

Applied Optical Technologies plc (the "Company")

Holding in Company

Pursuant to rule 17 of the AIM Rules, the Company has been notified of the following notice of reduction in notifiable interest in the Company's Ordinary 5p shares ("Shares").

Schedule Five

(a) the identity of the significant shareholder concerned;

Newton Investment Management Limited and its subsidiaries

(b) the date on which the disclosure was made to it;

17 May 2006

(c) the date on which the deal or relevant change to the holding was effected;

12 May 2006

(d) the price, amount and class of the AIM securities concerned;

513,000 Ordinary 5p shares

(e) the nature of the transaction;

Sale of Ordinary Shares affecting notifiable interest

(f) the nature and extent of the significant shareholder's interest in the transaction;

Following the sale of the above Shares, the holding of the significant shareholder now represents 11.19% of the Company's issued share capital.

(g) where a deal takes place when it is in any close period under rule 21, the date upon which any previous binding commitment was notified or the date upon which the Exchange granted permission to deal in order to mitigate severe personal hardship; and

N/A

(h) where the notification concerns a related financial product, the detailed nature of the exposure.

N/A