

Company	The Bovill Family
TIDM	
Headline	Shareholder notification regarding Treatt plc
Released	15:16 19-Mar-2013
Number	3591A15

RNS Number : 3591A
The Bovill Family
19 March 2013

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OF THAT JURISDICTION.

19 March 2013

Shareholder notification regarding Treatt plc

The Bovill Family has been associated with Treatt plc ("**Treatt**" or the "**Company**") since 1924. Since July 2012, the Bovill Family has no longer been in a position to direct and influence the activities of Treatt in a way that is consistent with their values and the values of previous generations of the Bovill Family. These values included a deep sense of stewardship, complete alignment and congruence of interests with the Company's shareholders (as the Bovill Family is Treatt's largest single shareholder group), an averseness to risk, a UK-based management structure and a strategy focused on delivering steady incremental growth borne from long term decision making.

These characteristics enabled Treatt to deliver a long term increase in shareholder value coupled with regular income through dividends. The Bovill Family believes that this strategy attracted a type of shareholder who shared the Bovill Family's values and who found comfort in the knowledge that the board held significant shareholdings in the Company and therefore shared the risk. The Bovill Family believe that this approach has built a very strong foundation for the Treatt business and positioned it well for the next stage of its development.

The Bovill Family believe Treatt has the potential for a successful future, and continue to be strong supporters of the Treatt business. However, the Bovill Family has decided that, as the Company is no longer under the long term stewardship of the Bovill Family, a sale of their shareholding in Treatt is the best way to realise the current intrinsic value of the Treatt business which the Bovill Family has played such a significant part in building.

Accordingly, the Bovill Family today announces its intention to seek a buyer for its aggregate interest in 2,972,405 Treatt ordinary shares representing 29.07% of the voting rights of Treatt.

The Bovill Family has been advised that offering the Bovill Family's shareholding for sale may attract interest from purchasers wanting to acquire the entire issued share capital of Treatt. The Bovill Family have therefore discussed the potential sale of their shareholding with a small number of other Treatt shareholders.

One shareholder with whom the Bovill Family have held discussions, Bjornstad and Jendal A/S, have agreed to co-operate with the Bovill Family with a view to coordinating their approach to a sale of their collective interests in Treatt shares.

The Bovill Family has therefore been advised that it is likely that Bjornstad and Jendal A/S will be deemed to be acting in concert for the purposes of the City Code on Takeovers and Mergers (the "**Code**") with the Bovill Family (together the "**Concert Party**"). Bjornstad and Jendal A/S has a beneficial interest in 348,453 Treatt ordinary shares representing 3.41% of the voting rights of Treatt, which, together with the interest of the Bovill Family means that the Concert Party has an interest in 3,320,858 Treatt ordinary shares representing 32.48% of the voting rights of Treatt.

The Bovill Family would like to cooperate and work with the board of Treatt (the "**Board**") in this process to ensure that value is preserved for all Treatt shareholders. Accordingly, the Bovill Family approached the Board on 8 February 2013 and asked the Board to enter into a collaborative dialogue in relation to a potential sale of the Company. To date, the Board has expressed its view that it is not the right time to consider a sale of the Company. Should the Board not wish to enter into collaborative dialogue with the Bovill Family, the Bovill Family have instructed Grant Thornton UK LLP to run a sales process for the Bovill Family's shareholding.

The Bovill Family appreciates that the Board, as would be expected, are optimistic for the future financial performance of the Company particularly in light of the new strategy recently adopted by the Board. As recently announced by the Company, the Board believes there are early signs that this strategy is beginning to have a positive impact on the business. The Bovill Family believe that, whilst it may achieve its desired results, the new strategy carries with it certain risks which the Bovill Family would not have taken in the past due to their desire to create long-term stable growth for Treatt shareholders. Notwithstanding the Board's perceived confidence in the Company's future, the Bovill Family are hopeful that the Board will enter into collaborative dialogue with it so as to help maximise value for all Treatt shareholders and minimise any impact on the Company of the Concert Party's desire to exit.

Treatt shareholders should be aware that there is no certainty that the process set out above will result in an offer being made for either the Bovill Family shareholding or the Company nor as to the terms on which any offer might be made.

General Meeting

Shareholders will have noted the Company's announcements of 26 February 2013, 1 March 2013 and 4 March 2013 regarding the re-appointment of Tim Jones as a director and Non-executive Chairman of the Company and the convening of the General Meeting to be held on 28 March 2013.

The Bovill Family supported the majority of the resolutions put to shareholders at the Annual General Meeting held on 25 February 2013 (the "**AGM**"). The Bovill Family voted against the resolutions to disapply pre-emption rights, the authority to allot shares and the authority to purchase own shares as those resolutions would have either allowed for the potential dilution of shareholders' interests (including that of the Bovill Family) or were not considered by the Bovill Family to be in their best interests or in the best interests of Treatt shareholders generally at the current time.

As noted above, the Bovill Family approached the Board on 8 February 2013 asking the Board to enter into a collaborative dialogue with the Bovill Family in relation to the sale of their shareholding. The Bovill Family requested a meeting, prior to the AGM, with the Chairman and at least one other member of the Board. The Chairman chose not to facilitate such a meeting prior to the AGM and therefore the Bovill Family chose to vote against the re-appointment of Tim Jones as Non-executive Chairman as an indication of their dissatisfaction of such a decision. At that time, the Bovill Family did not believe that their vote would lead to the defeat of the resolution to re-appoint Tim Jones. It should be noted that at the AGM other non-Bovill Family shareholders also voted against the re-appointment of Tim Jones which, together with the Bovill Family's vote, lead to the defeat of the resolution.

At the forthcoming General Meeting, scheduled for 28 March 2013, to approve the re-appointment of Tim Jones as a director and Non-executive Chairman, the Bovill Family are currently intending to abstain

from voting their aggregate interest in Treatt ordinary shares and the Bovill Family therefore currently expects Tim Jones' re-appointment to the Board to be confirmed.

For further information, shareholders and other interested parties should contact:

Grant Thornton UK LLP (Financial adviser to the Bovill Family)

Philip Secrett / Salmaan Khawaja +44 (0)207 383 5100

Other information

Grant Thornton UK LLP is acting exclusively as financial adviser to the Bovill Family and no one else in connection with the matters described in this announcement. In connection with such matters, Grant Thornton UK LLP, its affiliates and their respective directors, officers, employees and agents will not regard any other person as their client, nor will they be responsible to any other person other than the Bovill Family for providing the protections afforded to clients of Grant Thornton UK LLP or for providing advice in connection with the matters described in this announcement or any matter referred to herein.

The term "**Bovill Family**" is defined to include the interest in Treatt ordinary shares held by or on behalf of Hugo Bovill, Oriel Bovill, Giles Bovill, Alison Bovill and any trusts of which any of them are trustee.

This announcement is not intended to, and does not, constitute or form part of any offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities whether pursuant to this announcement or otherwise. The distribution of this announcement in jurisdictions outside the United Kingdom 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 the restrictions may constitute a violation of the securities law of any such jurisdiction.

End.