

Fayrewood PLC  
08 May 2008

Fayrewood plc  
End of Offer Period and Trading Update

Fayrewood plc ("Fayrewood" or "the Company"), (AIM:FWY) announced on 30 November 2007 that it was in discussions which may or may not lead to an offer being made for the entire issued share capital of the Company. On 17 December 2007, the Company announced that these discussions were being held with North Atlantic Value LLP. Fayrewood now announces that these discussions have been terminated.

As at 30 April 2008, the Board estimates that Fayrewood's net assets were £36.9 million of which approximately £32.2 million is represented by cash. Of this cash balance, €6m is held by Barclays Bank plc as security for a bank guarantee they have provided to Esprinet SpA, the purchaser of UMD SA. to cover certain warranties and indemnities provided by Fayrewood in relation to the sale of that business. £5m is held in a blocked deposit account as security for stock provided to Interface Solutions by IBM Global Finance and a further £1.3m is on deposit with Barclays Bank plc, as security for Interface's bank facilities. All other cash balances are unencumbered.

Following the termination of discussions, the Board proposes to continue exploring methods of returning the maximum amount of capital to shareholders in the most tax efficient, timely and cost effective manner that is practical.

Trading at Interface Solutions, Fayrewood's only trading business, continues to improve under the direction of Keith Negal who was appointed Managing Director in January 2007 and whilst it is still very early in the year, the Board expects the results for that business to be in line with their expectations.