be declared in respect of the year ended 31 December 2009.
3. That Sawin and Edwards, Chartered Accountants be re-appointed as auditors of the Company from the conclusion of the Annual General Meeting until the conclusion of the next annual general meeting and that the directors of the Company be authorised to determine their remuneration.
4. That David Ho Peng Cheong, who is retiring by rotation in accordance with the Company's articles of association and offers himself for re-election, be re-appointed as a director of the Company.
5. That Gopinath Pillai, who is retiring by rotation in accordance with the Company's articles of association and offers himself for re-election, be re-appointed as a director of the Company.
6. That Naresh Malhotra, who is retiring by rotation in accordance with the Company's articles of association and offers himself for re-election, be re-appointed as a director of the Company.
7. That, in accordance with section 366 of the CA 2006 ("CA 2006"), the Company and its subsidiaries are hereby authorised to:
 - (a) make political donations to political organisations or independent election candidates, as defined in sections 363 and 364 of CA 2006, not exceeding £10,000 in total; and
 - (b) incur political expenditure, as defined in section 365 of CA 2006, not exceeding £10,000 in total,

during the period commencing on the date of this Resolution and ending on the later of 15 months following the passing of this Resolution and the conclusion of the next annual general meeting of the Company.

SPECIAL RESOLUTION

8. That:
 - (a) the Articles of Association of the Company be amended by deleting all the provisions of the Company's Memorandum of Association which, by virtue of section 28 of the Companies Act 2006 ("CA 2006") are to be treated as provisions of the Company's Articles of Association;
 - (b) with immediate effect, article 4 of the Company's Articles of Association be deleted and the following be inserted as a new article 4:

"4. The liability of the members of the Company is limited to the amount, if any, unpaid on shares held by them."; and

(c) the Articles of Association of the Company be amended by inserting the following as a new article 108A:

"108A. The Company may change its name by a majority decision of the board of directors".

ORDINARY RESOLUTION

9. That, in substitution for all existing authorities, the directors be and are hereby generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 to exercise all powers of the Company to allot shares and to grant rights to subscribe for or to convert any security into shares in the Company (together "Securities") up to an aggregate nominal amount of £1,441,626 and unless previously renewed, varied or revoked by the Company in general meeting this authority shall expire at the earlier of the date which is fifteen months from the date of the passing of this Resolution and the conclusion of the next annual general meeting of the Company but the Company may, before such expiry, make an offer or agreement which would or might require Securities to be allotted or granted after such expiry and the directors may allot or grant Securities in pursuance of that offer or agreement as if the authority conferred by this resolution had not expired.

SPECIAL RESOLUTION

10. That, subject to the passing of the proposed Resolution 9, in substitution for all existing such authorities the directors be generally empowered pursuant to section 570 of the Companies Act 2006 ("CA 2006") to allot equity securities (within the meaning of section 560 of CA 2006) for cash pursuant to the authority conferred by Resolution 9 and/or by way of sale of treasury shares (as defined in section 724 of CA 2006) as if section 561(1) of CA 2006 did not apply to such allotment or sale provided that this power is limited to:-

- (a) the allotment of equity securities of the Company in connection with an issue or offer of equity securities to the holders of ordinary shares in the capital of the Company in proportion (as nearly as may be) to their respective holdings of such shares (excluding any shares held by the Company as treasury shares (as defined in section 724 of CA 2006) on the record date for such allotment or in accordance with the rights attached to such shares but subject to the directors having the right to make such exclusions or other arrangements in connection with the offering as they deem necessary or expedient to deal with equity securities representing fractional entitlements or to deal with the legal and/or practical problems under the laws of any territory, or the requirements of any regulatory body or stock exchange; and
- (b) the allotment, otherwise than pursuant to paragraph (a) above, of equity securities of the Company up to an aggregate nominal value of £1,473,292 (representing approximately 33.33 per cent of the Company's issued share capital;

and unless previously renewed, revoked, varied or extended, this power shall expire at the earlier of the date which is fifteen months from the date of the passing of this Resolution and the conclusion of the next annual general meeting of the Company but the Company may before the expiry of this power make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of such offer or agreement as if this power had not expired.

By order of the Board

William J Swords

7 June 2010

Registered office:
1 Park Row
Leeds
LS1 5AB
United Kingdom

NOTES TO MEMBERS

1. A member entitled to attend, speak and vote at the meeting is also entitled to appoint one or more proxies to attend, speak and vote instead of him. 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. The proxy need not be a member of the Company. Please refer to the notes to the Form of Proxy for further information on appointing a proxy, including how to appoint multiple proxies (as the case may be).
2. If you wish to appoint a proxy other than the Chairman of the meeting, cross out the words "the Chairman of the meeting" on the Form of Proxy and write the full name and address of your proxy in the space provided. The change must be initialled.
3. In the absence of instructions, the person appointed proxy may vote or abstain from voting as he/she thinks fit on the specified resolutions and, unless otherwise instructed, may also vote or abstain from voting on any other matter (including amendments to resolutions) which may properly come before the meeting.
4. To be effective, the enclosed Form of Proxy must be duly completed and deposited together with any power of attorney or other authority (if any) under which it is executed (or a certified copy of such power or authority) and lodged at the Company's registrar, Neville Registrars, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA not later than 9.00 a.m. on Monday, 28 June 2010, (being 48 hours (excluding any part of a day that is not a working day) before the time of the meeting).
5. Completion and return of the Form of Proxy will not preclude a Shareholder from attending and voting in person at the meeting.
6. The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, specifies that only those members entered on the register of members of the Company at 9.00 a.m. on Monday, 28 June 2010 (being not more than 48 hours prior to the time fixed for the meeting) shall be entitled to attend and vote at the meeting or, if the meeting is adjourned, not more than 48 hours prior to the time fixed for the adjourned meeting. Changes to entries on the register of members after such time shall be disregarded in determining the right of any person to attend or vote at the meeting.
7. 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. 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 a CREST to be valid, the appropriate CREST message must be transmitted so as to be received by the Company's agent, Neville Registrars (whose CREST ID is 7RA11) not later than 9.00 a.m. on Monday, 28 June 2010 (being 48 hours (excluding any part of a day that is not a working day) before the time of the meeting). 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 Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed.

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.