11 MAY 2007

HUVEAUX PLC

UPDATE ON ADOPTION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS

Huveaux PLC ("Huveaux") is preparing for the adoption of International Financial Reporting Standards as adopted by the European Union ("adopted IFRS") as its primary accounting basis for the year ending 31 December 2007. As part of this transition, Huveaux is today presenting unaudited financial information prepared in accordance with adopted IFRS for the year ended 31 December 2006 and for the six months ended 30 June 2006. The purpose of this statement is to present the effects of adopted IFRS on the Group for 2006 full-year and half-year comparative periods.

The principal changes to the Group's reported financial information under UK GAAP* arising from the adoption of IFRS are as a result of:

- the requirement not to amortise goodwill;
- the recognition of intangible assets from business combinations and the related amortisation of these intangible assets; and
- the recognition of deferred tax assets and liabilities on a different basis.

*throughout this statement "UK GAAP" means the accounting standards and framework in issue at 31 December 2006, which were applied to the financial statements of the Group for the year ended 31 December 2006.

For the year ended 31 December 2006 the expected impact of the adoption of IFRS is to decrease profit attributable to equity shareholders by £1.2 million, comprising principally the amortisation of intangible assets of £2.1 million, partially offset by deferred tax adjustments of £0.4 million and the reversal of goodwill amortised under UK GAAP of £0.5 million. Net assets for the Group at 31 December 2006 have decreased from £51.5 million to £48.0 million.

Dan O'Brien, Finance Director of Huveaux, commented:

"The unaudited financial information provided today shows how adopted IFRS impacts Huveaux's recent results in advance of its adoption in the 2007 financial year. The most significant changes are that Huveaux will no longer amortise goodwill and that Huveaux has recognised as intangible assets the publishing rights, the value of customer relationships and brand values purchased with all businesses acquired since 1 October 2003."

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About Huveaux:

Huveaux PLC is a public limited company listed on the Alternative Investment Market (ticker HVX.L).

The Company was formed in 2001 with the objective of building a substantial, high-quality media group. Huveaux has completed and successfully integrated 13 acquisitions over the past six years and employs more than 500 staff in London, Paris, Brussels, Edinburgh and four other UK regional offices.

The Group now consists of four Divisions, each of which has strong brands and market leading positions:

Education Division
The leading supplier of study aids and revision guides in the UK, with full product coverage across all subjects and stages of the entire curriculum in UK schools. The Division comprises *Lonsdale, Letts Educational* and *Leckie & Leckie.*

Healthcare Division
One of the leading providers of specialist B2B publications and online education for the medical sector in France. The Division comprises *Panorama du Medecin*, a leading weekly magazine for French doctors, *Le Concours Medical* and *La Revue du Praticien*, market-leading Continuing Medical Education magazines, *Egora.fr*, the leading medical information website, a medical conference business and a number of other magazines and reference materials.

Learning Division
A leading provider of resources to learning communities in the UK, including e-learning solutions for the public and private sector and blended learning solutions, seminars and events for the political, public affairs and training markets. The Division comprises Epic, the UK market leader in e-learning, *TJ* magazine and the highly acclaimed *Westminster Explained* conferences and seminars business.

Political Division
The market leader in political business-to-business publishing in the UK and EU, serving both the political and public affairs communities. The Division comprises *Dods Parliamentary Companion, The House Magazine, Epolitix.com* and numerous other political magazines, reference books, monitoring products and revenue-generating websites as well as events, awards and recruitment services.

INTRODUCTION

Huveaux is preparing for the adoption of International Financial Reporting Standards as adopted by the European Union ("adopted IFRS") as its primary accounting basis in its consolidated accounts, following the adoption of Regulation No. 1606/2002 by the European Parliament on 19 July 2002.

This press release explains how Huveaux's previously reported UK GAAP financial performance and position are reported under adopted IFRS. It provides, on an adopted IFRS basis, reconciliations from UK GAAP to adopted IFRS for the following unaudited consolidated information:

- balance sheets at 1 January 2006, 30 June 2006 and 31 December 2006; and
- income statements for the six month period ended 30 June 2006 and the year ended 31 December 2006.

These statements are prepared on the basis set out in "Basis of preparation" below. Detailed cash flow statements have not been prepared as the only adjustment in each period is a reclassification between the purchase of tangible and intangible assets. Where accounting policy changes have not been discussed in this document, the accounting policies under UK GAAP should be referred to.

Attention is drawn to the fact that, under adopted IFRS, only a complete set of consolidated financial statements comprising a balance sheet, income statement, statement of recognised income and expense, cash flow statement, together with comparative information and explanatory notes, can provide a fair presentation of the Group's financial position, results of operations and cash flows.

The preliminary adopted IFRS financial information set out on pages 8 to 13 does not constitute the company's statutory accounts for the year ended 31 December 2006. Those accounts, which were prepared under UK GAAP, have been reported on by the company's auditors and delivered to the registrar of companies; their report was (i) unqualified, (ii) did not include reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under section 237(2) or 237(3) of the Companies Act 1985.

BASIS OF PREPARATION

The financial information presented in this document has been prepared on the basis of the recognition and measurement requirements of adopted IFRSs in issue that either are endorsed by the EU and effective (or available for early adoption) at 31 December 2007 or are expected to be endorsed and effective (or available for early adoption) at 31 December 2007, the Group's first annual reporting date at which it is required to use adopted IFRSs. Based on these adopted and unadopted IFRSs, the directors have made assumptions about the accounting policies expected to be applied, the significant effects of which are set out below, when the first annual IFRS financial statements are prepared for the year ending 31 December 2007.

In addition, the adopted IFRSs that will be effective (or available for early adoption) in the annual financial statements for the year ending 31 December 2007 are still subject to change and to additional interpretations and therefore cannot be determined with certainty. Accordingly, the accounting policies for that annual period will be determined finally only when the annual financial statements for the Group are prepared for the year ending 31 December 2007.

The Group's financial results for the six month period ending 30 June 2007 will be prepared on the basis of the principles of adopted IFRS, and will be presented together with details of the accounting policies expected to be applied for the year ending 31 December 2007.

IFRS 1 exemptions

IFRS 1, “First-time Adoption of International Financial Reporting Standards” sets out the procedures that the Group must follow when it adopts IFRS for the first time as the basis for preparing its consolidated financial statements. As explained above, the Group is required to establish what its adopted IFRS accounting policies are expected to be as at 31 December 2007 and, in general, apply these retrospectively to determine the IFRS opening balance sheet at its date of transition, 1 January 2006.

This standard provides a number of optional exceptions to this general principle. The most significant of these for the Group relates to business combinations that occurred before the opening IFRS balance sheet date (IFRS 3, “Business Combinations”). The Group has elected not to apply IFRS 3 retrospectively to business combinations prior to 1 October 2003.

The Group has also set its translation reserve at zero at the date of transition.

KEY IMPACT ANALYSIS

The analysis below sets out the most significant adjustments arising from the transition to adopted IFRS for the year ended 31 December 2006. Similar adjustments arise from the transition to adopted IFRS for the six months ended 30 June 2006. Adjustments are referred to by letter, referenced to the transition statements and the accompanying explanation of adjustments on pages 8 to 13.

1) Presentation of Financial Statements

Details on the key presentational differences under adopted IFRS are presented in Appendix A.

2) Intangible Assets

(a) Goodwill and acquired intangible asset amortisation

IFRS 3 “Business Combinations” requires that, when businesses are acquired, any intangible assets acquired with the business are valued separately and capitalised as an intangible asset. Any residual difference between the consideration paid or payable and the net fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. IFRS 3 also requires that goodwill is not amortised but is instead subject to an annual impairment review, whereas intangible assets are amortised over their useful lives. As the Group has elected not to apply IFRS 3 retrospectively to business combinations prior to 1 October 2003 under IFRS, the publishing rights arising from combinations before that date therefore remain at the amount shown within publishing rights under UK GAAP at 1 January 2006 of £13.2 million and so there is no impact from those acquisitions on the 2006 opening balance sheet.

The Group has recognised intangible assets on acquisition in relation to publishing rights, customer relationships, order books and sundry other assets. The amount in the Group’s balance sheet in respect of all intangible assets (before amortisation and deferred tax adjustments) is £38.0 million at 30 June 2006 and £48.0 million at 31 December 2006. *Adjustment (a) in the transition balance sheets on pages 8 to 13*

Under IFRS, these intangible assets are amortised over their useful lives. Management has assessed their useful lives and the effect of amortising these assets is £2.1 million for the year ended 31 December 2006 and £0.9 million for the six months ended 30 June 2006. This is offset by the fact that goodwill is no longer amortised, the effect of which on the income statement is to increase profit before tax by £0.5 million for the year ended 31 December 2006 and £0.1 million for the six months ended 30 June 2006. Goodwill has been reviewed for impairment at each balance sheet date and no impairments were identified. *Adjustment (b)*

A deferred tax liability has been set up on creation of these intangibles and is released over the period over which the assets are amortised. Upon creation of this liability, an equal and opposite adjustment is posted to increase goodwill arising on the business in question. This adjustment to goodwill is not amortised. The impact on the income statement of releasing elements of the liability is £0.7 million for the year ended 31 December 2006 and £0.3 million for the six months ended 30 June 2006. The deferred tax liability in respect of intangibles stands at £6.9 million at 30 June 2006 and £9.4 million at 31 December 2006. *Adjustment (c)*

IFRS 3 requires that deferred revenue on acquisition of businesses is measured at the cost of fulfilling the obligation at the acquisition date. This has resulted in an adjustment to reduce deferred revenue acquired on previous acquisitions by £0.6 million. *Adjustment (d1)*

In addition, upon revisiting the fair value of assets acquired under IFRS 3, an adjustment of £0.3 million was made to increase the fair value of stock acquired with the purchase of Fenman. *Adjustment (d2)*

(b) Computer software

Under UK GAAP, all capitalised computer software is included within tangible fixed assets on the balance sheet. Under IAS 16 “Property, Plant and Equipment”, only computer software that is integral to a related item of hardware should be included as property, plant and equipment. All other computer software should be recorded as an intangible asset. Accordingly, a reclassification of £0.2 million has been made between property, plant and equipment and intangible assets at 1 January 2006 and 30 June 2006, and £0.4 million at 31 December 2006. *Adjustment (e)*

(c) Plate costs

Under UK GAAP the Group accounted for plate costs incurred in the creation of revision material within inventories. Under IFRS they have been reclassified as intangible assets. This is not material at 1 January 2006 or 30 June 2006; an adjustment of £0.5 million has been posted in the 31 December 2006 balance sheet. *Adjustment (k)*

3) Deferred and Current Taxes

The scope of IAS 12 “Income Taxes” is wider than the corresponding UK GAAP standards, and requires deferred tax to be provided on the majority of temporary differences, rather than just on timing differences as under UK GAAP. In particular this has resulted in deferred tax assets and liabilities being set up in respect of differences between the net book value and the tax base of intangible assets (see section 2(a) above).

IAS 12 also does not allow deferred tax to be discounted which was the Group’s policy under UK GAAP. The effect of not applying discounting under adopted IFRS is to increase the tax charge by £0.2 million in the year ended 31 December 2006. *Adjustment (f)*

The deferred tax asset of £47,000 at 31 December 2006 has been reclassified within the deferred tax liability rather than offset against the pension liability. *Adjustment (g)*

IAS 12 also requires deferred tax to be provided in respect of the Group’s liabilities under its post employment benefit arrangements and on other employee benefits such as share option schemes. There is no material difference between the recognition of deferred tax on these items under UK GAAP and adopted IFRS.

Under adopted IFRS the Group has reclassified all deferred tax balances within liabilities, as both UK and French deferred tax balances are liabilities. *Adjustment (h)*

4) Discontinued operations and assets held for sale

IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" requires that any assets held for sale are recognised as current assets in the balance sheet. The effect of this adjustment is a reclassification between fixed assets and current assets of £0.1 million at 1 January 2006, £0.3 million at 30 June 2006 and £0.2 million at 31 December 2006. *Adjustment (i)*

IFRS 5 also requires that assets held for sale are not depreciated once they have been reclassified as such. The impact of this is not material in any period.

5) Financial instruments

The Group holds interest rate caps on its Sterling and Euro loans. IAS 32 "Financial Instruments: Disclosure and Presentation" and IAS 39: "Financial Instruments: Recognition and Measurement" require that, as the criteria for hedge accounting are not met, these derivatives are fair valued and any movements in this fair value are recognised in the income statement.

The difference between fair value and book value of the cost of these caps at 30 June 2006 and 31 December 2006 is not sufficiently material to require adjustment. The book value of these instruments has been recognised under a separate heading on the balance sheets. *Adjustment (j)*

6) Earnings per share ("EPS")

Under adopted IFRS, adjusted EPS is not shown on the face of the income statement. The calculation of EPS for the Group is prepared in the same way under both UK GAAP and IFRS.

Appendix A

The key presentational differences are as follows:

Income statements

- Net financing costs are analysed between financing income and financing costs on the face of the income statement.

Balance sheet

- Provisions are analysed between current and non current liabilities;

- Deferred tax is shown separately on the face of the balance sheet and is disclosed as non current; and

- The defined benefit pension deficit is shown separately on the face of the balance sheet.

Cash flow

- The reconciliation of operating profit to operating cash flows is shown at the beginning of the cash flow rather than in a note.

HUVEAUX PLC CONSOLIDATED BALANCE SHEET 1 JANUARY 2006	Previously stated UK GAAP £'000	IFRS 3 (a) £'000	IAS 38 (b) £'000	IAS 12 (c) £'000	IFRS 3 (d1) £'000	IFRS 3 (d2) £'000	IAS 16 (e) £'000	IAS 12 (f) £'000	IAS 12/19 (g) £'000	IAS 12 (h) £'000	IFRS 5 (i) £'000	Restated under adopted IFRS £'000
Goodwill	3,311	9,798	56	7,763	(587)	(250)		(222)				19,869
Intangible assets	47,772	(9,798)	(1,965)				210				(131)	36,088
Property, plant and equipment	1,000						(210)					790
Non-current assets	**52,083**	**-**	**(1,909)**	**7,763**	**(587)**	**(250)**	**-**	**(222)**	**-**	**-**	**(131)**	**56,747**
Inventories	2,150											2,150
Trade and other receivables	11,491											11,491
Derivative financial instruments	-											-
Deferred tax asset	1,180							35	41	(1,256)		-
Cash and cash equivalents	2,678											2,678
Assets held for sale	-										131	131
Current assets	**17,499**	**-**	**-**	**-**	**-**	**-**	**-**	**35**	**41**	**(1,256)**	**131**	**16,450**
Income tax payable	(254)											(254)
Provisions for liabilities and charges	(1,552)											(1,552)
Trade and other payables	(13,569)											(13,569)
Creditors < 1 year	**(15,375)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(15,375)**
Net current assets	**2,124**	**-**	**-**	**-**	**-**	**-**	**-**	**35**	**41**	**(1,256)**	**131**	**1,075**
Total assets less current liabilities	**54,207**	**-**	**(1,909)**	**7,763**	**(587)**	**(250)**	**-**	**(187)**	**41**	**(1,256)**	**-**	**57,822**
Non current liabilities												
Interest bearing loans and borrowings	(9,807)											(9,807)
Employee benefits	(96)								(41)			(137)
Deferred tax liability	-			(7,173)						1,256		(5,917)
Other non-current liabilities	(258)											(258)
Net assets	**44,046**	**-**	**(1,909)**	**590**	**(587)**	**(250)**	**-**	**(187)**	**-**	**-**	**-**	**41,703**
Capital and reserves												
Issued capital	14,017											14,017
Share premium	26,795											26,795
Other reserves	409											409
Retained earnings	2,825		(1,909)	590	(587)	(250)		(187)				482
Equity attributable to equity holders of parent	**44,046**	**-**	**(1,909)**	**590**	**(587)**	**(250)**	**-**	**(187)**	**-**	**-**	**-**	**41,703**

Note: The translation reserve has been set to zero at 1 January 2006 in accordance with the provisions of IFRS 1.

HUVEAUX PLC CONSOLIDATED BALANCE SHEET 30 JUNE 2006	**Previously stated UK GAAP**	IFRS 3 (a)	IAS 38 (b)	IAS 12 (c)	IFRS 3 (d1)	IFRS 3 (d2)	IAS 16 (e)	IAS 12 (f)	IAS 12/19 (g)	IAS 12 (h)	IFRS 5 (i)	IAS 39 (j)	**Restated under adopted IFRS**
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	**£'000**
Goodwill	3,227	9,798	140	7,763	(587)	(250)		(222)					19,869
Intangible assets	47,772	(9,798)	(2,848)				227				(131)		35,222
Property, plant and equipment	1,302						(227)				(189)		886
Non-current assets	**52,301**	**-**	**(2,708)**	**7,763**	**(587)**	**(250)**	**-**	**(222)**	**-**	**-**	**(320)**	**-**	**55,977**
Inventories	1,941												1,941
Trade and other receivables	10,845										131	(87)	10,889
Derivative financial instruments	-											87	87
Deferred tax asset	1,180							35	41	(1,256)			-
Cash and cash equivalents	1,033												1,033
Assets held for sale	-										189		189
Current assets	**14,999**	**-**	**-**	**-**	**-**	**-**	**-**	**35**	**41**	**(1,256)**	**320**	**-**	**14,139**
Income tax payable	(252)												(252)
Provisions for liabilities and charges	(615)												(615)
Trade and other payables	(13,559)												(13,559)
Creditors < 1 year	**(14,426)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(14,426)**
Net current assets	**573**	**-**	**-**	**-**	**-**	**-**	**-**	**35**	**41**	**(1,256)**	**320**	**-**	**(287)**
Total assets less current liabilities	**52,874**	**-**	**(2,708)**	**7,763**	**(587)**	**(250)**	**-**	**(187)**	**41**	**(1,256)**	**-**	**-**	**55,690**
Non current liabilities													
Interest bearing loans and borrowings	(9,328)												(9,328)
Employee benefits	(96)								(41)				(137)
Deferred tax liability	-			(6,901)						1,256			(5,645)
Other non-current liabilities	-												-
Net assets	**43,450**	**-**	**(2,708)**	**862**	**(587)**	**(250)**	**-**	**(187)**	**-**	**-**	**-**	**-**	**40,580**
Capital and reserves													
Issued capital	14,017												14,017
Share premium	26,795												26,795
Other reserves	409												409
Retained earnings	2,229		(2,708)	862	(587)	(250)		(187)					(641)
Equity attributable to equity holders of parent	**43,450**	**-**	**(2,708)**	**862**	**(587)**	**(250)**	**-**	**(187)**	**-**	**-**	**-**	**-**	**40,580**

HUVEAUX PLC
CONSOLIDATED INCOME STATEMENT
SIX MONTHS ENDED 30 JUNE 2006

	Previously stated UK GAAP	IAS 38 (b)	IAS 12 (c)	**Restated under adopted IFRS**
	£'000	£'000	£'000	**£'000**
Revenue	20,075			20,075
Cost of sales	(12,443)			(12,443)
Gross profit	**7,632**	**-**	**-**	**7,632**
Administration expenses before amortisation and impairment	(6,100)			(6,100)
Amortisation of intangible assets	(84)	(799)		(883)
Profit from operations	**1,448**	**(799)**	**-**	**649**
Financing income	46			46
Financing costs	(198)			(198)
Profit before taxation	**1,296**	**(799)**	**-**	**497**
Income tax expense	(434)		272	(162)
Profit for the period	**862**	**(799)**	**272**	**335**
Basic EPS	**0.62p**			**0.24p**
Diluted EPS	**0.61p**			**0.24p**

HUVEAUX PLC	Previously	IFRS 3	IAS 38	IAS 12	IFRS 3	IFRS 3	IAS 16	IAS 12	IAS 12/19	IAS 12	IFRS 5	IAS 39	IAS 38	Restated
CONSOLIDATED BALANCE SHEET	**stated**	(a)	(b)	(c)	(d1)	(d2)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	**under**
31 DECEMBER 2006	**UK GAAP**													**adopted IFRS**
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	**£'000**
Goodwill	18,087	(8)	541	10,685	(587)	(250)		(303)						28,165
Intangible assets	47,919	8	(4,097)				410						538	44,778
Property, plant and equipment	1,589						(410)				(188)			991
Non-current assets	**67,595**	**-**	**(3,556)**	**10,685**	**(587)**	**(250)**	**-**	**(303)**	**-**	**-**	**(188)**	**-**	**538**	**73,934**
Inventories	3,806												(538)	3,268
Trade and other receivables	15,298											(140)		15,158
Derivative financial instruments	-											140		140
Deferred tax asset	1,227							(80)	47	(1,194)				-
Cash and cash equivalents	4,307													4,307
Assets held for sale	-										188			188
Current assets	**24,638**	**-**	**-**	**-**	**-**	**-**	**-**	**(80)**	**47**	**(1,194)**	**188**	**-**	**(538)**	**23,061**
Income tax payable	(412)													(412)
Provisions for liabilities and charges	(368)													(368)
Trade and other payables	(19,871)													(19,871)
Creditors < 1 year	**(20,651)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(20,651)**
Net current assets	**3,987**	**-**	**-**	**-**	**-**	**-**	**-**	**(80)**	**47**	**(1,194)**	**188**	**-**	**(538)**	**2,410**
Total assets less current liabilities	**71,582**	**-**	**(3,556)**	**10,685**	**(587)**	**(250)**	**-**	**(383)**	**47**	**(1,194)**	**-**	**-**	**-**	**76,344**
Non current liabilities														
Interest bearing loans and borrowings	(19,855)													(19,855)
Employee benefits	(109)								(47)					(156)
Deferred tax liability	-			(9,442)						1,194				(8,248)
Other non-current liabilities	(96)													(96)
Net assets	**51,522**	**-**	**(3,556)**	**1,243**	**(587)**	**(250)**	**-**	**(383)**	**-**	**-**	**-**	**-**	**-**	**47,989**
Capital and reserves														
Issued capital	15,200													15,200
Share premium	30,816													30,816
Other reserves	409													409
Retained earnings	5,097		(3,556)	1,243	(587)	(250)		(383)						1,564
Equity attributable to equity holders of parent	**51,522**	**-**	**(3,556)**	**1,243**	**(587)**	**(250)**	**-**	**(383)**	**-**	**-**	**-**	**-**	**-**	**47,989**

HUVEAUX PLC

CONSOLIDATED INCOME STATEMENT

YEAR ENDED 31 DECEMBER 2006

	Previously stated UK GAAP £'000	IAS 38 (b) £'000	IAS 12 (c) £'000	IAS 12 (f) £'000	**Restated under adopted IFRS £'000**
Revenue	45,028				45,028
Cost of sales	(26,408)				(26,408)
Gross profit	**18,620**	**-**	**-**	**-**	**18,620**
Administration expenses before amortisation and impairment	(12,597)				(12,597)
Amortisation of intangible assets	(485)	(1,647)			(2,132)
Profit from operations	**5,538**	**(1,647)**	**-**	**-**	**3,891**
Financing income	161				161
Financing costs	(872)				(872)
Profit before taxation	**4,827**	**(1,647)**	**-**	**-**	**3,180**
Income tax expense	(1,354)		653	(191)	(892)
Profit for the period	**3,473**	**(1,647)**	**653**	**(191)**	**2,288**
Basic EPS	**2.41p**				**1.59p**
Diluted EPS	**2.40p**				**1.58p**

Commentary on adjustments

(a) Under IFRS 3 a fair value is assigned to intangibles (such as publishing rights) acquired in a business combination. The residual difference between consideration and net assets acquired is recognised as goodwill. This adjustment reclassifies amounts between goodwill and intangible assets.

(b) Under IAS 38 goodwill is not amortised and so goodwill previously amortised under UK GAAP is reversed. Intangible assets are then amortised over their useful lives.

(c) A deferred tax liability is set up on the creation of these intangible assets, with the corresponding entry increasing goodwill. The liability is released over the useful life of the intangible asset to match the amortisation charge.

(d) As part of the exercise to value intangible assets the following fair values were revised:

1 Deferred revenue in JBB Santé and Parliamentary Communications Limited at their respective acquisition dates was revalued to the fair value of the obligation to perform subsequent to acquisition; and

2 The fair value of stock acquired with Fenman has been restated under IFRS 3.

(e) Under IAS 16 computer software is reclassified as an intangible asset.

(f) Under UK GAAP the Group discounted its deferred tax. This treatment is not permitted under IAS 12. This affects the value of deferred tax acquired in business combinations and consequently also affects the initial calculation of goodwill and intangibles.

(g) The deferred tax asset recognised on the pension liability is recorded within deferred tax rather than set against the liability.

(h) The Group is able to offset its deferred tax assets and liabilities. This adjustment reclassifies the balance within non-current liabilities.

(i) In accordance with IFRS 5 assets held for sale are reclassified within current assets.

(j) Derivatives are brought onto the balance sheet at their fair value. This is a reclassification adjustment as differences between fair value and book value were not material at the balance sheet dates.

(k) The Group has reclassified plate costs on revision materials within intangible assets under IAS 38.