

RNS Number : 0781N
Fayrewood PLC
10 February 2009

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Fayrewood Plc

('Fayrewood' or the 'Company')

RECOMMENDED OFFER BY LETCHWORTH INVESTMENTS LIMITED FOR FAYREWOOD PLC

Result of First Court Hearing and Take up under Part Share Alternative

The Company is pleased to announce that today, at the first of two Court Hearings required as part of the Scheme, details of which were announced yesterday, the Court confirmed the Capital Reduction and sanctioned the Scheme. The Court Order made at the Court will be delivered to the Registrar of Companies tomorrow.

The second Court Hearing to confirm the reduction of capital associated with the cancellation and extinguishing of the Scheme Shares will take place on 12 February.

The Scheme is expected to become effective on 12 February 2009 and the cancellation of admission to trading of the Scheme Shares on AIM is expected to take place at 8.00 a.m. on 13 February 2009.

CREST accounts will be credited, or cheques will be posted, in respect of the cash consideration to which Scheme Shareholders are entitled under the Scheme on 25 February 2009.

The Company also announces that, following the closing time for elections for the Part Share Alternative on Friday 6 February 2009, elections have been received in respect of 10,492,127 Scheme Shares for the Part Share Alternative representing 45.11% of the total number of Scheme Shares.

Unless the context otherwise requires, terms defined in the announcement dated 10 December 2008 have the same meaning in this announcement.

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Copies of the Scheme Document will be available on the investor relations section of the Fayrewood website www.fayrewood.co.uk from 15 December 2008.

KBC Peel Hunt, which is authorised and regulated in the United Kingdom for the conduct of investment business by the Financial Services Authority, is acting exclusively for Fayrewood (and for Letchworth solely in connection with the Guidance Letter) and no one else in connection with the matters described in this announcement and will not be responsible to anyone other than Fayrewood (or as appropriate, Letchworth)

for providing the protections afforded to clients of KBC Peel Hunt nor for providing advice in relation to the matters described in this announcement.

This announcement is not intended to, and does not constitute or form any part of, an offer or invitation to sell or subscribe for or purchase any securities or solicitation of any vote or approval in any jurisdiction pursuant to the Transaction or otherwise. The Transaction will be made 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 of or other response to the Transaction should be made only on the basis of the information contained in the Scheme Document. Fayrewood Shareholders are advised to read the Scheme Document carefully, once it has been dispatched.

Notice to Overseas Persons

The availability of the Transaction to Fayrewood Shareholders who are not resident in the United Kingdom may be affected by the laws of relevant jurisdictions. Fayrewood Shareholders who are not resident in the United Kingdom will need to inform themselves about and observe any applicable requirements.

The Transaction will be subject to the applicable rules and regulations of the London Stock Exchange and the City Code.

This communication shall not constitute an offer to sell or the solicitation of an offer to buy securities, or the solicitation of any vote or approval, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

Dealing Disclosure Requirements

Under the provisions of Rule 8.3 of the City Code, if any person is, or becomes, 'interested' (directly or indirectly) in 1 per cent. or more of any class of 'relevant securities' of Letchworth or of Fayrewood, all 'dealings' in any 'relevant securities' of that company (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 Business Day following the date of the relevant transaction. This requirement will continue until the date on which the Scheme becomes effective, the Transaction 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 Letchworth or Fayrewood, 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 City Code, all 'dealings' in 'relevant securities' of Letchworth or of Fayrewood by Letchworth or Fayrewood, or by any of their respective 'associates', must be disclosed by no later than 12.00 noon (London time) on the 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 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 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 City 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 consult the Panel.

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