

RS2 Software p.l.c.
COMPANY ANNOUNCEMENT

The following is a company announcement issued by RS2 Software p.l.c. in compliance with Chapter 8 of the Listing Rules.

Quote

By means of a deed dated 16th December 2008, the Company acquired land at Mosta known as “Ta’ Harira” sive “Ta’ Sant Andrea” with a facade on Fort Street, measuring approximately 5757 m² [“the Land”] for the price of three million two hundred and sixty one thousand, one hundred and twenty two Euros and seventy cents (€ 3,261,122.70) [“the Consideration”].


The current intended purpose for acquiring the Land is for the Company’s self-occupation and use. The Directors consider that the Acquisition provides an opportunity to expand the Company’s asset base and to facilitate the Company’s development. The acquisition by the Company of its own premises will lead to considerable savings in the long term. The Directors (including the independent non-executive Directors) are of the view that the terms of the Agreement and the Acquisition are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Consideration was agreed between the Purchaser and the Vendor after arm’s length negotiations with reference to the prevailing market price of other office premises of comparable size and quality in the area where the Land is located. This is reflected by an independent valuation obtained by the Company.

The Consideration for the purchase of the land and the construction of Company’s offices will be financed partially by internal source of funding and partially by an external loan from a local banking institution.

The Land was purchased on the strength of an approved Full Development Permit and in order to better meet the Company's requirements, an application was made for change of use, which has been approved by Malta Environment and Planning Authority.

Unquote



Company Secretary

19th December 2008