



NOTICE OF ANNUAL GENERAL MEETING

This document is the formal notification to shareholders of the Annual General Meeting, its date, time and place and the matters to be considered (numbered 1 to 8 below). It is an important document. If, having read it you are in any doubt as to the action you should take, you should consult an appropriate professional adviser. Separate notes on the proxy form attached explain the arrangements for shareholders to exercise their voting rights. If you have sold or transferred all of your Sopheon plc ordinary shares, please pass these documents to the person through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. We would also draw your attention to our request, on the back page of this notice, to send future shareholder documents to you via our website. Though not part of the formal business of the Annual General Meeting, you should read the request carefully.

NOTICE is hereby given that the Annual General Meeting of the Company for 2008 will be held at the offices of Hammonds, 7 Devonshire Square, Cutlers Gardens, London EC2M 4YH on 10 June 2008 at 11.00am for the following purposes:

Ordinary Business

1. To receive and to adopt the report of the directors and the auditors and the Company's accounts for the year ended 31 December 2007.
2. To re-appoint Stuart Silcock as a director of the Company.
3. To re-appoint BDO Stoy Hayward LLP as auditors to hold office from the conclusion of the meeting to the conclusion of the next meeting at which the accounts are laid before the Company and to authorise the directors to determine their remuneration.

Special Business

The following special business is proposed in order to provide for (i) the Directors' general authority to allot shares and other relevant securities (ii) the extension of the existing share option pool to a level which continues to represent less than 10% of the Company's issued share capital and (iii) authority to the Directors to issue to shares for cash to include the €10,000,000 Equity Line of Credit Facility with GEM Global Yield Fund Limited. As was the case for resolutions passed at the Company's 2007 Annual General Meeting, the authorities granted as referred to at (i) and (iii) above will not expire until after five years, but in accordance with good practice, the directors intend to update and renew such authorities at subsequent Annual General Meetings. In addition, from October 2008 the directors will be under a statutory duty to avoid potential conflicts of interest, a requirement introduced by the Companies Act 2006. In line with good practice the Directors propose the addition of a new Article 126A in the Company's Memorandum & Articles of Association, to introduce procedures for the board to deal with such conflicts if and when they arise. Rather than including the full text of the Article in this Notice, the Directors consider it more appropriate and practical to seek to adopt a new set of Articles which will be available for review at the Annual General Meeting.

Ordinary Resolutions

To consider and, if thought fit, pass the following resolutions as Ordinary Resolutions:

4. That the authorised share capital of the Company be and is hereby increased from £8,750,000 to £10,000,000 by the creation of 25,000,000 new ordinary shares of 5p each.
5. That pursuant to Section 80 of the Companies Act 1985, the Directors be and are hereby generally and unconditionally authorised pursuant to and in accordance with Section 80 of the Companies Act 1985 to exercise all the powers of the Company to allot relevant securities (within the meaning of that Section) up to a maximum aggregate nominal amount of £2,721,048.65 but so that such authority (unless previously renewed, revoked or varied) is to expire on 9 June 2013, but so that the Company may, before such expiry, make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities pursuant to any such offer or agreement as if such authority had not expired.

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6. That the aggregate maximum number of ordinary shares over which options may be granted to employees under all of the Company's employee share option schemes including the Sopheon Executive Share Option Scheme, the Sopheon Unapproved Share Option Scheme, the Sopheon plc 2000 (USA) Stock Option Plan and the Sopheon UK Unapproved Share Option Scheme shall be increased to 14,000,000 and that each of the relevant scheme rules shall be amended accordingly (subject where appropriate to the approval of the Inland Revenue).

Special Resolutions

To consider and, if thought fit, pass the following resolution as a Special Resolution:

7. That the Directors be and are hereby empowered pursuant to Section 95 of the Companies Act 1985 to allot equity securities (as defined in Section 94(2) of that Act) for cash pursuant to the authority conferred by resolution 5 above, as if Section 89(1) of that Act did not apply to any such allotment provided that such power is limited to:
 - (a) the allotment of equity securities in connection with an issue or offering by way of open offer or rights to ordinary shareholders in proportion (as nearly as may be practicable) to the respective numbers of ordinary shares held by or deemed to be held by them on the record date of such allotment, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with any fractional entitlements or any legal or practical problems under the laws of any overseas territory or the requirements of any regulatory authority or any stock exchange; and
 - (b) the allotment (otherwise than pursuant to paragraph (a) above) of equity securities up to a maximum aggregate nominal amount of £1,400,000 to include allotments arising from the exercise of the Company's €10,000,000 Equity Line of Credit Facility with GEM Global Yield Fund Limited;provided that such authority is to expire on 9 June 2013, 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 pursuant to any such offer or agreement as if such authority had not expired.
8. That the Articles of Association in the form produced to the meeting and initialled by the Chairman for the purposes of identification be and are hereby adopted as the new Articles of Association in substitution for and to the entire exclusion of the existing Articles of Association of the Company.

BY ORDER OF THE BOARD

A. Karimjee
Secretary

Dated: 2 May 2008

Notes:

1. A member is entitled to appoint another person as his proxy to exercise all or any of his rights to attend, speak and vote at the meeting. 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 him. A proxy need not be a member of the Company.
2. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, 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 they may cast) members must be entered on the Company's register by 11.00am on 8 June 2008.
3. A form of proxy is enclosed. To be effective, it must be deposited at the Company's Registered Office, or the office of the Company's registrars, Capita Registrars (Proxies), The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4BR so as to be received not later than 48 hours before the time appointed for holding the meeting. Completion of the form of proxy does not preclude a member from subsequently attending and voting at the meeting in person if he or she so wishes. If further proxy forms are required please contact the Company's registrars.
4. To appoint a proxy or to give or amend an instruction to a previously appointed proxy via the CREST system, the CREST message must be received by the issuer's agent (ID RA10) by 11.00am on 8 June 2008. 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. After this time any change of instructions to a proxy appointed through CREST should be communicated to the proxy by other means. CREST Personal Members or other CREST sponsored members, and those CREST Members who have appointed voting service provider(s) should contact their CREST sponsor or voting service provider(s) for assistance with appointing proxies via CREST. For further information on CREST procedures, limitations and system timings please refer to the CREST Manual. We may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001. Please note that proxy messages cannot be sent through CREST on weekends, bank holidays or after 8.00pm on any other day. In any case your proxy form must be received by the company's registrars no later than 11.00am on 8 June 2008.
5. Copies of the following documents will be available for inspection at the registered office during normal business hours on any weekday from the date of this notice until the conclusion of the Annual General Meeting:
 - (a) the directors' service agreements with the Company;
 - (b) the Rules of the Company's share option schemes;
 - (c) register of interests of the directors and their families in the share capital of the Company;
 - (d) documents constituting the €10,000,000 Equity Line of Credit Facility with GEM Global Yield Fund Limited.
 - (e) existing Memorandum and Articles of Association and new Memorandum and Articles of Association proposed to be adopted pursuant to Resolution 8.

FORM OF PROXY FOR 2008 ANNUAL GENERAL MEETING

I/We.....
of.....
being a member/members of the above-named Company, hereby appoint the Chairman of the meeting or
.....
of.....
as my/our proxy in respect of shares to vote in my/our name(s) and on my/our behalf at the Annual General Meeting of the Company to be held at the offices of Hammonds, 7 Devonshire Square, Cutlers Gardens, London EC2M 4YH on 10 June 2008 at 11.00am (including in respect of whether to adjourn such meeting) and at any adjournment of such meeting. I/We direct my/our proxy to vote on the Resolutions set out in the notice dated 2 May 2008 convening the Annual General Meeting as follows and, on any other resolutions, as he or she thinks fit:

Resolutions	For	Against	Vote Withheld	Discretionary
1. To receive the report of the directors and the audited accounts for the year ended 31 December 2007				
2. To re-appoint Stuart Silcock as a director of the Company				
3. To re-appoint BDO Stoy Hayward LLP as auditors and to authorise the directors to determine their remuneration				
4. To increase the authorised share capital of the Company				
5. To give the directors authority to allot shares pursuant to Section 80 of the Companies Act 1985				
6. To increase the aggregate number of ordinary shares of the Company over which options may be granted				
7. To give the directors authority to allot equity securities for cash pursuant to Section 95 of the Companies Act 1985				
8. To adopt new Articles of Association in the form produced to the meeting				

Please indicate with an "X" in **one only** of the appropriate boxes above in respect of each resolution how the proxy should vote and then sign in the space provided below. If you select "Discretionary" or fail to select any of the given options, the proxy may vote as he or she wishes or can decide not to vote at all. The proxy can also do this on any other resolution that is put to the meeting. The "Vote Withheld" option is provided to enable you to abstain on a resolution. However it should be noted that a vote withheld is not a vote in law and will not be counted in the calculation of the proportion of votes for and against a resolution.

Signed thisday of2008

Signature

Name in Block Capitals

Initial and surnames of joint holders (if any)

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Notes:

1. If it is desired to appoint any person other than the Chairman as proxy, delete the words "the Chairman of the meeting or" and insert his or her name and address and initial the alteration. The person appointed to act as proxy need not be a member of the Company.
2. Please detail the number of shares in relation to which the Chairman/person is authorised to act as your proxy.
3. In the case of a corporation, this form of proxy must be executed by the corporation and must be signed either under seal or under the hand of a director and the secretary or two directors or a duly authorised officer.
4. In the case of joint holders, the vote of the senior holder tendering a vote will be accepted to the exclusion of the votes of the other joint holders. Seniority depends on the order in which the names stand in the register of members.
5. To be valid, this proxy and any power of attorney or other written authority under which it is signed or an office or notarially certified copy of such power or authority or a copy certified in accordance with the Powers of Attorney Act 1971 or the Enduring Powers of Attorney Act 1985 must reach the Company's Registered Office, or the office of the Company's registrars, Capita Registrars (Proxies), The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4BR by no later than 11.00am on 8 June 2008. Shares held in uncertificated form (i.e. in CREST) may be voted through the CREST Proxy Voting Service in accordance with the procedures set out in the CREST manual.
6. Completion of this form of proxy will not preclude you from attending and voting at the Meeting if you so wish.

REQUEST TO SEND FUTURE SHAREHOLDER DOCUMENTS VIA A WEBSITE

We are aware that a growing number of shareholders are taking advantage of improvements in technology and accessing the wealth of information on corporate websites. Recent changes in legislation mean that we will be able to offer you the opportunity of receiving future copies of the Notice of Annual General Meeting and certain other documents (referred to below) through the Company website.

The purpose of this note is to request whether you wish to receive the following documents (the "**Shareholder Documents**") through our website or in traditional hard copy format:

- Notices of annual general meetings and other general meetings;
- Any directors' reports or auditors' reports;
- Balance sheets (including every document required by law to be annexed thereto) which are to be laid before the Company in general meeting; and
- Summary financial statements.

One benefit of website communications is that you will be able to access the Shareholder Documents online, which will deliver savings to the Company in terms of administration, printing and postage costs, as well as having environmental benefits. In addition, our website <http://www.sopheon.com> provides other useful information, including up-to-date news about the Company's activities.

You have the following options:

- **OPTION 1 - Receive the Shareholder Documents through website communication.** If you wish to receive the Shareholder Documents by website communication, no further action needs to be taken. Each time new Shareholder Documents are added to the Company's website, we will send you a letter by post telling you that new documents are available to view on the website; **OR**
- **OPTION 2 - Continue to receive the Shareholder Documents in hard copy.** If you wish to continue to receive the Shareholder Documents in hard copy, please write to us stating this. Your letter should state your name and address and be signed by you as the shareholder or in the case of joint shareholders, by each shareholder, and should be sent to the Company's Registered Office to arrive by 3 June 2008. **If a letter is not received from you by this date you will be taken to have agreed to receive future Shareholder Documents via the website.**

You should note that there may be particular circumstances where the Company will need to send documents or other information to you in hard copy, rather than by the use of the website. In such cases, the Company reserves the right to send hard copies. Also, the current use of website communication will be limited to the Shareholder Documents referred to above, and accordingly you may (in any event) receive hard copies of other types of documents from time to time.

We hope you agree that receiving the Shareholder Documents through the website helps the Company to reduce both its costs and its impact on the environment and provides you, the shareholder, with the opportunity to access information in a timely manner.