

Chairman’s Explanatory Letter and Notice of Annual General Meeting

Annual General Meeting of Invensys plc (the Company) to be held on Friday 17 July 2009 at 11.00am. This document is important and requires your immediate attention.

When considering what action to take, you are recommended to consult an independent financial adviser authorised under the Financial Services and Markets Act 2000 if you are in the UK, or another appropriately authorised independent financial adviser if you are in a territory outside the UK. If you have recently sold or otherwise transferred all of your Invensys shares, please pass this document and the accompanying Form of Proxy to the purchaser or transferee, or to the agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee. The Notice of Annual General Meeting is set out on page 5.

8 June 2009

Invensys plc
Registered office:
Portland House
Bressenden Place
London SW1E 5BF

Registered in England and Wales
no. 166023

Dear Shareholder

Annual General Meeting

I am pleased to invite you to the 2009 Annual General Meeting (AGM) on Friday 17 July 2009 at 11.00am at Park Plaza Victoria London, 239 Vauxhall Bridge Road, London SW1V 1EQ. The Notice of AGM that follows this letter details the business to be considered and sets out the procedures for your participation and voting.

The AGM provides an opportunity for the Board to meet with shareholders and to answer any questions you may have. Following my address at the AGM there will be a presentation from Ulf Henriksson, our Chief Executive, who will present a review of the Group and of the 2009 results. This presentation will be followed by the formal business to be considered by the meeting, details of which are set out in the Notice of AGM. I would like to explain a number of the matters to be dealt with.

Directors

As announced last year, I will be retiring as Chairman and a director of the Company at the conclusion of the AGM. I have enjoyed my time at Invensys immensely and I am delighted that I will be able to hand over to such an experienced individual as Sir Nigel Rudd who, to ensure a smooth handover, became Deputy Chairman on 1 January 2009. His extensive industrial knowledge, together with his considerable record of chairing major public companies, is ideally suited to help Invensys on the next stage of its journey.

Sir Nigel is currently Chairman of BAA Limited and Pendragon PLC and a non-executive director of BAE Systems plc and Sappi Limited. His previous chairmanships include Alliance Boots plc, Pilkington plc, Williams Holdings plc and Kidde plc. He recently resigned as a director and Deputy Chairman of Barclays Bank PLC.

Steve Hare, who has been our Chief Financial Officer since 2006, informed the Board in November 2008 that he would be leaving Invensys at the end of May 2009 to pursue a new challenge. During his time with us, he has made a great contribution by achieving the strong financial position that we find ourselves in today, in particular in driving strong operational cash flow from each of our businesses and the signing of our new five year banking facility in July 2008. On behalf of the whole Board, I would like to thank Steve for his efforts and wish him every success in the future.

Wayne Edmunds, who is currently CFO of Invensys Process Systems, agreed to become our Chief Financial Officer with effect from 1 June 2009. Wayne joined the Group from Reuters America, Inc, where he had been SVP of Finance and had previously held senior financial roles in the technology sector, including seventeen years with Lucent Technologies, Inc. Wayne is relocating to the UK and will work out of the Group’s headquarters in London. He has been working with Steve Hare during the past two months to ensure a smooth handover of responsibilities.

Jean-Claude Guez, who has been a non-executive director since 2003 and has been Chairman of the Remuneration Committee since 2004, will not be seeking re-election at the AGM and will be retiring from the Board at the end of the meeting. It has been a pleasure working with Jean-Claude over the past six years and I am very grateful to him for his significant contributions and support during this time. We all wish him well in the future.

I am delighted to advise that Dr Martin Read, formerly Chief Executive of LogicaCMG plc, and Francesco Caio, formerly Chief Executive of Cable & Wireless plc, will be joining the Board as non-executive directors on 18 July 2009. Martin will succeed Jean-Claude as Chairman of the Remuneration Committee. They each have enormous experience running large international enterprises and I know that they will contribute greatly to the next stage of Invensys’ development.

The Company’s Articles of Association require that one-third of all directors shall retire at each AGM but, in any event, that all directors must seek re-election at least every three years. In addition, any director who has been appointed since the previous AGM must stand for election at the AGM following his appointment. Resolutions 3(a) to 3(c) deal with the election and re-election of directors at the AGM.

In determining the one-third of directors retiring, Jean-Claude Guez and myself are included in the calculations. In addition Michael Parker will retire by rotation at this year’s meeting, being the third year since he was last elected and offer himself for re-election. Michael was appointed a non-executive director in May 2006 and became the Senior Independent Director in December 2006. Sir Nigel Rudd and Wayne Edmunds are proposed to be elected as directors, this being the first AGM since their appointments. The Nominating Committee undertakes an in-depth review of all Board appointments and re-elections on behalf of the Board and, based on this evaluation, recommends these directors for election.

The biographies of all the directors including those seeking election and re-election are set out on page 7 of the Annual Report and Accounts.

Remuneration Report

The Remuneration Report is included in the Annual Report and Accounts, commencing at page 33. Directors must include specified information within their Remuneration Report in accordance with the Directors’ Remuneration Report Regulations 2002 (the Regulations). The Remuneration Report for the year ended 31 March 2009 has been prepared accordingly and approved by the directors. Members must, under the Regulations, be given the opportunity to approve it. While the approval vote is advisory, it will be taken into account when considering the future operation and development of the Company’s remuneration policy.

Dividend

The strength of the Group’s financial position, our excellent operational cash flow and the resilience being shown by our longer-cycle businesses within Invensys Operations Management and Invensys Rail has given the Board confidence that this is the right time to pay a dividend to shareholders for the first time since 2003. However, in light of current global economic conditions, the Board has decided to start at a prudent level which should allow a progressive dividend policy going forward.

Under Resolution 6 the Board is recommending the payment of a final cash dividend for the year of 1.5p per share which, subject to approval by shareholders at the AGM, will be paid on 7 August 2009 to shareholders on the register on 26 June 2009.

Assuming shareholders approve the proposed dividend we need to confirm whether you would like this payment to be made direct to your bank account. We would encourage shareholders to select this option as it will remove the risk of lost dividend cheques and allow you to receive your dividend payment promptly. Whilst we may have previously held bank details for you, it has been decided that as we have not paid a dividend since 2003, all details should be verified by shareholders. Accordingly, attached to your Form of Proxy is a form which you will need to complete with your bank details if you wish future dividend payments to be sent direct to your bank. Please complete the form and return it to the registrars, Equiniti, in the envelope provided by 2 July 2009. Alternatively, you can submit these details to Equiniti via the internet by logging onto **www.shareview.co.uk**

Authority of directors to allot shares

Under the Companies Act 1985 the directors may only allot unissued shares if authorised to do so by the Articles of Association or by the shareholders in general meeting. Accordingly, it is proposed that a resolution (Resolution 7) be passed to give the directors authority to issue new ordinary shares. In accordance with the latest institutional guidelines issued by the ABI, the proposed new authority will allow the directors to allot ordinary shares equal to an amount of up to one third of the Company’s issued share capital plus authorise the Company to allot a further one-third of the issued share capital in respect of a fully pre-emptive rights issue. If approved, the nominal amount of securities to which this authority relates will represent approximately 266,879,376 shares or, in the case of a fully pre-emptive rights issue only, represent approximately 533,758,753 shares of the Company’s issued share capital (excluding treasury shares) as at 19 May 2009, being the latest practicable date prior to publication of this letter. The directors have no present intention of exercising this authority other than pursuant to existing rights under employee share schemes; however, the directors may consider issuing unissued shares if they believe it would be appropriate to do so in respect of business opportunities that may arise consistent with the Company’s strategic objectives.

As at 19 May 2009 the Company held 1,202,562 treasury shares. This amount represents 0.15% of the Company’s issued share capital (excluding treasury shares).

A special resolution (Resolution 8) is also proposed to renew the directors’ authority to allot equity securities for cash otherwise than in proportion to existing holdings. In the case of allotments other than for a rights issue, open offer or other issue in favour of existing holders, the authority is limited to equity securities up to an aggregate nominal amount of £4,003,190. This represents approximately 5% of the Company’s total share capital in issue (excluding treasury shares) as at 19 May 2009. These authorities, unless renewed, will expire at the conclusion of the AGM in 2010, but it is our intention to seek renewal of the authorities each year.

Amendments to 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. The Memorandum also contains the authorised share capital statement.

Under the Companies Act 2006 (2006 Act) the objects clause and all other provisions which are currently contained in an existing company’s Memorandum of Association will be treated as provisions of its articles from 1 October 2009. These provisions can be removed by special resolution.

The objects of a company, under the 2006 Act, will become unrestricted which abolishes the need for companies to have an objects clause. The 2006 Act also removes the requirement for a company to place limits on its authorised share capital; however, if treated as a provision in the Articles of Association, this will set the maximum number of shares which a company can allot.

For these reasons, the Company is proposing under Resolution 9 to remove its objects clause together with all other provisions of its Memorandum of Association which would otherwise be deemed to form part of the Company’s Articles of Association as of 1 October 2009.

Shareholder Rights Directive

Shareholder approval is required to reflect the proposed implementation in August 2009 of the Shareholder Rights Directive. The regulation implementing this Directive will increase the notice period for general meetings of the Company to 21 days. The Company is currently able to call general meetings (other than an AGM) on 14 clear days’ notice and would like to preserve this ability. In order to be able to do so after August 2009, shareholders must have approved the calling of meetings on 14 clear days’ notice. Resolution 10 seeks such approval. The approval will be effective until the Company’s next AGM, when it is intended that a similar resolution will be proposed. The Company will also need to meet the requirements for electronic voting under the Directive before it can call a general meeting on 14 clear days’ notice.

Proxies and voting

Whether you intend to attend the AGM or not you can appoint a proxy and lodge your vote on the resolutions to be proposed at the meeting. Please either complete and return the Form of Proxy to the registrars, Equiniti, or submit electronically by simply voting online at **www.sharevote.co.uk**

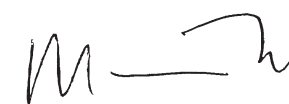
With your Form of Proxy is a card on which you may make comments or ask a question. I will endeavour to provide a response to the most frequently raised matters in my address to the meeting.

Following our previous practice, all resolutions at the meeting will be decided by poll, which will allow greater transparency in relation to the votes that have been cast by all our shareholders. As soon as practicable following the AGM, the results of the voting at the AGM, including the number of proxy votes cast for and against and the number of votes actively withheld in respect of each of the resolutions, will be announced via a Regulated Information Service and also placed on the Group’s website at **www.invensys.com**

Recommendation and action to be taken

The Board considers that the proposed resolutions in the Notice of AGM are in the best interests of the Company and its shareholders as a whole and recommends that you vote in favour of them as the directors intend to do in respect of their own beneficial holdings. Whether or not you intend to come to the AGM, please complete and return your Form of Proxy to the registrars, Equiniti, or vote online at **www.sharevote.co.uk** by not later than 11.00am on Wednesday 15 July 2009. By doing so you will not preclude yourself from attending and voting in person at the AGM.

Yours sincerely



Martin Jay
Chairman

Notice of Annual General Meeting

Notice is hereby given that the 2009 Annual General Meeting of Invensys plc will be held at Park Plaza Victoria London, 239 Vauxhall Bridge Road, London SW1V 1EQ on Friday 17 July 2009 at 11.00am. The business of the meeting will be as follows:

Items of business

Shareholders will be asked to consider and, if thought fit, to pass resolutions 1 to 7 as ordinary resolutions and resolutions 8 to 10 as special resolutions.

Resolutions 7 to 10 are special business and all other resolutions are routine business.

- 1 To receive the report of the directors and the audited statement of accounts for the year ended 31 March 2009.
- 2 To approve the Board's Remuneration Report contained in the Annual Report and Accounts for the year ended 31 March 2009.
- 3 To elect or re-elect the following as directors who retire in accordance with the Articles of Association and offer themselves for re-election or election (to be proposed as separate resolutions):
 - (a) Sir Nigel Rudd
 - (b) Mr Michael Parker
 - (c) Mr Wayne Edmunds
- 4 To reappoint Ernst & Young LLP as auditor.
- 5 To authorise the directors to determine the auditor's remuneration.
- 6 To approve the proposed final dividend of 1.5p (per share).
- 7 To authorise the directors generally and unconditionally (in substitution for all subsisting authorities to the extent unused, other than in respect of any allotments made pursuant to offers or agreements made prior to the passing of this resolution) to exercise all powers of the Company to allot relevant securities (within the meaning of section 80 of the Companies Act 1985):
 - (a) up to an aggregate nominal amount of £26,687,937; and
 - (b) comprising equity securities (as defined in the Companies Act 1985) up to an aggregate nominal amount of £53,375,875 (including within such limits any shares issued under paragraph (a) above) in connection with a rights issue;
 - (i) to holders of ordinary shares in proportion (as nearly as may be practicable) to their existing holdings; and
 - (ii) to people who are holders of other equity securities if this is required by the rights of those securities or, if the directors consider it necessary, as permitted by the rights of those securities;

and so that the directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter; this authority shall expire at the end of the next AGM of the Company after the passing of this resolution, and the Company may before such expiry make offers or agreements which would or might require relevant securities to be allotted after such expiry.

- 8 To, subject to the passing of Resolution 7, (in place of all existing powers) authorise the directors pursuant to section 95 of the Companies Act 1985 to allot equity securities (within the meaning of section 94 of the Companies Act 1985) for cash pursuant to the authority conferred by the said Resolution 7 as if sub-section (1) of section 89 of the Companies Act 1985 did not apply to any such allotment provided that this power shall be limited:
 - (a) to the allotment of equity securities in connection with a rights issue, an offer of equity securities (but, in the case of the authority granted under Resolution 7(b) in connection with a rights issue only), in favour of holders of ordinary shares and in favour of holders of any other class of equity security in accordance with the rights attached to such class where the equity securities attributable to the interest of all such persons are proportionate (as nearly as may be) to the respective numbers of equity securities held by them (and/or in accordance with the rights attached to the shares in question) (but subject to such exclusions or other arrangements as the directors may consider necessary or appropriate in relation to treasury shares, fractional entitlements, record dates or legal or practical problems under the laws of, or the requirements of any regulatory body in, any territory or otherwise howsoever); and
 - (b) to the allotment, in the case of the authority granted under Resolution 7(a), to equity securities for cash otherwise than pursuant to paragraph (a) above, up to an aggregate nominal amount of £4,003,190; and shall expire at the end of the next AGM of the Company after the passing of this resolution, save that the Company may before such expiry make offers or agreements which would or might require equity securities to be allotted after such expiry. This power applies in relation to a sale of shares which is an allotment of equity securities by virtue of section 94(3A) of the Companies Act 1985 as if in the first paragraph of this resolution the words 'pursuant to the authority conferred by Resolution 7' were omitted.
- 9 To amend with effect from 00.01 a.m. on 1 October 2009, the Articles of Association of the Company by deleting all the provisions of the Company's Memorandum of Association which, by virtue of section 28 of the Companies Act 2006, are to be treated as provisions of the Company's Articles of Association.
- 10 To confirm that, in accordance with the Articles of Association, a general meeting other than an Annual General Meeting may be called on not less than 14 clear days' notice.

By order of the Board

V M Hull

General Counsel & Company Secretary

8 June 2009

Registered office:
Portland House
Bressenden Place
London SW1E 5BF

To appoint a proxy and lodge your vote on the resolutions to be proposed at the meeting, please either complete and return the Form of Proxy to the registrars, Equiniti, or submit electronically by simply voting online at www.sharevote.co.uk

Notes

- 1 Any shareholder of the Company entitled to attend and vote at the Annual General Meeting (AGM) may appoint one or more proxies to attend, speak and vote instead of him or her provided that each proxy is appointed to attend, speak and vote in respect of a different share or shares. A proxy need not be a member of the Company. Appointing a proxy will not prevent a shareholder from attending in person and voting at the AGM. If a share is held by joint shareholders and more than one of the joint shareholders votes (including by way of proxy), the only vote that will count is the vote of the person whose name is listed before the other voters on the Register of Members. You may not use any electronic address provided in this Notice of AGM to communicate with the Company for any purposes other than those expressly stated.
- 2 To be effective, a Form of Proxy, together with the power of attorney or other authority, if any, under which it is signed, or a duly certified copy thereof, must be deposited with the Company's registrars not later than 11.00am on 15 July 2009. Completion of a Form of Proxy will not preclude a member from attending and voting at the AGM in person.
- 3 Shareholders who prefer to register the appointment of their proxy electronically via the Internet can do so through the Equiniti website at www.sharevote.co.uk where full instructions on the procedure are given. The Voting ID, Task ID and Shareholder Reference Number printed on the proxy form will be required to use this electronic proxy appointment system.

Alternatively, shareholders who have already registered with the Equiniti on-line portfolio service, Shareview, can appoint their proxy electronically by logging on to their portfolio at www.shareview.co.uk and clicking on 'Company Meetings'. A proxy appointment made electronically will not be valid if sent to any address other than that provided or if received after 11.00am on 15 July 2009. Please note that any electronic communication found to contain a computer virus will not be accepted.

- 4 CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM to be held on 17 July 2009 at 11.00am and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a 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'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 Company's agent (ID RA19) by 11.00am on 15 July 2009, or, if the AGM is adjourned, 48 hours before the time fixed for the adjourned AGM. 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 by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the proxy through other means. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedure(s) 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 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.

- 5 Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members registered in the Register of Members as at 6.00pm on 15 July 2009 (or if the AGM is adjourned, two days before the time fixed for the adjourned AGM) shall be entitled to attend and/or vote at the AGM in respect of the number of shares registered in their name at that time. In each case, changes to entries on the Register of Members after such time shall be disregarded in determining the rights of any person to attend or vote at the AGM.

- 6 The following documents will be available for inspection at the registered office of the Company during usual business hours on any weekday from the date of this Notice until the AGM and will be available at the AGM from 10.45am until the conclusion of the meeting:
 - (a) copies of directors' service contracts and letters of appointment; and
 - (b) copies of the directors' deeds of indemnity entered into in connection with the indemnification of directors' provisions of the Company's Articles of Association.

- 7 In order to facilitate voting by corporate representatives at the AGM, arrangements will be put in place so that (i) if a corporate shareholder has appointed the Chairman of the AGM as its corporate representative with instructions to vote on a poll in accordance with the directions of all other corporate representatives for that shareholder at the AGM, then on a poll those corporate representatives will give voting directions to the Chairman and the Chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and (ii) if more than one corporate representative for the same corporate shareholder attends the AGM but the corporate shareholder has not appointed the Chairman of the AGM as its corporate representative, a designated corporate representative will be nominated from those corporate representatives who attend and who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives (www.icsa.org.uk) for the details of this procedure. The guidance includes a sample form of representation letter if the Chairman is being appointed as described in (i) above.

- 8 As at 19 May 2009 (being the last practicable date prior to the publication of this Notice) the Company's issued share capital (excluding treasury shares) consists of 800,638,131 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 19 May 2009 are 800,638,131.

- 9 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 have a right, under an agreement between him or her and the shareholder by whom he or she was nominated, to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he or 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 the rights of shareholders in relation to the appointment of proxies in Note 1 above does not apply to Nominated Persons. The rights described in this Note can only be exercised by shareholders of the Company.

Shareholders with disabilities

The venue is wheelchair accessible and the meeting room is fitted with an induction loop. If you have any special access or other needs please contact us on telephone +44(0)20 7834 3848, facsimile +44(0)20 7834 3879 or email company.secretary@invensys.com and we will be pleased to provide appropriate help.

Invensys plc

Registered office:
Portland House
Bressenden Place
London SW1E 5BF

Telephone: +44 (0)20 7834 3848
Facsimile: +44 (0)20 7834 3879

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