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PRESS ANNOUNCEMENT

FOR IMMEDIATE RELEASE

2 October 2006

**CASH OFFER FOR RADSTONE TECHNOLOGY PLC
("RADSTONE") BY E-TECH UK LIMITED ("E-TECH") (A WHOLLY
OWNED SUBSIDIARY OF EUROTECH S.p.A. ("EUROTECH"))
(THE "CASH OFFER")**

OFFER UPDATE

On 30 August 2006, the Board of Eurotech announced the terms of a Cash Offer for the entire issued and to be issued ordinary share capital of Radstone.

In light of the higher recommended offer for Radstone announced by GE Fanuc Embedded Systems, Inc on 18 September 2006 (the "Higher Offer"), the Board of Eurotech announces today that the Cash Offer will not be increased or the terms of it otherwise amended and that the Board of Eurotech will not extend the Cash Offer beyond 6 October 2006.

The Board of Eurotech continues to believe that a combination of Eurotech and Radstone has strong commercial logic (from a business, customer and employee perspective), however, in light of the Higher Offer, the Board of Eurotech has concluded that sufficient value for its shareholders could not be created by proceeding with an offer at a level higher than the Cash Offer.

The Board of Eurotech hereby gives notice that with immediate effect it may sell all or any part of its holding of 4,820,000 Radstone Shares, representing approximately 15.9 per cent. of Radstone's entire issued share capital.

Terms used in this announcement shall have the meaning given to them in the offer announcement dated 30 August 2006 and offer document dated 1 September 2006.

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Hawkpoint, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting exclusively for Eurotech and E-tech and no one else in connection with the Cash Offer and will not be responsible to anyone other than Eurotech or E-tech for providing the protections afforded to its customers or for providing advice in relation to the Cash Offer or in relation to the contents of this announcement or any transaction or arrangement referred to herein.

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This announcement is not intended to and does not constitute, or form any part of, a Cash Offer or an invitation to purchase any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Cash Offer or otherwise. The Cash Offer has been made solely through the Offer Document and the Form of Acceptance, which together contain the full terms and conditions of the Cash Offer, including details of how to accept the Cash Offer. Any acceptance or other response to the Cash Offer should be made only on the basis of the information contained in the Offer Document and the Form of Acceptance. The laws of relevant jurisdictions may affect the availability of the Cash Offer to persons not resident in the United Kingdom. Persons who are not resident in the United Kingdom, or who are subject to the laws of any jurisdiction other than the United Kingdom, should inform themselves about and observe any applicable legal and regulatory requirements. The Offer Document has been posted on Eurotech's website.