

24 December 2009

Clarifying Statement by LitComp (“LitComp” or “the Company”) regarding the Recommended Cash Offer (“Offer”) by Torridon Capital Limited

The Company is aware of a discrepancy between the figures provided for cash in the Rule 2.5 Announcement (dated 5 November 2009) and the Offer Document (dated 25 November 2009) (together hereinafter referred to as the “Offer Documents”) (both relating to the Offer), and that given in the Company’s interim results for the six months ended 30 September 2009 (“Interim Results”), which were announced to the market on 18 December 2009.

The Offer Documents contained a statement that “as at 30 September 2009, the Company had cash resources of £1.9 million”, whereas the balance sheet contained within the Interim Results showed cash and cash equivalents of approximately £2.3 million.

The figure of £1.9 million in the Offer Documents was an estimate by the Directors of the cash to which the Company would have access in order to repay the Company’s Convertible Loan Notes, and comprised the cash in Elite Insurance Limited’s bank account (being approximately £1.5 million) plus the Directors’ estimate of cash it could access from elsewhere in the Group (being £0.4 million). The intention in using this figure was to give a realistic estimate of the maximum cash available to the Group which could be utilised to repay the Convertible Loan Notes.

The figure in the Interim Results of approximately £2.3 million showed, as reported, the Group’s cash and cash equivalents; the net cash figure, taking into account drawn facilities as at 30 September 2009, was approximately £1.65 million.

The Independent Directors have considered their recommendation and, having been so advised by Astaire Securities, still consider the terms of the Offer to be fair and reasonable. In providing its advice to the Independent LitComp Directors, Astaire Securities has taken into account the commercial assessments of the Independent LitComp Directors. In addition, the Independent LitComp Directors consider the terms of the Offer to be in the best interests of LitComp Shareholders as a whole. In reaching their recommendation the Independent Directors have taken into account the factors set out in the Offer Documents.

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Copies of the Offer Document and the Form of Acceptance are available from Capita Registrars, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU during normal business hours on any weekday (Saturdays, Sundays and public holidays excluded) while the Offer remains open for acceptance.

Terms defined in the Offer Document have the same meaning in this announcement.

Astaire Securities plc, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting exclusively for LitComp and no-one else in connection with the Offer and will not be responsible to anyone other than LitComp for providing the protections afforded to clients of Astaire Securities nor for providing advice in relation to the Offer, the content of this announcement, or any transaction, arrangement or matter referenced herein.

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