

Regulatory Announcement

Company Accsys Technologies PLC
TIDM AXS
Headline PROPOSED FUNDRAISING AND INTERIM
MANAGEMENT STATEMENT
Released 4th February 2011
Number 6887A07



This announcement is not for distribution, directly or indirectly, in or into the United States, Australia, Canada, Japan or South Africa.

AIM: AXS
NYSE Euronext Amsterdam: AXS

4th February 2011

ACCSYS TECHNOLOGIES PLC
(“Accsys” or “the Company”)

PROPOSED FUNDRAISING AND INTERIM MANAGEMENT STATEMENT

Proposed Firm Placing and Placing and Open Offer

- Accsys Technologies today announces a fundraising to raise gross proceeds of €30 million by way of a Firm Placing and Placing and Open Offer, which has been underwritten by Numis who are also acting as Joint Broker to the Company alongside Matrix.
- The Firm Placing and Placing and Open Offer will comprise a total of 200,000,000 New Ordinary Shares at a price of €0.15 per New Ordinary Share, representing a 58.9 per cent. discount to the Closing Price of €0.365 per Existing Ordinary Share on 3 February 2011.
- 99,698,736 New Ordinary Shares will be issued through the Firm Placing and 100,301,264 New Ordinary Shares will be issued through the Placing and Open Offer.
- The Prospectus is expected to be published later today and, when published, copies can be obtained by contacting Accsys on +44 (0)208 150 8835 or by email at info@accsysplc.com and also from the registered office of Accsys at Kensington Centre, 66 Hammersmith Road, London W14 8UD and the offices of ABN AMRO Bank N.V. at Gustav Mahlerlaan 10, 1000 EA Amsterdam, The Netherlands. The Prospectus will also be available on the Company's corporate website (www.accsysplc.com/investor_governance.asp) and through the website of Euronext Amsterdam (Dutch residents only) at no cost.
- The Group's growth strategy is to continue to pursue licensing opportunities but also to focus on increasing the Company's own Accoya[®] sale and production capability in order to realise the potential benefits resulting from the expected increase in the demand for Accoya[®].
- Net proceeds of the Firm Placing and Placing and Open Offer will be used to meet the short-term working capital requirements and on-going operating costs of the Group and to meet the costs of construction relating to the expansion of the Arnhem plant.
- As this additional capacity is utilised, it is expected that the Group will move to a position of sustained profitability without any contribution from licence income being required.

Interim Management Statement

- In the three month period to 31 December 2010, Accsys has continued to see increasing demand for Accoya® while building on the process improvements achieved over the course of the previous year.
- During the period, underlying demand for Accoya® wood has continued with Accoya® wood revenues (excluding sales to Diamond Wood) increasing by 67% from €1.4m to €2.4m compared to the same quarter in the previous year.
- Continued expansion of distribution network and new licensing opportunities:
 - Three new distribution agreements signed, including the first in Chile, Australia, Belgium and Luxembourg;
 - Option agreement signed with a major multinational corporation for a licence to build an Accoya® production plant in Europe together with the rights to sell Accoya® in a number of European countries.
- Further progress has also been made in the period with our Tricoya® joint development partner, Medite Europe Limited. We are confident that the joint development work will result in a decision to move forward with Tricoya®.
- Continued focus on operational disciplines with a further 13% reduction in other operating costs in the quarter compared to the same quarter in the previous year.

Paul Clegg, CEO of Accsys, commented:

“The Firm Placing and Placing and Open Offer that is being launched today will provide us with the necessary funds for short term working capital requirements and ongoing operating costs. It will also allow us to expand our Arnhem production facility to keep pace with growing demand for Accoya® from around the world and an expectation of orders at significantly larger volumes than seen in the past. This growing demand is reflected by the recent signing of three new distribution agreements, including the first in each of Chile, Australia, Belgium and Luxembourg making a total of 24 distribution, supply or agency agreements.

Whilst the Group’s growth strategy is to focus on increasing revenues from Accoya® we continue to pursue licensing opportunities which the Board believes will provide long-term profitability. The continued efforts of our business development team in furthering licensing agreements, including the signing of an option agreement, demonstrates Accsys’ progression towards this long term goal. The money raised by the Firm Placing and Placing and Open Offer launched today will leave us well placed to meet our goals and to secure the future success of the Company.”

For further information, please contact:

Accsys Technologies PLC	Paul Clegg, CEO Hans Pauli, CFO	via Citigate Dewe Rogerson
Matrix Corporate Capital LLP	Stephen Mischler Nick Stone Edmund Glover	+44 20 3206 7000
Numis Securities Limited	Christopher Wilkinson Simon Blank	+44 20 7260 1347 +44 20 7260 1409

Citigate Dewe Rogerson

Ginny Pulbrook

+44 20 7282 2945

Malcolm Robertson

+44 20 7282 2867

Suzanne Bakker

+31 20 575 4023

Notes to Editors:

Accsys Technologies PLC (www.accsysplc.com) is an environmental science and technology company whose primary focus is on the production of Accoya® wood and technology licensing via its 100% owned subsidiary, Titan Wood Limited, which has manufacturing operations in Arnhem, the Netherlands, a European office in London and an Americas office in Dallas, Texas. Accsys Technologies' operations comprise three principal business units: (i) the Accoya® wood production facility located in Arnhem, The Netherlands; (ii) technology development, focused on a programme of continuous improvements to the process engineering and operating protocols for the acetylation of wood which are currently under development and the development of technology for the acetylation of wood fibre; and (iii) the licensing of technology for the production of Accoya® wood and Tricoya® wood elements across the globe.

Accoya® Wood (www.accoya.info) is produced by using a proprietary, non-toxic process that effectively converts sustainably grown softwoods and non-durable hardwoods into what is best described as a "high technology wood" via acetylation. Distinguished by its durability, dimensional stability and, perhaps most importantly of all, its reliability (in terms of consistency of both supply and quality), Accoya® wood is particularly suited to exterior applications where performance and appearance are valued. Unlike most woods, its colour does not degrade when exposed to sunlight. Moreover, the Accoya® wood production process does not compromise the wood's strength or machinability. The combination of UV resistance, dimensional stability, increased coatings life, durability and retained strength means that Accoya® wood offers a wealth of new opportunities to architects, designers and specifiers. Leading applications include external doors and windows, shutters/shading, siding and cladding, decking, outdoor furniture/equipment and glulam beams for structural use.

Tricoya® Wood Elements (www.tricoya.com) is Accsys Technologies' proprietary technology for the acetylation of wood fibres, chips, and particles for use in the fabrication of wood based composites, including panel products. These composites demonstrate enhanced durability and dimensional stability which allow them to be used in a variety of applications which were once limited to solid wood or man-made products. Tricoya® Wood Elements is lauded as the first major innovation in the wood composites industry in more than 30 years.

Wood Acetylation is a process, which increases the amount of 'acetyl' molecules in wood, thereby changing its physical properties. The environmentally responsible process protects wood from rot by making it "inedible" to most micro-organisms and insects, without - unlike conventional treatments - making it toxic. It also greatly reduces the wood's tendency to swell and shrink, making it less prone to cracking and ensuring that, when painted, it requires dramatically reduced maintenance. Acetylated wood's increased durability offers major carbon sequestration advantages, compared to other woods and man-made building materials such as steel, vinyl, and plastic.

Wood Composites include a range of derivative wood products which are manufactured by binding together the strands, particles, fibres, or veneers of wood together with adhesives to form composite materials. These products are engineered to precise design specifications which are tested to meet national or international standards.

Accsys Technologies is the trading name of Titan Wood Limited. ACCOYA®, TRICOYA® and the Trimarque Device are registered trademarks owned by Titan Wood Limited and may not be used or reproduced without written permission.

Matrix, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting exclusively for Accsys and no one else in connection with the Firm Placing and Placing and Open Offer and will not regard any other person (whether or not a recipient of the Prospectus) as its client in relation to the Firm Placing and Placing and Open Offer and will not be responsible to anyone other than Accsys for providing the protections afforded to its clients or for providing advice in connection with the Firm Placing and Placing and Open Offer or any other matter referred to herein.

Numis, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting exclusively for Accsys and no one else in connection with the Firm Placing and Placing and Open Offer and will not regard any other person (whether or not a recipient of the Prospectus) as its client in relation to the Firm Placing and Placing and Open Offer and will not be responsible to anyone other than Accsys for providing the protections afforded to its clients or for providing advice in connection with the Firm Placing and Placing and Open Offer or any other matter referred to herein.

IMPORTANT NOTICE:

This announcement does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any New Ordinary Shares, nor shall it (or any part of it), or the fact of its distribution, form the basis of, or be relied on in connection with or act as any inducement to enter into, any contract or commitment whatsoever with respect to the proposed Firm Placing and Placing and Open Offer or otherwise. This announcement is not a prospectus and investors should not subscribe for or purchase any New Ordinary Shares referred to in this announcement. Any offer to acquire New Ordinary Shares referred to in this announcement will be made, and any investor should make his investment, solely on the basis of information in the Prospectus expected to be published and made generally available in the United Kingdom and The Netherlands today. When made generally available, copies of the prospectus may be obtained at no cost through the Company's corporate website (www.accsysplc.com/investor_governance.asp) and through the website of Euronext Amsterdam N.V. (Dutch residents only).

The distribution of this announcement and/or the transfer of the New Ordinary Shares in or into jurisdictions other than the United Kingdom and the Netherlands may be restricted by law and therefore persons into whose possession this announcement comes should inform themselves about and observe such restrictions. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdiction. In particular, this announcement should not be distributed, forwarded to, or transmitted in or into the United States, Australia, Canada, Japan or the Republic of South Africa.

The New Ordinary Shares referred to in this announcement will not be offered in or into any jurisdiction unless such an offer can be made without contravention of any unfulfilled registration or other legal or regulatory requirements. The New Ordinary Shares have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction in the United States and may not be offered or sold in the United States absent registration or an exemption from registration. The New Ordinary Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission or other regulatory authority, nor have the foregoing authorities passed upon or endorsed the merits of the Firm Placing and Placing and Open Offer or the accuracy or adequacy of the information contained in this announcement or any other document. Any representation to the contrary is unlawful and is a criminal offence in the United States.

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS:

This announcement includes certain "forward-looking statements" with respect to the business, strategy and plans of the Company and its current goals and expectations relating to its future

financial condition and performance. Statements that are not historical facts, including statements about the Company's or the Directors' and/or management's beliefs and expectations are forward-looking statements. Words such as "believes", "anticipates", "estimates", "expects", "intends", "aims", "potential", "will", "would", "could", "considered", "likely", "estimate" and variations of these words and similar future or conditional expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend upon circumstances that will occur in the future. A number of important factors could cause actual results or outcomes to differ materially from those expressed in any forward-looking statements. These factors include, but are not limited to, those discussed in the Prospectus. Neither Accsys nor any member of the Accsys Group undertake any obligation publicly to update or revise any of the forward-looking statements, whether as a result of new information, future events or otherwise, save in respect of any requirement under applicable laws, the Dutch Financial Supervision Act (wet op het financieel toezicht), the Prospectus Rules, the Disclosure and Transparency Rules and other applicable regulations.

Appendix I contains an expected timetable of principal events.

Appendix II contains the definitions of certain terms used in this announcement.

This summary should be read in conjunction with the full text of the following announcement.

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES, CANADA, AUSTRALIA, JAPAN OR SOUTH AFRICA.

INTRODUCTION

Accsys today announces a share issue to raise gross proceeds of €30 million (approximately €28 million net of expenses) by way of a Firm Placing and Placing and Open Offer. Under the Firm Placing and Placing and Open Offer the Board is proposing to issue a total of 200,000,000 New Ordinary Shares at a price of €0.15 per New Ordinary Share, representing a 58.9 per cent. discount to the Closing Price of €0.365 per Existing Ordinary Share on 3 February 2011 (being the last Business Day prior to the date of the announcement of the Firm Placing and Placing and Open Offer). It is intended that 99,698,736 New Ordinary Shares will be issued through the Firm Placing and 100,301,264 New Ordinary Shares will be issued through the Placing and Open Offer.

The net proceeds of the Firm Placing and Placing and Open Offer will be used to meet the short-term working capital requirements and on-going operating costs of the Group and to meet the costs of construction relating to the expansion of the Arnhem plant.

BACKGROUND TO AND REASONS FOR THE FIRM PLACING AND PLACING AND OPEN OFFER

The Board believes that Accsys's long-term profitability will be determined by its ability to license the Group's technology. However, the timing of income generated from both existing and new licensees remains uncertain and demand for Accoya[®] continues to rise. Accordingly, the Board's strategy is to continue to pursue licensing opportunities but also to focus on increasing the Company's own Accoya[®] sale and production capability in order to realise the potential benefits resulting from the expected increase in the demand for Accoya[®]. Therefore, the Company is planning to expand its Arnhem plant and the Group requires further capital to fund this expansion.

The Group also requires further capital to fund its short-term working capital requirements and on-going operating costs. As at 2 February 2011, being the latest practicable date prior to publication of the Prospectus, the Group had cash balances of approximately €2.0 million.

The Directors' expect that the demand for Accoya[®] will increase over the next few years at a rate which means that the existing Arnhem plant will be near its capacity in two years' time. This is based on recent discussions the Company has had with potential new customers and distributors who have expressed interest in placing orders at significantly larger volumes than in the past, together with an expected increase in sales volumes from existing customers and distributors. This is consistent with recent Accoya[®] sales volumes, which increased by 93% in the six months to 30 September 2010 compared with the same period the previous year.

To meet the expected increase in demand for Accoya[®], the Board proposes to increase capacity at the Company's plant at Arnhem by some 50%. As this additional capacity is utilised, it is expected that the Group will move to a position of sustained profitability without any contribution from licence income being required.

The Company seeks to ensure that its strategy regarding its own production and sale of Accoya[®] is co-ordinated and aligned with its strategy of licensing the Group's proprietary acetylation technology and works with, and will continue to work with, its current and future licensees in order to achieve this objective.

In addition to the Firm Placing and Placing and Open Offer, the Company is actively pursuing a number of other commercial arrangements with a view to strengthening the Company's cash flow position over the longer term.

USE OF PROCEEDS

The net proceeds of the Firm Placing and Placing and Open Offer will be used to meet the short-term working capital requirements and on-going operating costs of the Group and to meet the costs of construction relating to the expansion of the Arnhem plant.

The Group's short-term working capital requirements, comprising payments for future wood supplies and payments to trade creditors, amount to approximately €2 million. The Group's on-going operating costs over the next twelve months amount to approximately €11 million. The on-going operating costs include research and development of approximately €1 million (including new products and applications and new technology applicable to other wood species), sales and marketing costs of approximately €3 million, administrative expenses of approximately €5 million and other operating costs of approximately €2 million, all of which are considered important to the operation of the Arnhem plant, to increasing sales volumes and to securing the right business development opportunities to generate profits in the longer term.

The balance of the proceeds of €15 million will be used to meet the costs of construction relating to the expansion of the Arnhem plant.

The planned expansion of the Arnhem plant involves the addition of a third reactor which, together with on-going process improvements, is expected to increase effective production capacity to approximately 52,500m³ of Accoya[®] per annum (with a theoretical capacity of 60,000m³). The capital expenditure associated with this expansion, which includes new storage facilities and the optimisation of wood handling capabilities, is expected to be approximately €15 million. This includes approximately €3 million for new storage facilities and improvements to wood handling facilities and approximately €12 million for the third reactor. The expanded plant is likely to be fully operational approximately 18 months after commencing detailed planning.

In summary, therefore, the net proceeds of €28 million will be used as follows:

Cost Type	€ million
Short term working capital requirements	2
Ongoing operating costs	
Research & development	1
Sales & marketing	3
Administrative expenses	5
Other operating costs	2
Expansion of Plant	
New storage facilities & improvements to wood handling facilities	3
Third reactor	12
	28

INTERIM MANAGEMENT STATEMENT

Since 30 September 2010, Accsys has continued to see increasing demand for Accoya[®] while building on the process improvements achieved over the course of the previous year.

Excluding the sale of Accoya[®] to Diamond Wood, total Accoya[®] revenues increased by 67% from €1.4 million to €2.4 million in the quarter from 30 September to 31 December 2010 compared with the same quarter of the previous year. Total revenue for the three months to 31 December 2010 was €2.5 million, a decrease of 39% from €4.1 million in the same quarter of the previous year. The equivalent quarter in the previous year included licence income of €1.3 million and sales of Accoya[®] to Diamond Wood of €1.1 million, which were not repeated in the current year. Diamond Wood has postponed existing orders for Accoya[®] until later in 2011 when it expects to have completed its

fundraising which it had previously announced, on 18 October 2010, would be complete by the end of 2010.

The Company continues to be pleased by the increasing demand for Accoya® across the globe which has also been reflected by the signing of three new distribution agreements, including the first in each of Chile, Australia, Belgium and Luxembourg making a total of 24 distribution, supply or agency agreements.

Further progress has also been made in the period with our Tricoya® joint development partner, Medite Europe Limited. We are confident that the joint development work will result in a decision to move forward with Tricoya®.

Accsys has continued to seek further improvements and efficiencies in the production process, which enabled the Company to build up inventory levels ahead of a planned plant maintenance closure in October 2010. Subsequent to this, and in light of the delayed orders described above, production levels have recently been reduced and inventory levels are being unwound, which is expected to continue in the final quarter of the 2010/2011 financial year.

Other operating costs have continued to reduce following the restructuring exercise carried out over the previous year. At 31 December 2010, the Group's total headcount (including contractors) was 105, an 8% reduction from 30 September 2010 and a 29% reduction from the peak of 147 in March 2009. This, together with other savings and improvements, resulted in a reduction in operating costs in the quarter by 13% compared with last year.

Cash balances decreased from €6.6 million at 30 September 2010 to €2.2 million as at 31 December 2010. As at 2 February 2011, being the latest practicable date prior to publication of the Prospectus, the Group had cash balances of approximately €2.0 million.

The Company is pleased by the significant progress which has been made in furthering the Group's long-term target of licensing the Group's technology. An option agreement has been signed with a major multinational corporation for a licence to build an Accoya® production plant in Europe together with the rights to sell Accoya® in a number of European countries. The option allows for both parties to negotiate exclusively a full licence agreement.

PRINCIPAL TERMS OF THE FIRM PLACING AND PLACING AND OPEN OFFER

The Company proposes to raise approximately €30 million (before expenses) in aggregate by way of the Firm Placing and Placing and Open Offer. The Firm Placing and Placing and Open Offer has been underwritten by Numis who are also acting as Joint Broker to the Company alongside Matrix.

The Firm Placees have conditionally agreed to subscribe for 99,698,736 New Ordinary Shares at the Offer Price of €0.15 per Ordinary Share (representing gross proceeds of €15 million). Certain of the Directors and Senior Managers have agreed to subscribe for 990,229 of the Firm Placing Shares at the Offer Price pursuant to the Firm Placing. The Firm Placing Shares are not subject to clawback and are not part of the Placing and Open Offer.

The Joint Brokers, as agents of the Company, have also entered into arrangements under the Underwriting Agreement in connection with the conditional Placing of the Open Offer Shares at the Offer Price, subject to clawback in respect of valid applications by Qualifying Shareholders under the Open Offer.

The Directors propose to offer Open Offer Shares by way of the Open Offer to all Qualifying Shareholders (other than, subject to certain exceptions, Restricted Shareholders) on the following basis:

1 Open Offer Shares at €0.15 each for every 2 Existing Ordinary Shares

held and registered in that Shareholder's name as at the Record Time, and so in proportion to any other number of Ordinary Shares that each Qualifying Shareholder then holds and otherwise on the terms and conditions as set out in the Prospectus and, in the case of Qualifying Non-CREST Shareholders, the Application Form.

Qualifying Shareholders are also being given the opportunity to apply for Excess Open Offer Shares at the Offer Price through the Excess Application Facility. Qualifying Shareholders may apply for Excess Open Offer Shares up to a maximum number of Excess Open Offer Shares equal to 0.5 times the number of Existing Ordinary Shares registered in their name at the Record Time. The total number of Open Offer Shares is fixed and will not be increased in response to any applications under the Excess Application Facility. Such applications will therefore only be satisfied to the extent that other Qualifying Shareholders do not apply for their Open Offer Entitlements in full. Applications under the Excess Application Facility shall be allocated in such manner as the Directors may determine, in their absolute discretion, and no assurance can be given that the applications by Qualifying Shareholders will be met in full or in part or at all.

The Firm Placing and Placing and Open Offer are both conditional upon the passing of the Resolutions at the General Meeting; Admission becoming effective by no later than 9:00 a.m. (Central European Time) on 22 February 2011 (or such later time and/or date, being not later than 8 March 2011, as the Company and the Underwriter may determine) and the Underwriting Agreement having become unconditional in all respects and not having been terminated in accordance with its terms prior to Admission.

Either Matrix or Numis can terminate the Underwriting Agreement at any time prior to Admission if, amongst other things:

- (i) the representations and warranties given by the Company were untrue, inaccurate or misleading when given or have ceased to be true or accurate or have become misleading, in each case to an extent which it considers in its sole judgement (acting in good faith) is material in the context of the Group (taken as a whole) or the Firm Placing and Placing and Open Offer;
- (ii) the Company fails to comply with any of its obligations under the Underwriting Agreement to an extent which it considers in its sole judgement (acting in good faith) is material in the context of the Group (taken as a whole) or the Firm Placing and Placing and Open Offer;
- (iii) in its opinion (acting in good faith) a material adverse change occurs, or a development occurs that is reasonably likely to cause a material adverse change, affecting the Company; or
- (iv) in its opinion (acting in good faith) (a) there has been a material adverse change in the financial markets, any outbreak or escalation of hostilities, any act of terrorism or war or other calamity or crisis or any change or development involving a prospective change in the national or international political, financial or economic conditions or exchange controls or exchange rates, (b) trading in any securities of the Company, or trading in securities generally, is suspended or limited on the London Stock Exchange or Euronext Amsterdam or minimum or maximum prices for trading are fixed, (c) a material disruption occurs in commercial banking or securities settlement or clearance services in the United Kingdom or the EEA, or (d) a banking moratorium is declared by the United Kingdom or an EEA State, the effect of which (singly or together) is such as to make it impracticable, inappropriate or inadvisable to proceed with the Firm Placing and Placing and Open Offer or the underwriting of the New Ordinary Shares.

Any fractional entitlements to Open Offer Shares will be disregarded in calculating Qualifying Shareholders' entitlement and will be aggregated and made available under the Excess Application Facility. Fractions of Excess Open Offer Shares will not be issued under the Excess Application Facility and fractions of Excess Open Offer Shares will be rounded down to the nearest whole number. Any fractional Excess Open Offer Shares will be aggregated and sold for the benefit of the Company.

The Offer Price of €0.15 per New Ordinary Share represents a discount of 58.9% to the Closing Price of €0.365 on 3 February 2011 (being the latest practicable date prior to the date of the Prospectus).

Open Offer Entitlements set out in an Application Form may be converted into uncertificated form, that is, deposited into CREST (whether such conversion arises as a result or a renunciation of those rights or otherwise). Similarly, Open Offer Entitlements held in CREST may be withdrawn from CREST and an Application Form used instead.

The New Ordinary Shares, when issued and fully paid will rank *pari passu* with the existing Ordinary Shares including the right to receive dividends or distributions made, paid or declared after the date of the Prospectus. Application has been made for the New Ordinary Shares to be admitted to listing and trading on Euronext Amsterdam and to trading on AIM. It is expected that Admission will become effective and that dealings in the New Ordinary Shares will commence on Euronext Amsterdam and on AIM at 9:00 a.m. (Central European Time) on 22 February 2011.

Details of the further terms and conditions of the Firm Placing and Placing and Open Offer, including the procedure for acceptance and payment and the procedure in respect of entitlements not taken up, are set out in Part X ("Terms and Conditions of the Firm Placing and Placing and Open Offer") of the Prospectus and, where relevant, will also be set out in the Application Form.

Application has been made for the Open Offer Entitlements and Excess Open Offer Entitlements to be admitted to CREST (in respect of Qualifying CREST Shareholders) and Euroclear Nederland (in respect of Qualifying Euroclear Shareholders). It is expected that such Open Offer Entitlements and Excess Open Offer Entitlements will be credited to stock accounts of Qualifying CREST Shareholders and to the stock accounts of Admitted institutions (with respect to Qualifying Euroclear Shareholders) on 7 February 2011. Applications through the CREST system may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim.

Qualifying Shareholders should be aware that the Open Offer is not a rights issue. As such, Qualifying Non-CREST Shareholders should note that their Application Forms are not negotiable documents and cannot be traded. Qualifying CREST Shareholders and Qualifying Euroclear Shareholders should note that, although the Open Offer Entitlements and the Excess Open Offer Entitlements will be admitted to CREST and Euroclear Nederland respectively, and be enabled for settlement, neither the Open Offer Entitlements nor the Excess Open Offer Entitlements will be tradeable or listed and applications in respect of the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim raised by Euroclear UK's Claims Processing Unit. New Ordinary Shares for which application has not been made under the Open Offer will not be sold in the market for the benefit of those who do not apply under the Open Offer and Qualifying Shareholders who do not apply to take up their entitlements will have no rights nor receive any benefit under the Open Offer. Any Open Offer Shares which are not applied for under the Open Offer may be allocated to other Qualifying Shareholders under the Excess Application Facility, failing which they will be issued to Conditional Placees or, failing which, to the Underwriter subject to the terms and conditions of the Underwriting Agreement, with the proceeds retained for the benefit of the Company.

If the conditions to the Firm Placing and Placing and Open Offer are not satisfied or waived and the Firm Placing and Placing and Open Offer lapses, any Open Offer Entitlements and Excess CREST Open Offer Entitlements admitted to CREST will be disabled and application monies received under the Open Offer will be refunded to the applicants, by cheque (at the applicant's risk) in the case of Qualifying Non-CREST Shareholders and by way of a CREST payment in the case of Qualifying CREST Shareholders, without interest, as soon as practicable thereafter.

Application will be made for the New Ordinary Shares to be to be admitted to listing and trading on Euronext Amsterdam and to trading on AIM. Subject to, among other things, the Resolutions being passed, it is expected that Admission will become effective at 9:00 a.m. (Central European Time) on

22 February 2011 and that dealings for normal settlement in the New Ordinary Shares will commence at that time. No temporary documents of title will be issued.

Further information on the Open Offer and the terms and conditions on which it is made, including the procedure for application and payment, are set out in the Prospectus and, where relevant, on the Non-CREST Application Form.

GENERAL MEETING

A notice convening the General Meeting, to be held at 11.00 a.m. on 21 February 2011 at the offices of Accsys, Kensington Centre, 66 Hammersmith Road, London, W14 8UD, is set out at the end of the Prospectus. The General Meeting is being convened for the purpose of considering and, if thought fit, passing the resolutions required to give the Directors sufficient authority to issue the New Ordinary Shares. The full text of the Resolutions is set out in the notice at the back of the Prospectus.

IMPORTANCE OF VOTE

As at 30 September 2010, the Group held cash balances of €6.6 million. As at 2 February 2011, being the latest practicable date prior to publication of the Prospectus, the Group had cash balances of approximately €2.0 million and over the short to medium term the Board expects that the Group will continue to experience net cash outflows. Given this, the Group is actively pursuing a number of cash management strategies in order to improve its short-term working capital position.

If the Firm Placing and Placing and Open Offer does not proceed and the Group continues to experience net cash outflows, it would need to obtain appropriate alternative financing within a short timescale in order to safeguard the Group's ability to continue as a going concern. Given the timescales involved, it is not certain that the Group would be able to obtain any such alternative financing on commercially acceptable terms, or at all. Consequently, if the Firm Placing and Open Offer does not proceed and the Group is unable to obtain alternative financing, there would be a material uncertainty as to the Group's ability to continue as a going concern.

Accordingly, the Directors believe that the Firm Placing and Placing and Open Offer is in the best interests of Shareholders as a whole. In order for the Firm Placing and Placing and Open Offer to proceed, the Resolutions to be proposed at the General Meeting must be passed. The Directors therefore believe that it is very important that Shareholders vote in favour of the Resolutions at the General Meeting.

DIRECTORS' INTENTIONS

The Directors beneficially own, in aggregate, 142,205 Ordinary Shares representing approximately 0.07% of the issued Ordinary Share capital of the Company as at 2 February 2011 (the latest practicable date prior to publication of the Prospectus). Certain of the Directors have agreed to subscribe for an aggregate of 683,563 of the Firm Placing Shares at the Offer Price pursuant to the Firm Placing and in addition, each of the Directors so entitled will be taking up his entitlement in full to subscribe for Open Offer Shares under the Open Offer.

Appendix I

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Record Time for entitlement under the Open Offer	5:00 p.m. on 3 February 2011
Existing Ordinary Shares marked "ex" by Euronext Amsterdam and AIM	8:00 a.m. on 4 February 2011
Announcement of the Firm Placing and Placing and Open Offer	4 February 2011
Publication of the Prospectus and despatch of Application Forms to Qualifying Non-CREST Shareholders	4 February 2011
Open Offer Entitlements and Excess Open Offer Entitlements credited to stock accounts of Qualifying CREST Shareholders in CREST and Euroclear Open Offer Entitlements and Excess Euroclear Open Offer Entitlements credited to appropriate stock accounts with Admitted Institutions for Qualifying Euroclear Shareholders	7 February 2011
Recommended latest time for requesting withdrawal of Open Offer Entitlements and Excess Open Offer Entitlements from CREST	4:30 p.m. on 14 February 2011
Latest time for depositing Open Offer Entitlements into CREST	3:00 p.m. on 15 February 2011
Latest date and time for splitting Open Offer Entitlements and Excess CREST Open Offer Entitlements into CREST	3:00 p.m. on 15 February 2011
Latest time for splitting Application Forms (to satisfy <i>bona fide</i> market claims only)	3:00 p.m. on 16 February 2011
Latest time and date for payment in full by applying Qualifying Euroclear Shareholders via their Admitted Institutions	3:00 p.m. on 16 February 2011
Latest time for receipt of Forms of Proxy and receipt of electronic proxy appointments by registered Shareholders for the General Meeting	11:00 a.m. on 17 February 2011
Latest time for receipt of completed Application Forms and payment in full under the Open Offer and settlement of relevant CREST instructions (as appropriate)	11:00 a.m. on 18 February 2011
General Meeting	11:00 a.m. on 21 February 2011
Announcement of the result of the Firm Placing and Placing and Open Offer	21 February 2011
Date of Admission and dealings in New Ordinary Shares commences on AIM	8:00 a.m. on 22 February 2011
Commencement of dealings in New Ordinary Shares on Euronext Amsterdam	9:00 a.m. (Central European Time) on 22 February 2011
New Ordinary Shares credited to CREST stock accounts (Qualifying CREST Shareholders only) and to Euroclear accounts of Admitted Institutions	by no later than 9:00 a.m. (Central European Time) on 22 February 2011
Despatch of definitive share certificates for the New Ordinary Shares in certificated form	by no later than 25 February 2011

Notes:

(1) Each of the times and dates set out in the above timetable and mentioned in the Prospectus is subject to change by the Company (with the agreement of Matrix and Numis), in which event details of the new times and dates will be notified to the UK Listing Authority, the London Stock Exchange and, where appropriate, to Shareholders.

(2) Unless otherwise stated, references to times in this announcement are to London times.

Appendix II

SCHEDULE OF DEFINITIONS

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

“Admission”	the admission of the New Ordinary Shares to listing and trading on Euronext Amsterdam and to trading on AIM;
“Admitted Institutions”	admitted institutions (<i>aangesloten instellingen</i>) of Euroclear Nederland within the meaning of the Dutch Securities Giro Act, which institutions hold a collective depot (<i>verzameldepot</i>) in relation to Euroclear Shares;
“AIM”	AIM, a market operated by the London Stock Exchange;
“Application Form”	the personalised application form on which Qualifying Non-CREST Shareholders may apply for New Ordinary Shares under the Open Offer;
“Board” or “Directors”	the directors of the Company at the date of the Prospectus;
“business day”	a day (excluding Saturdays, Sundays and public holidays) on which banks are generally open for business in the City of London;
“Closing Price”	the closing middle market quotation of an Ordinary Share as derived from the Daily Official List of the London Stock Exchange;
“Company” or “Accsys”	Accsys Technologies PLC;
“Conditional Placees”	those persons (if any) to whom Open Offer Shares not acquired by Qualifying Shareholders in the Open Offer are to be placed;
“CREST”	the United Kingdom paperless share settlement system and system for the holding of shares in uncertificated form in respect of which Euroclear UK is the operator;
“CREST Open Offer Entitlement”	the entitlement of a Qualifying CREST Shareholder, pursuant to the Open Offer, to apply to acquire Open Offer Shares pursuant to the Open Offer;
“Diamond Wood”	Diamond Wood China Limited;
“Disclosure and Transparency Rules” or “DTRs”	the Disclosure and Transparency Rules made by the Financial Services Authority pursuant to Part VI of FSMA (as set out in the FSA Handbook), as amended;
“Euroclear Nederland”	Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V., the Dutch centralised, securities custody and administrative system;
“Euroclear Open Offer Entitlements”	an entitlement of a Qualifying Euroclear Shareholder to apply to acquire an interest in Open Offer Shares pursuant to, and subject to, the terms of the Open Offer;
“Euroclear Share”	interests in and corresponding to the Existing Ordinary Shares which at the Record Time are registered in the name of Euroclear Nederland and which are traded on Euronext Amsterdam;
“Euroclear UK”	Euroclear UK & Ireland Limited, the operator of CREST;
“Euronext Amsterdam”	NYSE Euronext in Amsterdam, the regulated market of Euronext Amsterdam;
“Excess Application Facility”	the arrangement pursuant to which Qualifying Shareholders may apply for New Ordinary Shares in excess of their Open Offer

	Entitlements;
“Excess CREST Open Offer Entitlements”	in respect of each Qualifying CREST Shareholder, the conditional entitlement to apply for Open Offer Shares credited to his stock account, which are subject to allocation in accordance with the Prospectus;
“Excess Euroclear Open Offer Entitlements”	in respect of each Qualifying Euroclear Shareholder, the conditional entitlement, pursuant to the Excess Application Facility, to apply for Open Offer Shares credited to his stock account with an Admitted Institution via Euroclear Nederland, which are subject to allocation in accordance with the Prospectus;
“Excess Open Offer Entitlements”	in respect of each Qualifying Shareholder, the conditional entitlement to apply for Excess Open Offer Shares, which are subject to allocation in accordance with the Prospectus;
“Excess Open Offer Shares”	the New Ordinary Shares which Qualifying Shareholders will be invited to acquire pursuant to the Excess Application Facility;
“Existing Ordinary Shares”	the existing Ordinary Shares in issue at the date of the Prospectus;
“Financial Services Authority” or “FSA”	the Financial Services Authority of the UK;
“Firm Placees”	those persons with whom Firm Placing Shares are to be placed;
“Firm Placing”	the placing of 99,698,736 New Ordinary Shares with the Firm Placees;
“Firm Placing Shares”	the 99,698,736 New Ordinary Shares which are the subject of the Firm Placing;
“Form of Proxy”	the form of proxy for use at the General Meeting which accompanies the Prospectus;
“General Meeting”	the general meeting of the Company to be convened pursuant to the Notice;
“Group” or “Accsys Group”	Accsys and its existing subsidiary undertakings (and, where the context permits, each of them);
“Joint Broker”	Numis Securities Limited and Matrix Corporate Capital LLP;
“Listing Rules”	the listing rules of the UK Listing Authority made in accordance with section 73A(2) of FSMA (as set out in the FSA Handbook), as amended;
“London Stock Exchange”	London Stock Exchange plc;
“Matrix” or “Nominated Adviser”	Matrix Corporate Capital LLP;
“Meditate”	Meditate Europe Limited;
“New Ordinary Shares”	the Firm Placing Shares and/or the Open Offer Shares, as the context requires;
“Notice”	the notice convening the General Meeting, set out at the end of the Prospectus;
“Numis”	Numis Securities Limited;
“Offer Price”	€0.15 per Firm Placing Share and per Open Offer Share;
“Official List”	the official list of the UK Listing Authority;
“Open Offer”	the conditional invitation to Qualifying Shareholders (other than, subject to certain exceptions, Restricted Shareholders) to apply to

	acquire the Open Offer Shares pursuant to and subject to the terms of the Open Offer;
"Open Offer Entitlement"	the entitlement of a Qualifying Shareholder, pursuant to the Open Offer, to apply to acquire Open Offer Shares pursuant to, and subject to the terms of, the Open Offer or (in the case of Qualifying Euroclear Shareholders) a right to acquire an interest in Open Offer Shares;
"Open Offer Shares"	the 100,301,264 New Ordinary Shares which Qualifying Shareholders will be invited to acquire pursuant to the Open Offer, or (in the case of Qualifying Euroclear Shareholders) an interest in such shares;
"Ordinary Shares"	the ordinary shares of €0.01 each in the capital of Accsys;
"Placing"	the conditional placing of Open Offer Shares as described in the Prospectus and subject to clawback in respect of valid applications for Open Offer Shares by Qualifying Shareholders under the Open Offer;
"Prospectus"	the document to be dated on or around 4 February 2011, comprising a prospectus relating to the Company, for the purpose of the Firm Placing and Placing and Open Offer and the admission to listing and trading of the New Ordinary Shares on AIM and Euronext Amsterdam;
"Prospectus Rules"	the prospectus rules made by the Financial Services Authority pursuant to Part VI of FSMA (as set out in the FSA Handbook), as amended;
"Qualifying CREST Shareholders"	Qualifying Shareholders (other than Qualifying Euroclear Shareholders) holding Ordinary Shares in uncertificated form in CREST;
"Qualifying Euroclear Shareholders"	holders of a securities account with an Admitted Institution which at the Record Time include Euroclear Shares, resulting in the holders having an interest in the relevant Admitted Institutions collective depot of Euroclear Shares;
"Qualifying Non-CREST Shareholders"	Qualifying Shareholders (other than Qualifying Euroclear Shareholders) holding Ordinary Shares in certificated form;
"Qualifying Shareholders"	holders of Ordinary Shares on the register of members of the Company at the Record Time; but including, where the context permits, Qualifying Euroclear Shareholders;
"Record Time"	5:00 p.m. on 3 February 2011;
"Resolutions"	the resolutions to be proposed at the General Meeting, as set out in the Notice;
"Restricted Jurisdictions"	Australia, Canada, Japan and the Republic of South Africa, and "Restricted Jurisdiction" shall be construed accordingly;
"Restricted Shareholders"	Qualifying Shareholders with registered addresses in, or who are citizens, residents or nationals of any Restricted Jurisdiction;
"Shareholder"	a holder of Ordinary Shares;
"Titan"	Titan Wood Limited, a wholly owned subsidiary of the Company incorporated in England and Wales;
"UK" or "United Kingdom"	the United Kingdom of Great Britain and Northern Ireland;
"UK Listing Authority"	the Financial Services Authority acting in its capacity as the

	competent authority for the purposes of Part VI of FSMA;
“Underwriter and Joint Broker” or “Underwriter”	Numis Securities Limited;
“Underwriting Agreement”	the agreement dated 4 February 2011 between the Company and the Underwriter relating to the Firm Placing and the Placing and Open Offer;
“US” or “United States”	the United States of America, its possessions and territories, all areas subject to its jurisdiction or any subdivision thereof, any State of the United States and the District of Columbia;
“US Securities Act” or “Securities Act”	the United States Securities Act of 1933, as amended.

506893048