

30 October 2012

Posting of Circular to Shareholders

Quarto announces that a circular to shareholders will be posted today ahead of the Special Meeting scheduled for Wednesday 7th November 2012. The Board of Quarto recommends that Shareholders reject the resolutions proposed by Harwood Capital LLP (Chris Mills) to remove Laurence Orbach (co-founder, Chairman, Chief Executive Officer and largest individual shareholder of the Company) and insert their proxy, Tim Chadwick.

The Board strongly believes that

- The proposed resolutions are against the interests of Quarto and its shareholders as a whole
- Quarto has initiated a clear and well received succession plan
- Laurence Orbach has made and continues to make an outstanding contribution to Quarto
- The election of Harwood's proxy, Tim Chadwick, will be detrimental to the Corporate Governance of Quarto
- Tim Chadwick, 66, has a limited and poor record of running publishing businesses and has not been involved in the industry for approximately 15 years. He has therefore no direct, relevant experience of the modern publishing world.
- The opportunistic election of Mr Chadwick at such a critical time in the Company's development can only be de-stabilising and against the interests of the Company and its Shareholders

The Board of Quarto therefore unanimously recommends that shareholders vote against the Proposed Resolutions. If shareholders are unable to attend the Special Meeting on Wednesday 7th November 2012 at 2pm at The Old Brewery, 6 Blundell Street, London N7 9BH, the Form of Proxy enclosed with the Circular should be returned to the registrars by no later than 4.00pm on Tuesday 6th November 2012.

A copy of the circular will be available on the Company's website later today.

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A copy of the circular can be found [here](#).