

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended immediately to seek your own personal financial advice from your stockbroker or other independent financial adviser authorised under the Financial Services and Markets Act 2000. If you have sold or transferred all your ordinary shares or deferred shares in John Swan & Sons PLC, you should pass this document, the accompanying form of proxy and the annual report and financial statements of John Swan & Sons PLC for the year ended 30 April 2009 without delay to the stockbroker, bank or other person through whom the sale or transfer was effected for transmission to the purchaser or transferee.

JOHN SWAN & SONS PLC

(Registered Number SC007893)

Directors:

Alastair J Ritchie *(Non-executive Chairman)*
John C Clark *(Executive Director)*
Francis W Forrest *(Executive Director)*
James D Allen *(Non-executive Director)*
George R Forbes *(Non-executive Director)*
George T Neill *(Non-executive Director)*

Registered office:

6 St Colme Street
Edinburgh
EH3 6AD

3 September 2009

To holders of ordinary shares of 25p each (the "Ordinary Shares") and deferred shares of 12.5p each in the capital of John Swan & Sons PLC

Dear Shareholder

2009 Annual General Meeting

I am writing to you to explain the background to the holding of the Company's ninety-eighth Annual General Meeting which will be held at 12 noon on 2 October 2009 at The Lodge Hotel, Carfraemill, Lauder. The notice of meeting is set out at the end of this letter (the "Notice").

The following resolutions will be proposed at the Annual General Meeting:

Resolution 1: Receipt of Annual Report and Financial Statements (Ordinary Resolution)

This resolution relates to the receipt by the Annual General Meeting of the directors' and auditors' reports and the financial statements of John Swan & Sons PLC and its subsidiary undertakings for the year ended 30 April 2009, which are enclosed with this letter.

Resolutions 2 and 3: Re-election of Directors (Ordinary Resolutions)

The Company's articles of association require that at each Annual General Meeting of the Company one-third of the directors for the time being shall retire from office.

Accordingly, the directors to retire by rotation are Mr Ritchie and Mr Forbes who, being eligible, now offer themselves for re-election. Resolution 2 proposes the re-election of Mr Ritchie and resolution 3 proposes the re-election of Mr Forbes.

Resolution 4: Re-appointment of Auditors (Ordinary Resolution)

This resolution is proposed to re-appoint Scott-Moncrieff as auditors of the Company and to authorise the directors to fix their remuneration.

Resolution 5: Declaration of Dividend (Ordinary Resolution)

The directors recommend the payment of a dividend of 15p per Ordinary Share which, if approved at the Annual General Meeting, would be paid to shareholders on 2 October 2009.

Action to be taken

You will find enclosed with this document a form of proxy for use at the Annual General Meeting. Whether or not you propose to attend the Annual General Meeting in person you are requested to complete the form of proxy and return it to the Company's secretaries, Geoghegan & Co, 6 St Colme Street, Edinburgh EH3 6AD so as to arrive no later than 12 noon on 30 September 2009. The completion and return of the form of proxy will not affect your right to attend and vote in person at the Annual General Meeting if you so wish.

Recommendation

Your Board believes that the proposed resolutions are in the best interests of the Company and unanimously recommends that you vote in favour of them as your directors intend to do in respect of their own beneficial shareholdings.

Yours faithfully

Alastair J Ritchie
Chairman

Notice of Annual General Meeting

Notice is hereby given that the ninety-eighth Annual General Meeting of John Swan & Sons PLC (the "Company") will be held at The Lodge Hotel, Carfraemill, Lauder on 2 October 2009 at 12 noon for the following purposes:

Routine business

1. To receive and if thought fit, to adopt the reports of the directors and the auditors and the financial statements for the year ended 30 April 2009.
2. To re-elect Alastair Ritchie, who retires at the Annual General Meeting by rotation, as a director of the Company.
3. To re-elect George Forbes, who retires at the Annual General Meeting by rotation, as a director of the Company.
4. To re-appoint Scott Moncrieff as auditors of the Company to hold office until the conclusion of the next general meeting at which financial statements are laid before the Company and to authorise the directors to determine their remuneration.
5. To declare a dividend of 15p on each ordinary share of 25p in the capital of the Company for the year ended 30 April 2009.

By order of the Board

Geoghegan & Co

Secretaries

Registered office:

6 St Colme Street

Edinburgh

EH3 6AD

3 September 2009

Notes

1. 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 meeting. A member may appoint more than one proxy provided that each proxy is appointed to exercise rights attached to different shares. A member may not appoint more than one proxy to exercise rights attached to any one share. A proxy need not be a member of the Company. A form of proxy for use at the meeting is enclosed. If used, proxies must be lodged together with the power of attorney or other authority (if any) under which they are signed, or an extract from the Books of Council and Session or a notarially certified copy or a copy certified in accordance with the Powers of Attorney Act 1971 of such power or authority at the office of the Company's secretaries, Geoghegan & Co, 6 St Colme Street, Edinburgh EH3 6AD not less than 48 hours before the time of the meeting. Appointment of a proxy will not preclude a member from attending and/or voting in person at the meeting. If you do not have a proxy form and believe that you should have one, or if you require additional forms, please contact the Company's secretaries.
2. Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members entered on the register of members of the Company as at 6.00 p.m. on 30 September 2009 or, in the event that the meeting is adjourned, on the register of members 48 hours before the time of any adjourned meeting, shall be entitled to attend or vote at the meeting in respect of the shares registered in their name at that time. Changes to the entries on the register of members after 6.00 p.m. on 30 September 2009 or, in the event that the meeting is adjourned, on the register of members 48 hours before the time of any adjourned meeting, shall be disregarded in determining the rights of any person to attend or vote at the meeting, notwithstanding any provisions in any enactment, the articles of association of the Company or other instrument to the contrary.