

LANGBAR INTERNATIONAL
COURT HEARING - 4 JULY 2006

Report of Court Hearing - 4 July 2006

On 4 July 2006, the hearing of the application to convene the meeting of Langbar's Scheme Creditors (as defined in the proposed Scheme of Arrangement), adjourned from 16 June 2006, was resumed. Certain small shareholders represented by counsel and solicitors, appeared at the hearing of the application. Following submissions, the hearing was adjourned to enable the scheme to be amended to allow beneficial owners of the shares with Scheme Claims to vote on the scheme directly and be personally bound by it.

Langbar will therefore be assembling a list of persons who have an interest in Langbar shares even though they do not appear on the relevant registers. This list will be assembled by contacting persons believed to have interests in Langbar shares directly, contacting those names which appear on Langbar's registers and advertising in appropriate newspapers in relevant countries. It is hoped to restore the court application at the end of this month and proceed with a revised Scheme of Arrangement.

During the course of the hearing the judge (Mr Justice Lindsay) heard from one of the Langbar creditors who expressed his strong support for the proposed scheme. At the end of the hearing, the judge encouraged Langbar to come back to court with a revised scheme, commenting that the scheme had many advantages over the other courses of action open to the company.

I firmly believe a scheme should be pursued and will do so as quickly as possible. I also intend to continue with the meeting on 25 July 2006 at 10.30am at the New Connaught Rooms, 61-65 Great Queen Street, Covent Garden, London WC2 5DA to afford shareholders the opportunity of being updated on the litigation and being able to ask questions on the process of the scheme and its mechanics. Hopefully this will help shareholders to express in person their views and to enable shareholders to hear from their directors and professional advisors the reasons for the scheme, the way forward for the company and what this would mean for shareholders.

I hope this will be helpful and constructive for all.

With kind regards

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Lovells