

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. It contains the notice of a General Meeting of Shareholders of the Company to be held at the offices of Travers Smith at 10 Snow Hill, London EC1A 2AL at 2.00 p.m. on 22 June 2009. If you are in any doubt as to what action you should take, you should immediately seek your own financial advice from your stockbroker, bank manager, solicitor or other independent professional adviser authorised under the Financial Services and Markets Act 2000.

Copies of this document and the accompanying documents will be available free of charge until 22 June 2009 at the Company's offices at Harlescott Lane, Shrewsbury, Shropshire SY1 3AS during normal business hours (Saturdays, Sundays and public holidays excepted).

If you have sold or transferred all of your Ordinary Shares, please send this document and the Form of Proxy to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold or transferred part of your registered holding of Ordinary Shares, you are advised to consult your stockbroker, bank or other agent through whom the sale or transfer was effected.

The Directors, whose names appear on page 5 of this document, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

ACERTEC PLC

(Incorporated and registered in England and Wales with registered number 3721271)

Proposed cancellation of admission to trading on AIM of the Ordinary Shares

Proposed re-registration as a private limited company

Serious loss of capital

and

Notice of General Meeting

Your attention is drawn to the letter from the Chairman of the Company on page 5 of this document which explains the background to and the rationale for the proposed Delisting and Re-registration and recommends you vote in favour of the Resolutions to be proposed at the General Meeting.

Notice of the General Meeting of Shareholders of the Company, to be held at the offices of Travers Smith at 10 Snow Hill, London EC1A 2AL at 2.00 p.m. on 22 June 2009, is set out at the end of this document. You will also find enclosed a Form of Proxy for use at the General Meeting. To be valid, the Form of Proxy should be completed in accordance with the instructions printed thereon and returned by post or hand as soon as possible but, in any event, so as to be received by the Company's registrars, Equiniti Limited, at their offices at Aspect House, Spencer Road, Lancing, West Sussex BN99 6ZX no later than 2.00 p.m. on 20 June 2009, being 48 hours before the time set for the commencement of the General Meeting. Completion and return of a Form of Proxy will not preclude you from attending and voting at the General Meeting should you wish to do so.

CONTENTS

	<i>Page</i>
Expected timetable of principal events	3
Definitions	4
Letter from the Chairman	5
Notice of General Meeting	10

EXPECTED TIMETABLE OF EVENTS

	<i>2009</i>
Despatch of this document (and the Form of Proxy) to Shareholders	4 June
Latest time and date for receipt of Forms of Proxy	2.00 p.m. on 20 June
General Meeting	2.00 p.m. on 22 June
Last day of dealings in Ordinary Shares on AIM	29 June
Delisting takes effect	7.30 a.m. on 30 June

Notes:

- (i) If any of the above times and/or dates change, the revised times and/or dates will be notified to Shareholders by an announcement through a regulatory information service recognised by the London Stock Exchange.
- (ii) The Delisting and the Re-registration require the approval of not less than 75 per cent. of the votes cast by Shareholders at the General Meeting.
- (iii) Assuming that the Resolutions are passed, then the Re-registration will become effective after the Delisting occurs and upon the Registrar of Companies issuing a certificate of incorporation on re-registration. The Registrar of Companies will issue such a certificate when it is satisfied that no valid application can be made to cancel the Resolution relating to the Re-registration. It is expected that this will be on or around the date which is 28 days from when the Delisting takes effect.

DEFINITIONS

The following definitions apply throughout this document and the Form of Proxy unless the context requires otherwise:

“Admission”	the admission of the Ordinary Shares to trading on AIM
“AIM”	the AIM market operated by the London Stock Exchange
“AIM Rules”	the rules published by the London Stock Exchange relating to AIM, as amended from time to time
“Articles”	the articles of association of the Company
“Board” or “Directors”	the board of directors of the Company, whose names and offices are set out on page 5 of this document
“Company” or “Acertec”	Acertec plc
“CREST”	a relevant system (as defined in the Regulations) in respect of which Euroclear UK & Ireland Limited is the Operator (as defined in the Regulations)
“Delisting”	the proposed cancellation of admission of the Ordinary Shares to trading on AIM
“Form of Proxy”	the proxy form for use by Shareholders at the General Meeting
“General Meeting”	the general meeting of Shareholders convened for 2.00 p.m. on 22 June 2009 (or any adjournment thereof), notice of which is set out at the end of this document
“Group”	the Company and its subsidiary undertakings
“London Stock Exchange”	London Stock Exchange plc
“Memorandum”	the memorandum of association of the Company
“Notice of General Meeting”	the notice of the General Meeting set out at the end of this document
“Ordinary Shares”	the ordinary shares of 10 pence each in the capital of the Company
“Proposals”	together the Delisting and the Re-registration
“Regulations”	the Uncertificated Securities Regulations 2001 No. 3755, as amended from time to time
“Re-registration”	the proposed re-registration of the Company as a private limited company pursuant to section 53 of the Companies Act 1985
“Resolutions”	the resolutions to be proposed at the General Meeting in the form set out in Notice of General Meeting
“Shareholders”	the holders of Ordinary Shares

PART I

LETTER FROM THE CHAIRMAN OF

ACERTEC PLC

(Incorporated in England and Wales with registered number 3721271)

Directors:

David Hussey *(Non-Executive Chairman)*
Greg MacLeod *(Executive Director)*
Steve Kynaston *(Finance Director)*
Andrew Morriss *(Executive Director)*
James Kerr-Muir *(Non-Executive Director)*
Adrian Burn *(Non-Executive Director)*

Registered Office:

Harlescott Lane
Shrewsbury
Shropshire
SY1 3AS

4 June 2009

To Shareholders and, for information only, to holders of options over Ordinary Shares

Dear Shareholder,

PROPOSED DELISTING AND RE-REGISTRATION

1. Introduction

On 26 May 2009, the Company announced that it intends to seek Shareholder approval to cancel the admission of the Ordinary Shares to trading on AIM and to re-register the Company as a private limited company.

The purpose of this letter is to explain the background to the proposed Delisting and Re-registration and the reasons why the Board considers the Proposals to be in the best interests of the Company and its Shareholders as a whole and to seek your approval to the Proposals at the General Meeting convened for this purpose. The Notice of the General Meeting is set out at the end of this document.

2. Current financial and trading position

Whilst Acertec is not in a position to formally announce its results for the year ended 31 December 2008, the Directors estimate that in respect of the Group's continuing operations for that period:

- sales were £143.4 million (2007: £147.7 million);
- operating losses were £2.2 million (2007: profit £8.0 million);
- loss before tax of £10.2 million (2007: profit £3.5 million); and
- loss after tax of £17.0 million (2007: £0.3 million).

On 19 February 2009, the Company announced that due to decreasing automotive volumes at key automotive OEM customers, the Group was incurring significant losses in its UK Stadco automotive operations despite important actions taken to reduce costs. In that announcement, Acertec highlighted that the outlook for the automotive industry for the remainder of 2009 continued to be uncertain and the Board would take further action as required.

Since this announcement, uncertainty within the automotive industry has persisted and the Group has continued to incur operating losses. In the four month period ended 30 April 2009, sales on continuing operations have decreased by 36 per cent. compared to the same period in 2008. The Board is in the final stages of completing a restructuring of its UK automotive operations which will reduce Stadco's UK headcount by approximately 40 per cent. The Board has undertaken a number of additional cost-saving initiatives including implementing a 4 per cent. pay cut for all Acertec and Stadco salaried staff, including directors, and has deferred £1.9 million of contributions in respect of the Group's two defined benefit pension schemes until 30 September 2009 (including £0.6 million in deferred levies to the Pension Protection Fund).

Net debt reduced to £47 million at 30 April 2009 from £63.8 million at 30 June 2008, following the completion of previously announced disposals and there has been a corresponding reduction in the Group's debt facilities. However, the Group remains significantly over-leveraged on its current operations.

At 30 June 2008, Acertec had total retirement benefit obligations under the Group's two defined benefit pension schemes of £23.9 million on an IAS 19 basis and is in discussions with the Trustees of those schemes as to ways in which the Group's liabilities to the schemes can be best managed.

The Group continues to be dependent on the support of its secured lenders and is engaged in ongoing discussions with those lenders in relation to both its short and medium term funding requirements. As previously disclosed, an extension to the current term and quantum of its revolving credit facilities (which currently expire on 31 October 2009) is required. The Board remains focused on taking mitigating action to reduce the Group's extensive liabilities and maximise cash generation.

3. Rationale for the Delisting and Re-registration

Following careful consideration, the Directors have concluded that it is no longer in the best interests of the Company or its Shareholders for Acertec to maintain the Admission or to remain a public limited company. In reaching this conclusion, the Directors considered the following factors:

- the substantial incremental costs (currently estimated at £0.6 million) associated with extending the Group's banking facilities (in the current environment) on a six monthly basis to enable the Group to report interim and annual results;
- the significant professional fees associated with the Admission (such as legal, accounting, broking, London Stock Exchange and nominated adviser costs);
- the disproportionate amount of senior management time spent in meeting the AIM Rules and related regulatory requirements, including reporting, disclosure and corporate governance requirements; and
- that the Admission no longer serves a useful function for the Company in terms of providing access to capital or enabling the Ordinary Shares to be used to effect acquisitions, although the Directors acknowledge the benefit to Shareholders of having a public market in the Ordinary Shares.

As a result of the Delisting and Re-registration, the Company would benefit from substantial cost savings. The Directors estimate that in the first full year following the Delisting and the Re-registration these cost savings will total approximately £0.9 million.

The Directors believe that as a result of the Delisting and Re-registration, Acertec would be better placed to focus on mitigating the Group's extensive liabilities, including its bank borrowings and

obligations to members of its two defined benefit pension schemes, which may benefit Shareholders.

4. Strategy following the Delisting

The Board's current priorities are the conservation of cash, the further reduction of its cost base and the mitigation of the Group's extensive liabilities so as to ensure that the Group's borrowings remain within its debt facilities. As mentioned above, it is critical that short and medium term future funding is secured for the Group and obtaining this funding will also be a priority for the management team. The Company will continue to work to maximise the value of its existing assets and may dispose of assets, where appropriate.

The Directors intend to keep Shareholders informed of the Company's financial and operational performance through periodic updates via the Company's website: www.acertec.com. In addition, the Directors intend that the composition of the Board will continue to include at least one Non-Executive Director. It is currently proposed that this should be David Hussey.

5. Process for Delisting

In accordance with Rule 41 of the AIM Rules, the Company has notified the London Stock Exchange of the Delisting. Under the AIM Rules, it is a requirement that the Delisting is approved by the requisite majority of Shareholders voting at the General Meeting (being not less than 75 per cent. of the votes cast). Accordingly, the Resolution numbered 1 set out in the Notice of General Meeting seeks Shareholders' approval to the Delisting. The Resolution approving the Delisting is not conditional on the passing of any of the other Resolutions. Subject to the Resolution approving the Delisting being passed at the General Meeting, it is anticipated that trading in the Ordinary Shares on AIM will cease at close of business on 29 June 2009 with the Delisting taking effect at 7.30 a.m. on 30 June 2009.

Upon the Delisting becoming effective, Hawkpoint Partners Limited will cease to be nominated adviser to the Company, Arden Partners will cease to be brokers to the Company and the Company will no longer be required to comply with the AIM Rules. Shareholders should note however that the Company will nevertheless remain subject to the provisions of the City Code on Takeovers and Mergers for a period of 10 years from the Delisting.

6. Transactions in the Ordinary Shares following Delisting

Immediately following the Delisting, there will be no market facility for dealing in the Ordinary Shares and no price will be publicly quoted. As a result the Board recognises that the Delisting will make it more difficult for the Shareholders to buy and sell Ordinary Shares should they want to do so. In view of this and in order to assist Shareholders, the Board intends, at an appropriate time following the Delisting, to facilitate a dealing arrangement to enable Shareholders to trade the Ordinary Shares. Once the facility has been arranged, details will be made available to Shareholders via the Company's website: www.acertec.com.

7. Process for Re-registration

In order for the Company to effect the Re-registration (and to make certain consequential amendments to the Memorandum and the Articles), Shareholders will be asked to pass the Resolution numbered 2 set out in the Notice of General Meeting. The Resolution approving the Re-registration will be conditional on the Resolution approving the Delisting being passed and the Delisting taking effect.

If the Resolution numbered 2 set out in the Notice of General Meeting is duly passed by Shareholders and the Re-Registration becomes effective, the Memorandum and Articles will need to be updated to reflect the fact that the Company is no longer a public company and to remove certain provisions which will no longer be relevant. The main provisions which will be

removed are those relating to the disclosure of interests in shares (which will no longer apply) and those relating to shares which are currently held in uncertificated form through CREST. Certain consequential amendments will also need to be made to remove definitions which will no longer be used and to update the numbering of the Articles. Accordingly, the Resolution relating to the Re-registration also seeks Shareholders' approval to the amendments to the Memorandum and Articles. Copies of the proposed new memorandum and articles of association showing the proposed amendments can be viewed, together with the current Memorandum and Articles, on the Company's website: www.acertec.com and are also available for inspection at the Company's registered office during usual business hours on any weekday (Saturdays, Sundays and public holidays excluded) until the date of the Notice of General Meeting and at the General Meeting itself.

If the Resolution approving the Re-registration is passed, then, following the satisfaction of the conditions, the Company will file the requisite documents with the Registrar of Companies at Companies House along with the relevant fee for re-registration. The Re-registration will become effective upon the Registrar of Companies issuing a certificate of incorporation on re-registration, which will be issued once the Registrar is satisfied that no valid application can be made to cancel the Re-registration Resolution.

8. Serious loss of capital

As part of their ongoing review of the Group's continuing operations and financial position, the Directors are required to make a judgement as to whether it is probable that any deferred tax assets will be recoverable. Based upon the latest forecasts, the Directors are of the view that this is not the case in respect of the majority of the Company's deferred tax assets and, accordingly, such assets will be de-recognised. The Company was also carrying goodwill of £3.4 million at 31 December 2008 in respect of its loss making UK automotive business. On this basis, the Directors have concluded that the value of the Company's net assets is now less than half of its called up share capital. In such circumstances, the Directors are obliged under section 142 of the Companies Act 1985 to convene a general meeting to consider whether any, and if so what, steps should be taken to deal with this situation. Accordingly, the business to be conducted at the General Meeting, as set out in the Notice of General Meeting, will include consideration of what, if any, such steps should be taken.

The Board considers that those actions which are being taken to reduce the Group's extensive liabilities and to maximise cash generation as referred to in sections 2, 3 and 4 of this letter, including the Delisting and the Re-registration, are the most effective way to deal with the Group's current financial and trading position.

In addition and as a result of the Group's financial and trading position, the Company will have exceeded the borrowing limits prescribed by the Articles and this will need to be ratified and approved by way of the Resolution numbered 3 set out in the Notice of General Meeting, which will be proposed as an ordinary resolution. In view of this and because the Board considers that such borrowing limits will no longer be appropriate following the Delisting and the Re-registration, it is proposed that the Articles be further amended by removing these provisions from the Articles.

9. General Meeting

Set out at the end of this document is a notice convening the General Meeting to be held at the offices of Travers Smith at 10 Snow Hill, London EC1A 2AL at 2.00 p.m. on 22 June 2009 at which the Resolutions will be put to Shareholders.

10. Action to be taken

Shareholders will find enclosed with this document a Form of Proxy for use at the General Meeting.

Whether or not you intend to attend the General Meeting, you are requested to complete the Form of Proxy in accordance with the instructions printed and return it to the Company's registrars, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6ZS, as soon as possible and, in any event, so that it is received no later than 2.00 p.m. on 20 June 2009. Completion and return of a Form of Proxy will not preclude you from attending and voting in person at the General Meeting, should you wish to do so.

11. Recommendation

For the reasons set out above, particularly in paragraph 3, the Directors believe that the Proposals are fair and reasonable and are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Board unanimously recommends Shareholders to vote in favour of the Resolutions to be proposed as they intend to do in respect of their own beneficial holdings amounting to, in aggregate, 102,543 Ordinary Shares representing approximately 0.20 per cent. of the Ordinary Shares in issue.

Yours faithfully,

David Hussey
Non-Executive Chairman

NOTICE OF GENERAL MEETING

ACERTEC PLC

(Registered in England and Wales with company number 3721271)

NOTICE is hereby given that a general meeting of Acertec plc (the “**Company**”) will be held at 2.00 p.m. on 22 June 2009 at the offices of Travers Smith at 10 Snow Hill, London EC1A 2AL for the purpose of considering, pursuant to section 142 of the Companies Act 1985, whether any, and if so what, steps should be taken in light of the fact that the net assets of the Company are less than half of its called up share capital and for the purpose of considering and, if thought fit, passing the following resolutions, of which numbers 1 and 2 will be proposed as special resolutions and number 3 will be proposed as an ordinary resolution:

SPECIAL RESOLUTIONS

1. **THAT** the admission of the Company’s ordinary shares of 10 pence each to trading on AIM be cancelled (the “**Delisting**”) and that the directors of the Company be and are hereby authorised to take all steps which are necessary or desirable in order to effect the Delisting.
2. **THAT**, conditional upon the Resolution numbered 1 above being passed and on the Delisting taking effect:
 - 2.1 the Company be re-registered as a private company under the Companies Act 1985 by the name of Acertec Limited;
 - 2.2 the memorandum of association of the Company be amended accordingly as follows:
 - (a) by deleting the Words “PUBLIC COMPANY LIMITED BY SHARES” and “ACERTEC PLC” in the heading to the memorandum of association and replacing them with the words “PRIVATE COMPANY LIMITED BY SHARES” and “ACERTEC LIMITED”, respectively;
 - (b) by the deletion of clause 1 and in substitution for it:
“1. The name of the Company is Acertec Limited.”
 - (c) by deleting clause 2; and
 - (d) by making the necessary consequential amendments to the numbering of the following clauses; and
 - 2.3 pursuant to section 9 of the Companies Act 1985, the Articles of Association of the Company be deleted in their entirety and the regulations contained in the document submitted to the meeting, and for the purpose of identification signed by the Chairman, be approved and adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association of the Company.

ORDINARY RESOLUTIONS

- 3 **THAT** the Company exceeding the borrowing limits prescribed by the Articles of Association of the Company, as described in the circular to Shareholders dated 4 June 2009, be and is hereby approved and ratified.

By order of the Board

.....

Secretary

Dated: 4 June 2009

Registered Office: Harlescott Lane, Shrewsbury, SY1 3AS.

Notes:

- (i) A member entitled to attend and vote at the General Meeting convened by the above Notice is entitled to appoint one or more proxies to exercise all or any of the rights of the member to attend and speak and vote in his place. A proxy need not be a member of the Company.
- (ii) To appoint a proxy you may:
 - (a) use the Form of Proxy enclosed with this Notice of General Meeting. To be valid, the Form of Proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of the same, must be deposited by 2.00 p.m. on 20 June 2009 at the offices of Equiniti, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6ZX; or
 - (b) if you hold your shares in uncertificated form, use the CREST electronic proxy appointment service as described in Note (v) below.

Completion of the Form of Proxy or appointment of a proxy through CREST will not prevent you from attending and voting in person.

- (iii) Pursuant to regulation 41 of the Regulations, only shareholders registered in the register of members of the Company as at 2.00 p.m. on 20 June 2009 shall be entitled to attend and vote at the General Meeting in respect of the number of shares registered in their name at such time. If the General Meeting is adjourned, the time by which a person must be entered on the register of members of the Company in order to have the right to attend and vote at the adjourned General Meeting is 6.00 p.m. on the day two days preceding the date fixed for the adjourned General Meeting. Changes to the register of members after the relevant times shall be disregarded in determining the rights of any person to attend and vote at the General Meeting.
- (iv) In the case of joint holders, the vote of the senior holder who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding.
- (v) CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the General Meeting and any adjournment(s) thereof by utilising the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed (a) voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & Ireland's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent, Equiniti (ID 7RA01), by 2.00 p.m. on 20 June 2009. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed (a) voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Regulations.

- (vi) The following documents are available for inspection on the Company's website: www.acertec.com and (during usual business hours on any weekday (Saturdays, Sundays and public holidays excluded)) at the registered office of the Company, Harlescott Lane, Shrewsbury, SY1 3AS from the date of this Notice and will be available for inspection at the General Meeting:
 - (a) the Memorandum and the Articles; and
 - (b) the proposed new memorandum and articles of association of the Company.

Action to be taken

You are asked to either:

1. complete the attached Form of Proxy and return it, together with any power of attorney or other authority under which it is signed or a notarially certified or office copy thereof, to Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6ZX, so as to arrive no later than 2.00 p.m. on 20 June 2009; or
2. if you hold your shares in uncertificated form, use the CREST electronic proxy appointment service as described at Note (v) in the notes to the Notice of the Annual General Meeting.

Completion of the Form of Proxy or appointment of a proxy through CREST does not prevent you from attending and voting in person.

