

Not for release, publication or distribution in whole or in part in, into or from any jurisdiction where to do the same would constitute a violation of the relevant laws of such jurisdiction

FOR IMMEDIATE RELEASE

21 December 2007

**Recommended acquisition
of
Northgate Information Solutions plc
by
NIS Acquisitions Limited**

a company controlled by certain funds advised by Kohlberg Kravis Roberts

Summary

- The Boards of NIS Acquisitions and Northgate Information Solutions plc are pleased to announce that they have reached agreement on the terms of a recommended acquisition of Northgate at a price of 95 pence in cash for each Northgate Share, valuing the entire issued and to be issued share capital of Northgate at approximately £593 million.
- NIS Acquisitions is a newly incorporated company formed at the direction of funds advised by Kohlberg Kravis Roberts for the purpose of implementing the Transaction.
- Northgate is a market leader in providing specialist software, outsourcing and information technology services to the human resources, local government, education and public safety markets. Northgate employs 6,490 staff and operates in 46 countries across five continents. Northgate has approximately 4,500 large/medium customers and approximately 10,500 small to medium enterprise (SME) customers worldwide.
- The price of 95 pence for each Northgate Share represents:
 - a premium of 40.5 per cent. to the average Closing Price of 67.6 pence per Northgate Share for the month ended 11 December 2007, the Business Day prior to Northgate's announcement that it had received an approach which may or may not lead to an offer for Northgate; and
 - a premium of 60.3 per cent. to the Closing Price of 59.25 pence per Northgate Share on 11 December 2007, the Business Day prior to Northgate's announcement that it had received an approach which may or may not lead to an offer for Northgate.
- The Directors of Northgate, who have been so advised by Rothschild, consider the terms of the Transaction to be fair and reasonable. In providing its advice, Rothschild has taken into account the commercial assessments of the Directors of Northgate. Accordingly, the Directors of Northgate intend unanimously to recommend that Northgate Shareholders vote in favour of the Transaction at the Meetings (or, in the event that the Transaction is implemented by way of a takeover offer, to accept or procure acceptance of such offer) as

the Directors have irrevocably undertaken to do in respect of their own beneficial holdings of 1,660,231 Northgate Shares in aggregate, representing approximately 0.3 per cent. of Northgate's issued share capital.

- In addition, GAP North Limited (a General Atlantic company), which holds 68,780,000 Northgate Shares and Jos Sluys, a Director of Northgate, who holds 45,349,200 Northgate Shares, have each today sold to NIS Acquisitions their respective holdings, in aggregate representing 19.6 per cent. of Northgate's issued share capital, at a price of 95 pence per Northgate Share. Aggregated with the irrevocable undertakings of the Directors referred to above, NIS Acquisitions has acquired or received irrevocable undertakings representing, in aggregate, approximately 19.9 per cent. of Northgate's issued share capital.
- It is intended that the acquisition will be implemented by way of a court-sanctioned scheme of arrangement under section 425 of the Companies Act. The Scheme Document will be posted to Shareholders as soon as reasonably practicable.
- Commenting on today's announcement, Todd Fisher, Partner of Kohlberg Kravis Roberts, said:

“Kohlberg Kravis Roberts is delighted that the Board of Northgate has unanimously agreed to recommend our offer. We have significant experience in the technology services sector and look forward to working with Northgate's management team to address the numerous opportunities to grow Northgate into a leading international provider of software solutions and outsourcing services to the human resources and public sector markets.”

- Commenting on the Transaction, Ron Mackintosh, Chairman of Northgate, said:

“Under its current management team Northgate has made significant progress over the past few years, culminating in the recent acquisition of ARINSO which has transformed the group into a global provider of HR software and services with operations in 46 countries. I believe this offer will enable the company to accelerate its future development and realise its full potential. Kohlberg Kravis Roberts is offering a price which reflects Northgate's fundamental value, and under Kohlberg Kravis Roberts's ownership Northgate and all its stakeholders can look to the future with confidence.”

This summary should be read in conjunction with the following announcement and the Appendices.

Enquiries:

**Goldman Sachs International
(financial adviser to NIS Acquisitions)**

Tel: +44 (0)20 7774 1000

Mark Sorrell
Nicholas van den Arend
Nimesh Khiroya
Phil Raper (Corporate Broking)

Finsbury (PR adviser to NIS Acquisitions) Tel: +44(0) 20 7251 3801

Simon Moyse

Northgate Information Solutions plc

Tel: +44(0)1442 232424

Chris Stone, Group Chief Executive
John Stier, Group Finance Director

Rothschild (financial adviser and Rule 3 adviser to Northgate) Tel: +44 (0)20 7280 5000

Dominic Hollamby
Warner Mandel
Jeremy Millard

Citigroup Global Markets Limited (joint financial adviser and joint corporate broker to Northgate) Tel: +44(0)20 7986 4000

Mark Fisher
Andrew Chapman

Hoare Govett Limited (joint corporate broker to Northgate) Tel: +44(0)20 7678 7106

Andrew Foster
Tom Perry

Maitland (PR adviser to Northgate) Tel: +44 (0) 20 7379 5151

Neil Bennett

Not for release, publication or distribution in whole or in part in, into or from any jurisdiction where to do the same would constitute a violation of the relevant laws of such jurisdiction

FOR IMMEDIATE RELEASE

21 December 2007

Recommended acquisition

of

Northgate Information Solutions plc

by

NIS Acquisitions Limited

a company controlled by certain funds advised by Kohlberg Kravis Roberts

1. Introduction

The Boards of NIS Acquisitions and Northgate Information Solutions plc are pleased to announce that they have reached agreement on the terms of a recommended acquisition by NIS Acquisitions of the entire issued and to be issued share capital of Northgate.

NIS Acquisitions is a newly incorporated company formed at the direction of funds advised by Kohlberg Kravis Roberts for the purpose of implementing the Transaction.

2. The Transaction

It is intended that the Transaction will be effected by way of a court-sanctioned scheme of arrangement under Section 425 of the Companies Act. Under the terms of the Scheme, which will be subject to the Conditions and other terms set out in this announcement and to the further terms to be set out in the Scheme Document, Northgate Shareholders will receive:

For each Northgate Share	95 pence in cash
--------------------------	------------------

The terms of the Transaction value the entire issued and to be issued share capital of Northgate at approximately £593 million and represent:

- a premium of 40.5 per cent. to the average Closing Price of 67.6 pence per Northgate Share for the month ended 11 December 2007, the Business Day prior to Northgate's announcement that it had received an approach which may or may not lead to an offer for Northgate; and
- a premium of 60.3 per cent. to the Closing Price of 59.25 pence per Northgate Share on 11 December 2007, the Business Day prior to Northgate's announcement that it had received an approach which may or may not lead to an offer for Northgate.

Under the terms of the Transaction the interim dividend of 0.29 pence per Northgate Share which was declared on 10 December 2007 will be paid, as previously announced, on 21 January 2008 to the Northgate Shareholders on the register on 4 January 2008.

3. NIS Acquisitions's intentions for Northgate

Kohlberg Kravis Roberts believes that under its ownership Northgate will be able to grow into a leading international provider of software solutions and outsourcing services to the human resources and public sector markets.

Following the acquisition, NIS Acquisitions intends to work with the existing management team of Northgate to grow the business by accelerating Northgate's existing strategy, including by capitalising on the international platform provided by ARINSO. Kohlberg Kravis Roberts believes that through its own experience of successfully operating similar businesses, driving long-term growth through investment, achieving operational improvements and executing synergistic acquisitions, it is well-positioned to support Northgate in the next stage of its development.

4. Background to, and reasons for, the recommendation

The Board of Northgate believes that Northgate has, over recent years, grown into a successful company with excellent prospects for the future. The recent acquisition of ARINSO earlier this year has transformed Northgate into a global HR software and services supplier and the Board believes that future substantial opportunities exist to grow Northgate's presence in this sector. Whilst the Board of Northgate is confident that the prospects for the business as an independent company remain strong, they also recognise that private ownership can provide resources to improve and accelerate the company's prospects and growth.

In late November 2007, Kohlberg Kravis Roberts approached the Board of Northgate with a proposal which the Board considered reflected both the significant progress made by the company to date and its ambitions for the future. It is the firm belief of the Northgate Directors that the Transaction takes proper account of both Northgate's fundamental strengths and its prospects.

In considering whether to recommend the Transaction, the Board of Northgate has taken into account a number of factors, including the following:

- the price of 95 pence per Northgate Share represents a premium of approximately 40.5 per cent. to the average Closing Price of 67.6 pence per Northgate Share for the month ended 11 December 2007, the last Business Day prior to Northgate's announcement that it had received an approach which may or may not lead to an offer for Northgate;
- the price of 95 pence per Northgate Share represents a premium of approximately 60.3 per cent. to the Closing Price of 59.25 pence per Northgate Share on 11 December 2007, the last Business Day prior to Northgate's announcement that it had received an approach which may not or may not lead to an offer for Northgate;
- the price of 95 pence per Northgate Share represents a premium of approximately 49.0 per cent. to the Closing Price of 63.75 pence per Northgate Share on 20 December 2007, the last Business Day prior to this announcement;

- the terms of the Transaction allow Northgate Shareholders to realise certain cash now; and
- the Board of Northgate considers that NIS Acquisitions and Kohlberg Kravis Roberts's plans for Northgate, including their stated intention to invest further in Northgate to drive long term growth, will be beneficial for Northgate, Northgate's employees and all of Northgate's stakeholders.

Consequently, the Directors believe that the Transaction represents an opportunity for Northgate Shareholders to realise their entire investment in Northgate at an attractive cash price which is at a significant premium to the current share price.

The Directors of Northgate, who have been so advised by Rothschild, consider the terms of the Transaction to be fair and reasonable. In providing its advice, Rothschild has taken into account the commercial assessments of the Directors. Accordingly, the Directors of Northgate intend unanimously to recommend that Northgate Shareholders vote in favour of the Transaction at the Meetings (or, in the event that the Transaction is implemented by way of a takeover offer, to accept or procure acceptance of such offer) as the Directors have irrevocably undertaken to do in respect of their own beneficial holdings of 1,660,231 Northgate Shares in aggregate, representing approximately 0.3 per cent. of the existing issued share capital of Northgate.

Further details of these irrevocable undertakings are set out in Appendix III to this announcement.

5. Acquisition of Northgate Shares

GAP North Limited (a General Atlantic company), which is the largest shareholder of Northgate, has today sold its holding of 68,780,000 Northgate Shares, representing approximately 11.8 per cent. of the existing issued share capital of Northgate, to NIS Acquisitions at the US Dollar equivalent (taking the middle market spot exchange rate at the time of this announcement) of 95 pence per share in cash. In addition, Jos Sluys, a director of Northgate, has today sold his holding of 45,349,200 Northgate Shares, representing approximately 7.8 per cent. of the existing issued share capital of Northgate, to NIS Acquisitions at 95 pence per share in cash. Aggregated with the irrevocable undertakings of the Directors referred to in paragraph 4 above, NIS Acquisitions has acquired or received irrevocable undertakings representing, in aggregate, approximately 19.9 per cent. of Northgate's existing issued share capital.

6. Information on Northgate

Northgate is a market leader in providing specialist software, outsourcing and information technology services to the human resources, local government, education and public safety markets. Northgate currently employs over 6,490 staff and operates in 46 countries across five continents. Northgate has approximately 4,500 large/medium customers and approximately 10,500 small to medium enterprise (SME) customers worldwide. The many corporate organisations Northgate works closely with include over 20% of the Fortune 500, 90% of the UK local authorities and all of the UK's regional police forces.

Interim financial results

Northgate's interim results for the six months ended 31 October 2007, which were released on 10 December 2007, reported group turnover of £246.3m (first half 2006: £165.2m) and adjusted operating profit of £31.5m (first half 2006: £25.6m). Northgate is currently performing in line with management expectations.

7. Kohlberg Kravis Roberts and NIS Acquisitions

Kohlberg Kravis Roberts is one of the world's longest established and most experienced private equity firms. In its 31-year history, Kohlberg Kravis Roberts has invested in more than 160 transactions with an aggregate enterprise value in excess of US\$410 billion. Kohlberg Kravis Roberts has been an active investor in the technology sector with investments in companies such as First Data, SunGard, Aricent, NXP, Avago, Sun Microsystems, MMI and Yageo.

NIS Acquisitions is a newly-incorporated company formed at the direction of funds advised by Kohlberg Kravis Roberts for the purpose of implementing the Transaction.

8. Management and employees

NIS Acquisitions attaches great importance to the skills and experience of the existing management and employees of Northgate, and intends that current management will continue to be involved in the ongoing business of Northgate. NIS Acquisitions has given assurances to the Board of Northgate that the existing employment rights of the directors, management and employees of Northgate will be fully safeguarded following the completion of the Transaction and that Northgate's pension obligations will be fully complied with. NIS Acquisitions does not plan any change in the conditions of employment of Northgate's directors, management and employees.

9. Northgate Pension Schemes

Northgate operates two defined benefit pension schemes in the UK. NIS Acquisitions recognises the importance of ensuring that the ongoing funding and security position of these schemes is appropriately addressed. NIS Acquisitions has held constructive discussions with the trustees' representatives of each of these pensions schemes and an agreement in principle has been reached.

10. Northgate Share Schemes

Participants in the Northgate Share Schemes will be contacted regarding the effect of the Transaction on their rights under these schemes and appropriate proposals will be made to such participants in due course.

Further details of these proposals will be set out in the Scheme Document.

11. Financing

The cash consideration payable under the Transaction and the costs of the Transaction will be financed by funds advised by Kohlberg Kravis Roberts and by a group of third party finance providers.

Goldman Sachs International has confirmed that it is satisfied that sufficient resources are available to NIS Acquisitions to enable it to satisfy, in full, the consideration payable under the terms of the Transaction. Full implementation of the Transaction would result in cash consideration of approximately £507 million being payable to Scheme Shareholders and participants in the Northgate Share Schemes.

12. Structure of the Transaction

It is intended that the Transaction will be effected by means of a court-sanctioned scheme of arrangement between Northgate and the Scheme Shareholders under section 425 of the Companies Act.

The purpose of the Scheme is to provide for NIS Acquisitions to become the owner of the whole of the issued and to be issued share capital of Northgate. This is to be achieved by the cancellation of the Scheme Shares and the application of the reserve arising from such cancellation, in paying up in full a number of new Northgate Shares (which is equal to the number of Scheme Shares cancelled) and issuing the same to NIS Acquisitions, in consideration for which Scheme Shareholders will receive cash consideration on the basis set out in paragraph 2 of this announcement.

Implementation of the Scheme will also require the passing of the Special Resolution at the EGM, which will be held immediately after the Court Meeting.

Following the Meetings, the Scheme must be sanctioned and the Reduction confirmed by the Court, and will only become effective on delivery to the Registrar of Companies of:

- (a) a copy of the First Court Order sanctioning the Scheme; and
- (b) a copy of the Second Court Order,

and, in the case of the Second Court Order, it being registered by the Registrar of Companies.

Upon the Scheme becoming effective, it will be binding on all Northgate Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the EGM.

The Scheme will contain a provision for Northgate to consent, on behalf of all persons concerned, to any modification of or addition to the Scheme or to any condition that the Court may approve or impose. Northgate has been advised that it is unlikely that the Court would impose any condition to the Scheme that might be material to the interests of Northgate Shareholders, unless Northgate Shareholders were informed in advance.

Further details of the Scheme, including the timetable for its implementation, will be set out in the Scheme Document, which is expected to be posted to Northgate Shareholders shortly.

13. Implementation Agreement and inducement fee

Northgate and NIS Acquisitions have entered into the Implementation Agreement, which contains certain assurances in relation to the implementation of the Scheme and the conduct of

business prior to the earlier of the Effective Date and the termination of the Implementation Agreement. In particular, the Implementation Agreement contains the principal provisions set out below:

Inducement fee

As a pre-condition to NIS Acquisitions agreeing to announce the Transaction, Northgate has agreed in the Implementation Agreement to pay an inducement fee to NIS Acquisitions of one per cent. of the value of the Transaction calculated by reference to the price per Northgate Share and the fully diluted equity share capital (as such term is understood by the Panel) of Northgate if a competing proposal is announced (whether under Rule 2.4 or Rule 2.5 of the Takeover Code or otherwise) prior to the Transaction lapsing or being withdrawn and such competing offer subsequently becomes or is declared unconditional in all respects or is otherwise completed or implemented (whether before or after the Transaction lapses or is withdrawn).

Northgate has undertaken in the Implementation Agreement not to agree any inducement or break fee or any arrangement giving costs coverage to any person connected with a competing offer.

Non-solicitation arrangements

Northgate has undertaken in the Implementation Agreement that it will not, and will procure that no member of the Northgate Group will, directly or indirectly:

- (a) solicit the submission of proposals, indications of interest or offers of any kind which are reasonably likely to lead to a competing offer from any person; or
- (b) enter into, or participate in, any discussions or negotiations (other than responding to unsolicited enquiries) in relation to a competing offer, or which are reasonably likely to lead to a competing offer, or provide any due diligence information on the Northgate Group to any third party in connection with a possible competing offer, save to the extent that the Board of Northgate reasonably considers that they would be in breach of their directors' duties not to do so, having taken appropriate external legal and independent financial advice, or as required under Rule 20.2 of the Takeover Code or as required by any regulatory authority.

If an approach is made to Northgate by a potential competing offeror or information is made available under Rule 20.2 of the Takeover Code, Northgate has agreed to promptly inform NIS Acquisitions (if requested by NIS Acquisitions) that an approach has been made or information has been provided under Rule 20.2 of the Takeover Code.

Further information regarding the Implementation Agreement will be set out in the Scheme Document.

14. Delisting and re-registration

Prior to the Scheme becoming effective, Northgate will make an application to the London Stock Exchange to cancel trading in the Northgate Shares on its market for listed securities and to the UK Listing Authority to cancel the listing of the Northgate Shares from the Official List in each case on the second Business Day following the Effective Date.

On the Effective Date, share certificates in respect of the Northgate Shares will cease to be valid and entitlements to Northgate Shares held within the CREST system will be cancelled. It is also proposed that, following the Effective Date and after its shares are delisted, Northgate will be re-registered as a private limited company.

15. Disclosure of interests in Northgate

Except as disclosed below and in paragraph 5 above, as at the close of business on 20 December 2007, the latest practicable Business Day prior to the date of this announcement, neither NIS Acquisitions, nor any of the directors of NIS Acquisitions, nor, so far as NIS Acquisitions is aware, any person acting in concert with NIS Acquisitions (i) has any interest in or right to subscribe for any relevant Northgate securities, nor (ii) has any short positions in respect of relevant Northgate securities (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to take delivery, nor (iii) has borrowed or lent any relevant Northgate securities (save for any borrowed shares which have been on-lent or sold):

<i>Party</i>	<i>Interest in Northgate Shares</i>
Goldman Sachs International	9,541,803 (long)
Goldman Sachs Asset Management L.P	150,299 (long)

16. Overseas shareholders

The availability of the Transaction to Northgate Shareholders who are not resident in the United Kingdom may be affected by the laws of their relevant jurisdiction. Such persons should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdiction. Northgate Shareholders who are in any doubt regarding such matters should consult an appropriate independent professional adviser in the relevant jurisdiction without delay.

17. General

NIS Acquisitions reserves the right to elect to implement the acquisition of the Northgate Shares by way of a takeover offer as an alternative to the Scheme. Any such takeover offer will be subject to such acceptance condition as may be specified by NIS Acquisitions (with the consent of the Panel) and will be implemented on the same terms (subject to appropriate amendments), so far as applicable, as those which would apply to the Scheme and in compliance with applicable laws and regulations.

The Transaction will be subject to the Conditions and certain further terms set out in paragraphs 1, 2 and 3 of Appendix I and the further terms and conditions to be set out in the Scheme Document or the Offer Document (as the case may be).

The bases and sources of certain information contained in this announcement are set out in Appendix II. Details of the irrevocable undertakings in relation to the Transaction are set out in Appendix III. Certain terms used in this announcement are defined in Appendix IV.

The Scheme Document will be posted to Northgate Shareholders as soon as practicable and the Scheme is expected to become effective in March 2008.

This announcement is not intended to and does not constitute, or form part of, any offer to sell or invitation to purchase or subscribe for any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Transaction or otherwise. The Transaction will be made solely through the Scheme Document, which will contain the full terms and conditions of the Transaction, including details of how to vote in respect of the Transaction. Any acceptance or other response to the Transaction should be made only on the basis of the information in the Scheme Document.

Goldman Sachs International, which is authorised and regulated in the UK by the FSA, is acting exclusively for NIS Acquisitions and no-one else in connection with the Transaction and will not be responsible to anyone other than NIS Acquisitions for providing the protections afforded to clients of Goldman Sachs International or for providing advice in relation to the Transaction or any other matters referred to in this announcement.

Rothschild, which is authorised and regulated in the UK by the FSA, is acting exclusively for Northgate and no-one else in connection with the Transaction and will not be responsible to anyone other than Northgate for providing the protections afforded to clients of Rothschild or for providing advice in relation to the Transaction or any other matters referred to in this announcement.

Citigroup Global Markets Limited, which is authorised and regulated in the UK by the FSA, is acting exclusively for Northgate and no-one else in connection with the Transaction and will not be responsible to anyone other than Northgate for providing the protections afforded to clients of Citigroup Global Markets Limited or for providing advice in relation to the Transaction or any other matters referred to in this announcement.

Hoare Govett Limited, which is authorised and regulated in the UK by the FSA, is acting exclusively for Northgate and no-one else in connection with the Transaction and will not be responsible to anyone other than Northgate for providing the protections afforded to clients of Hoare Govett Limited or for providing advice in relation to the Transaction or any other matters referred to in this announcement.

The availability of the Transaction to persons who are not resident in and citizens of the UK or the US may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not resident in or citizens of the UK or US should inform themselves about, and observe, any applicable legal or regulatory requirements of their jurisdiction. Further details in relation to overseas shareholders will be contained in the Scheme Document.

The release, publication or distribution of this announcement in jurisdictions other than the UK or the US may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the UK or the US should inform themselves about, and observe, any applicable legal or regulatory requirements. Any failure to comply with the applicable requirements may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies involved in the proposed Transaction disclaim any responsibility or liability for the violation of such restrictions by any person.

This announcement has been prepared for the purpose of complying with English law and the Takeover Code, and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside the UK.

Any person (including, without limitation, any custodian, nominee and trustee) who would, or otherwise intends to, or who may have a contractual or legal obligation to, forward this announcement and/or the Scheme Document and/or any other related document to any jurisdiction outside the UK should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdiction before taking any action.

US Holders should note that the Scheme will relate to the shares of a UK company that is a "foreign private issuer" as defined under Rule 3b-4 under the US Securities Exchange Act of 1934, as amended (the "Exchange Act") and will be governed by English law. Accordingly, neither the proxy solicitation nor the tender offer rules under the Exchange Act will apply to the Scheme. Moreover, the Scheme will be subject to the disclosure requirements and practices applicable in the UK to schemes of arrangement, which differ from the disclosure requirements of the US proxy solicitation rules and tender offer rules. Financial information included in the Scheme Document will have been prepared in accordance with accounting standards applicable in the UK that may not be comparable to the accounting standards applicable to financial statements of US companies. If NIS Acquisitions exercises its right to implement the acquisition of the Northgate Shares by way of a takeover offer, the offer will be made in compliance with applicable US securities laws and regulations.

FORWARD LOOKING STATEMENTS

This announcement, including information included or incorporated by reference in this announcement, may contain "forward-looking statements" concerning NIS Acquisitions and Northgate. Generally, the words "will", "may", "should", "continue", "believes", "expects", "intends", "anticipates" or similar expressions identify forward-looking statements. The forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond the companies' abilities to control or estimate precisely, such as future market conditions and the behaviours of other market participants, and therefore undue reliance should not be placed on such statements. NIS Acquisitions and Northgate assume no obligation and do not intend to update these forward-looking statements, except as required pursuant to applicable law.

DEALING DISCLOSURE REQUIREMENTS

Under the provisions of Rule 8.3 of the Takeover Code, if any person is, or becomes, "interested" (directly or indirectly) in 1% or more of any class of "relevant securities" of Northgate, all "dealings" in any "relevant securities" of Northgate, (including by means of an option in respect of, or a derivative referenced to, any such "relevant securities") must be publicly disclosed by no later than 3.30 p.m. (London time) on the London business day following the date of the relevant transaction. This requirement will continue until the date on which the offer becomes, or is declared, unconditional as to acceptances, lapses or is otherwise withdrawn or on which the "offer period" otherwise ends. If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire an

"interest" in "relevant securities" of Northgate, they will be deemed to be a single person for the purpose of Rule 8.3.

Under the provisions of Rule 8.1 of the Takeover Code, all "dealings" in "relevant securities" of Northgate by NIS Acquisitions or Northgate, or by any of their respective "associates", must be disclosed by no later than 12.00 noon (London time) on the London business day following the date of the relevant transaction.

A disclosure table, giving details of the companies in whose "relevant securities" "dealings" should be disclosed, and the number of such securities in issue, can be found on the Takeover Panel's website at www.thetakeoverpanel.org.uk.

"Interests in securities" arise, in summary, when a person has long economic exposure, whether conditional or absolute, to changes in the price of securities. In particular, a person will be treated as having an "interest" by virtue of the ownership or control of securities, or by virtue of any option in respect of, or derivative referenced to, securities.

Terms in quotation marks are defined in the Takeover Code, which can also be found on the Panel's website. If you are in any doubt as to whether or not you are required to disclose a "dealing" under Rule 8, you should, without delay, contact an independent financial adviser authorised under the Financial Services and Markets Act 2000 or consult the Panel via its website at www.thetakeoverpanel.org.uk or contact the Panel on telephone number +44 (0)20 7582 9026; Fax +44 (0)20 7638 1554.

APPENDIX I
TERMS OF AND CONDITIONS TO IMPLEMENTATION OF THE
TRANSACTION AND THE SCHEME

1. The Transaction is conditional upon the Scheme becoming unconditional and becoming effective, subject to the Takeover Code, by not later than 170 days after posting of the Scheme Document or, if NIS Acquisitions has elected to implement the Transaction by way of a takeover offer, the Offer Document or such later date, if any, as NIS Acquisitions and Northgate may agree and the Panel and the Court may allow. The Scheme will be conditional upon:
 - 1.1 approval of the Scheme by a majority in number representing three-fourths or more in value of the holders of Scheme Shares (or the relevant class or classes thereof), present and voting, either in person or by proxy, at the Court Meeting or at any adjournment of that meeting;
 - 1.2 all resolutions required to implement the Scheme being passed by the requisite majority at the Extraordinary General Meeting or any adjournment of that meeting and not subsequently revoked;
 - 1.3 the sanction of the Scheme by the Court (with or without modification but subject to any modification being on terms acceptable to Northgate and NIS Acquisitions), and an office copy of the First Court Order being delivered for registration with the Registrar of Companies in England and Wales; and
 - 1.4 the confirmation of the Reduction (with or without modification but subject to any modification being on terms acceptable to Northgate and NIS Acquisitions), and an office copy of the Second Court Order and the minute of such reduction attached thereto being filed with, and registered by, the Registrar of Companies in England and Wales.
2. Subject as stated in Condition 3 and to the requirements of the Panel, the Transaction will be conditional upon the following matters, and, accordingly, the First Court Order sanctioning the Scheme will not be delivered to the Registrar of Companies unless such Conditions (as amended as appropriate) have been satisfied or waived:
 - 2.1 the European Commission making or having been deemed to have made a decision, in terms reasonably satisfactory to NIS Acquisitions, that in connection with the proposed acquisition of Northgate by NIS Acquisitions or any member of the NIS Acquisitions Group, or any matter arising there from, it will not: (i) initiate proceedings under Article 6(1)(c) of the Council Regulation (EC) 139/2004 (the "Regulation"); or (ii) make a referral to a competent authority under Article 9(3) of that Regulation;
 - 2.2 in the event that a request under Article 9(2) of the Regulation has been made by a European Union or EFTA state, the European Commission indicating, in terms reasonably satisfactory to NIS Acquisitions, that it does not intend to refer the proposed acquisition, or any aspect of the proposed acquisition, to a competent authority of such state in accordance with Article 9(3) of the Regulation;
 - 2.3 in the event of a referral of the proposed acquisition, or any aspect of the proposed acquisition, to a competent authority of a European Union or EFTA state in accordance

with Article 9(3)(b) of the Regulation, and in the event that NIS Acquisitions waives, in whole or in part, Condition 2.2 in relation to such referral: (i) such competent authority adopting a decision or providing such other indication of its position as shall be reasonably satisfactory to NIS Acquisitions; and (ii) the European Commission taking a decision, in terms reasonably satisfactory to NIS Acquisitions, not to initiate proceedings under Article 6(1)(c) of the Regulation in relation to any part of the proposed acquisition retained by it;

2.4 no government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental, administrative, fiscal or investigative body, court, trade agency, association, institution or any other body or person whatsoever in any jurisdiction (each a "Third Party") having decided to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference, or having required any action to be taken or otherwise having done anything or having enacted, made or proposed any statute, regulation, decision, order or change to published practice and there not continuing to be outstanding any statute, regulation, decision or order which would or might:

2.4.1 make the Transaction, its implementation or the acquisition or proposed acquisition of any shares or other securities in, or control of, Northgate by any member of the NIS Acquisitions Group void, illegal and/or unenforceable under the laws of any jurisdiction, or otherwise directly or indirectly prohibit, or materially restrain, restrict, delay or otherwise interfere with the implementation of, or impose material additional conditions or obligations with respect to, or otherwise materially challenge, interfere with or require amendment of the Transaction or the acquisition of any such shares or securities by any member of the NIS Acquisitions Group;

2.4.2 require, prevent or materially delay the divestiture or materially alter the terms envisaged for any proposed divestiture by any member of the NIS Acquisitions Group or by any member of the Wider Northgate Group of all or any part of its respective businesses, assets or property or impose any limitation on the ability of any of them to conduct their businesses (or any part thereof) or to own any of their assets or properties (or any part thereof);

2.4.3 impose any material limitation on, or result in a material delay in, the ability of any member of the NIS Acquisitions Group directly or indirectly to acquire or hold or to exercise effectively all or any rights of ownership in respect of shares or other securities (or the equivalent) Northgate or on the ability of any member of the Wider Northgate Group or any member of the NIS Acquisitions Group directly or indirectly to hold or exercise effectively any rights of ownership in respect of shares or other securities (or the equivalent) in, or to exercise management control over, any member of the Wider Northgate Group;

2.4.4 require any member of the NIS Acquisitions Group or the Wider Northgate Group to acquire or offer to acquire any shares, other securities (or the equivalent) or interest in any member of the Wider Northgate Group or any

asset owned by any third party (other than in the implementation of the Scheme or the Offer);

- 2.4.5 require, prevent or materially delay a divestiture by any member of the NIS Acquisitions Group of any shares or other securities (or the equivalent) in Northgate.
- 2.4.6 result in any member of the Wider Northgate Group ceasing to be able to carry on business under any name under which it presently carries on business;
- 2.4.7 impose any material limitation on the ability of any member of the NIS Acquisitions Group or any member of the Wider Northgate Group to integrate or co-ordinate all or any part of its business with all or any part of the business of any other member of the NIS Acquisitions Group and/or the Wider Northgate Group; or
- 2.4.8 otherwise affect the business, assets, profits or prospects of any member of the Wider Northgate Group or any member of the NIS Acquisitions Group in a manner which is adverse to and material in the context of the Northgate Group taken as a whole or of the obligations of any members of the NIS Acquisitions Group taken as a whole in connection with the Transaction,

and all applicable waiting and other time periods during which any such Third Party could decide to take, institute, implement or threaten any such action, proceeding, suit, investigation, enquiry or reference or take any other step under the laws of any jurisdiction in respect of the Scheme or the acquisition or proposed acquisition of any Northgate Shares or otherwise intervene having expired, lapsed, or been terminated;

- 2.5 all necessary or appropriate notifications, filings or applications having been made in connection with the Transaction and all necessary waiting periods (including any extensions thereof) under any applicable legislation or regulation of any jurisdiction having expired, lapsed or been terminated (as appropriate) and all statutory and regulatory obligations in any jurisdiction having been complied with and all Authorisations necessary or appropriate in any jurisdiction for or in respect of the Transaction and the acquisition or the proposed acquisition of any shares or other securities in, or control of, Northgate by any member of the NIS Acquisitions Group having been obtained in terms and in a form satisfactory to NIS Acquisitions from all appropriate Third Parties or (without prejudice to the generality of the foregoing) from any person or bodies with whom any member of the Wider Northgate Group or the NIS Acquisitions Group has entered into contractual arrangements and all such Authorisations necessary or appropriate to carry on the business of any member of the Wider Northgate Group in any jurisdiction having been obtained in each case where the direct consequence of a failure to make such notification or filing or to wait for the expiry, lapse or termination of any such waiting period or to comply with such obligation or obtain such Authorisation would have a material adverse effect on the Northgate Group, any member of the NIS Acquisitions Group or the ability of NIS Acquisitions to implement the Transaction (by way of a Scheme or an Offer) and all such Authorisations remaining in full force and effect at the Effective Date and there being no notice or

2.6 except as fairly disclosed in the Acquisition Circular or the Interim Results or, as publicly announced to a Regulatory Information Service by or on behalf of Northgate before the date of this announcement or as fairly disclosed in writing by Northgate to NIS Acquisitions before the date of this announcement, there being no provision of any arrangement, agreement, Authorisation, lease or other instrument to which any member of the Wider Northgate Group is a party or by or to which any such member or any of its assets is or may be bound or be subject or any event or circumstance which, as a consequence of the Transaction or the acquisition or the proposed acquisition by any member of the NIS Acquisitions Group of any shares or other securities in Northgate or because of a change in the control or management of any member of the Wider Northgate Group or otherwise, could or might reasonably be expected to result in, in each case to an extent which is material in the context of the Northgate Group or the Transaction:

- 2.6.1 any monies borrowed by, or any other indebtedness, actual or contingent, of any member of the Wider Northgate Group being or becoming repayable, or capable of being declared repayable, immediately or prior to its or their stated maturity date or repayment date, or the ability of any such member to borrow monies or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;
- 2.6.2 the rights, liabilities, obligations, interests or business of any member of the Wider Northgate Group or any member of the NIS Acquisitions Group under any such arrangement, agreement, licence, permit, lease or instrument or the interests or business of any member of the Wider Northgate Group or any member of the NIS Acquisitions Group in or with any other firm or company or body or person (or any agreement or arrangement relating to any such business or interests) being terminated or adversely modified or affected or any onerous obligation or liability arising or any adverse action being taken thereunder;
- 2.6.3 any member of the Wider Northgate Group ceasing to be able to carry on business under any name under which it presently carries on business;
- 2.6.4 any assets or interests of, or any asset the use of which is enjoyed by, any member of the Wider Northgate Group being or falling to be disposed of or charged or any right arising under which any such asset or interest could be required to be disposed of or charged or could cease to be available to any member of the Wider Northgate Group otherwise than in the ordinary course of business;
- 2.6.5 the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property or assets of any member of the Wider Northgate Group;
- 2.6.6 the value of, or the financial or trading position or prospects of, any member of the Wider Northgate Group being prejudiced or adversely affected;

- 2.6.7 the creation of any liability (actual or contingent) by any member of the Wider Northgate Group; or
 - 2.6.8 any liability of any member of the Wider Northgate Group to make any severance, termination, bonus or other payment to any of its directors or other officers;
- 2.7 except as fairly disclosed in the Acquisition Circular or the Interim Results, as publicly announced to a Regulatory Information Service by or on behalf of Northgate before the date of this announcement or as fairly disclosed in writing by Northgate to NIS Acquisitions prior to the date of this announcement, no member of the Wider Northgate Group having, since 30 April 2007:
- 2.7.1 issued or agreed to issue or authorised or proposed the issue of additional shares of any class, or securities or securities convertible into, or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares or convertible securities or transferred or sold or agreed to transfer or sell or authorised or proposed the transfer or sale of Northgate Shares out of treasury (save, where relevant, as between Northgate and wholly owned subsidiaries of Northgate and save for the issue of Northgate Shares on the exercise of options granted before the date of this announcement in the ordinary course);
 - 2.7.2 recommended, declared, paid or made or proposed to recommend, declare, pay or make any bonus, dividend or other distribution (whether payable in cash or otherwise) other than to Northgate or one of its wholly owned subsidiaries;
 - 2.7.3 merged with or demerged from or acquired any body corporate, partnership or business or acquired or disposed of, or, other than in the ordinary course of business, transferred, mortgaged or charged or created any security interest over, any assets or any right, title or interest in any asset (including shares and trade investments) or authorised, proposed or announced any intention to do so;
 - 2.7.4 made, authorised, proposed or announced an intention to propose any change in its loan capital;
 - 2.7.5 issued, authorised or proposed the issue of any debentures or (save in the ordinary course of business and save as between Northgate and its wholly owned subsidiaries or between such wholly owned subsidiaries) incurred or increased any indebtedness or become subject to any contingent liability;
 - 2.7.6 entered into or varied or authorised, proposed or announced its intention to enter into or vary any contract, transaction, arrangement or commitment (whether in respect of capital expenditure or otherwise) which is of a long term, unusual or onerous nature, or which involves or could involve an obligation of a nature or magnitude which is, in any such case, material in the context of the Northgate Group or which is or is likely to be restrictive on the business of any member of the Wider Northgate Group or the NIS Acquisitions Group;
 - 2.7.7 entered into or varied the terms of any service agreement with any director or senior executive of the Wider Northgate Group;

- 2.7.8 proposed, agreed to provide or modified the terms of any share option scheme, incentive scheme, or other benefit relating to the employment or termination of employment of any employee of the Wider Northgate Group;
 - 2.7.9 implemented or effected, or authorised, proposed or announced its intention to implement or effect, any composition, assignment, reconstruction, amalgamation, commitment, scheme or other transaction or arrangement otherwise than in the ordinary course of business;
 - 2.7.10 purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or, save in respect of the matters mentioned in Condition 2.7.1, made any other change to any part of its share capital;
 - 2.7.11 waived or compromised any claim otherwise than in the ordinary course of business;
 - 2.7.12 made any material alteration to its memorandum or articles of association or other incorporation documents;
 - 2.7.13 taken or proposed any steps, corporate action or had any legal proceedings instituted or threatened against it in relation to the suspension of payments, a moratorium of any indebtedness, its winding up (voluntary or otherwise), dissolution, reorganisation or for the appointment of any administrator, receiver, manager, administrative receiver, trustee or similar officer of all or any of its assets or revenues or any analogous proceedings in any jurisdiction or appointed any analogous person in any jurisdiction or had any such person appointed;
 - 2.7.14 been unable, or admitted in writing that it is unable, to pay its debts or commenced negotiations with one or more of its creditors with a view to rescheduling or restructuring any of its indebtedness, or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business; or
 - 2.7.15 entered into any contract, commitment, agreement or arrangement otherwise than in the ordinary course of business or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced an intention to, or to propose to, effect any of the transactions, matters or events referred to in this Condition;
- 2.8 no member of the Northgate Group nor the trustees of any relevant pension scheme having, since 30 April 2007:
- 2.8.1 made or agreed or consented to any significant change: (i) to the terms of the trust deeds constituting the pension schemes established for the directors or employees (or their dependants) of any member of the Northgate Group, (ii) to the benefits which accrue, (iii) to the pensions which are payable thereunder for all members or any category of members, (iv) to the basis on which qualification for, or accrual or entitlement to, such benefits or pensions are

calculated or determined for all members or any category of members (including with regard to commutation factors where employer agreement is required to change such factors), or (v) to the basis on which the liabilities (including pensions) of such pension schemes are funded (including putting in place, agreeing or consenting to technical provisions, actuarial valuations, statements of funding principles, schedules of contributions and recovery plans pursuant to Part 3 of the Pensions Act 2004);

- 2.8.2 proposed, or agreed or entered into, any significant change in the manner in which the assets of any such pension scheme are invested;
- 2.8.3 taken any corporate action or authorised, proposed or announced an intention to wind-up any such pension scheme; or
- 2.8.4 carried out any act which may lead to the commencement of the winding up of any such pension scheme or which could give rise directly or indirectly to a liability arising out of the operation of sections 38 to 56 (inclusive) of the Pensions Act 2004 in relation to any such pension scheme,

and since 30 April 2007 no action having been taken or proposed by the Pensions Regulator to exercise any of its powers in respect of any relevant pension scheme including its powers pursuant to sections 38 to 56 (inclusive) of the Pensions Act 2004 and sections 7 and 11 of the Pensions Act 1995;

- 2.9 since 30 April 2007, and except as fairly disclosed in the Acquisition Circular or the Interim Results, as publicly announced to a Regulatory Information Service by or on behalf of Northgate or as fairly disclosed in writing by Northgate to NIS Acquisitions in each case before the date of this announcement:

- 2.9.1 there having been no adverse change in the business, assets, financial or trading position or profits or prospects or operational performance of any member of the Wider Northgate Group to an extent which is material to the Northgate Group taken as a whole;
- 2.9.2 no litigation, arbitration proceedings, prosecution or other legal proceedings having been threatened, announced or instituted by or against or remaining outstanding against any member of the Wider Northgate Group or to which any member of the Wider Northgate Group is or may become a party (whether as claimant or defendant or otherwise) and no enquiry or investigation by, or complaint or reference to, any Third Party against or in respect of any member of the Wider Northgate Group having been threatened, announced or instituted by or against, or remaining outstanding in respect of, any member of the Wider Northgate Group which, in any such case, might be expected materially and adversely to affect the Northgate Group taken as a whole;
- 2.9.3 no contingent or other liability having arisen or become known to NIS Acquisitions which might be likely adversely to affect the business, assets, financial or trading position or profits or prospects of any member of the Wider

Northgate Group to an extent which is material to the Northgate Group taken as a whole; and

- 2.9.4 no steps having been taken and no omissions having been made which are likely to result in the withdrawal, cancellation, termination or modification of any Authorisation held by any member of the Wider Northgate Group, which is necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or modification of which is material in the context of the Northgate Group taken as a whole;
- 2.10 since 30 April 2007, and except as fairly disclosed in the Acquisition Circular or the Interim Results, as publicly announced to a Regulatory Information Service by or on behalf of Northgate or as fairly disclosed in writing by Northgate to NIS Acquisitions in each case before the date of this announcement, NIS Acquisitions not having discovered:
 - 2.10.1 that any financial, business or other information concerning the Wider Northgate Group publicly disclosed or disclosed to any member of the NIS Acquisitions Group at any time by or on behalf of any member of the Wider Northgate Group which is material in the context of the acquisition of Northgate by any member of the NIS Acquisitions Group is misleading to a material extent, contains a material misrepresentation of fact or omits to state a fact necessary to make that information not misleading to a material extent;
 - 2.10.2 that any member of the Wider Northgate Group is subject to any liability, contingent or otherwise, which is not disclosed in the Acquisition Circular, and which is material in the context of the Northgate Group; or
 - 2.10.3 any information which affects the import of any information disclosed to NIS Acquisitions at any time by or on behalf of any member of the Wider Northgate Group which is material in the context of the Northgate Group.
3. Save with the consent of the Panel, the Transaction will lapse and the Scheme will not proceed if, before the date of the Meetings (or in the case of an Offer, the first closing date of the Offer or when the Offer becomes or is declared unconditional as to acceptances, whichever is the later) the European Commission either initiates proceedings under Article 6(1)(c) of the Regulation or makes a referral to a competent authority of the United Kingdom under Article 9(3)(b) of the Regulation and there is a subsequent reference to the UK Competition Commission.
4. If NIS Acquisitions is required by the Panel to make an offer for Northgate Shares under the provisions of Rule 9 of the Takeover Code, NIS Acquisitions may make such alterations to the terms and conditions of the offer as are necessary to comply with the provisions of that rule, and such offer shall be subject to the terms and conditions as so amended.
5. The Scheme will be governed by English law. The Transaction will be on, and subject to, the further terms set out in the Scheme Document or the Offer Document (as the case may be). The Scheme will be subject to the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange and the UK Listing Authority.

APPENDIX II
BASES AND SOURCES

1. The value of £593 million attributed to the fully diluted share capital of Northgate is based upon the 582,447,418 Northgate Shares in issue and the 65,414,838 Northgate Shares which may be issued as a result of the exercise of options and awards granted under the Northgate Share Schemes, and is stated net of shares held by the Northgate ESOP Trust and net of cash proceeds from the exercise of options. For the purposes of this announcement only, it is assumed that all options and awards to subscribe for new Northgate Shares granted under the Northgate Share Schemes will become fully vested and exercisable as a result of the Transaction.
2. Unless otherwise stated, the financial information on Northgate is extracted from Northgate's interim financial results for the six months ended 31 October 2007.
3. Unless otherwise stated, all prices for Northgate Shares have been derived from the Daily Official List of the London Stock Exchange plc and represent closing middle market prices on the relevant date.
4. The average Closing Price per Northgate Share of 67.6 pence for the month ended 11 December 2007 is derived from data provided by DataStream.
5. The Closing Price per Northgate Share of 63.75 pence for 20 December 2007 is derived from Bloomberg.

APPENDIX III
DETAILS OF IRREVOCABLE UNDERTAKINGS

The following persons, all of whom are directors of Northgate, have given irrevocable undertakings to NIS Holdings No. 5 Limited (the parent company of NIS Acquisitions) as described in paragraph 4 of this announcement in respect of the number of shares set out below (and any further shares acquired by them prior to the completion of the Transaction):

Name	Number of Northgate Shares
M S Aldis	293,558
D C Hodgson	-
J R Fryer	308,000
Sir S J Lander	91,679
R W Mackintosh	100,000
D J Meaden	92,295
A M Robb	50,000
J Sluys	-
J N Starritt	46,683
J R Stier	121,495
C M R Stone	556,521

These irrevocable undertakings will continue to be binding on such persons even in the event that a third party makes a higher competing offer.

APPENDIX IV DEFINITIONS

The following definitions apply throughout this announcement unless the context otherwise requires:

"Acquisition Circular"	the circular of Northgate dated 30 May 2007 in connection with the proposed acquisition of ARINSO International NV
"Authorisations"	authorisations, orders, grants, recognitions, confirmations, consents, licences, clearances, certificates, permissions or approvals
"Business Day"	a day (excluding Saturdays, Sundays and public holidays in England and Wales) on which banks generally are open for business in the City of London
"Closing Price"	the closing middle market quotation of a Northgate Share as derived from the Daily Official List or the London Stock Exchange's website
"Conditions"	the terms and conditions to the implementation of the Transaction set out in Appendix I
"Court"	the High Court of Justice in England and Wales
"Court Meeting"	the meeting (including any adjournment thereof) of the Northgate Shareholders (or the relevant class or classes thereof) convened by order of the Court under section 425 of the Companies Act 1985 to consider and vote on the Scheme
"Court Order(s)"	the First Court Order and/or the Second Court Order, as the case may be
"CREST"	the relevant system (as defined in the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755)) in respect of which CRESTCo Limited is the Operator (as defined in such Regulations)
"Directors" or "Board"	the directors or the board of directors of the relevant entity
"Effective Date"	the date on which the Scheme becomes effective in accordance with its terms
"EGM"	the extraordinary general meeting of Northgate Shareholders (including any adjournment thereof) to be convened in connection with the Transaction
"First Court Hearing"	the Court hearing to sanction the Scheme
"First Court Order"	the order of the Court, to be granted at the First Court Hearing, sanctioning the Scheme under section 425 of the Companies Act 1985
"FSA"	the Financial Services Authority
"Implementation Agreement"	the agreement dated 21 December 2007 between NIS Acquisitions and Northgate

"Interim Results"	the interim results of Northgate for the six months ended on 31 October 2007 which were announced on 10 December 2007
"Kohlberg Kravis Roberts"	Kohlberg Kravis Roberts & Co. L.P
"Meetings"	the Court Meeting and the EGM
"NIS Acquisitions"	NIS Acquisitions Limited, a private limited company incorporated under the laws of England and Wales with registered number 6442578
"NIS Acquisitions Group"	NIS Acquisitions, its subsidiaries and subsidiary undertakings
"Northgate"	Northgate Information Solutions plc
"Northgate Group"	Northgate, its subsidiaries and subsidiary undertakings
"Northgate Shareholders" or "Shareholders"	holders of Northgate Shares
"Northgate Share Schemes"	the Northgate Information Solutions plc Executive Share Option Scheme 1994, The Northgate Information Solutions plc Share Appreciation Rights Plan 1994, the Northgate Information Solutions plc Executive Share Option Scheme 1999, the Northgate Information Solutions plc Share Incentive Plan 2004 and the Northgate 2006 Performance Share Plan
"Northgate Shares"	ordinary shares of 10 pence each in the capital of Northgate
"Offer"	if NIS Acquisitions so elects, the acquisition of the entire issued and to be issued ordinary share capital of Northgate by way of a takeover offer
"Offer Document"	the document which would be despatched to Northgate Shareholders, amongst others, if NIS Acquisitions elects to implement the Transaction by means of a takeover offer together with any form of acceptance
"Panel"	the Panel on Takeovers and Mergers
"Reduction"	the proposed reduction of capital under section 137 of the Companies Act 1985 provided for by the Scheme
"Regulations"	the Uncertificated Securities Regulations 2001
"Regulatory Information Service"	an information dissemination provider approved by the FSA and whose name is set out in a list maintained by the FSA
"Rothschild"	N.M. Rothschild & Sons Ltd
"Scheme" or "Scheme of Arrangement"	the scheme of arrangement under section 425 of the Companies Act 1985 to be proposed by Northgate to the Northgate Shareholders in connection with the Transaction, with or subject to any modification, addition or condition approved or imposed by the Court and agreed by Northgate and NIS Acquisitions

"Scheme Document"	the document to be addressed to, amongst others, Northgate Shareholders containing, among other things, the Scheme, the notices of the Meetings and proxy forms in respect of the Court Meetings and any other document required in connection with the Transaction
"Scheme Shareholders"	holders of Scheme Shares
"Scheme Shares"	<p>the Northgate Shares:</p> <p>(a) in issue at the date of the Scheme;</p> <p>(b) (if any) issued after the date of the Scheme and prior to the voting record time in respect of the Court Meeting; and</p> <p>(c) (if any) issued on or after the voting record time in respect of the Court Meeting and prior to the record time for the Reduction in respect of which the original or any subsequent holders thereof are bound by the Scheme or in respect of which the holder thereof shall have agreed in writing to be bound by the Scheme,</p> <p>in each case other than any Northgate Shares held by NIS Acquisitions</p>
"Second Court Hearing"	the hearing by the Court to confirm the Reduction
"Second Court Order"	the order of the Court, to be granted at the Second Court Hearing, confirming the Reduction
"Special Resolution"	the special resolution to approve, amongst other things, the cancellation of the entire issued share capital of Northgate, the alteration of Northgate's articles of association and such other matters as may be necessary to implement the Scheme and the delisting of Northgate Shares
"Takeover Code"	the Takeover Code issued by the Panel from time to time
"Transaction"	the proposed acquisition of the entire issued and to be issued ordinary share capital of Northgate by NIS Acquisitions on the terms described in this announcement (or any subsequent revision or variation of such terms) to be effected by way of the Scheme or, should NIS Acquisitions so elect, by way of a takeover offer
"UK" or "United Kingdom"	the United Kingdom of Great Britain and Northern Ireland
"US" or "United States"	The United States of America, its territories and possessions, any state or political subdivision of the United States of America and the District of Columbia
"US Holder"	Northgate Shareholders who are, or who appear (at any time) to NIS Acquisitions to be resident in the United States;
"Wider Northgate Group"	the Northgate Group and associated undertakings of Northgate and any other body corporate, partnership, joint venture or person in which Northgate and such undertakings (aggregating their interests) have an interest of more than 20 per cent. of the

voting or equity capital or the equivalent

"£" or "Sterling "

pounds sterling, or the lawful currency of the UK from time to time

"\$" or "US Dollars "

the lawful currency of the United States from time to time.

All references to time in this announcement are to London time unless otherwise stated.