

25 November 2014

Publishing Technology plc

### **Directors' Loans**

Publishing Technology plc ("Publishing Technology" or the "Company") the leading provider of world-class software and services to the global publishing industry, announces that it has entered into unsecured loan note instruments for in aggregate up to a maximum of £1.25 million from certain of its Directors (together the "Directors' loans") which for the purposes of the AIM Rules for Companies (the "AIM Rules") constitute a related party transaction. The Directors' loans are with Martyn Rose, Chairman, Alan Moug, Chief Financial Officer, and Mark Rowse, Non-executive Director.

As has been the case in recent years, the Directors' loans have been granted to help the Company meet its potential peak funding requirement during the last quarter of the year. The Directors' loans and the Company's overdraft facility with HSBC will together meet the Company funding requirements for 2014.

The Directors' loans which carry a coupon of 12 per cent per annum are expected to be repaid on or before 31 January 2015. Positive cash flow during the Company's annual contract renewal season over the year end, when the Company receives approximately £3.0 million of cash from annually recurring contracts, will be used to repay the Directors' loans.

Michael Cairns, Chief Executive Officer, has not participated in the Directors' loans and is therefore deemed to be independent under the AIM Rules for the purposes of considering the related party transaction (the "Independent Director"). The Independent Director, having consulted with Westhouse Securities Limited, the Company's nominated adviser, considers that the terms of the Directors' loans are fair and reasonable insofar as the Company's shareholders are concerned.

Enquiries:

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