

4 September 2006

HUVEAUX PLC

Acquisition of Letts and Leckie & Leckie for £12.4 million and £5.5 million Placing

The Board of Huveaux PLC (“Huveaux”) today announces that it has acquired the entire issued share capital of Letts Educational Limited (“Letts”) and Leckie & Leckie Limited (“Leckie”), the leading providers of study aids and revision guides in England and Scotland respectively. The businesses, which currently form part of Granada Learning, are being acquired from Veronis Suhler Stevenson for a total cash consideration of £12.4 million.

Letts and Leckie are highly complementary to Huveaux’s successful Lonsdale revision guide business and the acquisition therefore significantly strengthens Huveaux’s existing position in the growing revision guide market. Letts and Leckie are leading retail brands across the entire curriculum from pre-school to A-level and Scottish equivalent. Lonsdale operates predominantly in secondary schools, mainly at Key Stages 3 and 4. Huveaux will now have a comprehensive portfolio of study guide titles and will operate in Scotland for the first time.

Letts and Leckie will combine with Lonsdale to create a market-leading revision guide business with an unrivalled product portfolio. This will comprise over 800 established and new titles, in both print and online format, reflecting up-to-date curriculum changes and new Government initiatives.

The combination of Letts and Leckie with Lonsdale will benefit Huveaux by:

- creating a revision guides business with a range of strong brands and an enhanced product portfolio;
- providing an opportunity to further exploit the growing acceptance by schools and colleges of revision and learning guides as valuable sources of course and classroom information;
- delivering revenue synergies through opportunities to cross-sell Lonsdale titles into retail outlets and Letts titles into schools;
- bringing access to wider educational markets in England and Scotland, particularly at higher and primary levels, as well as internationally, where the Letts brand is well established;

- offering economies of scale through infrastructure, printing and administrative cost saving opportunities, as well as shared resource and content; and
- enabling Huveaux to further its digital strategy of exploiting owned IP through 'in-house' developments by Epic.

The Letts, Leckie and Lonsdale businesses will operate within the Learning Division and will come under the direct control of Huveaux's Chief Executive Officer, Gerry Murray, during the integration period. A new management board, made up from existing Lonsdale, Letts and Leckie senior staff, will have day-to-day operational responsibility.

The consolidated revenues of Letts and Leckie for the financial year ended 31 December 2005 were £10.0 million and the underlying consolidated operating profit was £1.5 million. The net assets of the combined businesses were £5.2 million as at 31 December 2005.

Trading at Huveaux has continued in line with expectations since the publication of its interim results statement on 25 July 2006 and the Board remains confident in the prospects for the current financial year. The Board expects the acquisition of Letts and Leckie to enhance Huveaux's earnings in the first full year of ownership.

John van Kuffeler, Executive Chairman of Huveaux, commented:

"The acquisition of Letts and Leckie & Leckie complements our existing Lonsdale business and significantly extends our position in the rapidly growing revision guide market. This is an excellent opportunity for Huveaux to become a market-leading player in an attractive and growing sector."

Financing

The total consideration of £12.4 million is to be settled by means of a £12.2 million cash payment and the satisfaction of £0.2 million debt on completion. The cash consideration is subject to a £0.4 million escrow retention against the achievement of certain operational and financial performance targets of Letts relating to the financial year ending 31 December 2006.

Together with transaction fees and restructuring costs, the consideration will be financed through an £8.0 million six-year Term Loan from the Bank of Scotland and a £5.5 million Placing with institutional investors ("the Placing").

The £5.5 million Placing is being made with institutional investors by Dresdner Kleinwort Securities Limited ("Dresdner Kleinwort") and Bell Lawrie (a division of Brewin Dolphin Securities Limited) ("Bell Lawrie") of 11,827,957 new ordinary shares in Huveaux (the "New Ordinary Shares") at a price of 46.5 pence per share, using the existing shareholder authority available to Huveaux under Section 89 of the Companies Act 1985. The New Ordinary Shares to be issued represent approximately 8% of Huveaux's existing issued share capital.

The New Ordinary Shares will be issued fully paid and will rank pari passu in all respects with the existing ordinary shares already in issue.

Application has been made for the New Ordinary Shares to be admitted to trading on the AIM market of the London Stock Exchange plc ("Admission"). Admission of the New Ordinary Shares is expected to take place on 7 September 2006.

The Placing of New Ordinary Shares is conditional, inter alia, upon (a) the placing agreement entered into between Dresdner Kleinwort, Bell Lawrie and Huveaux having become unconditional in all respects and not having been terminated in accordance with its terms prior to Admission, and (b) Admission of the New Ordinary Shares becoming effective by 7 September 2006, or such later date as may be agreed.

For further information, please contact:

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This announcement has been prepared solely to provide information about the Placing and it does not constitute, or form part of, any offer or invitation to purchase, underwrite or otherwise acquire New Ordinary Shares being offered, or the solicitation of any such offer. Without limiting the foregoing statement, this announcement does not constitute an offer of securities for sale in the United States nor the solicitation of an offer to buy any such securities, nor may securities be offered or sold in the United States absent registration or an exemption from registration as provided in the United States Securities Act of 1933, as amended (the "Securities Act"), and the rules and regulations thereunder. Huveaux does not intend to register the New Ordinary Shares under the Securities Act.

This announcement does not constitute an offer to sell or issue or a solicitation of an offer to buy or subscribe for New Ordinary Shares in any jurisdiction including, without limitation, Canada, Australia, Japan or any other jurisdiction in which such offer or solicitation is or may be unlawful. This announcement and the information contained herein are not for publication or distribution, directly or indirectly, to persons in Canada, Australia or Japan unless permitted pursuant to an exemption under the relevant local law or in any jurisdiction in which such publication or distribution is unlawful.

Dresdner Kleinwort Wasserstein Limited and Dresdner Bank AG, London Branch, which are authorised and regulated by the Financial Services Authority, are acting for Huveaux and for no one else in connection with the Placing and will not be responsible to anyone other than Huveaux for providing the protections afforded to the customers of Dresdner Kleinwort Wasserstein Limited and Dresdner Bank AG, London Branch or for affording advice in relation to the Placing, or any other matters referred to herein.

This statement should not be interpreted to mean that future earnings per share of Huveaux will necessarily be greater than those of previous periods.

No representation or warranty, express or implied, is made by Dresdner Kleinwort as to any of the contents of this announcement for which the directors of Huveaux are solely responsible. This announcement contains certain forward-looking statements. Such forward-looking statements are based on current plans, information and intentions and certain external factors which may be beyond the control of Huveaux, and therefore, undue reliance should not be placed on them. Such forward-looking statements involve unknown risks, uncertainties and other factors which may cause the actual results, financial condition, performance or achievements of Huveaux, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements speak only as to the date on which they are made and Huveaux undertakes no obligation to update publicly any such forward-looking statements in this announcement to reflect future events or developments.

Note to Editors:

- **Huveaux**

Huveaux was formed in 2001 with the objective of building a substantial, high-quality publishing and media group. It is now twenty fold the size when it first listed on AIM.

The Group consists of three Divisions each of which has strong brands and market-leading positions:

Political Division comprises *Dod's Parliamentary Companion*, *The House Magazine*, *Epolitix.com*, *Political Wizard* and numerous other magazine titles and revenue-generating websites. It is the market leader in Political business-to-business publishing in the UK and the EU.

Learning Division comprises Epic, the UK market leader in e-learning; *The Training Journal* magazine and seminar business; *Lonsdale Revision Guides* for schools and the highly acclaimed *Westminster Explained* conferences and seminars.

Healthcare Division based in France, comprises *Panorama du Medecin*, a leading weekly magazine for French doctors; *Le Concours Medical* and *La Revue du Praticien*, both market-leading Continuing Medical Education magazines; *Egora.fr*, the leading medical information website; and a number of other magazines and a medical conference business.

Huveaux has now completed ten successful acquisitions over the past four years and employs more than 450 staff in London, Paris, Brussels and four UK regional offices.

Further information about Huveaux can be found at www.huveauxplc.com

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- **Letts**

Letts Educational Ltd (www.letts-successzone.com) is the leading consumer publisher of revision guides and study workbooks aimed at national curriculum tests and public examinations (GCSE, AS and A2) in England and Wales. Top selling and key series titles include: *National Test Practice Papers*, *The Magical Mysteries Series* and *Success Guides*

- **Leckie & Leckie**

Leckie & Leckie (www.leckieandleckie.co.uk) is the market-leading publisher of revision and course notes for Scottish Standard Grade, Intermediate and Higher exams. Leckie & Leckie is the exclusive publisher of the Scottish Qualifications Authority's *Official Past Papers*. Top selling and key series titles include *Revision Notes*, *Revision Mind Maps* and *Success Guides*.