

19th January 2006

Inspicio plc (“Inspicio” or “the Company”)

Pre-close trading update

Inspicio plc (INP.L), the international inspection and testing business, today issues a pre-close update in advance of its results for the year ended 31 December 2005, which will be announced in March 2006.

The Company is pleased to report, that following the acquisition of Inspectorate in October 2005, the restructuring of the business commenced as anticipated and continues to progress well and in accordance with the Company's expectations as outlined to shareholders in its admission document in October 2005. During 2005, the headcount reduced by 324, as a layer of management has been removed and a more de-centralised and dynamic group structure has been put in place. In addition, we have closed four loss making operations. The Board estimates that annualised savings from the restructuring carried out to date will amount to a minimum of £4 million. In certain low-cost locations, where the level of business has expanded, staff have been recruited on short notice periods.

Jeff Luesley has been appointed as managing director of Inspectorate. Jeff is focussed on delivering the restructuring plan and driving the operational performance of the business. In addition, the Board is interviewing candidates for the position of group finance director and a further announcement will be made in due course.

The Oil & Petroleum and Metals & Minerals businesses are both performing in line with the Board's expectations, with new contracts being signed in recent weeks with Xstrata Las Bambas, CVRD, and a number of other contracts including full route contracts for trans-shipments in the Caspian region. In addition, a number of other customers are now nominating Inspectorate after a period of absence.

The inspection and testing markets continue to show strong growth and the underlying dynamics remain favourable. The Board is confident that the Company will achieve the targets it set following the acquisition of Inspectorate.

As stated at the time of the acquisition of Inspectorate and at the time of admission onto AIM, the Company actively continues to seek further complementary acquisitions to develop an international inspection and testing group.

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