

Cyprotex PLC
("Cyprotex" or the "Company" or the "Group")
Final results for the year ended 31 December 2010

Entrance to the In Vitro Toxicology Market

Cyprotex PLC (AIM:CRX), the preclinical ADME-Tox services company, today reports its final results for the year ended 31 December 2010.

Financial Highlights

- Revenues up 18.4% to £5.92 million (2009: £5.00 million)
- Revenues from UK operations up 7.5% to £5.38 million (2009: £5.00 million)
- Third year of profitability with operating profits at £0.22 million (2009: £0.46 million)
- Underlying EBITDA[^], an indicator of cash generation, remains consistently strong up 1.3% to £0.77 million (2009: £0.76 million)
- Profit after taxation at £0.62 million (2009: £0.46 million)
- Earnings per share at 0.31 pence (2009: 0.26 pence)

[^] *excluding share-based payment charge and expensed acquisition costs*

Operational Highlights

- Successful acquisition of US-based competitor Apredica, LLC, ('Apredica') on 6 August 2010
- Re-validation and re-launch of the CellCiphr™, High Content Toxicology technology following Apredica's acquisition of certain assets and intellectual property of Cellumen, Inc. on 4 August 2010
- Acquisition enabled entry into the growing *in vitro* toxicology market, supported by a new toxicology laboratory in the UK
- Expansion and replication of service offerings in both US and UK giving enhanced service standards to our customers
- Product portfolio of 56 core products (2009: 29 core products)
- Reduced reliance on top five customers with 46 new customers, plus 67 new Apredica customers

Steve Harris, Chairman of Cyprotex PLC, said:

'2010 was a transformational year for Cyprotex. The acquisition of Apredica helped to reposition the Company adding toxicology to our product offerings and securing an operational base in the important US market. With the opening of our new UK toxicology laboratory, we can now offer these services, alongside our established ADME offerings, in the UK and the US. We believe that Cyprotex is well positioned for growth as the industry emerges from recession and the new *in vitro* toxicology market grows.'

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Notes to Editors:

Cyprotex PLC

Cyprotex is the world's largest contract research organisation (CRO) specialising in ADME Tox, which is the analysis of the Absorption, Distribution, Metabolism, Excretion, and Toxicity properties of potential drugs, cosmetics, and agrochemicals. It is the only company in the world with in-house capabilities for both *in vitro* (test tube) and *in silico* (computer modelling) ADME Tox. Cyprotex was founded in 1999 and listed on the AIM in 2002. It has laboratories in Macclesfield, Cheshire, UK (near Manchester), and Watertown, Massachusetts, USA (near Boston), making it one of only three ADME Tox CROs with international operations.

Chairman and Chief Executive Officer's Report

2010 was a transformational year for Cyprotex, during which we achieved three major strategic objectives:

1. Entry into the *in vitro* toxicology market
2. Acquisition of a US base of operations
3. Launch of a proprietary toxicology offering

Last year we outlined our plans to enter the *in vitro* toxicology market through the expansion of our laboratory facilities in Macclesfield. This facility is now fully operational. The acquisition of Apredica gave us additional opportunities to accelerate our entry into this young, growing market. Apredica had a three-year head start on the *in vitro* toxicology market, including acquiring the rights to CellCiphr™, a cutting-edge, proprietary High Content Toxicology product. The acquisition also gave Cyprotex a much-needed US base.

Financial Performance

Market conditions in 2010 were as challenging as those in 2009. The larger pharmaceutical companies have been reducing their in-house drug-discovery efforts and relying increasingly on in-licensing and acquisitions to fill their pipelines. Furthermore, new drug-discovery companies continue to have difficulty in securing funding.

In the first quarter of 2010, the Company experienced major business disruptions associated with severe winter weather in the UK, and travel and shipping disruption associated with the volcano eruption in Iceland. Despite this, revenues grew 18.4% to £5.92 million with underlying revenues of the UK business growing by some 7.5% to £5.38 million. The Company recorded a third year of profitability and positive cash flows from operations, with operating profits of £0.22 million (2009: £0.46 million). When non-cash items, (share-based payment) and acquisition costs are deducted, then underlying EBITDA recorded for the year was £0.77 million, up from £0.76 million in the previous year. This is a key indicator of the group's ability to generate cash from operations. The Company further significantly reduced its exposure to revenues from any single customer with the largest customer contributing 16.0% of revenues, down from 22% in the previous year and 34% two years ago.

Market and Strategic Development

The ADME market emerged about 15 years ago. Customers are now increasingly demanding more than just screening for the most common assays. This is rapidly raising the bar, with smaller ADME-Tox contract research organisations struggling to provide all of the services customers are coming to expect, resulting in consolidation in the industry. While we expect our automated ADME screening platform to continue to produce the majority of our revenues and profits for the next few years, we believe that it will be Cyprotex's ability to address customised ADME and *in vitro* toxicology needs that will be the driver of future growth. To address this, Cyprotex nearly doubled its service offerings in 2010. We expect to see substantial growth in demand for these new services, especially in toxicology.

The current weakness in demand for outsourced preclinical services is being caused by more than just the recession. It is also being caused by changes in the fundamental problems associated with drug discovery. The golden age of small-molecule drug discovery (aka 'traditional' drug discovery, as opposed to new technologies aimed at larger molecule sizes) has now arguably ended. FDA approvals of new small-molecule drugs have been steadily falling since 1996 despite increasing R&D spending. This does not mean that small-molecule drug discovery is going to disappear, but it does reflect an ever-steepening level of difficulty in identifying new clinical candidates, and corresponding changes in investment patterns within the business.

These ever-steepening levels of difficulty are not necessarily a bad thing for companies serving the earliest stages of discovery and development, as Cyprotex does. The most costly stages of drug development are the later, clinical stages. The purpose of the ADME-Tox stage is to reduce the chances of failure at later stages. As drug discovery becomes increasingly difficult, interest in technologies that reduce the chances of failure also increases.

We believe that in time the portion of preclinical studies that are outsourced will continue to grow, as pharmaceutical companies better understand the cost efficiencies that can accrue from outsourcing; and as an increasing portion of drug discovery moves away from large pharmaceutical companies and towards smaller, younger organisations without in-house ADME and toxicology capabilities.

Because of shifts in the drug discovery and development market, we have repositioned Cyprotex to encompass *in vitro* toxicology. This is a young and growing market, much like *in vitro* ADME was a decade ago. The basic technologies are mostly similar to the technologies used for ADME, and in which Cyprotex excels; although high content imaging is a new and notable technology being employed. Both our UK and US laboratories are now equipped with Thermo Cellomics high content imagers, giving the Company five such instruments.

One reason for the emergence of the *in vitro* toxicology market is the success of *in vitro* ADME. In 1995 40% of Phase I clinical trial failures were due to ADME reasons. Now that figure is under 10% and falling. With ADME no longer a major contributor for failure, other issues, such as toxicity, have grown. By its nature, toxicity is a far worse problem in drug discovery than ADME is. Most ADME problems result in a drug being prevented from having a therapeutic effect and failing in clinical trials. Toxicity problems can emerge after clinical trials, resulting in litigation and commercialisation losses.

We have moved quickly and decisively. In January 2010 we began construction on our new toxicology laboratory in Macclesfield. In August we not only opened that laboratory, we acquired Apredica, a Boston-based ADME-Tox contract research organisation that was an early entrant to the *in vitro* toxicology market, and which owned the rights to the CellCiphr™ High Content Toxicology platform. The acquisition allowed Cyprotex to double the size of its product portfolio and have instant credibility in the *in vitro* toxicology market.

Outlook and Summary

In light of the continued challenging business conditions experienced in 2010, Cyprotex's ability to grow revenues, remain profitable, and invest strategically for the next stage of growth represents a creditable performance. Cyprotex is well positioned to benefit from improving market conditions when they emerge.

We believe market conditions for 2011 will be more favourable than those of 2010. Although Cyprotex remains somewhat reliant on a small number of large customers, each year we decrease this reliance as we add more customers and diversify the product offerings.

In 2008 the Company achieved its first profitable year. In 2009 we entered the bespoke ADME market. In 2010 we entered the *in vitro* toxicology market, successfully executed a major acquisition, and increased sales on continuing operations.

Cyprotex is now focused on growth. We are working on organic growth through building upon our leading position in the new *in vitro* toxicology market while also growing our existing ADME business. We also now have the significant benefit of established US operations, where we expect most organic growth in 2011-2013 to come from. The Board is also looking to continue to play a proactive role in the ongoing consolidation of the industry.

Steve Harris
Non-Executive Chairman

Dr Anthony D Baxter
Chief Executive Officer

23 March 2011

Consolidated income statement year to 31 December 2010

Continuing operations	Note	2010 £	2009 £	2008 £
Revenue		5,924,387	5,001,042	5,181,396
Cost of sales		(868,068)	(649,319)	(703,473)
Gross profit		5,056,319	4,351,723	4,477,923
Administrative costs		(4,834,461)	(3,893,074)	(3,910,900)
Operating profit		221,858	458,649	567,023
Finance income		6,337	19,632	16,234
Finance cost		(26,855)	(17,868)	(40,995)
Profit before tax		201,340	460,413	542,262
Income tax		415,300	-	-
Profit for the period		616,640	460,413	542,262
Attributable to the owners of the parent		616,640	460,413	542,262
Earnings per share				
Basic earnings per share	5	0.31p	0.26p	0.36p
Diluted earnings per share	5	0.31p	0.26p	0.35p

Consolidated statement of comprehensive income year to 31 December 2010

	2010 £	2009 £	2008 £
Continuing operations			
Profit for the period	616,640	460,413	542,262
Other comprehensive income	-	-	-
Exchange differences on retranslation of overseas operations	(1,923)	-	-
Total comprehensive income for the period	614,717	460,413	542,262
Attributable to the owners of the parent	614,717	460,413	542,262

Consolidated statement of financial position

at 31 December 2010

		2010	2009	2008
		£	£	£
ASSETS	Notes			
Non current assets				
Property, plant and equipment	9	2,148,013	1,234,149	1,181,662
Intangible fixed assets	10	3,485,218	-	-
Deferred tax asset		397,494	-	-
		6,030,725	1,234,149	1,181,662
Current assets				
Inventories		290,126	166,714	118,557
Trade receivables		809,153	605,706	989,205
Other receivables		239,423	168,827	232,208
Cash and cash equivalents		1,036,888	2,074,132	1,584,882
		2,375,590	3,015,379	2,924,852
Total assets		8,406,315	4,249,528	4,106,514
LIABILITIES				
Current liabilities				
Trade payables		183,060	144,998	153,330
Other payables		415,914	225,916	478,575
Obligations under finance leases		98,101	10,729	61,670
Short-term borrowings		410,759	-	-
Current portion of long term borrowings		30,000	30,000	25,000
		1,137,834	411,643	718,575
Non- current liabilities				
Long term borrowings		506,400	541,100	580,500
Obligations under finance leases		113,924	-	10,729
Other borrowings		150,000	-	-
Provisions		474,100	-	-
Deferred tax liabilities		308,980	-	-
		1,553,404	541,100	591,229
Total liabilities		2,691,238	952,743	1,309,804
Net Assets		5,715,077	3,296,785	2,796,710
EQUITY				
Equity attributable to equity holders of the parent				
Share capital	7	223,687	178,957	178,698
Share premium account		12,210,140	10,594,395	10,594,200
Other reserve		128,070	128,070	128,070
Share based payment reserve		561,510	418,410	379,202
Profit and loss account		(7,408,330)	(8,023,047)	(8,483,460)
Total equity		5,715,077	3,296,785	2,796,710

Consolidated statement of changes in equity year to 31 December 2010

	Share capital	Share premium account	Other reserve	Share based payment reserve	Profit and loss account	Total equity
	£	£	£	£	£	£
Balance at 1 January 2010	178,957	10,594,395	128,070	418,410	(8,023,047)	3,296,785
Share based payments	-	-	-	143,100	-	143,100
Issue of share capital	44,730	1,632,656	-	-	-	1,677,386
Share issue costs	-	(16,911)	-	-	-	(16,911)
Transactions with owners	223,687	12,210,140	128,070	561,510	(8,023,047)	5,100,360
Profit for the period	-	-	-	-	616,640	616,640
Exchange differences on translation	-	-	-	-	(1,923)	(1,923)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	614,717	614,717
Balance at 31 December 2010	223,687	12,210,140	128,070	561,510	(7,408,330)	5,715,077
	£	£	£	£	£	£
Balance at 1 January 2009	178,698	10,594,200	128,070	379,202	(8,483,460)	2,796,710
Share based payments	-	-	-	39,208	-	39,208
Issue of share capital	259	195	-	-	-	454
Transactions with owners	178,957	10,594,395	128,070	418,410	(8,483,460)	2,836,372
Profit for the period	-	-	-	-	460,413	460,413
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	460,413	460,413
Balance at 31 December 2009	178,957	10,594,395	128,070	418,410	(8,023,047)	3,296,785
	£	£	£	£	£	£
Balance at 1 January 2008	138,648	9,663,685	128,070	363,473	(9,025,722)	1,268,154
Share based payments	-	-	-	15,729	-	15,729
Issue of share capital	40,050	930,515	-	-	-	970,565
Transactions with owners	178,698	10,594,200	128,070	379,202	(9,025,722)	2,254,448
Profit for the period	-	-	-	-	542,262	542,262
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	542,262	542,262
Balance at 31 December 2008	178,698	10,594,200	128,070	379,202	(8,483,460)	2,796,710

Consolidated statement of cash flows

Year to 31 December 2010

	Note	2010 £	2009 £	2008 £
Cash flows from operating activities				
Profit after taxation		616,640	460,413	542,262
Adjustments for:				
Depreciation		269,686	261,259	243,392
Amortisation		53,959	-	-
Share based payment charge		143,100	39,208	15,729
Finance income		(6,337)	(19,632)	(16,234)
Interest expense		26,855	17,868	40,995
Taxation recognised in the income statement		(415,300)	-	-
(Increase)/decrease in trade and other receivables		(190,527)	446,880	(473,277)
Increase in inventories		(80,499)	(48,157)	(4,863)
(Decrease)/increase in trade and other payables		(85,957)	(260,991)	189,803
Movement in provisions		(10,900)	-	-
Cash generated from operations		320,720	896,848	537,807
Interest paid		(19,506)	(17,868)	(40,995)
Income tax received		-	-	68,986
Net cash from operating activities		301,214	878,980	565,798
Cash flows from investing activities				
Purchase of property, plant and equipment		(640,075)	(313,746)	(147,630)
Sale of property, plant and equipment		-	-	117
Acquisition (net cash paid)	8	(339,482)	-	-
Interest received		6,337	19,632	16,234
Net cash used in investing activities		(973,220)	(294,114)	(131,279)
Cash flows from financing activities				
Proceeds/ (costs)from issue of share capital		(16,911)	454	970,565
Repayment of long-term borrowings		(34,700)	(34,400)	(28,500)
Payment of finance lease liabilities		(108,823)	(61,670)	(92,556)
Payment of short term borrowings		(205,738)	-	-
Net cash (used)/generated in financing activities		(366,172)	(95,616)	849,509
Net (decrease)/increase in cash and cash equivalents		(1,038,178)	489,250	1,284,028
Exchange differences on cash and cash equivalents		934	-	-
Cash and cash equivalents at beginning of year		2,074,132	1,584,882	300,854
Cash and cash equivalents at end of year		1,036,888	2,074,132	1,584,882

Notes to the final results

year to 31 December 2010

1. Nature of operations and general information

Cyprotex PLC ('Cyprotex') and subsidiaries' (together 'the Group') principal activity is the provision of in vitro and in silico ADMET/PK (Absorption, Distribution, Metabolism, Excretion, Toxicity/Pharmacokinetic) information to the pharmaceutical industry.

Cyprotex's vision is to provide, in partnership with our customers in drug discovery and development, the highest quality, fastest turnaround and most cost effective ADME and pharmacokinetic data to those customers.

Cyprotex PLC is the Group's ultimate parent company. It is incorporated and domiciled in Great Britain. The address of Cyprotex PLC's registered office is 100 Barbirolli Square, Manchester M2 3AB. The address of its principal place of business is 15 Beech Lane, Macclesfield, Cheshire, United Kingdom, SK10 2DR. Cyprotex PLC's shares are listed on the Alternative Investment Market of the London Stock Exchange.

The consolidated financial information set out in this announcement are presented in Pounds Sterling (£), which is also the functional currency of the parent. The consolidated financial information has been approved for issue by the Board of Directors on 22 March 2011.

The information in this preliminary announcement does not constitute statutory accounts within the meaning of sections 434 to 436 of the Companies Act 2006 and no statutory accounts have yet been filed with the Registrar of Companies for the year ended 31 December 2010. Statutory accounts for the year ended 31 December 2009 have been filed with the Registrar of Companies. The auditors report on these accounts was unqualified and did not contain an emphasis of matter, nor did it contain a statement under section 498 of the Companies Act 2006. The statutory accounts for the year ended 31 December 2010 will be delivered to the registrar of Companies following the Company's Annual General Meeting.

The Group's statutory financial statements for the year ended 31 December 2009 and 31 December 2008, prepared under International Financial Reporting Standards (IFRS) have been filed with the Registrar of Companies.

Whilst the financial information included in this final results announcement has been computed in accordance with IFRS, this announcement in itself does not contain sufficient information to comply with IFRS.

2. Basis of preparation

The consolidated final results are for the year ended 31 December 2010 They have been prepared in accordance with the requirements of International Financial Reporting Standards (IFRS) as adopted by the European Union (EU), including international Accounting Standards (IAS) and interpretations issued by the international Financial Reporting Committee (IFRIC) and applied in Accordance with the Companies Act 2006.

The consolidated final results have been prepared in accordance with the accounting policies set out in the group's statutory financial statements for the year ended 31 December 2009.

The accounting policies have been applied consistently throughout the Group for the purposes of preparation of this consolidated financial information.

3. Going concern

The group recorded a profit after taxation of £616,640 in the year ended 31 December 2010 and cash and deposits are £1,036,888. The Directors have reviewed the budget, financial forecasts including cash flow forecasts and other relevant information and believe that the Group has adequate resources to continue in operation for the foreseeable future

4. Segmental information

Revenue represents the amounts derived from the provision of goods and services which fall within the Group's ordinary activities and is stated net of value added tax and trade discounts.

The Group has a single operating and reportable segment, that of providing *in vitro* and *in silico* ADMET/PK (Absorption, Distribution, Metabolism, Excretion, Toxicity/Pharmacokinetic) information to the pharmaceutical and biotechnology industries. The revenue and operating profit or loss for the year are derived from the Group's single operating and reportable segment. The Group has made an acquisition during the second half of the year ended 31 December 2010 which falls into this reporting segment.

The Group gives a geographic analysis of revenue by destination. Key markets for the Group are identified as North America, Mainland Europe and the United Kingdom.

	2010 £	2009 £	2008 £
United Kingdom	1,422,935	1,407,293	1,245,124
Rest of Europe	2,319,184	2,319,428	2,368,687
USA and Canada	2,099,855	1,191,308	1,519,488
Rest of the World	82,413	83,013	48,097
	5,924,387	5,001,042	5,181,396

5. Earnings per share

The calculation of the basic earnings per share is based on the earnings attributable to ordinary shareholders divided by the weighted average number of shares in issue during the period.

The calculation of diluted earnings per share is based on the basic earnings per share, adjusted to allow for the issue of shares and the post tax effect of dividends and/or interest, on the assumed conversion of all dilutive options and other dilutive potential ordinary shares.

Reconciliations of the earnings and weighted average number of shares used in the calculations are set out below.

	2010	2009	2008
Continuing operations			
Profit after tax and earnings attributable to ordinary shareholders (£)	616,640	460,413	542,262
Weighted average number of ordinary shares in issue (number used for basic earnings per share)	197,216,953	178,725,641	152,554,545
Dilutive effect of options (number)	449,491	623,287	931,478
Weighted average number of ordinary shares in issue (number used for diluted earnings per share)	197,666,444	179,348,928	153,486,023
Basic earnings per share (pence)	0.31p	0.26p	0.36p
Diluted earnings per share (pence)	0.31p	0.26p	0.35p

6. Taxation

At 31 December 2010, the group has tax losses of approximately £4.5 million that are available for offset against future profits arising from the same trade.

7. Share issues

The authorised share capital of the Company was increased by 100,000,000 ordinary shares of 0.1p each to 300,000,000 on 14 July 2009. The Company has only one class of shares. During the year to 31 December 2010, 44,730,297 ordinary shares were issued. Shares issued may be summarised as follows:

	Number	£
Year to 31 December 2010		
At 1 January 2010	178,957,188	178,957
Issues of shares – purchase of Apredica LLC	44,730,297	44,730
At 31 December 2010	223,687,485	223,687
Year to 31 December 2009		
At 1 January 2009	178,697,988	178,698
Issues of shares on exercise of share options	259,200	259
At 31 December 2009	178,957,188	178,957
Year to 31 December 2008		
At 1 January 2008	138,647,988	138,648
Issues of shares on exercise of share options	50,000	50
Issues of shares – placing and open offer	40,000,000	40,000
At 31 December 2008	178,697,988	178,698

8. Acquisition

On 6 August 2010, the group acquired 100% of the voting shares of Apredica LLC, a privately owned ADMET business based in Watertown, Boston USA. Further details are provided in the Chairman's and Chief Executive Officer's report. The book and fair values of the net assets of Apredica LLC on that date are summarised in the table below:

Apredica LLC	Book value	Adjustments	Fair value
	£	£	£
Property, plant and equipment	536,943	-	536,943
Intangible fixed assets	-	976,875	976,875
Inventories	42,375	-	42,375
Trade and other receivables	81,087	-	81,087
Cash and cash equivalents	210,523	-	210,523
Trade and other payables	(297,120)	-	(297,120)
Obligations under finance leases	(308,695)	-	(308,695)
Short term borrowings	(109,375)	-	(109,375)
Deferred consideration – purchase of Cellumen assets	(205,738)	-	(205,738)
Contingent consideration – purchase of Cellumen assets	-	(485,000)	(485,000)
Deferred taxation	-	(326,786)	(326,786)
Net assets/(liabilities)	(50,000)	165,089	115,089
Goodwill arising on acquisition			2,562,302

Consideration	<u>2,677,391</u>
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On 4 August 2010, Apredica LLC had purchased all of the intellectual property and certain assets of Cellumen, Inc. adding an advanced, proprietary High Content Toxicology platform to its portfolio of in vitro toxicology services.

The purchase price for the acquisition of Apredica LLC and net cash paid at the date of acquisition was as follows:

	Purchase price	Net cash paid at date of acquisition
	£	£
Issue of ordinary shares – 44,730,297 at 3.75 pence	1,677,386	-
Cash payment on completion	550,005	550,005
Sub total	<u>2,227,391</u>	-
Loans due to directors – due 31 March 2011	300,000	-
Loans due to directors – due 30 September 2012	150,000	-
Sub total	<u>450,000</u>	
Total consideration	<u>2,677,391</u>	
Cash and cash equivalents acquired		(210,523)
Total net consideration paid on completion		<u>339,482</u>

Transaction costs of £86,024 have been expensed through the income statement.

In addition, costs attributable to the issue of equity instruments of £16,911 have been charged directly to equity.

Details of the performance of Apredica LLC, since acquisition by the Group on 6 August 2010 are set out below:

	Since acquisition from 6 August 2010
	£
Turnover	545,688
Operating loss	<u>(135,621)</u>

9. Additions and disposals of property, plant and equipment

The following tables show the significant additions and disposals of property, plant and equipment.

Year to 31 December 2010	Long leasehold and buildings	Office equipment	Computer equipment	Laboratory equipment	Total
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	£	£	£	£	£
Carrying amount					
at 1 January 2010	809,471	20,322	38,388	365,968	1,234,149
On Acquisition	-	-	28,340	508,603	536,943
Additions	181,661	5,052	52,065	401,297	640,075
Exchange	-	-	328	6,204	6,532
Depreciation	(19,757)	(5,831)	(33,181)	(210,917)	(269,686)
at 31 December 2010	971,375	19,543	85,940	1,071,155	2,148,013

Year to 31 December 2009	Long leasehold and buildings	Office equipment	Computer equipment	Laboratory equipment	Total
	£	£	£	£	£
Carrying amount					
at 1 January 2009	809,705	22,511	41,957	307,489	1,181,662
Additions	17,665	3,373	28,576	264,132	313,746
Disposals	-	-	-	-	-
Depreciation	(17,899)	(5,562)	(32,145)	(205,653)	(261,259)
at 31 December 2009	809,471	20,322	38,388	365,968	1,234,149

Year to 31 December 2008	Long leasehold and buildings	Office equipment	Computer equipment	Laboratory equipment	Total
	£	£	£	£	£
Carrying amount					
at 1 January 2008	817,606	21,343	52,492	474,220	1,365,661
Additions	9,500	6,089	20,927	22,994	59,510
Disposals	-	-	(117)	-	(117)
Depreciation	(17,401)	(4,921)	(31,345)	(189,725)	(243,392)
at 31 December 2008	809,705	22,511	41,957	307,489	1,181,662

10. Intangible assets

The following tables show the significant additions to intangible fixed assets.

	Goodwill	Trade names	Customer relationships	Technology & know-how	Total
	£	£	£	£	£
Cost or valuation					
At 1 January 2010	-	-	-	-	-
Acquisition of subsidiary	2,562,302	188,125	318,125	470,625	3,539,177
At 31 December 2010	2,562,302	188,125	318,125	470,625	3,539,177

Depreciation and impairment

At 1 January 2010	-	-	-	-	-
Amortisation during the year	-	7,839	26,510	19,610	53,959

Impairment loss	-	-	-	-	-
At 31 December 2010	-	7,839	26,510	19,610	53,959
Net book value					
At 31 December 2010	-	180,286	291,615	451,015	3,485,218
At 31 December 2009	-	-	-	-	-

Goodwill and other intangible assets relate solely to the acquisition of Apredica LLC,

11. The Annual Report

The 2010 Annual Report & Accounts of the Group will be available to shareholders on the 1 June 2011. Copies will be available on request from the Company Secretary, Cyprotex PLC, 15 Beech Lane, Macclesfield, Cheshire, SK10 2DR.

12. Annual General Meeting

The Annual General meeting will be held at 10:00am on Thursday, 30 June 2011 at The Royal Society of Medicine, 1 Wimpole Street, London, W10 0AE.