This document is important and requires your immediate attention. If you are in any doubt about its content or the action you should take, you should consult your stockbroker, accountant or other independent professional adviser authorised under the Financial Services and Markets Act 2000. If you have sold or transferred all your shares in Dialight plc, please pass this document and the accompanying documents to the purchaser or transferee, or to the person who arranged the sale or transfer, so they can pass these documents to the person who now holds the shares.

A form of proxy for the Annual General Meeting is enclosed and should be completed and returned so as to reach Equiniti Limited (“Equiniti”) (the Company’s Registrar) by no later than 11.30am on Tuesday 23 April 2013. Completion and return of the form of proxy will not prevent you from attending and voting at the meeting in person, should you so wish. Alternatively you can register your proxy vote electronically no later than 11.30am on Tuesday 23 April 2013, either by means of a website provided by Equiniti, www.sharevote.co.uk, or by using the service provided by Euroclear. Further details are given in the notes on page 8 to this document.

To be held at:
Glaziers Hall
9 Montague Close
London Bridge
London SE1 9DD
on Thursday 25 April 2013 at 11.30am.
19 March 2013

Dear Shareholder

Dialight plc – Annual General Meeting 2013

I am pleased to inform you that this year’s Annual General Meeting (“Meeting” or “AGM”) will be held at Glaziers Hall, 9 Montague Close, London Bridge, London SE1 9DD on Thursday 25 April 2013 at 11.30am.

This document provides details of those items of business to be transacted at the AGM and includes the formal notice of the AGM (“Notice”). Explanatory notes can be found on page 8. Tea and coffee will be available from 11.00am onwards at Glaziers Hall. A location map is provided on the reverse of the form of proxy that has been sent to you.

If you would like to vote on the resolutions in the Notice but cannot attend the Meeting, please complete the form of proxy and return it to Equiniti as soon as possible. Equiniti must receive the form of proxy by 11.30am on Tuesday 23 April 2013. Alternatively, you can vote online at www.sharevote.co.uk by no later than 11.30am on Tuesday 23 April 2013. For further information on the appointment of proxies please refer to the notes on page 8.

Information regarding certain items of business to be transacted at the AGM can be found below.

Resolutions 1 to 14 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 15 to 18 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.

Resolution 3 – Declaration of final dividend

The Directors propose a final dividend of 9.5 pence per ordinary share for the year ended 31 December 2012. If approved, the recommended final dividend will be paid on 8 May 2013 to all shareholders who are on the register of members on 12 April 2013.

Resolutions 6 to 12 – Election and re-election of Directors

In accordance with the UK Corporate Governance Code (“Code”) all Directors who served throughout the year since the Company’s AGM in 2012 will stand for re-election. Resolutions 11 and 12 relate to the election of those newly appointed Directors in January 2013. Stephen Bird and Tracey Graham were appointed as Non-Executive Directors in order to give the Board more balance in light of Bill Ronald’s appointment as Group Chairman following the retirement of Harry Tee CBE in September 2012. Stephen and Tracey bring with them relevant knowledge and experience to the Board and are considered independent in accordance with the Code. The Board considers that, following formal performance evaluation, the performance of each Director on the Board at the end of 2012, continues to be effective and demonstrates the commitment required to continue in their present roles and accordingly supports each Directors’ election and re-election. Biographical details of all Directors can be found on pages 26 and 27 of the Annual Report and Accounts and on the Company’s website at www.dialight.com.
Resolution 13 – Political donations

Part 14 of the Companies Act 2006 ("CA 2006"), prohibits the Company and its subsidiaries from, amongst other things, making political donations or from incurring political expenditure in respect of a political party or other political organisation or an independent election candidate unless authorised by the Company’s shareholders. Neither the Company nor any of its subsidiaries has any intention of making any political donations or incurring any political expenditure. However, the CA 2006 defines “political party”, “political organisation”, “political donation” and “political expenditure” widely. For example, bodies, such as those concerned with policy review and law reform or with the representation of the business community or sections of it, which the Company and/or its subsidiaries may seek benefit in supporting, may be caught. Accordingly, the Company wishes to ensure that neither it nor its subsidiaries inadvertently commits any breaches of the 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. As permitted under the CA 2006, the resolution extends not only to the Company but also covers all companies which are subsidiaries of the Company at any time the authority is in place. The resolution reflects the three categories covered by the rules and authorises the Company and its subsidiaries to:

(a) make political donations to political parties or independent election candidates not exceeding £10,000 in total;
(b) make political donations to political organisations other than political parties not exceeding £10,000 in total; and
(c) incur political expenditure not exceeding £10,000 in total, in the period up to the Company’s next AGM or up to and including 30 April 2014, whichever is the earlier.

As required by the CA 2006, the resolution is in general terms and does not purport to authorise particular donations.

Neither the Company nor any of its subsidiaries has any intention of making any political donations or incurring any political expenditure at this time.

Resolution 14 – Authority to allot shares

This resolution is divided into two parts. Paragraph (a) of the resolution would give the Directors the authority to allot ordinary shares up to an aggregate nominal amount equal to £202,546 (representing a maximum of 10,716,744 ordinary shares of 1.89 pence each). This amount represents approximately one-third of the issued ordinary share capital of the Company as at 12 March 2013, the latest practicable date prior to publication of the Notice. In line with guidance issued by the Association of British Insurers ("ABI"), paragraph (b) of the resolution would give the Directors authority to allot ordinary shares in connection with a rights issue in favour of ordinary shareholders up to an aggregate nominal amount equal to £405,093 (representing a maximum of 21,433,487 ordinary shares), as reduced by the nominal amount of any shares issued under paragraph (a) of the resolution. This amount (before any reduction) represents approximately two-thirds of the issued ordinary share capital of the Company as at 12 March 2013, the latest practicable date prior to publication of the Notice.

The authorities sought under paragraphs (a) and (b) of the resolution will expire at the earlier of the conclusion of the AGM of the Company held in 2014 or 30 June 2014 (the last date by which the Company must hold an AGM in 2014).

The Directors have no present intention to exercise either of the authorities sought under the resolution, except, if necessary under paragraph (a), to satisfy the exercise of options or awards granted under existing share schemes. However, the authority gives the Directors the flexibility to take advantage of business opportunities as they arise. If they do exercise the authorities, the Directors intend to follow ABI recommendations concerning their use (including as regards the Directors standing for re-election in certain cases).

As at the date of the Notice, no ordinary shares are held by the Company in treasury.

Resolution 15 – Limited disapplication of pre-emption rights

This resolution would give the Directors the authority to allot ordinary shares (or sell any ordinary shares which the Company elects to hold in treasury) for cash without first offering them to existing shareholders in proportion to their existing shareholdings. Except as provided below, this authority would be limited to allotments or sales in connection with pre-emptive offers and offers to holders of other equity securities if required by the rights of those shares or as the Board otherwise considers necessary, or otherwise up to an aggregate nominal amount of £30,382 (representing a maximum of 1,607,512 ordinary shares). This aggregate nominal amount represents approximately 5% of the issued ordinary share capital of the Company as at 12 March 2013, the latest practicable date prior to publication of the Notice. In respect of this aggregate amount, the Directors confirm their intention to follow the provisions of the Pre-Emption Group’s Statement of Principles ("Principles") regarding cumulative usage of authorities within a rolling three-year period where the Principles provide that usage in excess of 7.5% should not take place without prior consultation with shareholders.

Allotments made under the authorisation in paragraph (b) of resolution 14 would be limited to allotments by way of a rights issue only (subject to the right of the Board to impose necessary or appropriate limitations to deal with, for example, fractional entitlements and regulatory matters).

The authority sought under this resolution will expire at the earlier of the conclusion of the AGM of the Company held in 2014 or 30 June 2014 (the last date by which the Company must hold an AGM in 2014).
Resolution 16 – Purchase of own shares
This resolution would give authority for the Company to purchase up to 3,215,023 of its ordinary shares, representing approximately 10% of the Company's issued ordinary share capital. The resolution specifies the minimum and maximum prices for any ordinary shares purchased under the authority. If granted, the authority will expire at the earlier of the conclusion of the AGM of the Company held in 2014 or 30 June 2014 (the last date by which the Company must hold an AGM in 2014).

The Directors will determine whether any ordinary shares acquired to this authority are to be cancelled or held in treasury at the time that they resolve to exercise the authority. As at 12 March 2013, the latest practicable date prior to publication of the Notice, the total number of awards outstanding under Group share plans was 459,261 which represents 1.4% of the issued shares at that time and would represent 1.6% of the issued share capital if the Directors used the existing authority to purchase shares.

The Directors are of the opinion that this authority, if renewed, will continue to give them greater flexibility to manage the issued share capital of the Company for the benefit of the shareholders and would only use this authority if it is for the benefit of the shareholders as a whole and could be expected to result in an increase in the earnings per share of the Company.

The Directors have no present intention of exercising the authority conferred by this resolution.

Resolution 17 – Adoption of Articles of Association
It is proposed that the Company adopt amended Articles of Association ("New Articles") in order to update the Company's current Articles of Association ("Current Articles").

Principal changes to the New Articles include the following:

Increase to the cap on Directors' fees
In line with ABI guidance, the Company's Current Articles contain a cap on the aggregate amount of fees which may be paid to Non-Executive Directors. It is proposed that this cap be increased from £300,000 to £750,000 in order to provide the Company with enough headroom and flexibility to keep the Non-Executive Directors’ fee levels in line with the market and recruit new independent Non-Executive Directors as and when required.

Annual re-election of Directors
Although practised by the Board since 2011, the New Articles incorporate language to formalise the Company's adoption of the relevant UK Corporate Governance Code provisions relating to the annual re-election of all Directors.

Certain other minor amendments have been made but these are technical or clarificatory in nature and are shown in the full mark-up that is available for inspection as set out below.

A marked up copy of the New Articles showing all proposed changes will be available for inspection at the offices of Slaughter and May, One Bunhill Row, London EC1Y 8YY and on the Company's website at www.dialight.com from the date of this Notice until the date of the AGM and at the place of the AGM for 15 minutes prior to and during the AGM.

Resolution 18 – Notice of general meetings
Changes made to the CA 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 (AGMs will continue to be held on at least 21 clear days’ notice).

Until the coming into force of the Shareholders’ Rights Regulations on 3 August 2009, the Company was able to call general meetings other than an AGM on 14 clear days’ notice without obtaining such shareholder approval. In order to preserve this ability, resolution 18 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. Note that the changes to the CA 2006 mean that, in order to be able to call a general meeting on less than 21 clear days’ notice, the Company must make a means of electronic voting available to all shareholders for that Meeting.
Documents available for inspection
Copies of all service agreements under which Directors of the Company are employed by the Company or any subsidiaries and a copy of the terms of appointment of the Non-Executive Directors of the Company will be available for inspection at the Company's registered office during normal business hours (Saturdays, Sundays and public holidays excepted) from the date of this Notice until the date of the AGM and at the place of the AGM for 15 minutes prior to and during the Meeting.

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 and are most likely to promote the success of the Company for the benefit of members as a whole. The Directors unanimously recommend that you vote in favour of all the proposed resolutions as they intend to do so in respect of their own interests (both beneficial and non-beneficial). If you have any questions regarding the AGM business please contact Equiniti by phone on 0871 384 2195. Calls to this number are charged at 8 pence per minute plus network extras. Lines are open 8.30am to 5.30pm, Monday to Friday (excluding bank holidays). Non-UK callers should dial +44 121 415 7047.

Electronic communications
You can view the 2012 Annual Report and Accounts at www.dialight.com. If you wish to receive notice of future general meetings and other communications online, please register at www.shareview.co.uk or contact Equiniti at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA.

Yours faithfully
Bill Ronald
Chairman
19 March 2013
Notice of annual general meeting

The Annual General Meeting ("AGM") of Dialight plc ("Company") will be held at Glaziers Hall, 9 Montague Close, London Bridge, London SE1 9DD at 11.30am on Thursday 25 April 2013. You will be asked to consider and, if thought fit, pass the resolutions below. Resolutions 15 to 18 (inclusive) will be proposed as special resolutions. All other resolutions will be proposed as ordinary resolutions.

Ordinary resolutions
1. That the Company’s Annual Report and Accounts for the financial year ended 31 December 2012, together with the Directors’ report and the Auditors’ report on those accounts be received.
2. That the Directors’ remuneration report for the financial year ended 31 December 2012 be approved.
3. To declare a final dividend of 9.5 pence per ordinary share.
4. That KPMG Audit Plc be re-appointed as auditors of the Company from the conclusion of this meeting until the conclusion of the next general meeting of the Company at which accounts are laid.
5. That the Directors be authorised to determine the remuneration of the auditors.
6. That Bill Ronald be re-elected as Director of the Company.
7. That Roy Burton be re-elected as Director of the Company.
8. That Mark Fryer be re-elected as Director of the Company.
9. That Robert Lambourne be re-elected as Director of the Company.
10. That Richard Stuckes be re-elected as Director of the Company.
11. That Stephen Bird, who was appointed on 10 January 2013, be elected as a Director of the Company.
12. That Tracey Graham, who was appointed on 10 January 2013, be elected as a Director of the Company.
13. That, in accordance with Sections 366 and 367 of the Companies Act 2006, the Company and all its subsidiary companies from time to time, be authorised to:
   (a) make political donations to political parties and/or independent election candidates not exceeding £10,000 in aggregate;
   (b) make political donations to political organisations other than political parties not exceeding £10,000 in aggregate; and
   (c) incur political expenditure, not exceeding £10,000 in aggregate,
   provided that the amount of political donations made and political expenditure incurred by the Company and its subsidiaries pursuant to this resolution shall not in aggregate exceed £10,000.
   Such power shall apply until the conclusion of the Company’s next AGM after this resolution is passed or, 30 June 2014, whichever is the earlier.
   For the purpose of this resolution the above terms (political donations, political parties, independent election candidates, political organisations and political expenditure) shall have the same meanings as set out in Part 14 of the Companies Act 2006.
14. That, in substitution for all existing authorities, the Directors be generally and unconditionally authorised in accordance with Section 551 of the Companies Act 2006 to exercise all the powers of the Company to:
   (a) allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of £202,546 (such amount to be reduced by the nominal amount allotted or granted under paragraph (b) below in excess of such sum); and,
   (b) allot equity securities (as defined in Section 560 of the Companies Act 2006) up to an aggregate nominal amount of £405,093 (such amount to be reduced by the aggregate nominal amount of shares allotted or rights to subscribe for or to convert any security into shares in the Company granted under paragraph (a) of this resolution 14) in connection with an offer by way of a rights issue:
      (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
      (ii) to holders of other equity securities (as defined in Section 560(1) of the Companies Act 2006) as required by the rights of those securities or, subject to such rights, as the Directors otherwise consider necessary,
   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 such authorities to apply until the end of the Company’s next AGM after this resolution is passed (or, if earlier, until the close of business on 30 June 2014) but, in each case, so that the Company may make offers and enter into agreements before the authority expires which would, or might, require shares to be allotted or rights to subscribe for or to convert any security into shares to be granted after the authority expires and the Directors may allot shares or grant such rights under any such offer or agreement as if the authority had not expired.
Special resolutions

15. That, in substitution for all existing powers and subject to the passing of resolution 14 the Directors be given the general power to allot equity securities (as defined by Section 560 of the Companies Act 2006) for cash, either pursuant to the authority conferred by resolution 14 or by way of a sale of treasury shares, as if Section 561(1) of the Companies Act 2006 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 equity securities (but, in the case of the authority granted under paragraph (b) of resolution 14 by way of a rights issue only):
   (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
   (ii) to holders of other equity securities as required by the rights of those securities or, subject to such rights, as the Directors otherwise consider necessary,

but subject to such exclusions or other arrangements as the Directors may deem 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; and

(b) the allotment (otherwise than pursuant to paragraph (a) above) of equity securities up to an aggregate nominal amount of £30,382.

The power granted by this resolution will expire on 30 April 2014 or, if earlier, the conclusion of the Company’s next AGM (unless renewed, varied or revoked by the Company prior to or on such date) 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 and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.

16. That the Company be generally and unconditionally authorised to make one or more market purchases (within the meaning of Section 693(4) of the Companies Act 2006) of ordinary shares of 1.89 pence in the capital of the Company (“ordinary shares”) provided that:

(a) the maximum aggregate number of ordinary shares authorised to be purchased is 3,215,023 (representing 10% of the issued ordinary share capital);

(b) the minimum price which may be paid for an ordinary share is 1.89 pence;

(c) the maximum price which may be paid for an ordinary share is the higher of:
   (i) an amount equal to 5% above the average middle market value of an ordinary share as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which that ordinary share is purchased; and
   (ii) the higher of the price of the last independent trade and the highest current independent bid on the trading venues where the purchase is carried out,

   in each case, exclusive of expenses;

(d) this authority expires at the conclusion of the next AGM after this resolution is passed (or, if earlier, until the close of business on 30 June 2014); and

(e) the Company may make a contract to purchase ordinary shares under this authority before the expiry of the authority which will or may be executed wholly or partly after the expiry of the authority, and may make a purchase of ordinary shares in pursuance of any such contract.

17. That the Articles of Association produced to the meeting and initialled by the Chairman of the meeting for the purpose of identification be adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association.

18. That a general meeting other than an AGM may be called on not less than 14 clear days’ notice.

By order of the Board

Nick Giles
Company Secretary
19 March 2013
1. **Entitlement to vote:** To be entitled to attend and vote at the AGM (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the Register of Members of the Company at 6.00pm on 23 April 2013 (or, in the event of any adjournment, 6.00pm on the date which is two days before the time of the adjourned meeting). Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the AGM.

2. **Appointing proxies:** Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the AGM. A shareholder may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. A form of proxy which may be used to make such an appointment and give proxy instructions is sent to all shareholders. If you do not have a form of proxy and believe that you should have one, or if you require additional forms, please contact Equiniti Limited at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA or on 0871 384 2495 (for callers from abroad). The return of a completed form of proxy, other such instrument or any CREST Proxy Instruction (as described in paragraph 5 below) will not prevent a shareholder attending the AGM and voting in person if he/she wishes to do so.

3. **Deadline for appointing proxies:** To be valid, any form of proxy or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand at Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA in each case not later than 11.30am on 23 April 2013. Shareholders who would prefer to register the appointment of their proxy electronically via the internet can do so through the Sharevote website, www.sharevote.co.uk, using their Personal Authentication Reference Number (this is the series of numbers printed under the headings Voting ID, Task ID and RA19 or RA20). Any electronic communication sent by a shareholder to the Company or to the Registrar which is found to contain a computer virus will not be accepted.

4. **Nominated Persons:** Any person to whom this notice is sent who is a person nominated under Section 146 of the Companies Act 2006 to publish on a website. The business which may be dealt with at the AGM includes any matter relating to: (i) the audit of the Company’s accounts (including the Auditors’ report and the conduct of the audit) that are to be laid before the AGM; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which Annual Report and 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 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 AGM includes any statement that the Company has been required under Section 527 of the Companies Act 2006 to publish on a website.

5. **Appointment of proxies through CREST:** CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual (available via www.euroclear.com/CREST). CREST Personal Members and other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (“CREST Proxy Instruction”) must be transmitted to Euroclear UK & Ireland Limited in accordance with CREST’s specifications, and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com/CREST). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer’s agent (ID RA19) by 11.30am on 23 April 2013. 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 Application Host) from which the issuer’s agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.