

20 June 2003

Awards Under Long Term Incentive Scheme

Applied Optical Technologies PLC announces that it has today made initial awards of 185,000 ordinary shares of 5p each under the Company's Long Term Incentive Scheme. The awards are conditional upon growth in the Company's reported earnings per share (adjusted for the effects of goodwill, exceptional items and amounts written off investments) being equal to or greater than the sum of the retail price index measure of inflation (RPI) plus 15 per cent over the three years ending 31 March 2006.

As the Company recorded a loss per share for the year ended 31 March 2003 (being the base point for the assessment of these awards) the base EPS will be taken as Brewin Dolphin Securities' forecast EPS for the year ended 31 March 2004 discounted by the RPI for that year plus 5 per cent.

Directors Mark Turnage, Mike Angus and Peter Emerson have been granted initial awards of 25,000, 20,000 and 15,000 shares respectively. In addition, Rick Salomone whose appointment as a Director will become effective on 14 August has been granted an initial award of 15,000 shares.

-ENDS-