

TO: CITY EDITORS
FOR IMMEDIATE RELEASE



13 November, 2008

BIOQUELL PLC

Interim Management Statement

BIOQUELL PLC (“BIOQUELL”) (LSE symbol: BQE), the UK leader in specialist decontamination technology and testing/compliance services, announces its Interim Management Statement for the period from 1 July, 2008 to 13 November, 2008.

Financial position and performance of the Company

Group revenues in the four month period between July 2008 and October 2008 were in line with the Board’s forecasts notwithstanding the move of BIOQUELL’s headquarters and principal manufacturing facilities to a newly renovated building in August 2008.

Healthcare

The Group continues to see increased levels of activity from clients in the healthcare sector in the UK and overseas. Earlier this year the UK Department of Health (“DoH”) set up and funded the ‘Showcase Hospital Programme’ involving seven large NHS hospitals evaluating, among other things, BIOQUELL’s in situ “proactive” service whereby BIOQUELL proprietary hydrogen peroxide vapour decontamination equipment and BIOQUELL technicians are located at each hospital to help drive down the infection rate on a preventative basis. Feedback from the hospitals involved in the Showcase Hospital Programme has been positive. In order to help facilitate the hospitals agreeing detailed terms with BIOQUELL relating to the continuation of BIOQUELL’s services in these hospitals, the DoH has now agreed to fund the BIOQUELL proactive teams until the end of the year. BIOQUELL is now in commercial discussions with the seven NHS hospitals about the continuation of its proactive teams’ services from the beginning of 2009. In addition, BIOQUELL is in discussions with a number of other hospitals in particular in the UK and the USA about buying the BIOQUELL proactive service.

High quality scientific research continues to be generated which shows that the use of BIOQUELL’s technology can reduce the transmission of hospital acquired infection. For example, data were presented last month at the prestigious ICAAC medical conference in Washington DC by a leading US hospital which has been testing the efficacy of our technology against one particular “superbug”. This demonstrated that patients in intensive care units were 78% less likely to obtain that “superbug” in rooms that had been ‘bioquelled’.

Detailed strategic planning work continues on establishing the optimal way to roll out BIOQUELL's technology in the healthcare sector internationally.

Life Sciences

In general terms, since the onset of the "credit crunch" the Group has seen a tightening of capital expenditure budgets among a few of BIOQUELL's life sciences' clients; however, this reduction in equipment purchase has been more than offset by an increase in demand for RBDS, BIOQUELL's unique room bio-decontamination service which has good margins.

Other

BIOQUELL's research and development work continues satisfactorily, including the work being carried out for the US Department of Defense's JMDS programme.

Trading in TRaC remains satisfactory.

The Group's balance sheet remains strong - with a significant net cash position - notwithstanding the purchase and renovation of a building in Andover, Hampshire for the Group's headquarters and principal manufacturing facilities.

The Board remains confident of a satisfactory outcome for the year.

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Enquiries

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BIOQUELL PLC

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