

1 April 2008

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Publishing Technology plc announces preliminary results for 2007

Publishing Technology plc is pleased to announce its preliminary results for 2007. Publishing Technology delivers information technology tools and services to publishers, undertaking a broad range of activities to cater for the wide-ranging requirements of publishers and information providers. The group enjoys a strong position for its widely-employed print and online publishing platforms.

On 27 February 2007, Vista International Limited reversed into Ingenta plc and Ingenta plc changed its name to Publishing Technology plc. Publishing Technology plc is listed on the Alternative Investment Market of the London Stock Exchange (ticker: PTO).

As a result of the reverse acquisition, this reporting period reflects the continuing operations of Vista International Limited, and therefore, as the Vista group year end was 30 June, this report covers 18 months to 31 December 2007 with 10 months trading of the former Ingenta group businesses incorporated from the date of the reverse acquisition. As a result, this announcement does not show comparative figures as comparative figures would only be for 12 months of the Vista business.

Highlights:

- Revenue in the period of £18.4m
- Gross profit of £6.2m
- EBITDA profit (earnings before interest, tax, depreciation and amortisation) of £0.2m
- Pre-Tax loss of £1.7m after adjusting, inter alia, for the amortisation of intangibles of £0.8m
- Ingenta, Publishers Communication Group and Vista Europe operations performed strongly with growth post-acquisition
- Annualised synergy cost reductions of over £1.5m
- Positive sales synergy with Vista operations successfully implementing and selling Ingenta products

Outlook:

The merger of the businesses in early 2007 presented a number of integration and consolidation challenges throughout the period. However, the combined objectives of increasing revenue through cross-selling and cost savings from synergies and duplicated functions began to come to fruition in the last quarter. The group has ended the period on a stable revenue footing with considerably lower costs, Vista businesses successfully entering online publishing markets, and several new customers being acquired across all divisions. The value of the merger is becoming apparent.

In 2008, we will be focussing on:

- Increasing high-margin revenue streams
- Continuing to rationalise infrastructure costs
- Extending the cross-selling of products across the group's 400 publisher clients.

George Lossius, chief executive, said:

"These maiden results are very encouraging. The merger in early 2007 presented numerous integration and consolidation challenges, but the benefits of the transaction have clearly begun to emerge. We have seen significant cross-selling between operating divisions, as we successfully exploit the growing need within the publishing industry to integrate print and online platforms."

Martyn Rose, chairman, said:

"We have developed strong market position for both our online publishing products and services and our publisher's administration platforms, and are enjoying increasing synergy between these two parts of the business. This company is well positioned for future growth."

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Chairman's statement

Finance and Operations

The most significant event of the period was the reverse acquisition of Ingenta by Vista to create Publishing Technology in February 2007. As with many such mergers, integration is complex and considerable time is required to bring together the combined operations into an efficient group; the inception of Publishing Technology was no exception, but by the end of 2007 the benefits of revenues from cross-selling products and savings from synergies were apparent.

Revenues of the combined group rose consistently post acquisition and considerable overheads were driven out of the operations, resulting in the business finishing the period trading cash positive, and with positive EBITDA (earnings before interest, tax, depreciation and amortisation) and pre-tax profits, before adjustment for IFRS amortisation of intangible assets.

During the 2007 calendar year, each area of the business demonstrated positive and satisfying advances. IngentaConnect continued to add new publishers to its research platform, and also added sales of online advertising inventory to its range of e-content optimisation services. Vista has embraced the digital market, evolving from a business that dealt only with systems for print products to working with six publishers on digital publication solutions. Publishers Communication Group continued the trend of its 2006 growth, maintaining a high retention rate and working with 22 new publishers and considerably extending its activities in Europe.

The financial reporting for this period is complicated by the reverse acquisition in February 2007. The results show an initial eight months of Vista activity and then ten months of the combined entity. During this period, revenue was £18.4m and the gross margin was 34%.

The EBITDA profit in this period was £0.2m. The loss before tax in the period was £1.7m which is inclusive of £3.1m invested in Research and Development all of which was expensed through the income statement as incurred, £0.3m of foreign exchange losses due to the fall in the US Dollar and a £0.8m amortisation of intangible assets arising on the reverse acquisition of Ingenta. With the benefit of a Research and Development tax credit of £0.3m for the period, this has resulted in a net loss for the financial period of £1.6m. The group's net cash balance at 31 December 2007 was a deficit of £1.7m.

Staff

The contribution made by staff across the group enables us to enhance even further our reputation for delivering high quality products and services. The increasing volume of work delivered by a leaner staff validates the rationale behind the creation of Publishing Technology, and the Board wishes to thank all employees for their work, enthusiasm and commitment.

During the period to 31 December 2007, thanks to synergies in a number of areas of the group and the closure of one office, the number of people employed declined from a pre-merger level of 188 to 158.

Current Trading and Prospects

2007 saw the group focus on integration synergies and consolidation to provide the group with a stable and growing revenue base and reduced overheads geared to maximise profits. We are particularly pleased that the expertise and relationships of the combined Publishing Technology sales team have successfully enabled realisation of new business that the separate organisations had previously lacked the authority to complete.

The results of this greater market confidence in the Publishing Technology organisation is evident in the improvement in trading post merger, and the Board has no doubt that this can be carried forward into the new year by:

- continuing to focus on increasing high-margin revenue streams
- providing innovative products to the expanding publishing and information industries

- using the breadth of the Publishing Technology tools and services to differentiate the group from its competition.

Having completed vital integration and consolidation activities during 2007, the potential for our business in the coming years is considerable.

M C Rose
Chairman
1 April 2008
Publishing Technology plc

Chief executive's review

We estimate that the publishing and information service sector Publishing Technology targets is a \$200billion global industry. It continues to grow whether that is in the traditional print publishing sector, or in alternative channels created by new geographic markets coming on stream and emerging technologies. Many publishers have not yet scratched the surface of the digital potential of their content, while those who have made some progress are nonetheless challenged by the speed of technological evolution, which threatens to force them away from their core competences. Their future success lies in joining with a trusted partner, to whom they can outsource those technical requirements that distract them from their core business.

In this changing environment, Publishing Technology is uniquely able to support publishers with a consistent, end-to-end service across the breadth of the publishing supply chain. Our 400+ publisher clients benefit from our comprehensive capabilities and experience, allowing them to concentrate on the things they do best.

"The Publishing Technology package is a compelling prospect for an organisation seeking to enter new publishing sectors. We needed an organisation that could provide not only top-rate technology, but also the skills to ensure our investment in it is optimised by well-timed and targeted sales campaigns. We're looking forward to enabling new audiences to benefit from the valuable information we provide."

Rosy Wolfe, Head of Business Development and Customer Relations, BBC Monitoring

Our comprehensive suite of technologies includes website development; content digitisation, conversion and enhancement; online content distribution and discoverability; access management and information commerce; content sales and marketing; production management; business intelligence; product information management; rights and royalties; customer care; distribution and fulfilment; and editorial management. Our online services are complemented by collection management, document delivery and content awareness services for libraries and end users. The majority of revenues consist of recurring annual fees and long-term contracts derived through the following three principal activities:

Ingenta

Ingenta's well-established scholarly service IngentaConnect provides researchers with immediate access to over 11,000 electronic publications. The robust technology that delivers the site regularly supports over 20 million user sessions a month. IngentaConnect enables publishers to deploy a variety of business models to reach audiences beyond their traditional target markets. Publishers can generate leads by implementing short-term free trials, and monetise the high-level of traffic resulting from Ingenta's relationship with Google by selling individual articles or issues to non-subscription users. Ingenta also operates a small number of premium services of direct benefit to academic, corporate, government and other institutional users of IngentaConnect, for which there is an annual charge.

During 2007, Ingenta added another 21 new publishers to its customer base, including prestigious US journal *The Charleston Advisor*, which will help to develop Ingenta's brand awareness and identity in North America. Clients were given the opportunity to carry advertisements alongside electronic publications on a revenue-share basis, and the subscription tools used by publishers to control user access benefitted from considerable re-engineering. Document delivery transactions were streamlined to drive higher conversion rates of new customers entering the site from its search engine partners. Recent appointments to Ingenta's business development teams can be expected to deliver renewed business growth in both its publisher and library markets.

Vista

For three decades, Vista has provided management systems for print-based publishers in Europe and North America. Its comprehensive suite of software applications is custom-built to meet publishing needs and can be deployed throughout a publisher's workflow to undertake complex business

operations and promote products in the market. Vista serves major global publishing operations as well as small independent players, helping them to realise cost-savings by introducing efficiencies and ensuring interoperability with other key services and providers. A full 85% of books in UK high street book stores have been processed by a Vista system at some point in their production or distribution, and Vista works directly with eight of the top ten publishers.

During the period, Vista introduced new services for digital publications and won six new publishers in this area, including major new projects with British Medical Journal and Netherlands' government publisher, Sdu for Publishing Technology's market-leading Information Commerce Services (ICS). Vista's core author2reader service remains embedded in the publishing supply chain, and the business's sustainable growth to date points to substantial repeat business in 2008.

Publishers Communication Group (PCG)

PCG provides a range of specialised marketing and business development services to meet the needs of professional and scholarly publishers. These include services in the areas of: market intelligence for planning and marketing new products; promotions to expand awareness; and local sales representation and customer service. The company delivers regular research reports which are well-respected by the scholarly information community. Its market is growing as publishers recognise the value of outsourcing sales and marketing activities to locally-based experts. As a consequence, PCG has invested in developing its European business and now provides services to 85 North American and European publishers with programmes delivered in over 40 countries in eight languages on their behalf.

During 2007, PCG performed strongly with 22 new publisher customers, including North America's largest University Press, selecting its services despite an increase in competition. Enhancements to its web presence, including new customer-specific micro-sites to augment its research and representation services, have helped to differentiate PCG's proposition further and will support continued growth.

Outlook

2007's solid performance reflects the group's considerable investment in integration and in new product development, both of which can be expected to contribute to strong financial progress in 2008. We anticipate continued growth based on the potential for considerably expanded systems and services of the group, backed by our integrated and strengthened sales force, and the favourable prospects for our new 'Pub2web' publications platform, which has already been selected by the OECD and World Bank amongst others. Additionally, we look forward to our combined operations allowing us to offer a suite of services to both trade and academic publisher customer bases. The group continues to explore potential markets for development and acquisition opportunities that would complement its capabilities and increase its competitive strength. We are looking forward to delivering solid growth in 2008 and beyond.

G M Lossius
Chief Executive Officer
1 April 2008
Publishing Technology plc

Financial review

for the 18 months ended 31 December 2007

Reverse acquisition accounting

As a result of the business combination on 27 February 2007, the shareholders of Vista obtained control of the group. Accordingly the transaction was accounted for as a reverse acquisition.

The financial statements are issued under the name of the legal parent 'Publishing Technology plc', but are a continuance of the financial statements of Vista International Limited.

On combination the balance sheets of both entities are combined with the exception that:

- retained earnings and other reserve balances are those of Vista
- shareholding is that of the acquired company (formerly Ingenta plc) plus shares issued as part of the combination.

Vista year end was 30 June, therefore these financial statements are for an 18 month period from 1 July 2006 to 31 December 2007. The income statement represents 18 months trading of the Vista group and 10 months trading of the former Ingenta group businesses incorporated from 27 February 2007 (the date of the reverse acquisition) to 31 December 2007.

Operating results

Revenue for the 18 months ended 31 December 2007 was £18.4m.

Gross profit for the period was £6.2m and the gross margin was 34%.

Total operating costs in the period were £7.2m. This resulted in a loss before tax of £1.7m. With the benefit of a tax credit of £0.3m the net loss for the financial period was £1.6m.

Taxation

A tax credit of £0.3m is included in the results for 2007 relating to amounts received and receivable under the Research and Development tax credit scheme. The claim has been prepared on the same basis as in prior years but is subject to HM Revenue and Customs approval.

The group has unutilised tax losses at 31 December 2007 in the UK and the USA of £13.3m and \$15.5m respectively, which are yet to be agreed with the US tax authorities.

Shareholders' returns and dividends

The Directors do not recommend the payment of a dividend.

Balance sheet and cash

Shareholders' deficit totalled £2.4m at the period end.

Cash outflow from operating activities was £2.5m. At the period end, net bank overdraft was £1.7m inclusive of a revolving credit facility of £1.5m.

Cash absorbed by operations or for capital expenditure during the period amounted to £0.2m. A tax credit of £0.3m in respect of Research and Development expenditure was received in the period which related to the calendar year 2006 claimed by Ingenta plc pre acquisition.

Going concern and future funding

The accounts are prepared on a going concern basis. In assessing whether the going concern assumption is appropriate, management have taken into account all available information about the future.

As part of its assessment, management have taken into account the profit and cash forecasts, the continued support of the shareholders and directors, a placing of shares to raise £1.1m, banking facilities and management ability to affect costs and revenues.

Treasury

The group's policy with regard to cash balances is to monitor short and medium term interest rates and to place cash on deposit for periods that optimise interest earned while maintaining sufficient funds to meet day-to-day requirements.

The group operates in a business which has marked seasonality in cash flows. This is expected to continue and has been taken into account in assessing the working capital requirements.

Publishing Technology plc has reported under IFRS for the financial period ending 31 December 2007. The main impacts of this are that the intangible assets recognised on the reverse acquisition of Ingenta will be amortised over three years at £0.8m per annum. Goodwill on transition in Vista was impaired in 2005 reducing the goodwill brought forward to 2006 by £4.3m.

A B Moug C.A.
Chief Financial Officer
1 April 2008
Publishing Technology plc

Consolidated Income Statement

For the 18 months ended 31 December 2007

| | Note | 18 months ended 31 Dec 07 £000's |
|--|------|---|
| Continuing operations | | |
| Revenue | | 18,360 |
| Cost of sales | | (12,207) |
| Gross profit | | <u>6,153</u> |
| Sales and marketing expenses | | (1,925) |
| Administrative expenses | | (4,596) |
| Other expenses | 2 | (748) |
| Other Income – rental income | | 92 |
| Loss from operations | 2 | <u>(1,024)</u> |
| Analysis of loss from operations | | |
| Profit before net finance costs, tax, depreciation, amortisation and foreign exchange losses (EBITDA) | | 236 |
| Depreciation | | (244) |
| Amortisation of intangibles | | (748) |
| Foreign exchange loss | | <u>(268)</u> |
| Loss from operations | | (1,024) |
| Finance income | | 187 |
| Finance costs | | (879) |
| Loss before tax | | <u>(1,716)</u> |
| Tax | 3 | 128 |
| Loss for the period | | <u>(1,588)</u> |
| Attributable to: Equity holders of the parent | | (1,588) |
| Retained loss for the period | | <u><u>(1,588)</u></u> |
| Loss per share | | |
| From total and continuing operations Basic and diluted (pence) | 4 | (0.35) |

All activities are classified as continuing

Consolidated statement of recognised income and expense

For the 18 months ended 31 December 2007

| | 18 months ended 31 Dec 07 £'000s |
|--|---|
| Exchange differences on translation of foreign operations | (15) |
| Net loss recognised directly in equity | <hr/> (15) |
| Loss for the period | (1,588) |
| Total recognised income and expense for the period | <hr/> <hr/> <u>(1,603)</u> |

Consolidated Balance Sheet

As at 31 December 2007

| | | 31 December 2007 £000's |
|--------------------------------------|------|-------------------------------|
| Non-current assets | Note | |
| Goodwill and other Intangible assets | | 5,231 |
| Property, plant and equipment | | 307 |
| Available for Sale Investments | | <u>102</u> |
| | | 5,640 |
| Current assets | | |
| Trade and other receivables | | 2,539 |
| R & D tax credit receivable | 3 | 315 |
| Cash and cash equivalents | | <u>581</u> |
| | | 3,435 |
| Total assets | | <u><u>9,075</u></u> |
| Equity | | |
| Share capital | | 11,610 |
| Share premium | 6 | 20,685 |
| Merger Reserve | 6 | 11,055 |
| Reverse Acquisition reserve | 6 | (38,048) |
| Translation reserves | 6 | (37) |
| Retained earnings | 6 | (7,703) |
| Investment in own shares | | <u>(7)</u> |
| Total equity | | (2,445) |
| Non-current liabilities | | |
| Borrowings | | 1,000 |
| | | <u>1,000</u> |
| Current liabilities | | |
| Trade and other payables | | 7,020 |
| Borrowings | | 3,323 |
| Provisions | | <u>177</u> |
| | | 10,520 |
| Total liabilities | | <u><u>11,520</u></u> |
| Total equity and liabilities | | <u><u>9,075</u></u> |

Consolidated Cash Flow Statement

For the 18 months ended 31 December 2007

| | 18 months ended 31 Dec 07 £'000 |
|---|---|
| Loss after taxation | (1,588) |
| Adjustments for | |
| Amortisation of intangibles | 748 |
| Depreciation | 244 |
| Investment income | (187) |
| Interest expense | 879 |
| Taxation | (189) |
| Unrealised foreign exchange differences | 115 |
| Decrease in stock | 7 |
| Decrease in trade and other receivables | (1,010) |
| Decrease in trade and other payables | (1,488) |
| Increase in provisions | 17 |
| <hr/> Cash used in operations | <hr/> (2,452) |
| Interest paid | (879) |
| <hr/> Net cash used in operating activities | <hr/> (3,331) |
| Cash flows from investing activities | |
| Purchase of property, plant and equipment | (231) |
| Costs of reverse acquisition | (228) |
| Interest received | 187 |
| <hr/> Net cash used in investing activities | <hr/> (272) |
| Cash flows from financing activities | |
| Net proceeds from issue of share capital | 1,967 |
| Proceeds from short term borrowings (revolving credit facility) | 1,500 |
| Payment of finance long term borrowings | (50) |
| <hr/> Net cash from financing activities | <hr/> 3,417 |
| Net decrease in cash and cash equivalents | (186) |
| <hr/> Cash and cash equivalents at beginning of period | <hr/> (56) |
| <hr/> Cash and cash equivalents at end of period | <hr/> (242) |

Notes to the preliminary announcement

For the 18 months ended 31 December 2007

1. Basis of preparation

The principal accounting policies of the group are set out in the group's 2007 annual report and financial statements.

2. Loss from Operations

Loss from operations has been arrived at after charging/crediting):

| | 18 months ended 31 Dec 07 £'000 |
|--|---|
| Research and development costs | 3,073 |
| Net foreign exchange losses/(gains) | 268 |
| Depreciation of property, plant and equipment | |
| - owned assets | 244 |
| Operating lease rentals: | |
| - land and buildings | 633 |
| - other | 312 |
| Amortisation of internally-generated intangible assets included in other operating expenses | 748 |
| Auditor's remuneration | 115 |

3. Tax

| | 18 months ended 31 Dec 07 £'000 |
|--|--|
| Analysis of charge in period (continuing operations) | |
| Current tax: | |
| - Current Research and Development tax credit - UK | (317) |
| - Overseas | 2 |
| | <u>(315)</u> |
| Deferred tax | <u>187</u> |
| Taxation | <u><u>(128)</u></u> |

The tax for the period is lower (2006: lower) than the standard rate of the corporation tax in the UK (30%; 2006: 30%).

The differences are explained below:

| | 18 months ended 31 Dec 07 £'000 |
|---|--|
| Reconciliation of tax expense | |
| Loss on ordinary activities before tax | (1,716) |
| | <hr/> <hr/> |
| Tax at the UK corporation tax rate of 30% (2006: 30%) | (515) |
| Effect of: | |
| Expenses not deductible for tax purposes | 240 |
| Adjustment to goodwill not deductible to taxation | 217 |
| UK Losses in current year utilised | (58) |
| Difference in timing of allowances | (199) |
| | <hr/> |
| Total taxation (continuing operations) | <u>(315)</u> |

United Kingdom Corporation tax is calculated at 30 per cent of the estimated assessable profit for the 18 month period.

Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

A deferred tax asset has not been recognised in relation to tax losses due to uncertainty over their recoverability.

4. Loss Per Share

Basic loss per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

For diluted loss per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares. Since the group is loss making there is no dilutive impact

| | 18 months ended 31 Dec 07 £'000 |
|---|--|
| Attributable loss | (1,588) |
| Weighted average number of ordinary shares | 452,480 |
| Loss Per Share (basic and dilutive) arising from both total and continuing operations | (0.35) p |

All potential ordinary shares including options and conditional shares are anti-dilutive.

5. Business Combinations

On 27 February 2007, Vista International Limited acquired Publishing Technology plc (formerly known as 'Ingenta plc').

The acquisition has been accounted for as a 'reverse acquisition' in accordance with IFRS 3 'business combinations'.

Publishing Technology provides technology and associated marketing services to publishers. The revenue and profit contribution from the acquired business is indistinguishable from that of the group as the Vista businesses were hived up into the Ingenta trading businesses from the date of acquisition.

Details of net assets acquired and goodwill are as follows:

The acquisition had the following effects on the group's assets and liabilities on the acquisition date.

| | Pre- Acquisition carrying amount £'000 | Fair Value £'000 | Recognised value on acquisition £'000 |
|--|--|---------------------|--|
| Cash and cash equivalents | (176) | - | (176) |
| Property, plant and equipment | 308 | - | 308 |
| Intangibles | | | |
| - Trade mark | - | 290 | 290 |
| - Licences | - | 1,824 | 1,824 |
| - Customer relationships | - | 128 | 128 |
| Inventories & WIP | 7 | - | 7 |
| Trade and other receivables | 1,319 | - | 1,319 |
| Trade and other payables | (4,663) | (684) | (5,347) |
| Net liabilities acquired | (3,205) | 1,558 | (1,647) |
| Cash and cash equivalents in subsidiary acquired | | | (176) |
| Cash outflow on acquisition | | | (176) |
| | | | £'000 |
| Purchase Consideration | | | |
| - Direct costs relating to the acquisition | | | 228 |
| - Fair value of consideration | | | 1,862 |
| Total purchase consideration | | | 2,090 |
| Fair value of net liabilities acquired | | | (1,647) |
| Goodwill | | | 3,737 |

The pre-acquisition carrying amounts were determined, based on applicable IFRS's immediately before the acquisition. The values of assets and liabilities are the estimated fair values. In determining the fair values of trade marks, licenses and customer relationships the group has applied a discount rate of 8.13%.

The fair value adjustment on intangibles was calculated by an independent valuer who under IFRS 3 identified the value of the intangible assets acquired by Vista as part of the reverse takeover of Ingenta. Intangible assets were measured at the reverse acquisition date. Only those assets which met the IAS 38 definition of intangible assets and on which the fair value could be reliably measured were included.

Trade and other payables have been adjusted to reflect provisions which meet the criteria within IFRS 3 for recognition.

The fair value of consideration is equal to the value of the market capital of Ingenta plc at the date of the reverse acquisition as required by IFRS 3, being 186,207,420 shares of 1p each. The combination was effected by the plc issuing 260 million shares of 1p each.

6. Share Capital and Reserves

| | Ordinary shares | Deferred Shares | Share Premium | Capital Redemption Reserves | Translation Reserve | Reverse Acquisition Reserve | Merger Reserve | Investment in own shares | Retained Earnings | Total |
|--------------------------------------|--------------------|--------------------|------------------|-----------------------------------|------------------------|-----------------------------------|-------------------|--------------------------------|----------------------|---------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Balance at 30 June 2005 | 37 | - | 6 | - | - | - | - | (6) | (5,868) | (5,831) |
| Own shares acquired | - | - | - | - | - | - | - | (1) | - | (1) |
| Shares redeemed in the year | - | - | - | 756 | - | - | - | - | - | 756 |
| Total recognised income and expenses | - | - | - | - | (22) | - | - | - | (190) | (212) |
| Net loss on buy back of own shares | - | - | - | - | - | - | - | - | (35) | (35) |
| Balance at 30 June 2006 | 37 | - | 6 | 756 | (22) | - | - | (7) | (6,093) | (5,323) |
| Share movements pre deal | 17 | 803 | 591 | - | - | - | - | - | (22) | 1,389 |
| Acquisition Adjustments under IFRS3 | 11,556 | (803) | 20,088 | (756) | - | (38,048) | 11,055 | - | - | 3,092 |
| Total recognised loss | - | - | - | - | (15) | - | - | - | (1,588) | (1,603) |
| Balance as at 31 December 2007 | 11,610 | - | 20,685 | - | (37) | (38,048) | 11,055 | (7) | (7,703) | (2,445) |

The IFRS 3 adjustment reflects the entries required under reverse acquisition accounting, whereby consolidated shareholders funds comprise the capital structure of the legal parent combined with the reserves of the legal subsidiary and post acquisition reserves of the legal parent.

7. Publication of non-statutory accounts

The financial information set out in this preliminary announcement does not constitute statutory accounts as defined in section 240 of the Companies Act 1985.

The consolidated income statement, consolidated statement of recognised income and expense, consolidated balance sheet at 31 December 2007, consolidated cash flow statement and associated notes have been extracted from the group's 2007 statutory financial statements upon which the auditors opinion is unqualified and which do not include any statement under section 237 of the Companies Act 1985.

Those financial statements have not been delivered to the registrar of companies.

The results for the financial period ended 31 December 2007 are available on the Company's website www.publishingtechnology.com. Report and accounts for the financial period ended 31 December 2007 will be sent to Shareholders with details of the annual general meeting.