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28 March 2007

**For immediate release**

**RECOMMENDED CASH OFFER**  
**by**  
**TRAGUS BIDCO LIMITED**  
**for all the issued and to be issued share capital of**  
**LA TASCA GROUP PLC**

- The boards of Tragus and La Tasca are pleased to announce that they have reached agreement on the terms of a recommended cash acquisition of the entire issued and to be issued share capital of La Tasca.
- The Proposals are to be effected by way of a scheme of arrangement under section 425 of the Companies Act, which requires the approval of La Tasca Shareholders and the sanction of the High Court.
- The terms of the Proposals enable all La Tasca Shareholders to receive 185 pence in cash for each Scheme Share.
- The Proposals value the fully diluted share capital of La Tasca at c.£96 million (net of option proceeds).
- Tragus has received irrevocable undertakings to vote in favour of, or to procure voting in favour of, the Scheme (or accept the offer, if it is restructured as a Takeover Offer) in respect of an aggregate of 12,833,002 La Tasca Shares, representing approximately 26.15 per cent. of La Tasca's existing issued share capital.
- The Proposals represent a premium of approximately:
  - 12 per cent. to the Closing Price of 165 pence per La Tasca Share on 7 February 2007, being the last Business Day prior to the commencement of the Offer Period;
  - 36 per cent. to the average Closing Price of 137 pence per La Tasca Share for the six month period up to and including 7 February 2007; and
  - 5 per cent. to the Closing Price of 176 pence per La Tasca Share on 27 March 2007, being the last Business Day prior to the release of this announcement; and
  - 68 per cent. to the issue price per La Tasca Share on the flotation of the Company on AIM in February 2005
- The Directors, who have been so advised by PricewaterhouseCoopers and Altium, consider the terms of the Proposals to be fair and reasonable. Altium is providing independent advice to the La Tasca Directors in relation to Rule 3.1 of the City Code (PricewaterhouseCoopers provides professional services to Tragus and, as a consequence, is not an independent adviser in accordance with Rule 3 of the City Code). In providing advice to the La Tasca Directors, PricewaterhouseCoopers and Altium have taken into account the commercial assessments of the La Tasca Directors.
- The Directors consider that the Proposals are in the best interests of Shareholders as a whole. Accordingly, the Directors intend to recommend unanimously that Shareholders vote in favour of the resolutions to be proposed at the Court Meeting and the EGM, as they have irrevocably undertaken to do in respect of their entire beneficial holdings, which

in aggregate amount to 1,598,182 Shares, representing approximately 3.26 per cent. of La Tasca's existing issued share capital.

- La Tasca is the leading Spanish restaurant operator in the United Kingdom. There are 58 La Tasca restaurants in the United Kingdom and four in the United States, and eight La Vinas and three Sam & Maxie's Bar, Grill and Smokehouse.
- PricewaterhouseCoopers is acting as financial adviser to La Tasca and Altium is acting as Rule 3 adviser to La Tasca. Rothschild is acting as financial adviser to Tragus, Shore Capital is acting as broker to Tragus and Barclays Capital has arranged the acquisition finance facilities on behalf of Tragus.

Commenting on the Proposals, Graham Turner, Chief Executive Officer of the Tragus Group, said:

"We are delighted that the La Tasca Directors have decided to recommend unanimously our offer. La Tasca will be an excellent addition to the Tragus Group and we are looking forward to fully integrating and developing the business further. It is our intention to continue to roll out the La Tasca brand with significant capital investment. La Tasca will provide a strong complement to our existing Café Rouge and Bella Italia brands and will provide Tragus with the number one Spanish casual dining brand in the UK. "

Commenting on the Proposals, Joseph Baratta, a Senior Managing Director of the Blackstone Group, said:

"The acquisition of La Tasca will further strengthen Tragus' position as one of the UK's leading casual dining restaurant operators, with over 240 restaurants. La Tasca will complement Tragus' key brands of Café Rouge and Bella Italia, which are market leaders in the classic French and Italian restaurant sectors. We look forward to supporting Tragus and its management team in further growing their business and building on their strong position in the UK restaurant market. "

Commenting on the Proposals, John Barnes (Chairman of La Tasca) said:

"This transaction achieves the goals that were set out when we embarked on this process: it is an excellent deal for our shareholders delivering an attractive price and represents a premium of 68 per cent. to the issue price in just two years since La Tasca floated on AIM in 2005. It clearly demonstrates the value that can be created by an excellent team."

Commenting on the Proposals, James Horler (Chief Executive of La Tasca) said:

"Tragus is a good partner for La Tasca since the cultures of the two businesses are similar. La Tasca has excellent concepts which can be developed and evolved and talented people who are passionate about their businesses. This is an excellent deal for all our stakeholders."

**Enquiries:**

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This summary should be read in conjunction with the full text of the attached announcement. The Scheme will be subject to the conditions set out in Appendix I to this announcement and the full conditions and further terms which will be set out in the Scheme Document expected to be issued shortly.

Appendix II contains the sources and bases of information used in this announcement.

Appendix III contains the definitions of certain expressions used in this announcement.

Rothschild, which is authorised and regulated by the Financial Services Authority in the United Kingdom, is acting exclusively for Tragus and no one else in connection with the Proposals and will not be responsible to anyone other than Tragus for providing the protections afforded to clients of Rothschild nor for providing advice in relation to the Proposals, the content of this announcement or any other matter or arrangement referred to herein.

Shore Capital, which is authorised and regulated by the Financial Services Authority in the United Kingdom, is acting exclusively for Tragus and no one else in connection with the Proposals and will not be responsible to anyone other than Tragus for providing the protections afforded to clients of Shore Capital nor for providing advice in relation to the Proposals, the content of this announcement or any other matter or arrangement referred to herein.

PricewaterhouseCoopers, which is authorised and regulated by the Financial Services Authority in the United Kingdom, is acting exclusively for La Tasca and no one else in connection with the

Proposals and will not be responsible to anyone other than La Tasca for providing the protections afforded to clients of PricewaterhouseCoopers nor for providing advice in relation to the Proposals, the content of this announcement or any other matter or arrangement referred to herein.

Altium, which is authorised and regulated by the Financial Services Authority in the United Kingdom, is acting for La Tasca and no one else in connection with the Proposals and will not be responsible to anyone other than La Tasca for providing the protections afforded to clients of Altium nor for providing advice in relation to the Proposals, the content of this announcement or any other matter or arrangement referred to herein.

THIS ANNOUNCEMENT DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO SUBSCRIBE FOR OR BUY ANY SECURITIES NOR THE SOLICITATION OF ANY VOTE OR APPROVAL IN ANY JURISDICTION, NOR SHALL THERE BE ANY SALE, ISSUE OR TRANSFER OF THE SECURITIES REFERRED TO IN THIS ANNOUNCEMENT IN ANY JURISDICTION IN CONTRAVENTION OF ANY APPLICABLE LAW.

### **Further Information on the Proposals**

The availability of the Proposals to La Tasca Shareholders who are not resident in the United Kingdom may be affected by the laws of relevant jurisdictions. La Tasca Shareholders who are not resident in the United Kingdom will need to inform themselves about and observe any applicable requirements.

This announcement has been prepared for the purposes of complying with English law, the City Code and the AIM Rules and information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside England.

The Proposals will be subject to the applicable rules and regulations of the Financial Services Authority, the London Stock Exchange and the City Code.

### **Dealing Disclosure Requirements**

Under the provisions of Rule 8.3 of the Code, if any person is, or becomes, "interested" (directly or indirectly) in 1% or more of any class of "relevant securities" of La Tasca, all "dealings" in any "relevant securities" of that company (including by means of an option in respect of, or a derivative referenced to, any such "relevant securities") must be publicly disclosed by no later than 3.30 p.m. (London time) on the Business Day following the date of the relevant transaction. This requirement will continue until the Effective Date or until the date on which the Scheme lapses or is otherwise withdrawn or on which the "offer period" otherwise ends (or, if Tragus elects to effect the Proposals by way of a Takeover Offer, until the date on which the offer becomes, or is declared, unconditional as to acceptances or is otherwise withdrawn or on which the "offer period" otherwise ends). If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire an "interest" in "relevant securities" of La Tasca, they will be deemed to be a single person for the purpose of Rule 8.3.

Under the provisions of Rule 8.1 of the Code, all "dealings" in "relevant securities" of La Tasca by Tragus or La Tasca, or by any of their respective "associates", must be disclosed by no later than 12.00 noon (London time) on the Business Day following the date of the relevant transaction.

A disclosure table, giving details of the companies in whose "relevant securities" "dealings" should be disclosed, and the number of such securities in issue, can be found on the Panel's website at [www.thetakeoverpanel.org.uk](http://www.thetakeoverpanel.org.uk).

"Interests in securities" arise, in summary, when a person has long economic exposure, whether conditional or absolute, to changes in price of securities. In particular, a person will be treated as having an "interest" by virtue of the ownership or control of securities, or by virtue of any option in respect of, or derivative referenced to, securities.

Terms in quotation marks are defined in the Code, which can also be found on the Panel's website. If you are in any doubt as to whether or not you are required to disclose a "dealing" under Rule 8, you should consult the Panel.

In accordance with Rule 2.10 of the Code, La Tasca confirms that it has 49,077,092 ordinary shares of 5 pence each in issue and admitted to trading on AIM under the UK ISIN code GB00B05JYJ82.

28 March 2007

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**1. INTRODUCTION**

The boards of Tragus and La Tasca are pleased to announce that they have reached agreement on the terms of a recommended cash acquisition of the entire issued and to be issued share capital of La Tasca.

The Directors, who have been so advised by PricewaterhouseCoopers and Altium, consider the terms of the Proposals to be fair and reasonable. Altium is providing independent advice to the La Tasca Directors in relation to Rule 3.1 of the City Code (PricewaterhouseCoopers provides professional services to Tragus and, as a consequence, is not an independent adviser in accordance with Rule 3 of the City Code). In providing advice to the La Tasca Directors, PricewaterhouseCoopers and Altium have taken into account the commercial assessments of the La Tasca Directors.

The La Tasca Directors intend to recommend unanimously that La Tasca Shareholders vote in favour of the Proposals at the appropriate meetings, and have irrevocably undertaken to do so in respect of their own beneficial holdings of, in aggregate, 1,598,182 La Tasca Shares representing approximately 3.26 per cent. of La Tasca's existing issued share capital.

Tragus has received a further irrevocable undertaking to vote in favour of, or to procure voting in favour of, the Scheme (or accept the offer, if it is restructured as a Takeover Offer) from a La Tasca Shareholder in respect of an aggregate of 11,234,820 La Tasca Shares, representing approximately 22.89 per cent. of La Tasca's existing issued share capital.

Further details of these irrevocable undertakings are given in paragraph 6 below.

**2. THE PROPOSALS**

The Proposals are to be effected by way of a scheme of arrangement under section 425 of the Companies Act, which requires the approval of La Tasca Shareholders and the sanction of the High Court.

Under the Proposals, which will be subject to the Conditions set out in Appendix I and to the full terms and conditions to be set out in the Scheme Document, La Tasca Shareholders will receive:

<b>for each La Tasca Share</b>	<b>185 pence in cash</b>
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The Proposals represent a premium of approximately 12 per cent. to the Closing Price of 165 pence per La Tasca Share on 7 February 2007, being the last Business Day prior to the commencement of the Offer Period.

**3. BACKGROUND TO AND REASONS FOR RECOMMENDING THE PROPOSALS**

Since 1993, La Tasca has successfully established its presence in the casual dining market by building the La Tasca brand and developing the La Vina and Sam & Maxie's concepts.

The casual dining market sector has seen a strong and continuing trend towards consolidation of branded restaurant chains. As part of this trend, La Tasca received a number of unsolicited approaches from potential acquirors, following which the La Tasca Board appointed PricewaterhouseCoopers to review its strategic options.

As part of this review, PricewaterhouseCoopers conducted a controlled auction of the Company and invited a number of potential acquirors, including existing restaurant groups and private equity-backed acquisition entities, to consider the possible acquisition of La Tasca.

The Directors have carefully considered the merits of the proposals received as a result of this process and have concluded that the fully funded proposal from Tragus at 185 pence per Share in cash provides the greatest certainty for La Tasca Shareholders to realise their entire Shareholdings at an attractive price which the Directors intend to recommend that Shareholders accept.

The La Tasca Board believes La Tasca and Tragus are complementary businesses and that the acquisition of La Tasca provides a compelling platform for further expansion of Tragus' Spanish tapas offering and enhanced opportunities for the consolidated group and its employees.

#### 4. **REASONS FOR THE ACQUISITION AND PLANS FOR LA TASCA**

Tragus believes that La Tasca represents an attractive acquisition opportunity due to its position as the leading Spanish restaurant operator in the United Kingdom.

The La Tasca business will complement the Tragus portfolio of Café Rouge and Bella Italia restaurants in the French and Italian segments of the market respectively.

Tragus believes that their combined expertise, together with the benefits of private ownership, will help to increase the long-term value of La Tasca.

#### 5. **RECOMMENDATION**

The Directors, who have been so advised by PricewaterhouseCoopers and Altium, consider the terms of the Proposals to be fair and reasonable. Altium is providing independent advice to the La Tasca Directors in relation to Rule 3.1 of the City Code (PricewaterhouseCoopers provides professional services to Tragus and, as a consequence, is not an independent adviser in accordance with Rule 3 of the City Code). In providing advice to the La Tasca Directors, PricewaterhouseCoopers and Altium have taken into account the commercial assessments of the La Tasca Directors.

The Directors consider that the Proposals are in the best interests of Shareholders as a whole. Accordingly, the Directors intend to recommend unanimously that Shareholders vote in favour of the resolutions to be proposed at the Court Meeting and the EGM, as they have irrevocably undertaken to do in respect of their entire beneficial holdings, which in aggregate amount to 1,598,182 La Tasca Shares, representing approximately 3.26 per cent. of La Tasca's existing issued share capital.

#### 6. **IRREVOCABLE UNDERTAKINGS TO VOTE IN FAVOUR OF THE PROPOSALS –**

Tragus has received irrevocable undertakings to vote in favour of the Scheme (or accept the offer, if it is structured as a Takeover Offer) from the following:

- (a) Directors in respect of, in aggregate, 1,598,182 La Tasca Shares, namely:
  - i) J Horler in respect of 900,000 La Tasca Shares;
  - ii) J Barnes in respect of 300,000 La Tasca Shares;

- iii) M C McLaughlin in respect of 330,000 La Tasca Shares; and
- iv) I Edward in respect of 68,182 La Tasca Shares.

The undertakings referred to above from the Directors will cease to be binding only if the Proposals lapse or are withdrawn or if the scheme or offer documentation in connection with the Proposals is not posted to La Tasca Shareholders within 28 days of this announcement or such later date as the Panel may agree (but not later than 30 April 2007). They remain binding in the event that a higher competing offer for La Tasca is made.

- (b) Penta Capital Partners in respect of 11,234,820 La Tasca Shares.

The undertaking from Penta Capital Partners will lapse if (i)(a) a person other than Tragus or any person acting in concert with Tragus announces a firm intention to make an offer (in accordance with Rule 2.5 of the City Code) to acquire La Tasca's issued share capital, provided that the value of the cash consideration is at least 195 pence per La Tasca Share (or such higher price as the Offer has been revised to), and (b) Tragus or any persons(s) acting in concert with Tragus has not announced, within 48 hours of an announcement of such offer, a firm intention to revise the Proposal so that the revised cash price is at least one pence more than the price offered under such offer or (ii) if the scheme or offer documentation in connection with the Proposals is not posted to the La Tasca Shareholders within 28 days of this announcement or by such later date as the Panel may agree (but not later than 30 April 2007).

In aggregate, therefore, Tragus has received irrevocable undertakings to vote in favour of, or to procure voting in favour of, the Scheme (or accept the offer, if it is restructured as a Takeover Offer) in respect of an aggregate of 12,833,002 La Tasca Shares, representing approximately 26.15 per cent. of La Tasca's existing issued share capital.

## 7. **STRUCTURE OF THE PROPOSALS**

### *Introduction*

The Scheme involves an application by La Tasca to the Court to sanction the Scheme and then to confirm the cancellation of the Scheme Shares, in consideration for which Scheme Shareholders on the register of members at the Scheme Record Date will receive the cash consideration. The cancellation and the subsequent issue of new La Tasca Shares to Tragus provided for in the Scheme will result in La Tasca becoming a subsidiary company of Tragus.

### *The Meetings*

Before the Court's approval can be sought, the Scheme of Arrangement will require approval by Scheme Shareholders at a Court Meeting and the passing of a special resolution by La Tasca Shareholders to implement the Scheme at an Extraordinary General Meeting.

The Court Meeting will be held at the direction of the Court to seek the approval of the Scheme Shareholders to the Scheme. The approval required at the Court Meeting is a majority in number of the Scheme Shareholders who vote, representing three fourths or more in value of the Scheme Shares that vote, either in person or by proxy, at the Court Meeting.

In addition, an Extraordinary General Meeting will be held for the purpose of considering and, if thought fit, passing a special resolution (which requires a vote in favour of not less than 75 per cent. of the votes cast) to approve:

- (i) the Scheme;

- (ii) the reduction of capital and the issue of new La Tasca Shares to Tragus provided for in the Scheme; and
- (iii) amendments to the articles of association of La Tasca in accordance with the Scheme and as described below.

#### *Conditions to the Proposals*

The Conditions to the Proposals are set out in Appendix I to this document. The Proposals are conditional, *inter alia*, upon:

- the Scheme becoming effective by not later than 31 July 2007 or such later date as Tragus and La Tasca may agree and (if required) the Court may approve, failing which the Scheme will lapse;
- the approval by a majority in number of the La Tasca Shareholders who are present and vote, representing three fourths or more in value of the La Tasca Shares voted, either in person or by proxy, at the Court Meeting;
- the passing of the special resolution required to implement the Scheme at the Extraordinary General Meeting;
- the sanction of the Scheme (with or without modification agreed by Tragus and La Tasca) and subsequent confirmation of the reduction of capital involved therein by (in each case) the Court and the delivery of an office copy of the Court Order to the Registrar of Companies in England and Wales and the registration of such Court Order; and
- the Conditions which are not otherwise identified above being satisfied or waived.

Once the necessary approvals from La Tasca Shareholders have been obtained and the other Conditions have been satisfied or (where applicable) waived, the Scheme and associated reduction of capital will become effective following sanction by the Court upon delivery to and, in the case of the associated reduction of capital, registration of the Court Order by the Registrar of Companies in England and Wales.

Once effective, the Scheme will be binding on all Scheme Shareholders, including those who did not vote, or who voted against it, at the Meetings or who could not be traced.

It is also proposed that, following the Effective Date, Tragus procures the making of an application by La Tasca to the London Stock Exchange for the cancellation of admission to trading of La Tasca Shares on AIM and it is also then intended that La Tasca will be re-registered as a private company under the relevant provisions of the Companies Act. It is anticipated that such cancellation of admission to trading will take effect on the Effective Date. The Scheme Document will contain an indicative timetable in which 20 Business Days' notice of the cancellation will be provided.

## **8. INFORMATION ON TRAGUS**

Formed in 2002, Tragus is one of the UK's largest independently owned restaurant chain operators with over 175 sites across the country. The portfolio includes three divisions - Café Rouge, Bella Italia, and the Brasseries.

Tragus is owned by The Blackstone Group and members of Tragus' management team. Blackstone is a global private investment and advisory firm, founded in 1985. Blackstone has raised a total of more than \$67 billion for alternative asset investing since its formation of which approximately \$30 billion has been for private equity investing. Blackstone's Private Equity Group is currently investing its fifth general private equity fund with commitments of \$15.6 billion, and has over 60 experienced professionals with broad

sector expertise. Blackstone's other core businesses include Private Real Estate Investing, Corporate Debt Investing, Hedge Funds, Mutual Fund Management, Private Placement, Marketable Alternative Asset Management, and Investment Banking Advisory Services.

9. **INFORMATION ON LA TASCA**

La Tasca is the leading Spanish casual dining operator in the UK.

The largest part of the business is the La Tasca brand (58 outlets) – the largest national group of Spanish restaurants.

In addition to its core brand, in 2004 La Tasca created La Viña (currently 8 outlets) – complementary to La Tasca and with the potential for a nationwide roll-out.

The successful creation of La Viña was followed by the development of the Sam & Maxie's Bar, Grill and Smokehouse concept in 2006 (currently three outlets) targeting the family market.

10. **MANAGEMENT AND EMPLOYEES**

Tragus has given assurances to the La Tasca Directors that, if the Scheme becomes effective, the existing employment rights, including existing pension rights, of all La Tasca employees will be safeguarded.

11. **LA TASCA SHARE SCHEMES**

At the same time or as soon as practicable following the publication of the Scheme Document, letters will be sent to the participants in the La Tasca Share Schemes explaining the effect of the Scheme on them and, where applicable, their right to exercise share options.

The Scheme will not extend to the Shares issued after the Scheme Record Date. However, it is proposed to amend the articles of association of La Tasca at the Extraordinary General Meeting to provide that, if the Scheme becomes effective, any La Tasca Shares issued after the Scheme Record Date will automatically be transferred to Tragus in exchange for the Offer Price in cash on the same basis as under the Scheme. Consequently, participants in the La Tasca Share Schemes who exercise any options after the Scheme Record Date will receive cash consideration in the same manner as Scheme Shareholders will when the Scheme becomes effective.

Further details of these proposals will be set out in the letters to the participants in the La Tasca Share Schemes which will be sent out in due course

12. **INTERESTS IN LA TASCA SHARES**

Save for the irrevocable undertakings referred to in paragraph 6 above, neither Tragus nor any of its directors nor, so far as the directors of Tragus are aware, any person acting in concert with Tragus for the purposes of the Proposals, owns or controls or holds any option to purchase, or has any arrangement in relation to La Tasca Shares or securities convertible or exchangeable into La Tasca Shares or options (including traded options) in respect of, or has entered into any derivative referenced to, any such shares. For these purposes, "arrangement" includes any indemnity or option arrangement, any agreement or understanding, formal or informal, of whatever nature, relating to La Tasca Shares which may be an inducement to deal or refrain from dealing in such shares. In the interests of secrecy prior to this announcement, Tragus has not made any such enquiries in respect of certain parties who may be deemed by the Panel to be acting in concert with them for the purposes of the Proposals. Enquiries of such parties will be made as soon as practicable following the date of this announcement and any material disclosure in respect of such parties will be included in the Scheme Document.

### 13. **FINANCING THE PROPOSALS**

The cash consideration payable by Tragus to La Tasca Shareholders under the terms of the Scheme will be provided to Tragus by the Blackstone Funds and by third party debt facilities provided by Barclays Bank PLC. Tragus has in place debt financing under committed facilities arranged by Barclays Capital and fully underwritten by Barclays Bank PLC. The remainder of the monies have been irrevocably committed to Tragus by the Blackstone Funds.

Rothschild, financial adviser to Tragus, is satisfied that sufficient resources are available to Tragus to satisfy in full the cash consideration payable to La Tasca Shareholders under the terms of the Scheme.

### 14. **IMPLEMENTATION AGREEMENT**

La Tasca has entered into an agreement regarding the implementation of the Scheme (or, if applicable, a Takeover Offer) and the conduct of the business of La Tasca in the period up to the Effective Date (or, if applicable, the date on which the Takeover Offer becomes or is declared unconditional in all respects).

Save as required by law or regulation or the Panel, La Tasca has undertaken not to and to procure that members of the La Tasca Group and its and their respective management and professional advisers do not, directly or indirectly solicit a Competing Proposal or with a view to undertaking any corporate action which is an alternative to the Proposals.

La Tasca has also undertaken to inform Tragus in the event that the directors of La Tasca are approached by any person with a view to making a Firm Competing Offer Announcement, but shall not be required to provide details of the person who has made the approach. If such a person makes a Firm Competing Offer Announcement Tragus may amend the terms of the Proposals (the "**Revised Offer**") and for a period of 48 hours from the Firm Competing Offer Announcement, La Tasca shall not withdraw the Scheme. In the event that such Revised Offer:

- (i) is communicated to either the Directors or La Tasca's financial adviser within 48 hours of the Firm Competing Offer Announcement; and
- (ii) increases the price previously offered by Tragus for each La Tasca Share so that such increased price is no less than the Firm Competing Offer price,

the Directors, shall (subject always to their fiduciary duties and to certain exceptions) recommend the Revised Offer to La Tasca Shareholders and shall withdraw any recommendation that they may have made of the competing proposal and shall not recommend the competing proposal.

In addition, La Tasca has agreed with Tragus that it will not enter into any inducement fee arrangements with any person other than Tragus in connection with an approach to La Tasca or a proposal or offer to acquire shares in the capital of La Tasca, except that La Tasca may agree to enter into an inducement fee arrangement with any person conditionally upon that person announcing a firm intention to make an offer (in accordance with Rule 2.5 of the City Code) to acquire La Tasca's issued share capital at a price of at least 195 pence per La Tasca Share.

### 15. **INDUCEMENT FEE**

In the Implementation Agreement, La Tasca has agreed to pay Tragus an inducement fee of £958,000 (representing approximately 1 per cent. of the equity value of La Tasca at the Offer Price) if (a) a competing proposal is announced prior to the Proposals lapsing or

being withdrawn and any competing proposal becomes wholly unconditional or effective within 12 months of the date of the Implementation Agreement or (b) if the Directors withdraw or adversely modify their recommendation unless such withdrawal or modification is as result of a competing proposal and an announcement is made in respect of that competing proposal in which case such fee will only be payable when that (or any other) competing proposal subsequently becomes unconditional, provided this is within 12 months of the date of the Implementation Agreement.

16. **OVERSEAS SHAREHOLDERS**

The availability of the Proposals to persons not resident in the United Kingdom may be prohibited or affected by the laws of the relevant jurisdictions. Such persons should inform themselves about, and observe, any applicable requirements. Further details in relation to Overseas Shareholders will be contained in the Scheme Document.

17. **GENERAL**

The Scheme Document and proxy forms for the Meetings will be sent to La Tasca Shareholders shortly.

Tragus reserves the right to elect to implement the Proposals by making a Takeover Offer for the entire issued and to be issued share capital of La Tasca.

The Proposals will be subject to the conditions set out in Appendix I. The bases and sources of certain financial information contained in this announcement are set out in Appendix II. Certain terms used in this announcement are defined in Appendix III.

**Enquiries:**

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The Scheme will be subject to the conditions set out in Appendix I to this announcement and the full conditions and further terms which will be set out in the Scheme Document expected to be issued shortly.

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Shore Capital, which is authorised and regulated by the Financial Services Authority in the United Kingdom, is acting exclusively for Tragus and no one else in connection with the Proposals and will not be responsible to anyone other than Tragus for providing the protections afforded to clients of Shore Capital nor for providing advice in relation to the Proposals, the content of this announcement or any other matter or arrangement referred to herein.

PricewaterhouseCoopers, which is authorised and regulated by the Financial Services Authority in the United Kingdom, is acting exclusively for La Tasca and no one else in connection with the Proposals and will not be responsible to anyone other than La Tasca for providing the protections

afforded to clients of PricewaterhouseCoopers nor for providing advice in relation to the Proposals, the content of this announcement or any other matter or arrangement referred to herein.

Altium, which is authorised and regulated by the Financial Services Authority in the United Kingdom, is acting for La Tasca and no one else in connection with the Proposals and will not be responsible to anyone other than La Tasca for providing the protections afforded to clients of Altium nor for providing advice in relation to the Proposals, the content of this announcement or any other matter or arrangement referred to herein.

THIS ANNOUNCEMENT DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO SUBSCRIBE FOR OR BUY ANY SECURITIES NOR THE SOLICITATION OF ANY VOTE OR APPROVAL IN ANY JURISDICTION, NOR SHALL THERE BE ANY SALE, ISSUE OR TRANSFER OF THE SECURITIES REFERRED TO IN THIS ANNOUNCEMENT IN ANY JURISDICTION IN CONTRAVENTION OF ANY APPLICABLE LAW.

### **Further Information on the Proposals**

The availability of the Proposals to La Tasca Shareholders who are not resident in the United Kingdom may be affected by the laws of relevant jurisdictions. La Tasca Shareholders who are not resident in the United Kingdom will need to inform themselves about and observe any applicable requirements.

This announcement has been prepared for the purposes of complying with English law, the City Code and the AIM Rules and information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside England.

The Proposals will be subject to the applicable rules and regulations of the Financial Services Authority, the London Stock Exchange and the City Code.

### **Dealing Disclosure Requirements**

Under the provisions of Rule 8.3 of the Code, if any person is, or becomes, "interested" (directly or indirectly) in 1% or more of any class of "relevant securities" of La Tasca, all "dealings" in any "relevant securities" of that company (including by means of an option in respect of, or a derivative referenced to, any such "relevant securities") must be publicly disclosed by no later than 3.30 p.m. (London time) on the Business Day following the date of the relevant transaction. This requirement will continue until the Effective Date or until the date on which the Scheme lapses or is otherwise withdrawn or on which the "offer period" otherwise ends (or, if Tragus elects to effect the Proposals by way of a Takeover Offer, until the date on which the offer becomes, or is declared, unconditional as to acceptances or is otherwise withdrawn or on which the "offer period" otherwise ends). If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire an "interest" in "relevant securities" of La Tasca, they will be deemed to be a single person for the purpose of Rule 8.3.

Under the provisions of Rule 8.1 of the Code, all "dealings" in "relevant securities" of La Tasca by Tragus or La Tasca, or by any of their respective "associates", must be disclosed by no later than 12.00 noon (London time) on the Business Day following the date of the relevant transaction.

A disclosure table, giving details of the companies in whose "relevant securities" "dealings" should be disclosed, and the number of such securities in issue, can be found on the Panel's website at [www.thetakeoverpanel.org.uk](http://www.thetakeoverpanel.org.uk).

"Interests in securities" arise, in summary, when a person has long economic exposure, whether conditional or absolute, to changes in price of securities. In particular, a person will be treated as having an "interest" by virtue of the ownership or control of securities, or by virtue of any option in respect of, or derivative referenced to, securities.

Terms in quotation marks are defined in the Code, which can also be found on the Panel's website. If you are in any doubt as to whether or not you are required to disclose a "dealing" under Rule 8, you should consult the Panel.

In accordance with Rule 2.10 of the Code, La Tasca confirms that it has 49,077,092 ordinary shares of 5 pence each in issue and admitted to trading on AIM under the UK ISIN code GB00B05JYJ82.

## APPENDIX I

### Conditions and Further Terms of the Proposals

#### 1. Conditions of the Proposals

- 1.1 The Proposals are conditional upon the Scheme becoming unconditional and becoming effective, subject to the City Code, by not later than 31 July 2007 or such later date as Tragus and La Tasca may, with the consent of the Panel, agree and (if required) the Court may approve.

The Scheme will be conditional upon:

- (a) approval by a majority in number representing three fourths or more in value of the holders of Scheme Shares who are present and voting, either in person or by proxy, at the Court Meeting;
- (b) any resolution required to approve and implement the Scheme and set out in the notice of Extraordinary General Meeting being passed at the Extraordinary General Meeting; and
- (c) the sanction of the Scheme (with or without modification agreed by Tragus and La Tasca) and the confirmation of any reduction of capital involved therein by the Court and an office copy of the Court Order and the minute of such reduction attached thereto being delivered for registration to the Registrar of Companies of England and Wales and being registered by him.

- 1.2 The Proposals will be subject to the following conditions:

- (a) no government or governmental, quasi-governmental, supranational, statutory or regulatory body, or any court, institution, investigative body, or (without prejudice to the generality of the foregoing) any other similar person or body in any jurisdiction (each, a "**Relevant Authority**") having decided to take, instituted, implemented or threatened any action, proceedings, suit, investigation or enquiry or enacted, made or proposed any statute, regulation or order or otherwise taken any other step or done any thing, and there not being outstanding any statute, legislation or order, that would or might in either case reasonably be expected to (in any case to any extent which is material in the context of the La Tasca Group taken as a whole or in the context of the Proposals):
  - (i) restrict, restrain, prohibit, materially frustrate, impose material additional conditions or delay the implementation of, the acquisition of any Scheme Shares by Tragus or La Tasca or any matters arising therefrom;
  - (ii) result in a material delay in the ability of the Tragus, or render Tragus unable, to acquire some or all of the Scheme Shares;
  - (iii) require, prevent or delay the divestiture by Tragus or any of its subsidiaries, subsidiary undertakings or associated undertakings (together the "**Wider Tragus Group**") or La Tasca or any of its subsidiaries, subsidiary undertakings or associated undertakings (together the "**Wider La Tasca Group**") of all or any material portion of their businesses, assets or property or of any La Tasca Shares or other securities in La Tasca or impose any material limitation on the ability of any of them to conduct a material portion of their respective businesses or own a material proportion of their respective assets or properties;

- (iv) impose any material limitation on the ability of any member of the Wider Tragus Group to acquire or hold or exercise effectively, directly or indirectly, all rights of all or any of the La Tasca Shares (whether acquired pursuant to the Scheme or otherwise);
- (v) make the Proposals or their implementation or the proposed acquisition of La Tasca or any member of the Wider La Tasca Group or of any La Tasca shares or any other shares or securities in, or control of, La Tasca, illegal, void or unenforceable in or under the laws of any jurisdiction;
- (vi) result in any member of the Wider Tragus Group ceasing to be able to carry on its business or any material part of it; or
- (vii) otherwise adversely affect in any material respect any or all of the businesses, assets, prospects or profits of any member of the Wider Tragus Group or the Wider La Tasca Group or the exercise of rights of shares of any company in the La Tasca Group,

and all applicable waiting periods during which such Relevant Authority could institute, implement or threaten any such action, proceeding, suit, investigation, enquiry or reference or otherwise intervene having expired, lapsed or been terminated;

- (b) all authorisations, orders, grants, consents, clearances, licences, permissions and approvals, in any jurisdiction, reasonably deemed necessary or reasonably considered appropriate by Tragus for or in respect of the Proposals, the proposed acquisition of any shares or securities in, or control of, La Tasca or any member of the Wider La Tasca Group by any member of the Wider Tragus Group or the carrying on of the business of any member of the Wider La Tasca Group the issue of the new La Tasca Shares or any matters arising therefrom being obtained in terms reasonably satisfactory to Tragus or La Tasca from all appropriate Relevant Authorities or (without prejudice to the generality of the foregoing) from any persons or bodies with whom any members of the Wider La Tasca Group has entered into contractual arrangements in each case where the absence of the same is material in the context of the Proposals and such authorisations, orders, grants, consents, clearances, licences, permissions and approvals remaining in full force and effect at the time the Proposals become otherwise unconditional and there being no intimation of any intention to revoke or not to renew the same and all necessary filings having been made, all appropriate waiting and other time periods (including extensions thereto) under any applicable legislation and regulations in any jurisdiction having expired, lapsed or been terminated and all necessary statutory or regulatory obligations in any relevant jurisdiction in respect of the Proposals or the proposed acquisition of La Tasca by Tragus or of any Scheme Shares or any matters arising therefrom having been complied with;
- (c) save as publicly announced by La Tasca through a Regulatory Information Service or as otherwise disclosed in writing to Tragus or its advisers prior to 5.30p.m. on 27 March 2007 there being no provision of any agreement, instrument, permit, licence or other arrangement to which any member of the Wider La Tasca Group is a party or by or to which it or any of its assets are bound or subject which, as a consequence of the Proposals or the acquisition of La Tasca or because of a change in the control or management of La Tasca or any member of the La Tasca Group or any matters arising therefrom or otherwise, could or might have the result which is or would be material in the context of the Wider La Tasca Group taken as a whole that:

- (i) any monies borrowed by, or other indebtedness, actual or contingent, of any member of the Wider La Tasca Group which is not already repayable on demand becomes or is capable of being declared repayable immediately or earlier than the repayment date stated in such agreement, instrument or other arrangement or the ability of any member of the Wider La Tasca Group to borrow moneys or incur indebtedness is withdrawn, inhibited or adversely affected;
  - (ii) any mortgage, charge or other security interest is created over the whole or any material part of the business, property or assets of any member of the Wider La Tasca Group or any such security (whenever arising) becomes enforceable;
  - (iii) any such agreement, instrument, permit, licence or other arrangement, or any right, interest, liability or obligation of any member of the Wider La Tasca Group therein, is terminated or adversely modified or affected or any action is taken or obligation arises thereunder;
  - (iv) the value of any member of the Wider La Tasca Group or its financial or trading position is materially prejudiced or materially adversely affected;
  - (v) any material asset or, other than in the ordinary course of business, any asset of the Wider La Tasca Group being or falling to be charged or disposed of;
  - (vi) the rights, liabilities, obligations or interests or business of any member of the Wider La Tasca Group in or with any other person, firm or company (or any arrangement relating to such interest or business) are terminated, adversely modified or adversely affected; or
  - (vii) any member of the Wider La Tasca Group ceases to be able to carry on business under any name under which it currently does so;
- (d) since 30 April 2006 (being the date to which the latest published audited report and accounts of La Tasca were made up) and save as disclosed in La Tasca's published report and accounts for the year then ended or in the interim results statement of La Tasca for the six months ended on 31 October 2006 or save as announced publicly and in each case delivered to a Regulatory Information Service prior to the date of this announcement or as otherwise disclosed in writing to Tragus prior to the date of this announcement, no member of the La Tasca Group having:
- (i) issued or agreed to issue or authorised or proposed the issue of additional shares of any class or issued or authorised or proposed the issue of or granted securities convertible into or rights, warrants or options to subscribe for or acquire such shares or convertible securities or redeemed, purchased or reduced or announced any intention to do so or made any other change to any part of its share capital;
  - (ii) recommended, declared, paid or made or proposed to recommend, declare, pay or make any dividend, bonus or other distribution other than dividends lawfully paid to La Tasca or wholly-owned subsidiaries of La Tasca;
  - (iii) save as among wholly owned subsidiaries of La Tasca, made, authorised or proposed or announced its intention to propose any merger or acquisition or disposal or transfer of assets or shares (other than in the ordinary course of business) or any change in its share or loan capital;

- (iv) issued or authorised or proposed the issue of any debentures or incurred or increased any indebtedness or contingent liability;
  - (v) disposed of or transferred (other than in the ordinary course of business), mortgaged or encumbered any asset or any right, title or interest in any asset or entered into or varied any contract, commitment or arrangement (other than in the ordinary course of business) (whether in respect of capital expenditure or otherwise) which is of a long term or unusual nature or which involves or is reasonably likely to involve an obligation of a nature or magnitude which is material in the context of the Wider La Tasca Group or announced any intention to do so;
  - (vi) entered into or varied or proposed to enter into or vary any reconstruction, amalgamation, arrangement or other transaction which is of a long term or unusual or onerous nature or is otherwise than in the ordinary course of business or announced any intention to do so;
  - (vii) entered into, or varied the terms of, any contract or agreement with any of the directors or senior executives of La Tasca;
  - (viii) taken or proposed any corporate action or had any legal proceedings started or threatened in writing against it for its winding-up, dissolution or reorganisation or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer of all or any of its assets and revenues;
  - (ix) waived or compromised any claim other than in the ordinary course of business, which is material in the context of the Wider La Tasca Group;
  - (x) made any amendment to its memorandum or articles of association or other incorporation documents;
  - (xi) entered into any contract, transaction or arrangement which is or is reasonably likely to be materially restrictive on the business of any member of the Wider La Tasca Group or the Wider Tragus Group;
  - (xii) entered into any contract, commitment or agreement with respect to any of the transactions or events referred to in this condition (d); and
  - (xiii) been unable or admitted that it is unable to pay its debts or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased carrying on all or a substantial part of its business;
- (e) since 30 April 2006 (being the date to which the latest published audited report and accounts of La Tasca were made up) and save as disclosed in La Tasca's published report and accounts for the year then ended or in the interim results statement of La Tasca for the six months end on 31 October 2006 or save as announced publicly and in each case delivered to a Regulatory Information Service or fairly disclosed in writing to Tragus prior to the date of this announcement:
- (i) no litigation, arbitration, prosecution or other legal proceedings having been instituted, announced or become pending or remained outstanding by or against any member of the Wider La Tasca Group or to which any member of the Wider La Tasca Group becomes a party (whether as plaintiff, defendant or otherwise);

- (ii) no material adverse change having occurred in the business, assets, financial or trading position, profits or prospects of any member of the Wider La Tasca Group taken as a whole;
  - (iii) no investigation by any Relevant Authority having been threatened, announced, implemented or instituted or remaining outstanding which is material in the context of the Wider La Tasca Group;
- (f) Save as disclosed in writing to Tragus or its advisers prior to 5.30 p.m. on 27 March 2007 Tragus not having discovered that:
  - (i) any business, financial or other information concerning any member of the La Tasca Group disclosed, publicly or otherwise at any time to a member of the Tragus Group, by or on behalf of any member of the La Tasca Group, either contains a misrepresentation of fact or omits to state a fact necessary to make the information contained therein not misleading and which misrepresentation or omission was not corrected by an announcement on a Regulatory Information Service or in writing to Tragus (highlighting such correction and this condition) prior to the date of this announcement;
  - (ii) any member of the Wider La Tasca Group is subject to any liability, actual or contingent, which is not disclosed in the annual report and accounts of La Tasca for the financial year ended 30 April 2006 or in the interim results statement of La Tasca for the six months ended on 31 October 2006 which is material in the context of the Wider La Tasca Group taken as a whole;
- (g) Save as disclosed in writing to Tragus or its advisers prior to 5.30 p.m. on 27 March 2007 Tragus not having discovered that:
  - (i) any past or present member of the Wider La Tasca Group has not complied with all applicable legislation or regulations of any jurisdiction with regard to the storage, disposal, discharge, spillage, leak or emission of any waste or hazardous substance or any substance likely to impair the environment or to harm human health or otherwise relating to environmental matters (which non-compliance might give rise to any liability (whether actual or contingent) on the part of any member of the Wider La Tasca Group) or that there has otherwise been any such disposal, discharge, spillage, leak or emission (whether or not the same constituted a non-compliance by any person with any such legislation or regulations and wherever the same may have taken place) which in any such case might give rise to any liability (whether actual or contingent) on the part of any member of the Wider La Tasca Group which is material in the context of the Wider La Tasca Group;
  - (ii) there is or is reasonably expected to be any liability (whether actual or contingent) to make good, repair, reinstate or clean up any property now or previously owned, occupied or made use of by any past or present member of the Wider La Tasca Group or any controlled waters under any environmental legislation, regulation, notice, circular or order of any Relevant Authority or third party or otherwise which is material in the context of the Wider La Tasca Group taken as a whole; or
  - (iii) that circumstances exist (whether as a result of the making of the Proposals or otherwise) would be reasonably likely to lead to any Relevant Authority instituting or any member of the Wider La Tasca Group or the Wider Tragus Group being required to institute, an environmental audit or take any other steps which in any such case is likely to result in any actual or contingent liability to improve or install new plant or equipment or make good, repair, re-instate or clean up any land or other asset now or previously owned,

occupied or made use of by any member of the Wider La Tasca Group which is material in the context of the Wider La Tasca Group taken as a whole.

Subject to the requirements of the Panel, Tragus reserves the right to waive all or any of the Conditions 1.2 (a) to (g) inclusive above in whole or part.

If Tragus is required by the Panel to make an offer for La Tasca Shares under the provisions of Rule 9 of the Code, Tragus may make such alterations to the conditions as are necessary to comply with the provisions of that Rule.

If Tragus elects to implement the Proposals by making a Takeover Offer for La Tasca instead of or in substitution for the scheme, Tragus may, with the consent of the Panel, make such alterations to the Conditions as are necessary to comply with the provisions of the Code.

The Proposals will lapse if the Proposals are referred to the Competition Commission or if the European Commission in respect thereof initiates proceedings under article 6(1)(c) of Council Regulation (EEC) 139/2004 or makes a referral to a competent authority of the United Kingdom under article 9(1) of that regulation, in each case before the Effective Date of the Scheme.

The Proposals and the Scheme will be governed by English law and be subject to the jurisdiction of the English courts and to the conditions set out above and in this document. The Rules contained in the City Code, so far as they are appropriate, apply to the Proposals and to the Scheme.

## **2. Certain Further Terms of the Proposals**

La Tasca Shares will be acquired by Tragus fully paid and free from all liens, equitable interests, charges, encumbrances and other third party rights of any nature whatsoever and together with all rights attaching to them, including the right to receive and retain all dividends and distributions (if any) declared, made or payable after the date of this announcement.

The Scheme will be subject, *inter alia*, to the Conditions which are set out in paragraphs 1.1 and 1.2 of Appendix I and those further terms which will be set out in the Scheme Document and such further terms as may be required to comply with the provisions of the Takeover Code and the AIM Rules.

## **APPENDIX II**

### **Bases of Calculation and Sources of Information**

1. Unless otherwise stated, the financial information and other information on La Tasca included in this announcement has been extracted or derived, without material adjustment, from the audited consolidated financial statements for the La Tasca Group for the 52 weeks ended 30 April 2006.
2. Unless otherwise stated, all historic share prices quoted for La Tasca Shares have been sourced from the AIM appendix to the Daily Official List and represent closing middle market prices for La Tasca Shares on the relevant dates.

## APPENDIX III

### Definitions

The following definitions apply throughout this announcement unless the context otherwise requires:

<b>"AIM"</b>	means a market operated by the London Stock Exchange;
<b>"AIM Rules"</b>	means the AIM Rules for Companies published by the London Stock Exchange from time to time;
<b>"Altium"</b>	means Altium Capital Limited;
<b>"Australia"</b>	means the Commonwealth of Australia, its territories and possessions;
<b>"Barclays Capital"</b>	means Barclays Capital (the investment banking division of Barclays Bank PLC);
<b>"Blackstone"</b>	Blackstone Management Partners V L.L.C. (advisor to the Blackstone Funds);
<b>"Blackstone Funds"</b>	collectively, Blackstone Capital Partners (Cayman) V L.P., Blackstone Family Investment Partnership (Cayman) V L.P. and Blackstone Participation Partnership (Cayman) V L.P.;
<b>"Blackstone Group"</b>	means The Blackstone Group L.P.;
<b>"Business Day"</b>	means a day (other than Saturday or Sunday) on which banks are generally open for business in the City of London;
<b>"Canada"</b>	means Canada, its provinces and territories and all areas subject to its jurisdiction and any political sub-division of such territories and areas;
<b>"City Code" or "Code"</b>	means the City Code on Takeovers and Mergers;
<b>"Closing Price"</b>	means the middle market price of a La Tasca Share at the close of business on the day to which such price relates, as derived from the AIM Appendix of the Daily Official List for that day;
<b>"Companies Act"</b>	means the Companies Act 1985 (as amended);
<b>"Competing Proposal"</b>	means a proposed offer, tender offer, merger, acquisition, scheme of arrangement, recapitalisation or other combination relating to any direct or indirect acquisition or purchase of 50 per cent. or more of the La Tasca Shares or a material amount (as defined in Note 2 of Rule 21.1 of the City Code) of the business and assets of La Tasca and its subsidiaries proposed by any third party;
<b>"Conditions"</b>	means the conditions of the Scheme set out in Appendix I to this Press Announcement and any other conditions which are agreed in writing by Tragus and La Tasca;

<b>"Court" or "High Court"</b>	means the High Court of Justice in England and Wales;
<b>"Court Meeting"</b>	means the meeting of the Scheme Shareholders (and any adjournment thereof) to be convened by order of the Court pursuant to section 425 of the Companies Act to consider and, if thought fit, approve the Scheme (with or without amendment);
<b>"Court Order"</b>	means the order(s) of the Court sanctioning the Scheme under section 425 of the Companies Act and confirming the reduction of share capital which forms part of it under section 137 of the Companies Act;
<b>"Daily Official List"</b>	means the daily official list of the London Stock Exchange;
<b>"Effective Date"</b>	means the date on which the Scheme becomes effective in accordance with its terms;
<b>"Extraordinary General Meeting" or "EGM"</b>	means the extraordinary general meeting of the La Tasca Shareholders to be convened in connection with the Scheme, expected to be held as soon as the preceding Court Meeting shall have been concluded or adjourned;
<b>"Financial Services Authority"</b>	means the Financial Services Authority of the UK in its capacity as the competent authority for the purposes of Part VI of FSMA;
<b>"Firm Competing Offer Announcement"</b>	means the announcement of a firm intention to make a Competing Proposal pursuant to Rule 2.5 of the City Code or any other announcement of a possible Competing Proposal to the extent that Rule 2.5 of the City Code is not applicable to such Competing Proposal;
<b>"FSMA"</b>	means the Financial Services and Markets Act 2000 (as amended);
<b>"Hearing"</b>	means the hearing or hearings by the Court of the petition to sanction the Scheme, confirm the associated reduction of capital and grant the Court Order;
<b>"Implementation Agreement"</b>	means the implementation agreement between La Tasca and Tragus, dated 28 March 2007;
<b>"La Tasca" or the "Company"</b>	means La Tasca Group plc;
<b>"La Tasca Directors" or "Directors"</b>	means the directors of La Tasca;
<b>"La Tasca Group"</b>	means La Tasca and its subsidiary undertakings;
<b>"La Tasca Shareholders" or "Shareholders"</b>	means the holders of La Tasca Shares;
<b>"La Tasca Shares" or "Shares"</b>	means the existing unconditionally allotted or issued and fully paid ordinary shares of 5p each in La Tasca;

<b>"La Tasca Share Schemes"</b>	means the La Tasca Group Unapproved Share Option Scheme 2004, the La Tasca Group Approved Share Option Scheme 2005 and the La Tasca Group Unapproved Share Option Scheme 2005;
<b>"London Stock Exchange"</b>	means London Stock Exchange plc;
<b>"Meetings"</b>	means the Court Meeting and/or the Extraordinary General Meeting, as the case may be;
<b>"Offer Period"</b>	means the period commencing on (and including) 8 February 2007 and ending on the Effective Date;
<b>"Offer Price"</b>	means the cash offer price of 185 pence per La Tasca Share;
<b>"Overseas Shareholders"</b>	means La Tasca shareholders whose registered addresses are outside the UK or who are citizens or residents of countries other than the UK;
<b>"Panel"</b>	means The Panel on Takeovers and Mergers;
<b>"Penta Capital Partners"</b>	Penta Capital Partners Limited in its capacity as the discretionary investment manager of the Penta Funds;
<b>"Penta Funds"</b>	Penta Fund I Limited Partnership and Penta Fund I SP Limited Partnership;
<b>"PricewaterhouseCoopers"</b>	means PricewaterhouseCoopers LLP (a limited liability partnership registered in England with registered number OC308525) which is authorised and regulated in the UK by the Financial Services Authority for designated investment business;
<b>"Proposals"</b>	means the proposed recommended cash offer to be made by Tragus to acquire the Scheme Shares by a Scheme as detailed in this Press Announcement and, where the context requires, any subsequent revision, variation, extension or renewal thereof;
<b>"Regulatory Information Service"</b>	has the meaning given in the AIM Rules;
<b>"Rothschild"</b>	means N M Rothschild & Sons Limited;
<b>"Scheme" or "Scheme of Arrangement"</b>	means the proposed scheme of arrangement under section 425 of the Companies Act between La Tasca and the holders of Scheme Shares, with or subject to any modification, addition or condition approved or imposed by the Court;
<b>"Scheme Document"</b>	means the document proposed to be despatched by Tragus to La Tasca Shareholders containing and setting out the terms and conditions of the Proposals and certain information about La Tasca, Blackstone and the Blackstone Funds and containing the Scheme and notices of the Meetings;

<b>"Scheme Shareholder"</b>	means the holders of Scheme Shares;
<b>"Scheme Record Date"</b>	means the time and date to be specified as such in the Scheme Document;
<b>"Scheme Shares"</b>	means La Tasca Shares in issue on the date of this announcement together with any further La Tasca Shares: <ul style="list-style-type: none"> <li>(a) issued after the date of this document and prior to the Voting Record Time; and</li> <li>(b) (if any) issued thereafter and prior to the Scheme Record Date either on terms that the original or any subsequent holders thereof shall be bound by the Scheme or in respect of which the holders thereof shall have agreed to be bound by the Scheme;</li> </ul>
<b>"Shore Capital"</b>	means Shore Capital Stockbrokers Limited;
<b>"subsidiary" or "subsidiary undertaking"</b>	have the meanings given to them by the Companies Act;
<b>"Takeover Offer"</b>	means the implementation of the Offer by means of a takeover offer under the City Code;
<b>"Tragus"</b>	means Tragus Bidco Limited;
<b>"Tragus Group"</b>	means Tragus Cayco Limited (the indirect holding company of Tragus) and its subsidiary undertakings;
<b>"United Kingdom" or "UK"</b>	means the United Kingdom of Great Britain and Northern Ireland;
<b>"United States"</b>	means the United States of America (including the States and the District of Columbia), its territories, its possessions and other areas subject to its jurisdiction;
<b>"Voting Record Time"</b>	means the time and date to be specified in the Scheme Document.