

ANNOUNCEMENT BY HARTEST HOLDINGS PLC
(‘Hartest’, the ‘Group’ or the ‘Company’)

22 February 2010

Termination of Offer Period

The Board of Hartest Holdings Plc notes the announcement by Delta Controls Limited (“Delta”) that Delta does not intend to make an offer for Hartest.

This draws to a conclusion a period of nearly 8 months in which the Company has been subject to bid speculation and endured the effects of being in such a position.

The indicative offer price, payable in cash, that had been proposed by Delta reached 68.33 pence per share (after the interim dividend already declared by Hartest); the Hartest Board felt this price would offer shareholders an opportunity to exit at a reasonable value which they might not otherwise have been accorded through normal trading on AIM. Therefore, whilst the possibility of an offer at this level was maintained and Delta’s claimed ability and willingness to finance such an offer continued to exist, the Board of Hartest was prepared to continue discussions and extend the “put up or shut up” deadline imposed by the Takeover Panel.

Peter Gyllenhammar (Bronsstadet Group), Hartest’s largest shareholder (29.95%), has from the outset clearly expressed to the Board of Hartest that he was not willing to accept the proposed offer from Delta at the indicated price as he did not believe it reflected the company’s true value. Delta was aware of Mr Gyllenhammar’s position during the Offer Period.

Whilst the Directors of Hartest are disappointed that the significant investment of time and expense by the Company in this process will not result in shareholders being given the opportunity to consider an offer, they are pleased that their attention can now be focussed solely on the operations of the business.

Trading Update

In the interim results to 30 September 2009, announced on 10 December 2009, it was noted that profitability in the first half of the year had proved to be better than expected and at that point the trend had continued across Group operations. Subsequently, the Group has continued to trade very profitably, supported by strong cash flow, and the Company’s financial position is sound.

The Group typically experiences a significant bias in trading and performance levels in the second half of the financial year, and it anticipates that this traditional second half weighting will repeat itself in the current period to 31 March 2010, augmented by the additional profitability gained earlier in the year.

The Company expects to announce its preliminary results for the year ended 31 March 2010 by mid June 2010.

Geoff Spink, Chairman and Chief Executive of Hartest, said

“Naturally, we regret that the effort and cost we expended with various interested parties since the commencement of the Offer Period in July 2009 has not resulted in the presentation of a cash offer to shareholders which might have provided an opportunity for them to realise value in a currently illiquid market.

It should be noted that the approaches were all unsolicited, and in spite of the inconvenience created by the Offer Period, the Group continues to enjoy good and improving profitability and growth, supported by strong cash flow. We look forward to generating increasing shareholder value going forward. Shareholders will also note that the Board was able to resume dividend payments at the time of the recent interim announcement.”