
ANTISOMA
Targeting cancer
Antisoma plc
Annual Report and Accounts 2008

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Financial summary

- Cash and liquid resources of £66.9 million at 30 June 2008 (2007: £61.4 million)
- £20.9 million raised in oversubscribed fundraising linked to acquisition of Xanthus
- Milestone payment of £12.6 million ($25 million) received from Novartis
- Full-year profit of £12.3 million (2007: £9.8 million loss)

Antisoma is a biotechnology company specialising in the development of novel drugs for the treatment of cancer.

Diversity

Antisoma has a diverse portfolio of drugs in development, including small molecules, antibody-based therapies and a DNA aptamer. These drugs act against a wide range of cancer targets via different mechanisms, and are being tested in a variety of cancer indications that include both solid tumours and blood cancers. Each drug has an independent chance of successfully completing trials, and we believe this diversity in our pipeline is an important strength.

Focus

We have a clear focus on cancer, one of the largest growth areas among pharmaceutical markets and a disease where the application of new insights continues to provide many new commercial opportunities. We believe that the focus of our organisation on identifying and exploiting oncology opportunities is important to our success.

Portfolio summary

ASA404 (formerly AS1404)

ASA404 is a small-molecule Tumour-Vascular Disrupting Agent (Tumour-VDA) that selectively disrupts established tumour blood vessels.

- **Non-small cell lung cancer**
  The lead indication for ASA404
- **Prostate cancer**
  A randomised phase II study has been conducted

AS1413 (formerly Xanafide)

AS1413 is a DNA intercalator that induces apoptosis by blocking binding of the Topo II enzyme to DNA.

- **Secondary acute myeloid leukaemia (sAML)**

Oral fludarabine

Oral fludarabine is a nucleoside analogue that inhibits DNA synthesis.

- **Chronic lymphocytic leukaemia (CLL)**

AS1411

AS1411 is a DNA aptamer that targets nucleolin.

- **Acute myeloid leukaemia (AML)**
- **Renal cancer**

AS1402

AS1402 is a humanised monoclonal antibody (huHMFG1) against MUC1.

- **Breast cancer**

AS1409

AS1409 is a fusion protein combining the anti-tumour cytokine IL-12 with the tumour-targeting antibody BC1.

- **Renal cancer**
- **Melanoma**

P2045

P2045 is a synthetic peptide-based targeted radiopharmaceutical.

- **Lung cancer**

Portfolio highlights

ASA404

- Worldwide partnership with Novartis with milestones of up to $890 million
- Option to co-sell drug in US
- Novartis conducting phase III programme in lung cancer

AS1413

- Unpartnered drug in phase III development
- Potential first entrant in secondary AML

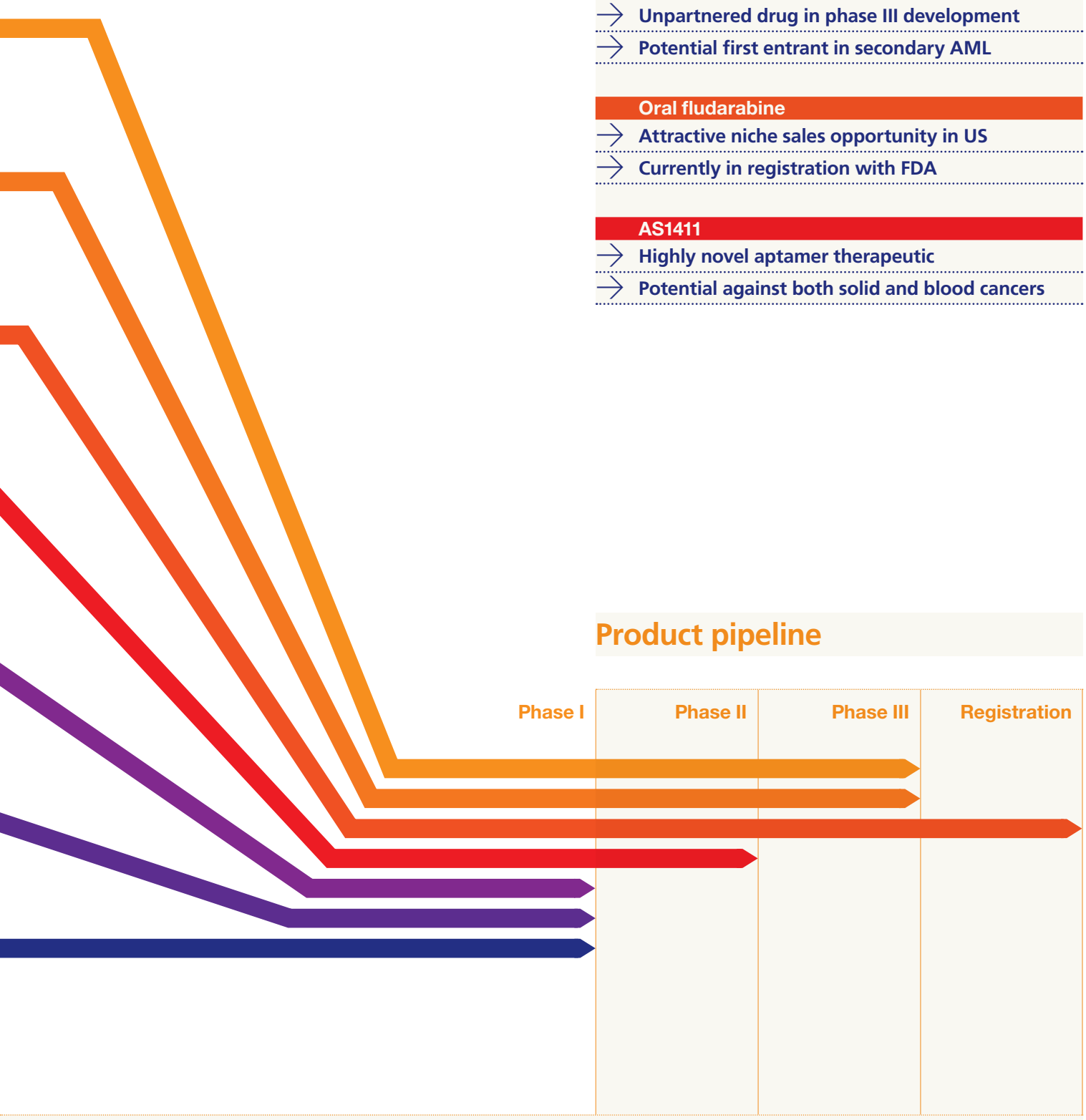
Oral fludarabine

- Attractive niche sales opportunity in US
- Currently in registration with FDA

AS1411

- Highly novel aptamer therapeutic
- Potential against both solid and blood cancers

Product pipeline



Joint Chief Executive and Chairman's statement

Barry Price
Chairman

Glyn Edwards
Chief Executive Officer

Overview

This has been a year of notable achievements for Antisoma. Novartis has advanced our potential blockbuster drug ASA404 into a substantial phase III programme in lung cancer. Our acquisition of Xanthus Pharmaceuticals, Inc. in June was a transforming deal, leaving us with a considerably more mature and diverse pipeline. This now includes two phase III drugs and one in registration among seven cancer drugs in the clinic. We are beginning the transition from a company that develops cancer drugs into a company that both develops and commercialises its own products.

ASA404 enters substantial phase III programme in lung cancer

Our Tumour-Vascular Disrupting Agent ASA404 has made excellent progress over the past year. In April, our licensing partner Novartis started 'ATTRACT-1', a 1200-patient, pivotal phase III trial of ASA404 as a first-line treatment for non-small cell lung cancer. This trial is designed to support applications for marketing authorisations; these applications are expected to take place in 2011 if the results of the trial are positive.

More recently, we announced that Novartis also plans to conduct a second phase III pivotal trial, called 'ATTRACT-2', in patients receiving second-line treatment for non-small cell lung cancer. This 900-patient trial is expected to start before the end of 2008 and is designed to support marketing applications in this additional market segment.

The phase III trial programme builds on two positive phase II trials in lung cancer. These suggested that a range of outcomes including survival were improved when ASA404 was added to standard chemotherapy treatment. Our most recent analysis of data from these trials, presented at the American Society of Clinical Oncology (ASCO) meeting in June, showed that patients with both major types of lung cancer (squamous and non-squamous) had improved outcomes and acceptable safety with ASA404.

Lung cancer is an area of high unmet medical need and is amongst the most prevalent cancers worldwide. We are very pleased with the breadth of Novartis' programme in lung cancer, which as well as the two pivotal studies includes supporting studies such as a phase I trial in Japan.

ASA404 also has potential against a variety of other solid tumours. We have announced encouraging findings from a randomised phase II trial in prostate cancer. Novartis is now considering what the next steps should be in prostate cancer as part of a wider review of additional indications in which ASA404 could be developed.

Acquisition of Xanthus broadens and advances pipeline

In June we completed the acquisition of Cambridge, Massachusetts-based Xanthus Pharmaceuticals, Inc. in an all-share deal valued at £23.7 million. This added three major assets to our pipeline: AS1413 (formerly Xanafide), a drug in phase III development for secondary acute myeloid leukaemia (secondary AML); oral fludarabine, a niche product in registration with the FDA (US Food and Drug Administration) for the treatment of chronic lymphocytic leukaemia (CLL); and a promising preclinical programme of Flt-3 inhibitors for autoimmune conditions. The acquisition has also greatly enhanced our US operations, with our Princeton office now absorbed into the larger Xanthus facility in Cambridge.

> **"This has been a remarkable year. The progress of ASA404 in lung cancer and the acquisition of Xanthus have given our pipeline a new scale and maturity, with two drugs in phase III and one in registration with the FDA."**
>
> **Glyn Edwards**
> Chief Executive Officer

AS1413 has first-entrant potential in secondary AML

AS1413 (formerly Xanafide) is the most important asset added to our pipeline by the acquisition of Xanthus. It is a novel chemotherapy drug with the attractive property of evading the multi-drug resistance mechanisms that often limit the effectiveness of chemotherapy treatments.

AS1413 is in a pivotal phase III trial in secondary AML, which is being conducted under a Special Protocol Assessment (SPA) from the FDA. The drug could be the first to gain a specific marketing authorisation for this under-served indication, as well as having potential for wider application in other blood cancer settings.

Data from an 88-patient phase II study of AS1413 in secondary AML have been presented at major meetings. These show a complete remission rate of around 40% with an AS1413-based regimen in secondary AML, compared with rates around 25% seen with current standard care in two previous studies. The latest data from the phase II trial, presented at the ASCO and European Haematology Association (EHA) meetings in the summer, provide evidence that a good number of the responses seen in secondary AML patients are of sustained duration relative to the poor prognostic expectations in this disease.

Since the acquisition of Xanthus, we have undertaken a review of the size and statistics of the phase III trial, and are currently in discussion with the FDA about these aspects. We expect that the trial will ultimately include around 450 patients, and that it will report in a broadly similar time frame to the phase III trials on ASA404.

Should the phase III trial of AS1413 prove successful, we plan to sell the drug ourselves in the US while seeking partners for marketing in other countries. This plan fits well with our option to co-sell ASA404 with Novartis in the US. Sales infrastructure provided under the Novartis deal could be leveraged to sell AS1413.

Oral fludarabine FDA decision expected

Another important asset from the Xanthus portfolio is oral fludarabine. This is a tablet formulation of a widely used chemotherapy drug for CLL, which is currently only available in the US as an intravenous formulation. A marketing application for oral fludarabine is being considered by the FDA. Based on the latest communications we have had with the FDA, we expect a decision on approval any time between now and June 2009.

We have US rights to oral fludarabine. Outside the US, oral fludarabine is marketed by Bayer-Schering Pharma AG. In European countries, the oral formulation has assumed a substantial share of the fludarabine market since its launch, and we believe that the drug represents an attractive niche sales opportunity in the US.

We have decided that the best way to realise the value of oral fludarabine is through a commercialisation deal with a partner that has established marketing infrastructure in the US. We believe that FDA approval of the product would put us in a strong position to conclude such a deal.

Joint Chief Executive and Chairman's statement continued

"We are now well placed to make the transition from a drug development company into a company that both develops and commercialises novel cancer drugs."

Glyn Edwards
Chief Executive Officer

AS1411 now in two phase II trials

In August 2007, we announced the start of phase II trials of our aptamer drug, AS1411, with the initiation of a 70-patient randomised trial in acute myeloid leukaemia (AML). This trial compares patients receiving the standard current therapy, cytarabine, with patients receiving cytarabine plus AS1411. Two different doses of AS1411 are being tested, and preliminary findings based on comparison of the lower-dose AS1411 group with the control group are encouraging. We look forward to seeing additional data from this trial during the coming year.

In September 2008, we initiated a second phase II trial. This is a 30-patient single-arm study evaluating AS1411 as monotherapy in renal (kidney) cancer. It seeks to build on the promising findings seen in our phase I trial in patients with this disease.

Earlier-stage pipeline provides future growth potential

Behind the programmes described above, we have a number of earlier-stage assets. These are an important element of our business, since they have the potential to become future late-stage products that could add further value for shareholders.

Our antibody drug AS1402 will shortly begin a randomised phase II study in breast cancer; our antibody-cytokine fusion product AS1409 has entered a phase I study in melanoma and renal cancer; and P2045 is under review following initial clinical investigation in lung cancer. We also have several preclinical programmes in oncology, including the AMPK programme licensed from Betagenon in April, and one very exciting non-oncology programme evaluating the targeting of Flt-3 in autoimmune diseases. Though the Flt-3 programme falls outside our focus on cancer, it has shown such potential that we have decided to continue our investment in its development with the aim of producing a strong package of data to support a partnering deal.

Financial position bolstered by partner revenues and investor support

We finished the year with cash and short-term investments of £66.9 million, up from £61.4 million last year. This increase reflects the receipt of a milestone payment of £12.6 million ($25 million) from Novartis when they initiated the first phase III trial of ASA404 and our raising of £20.0 million net of costs from shareholders at the time we acquired Xanthus, offset by our operating expenditure. The support for our fundraising from public market investors and the owners of Xanthus was important in ensuring that we continued to have a strong balance sheet following the acquisition.

Total revenues for the year ended 2008 were £39.5 million, compared with £8.0 million last year. The difference mainly results from the increase in revenues relating to recognition of the upfront and milestone payments received from Novartis.

Total operating expenses have increased from £21.8 million last year to £28.7 million this year, reflecting an increase in research and development costs from £14.5 million to £18.4 million and an increase in general and administrative costs from £7.3 million to £10.3 million.

The increase in revenues from Novartis has led to our recording a full-year profit of £12.3 million, compared with a loss of £9.8 million last year.

A full commentary on our financial results is provided in the Financial review.

The Antisoma team

Board developments

In line with our move towards becoming a company that commercialises as well as develops cancer drugs, we have appointed Michael Lewis as a Non-Executive Director. Mr Lewis's most recent role was as President for Europe, Middle East and Africa and also Head of Global Marketing for the medical device company Gambro. He has also held senior executive and commercial positions in other medical technology businesses. During the year, Ann Hacker resigned as a Director, and we would like to thank her for her substantial contribution to the Board and in particular her dedicated work as Chairman of the Remuneration Committee.

Outlook

With seven drugs in the clinic, we look forward to a number of major product milestones in the year ahead. Novartis will shortly be initiating a second pivotal phase III study of ASA404, complementing their ongoing trial in first-line patients with a trial in the second-line setting. With the phase III study of AS1413 in secondary AML also gathering momentum, there will soon be three pivotal trials of Antisoma products in progress. While ASA404 and AS1413 are the key value drivers for the Company over the medium term, we have a very promising shorter-term niche opportunity in oral fludarabine, which is currently being considered for approval by the FDA. If the drug gains approval, this will provide a very good basis for a commercialisation deal. There are also important developments expected in the earlier-stage pipeline, particularly the emergence of further phase II data on AS1411, which could provide clinical proof of concept for this highly novel therapeutic. The Board believes that the increased scale and diversity of our pipeline following the acquisition of Xanthus, together with the funds that we have to support ongoing development work, put our business in a very strong position, and so we look forward to the future with confidence.

Glyn Edwards
Chief Executive Officer

Barry Price
Chairman

Financial review

Raymond Spencer
Chief Financial Officer

The following review should be read in conjunction with the consolidated financial statements and related notes on pages 29 to 57 of this Annual Report.

Overview

Antisoma has expanded and advanced its product pipeline through continuing investment in its existing development programmes and through the strategic acquisition, completed on 11 June 2008, of Cambridge, Massachusetts-based company Xanthus Pharmaceuticals, Inc. The principal assets of Xanthus are AS1413 (formerly Xanafide), which is in phase III clinical development, and the US rights to oral fludarabine, which is in registration with the FDA. Antisoma and its subsidiaries (collectively referred to as 'Antisoma' or the 'Group') now have seven products in clinical development.

Substantially all of the Group's revenues, expenditures, operating profits or losses and net assets are attributable to the research and development (R&D) and commercialisation of its oncology pipeline.

Revenues are derived primarily from the recognition of the upfront and milestone payments received from Novartis and relating to rights granted to Novartis to develop and commercialise ASA404. The Group received $75 million following the signing of a licence agreement with Novartis in April 2007 and a further $25 million following the start of the first phase III clinical trial of ASA404 in lung cancer in April 2008. The clinical and regulatory costs associated with further development of ASA404 are the responsibility of Novartis.

Results of operations

Revenues

The Group recorded revenues totalling £39.5 million in the year ended 30 June 2008 (2007: £8.0 million). Antisoma completed its obligations under the contract with Novartis when it reported the survival data from the last of its phase II clinical trials in August 2008. Accordingly, the period of recognition for the $75 million upfront payment is from April 2007 (signature of agreement with Novartis) to July 2008 and the period of recognition for the $25 million milestone payment is from April 2008 (start of the first lung cancer phase III trial) to July 2008. A balance of £5.4 million remains to be recognised in the financial year commencing 1 July 2008. Revenues also included £0.4 million (2007: £0.7 million) in respect of services and materials supplied to Novartis in connection with ongoing development of ASA404 and £0.3 million (2007: £0.7 million) in respect of recognition of revenues from milestones received from third parties.

Trading result

Antisoma made an operating profit for the year of £10.8 million (2007: loss £13.9 million). The improvement reflects the recognition of greater revenues arising from the contract with Novartis, as set out above, offset by an increase in operating costs. The net profit for the year was £12.3 million (2007: loss £9.8 million).

Acquisition of Xanthus

On 11 June 2008 Antisoma issued 86,416,353 ordinary shares as initial consideration for the acquisition of Xanthus Pharmaceuticals, Inc. A deferred consideration of a further 9,568,951 shares will be issued 18 months after the initial consideration, subject to deductions based on claims for indemnity by Antisoma or as otherwise allowed under the terms of the acquisition agreement.

In the period following the acquisition (11 June to 30 June 2008), Xanthus contributed £0.3 million to operating expenses of the Group with a further provision of £0.5 million for restructuring costs relating to closure of Xanthus' Montreal facility.

Research and development

Total R&D costs have increased to £18.4 million from £14.5 million in 2007. R&D costs can vary significantly from year to year depending upon the stage of each development project, number of patients in treatment and follow-up, the extent of any pre-clinical studies that

may be required and manufacturing costs. During the year, the Group was actively recruiting patients in a phase I trial of AS1409 and the first phase II trial of AS1411 and preparing for the start of a phase II trial of AS1402 and a second phase II trial of AS1411. The Group also relocated its R&D facilities to Welwyn, Hertfordshire in March 2008.

General and administrative

G&A costs have increased to £10.3 million from £7.3 million last year. Factors contributing to this increase included an increase in headcount and associated remuneration costs, costs associated with preparation for a potential NASDAQ listing, activities to acquire new oncology assets and the relocation of all UK operations (other than R&D) to new facilities in Chiswick Park, West London. The acquisition of Xanthus and the provision for restructuring costs to close their Montreal office also contributed to this increase.

Interest receivable

Interest receivable increased from £1.2 million to £2.6 million, in line with higher average balances of cash and cash equivalents held during the year.

Taxation

UK corporation tax contains favourable provisions for certain qualifying R&D activities that have enabled the Group to claim enhanced tax deductions ('R&D tax credits'), which exceed the cost of such R&D activities. These R&D tax credits may be used to supplement trading losses that are carried forward against future profits or surrendered for a cash rebate at the prevailing rates, or (as in the current year) used to offset profits. Last year we were able to claim a cash rebate of £2.0 million by surrendering R&D tax credits.

The Group has significant brought forward losses against which trading profits can be offset. There is a tax charge of £0.3 million on non-trading profits, however, that cannot be offset. A deferred tax credit of £0.75 million that was provided at 30 June 2007 is no longer required and has been released this year.

Liquidity and capital resources

Cash, cash equivalents and short-term deposits at 30 June 2008 were £66.9 million (2007: £61.4 million). The Group raised £20.0 million (2007: £25.0 million) net cash through the sale of new ordinary shares.

Net cash used in operating activities was £10.7 million, whereas in 2007 the Group generated £23.5 million. The change reflects the timing of cash receipts from Novartis as well as underlying operating expenses, interest and taxation.

Current liabilities have fallen to £16.2 million as at 30 June 2008 from £39.7 million as at 30 June 2007; this follows a release of deferred-income provision created by the receipt of the upfront payment from Novartis. Trade creditors and accruals at 30 June 2008 were £9.9 million (2007: £7.5 million); the increase reflects consolidation for the first time of Xanthus liabilities amounting to £4.2 million.

The Group currently has the cash resources to progress its clinical programmes towards value creating milestones. An approval to market oral fludarabine in the US would also provide a significant opportunity to realise value through an out-license or disposal.

Earnings per share

Earnings per ordinary share were 2.7p compared with a loss of 2.4p in 2007.

Raymond Spencer
Chief Financial Officer

Board of Directors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04

01: Barry Price, BSc, PhD, FRSC
Non-Executive Chairman
Barry, 65, was appointed to the Board of Antisoma in April 1997 and became Chairman in February 1998. He is also a Non-Executive Director of Shire Pharmaceuticals plc and Chairman of Summit plc. He previously held the positions of Director at Chiroscience plc and Celltech Group plc and Director of Primary Production at Glaxochem Ltd.

02: Glyn Edwards, BSc, MBA, MBE
Chief Executive Officer
Glyn, 53, was appointed Chief Executive Officer in March 1998. He is an Executive Director of Antisoma plc and its subsidiary undertakings Antisoma Research Ltd and Cancer Therapeutics Ltd. Glyn is also an Executive Officer of the subsidiary undertaking Antisoma Inc. (formerly Aptamera, Inc.) and Xanthus Pharmaceuticals Inc. Prior to joining Antisoma, he was Director of Business Development at Therapeutic Antibodies.

03: Ursula Ney, BSc, PhD, MBA
Chief Operating Officer
Ursula, 56, was appointed Chief Operating Officer in February 2003. She is an Executive Director of Antisoma plc. Prior to joining Antisoma she was Chief Executive Officer of Charterhouse Therapeutics Ltd. Before her time at Charterhouse she spent 14 years at Celltech, where she was Director of Development and served on the board. She held a Non-Executive Director role at a private Swedish company, Affibody, but resigned in June 2008.

04: Raymond Spencer BSc, ACA
Chief Financial Officer
Raymond, 53, was appointed Chief Financial Officer in October 1996. He is an Executive Director of Antisoma plc and its subsidiary undertaking Antisoma Research Ltd and Cancer Therapeutics Ltd. Raymond is also an Executive Officer of the subsidiary undertakings Antisoma Inc. (formerly Aptamera, Inc.) and Xanthus Pharmaceuticals Inc. He qualified as a Chartered Accountant with KPMG and, prior to joining Antisoma, was Finance Director at Cambridge Molecular Technologies Ltd.

05: Grahame Cook, MA, FCA
Non-Executive Director
Grahame, 50, was appointed Non-Executive Director in July 1999. He has 17 years of investment banking experience and is a chartered accountant. He was, until 2003, Chief Executive Officer of West LB Panmure. He was a Managing Director in investment banking at UBS Ltd from 1995 to 1998 and a member of UBS's Global Investment Banking Management Committee. He was a founder member of the TechMARK Advisory Committee.

06: Michael Pappas, LLB, CA
Non-Executive Director
Michael, 52, was appointed Non-Executive Director of Antisoma Research Ltd in 1993 and of Antisoma plc on formation of the Company in October 1996. He has a degree in law and is a member of the Institute of Chartered Accountants of Scotland. Michael currently serves on the boards of a number of companies including Alpheus Capital Management Ltd, Promethean plc and Kudos Independent Financial Services Ltd.

07: Birgit Norinder
Non-Executive Director
Birgit, 59, was appointed Non-Executive Director in December 2003. She is a trained pharmacist and has held senior executive positions in R&D in Pharmacia & Upjohn Corp. She has also held senior R&D positions at Glaxo Group Research Ltd, Astra Research Centre AB, Pfizer, Inc. and Parke Davis AB. She has been Chief Executive Officer and Chairman of Prolifix Ltd and currently serves on the boards of a number of biotechnology companies including deCODE genetics, Inc., Moberg Derma AB and Karo Bio AB. She is the chairman of Index Pharma AB and Laura AS.

08: Dale Boden, BA
Non-Executive Director
Dale, 51, was appointed Non-Executive Director in September 2005. He is President of BF Capital Inc., a US private investment firm that focuses on private equity, venture capital investing and real estate development. He also serves on the boards of several US companies. Dale is based in Louisville, Kentucky and was a Director and member of the executive committee of Aptamera, Inc. prior to its acquisition by Antisoma.

09: Michael Lewis
Non-Executive Director
Michael, 49, was appointed Non-Executive Director in July 2008. His most recent role was as President for Europe, Middle East and Africa and also Head of Global Marketing for the medical device company Gambro. Before joining Gambro in 2002, he was CEO & Managing Director of Sybron, a specialist dental business based in Switzerland. Michael has also held senior commercial positions at Boston Scientific International in Paris and Bard International in New Jersey.

Directors' report (including Business review)

The Directors present their report and the audited financial statements for Antisoma plc ('Antisoma') and its subsidiaries (the 'Antisoma Group' or 'the Group') for the year ended 30 June 2008.

Principal activity
The Antisoma Group is a specialty biopharmaceutical development group, focused on developing novel products for the treatment of cancer.

Business review
Review and future developments
The Group has continued to execute its strategy of progressing its pipeline of novel anti-cancer products towards commercialisation. A full review of the business and future developments is given in the Joint Chief Executive and Chairman's statement on pages 6 to 9.

Principal risks and uncertainties
The nature of pharmaceutical development is such that drug candidates may not be successful due to an inability to demonstrate in a timely manner the necessary safety and efficacy in a clinical setting to the satisfaction of appropriate regulatory bodies, such as the Food and Drug Administration ('FDA') in the US and the European Medicines Agency ('EMEA') in Europe. The Group may be unable to attract, by itself or from partners, the funding necessary to meet the high cost of developing its products through to successful commercialisation.

Clinical and regulatory risk
Drug substances may not be stable or economically reproducible. Unacceptable toxicities or insufficient efficacy in the chosen indication may cause the drug to fail or limit its applicability. Lack of performance by third-party Clinical Research Organisations or an inability to recruit patients may cause undue delays. Clinical and regulatory issues may arise or changes to the regulatory environment may occur that lead to delays, further costs or the cessation of programmes. Ethical, regulatory or marketing approvals may be delayed or withheld or, if awarded, may carry unacceptable conditions to further development or commercial success.

Competition and intellectual property risk
Many companies are developing drugs that may compete with and restrict the potential commercial success of the Group's products or render them obsolete. Companies may have intellectual property that restricts the Group's freedom of use or imposes high additional costs to obtain licences. The Group's intellectual property may become invalid or expire before its products are successfully commercialised.

Economic risk
The successful development and commercialisation of novel drugs carries a high level of risk and the returns may be insufficient to cover the costs incurred. Restrictions on health budgets worldwide or on the prices that may be charged for new drugs through competitive or other pressures may limit a drug's sales potential. The Group may not be able to attract partners on favourable terms to help develop or commercialise its products. Any such partners may fail to perform or commit the resources necessary to successfully commercialise the Group's products. All of the Group's manufacturing is outsourced and supplies of product may be interrupted.

Financial risk
Sustainability is dependent upon generating cash flows from successful development and commercialisation of the Group's products. Until then the Group will be dependent upon additional funding through completion of one or more licensing deals or through injection of capital. There can be no assurances that such funding will be achieved on favourable terms, if at all. Failure to generate additional funding may lead to postponement or cancellation of programmes and a scaling back of operations.

Dividends
No interim dividend (2007: £nil) was declared during the year and the Directors do not recommend payment of a final dividend in respect of the year (2007: £nil).

Directors
The Directors who held office during the year were as follows:

Executive Directors
Glyn Edwards
Raymond Spencer
Ursula Ney

Non-Executive Directors
Barry Price (Chairman – Independent)
Ann Hacker (Independent) (Resigned 1 October 2007)
Grahame Cook (Independent)
Birgit Norinder (Independent)
Michael Pappas
Dale Boden (Independent)
Michael Lewis (Independent) (Appointed 9 July 2008)

Biographical details of the Directors are given on pages 12 to 13.

Directors' interests
The interests of Directors in the shares and options of the Company are given in the Report of the Board on remuneration on pages 19 to 24. None of the Directors had a material interest at any time during the year in any contract of significance with the Group other than a service contract. Information regarding Directors' service contracts is given on page 21 within the Report of the Board on remuneration.

Substantial shareholdings

No single person directly or indirectly, individually or collectively, exercises control over the Company. The Directors are aware of the following persons, who had an interest in 3% or more of the issued ordinary share capital of the Company as at 16 September 2008.

Shareholder	Number of ordinary shares	% Holding
Leventis Holding SA	44,402,831	7.24
Oxford Bioscience Partners	25,791,617	4.20
Invesco Limited	22,388,640	3.65
Legal & General Group	19,240,499	3.14

At this date no other person had notified any interest in the ordinary shares of the Company required to be disclosed to the Company in accordance with sections 198 to 208 of the Companies Act 1985 and representing a material interest of 3% or more or any non-material interest of 10% or more of the issued ordinary share capital of the Company.

Employees

The Directors are committed to continuing involvement and communication with employees on matters affecting both the employees and the Company. A full review of the policies relating to employees is given in the Corporate social responsibility review on pages 17 and 18.

Health, safety and environment

The Directors are committed to ensuring the highest standards of Health and Safety, both for their employees and for the communities within which the Group operates. The Directors are also committed to minimising the impact of the Group's operations on the environment. A full review of the policies relating to Health and Safety and the environment is given in the Corporate social responsibility review on pages 17 and 18.

Charitable and political donations

No donations were made during the year (2007: £275).

Creditor payment policy

The Group seeks to abide by the payment terms agreed with suppliers whenever it is satisfied that the supplier has provided the goods or services in accordance with the agreed terms and conditions. The Group does not have a standard code of conduct that deals specifically with the payment of suppliers.

The average creditor days for the Group during the year were 24 days (2007: 29 days) and for the Company was nil (2007: nil).

Financial and non-financial Key Performance Indicators ('KPIs')

The Directors consider cash and R&D spend to be the Group's financial KPIs at the current stage of the Company's development. These are detailed in the Financial review on pages 10 and 11. The Directors consider that the most important non-financial KPIs relate to the number of drugs under development and the development stages reached by these drugs in each indication, both of which are detailed in the Joint Chief Executive and Chairman's statement on pages 6 to 9.

Risk management

The Group's risk management objectives and exposure to various risks are detailed above and in Note 18.

Additional information for shareholders

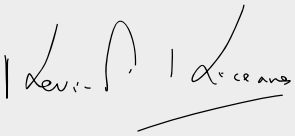
The following provides the additional information required for shareholders as a result of the implementation of the Takeover Directive into EU law:

- The structure of the Company's issued share capital is shown in Note 20 to the financial statements.
- The Company is not aware of any agreements between shareholders on voting rights or that may result in restrictions in the transfer of securities.
- The shares issued as consideration for the acquisition of Xanthus are subject to certain restrictions on their transfer for a period of 12 months from the date of the acquisition. There are no other restrictions on the transfer of ordinary shares in the Company other than certain restrictions that may be imposed from time to time by laws and regulations (for example insider trading laws and market requirements relating to close periods) and pursuant to the Listing Rules of the Financial Services Authority whereby certain employees of the Company require the approval of the Company to deal in the Company's securities.
- The Company's Articles of Association may only be amended by a special resolution at a general meeting of shareholders.
- The Board can appoint a Director but anyone so appointed must be elected by an Ordinary Resolution at the next general meeting. Any Director who has held office for more than three years since their last appointment must offer themselves for re-election at the Annual General Meeting.
- Directors' interests in the share capital of the Company are shown in the table on page 22.
- Major interests (i.e. those > 3%) of which the Company has been notified are shown on page 15.
- With the exception of the potential vesting of share options as detailed in the Report of the Board on remuneration and in Note 21, the Company is not party to any agreements which take effect, alter or terminate upon a change of control of the Company following a takeover bid. There are no agreements between the Company and its Directors or employees providing for compensation for loss of office or employment (whether through resignation, purported redundancy or otherwise) that occurs because of a takeover bid.

Annual General Meeting
The Notice convening the Annual General Meeting, which will take place at 11.00 am on 18 November 2008 at the offices of CMS Cameron McKenna LLP, Mitre House, 160 Aldersgate Street, London EC1A 4DD, is expected to be sent out to shareholders on 13 October 2008. Details of the business to be transacted at the AGM can be found in the Notice.

Auditors
A resolution to reappoint the auditors, PricewaterhouseCoopers LLP, will be proposed at the AGM.

By order of the Board



Kevin Kissane
Company Secretary
26 September 2008

Corporate social responsibility review

Antisoma's business is the development of novel drugs that could deliver more effective and safer treatments to large numbers of cancer patients worldwide.

The Group is committed to operating its business in accordance with its corporate social responsibilities to all stakeholder groups. The Board is mindful of the importance of being socially responsible and strives to improve the Group's approach to corporate social responsibility. The Group conducts its business with a view to minimising any possible adverse impact on the local community and our corporate social responsibility framework continues to develop as the Group matures.

The Group is a member of the BioIndustry Association ('BIA'), the trade association for biotechnology companies in the UK, of which our Chief Executive Officer, Glyn Edwards is Deputy Chairman. The BIA has published a Code of Practice to establish principles of best practice for information communication and management amongst its members. The Group plays an active role in the BIA and complies with this Code of Practice.

Stakeholder communication

The Group gives a high priority to effective communication with all stakeholders. Antisoma has a dedicated in-house communications team responsible for ensuring the comprehensive delivery of information to all stakeholder groups. The Group's website operates a service whereby shareholders and others interested in the Group can request public documents such as press releases and annual and interim reports. Visitors can also register their details on an automated mailing list. Antisoma regularly webcasts Group presentations.

The Group is committed to sharing information with the wider scientific community. Senior members of staff participate in a variety of scientific forums in the cancer research field, and we regularly present and publish our work.

The Chief Executive Officer, Chief Financial Officer and Director of Communications meet regularly with analysts and major shareholders to update them on the Group's business and to gain understanding of the markets' expectations. Barry Price, our Chairman, is also available for meetings with investors.

Our people

Much of our value and potential for success depends upon our staff and the experience and expertise they bring to the Group. The Directors believe in rewarding staff appropriately and have designed the Group's remuneration policy accordingly. Employees' salaries are benchmarked and all staff are members of the Company Share Option Plan. In addition, all permanent staff are eligible for life assurance cover, a private healthcare scheme and membership of the Group pension scheme. The Group has introduced enhanced policies relating to maternity and paternity leave, which exceed the current statutory position in the UK, and is in the process of developing appropriate policies relating to staff employed in the US, following the acquisition of Xanthus Pharmaceuticals, Inc.

The Group is committed to providing equal opportunities, irrespective of background, age, sex, race, sexual orientation, religion, gender, nationality, marital status or disability and has a section on its website highlighting current vacancies and information about recruitment policy. We aim to attract the best people in the industry and we believe in maximising every employee's potential.

Management has an 'open-door' policy, and employees can raise questions about the Group or their employment easily and get issues resolved quickly. Staff appraisals are carried out once a year and annual objectives are set each July. Employees consider their objectives within the framework of the organisation as a whole, since we believe this helps to promote both greater efficiency and a sense of shared achievement.

We encourage in-house training and support staff in further study where appropriate. The Group strives to accommodate employees' needs in order to enable them to balance their working and home life. Antisoma has a dedicated Head of Human Resources and a dedicated Recruitment Manager.

Antisoma's intranet promotes internal communication, keeping employees up-to-date with current news and building good working relationships through information sharing. The Group also holds regular staff meetings.

The Group aims to conduct its business to the highest standards and with honesty and integrity at all times. The Group's policies, with which employees are expected to comply, include guidance relating to standards of conduct, equal opportunities, gratuities, harassment and whistle-blowing.

Our partners

The Group works with a variety of partners to carry out the appropriate studies for the development of each of its products. Standard Operating Procedures are in place to ensure that partners are using appropriate standards for work being performed on our behalf, and we routinely audit vendors before appointing them. Contractors are chosen based on, amongst other things, technical ability, capacity, geographical location and quality standards. The quality standards used in human pharmaceutical development are GCP (Good Clinical Practice), GLP (Good Laboratory Practice) and GMP (Good Manufacturing Practice).

Health and Safety

The Group is committed to providing a safe environment for its employees and others who are engaged in, or who may be impacted by, the Group's operations. The Board is aware of its legal and moral obligations for Health and Safety at work and is committed to preventing accidents and minimising occupational ill health. Policies relating to Health and Safety are set out in the Group's Safety Code of Practice. Our procedures are monitored, and improvements identified, through periodic external audits and internal safety inspections. The Group's Health and Safety Committee meets regularly to discuss issues and promote good practice, and there are a number of Health and Safety Officers, whose role is to promote and monitor safe working conditions.

Environment

The Group is committed to playing a part in protecting the environment and is aware of its corporate responsibilities. The Group seeks to minimise the impact of its activities on the environment. The Group's policies relating to laboratory Health and Safety, including disposal of waste, are set out in the Safety Code of Practice. The Group endeavours to ensure that all gaseous emissions and liquid or solid waste products are controlled and disposed of, whether handled directly or via a third party, in accordance with applicable laws and regulations and with the minimum impact on the environment. The Group meets all the statutory requirements relating to handling and disposal of radioactive materials. All clinical waste produced by our laboratories is given a unique tag on removal to ensure that it can be traced back to the Group.

Report of the Board on remuneration
This part of the remuneration report is unaudited

Introduction
This report complies with the Combined Code on Corporate Governance published in June 2006 (the 'Combined Code') and sets out the Group's remuneration policy and details of Directors' remuneration. A resolution to approve this report will be proposed to shareholders at the Annual General Meeting (AGM) in November 2008.

Policy
The Remuneration Committee aims to ensure that the Group is able to attract and retain Executive Directors and employees with the necessary skills and expertise by providing competitive remuneration, incentives and benefits that reward individual and group performance. The Remuneration Committee gives consideration to the guidelines set out in the Combined Code, as well as best practice guidelines published by the Association of British Insurers and the National Association of Pension Funds. The Remuneration Committee has carried out a review of the annual performance incentive and longer-term incentives and believes that they are constructed to meet the future needs of the Group and to align the interests of Executive Directors and employees with those of shareholders. The Remuneration Committee also believes that Executive Directors and senior employees should be encouraged to own shares in the Company to further align their interests with those of shareholders. The current remuneration policies, which will also apply through to the end of next year, are outlined below, as is a brief description of changes to remuneration policies, which it is intended should apply for the next year, subject to approval of shareholders at the November 2008 AGM.

Committee
The Remuneration Committee is comprised entirely of independent Non-Executive Directors and is now chaired by Dale Boden. Until her resignation on 1 October 2007, the Committee was chaired by Ann Hacker. Other Directors who served on the Remuneration Committee during the year are listed on page 26. The Remuneration Committee, which met four times during the year, makes recommendations to the Board regarding the policy for, and determination of, total compensation for Executive Directors and senior managers ('the Management Group'). The Remuneration Committee also has responsibility for establishing the policy for total compensation for all employees within the Group and for approving share awards and share options. Hewitt New Bridge Street ('HNBS'), who have considerable expertise in the biotechnology sector, were appointed under instruction from the Remuneration Committee to provide independent advice and analysis on compensation matters, including the provision of competitive market data. HNBS assisted the Group on the implementation of the Remuneration Committee's decisions and on the valuation of share options under International Financial Reporting Standards ('IFRS'). HNBS provides no other services to the Group. Remuneration Committee meetings are attended, as appropriate, by the Chief Executive Officer, who is invited to provide input on remuneration proposals other than those directly concerning his own remuneration. Barry Price also attended a number of meetings of the Committee at the request of the Chairman of the Remuneration Committee. The Company Secretary has provided administrative support to the Committee.

Components of Executive Directors' and senior managers' compensation packages
Consistent with the above policy, compensation awarded to the Management Group comprises a mix of performance and non-performance-related elements. In respect of Executive Directors, performance-related elements of pay should continue to increase and have the potential to represent more than half of total remuneration.

Base salary
Salaries are reviewed annually taking into account the responsibilities and performance of each Director or senior manager and his/her expected future contribution. These are then benchmarked. The Remuneration Committee aims to set base salaries close to the median of those for similar positions within other biopharmaceutical companies of a similar size. Following their review in the first quarter of 2008, the Remuneration Committee awarded annual salary increases to the three Executive Directors of between 0% and 5.9% (2007: 8.9% and 10.1%).

Annual performance incentive
The Group operates a discretionary bonus scheme. Such bonuses are awarded dependent upon performance, which is measured against individual and corporate objectives agreed at the beginning of the year, also taking into account the relative share price performance of the Company. Bonuses in 2008 were earned in respect of the 12-month period from 1 July 2007 to 30 June 2008. The maximum potential bonus for full achievement of personal and corporate objectives is 60% of salary for the Chief Executive Officer and 30% for other Executive Directors. For exceptional performance, as determined by the Remuneration Committee, the maximum potential bonus may be increased to 85% for the Chief Executive Officer and to 60% for other Executive Directors. Actual bonuses earned by the Executive Directors for the 12-month period to 30 June 2008, expressed as a percentage of basic salary over that period, were 75% (2007: 77%) for the Chief Executive Officer, 45% (2007: 56%) for the Chief Operating Officer and 45% (2007: 45%) for the Chief Financial Officer. The exceptional bonuses awarded this year reflect achievement of significant objectives, the acquisition of Xanthus Pharmaceuticals, Inc., progress in a number of development programmes and an improvement in the financial strength of the Group.

Deferred share bonus plan
The Company is seeking shareholder approval at the forthcoming AGM to introduce a deferred share bonus arrangement. It is intended that this arrangement will provide the Remuneration Committee with greater flexibility with respect to incentivising and retaining key employees. It is envisaged that some employees who currently receive options under the 1998 Company Share Option Plan will instead participate in the deferred share bonus plan.

Longer-term incentives

The Group's current long-term incentive arrangements comprise an Executive Incentive Plan approved by shareholders in 2003 and a Company Share Option Plan, which was introduced in 1998 and which will expire in November 2008. Therefore, the Company is also seeking shareholder approval for a replacement share option plan, the 2008 Company Share Option Plan (the '2008 CSOP'). The Remuneration Committee has retained the use of Performance Awards under the Executive Incentive Plan established in 2003 as the principal long-term incentive for the Management Group to promote the achievement of sustained shareholder value creation. The Remuneration Committee considers that the grant of Performance Awards to members of the Management Group during the year is consistent with current best practice and promotes alignment of the interests of Executive Directors and senior managers with those of shareholders. Performance Awards are granted twice per year following the release of the Group's preliminary year-end and interim (half-year) financial results. In prior years, awards have been made under the 1998 Company Share Option Plan ('CSOP'); no such awards were made to the Executive Directors during the year ended 30 June 2008.

(a) Executive Incentive Plan

The Group adopted a long-term incentive and deferred bonus scheme following approval by shareholders in November 2003; this is known as the Executive Incentive Plan (the 'Plan' or 'EIP'). For the year ended 30 June 2008 the Remuneration Committee has made awards to the Management Group and to other employees as Performance Awards under the Plan. A summary of the scheme is set out below:

- Two types of award, Performance Awards and Matching Awards, may be made under the Plan. Performance Awards are shares that are delivered to an executive after three years, subject to the satisfaction of a pre-agreed performance target (see below) and continued employment. Matching Awards are free shares delivered to executives who invest part of their annual bonus in Company shares ('Invested Shares'), subject to continued employment of not less than three years and the meeting of pre-agreed performance targets. Invested Shares will be limited in value to 33% of the executive's salary each year.
- All employees of the Group are eligible to participate at the discretion of the Remuneration Committee.
- An award will normally vest no earlier than the third anniversary of its grant to the extent that the applicable performance condition (see below) has been satisfied, the participant is still employed by the Group and, in the case of Matching Awards, the Invested Shares have been retained. It will then remain capable of exercise for a period of three years.
- The value of Performance Awards granted under the Plan to current employees is currently limited to 2.0 times basic salary in any financial year.
- Performance Awards vest in full after three years provided that the Company's Total Shareholder Return ('TSR') ranks in the upper quartile on the third anniversary of the date of grant compared with a selected list[1] of over 20 other UK-listed biotechnology and pharmaceutical companies drawn from the FTSE All Share Pharmaceutical and Biotechnology Index. Where the TSR ranks below median on the third anniversary the performance target will not have been met and the Performance Award will lapse. Where the TSR ranks between median and upper quartile the Performance Award will vest pro-rata between 25% and 100%. There will be no opportunity for retesting.
- The performance condition for Matching Awards will be similarly linked to the Company's TSR ranking compared against the same list[1] of biotechnology and pharmaceutical companies. Where the TSR is ranked in the upper quartile then shares equal in number to the Invested Shares will be awarded. Where the TSR is ranked below median then no shares will be awarded. Where the TSR falls between median and upper quartile then the number of Matching Award shares will vest pro-rata between 25% and 100% of the number of Invested Shares.
- If the performance condition is achieved after three years the executive can decide to retain the Invested Shares for a fourth or fifth year, in which case the number of Matching Award shares may be adjusted upwards, but not downwards, up to a maximum of 150% of the Invested Shares for upper quartile performance at the end of five years. This is not viewed as retesting by the Remuneration Committee because if the performance condition is not satisfied after three years the Matching Award lapses.
- The Matching Award conditions encourage executives to retain their Invested Shares for at least five years and ensures that a Matching Award is only earned for sustained good TSR performance.
- If the Company is acquired then awards under the Plan will only vest at the date of change of control to the extent that the performance condition has been met and where, in the opinion of the Remuneration Committee, the acquiring company does not offer broadly similar replacement awards or where the employee is not retained by the acquiring company. Performance Awards were granted to Executive Directors and certain senior employees during the year as set out on pages 22, 23, 24, 50, 51 and 52.

The first Matching Awards were granted on 8 July 2005 in respect of bonuses earned by Executive Directors and certain other employees for the 12-month period ended 30 June 2005 and invested by them in Invested Shares. No Matching Awards have been granted subsequently. HNBS have independently verified to the Remuneration Committee that the TSR ranked in the upper quartile in respect of the initial performance period for the Matching Awards. Accordingly, 661,369 shares vested in the Executive Directors on 8 July 2008.

(b) 2008 CSOP

As stated above, the 2008 CSOP is intended to replace the 1998 CSOP which is due to expire shortly. The 2008 CSOP will also include a schedule under which it will be possible to grant US tax-favoured incentive stock options to employees in the USA. It is currently intended that the 2008 CSOP will only be used to deliver, where possible, tax-favourable options to eligible employees in the UK and in the USA.

[1] The selected list of comparator companies set for the Performance and Matching Awards in the period is: Acambis, Alizyme, Allergy Therapeutics, Ardana, Ark Therapeutics, Axis-Shield, CeNeS Pharmaceuticals, Futura Medical, Goldshield Group, GW Pharmaceuticals, Oxford BioMedica, Phytopharm, ProStrakan Group, Proteome Sciences, Protherics, Renovo, Shire Pharmaceuticals, Sinclair Pharma, SkyePharma, Summit (formerly VASTox,) Vectura and Vernalis.

Pensions and other benefits
The Group operates a defined contribution scheme and contributes 12.5% of basic salary to the pension for each member of the Management Group. Other benefits include life and permanent health insurance. Car allowances are also provided to the Management Group.

Service contracts
The service contracts for the three Executive Directors (Glyn Edwards – dated 16 March 1998; Raymond Spencer – dated 1 October 1996; Ursula Ney – dated 23 February 2004):

- Are not of a fixed-term duration.
- Are subject to 12 months' notice by either party. The Group is entitled to pay a sum in lieu of notice equivalent to the basic salary that would have been earned during the notice period by Glyn Edwards and Raymond Spencer and equivalent to the basic salary plus benefits in the case of Ursula Ney.
- Are not subject to liquidated damages in the event of termination by the Group.

The 12-month notice period and termination provisions reflect the competitive environment for the retention of experienced executives in the biotechnology sector. Ursula Ney was appointed as a Non-Executive Director of Affibody Holding AB on 20 April 2007 and received Director's fees of €20,000 per annum, which she was entitled to retain. Ursula Ney was also granted an option over 40,000 shares in Affibody Holding AB. Ursula Ney resigned this directorship on 18 June 2008. Glyn Edwards is on the board of the BioIndustry Association and derived no compensation from this position.

Non-Executive Directors
Remuneration of Non-Executive Directors is determined by the Board and is set at levels which are comparable with those provided by other biotechnology companies of a similar size, taking into account the commitments made by Non-Executives in discharging their duties. Terms of service are specified into letters of appointment. Currently, appointments are for a period of three years, which may be renewed, and are subject to six months' notice. The most recent date of appointment or re-appointment of Non-Executive Directors is 1 June 2006 for Barry Price, Grahame Cook and Michael Pappas, 9 December 2006 for Birgit Norinder, 13 September 2005 for Dale Boden and 9 July 2008 for Michael Lewis. Non-Executive Directors do not have service contracts. Ann Hacker resigned on 1 October 2007. Details of compensation paid to Directors and Directors' interests are set out below.

Audited information
The following information has been audited (except as noted).

Directors' remuneration
Full details of Directors' remuneration and grants of share options are set out below:

	Salary and fees £'000	**Bonuses[1] £'000**	**Monetary value of benefits[2] £'000**	**2008 Total excluding pensions £'000**	**2008 Pensions[3] £'000**	2007 Total excluding pensions £'000	2007 Pensions £'000
Glyn Edwards	**305**	**229**	**14**	**548**	**38**	497	35
Ursula Ney[4]	**269**	**120**	**13**	**402**	**34**	403	31
Raymond Spencer[4]	**172**	**78**	**14**	**264**	**22**	245	20
Barry Price	**50**	**–**	**–**	**50**	**–**	44	–
Grahame Cook	**37**	**–**	**–**	**37**	**–**	31	–
Ann Hacker	**19**	**–**	**–**	**19**	**–**	31	–
Birgit Norinder	**35**	**–**	**–**	**35**	**–**	27	–
Michael Pappas	**30**	**–**	**–**	**30**	**–**	24	–
Dale Boden	**37**	**–**	**–**	**37**	**–**	26	–
	954	**427**	**41**	**1,422**	**94**	1,328	86

(1) Bonuses were paid in August 2008 in respect of the 12-month period from 1 July 2007 to 30 June 2008.
(2) Executive Directors' benefits include a car allowance and private health insurance.
(3) Only Executive Directors' basic salary is pensionable. Non-Executive Directors' fees are non-pensionable. The aggregate emoluments of key management are given in Note 4.
(4) Ursula Ney and Raymond Spencer waived entitlements to a part of their above discretionary bonus amounting to £72,000 and £50,000, respectively. The Company has agreed to make one-off additional contributions to their pension plans of £79,200 and £55,000, respectively.

Directors' interests in shares (unaudited)

The interests of the Directors in the shares of the Company on 30 June 2008, all of which were beneficially held, are set out below:

Ordinary shares of 1p each	2008 Number	2007 Number
Barry Price	**743,077**	643,077
Glyn Edwards	**2,140,000**	1,519,962
Ursula Ney	**645,391**	645,391
Raymond Spencer	**603,231**	603,231
Grahame Cook	**1,125,540**	1,125,540
Michael Pappas	**751,785**	602,005
Dale Boden	**774,003**[1]	713,823

[1] Dale Boden's total holdings include a beneficial interest totalling 638,469 ordinary Antisoma shares held by BF Capital, BFC III Ltd and by The Sentinel I Trust.

Other than shown in the tables above, no Director had any interest in the shares of the Company or of other Group companies at 30 June 2008. Note 31 provides details of transactions with Directors.

Two Non-Executive Directors, Michael Pappas and Dale Boden, elected to take a proportion of their fees in new Antisoma plc 1p ordinary shares. The Directors have agreed not to dispose of these shares for a minimum period of one year from the date of allotment.

Interests in share options

Details of options held by Directors to purchase Antisoma plc ordinary 1p shares are set out below:

Date of grant	At 30.06.07	Granted in the year	At 30.06.08	Price per share	Date from which exercisable (iv)	Expiration date
Glyn Edwards						
CSOP Options						
16.12.98	486,241		**486,241**	74p	17.12.98(i)	16.12.08
09.07.99	432,214		**432,214**	43p	(ii),(iii)	09.07.09
09.06.00	170,410		**170,410**	£1.01	10.06.03	09.06.10
19.09.00	17,540		**17,540**	£1.43	20.9.03	19.09.10
13.02.01	58,981		**58,981**	£2.12	14.02.04	13.02.11
17.09.01	289,331		**289,331**	38p	18.09.04	17.09.11
16.04.02	855,827		**855,827**	21p	17.04.05	16.04.12
23.09.02	1,452,074		**1,452,074**	12p	24.09.05	23.09.12
20.02.03	425,006		**425,006**	26p	21.02.06	20.02.13
01.10.03	418,359		**418,359**	38p	02.10.06	01.10.13
16.02.04	457,053		**457,053**	43p	17.02.07	16.02.14
21.09.04	359,452		**359,452**	14p	22.09.07	21.09.14
21.02.05	868,871		**868,871**	22p	22.02.08	21.02.15
EIP Performance Awards						
20.09.05	419,302		**419,302**	1p	21.09.08	20.09.11
24.02.06	521,946		**521,946**	1p	25.02.09	24.02.12
19.10.06	742,841		**742,841**	1p	20.10.09	19.10.12
20.02.07	434,276		**434,276**	1p	21.02.10	20.02.13
15.09.07		690,241	**690,241**	1p	16.09.10	15.09.13
26.02.08		534,621	**534,621**	1p	27.02.11	26.02.14
Total	**8,409,724**	**1,224,862**	**9,634,586**			

Date of grant	At 30.06.07	Granted in the year	At 30.06.08	Price per share	Date from which exercisable (iv)	Expiration date
Ursula Ney						
CSOP Options						
23.02.04	752,676		**752,676**	45p	24.02.07	23.02.14
21.09.04	235,278		**235,278**	14p	22.09.07	21.09.14
21.02.05	568,715		**568,715**	22p	22.02.08	21.02.15
EIP Performance Awards						
20.09.05	286,650		**286,650**	1p	21.09.08	20.09.11
24.02.06	355,725		**355,725**	1p	25.02.09	24.02.12
19.10.06	529,443		**529,443**	1p	19.10.09	19.10.12
20.02.07	309,520		**309,520**	1p	21.02.10	20.02.13
15.09.07		479,773	**479,773**	1p	16.09.10	15.09.13
26.02.08		371,605	**371,605**	1p	27.02.11	26.02.14
Total	**3,038,007**	**851,378**	**3,889,385**			

Date of grant	At 30.06.07	Granted in the year	At 30.06.08	Price per share	Date from which exercisable (iv)	Expiration date
Raymond Spencer						
CSOP Options						
16.12.98	216,107		**216,107**	74p	17.12.98(i)	16.12.08
16.12.98	129,664		**129,664**	74p	(i),(iii)	16.12.08
09.07.99	216,107		**216,107**	43p	(ii),(iii)	09.07.09
09.06.00	87,639		**87,639**	£1.01	10.06.03	09.06.10
19.09.00	35,098		**35,098**	£1.43	20.09.03	19.09.10
13.02.01	9,436		**9,436**	£2.12	14.02.04	13.02.11
17.09.01	124,991		**124,991**	38p	18.09.04	17.09.11
16.04.02	388,887		**388,887**	21p	17.04.05	16.04.12
23.09.02	659,822		**659,822**	12p	24.09.05	23.09.12
20.02.03	193,123		**193,123**	26p	21.02.06	20.02.13
01.10.03	182,556		**182,556**	38p	02.10.06	01.10.13
16.02.04	199,441		**199,441**	43p	17.02.07	16.02.14
21.09.04	156,852		**156,852**	14p	22.09.07	21.09.14
21.02.05	379,143		**379,143**	22p	22.02.08	21.02.15
EIP Performance Awards						
20.09.05	189,067		**189,067**	1p	21.09.08	20.09.11
24.02.06	232,097		**232,097**	1p	25.02.09	24.02.12
19.10.06	334,953		**334,953**	1p	19.10.09	19.10.12
20.02.07	195,818		**195,818**	1p	21.02.10	20.02.13
15.09.07		307,779	**307,779**	1p	16.09.10	15.09.13
26.02.08		238,387	**238,387**	1p	27.02.11	26.02.14
Total	**3,930,801**	**546,166**	**4,476,967**			

Incentive Plan Invested Shares/Matching Awards

	Date of award	Invested Shares	Potential Matching Award 08.07.08	Potential Matching Award 08.07.10	Exercise price	Date from which exercisable	Expiration date
Glyn Edwards	08.07.05	337,835	337,835	506,752	1p	09.07.08	08.07.11
Ursula Ney	08.07.05	195,391	195,391	293,086	1p	09.07.08	08.07.11
Raymond Spencer	08.07.05	128,143	128,143	192,214	1p	09.07.08	08.07.11

The above Matching Awards were granted on 8 July 2005.

Notes: All options were granted at nil cost. No other Directors have share options in the shares of the Company or other Group companies. No options were exercised by the Directors and no options lapsed or were surrendered during the year other than as stated above.

Performance conditions

Performance conditions attaching to all the Performance Awards and Matching Awards are consistent with the policy set out in the Report of the Board on remuneration. Performance and exercise conditions attaching to the CSOP options are set out below:

(i) These options were granted on the day prior to the Company's flotation, and exercise of these options is conditional upon the Company's ordinary shares being listed on the London Stock Exchange or other regulated market. This condition has been satisfied. The market price of the Company's shares upon flotation was 35p.

(ii) Conditional upon securing a commercial agreement in respect of the Group's then lead product. This condition was satisfied in October 1999.

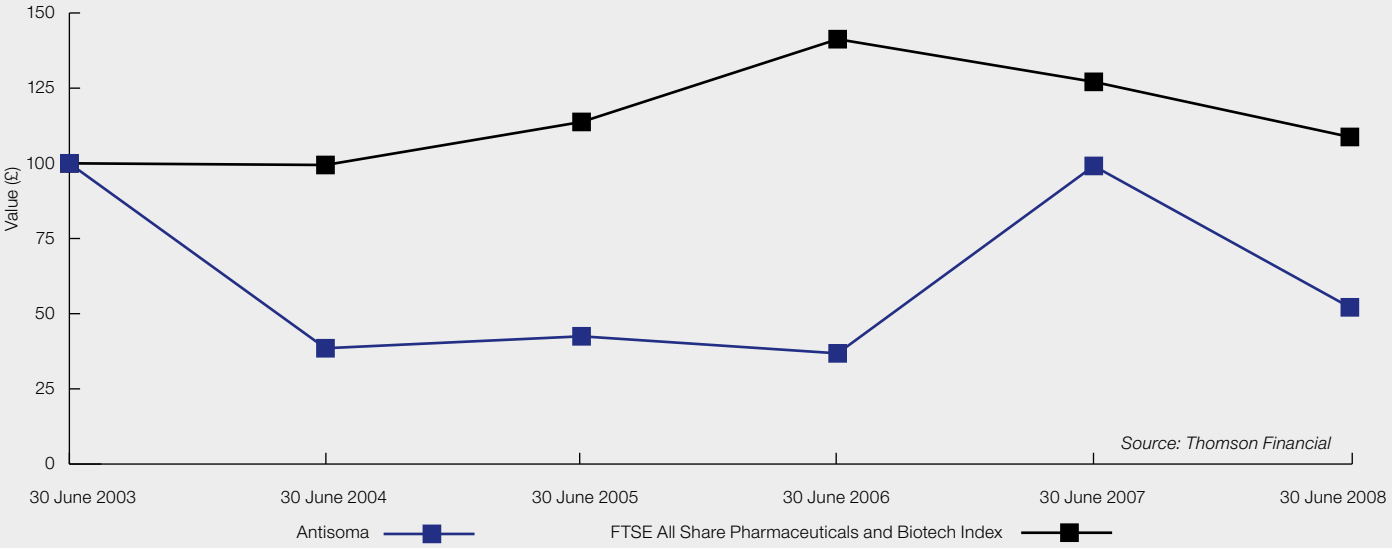
(iii) One quarter of the total number of shares under option are exercisable at the date of grant. One quarter of the total number of shares under option become exercisable on each of the first, second and third anniversaries of the date of grant.

(iv) CSOP options granted in 2000 and 2001 may be exercised provided that the market price of the shares exceeds the exercise price by at least 52% at any time between the third and tenth anniversary of the date of grant. CSOP options granted in 2002 to 2005 may be exercised provided that the market price of the shares exceeds the exercise price by at least 52% on the third anniversary of the date of grant or, failing that, the performance condition may be retested at six-monthly intervals on four further occasions up to and including the fifth anniversary of the date of grant, but in this case the performance condition is raised such that the share price is required to increase by a further 15% per annum over the extra period allowed for each successive test. If the exercise condition is met once during this period it need not be met again. If the performance condition is not met by the fifth anniversary then the option will lapse. No CSOP options have been granted to Executive Directors in 2008. The market price of the Company's shares at 30 June 2008 was 23p (30 June 2007: 43.75p) on the London Stock Exchange ('LSE') and the range of market prices during the year was between 20.5p and 45.5p.

Total shareholder return (unaudited)

Total shareholder return looks at the value of £100 invested in Antisoma plc on 30 June 2003 over the period to 30 June 2008 compared with £100 invested in the FTSE All Share Pharmaceutical and Biotechnology Index, which the Directors believe provides the most appropriate comparison of the return to shareholders of Antisoma plc with the return represented by an index of other companies in its sector.

Total shareholder return



This graph shows the value, by the end of June 2008, of £100 invested in Antisoma on 30 June 2003 compared with the value of £100 invested in the FTSE All Share Pharmaceuticals and Biotechnology Index. The other points plotted are the values at intervening financial year-ends.

This report has been approved by the Board and signed on its behalf by:

Dale Boden
Chairman of the Remuneration Committee
26 September 2008

Corporate governance

The Group seeks to follow best practice in corporate governance and, other than the formation of a Nominations Committee, has complied throughout the year with the best-practice provisions of the Combined Code. This report, together with the Report of the Board on remuneration, sets out the manner in which the Group has applied the principles contained in the Combined Code.

Board of Directors

Responsibilities of the Board include setting the Group's strategic aims and objectives, helping to ensure that the necessary resources are available for their achievement, approval of operating plans, budgets and forecasts and the review of the performance of the business against objectives, approval of acquisitions, other major business matters and policies, review and approval of reporting to shareholders, reviewing performance of management and ensuring the maintenance of internal controls to assess and manage financial and operational risks. Additionally, the Board reserves for itself matters concerning Board and other senior executive appointments.

The Directors bring a range of relevant expertise and experience to the Board. As at 30 June 2008, the Board of Directors comprised: a Non-Executive Chairman, Barry Price (who is also a Non-Executive Director of Shire Pharmaceuticals plc and Chairman of Summit plc, four additional Non-Executive Directors, Grahame Cook, Birgit Norinder, Dale Boden and Michael Pappas, of whom the first three are regarded as independent; and three Executive Directors, Glyn Edwards, Raymond Spencer and Ursula Ney. Ann Hacker was an independent Non-Executive Director until her resignation on 1 October 2007. All Non-Executive Directors bring an independent judgement to Board deliberations and decisions. As noted on page 22, as at 30 June 2008, Barry Price had a beneficial interest in 743,077 shares, Grahame Cook had a beneficial interest in 1,125,540 shares and Dale Boden had an interest in 774,003 shares. Since 30 June 2008, Michael Pappas has acquired an additional 16,304 ordinary shares and Dale Boden an additional 20,108 ordinary shares in lieu of Director's fees. No other Directors have acquired an additional interest in the ordinary shares or share options of the Company since 30 June 2008. In the opinion of the Board these shareholdings do not impair their independent status. As stated in Note 31, Michael Pappas has a relationship with Leventis Holdings SA, which has been a major shareholder of the Company since its foundation. Barry Price, Michael Pappas and Grahame Cook have each been on the Board for over nine years. The Board does not consider the above factors impair their independence of character or judgement. Michael Pappas is not formally regarded as an independent Non-Executive Director. Biographical details of Directors are provided on pages 12 and 13.

The current Senior Independent Director is Grahame Cook, who has recent financial experience.

All Directors have direct access to the services and advice of the Company Secretary, who is also the Group Legal Adviser. The Company Secretary is responsible for ensuring compliance with relevant procedures, rules and regulations. The Board as a whole determines the appointment and removal of the Company Secretary. Directors may, at the Company's expense, seek independent legal advice on any matter relating to the discharge of their duties.

There were eight scheduled Board meetings during the year, which were fully attended, with the exception of one meeting at which Michael Pappas was unable to be present. Appropriate information for the business to be conducted is provided in advance of Board meetings. The Directors may make further enquiries, as they deem appropriate. The Chairman holds meetings with the Non-Executive Directors without the Executive Directors. The Senior Independent Director additionally holds meetings with the other Non-Executive Directors, without the Chairman present, to appraise the Chairman's performance.

New Non-Executives receive an introduction to the business, meeting with senior executives for detailed discussions on the activities of the Group. Relevant training seminars have been attended by various Board members to assist in their further professional development.

The Board has evaluated its own performance and that of its Audit and Remuneration Committees on a broad range of issues including structure, functionality and meeting of objectives, conduct of meetings, corporate governance and relationships with shareholders. The results of these evaluations have been discussed and the Senior Independent Director has been charged with responsibility for implementing any recommendations for change. The Non-Executive Directors, led by the Senior Independent Director, are responsible for performance evaluation of the Chairman, taking into account the views of Executive Directors. The performance of the Chief Executive is reviewed by the Chairman and discussed with the Remuneration Committee by reference to achievement of individual and Company objectives. The performance of other Executive Directors is reviewed and monitored by the Chief Executive and discussed with the Chairman and Remuneration Committee. It is the Board's intention to conduct these reviews on an annual basis.

The Board delegates certain other responsibilities to the Audit and Remuneration Committees, the terms of reference of which, may be found on the Company's website at www.antisoma.com.

Board committees

The Audit Committee is chaired by Grahame Cook. Birgit Norinder and Dale Boden were also members during the year, as was Ann Hacker until her resignation on 1 October 2007. The terms of reference for the Audit Committee include responsibility for monitoring the integrity and compliance of the financial statements, for reviewing significant financial judgements contained therein and for ensuring that arrangements for the independent audit of the annual report and accounts and review of interim financial statements are appropriate and effective. The Audit Committee also reviews the internal financial control systems, treasury management procedures and controls and, together with the Board, risk management systems. Meetings of the Audit Committee were held three times during the year and were fully attended, with the Company's external auditors and the Chief Financial Officer attending as appropriate. The Audit Committee conducted a self-assessment of its performance by reference to an evaluation checklist. The Chair of the Audit Committee is nominated as the person to whom any financial or other matters of impropriety ('whistle-blowing') may be reported. The Audit Committee reviews and approves the engagement letters and scope for every piece of work carried out by the auditors and is satisfied with the auditors' statement regarding independence and conflicts of interest. The Audit Committee is satisfied that the nature and extent of non-audit services does not impair auditor objectivity or independence. Details of the amounts paid to the external auditors during the year for audit and non-audit services are set out in the notes to the financial statements on page 40.

The Remuneration Committee makes recommendations to the Board regarding the compensation policy and strategy for the Group as a whole and specifically for Executive Directors and senior management. It is also responsible for the grant of options under the Company Share Option Plan and Executive Incentive Plan. It is composed entirely of independent Non-Executive Directors and chaired by Dale Boden. Grahame Cook and Birgit Norinder were also members during the year as was Ann Hacker until her resignation on 1 October 2007. The Report of the Board on remuneration is set out on pages 19 to 24. Meetings of the Remuneration Committee were held four times during the year and were fully attended, with other members of the Board attending as appropriate.

The Board has considered that, because of the Company's small size, it has not been appropriate to have a separate Nominations Committee (required under provision A.4.1 of the Code) and reserved for itself responsibility for the appointment of new Directors under the leadership of the Non-Executive Chairman. The Chairman received nominations for new Directors and made recommendations to the Board, applying objective criteria to selection of Board candidates to ensure that new members have brought a balance of skills and experience. All Board members provide input to the process for any appointment. Where appropriate, candidates have been selected using external search consultants. The Board believes that these procedures were formal, rigorous, transparent and inclusive and comply with the principles of the Combined Code. Following the increase in size of the Group as a result of the acquisition of Xanthus, the Board has decided it is now appropriate to establish a Nominations Committee.

Attendance at Board meetings and committees

The Directors attended the following Board meetings and committees:

	Board meetings	Audit Committee meetings	Remuneration Committee meetings
Barry Price	8/8	n/a	n/a
Glyn Edwards	8/8	n/a	n/a
Raymond Spencer	8/8	n/a	n/a
Ursula Ney	8/8	n/a	n/a
Grahame Cook	8/8	3/3	4/4
Michael Pappas	7/8	n/a	n/a
Ann Hacker (resigned 1 October 2007)	3/3	2/2	2/2
Birgit Norinder	8/8	3/3	4/4
Dale Boden	8/8	3/3	4/4

Relationship with shareholders

The Company is committed to maintaining good relations with its shareholders through the provision of financial updates, interim and annual reports, press releases, presentations at conferences, through its website www.antisoma.com and through meeting with shareholders in general meetings. Individual meetings between Executive Directors and significant institutional shareholders are also arranged.

The Board takes steps to ensure that its members develop an understanding of the views of major shareholders. This is achieved through feedback from meetings between management and significant shareholders and feedback from the Company's brokers and financial advisors. Non-Executive Directors together with the Chairman of the Board and the Executive Directors meet with shareholders at the AGM. Shareholders are invited to ask questions and to meet with Directors after the formal proceedings have ended. The Senior Independent Director is available to shareholders if contact through the normal channels is inappropriate or has failed to resolve concerns.

Internal control and risk management

The Board has overall responsibility for ensuring that the Group maintains adequate systems of internal control. Such systems are designed to manage, rather than eliminate, risks and therefore can only provide reasonable and not absolute assurance against material misstatement or loss.

The Group has established a formal process which accords with the Turnbull guidance for identifying and evaluating the significant risks faced by the Group and carries out a comprehensive risk assessment at least annually. The Board regularly reviews the system of internal controls and the effectiveness of risk identification and evaluation, updating the risk assessment as appropriate. This review process has been in place throughout the year up to the date of approval of the Annual Report and Accounts and covers risk management and controls of financial, operational and regulatory matters. The Group has reviewed its internal financial controls and also carried out operational risk assessments and reviewed insurance provisions. On the recommendation of the Audit Committee, taking into account the close involvement of the Chief Financial Officer and other Executive Directors in the management and supervision of the Group's financial affairs and the Group's relatively small size, the Board does not consider it appropriate to have an internal audit function.

The BioIndustry Association Code of Best Practice

The UK BioIndustry Association, of which Antisoma plc is a member, published a code in 2000 to establish principles of best practice for information communication and management amongst its members. An updated edition was published in 2006. The principles support and extend the Company's duty to publish and communicate information in a fair, equal and balanced manner. The Board is committed to providing quality dialogue with investors and other interested parties and confirms that the Group has complied with the code for the year under review.

Going concern

As at 30 June 2008 the Company and Group had cash and liquid resources of approximately £66.9 million, which are sufficient to meet the requirements of the business for at least the next 12 months. Accordingly, the Directors have adopted the going concern basis in preparing the financial statements.

Statement of Directors' responsibilities in respect of the Annual Report, the Report of the Board on remuneration and the financial statements

The Directors are responsible for preparing the Annual Report, the Report of the Board on remuneration and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Group and Company financial statements in accordance with International Financial Reporting Standards ('IFRSs') as adopted by the European Union. The financial statements are required by law to give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state that the financial statements comply with IFRSs as adopted by the European Union; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Group will continue in business.

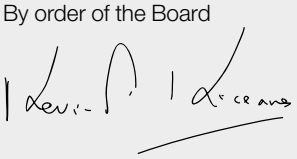
The Directors confirm that they have complied with the above requirements in preparing the financial statements.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable them to ensure that the financial statements and the Report of the Board on remuneration comply with the Companies Act 1985 and, as regards the Group financial statements, Article 4 of the IAS Regulation. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the Company's website and legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

So far as each Director is aware, there is no relevant audit information of which the Company's auditors are unaware. Each Director has taken all the steps that he or she ought to have taken in his or her duty as a Director in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

By order of the Board



Kevin Kissane
Company Secretary
26 September 2008

Independent auditors' report to the members of Antisoma plc

We have audited the Group and parent Company financial statements (the 'financial statements') of Antisoma plc for the year ended 30 June 2008 which comprise the Consolidated income statement, the Consolidated statement of recognised income and expense, the Consolidated and Company balance sheets, the Consolidated and Company cash flow statements and the related notes. These financial statements have been prepared under the accounting policies set out therein. We have also audited the information in the Report of the Board on remuneration that is described as having been audited.

Respective responsibilities of Directors and auditors

The Directors' responsibilities for preparing the Annual Report, the Report of the Board on remuneration and the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements and the part of the Report of the Board on remuneration to be audited in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and whether the financial statements and the part of the Report of the Board on remuneration to be audited have been properly prepared in accordance with the Companies Act 1985 and, as regards the Group financial statements, Article 4 of the IAS Regulation. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements. The information given in the Directors' Report includes that specific information presented in the Joint Chief Executive and Chairman's statement that is cross referred from the Business review section of the Directors' Report, that specific information presented in the Report of the Board on remuneration that is cross referred from the Directors' interests section of the Directors' Report, that specific information that is presented in Financial review and the Joint Chief Executive and Chairman's statement that is cross referred from the Financial and Non-Financial Key Performance Indicators (KPIs) section of the Directors' Report and that specific information presented in the Report of the Board on remuneration that is cross referred from the Additional information for shareholders section of the Directors' report.

In addition we report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and other transactions is not disclosed.

We review whether the Corporate Governance Statement reflects the Company's compliance with the nine provisions of the Combined Code (2006) specified for our review by the Listing Rules of the Financial Services Authority, and we report if it does not. We are not required to consider whether the Board's statements on internal control cover all risks and controls, or form an opinion on the effectiveness of the Group's corporate governance procedures or its risk and control procedures.

We read other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. The other information comprises only the Directors' Report, the unaudited part of the Report of the Board on remuneration, the Highlights, the Joint Chief Executive and Chairman's statement, the Financial review, Board of Directors, the Corporate social responsibility review, the portfolio summary, the Corporate governance statement and the List of advisors. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements and the part of the Report of the Board on remuneration to be audited. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Group's and Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements and the part of the Report of the Board on remuneration to be audited are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements and the part of the Report of the Board on remuneration.

Opinion

In our opinion:

- the Group financial statements give a true and fair view, in accordance with IFRSs as adopted by the European Union, of the state of the Group's affairs as at 30 June 2008 and of its profit and cash flows for the year then ended;
- the parent company financial statements give a true and fair view, in accordance with IFRSs as adopted by the European Union as applied in accordance with the provisions of the Companies Act 1985, of the state of the parent company's affairs as at 30 June 2008 and cash flows for the year then ended;
- the financial statements and the part of the Report of the Board on remuneration to be audited have been properly prepared in accordance with the Companies Act 1985 and, as regards the Group financial statements, Article 4 of the IAS Regulation; and
- the information given in the Directors' Report is consistent with the financial statements.

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London
26 September 2008

Consolidated income statement
for the year ended 30 June 2008

	Notes	2008 £'000	2007 £'000
Revenue	2	**39,527**	7,956
Research and development expenditure		**(18,432)**	(14,511)
Administrative expenses		**(10,297)**	(7,324)
Total operating expenses	6	**(28,729)**	(21,835)
Operating profit/(loss)		**10,798**	(13,879)
Finance income	5	**2,578**	1,176
Profit/(loss) before taxation		**13,376**	(12,703)
Taxation	7	**(1,047)**	2,953
Profit/(loss) for the year	26	**12,329**	(9,750)
Earnings/(loss) per ordinary share			
Basic	9	**2.7p**	(2.4)p
Diluted	9	**2.6p**	(2.4)p

All amounts arise from continuing operations.

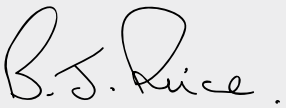
Consolidated statement of recognised income and expense
for the year ended 30 June 2008

	Notes	2008 £'000	2007 £'000
Profit/(loss) for the year		**12,329**	(9,750)
Exchange translation difference on consolidation	27	**(235)**	(1,638)
Total recognised gain/(expense) for the year		**12,094**	(11,388)

Consolidated balance sheet
as at 30 June 2008

	Notes	2008 £'000	2007 £'000
Assets			
Non-current assets			
Goodwill	10	**5,559**	5,523
Intangible assets	11	**47,149**	19,065
Property, plant and equipment	12	**2,358**	485
Deferred tax asset	16	**–**	750
		55,066	25,823
Current assets			
Trade and other receivables	14	**2,113**	2,460
Current tax receivable		**–**	2,011
Short-term deposits	18	**33,000**	10,000
Cash and cash equivalents	18	**33,861**	51,414
		68,974	65,885
Liabilities			
Current liabilities			
Trade and other payables	15	**(9,866)**	(7,492)
Current tax payable		**(297)**	–
Deferred income	17	**(5,401)**	(31,905)
Provisions	19	**(629)**	(341)
Net current assets		**52,781**	26,147
Total assets less current liabilities		**107,847**	51,970
Non-current liabilities			
Deferred tax liabilities	16	**(5,559)**	(5,523)
Provisions	19	**(81)**	(168)
		(5,640)	(5,691)
Net assets		**102,207**	46,279
Shareholders' equity			
Share capital	20	**10,467**	8,795
Share premium	23	**119,629**	100,451
Shares to be issued	24	**2,273**	–
Other reserves	25	**37,996**	18,571
Profit and loss account	26	**(68,158)**	(81,538)
Total shareholders' equity		**102,207**	46,279

The financial statements on pages 29 to 57 were approved by the Board of Directors on 26 September 2008 and were signed on its behalf by:



Barry Price
Director

Company balance sheet
as at 30 June 2008

	Notes	2008 £'000	2007 £'000
Assets			
Non-current assets			
Investments in subsidiaries	13	**74,659**	49,945
Trade and other receivables	14	**128,662**	110,357
		203,321	160,302
Current assets			
Trade and other receivables	14	**9**	10
Liabilities			
Current liabilities			
Trade and other payables	15	**(225)**	(111)
Net current liabilities		**(216)**	(101)
Net assets		**203,105**	160,201
Shareholders' equity			
Share capital	20	**10,467**	8,795
Share premium	23	**119,629**	100,451
Shares to be issued	24	**2,273**	–
Other reserves	25	**64,894**	45,234
Profit and loss account	26	**5,842**	5,721
Total shareholders' equity		**203,105**	160,201

The financial statements on pages 29 to 57 were approved by the Board of Directors on 26 September 2008 and were signed on its behalf by:

Barry Price
Director

Consolidated cash flow statement
for the year ended 30 June 2008

	Notes	2008 £'000	2007 £'000
Cash flows from operating activities			
Profit/(loss) for the year		**12,329**	(9,750)
Adjustments for:			
Interest receivable		**(2,578)**	(1,176)
Tax charge/(credit)		**1,047**	(2,953)
Impairment of acquired intellectual property rights		**–**	144
Depreciation of property plant and equipment		**213**	321
Share-based payments		**1,051**	893
Operating cash flows before movement in working capital		**12,062**	(12,521)
Decrease/(increase) in trade and other receivables		**961**	(1,500)
(Decrease)/increase in trade and other payables		**(28,506)**	34,323
Cash generated from/(used in) operations		**(15,483)**	20,302
Interest received		**2,753**	1,144
Research and development tax credit received		**2,011**	2,092
Net cash (used in)/generated from operating activities		**(10,719)**	23,538
Cash flows from investing activities			
Purchase of property, plant and equipment		**(1,969)**	(188)
Purchase of intangible assets		**(1,605)**	(1,839)
(Purchase)/sale of short-term deposits		**(23,000)**	(4,494)
Net cash outflow in respect of acquisitions	28	**(237)**	–
Net cash (used in)/generated from investing activities		**(26,811)**	(6,521)
Cash flows from financing activities			
Proceeds from issue of ordinary share capital		**20,966**	26,503
Expenses paid in connection with issue of ordinary share capital	27	**(980)**	(1,518)
Net cash generated from financing activities		**19,986**	24,985
Net (decrease)/increase in cash and cash equivalents		**(17,544)**	42,002
Exchange gains/(losses) on cash and bank overdrafts		**(9)**	–
Cash and cash equivalents at beginning of year		**51,414**	9,412
Cash and cash equivalents at end of year		**33,861**	51,414

Company cash flow statement
for the year ended 30 June 2008

	Notes	2008 £'000	2007 £'000
Cash flows from operating activities			
(Loss)/profit for the year		**(930)**	404
Adjustment for interest receivable		**(608)**	(1,177)
Operating cash flows before movement in working capital		**(1,538)**	(773)
Increase in trade and other receivables		**(18,304)**	(25,444)
Increase in trade and other payables		**114**	56
Cash generated from/(used in) operations		**(19,728)**	(26,161)
Finance income		**608**	1,176
Net cash (used in)/generated from operating activities		**(19,120)**	(24,985)
Cash flows from investing activities			
Acquisition expenses		**(866)**	–
Net cash (used in)/generated from investing activities		**(866)**	–
Cash flows from financing activities			
Proceeds from issue of ordinary share capital		**20,966**	26,503
Expenses paid in connection with issue of ordinary share capital	27	**(980)**	(1,518)
Net cash generated from financing activities		**19,986**	24,985
Net (decrease)/increase in cash and cash equivalents		**–**	–
Cash and cash equivalents at beginning of year		**–**	–
Cash and cash equivalents at end of year		**–**	–

1. Principal accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below.

The Company is a public limited company incorporated and domiciled in the United Kingdom, with its registered office at Chiswick Park Building 5, 566 Chiswick High Road, London, W4 5YF.

Basis of preparation

These financial statements have been prepared by Antisoma plc in accordance with International Financial Reporting Standards ('IFRS'), as adopted for use by the EU, and International Financial Reporting Interpretation Committee interpretations ('IFRIC') and with those parts of the Companies Act 1985 applicable to companies reporting under IFRS.

Adoption of new accounting standards

The following IFRS, IFRIC interpretations and amendments have been adopted in line with the transitional guidance of each standard:

IFRS 7 – 'Financial Instruments: Disclosures', and the complementary amendment to IAS 1 – 'Presentation of Financial Statements' issued in August 2005, require the Group to disclose revised and additional disclosures. This implementation has had no impact on the results or net assets of the Group or Company.

In July 2006, the IASB issued IFRIC 10 – 'Interim Financial Reporting and Impairment' This interpretation requires that any impairment loss recognised in respect of goodwill or an equity investment in a quarterly interim statement shall not subsequently be reversed in subsequent quarterly or annual statements. This implementation has had no impact on the results or net assets of the Group or Company.

IFRIC 11, IFRS 2 – 'Group and Treasury Share Transactions', issued in November 2006, provides guidance on whether share-based transactions involving Group entities should be accounted for as equity settled or cash settled transactions. This implementation has had no impact on the results or net assets of the Group or Company.

IFRIC 8 'Scope of IFRS 2' addresses the issue of whether IFRS 2 – 'Share-Based Payment' applies to transactions in which the entity cannot identify specifically some or all of the goods or services received. This standard does not have any impact on the results or net assets of the Group or Company.

The following standards, amendments and interpretations effective in the Group accounts from 1 July 2007 are not relevant to the operations of the Group:

- IFRS 4, 'Insurance Contracts'.
- IFRIC 7, 'Applying the restatement approach under IAS 29, Financial reporting in hyper-inflationary economies'.
- IFRIC 9, 'Re-assessment of embedded derivatives'.
- IFRIC 15 'Agreements for the Construction of Real Estate'.
- IFRIC 16 'Hedges of a Net Investment in a Foreign Operation'.

Future announcements

The following IFRS and IFRIC interpretations, which are relevant to the Group, have been issued by the International Accounting Standards Board ('IASB') but are not yet effective. None is likely to have a material effect on the Group's results of operations or financial position.

In November 2006, the IASB issued IFRS 8 – 'Operating Segments' which is required to be implemented in the financial year commencing 1 July 2009. This aligns the IFRS reporting of segmental analysis with that provided in accordance with US GAAP and requires segmental analysis reported by an entity to be based on information used by management.

In March 2007 the IASB issued IAS 23 Amendment: Borrowing Costs, an amendment to IAS 23, which requires an entity to capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (one that takes a substantial period of time to get ready for use or sale) as part of the cost of that asset. The option of immediately expensing those borrowing costs has been removed. This change in treatment should be applied prospectively in the Group's annual periods beginning 1 July 2009.

The following interpretations are not yet effective and not relevant for the Group's operations:

- IFRIC 12, 'Service concession agreements'.
- IFRIC 13, 'Customer loyalty programmes'.
- IFRIC 14, 'IAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction'.
- IFRIC 15 'Agreements for the Construction of Real Estate'.
- IFRIC 16 'Hedges of a Net Investment in a Foreign Operation'.

Use of estimates and judgements

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the accounting policies. The Notes to the financial statements set out areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the financial statements such as intangible assets (Note 11). Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates.

The financial statements are prepared in accordance with the historical cost convention.

1. Principal accounting policies *continued*

Basis of consolidation

The consolidated financial statements include the financial information of the Company and all its subsidiary undertakings.

The acquisition of Antisoma Research Limited was a business combination involving entities under common control. The financial statements of Antisoma Research Limited have been consolidated using the principles of 'merger accounting'. The principles of merger accounting are that the assets and liabilities of the acquired company are not restated to fair value, no goodwill arises and the consolidated financial information incorporates the combined companies' results as if the companies had always been combined.

In line with the provisions of IFRS 1, acquisitions completed before 1 July 2004 have not been accounted for under IFRS 3. Instead, the historical UK GAAP accounting treatment has been retained.

All other subsidiaries have been consolidated using the principles of acquisition accounting under IFRS 3. Under IFRS 3, the results of acquired subsidiaries are included in the consolidated income statement from the date that they are acquired. The cost of an acquisition is the fair value of consideration, including costs directly attributable to the acquisition. All of the subsidiary's assets and liabilities that exist at the date of acquisition are recorded at their fair values. The excess of the cost of acquisition over the fair value of the Company's share of the identifiable net assets acquired is recorded as goodwill.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Intra-group transactions, profits and balances are eliminated in full on consolidation.

Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the purchase method. The cost of the business combination is measured as the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 Business Combinations are recognised at their fair values at the acquisition date. If the conditions of section 131 of the Companies Act 1985 are met, merger relief is taken on the issue of shares and a merger reserve is recognised.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in profit or loss.

The interest of minority shareholders in the acquiree is initially measured at the minority's proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

Goodwill

Goodwill arising on consolidation represents the excess of the fair value of consideration over the fair value of identifiable net assets acquired. Goodwill is recognised as an asset and reviewed for impairment at least annually and whenever there is an indicator of impairment. Impairment losses in respect of goodwill are not reversed. As permitted by IFRS 1, goodwill written off prior to transition to IFRS has not been reinstated as an asset and will not be included in determining any subsequent profit or loss on disposal. See Note 10 for a detailed description of the impairment review that is carried out.

Intangible fixed assets

Intangible fixed assets other than goodwill, which comprise licences, product rights and in process research and development, are recorded at their fair values at acquisition date (if acquired as part of a business combination) or cost (if acquired separately) and are amortised on a straight-line basis over their estimated useful economic lives from the time they are available for use. Where a product is at a relatively early stage of development the full cost of the licences or rights purchased are capitalised but not amortised until that product is available for use. Subsequent milestone payments made by the Group to the licensor are also capitalised as and when they are made. Annual maintenance charges paid per the terms of the licence agreement are expensed in administrative costs as they are incurred.

Assets that are not yet available for use are not subject to amortisation and are tested at least annually for impairment or whenever there is an indicator of impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised in the income statement for the amount by which the asset's carrying value exceeds its recoverable amount. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. See Note 11 for a detailed description of the impairment review that is carried out.

1. Principal accounting policies *continued*

Impairment

In carrying out impairment reviews of goodwill, intangible and tangible assets, a number of significant assumptions have to be made when preparing cash flow projections. These include the likelihood of success of clinical trials, the likelihood of regulatory approval, the milestone payments receivable, future rates of market growth, the market demand for the products, the future profitability of the products, and the longevity of the products in the market. If actual results should differ or changes in expectations arise, impairment charges may be required which would materially impact on operating results. Details of impairment reviews can be seen in Notes 10 and 11.

Property, plant and equipment

Property, plant and equipment are held at cost less accumulated depreciation and any impairment in value. Depreciation is provided to write off the cost or valuation, less estimated residual values, of all property, plant and equipment, over their expected useful lives. It is calculated on a straight-line basis at the following rates:

Office equipment	15% per annum
Computers – office and laboratory	33% per annum
Office fixtures and fittings	33% per annum
Laboratory fixtures and fittings	20% per annum
Laboratory equipment – owned	20% per annum
Laboratory equipment – leased	20% per annum

An impairment loss is recognised for the amount by which an asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and deposits with banks that have a maturity of three months or less from the date of inception.

Deposits that have a maturity greater than three months but less than a year from the date of inception have been disclosed separately as short-term deposits.

Trade and other payables

Trade and other payables are initially recognised at fair value and subsequently stated at amortised cost.

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation. Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the balance sheet date and are discounted to present value where the effect is material. Provisions are not recognised for future operating losses.

Taxation

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements in accordance with IAS 12 – 'Income taxes'. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Research and Development Tax Credits

The Group makes claims each year for Research and Development Tax Credits and, when it is loss making, elects to take the cash equivalent amount. The Group accrues for the expected cash equivalent amount for each year into that year's financial statements.

Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments in respect of operating leases are charged on a straight-line basis to the income statement over the lease term.

Revenue

Revenue, which excludes value added tax, represents the fair value of consideration receivable in respect of goods and services supplied. The Group's business strategy includes entering into collaborative licence and development agreements with biotechnology and pharmaceutical companies for the development and commercialisation of the Group's product candidates. The terms of the agreements historically have included non-refundable licence fees, funding of research and development, payments based on the achievement of clinical development milestones, and royalties on product sales. In certain instances the agreements have included the sale of exclusive options on future compounds and share subscription agreements.

1. Principal accounting policies *continued*

Revenue arising from collaborative agreements consisting of multiple elements is allocated to those elements in accordance with contractual terms, which are indicative of the fair values of the individual elements. Significant management judgement is required in determining whether, in substance, elements of such contracts operate independently of other elements and whether they should therefore be accounted for separately. Revenue in respect of each separable element (or, where no elements are separable, in respect of the contract as a whole) are spread over the period over which the Group is expected to complete its service obligations under an arrangement. In the absence of a more rational basis on which such milestones may be recognised, up-front milestones are typically recognised on a straight-line basis over the performance period. In particular, if the Group is involved in a steering committee as part of a multiple element arrangement, the Group assesses whether its involvement constitutes an obligation or a right to participate. Steering committee services that are considered significant obligations are combined with other research service obligations required under an arrangement, if any, in determining the level of effort required in an arrangement and the period over which the Group expects to complete its obligations.

Amounts received or receivable under research and development contracts and collaborative research agreements are recognised as revenue in the period in which the related costs are incurred or services are provided. These contributions towards costs incurred are received where the Group is the principal in the transaction, and as such these amounts have been recorded gross as revenue and not netted against costs incurred. As revenue represents contributions towards costs incurred, no amounts have been allocated to cost of sales; instead all costs relating to these development programmes are recorded as research and development expenditure.

Non-refundable licence fees and payments on the achievement of development milestones are recognised as revenue when the Group has a contractual right to receive such payment, the amount can be measured reliably, it is probable that the economic benefits associated will flow to the Group, and when the specific conditions stipulated in the licence agreements have been satisfied.

Royalty revenue is to be recognised upon the sale of the related products, provided that the royalty amounts are reliably measurable, it is probable the benefits will be received, and the Group has no remaining obligations under the arrangement.

Amounts receivable as option fees to access the Group's intellectual property are spread over the option period.

Research and development expenditure

Research and development expenditure is currently written off to the income statement as it is incurred. Due to the regulatory and other uncertainties inherent in the development of the Group's products, the criteria for development costs to be recognised as an asset, as prescribed by IAS 38 – 'Intangible assets', are not met until the product has been submitted for regulatory approval and when it is highly probable that future economic benefits will flow to the Group. The Group does not currently have any internal development costs that qualify for capitalisation as intangible assets.

Financial instruments

Forward exchange contracts and foreign exchange options are revalued to fair value with net unrealised gains and losses recorded in the income statement. The Group does not employ hedge accounting. The Group did not have in existence any forward exchange contracts at 30 June 2008.

Foreign currency

The functional currency of each Group entity is the currency of the primary economic environment in which the entity operates. Transactions denominated in foreign currencies have been translated into the functional currency of the Group entity at month end rates of exchange. Monetary assets and liabilities denominated in foreign currencies have been translated at rates ruling at the balance sheet date. Exchange differences have been taken to operating results in the income statement.

The results of foreign operations are translated into the Group's presentational currency at month-end exchange rates and their balance sheets are translated at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets and results of overseas operations are dealt with through reserves.

In preparing the Group's financial statements, the Board makes judgements in relation to the determination of the functional currency of each of its undertakings. In respect to its UK trading subsidiary, a substantial part of its expenses are denominated in GB Pound. While the revenues of the subsidiary under the Novartis agreement are principally denominated in US dollars, the Board considers the economic environment that mainly influences revenues to be global rather than solely that of the US. Furthermore, historically the Group has retained the majority of its cash and short-term investment balances in GB Pound, except as necessary to meet anticipated liabilities to suppliers requesting payments in US dollars. Although the Group may from time to time maintain substantial monetary assets in other currencies, it has determined that GB Pound is the functional currency for its UK trading subsidiary.

1. Principal accounting policies *continued*

Pension costs

Retirement benefits to employees and Directors are provided by defined contribution pension schemes. The assets of these schemes are held separately from those of the Group in independently administered funds. Contributions made by the Group are charged to the income statement in the period to which they relate.

Share capital

Ordinary shares are classified as equity. Incremental costs attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Share options

In accordance with IFRS 2 – 'Share-based payment', share options are measured at fair value at their grant date. The fair value is charged on a straight-line basis to the income statement over the expected vesting period. National Insurance payable on the exercise of share-based payments is treated as a cash-settled share-based payment under IFRS 2 and the Group makes charges to the income statement based on an estimate of the National Insurance liability in respect of the outstanding awards at each period end. Where the National Insurance liability is virtually certain to be recovered from the relevant employees a corresponding receivable amount is also recognised in the income statement. Details of the assumptions used in calculating the share-based payment charge are detailed in Note 22.

2. Segmental information

Primary reporting segment – business segment

The Directors are of the opinion that under IAS 14 – 'Segmental information' the Group has only one business segment, being drug development.

Secondary reporting segment – geographical segment

The Group's geographical segments are determined by location of operations.

All revenue has been derived from external customers located in Europe. The principal sources of revenue for the Group in the two years ended 30 June 2008 were:

	2008 £'000	2007 £'000
Recognition of upfront and milestone payments on a time apportioned basis:		
Novartis	**38,806**	6,592
Other	**265**	647
R&D services and materials recharged:		
Novartis	**456**	717
Total revenues	**39,527**	7,956

The following table shows the carrying value of segment assets by location of assets:

	2008 £'000	2007 £'000
Total assets/(liabilities)		
UK	**80,430**	46,500
US	**21,777**	(221)
Total	**102,207**	46,279

Total assets are allocated based on where the assets are located.

The following table shows the costs in the period to acquire property, plant, equipment and intangibles by location of assets:

	2008 £'000	2007 £'000
Capital expenditure		
UK	**3,574**	2,027
US	**26,900**	–
Total	**30,474**	2,027

Capital expenditure is allocated based on where the assets are located.

3. Directors' emoluments

Directors' emoluments receivable by Directors of Antisoma plc from Antisoma Group companies are as follows:

	2008 £'000	2007 £'000
Aggregate emoluments		
Emoluments and benefits	**1,422**	1,328
Pension costs	**94**	86
Highest-paid Director		
Emoluments and benefits	**548**	497
Pension costs	**38**	35

The three Executive Directors have retirement benefits accruing to them through defined-contribution schemes, in respect of qualifying services.

Detailed information concerning Directors' remuneration and interests in share options is set out in the Report of the Board on remuneration on pages 19 to 24.

The Directors made gains of £nil (2007: £nil) in relation to the exercise of share options.

4. Employee information

The average number of persons (including Executive Directors) employed by the Group during the year was:

	2008	2007
By activity		
Administration	**27**	21
Research and development	**44**	38
	71	59

The employee benefit expense recorded in the accounts is as follows:

	2008 £'000	2007 £'000
Staff costs		
Wages and salaries	**5,858**	4,716
Social security costs	**730**	582
Pension costs (see Note 32)	**434**	342
Termination payments	**363**	–
Share-based payments	**1,051**	893
	8,436	6,533

Termination payments include £316,000 relating to the closure of the Montreal office (see Note 6).

Key Management Compensation (included in staff costs) (includes eight (2007: six) senior managers and three (2007: three) Executive Directors) was:

	2008 £'000	2007 £'000
Salaries and short-term employee benefits	**2,597**	1,988
Pension costs	**221**	170
Share-based payments	**730**	607
	3,548	2,765

The Company has nil employees (2007: nil employees).

5. Finance income

	2008 £'000	2007 £'000
Interest receivable		
On short-term deposits	**2,007**	151
On cash and cash equivalents	**571**	1,025
	2,578	1,176

6. Operating profit/(loss)

The following items have been charged in arriving at the operating profit/(loss):

	2008 £'000	2007 £'000
Depreciation on tangible owned property, plant and equipment	**213**	321
Amortisation of intangible fixed assets	**–**	144
Hire of plant and machinery – operating leases	**25**	8
Hire of other assets – operating leases	**351**	480
Net foreign exchange differences	**464**	867
Restructuring costs	**476**	–
Auditors' remuneration (see below)	**784**	263

The restructuring costs are included in administrative expenses and comprise £316,000 redundancy payments and £160,000 other restructuring costs relating to the closure of the Montreal office.

	2008 £'000	2007 £'000
Auditors' remuneration		
Audit services		
Fees payable to Company auditor for the audit of the Company and consolidated accounts	**43**	29
Non-audit services		
Fees payable to the Company's auditor and its associates for other services:		
The audit of Company's subsidiaries pursuant to legislation	**30**	15
Other Services pursuant to legislation	**671**	83
Tax services	**40**	11
Services relating to corporate finance transactions entered into or proposed to be entered into by or on behalf of the Company or any of its associates	**–**	125
	784	263

Other services provided by the Group's auditors

The terms of reference for the Audit Committee include responsibility for monitoring the integrity and compliance of the financial statements, for reviewing significant financial judgements contained therein and for ensuring that arrangements for the independent audit of the annual report and accounts and review of interim financial statements are appropriate and effective. The Audit Committee reviews and approves the engagement letters and scope for every piece of work carried out by the auditors and is satisfied with the audit company's statement regarding compliance and conflicts of interest. The Audit Committee is satisfied that the nature and extent of non-audit services does not impair auditor objectivity or independence.

Of the services above £148,000 has been included in the cost of acquisition, and £121,000 relates to fundraising expenses and has been included in the share premium account.

7. Taxation

	2008 £'000	2007 £'000
Current tax	**297**	(2,203)
Deferred tax	**750**	(750)
Total tax charge/(credit) for the period	**1,047**	(2,953)

The charge for the year can be reconciled to the profit per the consolidated income statement as follows:

	2008 £'000	2007 £'000
Profit/(loss) on ordinary activities before taxation	**13,376**	(12,703)
Profit/(loss) on ordinary activities multiplied by the standard rate of UK corporation tax at 29.5% (2007: 30%)	**3,945**	(3,811)
Effects of:		
Timing differences between depreciation and capital allowances charged	**(532)**	58
Expenses not deductible for tax purposes	**(38)**	204
Losses carried forward/(utilised) or surrendered for R&D tax credits	**(3,375)**	3,549
Deferred tax asset movement	**750**	(750)
Prior year Research and Development tax credit	**–**	(192)
Current year Research and Development tax credit	**–**	(2,011)
Tax charge on interest income	**297**	–
Total tax charge/(credit) for the period	**1,047**	(2,953)

During the year the UK Corporation Tax rates reduced from 30% to 28% effective from 1 April 2008. The effective rate of 29.5% has been calculated based on these rates, pro-rated over the year.

7. Taxation *continued*

The deferred tax asset of £750,000 created in the prior year has been released in the year ending 30 June 2008 since this is no longer considered recoverable.

At 30 June 2008, the Group had tax losses available for carry forward in excess of £88 million (2007: £66 million) subject to agreement with the relevant tax authorities.

8. Company loss/(profit) for the financial year

As permitted by section 230 of the Companies Act 1985, the parent company's (the 'Company's') income statement has not been included with these financial statements. The results for the Company are presented under IFRS.

The Company's result for the financial year was a loss of £930,000 (2007: profit of £404,000).

The Company has no other recognised income or expense in the year that did not pass through the income statement; hence a Statement of Recognised Income and Expense has not been prepared for the Company.

9. Earnings/(loss) per share

Basic earnings per share are calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the period.

For diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares. These represent share options granted to employees where the exercise price is less than the average market price of the Company's ordinary shares during the year ended 30 June 2008, and deferred consideration shares relating to the acquisition of Xanthus Pharmaceuticals, Inc.

	2008	2007
Earnings/(loss) for the year (£'000)	**12,329**	(9,750)
Weighted average number of shares ('000)	**455,649**	413,756
Basic earnings/(loss) per ordinary share	**2.7p**	(2.4)p

	2008	2007
Earnings/(loss) for the year (£'000)	**12,329**	(9,750)
Weighted average number of shares ('000)	**455,649**	413,756
Adjustments for:		
– share options ('000)	**19,269**	–
– deferred consideration shares ('000)	**523**	–
Weighted average number of shares ('000)	**475,441**	413,756
Diluted earnings/(loss) per ordinary share	**2.6p**	(2.4)p

In the year ended 30 June 2007, the Group had no dilutive potential ordinary shares in issue because it was loss making.

10. Goodwill

Group

	2008 £'000	2007 £'000
Cost		
As at 1 July	**5,523**	6,133
Additions	**–**	–
Revaluation due to changes in foreign exchange rates	**36**	(610)
As at 30 June	**5,559**	5,523
Accumulated impairment losses		
As at 1 July	**–**	–
Impairment losses for the year	**–**	–
As at 30 June	**–**	–
Net book value at 30 June	**5,559**	5,523

10. Goodwill *continued*

The Group tests goodwill annually for impairment or more frequently if there are indications that goodwill might be impaired. During the year, the acquired goodwill in respect of Antisoma, Inc. was tested for impairment in accordance with IAS 36. This test resulted in no impairment of the goodwill. In order to test the impairment of the goodwill in respect of Antisoma, Inc. a discounted cash flow model was created for AS1411, the product acquired with Antisoma, Inc. A number of significant assumptions have to be made when preparing cash flow projections. The discounted cash flow looks at all future cash outflows for AS1411 such as clinical trial costs and marketing and sales costs, and also looks at cash inflows from milestone payments and royalties (based on estimated penetration levels and estimated price in each target market and market growth rates of 1%). Cash flows are considered over the period to 2024. If actual cash flows should differ, or changes in expectations arise, impairment charges may be required which would materially impact on operating results. These cash flows are then probability weighted based on the stage of development of AS1411 using standard industry probability factors. All the cash flows are then discounted using the Group's pre-tax weighted average cost of capital of 14% as applied to development products. If the total net present value is in excess of the intangible book value of AS1411 (see Note 11) plus the goodwill then no impairment is made to the goodwill. This test resulted in no impairment of the goodwill.

No reasonably likely change in a key assumption would have given rise to an impairment of goodwill.

Company

The Company has no goodwill.

11. Intangible assets

Group

	Licences and product rights £'000	Aptamera Intellectual Property £'000	Xanthus Intellectual Property £'000	Total £'000
Cost				
At 1 July 2006	3,207	17,289	–	20,496
Additions	1,839	–	–	1,839
Revaluation due to changes in foreign exchange rates	–	(1,638)	–	(1,638)
At 30 June 2007	5,046	15,651	–	20,697
Additions	1,605	–	–	1,605
Acquisitions	–	–	26,781	26,781
Revaluation due to changes in foreign exchange rates	–	101	(403)	(302)
At 30 June 2008	6,651	15,752	26,378	48,781
Amortisation				
Aggregate amortisation and impairment at 1 July 2006	1,488	–	–	1,488
Impairment charge for the year	144	–	–	144
At 30 June 2007	1,632	–	–	1,632
Impairment charge for the year	–	–	–	–
At 30 June 2008	1,632	–	–	1,632
Net book amount at 30 June 2008	**5,019**	**15,752**	**26,378**	**47,149**
Net book amount at 30 June 2007	3,414	15,651	–	19,065

The Group tests intangible assets that have not yet been brought into use annually for impairment, or more frequently if there are indications that intangible assets might be impaired.

The intangible assets have not been amortised as the products are not sufficiently close to market to be considered to have been brought into use and therefore subject to amortisation under IAS 38.

In carrying out impairment reviews of intangible assets, a number of significant assumptions have to be made when preparing cash flow projections. These include the likelihood of success of clinical trials, the likelihood of regulatory approval, the milestone payments received, future rates of market growth estimated at 1%, the market demand for the products, the future profitability of the products, the longevity of the products in the market and cost of capital. Cash flows are considered over the period to 2024. If actual cash flows should differ, or changes in expectations arise, impairment charges may be required which would materially impact on operating results. These cash flows are then probability weighted based on the stage of development of each product using standard industry probability factors. All the cash flows are then discounted using the Group's pre-tax weighted average cost of capital of 14% as applied to development products.

The carrying value of intangible assets is reduced to net realisable value where there is an indication of impairment such as when product candidates are no longer being developed. Such charges are made to administrative costs in the income statement.

No reasonably likely change in a key assumption would have given rise to an impairment of intangible assets.

There has been no amortisation expense in relation to the intangible assets for the year.

11. Intangible assets *continued*

Company

The Company has no intangible fixed assets.

12. Property, plant and equipment

Group

	Office computers, equipment, fixtures and fittings (owned) £'000	Computers, laboratory equipment (leased) £'000	Laboratory computers, equipment, fixtures and fittings (owned) £'000	Total £'000
Cost				
At 1 July 2006	864	161	1,900	2,925
Additions at cost	38	–	150	188
Disposals	(3)	–	(3)	(6)
At 30 June 2007	899	161	2,047	3,107
Additions at cost	1,700	–	269	1,969
Acquisitions	89	–	30	119
Disposals	(277)	–	(712)	(989)
Exchange movement	(19)	–	(6)	(25)
At 30 June 2008	2,392	161	1,628	4,181
Depreciation				
At 1 July 2006	797	161	1,349	2,307
Charge for the year	37	–	284	321
Disposals	(3)	–	(3)	(6)
At 30 June 2007	831	161	1,630	2,622
Charge for the year	93	–	120	213
Disposals	(277)	–	(712)	(989)
Exchange movement	(17)	–	(6)	(23)
At 30 June 2008	630	161	1,032	1,823
Net book amount at 30 June 2008	**1,762**	**–**	**596**	**2,358**
Net book amount at 30 June 2007	68	–	417	485

Those assets which are classified as leased assets are on secondary leases for which a peppercorn rent is paid. All other leases have been reviewed by the Group on the basis of IAS 17 – 'Leases' and are classified as operating leases.

Company

The Company has no tangible fixed assets.

13. Investments

Company

	2008 £'000	2007 £'000
Cost and valuation of interests in Group undertakings		
As at 1 July	**49,945**	49,052
Additions	**23,663**	–
Capital contributions in respect of share-based payments	**1,051**	893
As at 30 June	**74,659**	49,945

The addition relates to the purchase of Xanthus Pharmaceuticals, Inc. (see Note 28).

The share-based payment charges relate to the share options granted in the Company on behalf of employees of Antisoma Research Ltd.

13. Investments *continued*
Interests in Group undertakings

Name of undertaking	Country of incorporation	Description of shares held	% of nominal value of issued shares held	Principal business activity
Antisoma Research Ltd	Great Britain	1p 'A' ordinary and £1 redeemable preference	100	Development and commercialisation of potential therapeutic products for the treatment of cancer
Spring Fall Ltd	Great Britain	1p ordinary	100	Dormant
Cancer Therapeutics Ltd	Great Britain	£1 'A' ordinary and 25p 'B' ordinary	100	Dormant
Antisoma Developments Limited (formerly Xanthus Europe Ltd)	Great Britain	£1 ordinary shares	100	Dormant
Antisoma, Inc.	United States of America	US$0.001	100	Development and commercialisation of potential therapeutic products for the treatment of cancer
Xanthus Pharmaceuticals, Inc.	United States of America	US$0.001	100	Development and commercialisation of potential therapeutic products for the treatment of cancer
Theranostics, Inc.	Canada	CAD$0.01	100	Development and commercialisation of potential therapeutic products for the treatment of cancer
Xanthus Securities, Inc.	United States of America	US$0.01	100	Investing entity established under Massachusetts law

14. Trade and other receivables
Group

	2008 £'000	2007 £'000
Other receivables	**632**	939
Prepayments and accrued income	**1,481**	1,521
	2,113	2,460

Company

	2008 £'000	2007 £'000
Non-current		
Amounts owed by Group undertakings	**128,662**	110,357
Current		
Prepayments and accrued income	**9**	10
	128,671	110,367

There are no fixed repayment terms in respect of the amounts owed by Group undertakings, which represent the funding of ongoing research and development requirements.

The Group considers that the carrying amount of trade and other receivables approximates their fair value.

15. Trade and other payables – current
Group

	2008 £'000	2007 £'000
Trade payables	**3,055**	3,672
Other tax and social security	**271**	383
Accruals	**6,540**	3,437
	9,866	7,492

15. Trade and other payables – current *continued*

Company

	2008 £'000	2007 £'000
Accruals	**225**	111

The Group considers that the carrying amount of trade and other payables approximates their fair value.

16. Deferred tax

Group

	2008 £'000	2007 £'000
Deferred tax payable at 1 July	**(5,523)**	(6,133)
Revaluation due to changes in foreign exchange rates	**(36)**	610
Deferred tax payable at 30 June	**(5,559)**	(5,523)
Deferred tax receivable at 1 July	**750**	–
Movement in deferred tax receivable	**(750)**	750
Deferred tax receivable at 30 June	**–**	750

The deferred tax payable relates to intangible assets recognised on the acquisition of Antisoma, Inc. in 2005. The amount recognised is net of deferred tax receivables on brought forward losses arising in the same tax jurisdiction. The movement in the deferred tax payable relates to the restatement of the dollar value of the Antisoma, Inc. balance sheet.

A deferred tax receivable of £750,000 has been reversed in the year since this is no longer considered recoverable.

Deferred tax receivables and payables are only offset where there is a legally enforceable right of offset and there is an intention to settle the balances net.

From 1 April 2008 the UK Corporation Tax rate reduced from 30% to 28%; therefore a rate of 28% has been applied to this year's deferred tax balances.

No other provisions for deferred tax have been made in other tax jurisdictions as it is probable that no liability will arise in the foreseeable future due to the availability of tax losses. The amount unprovided of the total potential liability/(asset) is as follows:

Group

	2008 £'000	2007 £'000
Tax effect of timing differences		
Excess of capital allowances claimed over depreciation charged	**596**	91
Other short-term timing differences	**(8)**	(11)
Charge for employee share options in excess of amounts vested	**(949)**	(683)
Losses carried forward	**(24,861)**	(17,493)
	(25,222)	(18,096)

Company

No provision for deferred tax has been made as it is probable that no liability will arise in the foreseeable future due to the availability of tax losses that can be Group relieved. No deferred tax assets have been recognised as there is insufficient certainty of future taxable profits.

17. Deferred income

Group

	2008 £'000	2007 £'000
Deferred income <1 year	**5,401**	31,905

The deferred income balance relates to the upfront payment of £38.2 million from Novartis, received in April 2007, and the milestone payment of £12.6 million from Novartis, received in May 2008, which are being recognised on a time-apportioned basis over the period to 31 August 2008 in line with our revenue recognition policy.

Company

The Company has no non-current liabilities.

18. Financial instruments

The financial risks faced by the Group include liquidity risk, interest rate risk, credit risk and currency risk. The Board reviews and agrees policies for managing each of these risks. Where appropriate, the Group uses derivative financial instruments to reduce exposure to foreign exchange risk; it does not use derivative financial instruments for trading purposes.

The Group's main objectives in using financial instruments are the maximisation of returns from funds held on deposit while maintaining credit risk at acceptable levels and, when appropriate, the generation of additional cash resources through financing arrangements for capital assets and the issue of shares. The Group also considers whether to use forward contracts in order to manage the cash flow risk associated with foreign currency revenues and purchases.

Liquidity risk

The Group's policy is to raise cash in advance of when it is required and when market conditions are appropriate, using those financial instruments that can be negotiated with the providers of finance at that time. It is also to ensure that sufficient cash balances should be held as cash and cash equivalents to meet liabilities as they fall due.

Interest rate risk

The Group receives interest from cash on deposit and the level of this interest is dependent upon prevailing interest rates. The Group seeks to maximise the receipt of interest subject to acceptable levels of credit risk.

Credit risk

The Group places funds on deposit only with financial institutions who have a high credit rating and does not place a disproportionate amount of funds with any single financial institution.

Generally, the maximum credit risk exposure of financial assets is the carrying amount of the financial assets as shown on the face of the balance sheet (or in the detailed analysis provided in the notes to the financial statements). Credit risk, therefore, is only disclosed in circumstances where the maximum potential loss differs significantly from the financial asset's carrying amount.

Currency risk

The Group's results and liquidity are affected by fluctuations in foreign currency exchange rates, principally in respect to the US dollar. A substantial part of its expense activities and capital expenditures are in both GB Pound and US dollars, whereas its revenue (current and potential) from licensing agreements is, and is expected to be, primarily in US dollars.

Additionally, the Group has historically maintained a balance of US dollar deposits in order to meet certain anticipated expenditure in US dollars. The Group has purchased and sold US dollars at spot and forward rates to maintain this balance as appropriate. As a result of the above, any significant movements in the exchange rate between GB Pound and US dollar may have a material effect on the Group's future reported results of operations, financial position and cash flows.

The Board monitors the Group's exposure to foreign currencies and approves forward contracts as the Board considers appropriate. The Group currently holds US dollar-denominated monetary assets to hedge currency risk on its future operating requirements. Balances held at 30 June 2008 are set out in the table below. The Group purchased additional US dollar monetary assets after the balance sheet date to hedge certain exposures arising out of the acquisition of Xanthus. The Group will seek to maintain a balance of US dollar monetary assets representing between one and two years of anticipated US dollar expenditure. The Group believes that, upon commercialisation of its product candidates, it will begin to receive increased revenues in currencies other than the US dollar.

The Group has not sought to hedge its net investment in overseas operations.

Numerical financial instruments are set out below. Additional disclosures are set out in the accounting policies relating to financial instruments and foreign currencies.

In accordance with IAS 39 – 'Financial instruments: Recognition and measurement', the Group has reviewed all contracts for embedded derivatives that are required to be separately accounted for if they do not meet certain requirements set out in the standard.

Capital risk management

The capital structure of the Group consists of cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves and profit and loss account as disclosed in Note 27. The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns and to ensure the Group has sufficient capital available to meet future funding requirements. Details of funding requirements are explained in the Liquidity and capital resources section of the Financial review on page 11.

The Group is not subject to any externally imposed capital requirements.

18. Financial instruments *continued*

Interest rate risk profile of the Group's financial liabilities

No interest is payable on the Group's provision for National Insurance on share options.

The Group has no liabilities that are exposed to interest rate risk.

The maturity profile of the Group's financial liabilities is shown in Notes 15 and 19.

Interest rate risk profile of the Group's financial assets

	Cash and cash equivalents 2008 £'000	**Short-term deposits 2008 £'000**	Cash and cash equivalents 2007 £'000	Short-term deposits 2007 £'000
GB Pound	**24,330**	**33,000**	14,393	10,000
US dollars	**9,531**	**–**	37,021	–
	33,861	**33,000**	51,414	10,000
Fixed rate < 1 year	**27,031**	**33,000**	46,838	10,000
Floating rate < 1 year	**6,830**	**–**	4,576	–
	33,861	**33,000**	51,414	10,000

The fixed rate short-term deposits in GB Pound and US dollars were placed with banks for between three months and six months and earned interest of between 2.51% and 6.5% in the year ended 30 June 2008. Floating rate cash earns interest based on relevant national LIBID equivalents.

The table below shows the impact on post-tax profit/(loss) if interest rates on cash and cash equivalents and short-term deposits had been 1% higher/lower with all other variables held constant.

	Cash and cash equivalents 2008 £'000	**Short-term deposits 2008 £'000**	Cash and cash equivalents 2007 £'000	Short-term deposits 2007 £'000
Increase/decrease on post-tax profit/(loss):				
GB Pound	**31**	**183**	68	63
US dollars	**70**	**180**	20	–
Total	**101**	**363**	88	63

Interest rate movements on trade payables and other receivables do not present a material exposure to the Group's balance sheet.

Currency risk profile

The functional currency of the Group's major trading subsidiary is the GB Pound, and the majority of its transactions are denominated in that currency. At 30 June 2008, the Group had net foreign currency assets of £13,408,000 (2007: £36,830,000) in US dollars and liabilities of £132,000 (2007: £nil) in Euros and liabilities of £53,000 (2007: £46,000) in other currencies.

At 30 June 2008, if the GB Pound had weakened/strengthened by 5% against the US dollar with all other variables held constant, post tax profit for the year would have been £777,000 higher and £568,000 lower, respectively (2007: £1,938,000 higher and £1,754,000 lower). 5% represents management's assessment of a reasonably possible change in foreign exchange rates. The sensitivity analysis in the table above includes only outstanding foreign currency denominated items and adjusts their translation at the period end for a 5% change in foreign currency rates. The sensitivity analysis includes translation of US dollar-denominated cash and cash equivalents, short-term deposits, other receivables and trade and other payables. Profit is more sensitive to exchange rates in the year ended 30 June 2007 than in the year ended 30 June 2008 due to the high level of cash held in US dollars at the 30 June 2007 year-end. Movements in other currencies are considered immaterial.

Borrowing facilities

The Group had no unused borrowing facilities at 30 June 2008 or 30 June 2007.

Fair values

Where market values are not available, fair values of financial assets and liabilities have been calculated by discounting expected future cash flows at prevailing interest rates and by applying year-end exchange rates.

In the opinion of the Group there is no material difference between the fair value of cash and short-term investments and the carrying values referred to above. Carrying values approximate to fair values because of the short maturity period of these financial instruments.

19. Provisions

Group

	Employer's NI on share options gains £'000	Restructuring £'000	Total £'000
At 1 July 2006	40	–	40
Charged to the income statement	469	–	469
At 30 June 2007	509	–	509
(Credited)/charged to the income statement	(275)	476	201
At 30 June 2008	**234**	**476**	**710**

Provisions have been analysed between current and non-current as follows:

	2008 £'000	2007 £'000
Current liabilities	**629**	341
Non-current liabilities	**81**	168
	710	509

Employer's NI on share option gains

National Insurance payable on the exercise of share-based payments is treated as a cash-settled share-based payment under IFRS 2 and the Group makes charges to the income statement based on an estimate of the National Insurance liability in respect of the outstanding awards at each period end. The prior year provision has not been utilised. The timing of the outflow will be dependent on the exercise of share options, which is in turn dependent on their vesting period and share price.

The above provision is offset by an amount of £162,000 (2007: £360,000) receivable from employees as reimbursement of employer's National Insurance arising on share options issued on or after 6 April 1999 with a net refund to the profit and loss account of £77,000 (2007: charge of £149,000).

Restructuring

The restructuring provision relates to costs in respect of the closure of the Montreal office (see Note 6). The associated cash outflows for the restructuring cost are short term in nature.

Company

The Company has no provisions for liabilities and charges.

20. Share capital

Group and Company

	2008 £'000	2007 £'000
Authorised		
835,500,000 (2007: 626,463,100) ordinary shares of 1p each	**8,355**	6,265
5,000,000 (2007: 5,000,000) preference shares of £1 each	**5,000**	5,000
	13,355	11,265

	2008 £'000	2007 £'000
Issued, allotted, called-up and fully paid		
613,528,966 (2007: 446,315,606) ordinary shares of 1p each	**6,135**	4,463
4,331,683 (2007: 4,331,683) preference shares of £1 each	**4,332**	4,332
	10,467	8,795

On 17 November 2006, the Company increased its authorised share capital by 27,100,000 ordinary shares of 1p to £10,197,631.

On 25 May 2007, the Company increased its authorised share capital by 106,700,000 ordinary shares of 1p to £11,264,631.

On 16 May 2008, the Company increased its authorised share capital by 102,336,900 ordinary shares of 1p to £13,355,000.

20. Share capital *continued*

On 11 July 2006, the Company issued 57,498 new ordinary shares of 1p each in lieu of fees payable to Non-Executive Directors at a price of 16.25p per share being the mid-market closing price on the last trading day of the quarter (30 June 2006).

On 2 October 2006, the Company issued 41,527 new ordinary shares of 1p each in lieu of fees payable to Non-Executive Directors at a price of 22.5p per share being the mid-market closing price on the last trading day of the quarter (29 September 2006).

On 15 December 2006, the Company issued 73,970,000 new ordinary shares of 1p each in a private placing at a price of 35.5p per share; this represents a discount of 9.0% to the closing mid-market price of 39p per ordinary share on 14 December 2006, being the last Business Day before the announcement of the Placing.

On 3 January 2007, the Company issued 24,190 new ordinary shares of 1p each in lieu of fees payable to Non-Executive Directors at a price of 38.625p per share being the mid-market closing price on the last trading day of the quarter (29 December 2006).

On 2 April 2007, the Company issued 11,494 new ordinary shares of 1p each in lieu of fees payable to Non-Executive Directors at a price of 49.75p per share being the mid-market closing price on the last trading day of the quarter (30 March 2007).

Between 25 October 2006 and 1 May 2007 the Company issued 1,092,983 new ordinary 1p shares on exercise of employee share options at an exercise price of 12.34p per share and the cash received was £134,874. Between 23 April 2006 and 4 May 2007 the Company issued 244,020 new ordinary 1p shares on exercise of employee share options at an exercise price of 20.70p per share and the cash received was £50,512. Between 23 April 2006 and 2 May 2007 the Company issued 52,598 new ordinary 1p shares on exercise of employee share options at an exercise price of 26.34p per share and the cash received was £13,854. On 1 May 2007 the Company issued 32,416 new ordinary 1p shares on exercise of employee share options at an exercise price of 32.40p per share and the cash received was £10,503. The taxation benefit of these options has increased the carried forward losses; see Note 16.

On 3 July 2007, the Company issued 18,571 new ordinary shares of 1p each in lieu of fees payable to Non-Executive Directors at a price of 43.75p per share being the mid-market closing price on the last trading day of the quarter (29 June 2007).

On 1 October 2007, the Company issued 20,967 new ordinary shares of 1p each in lieu of fees payable to Non-Executive Directors at a price of 38.75p per share being the mid-market closing price on the last trading day of the quarter (28 September 2007).

On 2 January 2008, the Company issued 34,010 new ordinary shares of 1p each in lieu of fees payable to Non-Executive Directors at a price of 24.625p per share being the mid-market closing price on the last trading day of the quarter (31 December 2007).

On 9 April 2008, the Company issued 36,412 new ordinary shares of 1p each in lieu of fees payable to Non-Executive Directors at a price of 23.00p per share being the mid-market closing price on the last trading day of the quarter (31 March 2008).

Between 25 September 2007 and 31 March 2008 the Company issued 294,773 new ordinary 1p shares on exercise of employee share options at an exercise price of 14.00p per share and the cash received was £41,268. The taxation benefit of these options has increased the carried forward losses; see Note 16.

On 11 June 2008, the Company issued 28,469,197 new ordinary shares of 1p each in a subscription by existing investors in Xanthus at a price of 26p per share; this represents a discount of 5.5% to the closing mid-market price of 27.5p on 15 May 2008 being the last closing business day prior to the announcement.

On 11 June 2008, the Company issued 51,923,077 new ordinary shares of 1p each in a private placing at a price of 26p per share; this represents a discount of 5.5% to the closing mid-market price of 27.5p on 15 May 2008 being the last closing business day prior to the announcement.

On 11 June 2008, the Company issued 86,416,353 new ordinary shares of 1p each in consideration for the acquisition of Xanthus Pharmaceuticals, Inc. at a price of 23.75p per share based on the closing share price on 10 June 2008 (see Note 28).

The zero coupon convertible redeemable preference shares of £1 each have the following principal terms attached:

- No rights to receive dividends or other distributions out of the profits of the Company.
- On winding up, the preference shareholders rank above ordinary shareholders in payment of a sum equal to the nominal capital paid up but have no rights to participate further in the assets of the Company.
- No rights to receive notice of or attend or vote at any general meeting of shareholders.
- Convertible into converted ordinary shares at any point in the two years commencing 1 July 2003, based on a formula dividing the aggregate nominal amount of preference shares held by the average share price of ordinary shares for 10 days before and after the conversion notice is served.
- Redeemable at the option of the Company at any time at par.
- No conversion or redemption has occurred.

21. Potential issues of ordinary shares

The Group issues CSOP options, Performance Awards and Matching Awards, as set out in the Report of the Board on remuneration and the tables below, to eligible employees following the issue of interim and preliminary year-end financial statements. Permanent employees are eligible to receive these awards at the discretion of the Remuneration Committee.

CSOP options were granted during the year to certain employees other than Executive Directors. The CSOP options granted in September 2007 and February 2008 may be exercised if the share price exceeds the exercise price by 33% for 30 consecutive days in the six months prior to the third anniversary of the date of grant; no retesting of the performance condition is allowed. The exercise price for CSOP options is the average mid-market closing price for the 3 days prior to the date of grant.

Performance Awards were granted in September 2007 and February 2008 to all eligible employees including the Executive Directors and senior managers. The performance conditions attaching to these awards are set out below.

All awards are granted for nil consideration and subject to individual annual limits. The total number of shares granted under the various Group incentive plans, excluding those granted on or before 16 December 1998 and lapsed and surrendered options, may not exceed 10% of the issued share capital in any 10-year period (61,353,000 1p ordinary shares as at 30 June 2008; 44,632,000 1p ordinary shares as at 30 June 2007).

CSOPs

Date of grant	Exercise price pence	Period when exercisable	Average remaining contractual life (years) 30.06.08	**Number of shares 2008**	Number of shares 2007
16.12.98	74.00	1998–2008	0.5	**832,012**	832,012
16.12.98	32.40	1999–2008	0.5	**10,804**	10,804
09.07.99	42.60	2002–2009	1.0	**648,321**	648,321
16.12.99	104.10	2002–2009	1.5	**43,220**	43,220
18.02.00	104.60	2003–2010	1.6	**87,627**	87,627
09.06.00	100.90	2003–2010	1.9	**376,149**	378,069
19.09.00	142.50	2003–2010	2.2	**102,770**	104,215
13.02.01	211.90	2004–2011	2.6	**78,535**	79,507
17.09.01	37.50	2004–2011	3.2	**598,573**	602,738
16.04.02	20.70	2005–2012	3.8	**1,652,864**	1,652,864
23.09.02	12.34	2005–2012	4.2	**2,178,061**	2,178,061
20.02.03	26.34	2006–2013	4.6	**929,964**	929,964
28.02.03	26.34	2006–2013	4.7	**12,949**	12,949
01.10.03	38.17	2006–2013	5.2	**1,075,296**	1,081,199
16.02.04	43.12	2007–2014	5.6	**1,263,518**	1,584,031
23.02.04	44.84	2007–2014	5.6	**752,676**	752,676
24.03.04	39.00	2007–2014	5.7	**–**	165,598
01.04.04	40.50	2007–2014	5.8	**135,802**	135,802
21.09.04	14.00	2007–2014	6.2	**1,323,320**	1,630,496
21.02.05	22.20	2008–2015	6.6	**3,962,543**	3,967,178
20.09.05	22.10	2008–2015	7.2	**511,148**	545,350
24.02.06	22.10	2009–2016	7.7	**240,898**	274,295
20.02.07	45.50	2010–2017	8.6	**340,301**	391,420
15.09.07	31.75	2010–2017	9.2	**791,552**	–
26.02.08	28.50	2011–2018	9.7	**798,790**	–
26.02.08	28.75	2011–2018	9.7	**194,549**	–
				18,942,242	18,088,396

The above options are normally exercisable from the day following the third anniversary of grant, or following a change in control of the Company, and subject to certain conditions relating to share price performance as set out in the Report of the Board on remuneration.

21. Potential issues of ordinary shares *continued*

EIP Performance Awards

Date of grant	Exercise price pence	Period when exercisable	Average remaining contractual life (years)	**Number of shares 2008**	Number of shares 2007
20.09.05	1.00	2008–2011	3.2	**1,591,762**	1,591,762
24.02.06	1.00	2008–2011	3.7	**2,129,793**	2,142,024
07.06.06	1.00	2009–2012	3.9	**489,208**	489,208
19.10.06	1.00	2009–2012	4.3	**3,927,660**	4,040,058
20.02.07	1.00	2010–2013	4.6	**2,077,537**	2,115,324
15.09.07	1.00	2010–2013	5.2	**3,459,198**	–
26.02.08	1.00	2011–2014	5.7	**2,872,941**	–
				16,548,099	10,378,376

EIP Matching Awards

Date of grant	Exercise price pence	Period when exercisable	Average remaining contractual life (years)	**Number of shares 2008**	Number of shares 2007
08.07.05	1.00	2008–2011	3.0	**1,144,638**	1,160,094

A summary of the scheme rules is given in the Report of the Board on remuneration – Longer term incentives.

Options over 294,773 shares were exercised during the year. The weighted average exercise price was 14.00p and the weighted average share price at the time of exercise was 28.8p. No EIP Performance or Matching Awards were exercised during the year. The total cash received from the exercise of share options was £41,000 (2007: £210,000). The tax deductions expected to arise from the exercise of share options totalled £13,000 for the year ended 30 June 2008 (2007: £149,000).

The weighted average exercise prices over the year were as follows:

CSOPs

	2008		2007	
	Number	**Weighted average exercise price (p)**	Number	Weighted average exercise price (p)
Number of options outstanding at 1 July	**18,088,396**	**32.27**	21,668,757	31.22
– granted	**1,840,465**	**29.98**	410,208	45.50
– forfeited	**(691,846)**	**39.09**	(1,815,876)	31.20
– exercised	**(294,773)**	**14.00**	(1,422,017)	14.75
– expired	**–**	**–**	(752,676)	44.84
Outstanding at 30 June	**18,942,242**	**32.08**	18,088,396	32.27
Exercisable at 30 June	**8,186,868**	**26.44**	6,867,713	28.84

EIP Awards

	2008		2007	
	Number	**Weighted average exercise price (p)**	Number	Weighted average exercise price (p)
Number of awards outstanding at 1 July	**11,538,470**	**1.00**	6,006,601	1.00
– granted	**6,447,827**	**1.00**	6,366,655	1.00
– forfeited	**(293,560)**	**1.00**	(834,786)	1.00
Outstanding at 30 June	**17,692,737**	**1.00**	11,538,470	1.00
Exercisable at 30 June	**–**	**–**	–	–

The above EIP Awards table includes Performance and Matching Awards.

22. Share-based payments

The Group operates a number of share-based incentive schemes as detailed in Note 21 above. The fair value per award granted and the assumptions used in the calculations are as follows:

Date of grant	Type of award (see Note 21 for terms)	Number of awards	Exercise price (p)	Share price at grant date (p)	Fair value per award (p)	Expected volatility	Award life	Risk-free rate
20.02.03	CSOP	1,612,994	26.340	25.40	18.92	111%	4.25	3.8%
28.02.03	CSOP	81,083	26.340	24.41	17.58	106%	4.25	3.8%
01.10.03	CSOP	1,682,104	38.170	36.99	17.72	61%	4.25	4.4%
16.02.04	CSOP	1,917,134	43.125	43.25	18.15	50%	4.25	4.6%
23.02.04	CSOP	752,676	44.840	43.75	18.50	52%	4.25	4.7%
23.02.04	CSOP	752,676	44.840	43.75	16.10	52%	4.25	4.7%
24.03.04	CSOP	192,307	39.000	39.75	16.36	49%	4.25	4.6%
01.04.04	CSOP	135,802	40.500	40.50	15.94	47%	4.25	4.7%
21.09.04	CSOP	2,257,681	14.000	13.50	8.95	93%	4.25	4.8%
21.02.05	CSOP	5,222,536	22.200	22.00	11.75	68%	4.25	4.7%
08.07.05	EIP Matching	1,336,038	1.000	18.50	11.17	44%	3.00	4.2%
20.09.05	CSOP	759,791	22.100	22.25	6.45	35%	4.25	4.3%
20.09.05	EIP Performance	1,890,880	1.000	22.25	14.38	35%	3.00	4.0%
24.02.06	CSOP	421,648	22.100	22.44	5.08	26%	4.25	4.2%
24.02.06	EIP Performance	2,573,171	1.000	22.44	14.50	26%	3.00	4.3%
07.06.06	EIP Performance	489,208	1.000	16.25	9.70	56%	3.00	4.7%
19.10.06	EIP Performance	2,775,395	1.000	26.75	22.18	92%	3.00	5.0%
19.10.06	EIP Performance	1,416,674	1.000	26.75	22.18	92%	3.00	5.0%
20.02.07	CSOP	410,208	45.500	49.75	24.68	62%	3.00	5.3%
20.02.07	EIP Performance	2,174,586	1.000	49.75	38.60	62%	3.00	5.3%
15.09.07	CSOP	821,745	31.750	32.00	13.99	55%	3.00	5.0%
15.09.07	EIP Performance	3,574,886	1.000	32.00	19.3	55%	3.00	5.0%
26.02.08	CSOP	824,171	28.500	28.75	13.36	61%	3.00	4.4%
26.02.08	ISO	194,549	28.750	28.75	13.28	61%	3.00	4.4%
26.02.08	EIP Performance	2,872,941	1.000	28.75	22.17	61%	3.00	4.4%

A description of the key assumptions used in calculating the share-based payments follows:

1. The Monte Carlo valuation methodology was used.
2. Performance conditions have been incorporated into the Monte Carlo model in arriving at the fair value.
3. The expected volatility is based on historical volatility over a period of time prior to grant commensurate with the expected term of each award (or period since flotation if shorter) with more weight being placed on more recent share price movements.
4. Expected dividend yield is nil.
5. The risk free rate is equal to the prevailing UK Gilts rate at grant date, which is commensurate with the expected term.
6. The charge is spread over the expected vesting period on a straight-line basis.
7. In order to calculate the estimated leavers at the year ended 30 June 2005 for the CSOPs and EIP Performance Awards a figure of 15% pro-rata for the unexpired period after 1 January 2005 was used. In the year ended 30 June 2007 CSOPs and EIP Performance Awards that had completed the three-year vesting period, or were within three months of their three-year vesting period, were charged based on the number of awards that could still vest. Given the higher number of leavers than anticipated, the remaining CSOPs and EIP Performance Awards were adjusted to a figure of 20% pro-rated for the unexpired period after 1 January 2005. For the EIP Matching Awards granted in July 2005 the estimated leaver rate was assumed at 30%. This is higher than the CSOPs and EIP Performance Awards as these awards can lapse if a holder leaves employment but also if the holder remains in employment but sells their Invested Shares. In the year ending 30 June 2008 the leaver rate remained at 20% for all CSOPs and Performance Awards and 30% for Matching Awards.

The total charge for the year relating to employee share-based payment plans was £1,051,000 (£625,000 was charged to research and development and £426,000 was charged to administration) (2007: £893,000 (£564,000 was charged to research and development and £329,000 was charged to administration)), all of which related to the above equity-based transactions.

23. Share premium

Group and Company

	2008 £'000	2007 £'000
At 1 July	**100,451**	76,221
Issue of shares	**20,158**	25,748
Expenses of share issues	**(980)**	(1,518)
At 30 June	**119,629**	100,451

24. Shares to be issued

	2008 £'000	2007 £'000
At 30 June	**2,273**	–

Shares to be issued represent deferred consideration shares related to the acquisition of Xanthus Pharmaceuticals, Inc. The number of shares is subject to a reduction for any indemnity claims made by Antisoma or otherwise as provided in the acquisition agreement. The deferred consideration shares are issuable 18 months after the closing date of the transaction.

25. Other reserves

Group

	Other reserve: retranslation £'000	Merger reserve £'000	Total £'000
At 1 July 2006	614	19,595	20,209
Foreign exchange adjustments on consolidation	(1,638)	–	(1,638)
At 30 June 2007	(1,024)	19,595	18,571
At 1 July 2007	(1,024)	19,595	18,571
Movement	–	19,660	19,660
Foreign exchange adjustments on consolidation	(235)	–	(235)
At 30 June 2008	**(1,259)**	**39,255**	**37,996**

Company

	Merger reserve £'000
At 1 July 2006	
At 30 June 2007	**45,234**
Movement	19,660
At 30 June 2008	**64,894**

The retranslation reserve relates to foreign exchange movements on consolidation.

The merger reserve at 1 July 2006 and 30 June 2007 represents the reserves arising on the acquisition of Antisoma Research Limited and the acquisition of Antisoma, Inc. The movement on the merger reserve represents the reserves arising on the acquisition of Xanthus Pharmaceuticals, Inc.

26. Profit and loss account

Group

	2008 £'000	2007 £'000
At 1 July	**(81,538)**	(72,681)
Profit/(loss) for the year	**12,329**	(9,750)
Share options: value of employee services	**1,051**	893
At 30 June	**(68,158)**	(81,538)

Company

	2008 £'000	2007 £'000
At 1 July	**5,721**	4,424
(Loss)/profit for the year	**(930)**	404
Share options: value of employee services	**1,051**	893
At 30 June	**5,842**	5,721

27. Statement of changes in equity

Group

	Share capital £'000	Share premium £'000	Shares to be issued £'000	Other reserve: retranslation £'000	Other reserve: merger £'000	Profit and loss £'000	Total £'000
At 1 July 2006	8,040	76,221	–	614	19,595	(72,681)	31,789
Loss for the year	–	–	–	–	–	(9,750)	(9,750)
New share capital issued	755	25,748	–	–	–	–	26,503
Expenses on share issue taken to share premium	–	(1,518)	–	–	–	–	(1,518)
Share options: value of employee services	–	–	–	–	–	893	893
Foreign exchange adjustments on consolidation	–	–	–	(1,638)	–	–	(1,638)
At 30 June 2007	**8,795**	**100,451**	**–**	**(1,024)**	**19,595**	**(81,538)**	**46,279**
At 1 July 2007	8,795	100,451	–	(1,024)	19,595	(81,538)	46,279
Profit for the year	–	–	–	–	–	12,329	12,329
New share capital issued	1,672	20,158	–	–	19,660	–	41,490
Expenses on share issue taken to share premium	–	(980)	–	–	–	–	(980)
Share capital to be issued	–	–	2,273				2,273
Share options: value of employee services	–	–	–	–	–	1,051	1,051
Foreign exchange adjustments on consolidation	–	–	–	(235)	–	–	(235)
At 30 June 2008	**10,467**	**119,629**	**2,273**	**(1,259)**	**39,255**	**(68,158)**	**102,207**

Company

	Share capital £'000	Share premium £'000	Shares to be issued £'000	Other reserve: retranslation £'000	Other reserve: merger £'000	Profit and loss £'000	Total £'000
At 1 July 2006	8,040	76,221	–	–	45,234	4,424	133,919
Profit for the year	–	–	–	–	–	404	404
New share capital issued	755	25,748	–	–	–	–	26,503
Expenses on share issue taken to share premium	–	(1,518)	–	–	–	–	(1,518)
Share options: value of employee services	–	–	–	–	–	893	893
At 30 June 2007	**8,795**	**100,451**	**–**	**–**	**45,234**	**5,721**	**160,201**
At 1 July 2007	8,795	100,451	–	–	45,234	5,721	160,201
Loss for the year	–	–	–	–	–	(930)	(930)
New share capital issued	1,672	20,158	–	–	19,660	–	41,490
Expenses on share issue taken to share premium	–	(980)	–	–	–	–	(980)
Shares to be issued	–	–	2,273	–	–	–	2,273
Share options: value of employee services	–	–	–	–	–	1,051	1,051
At 30 June 2008	**10,467**	**119,629**	**2,273**	**–**	**64,894**	**5,842**	**203,105**

28. Acquisitions

On 11 June 2008, the Group acquired the entire share capital of Xanthus Pharmaceuticals, Inc. by the issue of 86,416,353 shares of 1p each with a fair market value of 23.75p based on the closing share price on 10 June 2008, and 9,568,951 deferred consideration shares of 1p each with a fair market value of 23.75p based on the closing share price on 10 June 2008. The deferred consideration shares are issuable 18 months after the closing date of the transaction and are subject to deductions based on claims for indemnity by Antisoma plc or as otherwise allowed under the terms of the acquisition agreement.

Details of the book and fair values of the assets and liabilities of Xanthus Pharmaceuticals, Inc., as at 11 June 2008 are set out below:

	Book value £'000	Adjustments £'000	Provisional fair value £'000
Fixed assets			
– Intangible assets	–	26,781	26,781
– Property, plant and equipment	142	(23)	119
Trade and other receivables	791	–	791
Cash and cash equivalents	629	–	629
Trade and other payables	(4,657)	–	(4,657)
Net assets acquired	**(3,095)**	**26,758**	**23,663**
Shares issued			20,524
Shares to be issued			2,273
Expenses of acquisition			866
Total consideration			**23,663**

Analysis of the net cash outflow in respect of acquisitions

	Total £'000
Expenses on acquisition	(866)
Cash acquired	629
Net cash outflow in respect of acquisitions	(237)

Xanthus Pharmaceuticals, Inc. is involved in the development and commercialisation of potential therapeutic products for the treatment of cancer.

The fair value adjustments contain provisional amounts, which are subject to finalisation within twelve months of the date of the acquisition.

The Company contributed £nil to revenue and a loss of £767,000 for the period. If the acquisition had occurred at the start of the period, the additional revenue and loss for the year would have been £nil and £14,081,000, respectively.

29. Capital commitments

The Group and Company had no capital expenditure contracted for but not provided in the financial statements at 30 June 2008 (2007: £nil).

30. Financial commitments and contingencies

At 30 June 2008 the Group and Company had total commitments under non-cancellable operating leases as follows:

Group

	Land and buildings 2008 £'000	**Other 2008 £'000**	Land and buildings 2007 £'000	Other 2007 £'000
Commitments under non-cancellable operating leases expiring:				
Within one year	**1,431**	**12**	480	8
Between one and two years	**1,077**	**9**	413	6
Between two and three years	**964**	**7**	262	–
Between three and four years	**868**	**1**	131	–
Between four and five years	**407**	**–**	–	–
After five years	**–**	**–**	–	–
	4,747	**29**	1,286	14

The Group leases offices and laboratories under non-cancellable operating lease agreements. The leases have various terms, escalation clauses and renewal rights. The Group also leases video conferencing equipment and copier/fax machines under non-cancellable operating lease agreements.

30. Financial commitments and contingencies *continued*

Company

	Land and buildings 2008 £'000	Land and buildings 2007 £'000
Commitments under non-cancellable operating leases expiring:		
Within one year	**658**	262
Between one and two years	**658**	262
Between two and three years	**658**	262
Between three and four years	**658**	131
Between four and five years	**407**	–
After five years	**–**	–
	3,039	917

31. Related party disclosures

During the two years ended 30 June 2008 the Directors of the Company subscribed for new ordinary shares of 1p each as follows:

Director	Number of shares subscribed	Price per share (p)	Date
Grahame Cook	22,307	16.250	11.07.06
Michael Pappas	17,307	16.250	11.07.06
Dale Boden	17,884	16.250	11.07.06
Grahame Cook	16,111	22.500	02.10.06
Michael Pappas	12,500	22.500	02.10.06
Dale Boden	12,916	22.500	02.10.06
Grahame Cook	9,385	38.625	03.01.07
Michael Pappas	7,281	38.625	03.01.07
Dale Boden	7,524	38.625	03.01.07
Michael Pappas	5,653	49.750	04.04.07
Dale Boden	5,841	49.750	04.04.07
Michael Pappas	8,571	43.750	04.07.07
Dale Boden	10,000	43.750	04.07.07
Michael Pappas	9,677	38.750	01.10.07
Dale Boden	11,290	38.750	01.10.07
Glyn Edwards	150,038	23.610	20.11.07
Michael Pappas	15,228	24.625	02.01.08
Dale Boden	18,782	24.625	02.01.08
Michael Pappas	16,304	23.000	09.04.08
Dale Boden	20,108	23.000	09.04.08
Barry Price	100,000	22.250	06.06.08
Glyn Edwards	470,000	21.250	06.06.08
Michael Pappas	100,000	21.750	09.06.08

Subsequent share purchases

The Directors of the Company purchased new ordinary shares of 1p each, having elected to take a part of their fees in newly issued shares of the Company, as follows:

Director	Number of shares subscribed	Price per share (p)	Date
Michael Pappas	16,304	23.000	07.07.08
Dale Boden	20,108	23.000	07.07.08

31. Related party disclosures *continued*

Transactions with Kudos Independent Financial Services Limited

Kudos Independent Financial Services Limited ('KIFS') is a related party because Michael Pappas is a Director of the Company and of KIFS. KIFS advises the Company in relation to pensions, permanent health insurance and life assurance and derives its income by way of commission from the suppliers of these products. No income is derived directly from the Company.

Transactions with Leventis Holding SA

Leventis Holding SA ('LH') is a related party as it was a substantial shareholder in Antisoma plc during the year under review. Michael Pappas is the representative of LH on the Board of Antisoma plc.

Antisoma Research Limited has leasehold premises at West Africa House, Ealing, UK. These offices are sub-leased from Leventis Overseas Limited (a subsidiary of LH). Rent has been charged on the space sub-leased by Antisoma Research Limited at the rate of £201,000 (2007: £201,000) per annum, with an additional annual service charge of £14,000 (2007: £14,000). The amount outstanding at the year-end was £nil (2007: £74,000). Six months notice of termination of the lease was given by Antisoma in February 2008.

Company

Under IFRS transactions between the Company and the rest of the Group must be disclosed. The Company entered into the following transactions during the year with the rest of the Group:

	2008 £'000	2007 £'000
Inter-company receivable		
At 1 July	**110,357**	84,913
Additional amounts advanced	**18,305**	25,444
At 30 June	**128,662**	110,357

The Company has issued share options to employees of subsidiary undertakings and in accordance with IFRS 2 has made a charge in the year of £1,051,000 (2007: £893,000).

The Company provides financing to its operating subsidiaries. Details of intercompany loans can be found in Note 14.

Key Management compensation is disclosed in Note 4. The Company's transactions with Directors are described on page 55.

The Directors consider that there is no ultimate controlling party of the Company.

32. Post-employment benefits

The Group operates a defined-contribution Group personal pension scheme for employees and Executive Directors of Antisoma Research Ltd. The total pension cost for the Group was £434,000 (2007: £342,000). The outstanding pension contributions at 30 June 2008 were £29,000 (2007: £40,000). The Group also contributes to the 410k plans of its employees in Northern America and contributed a total of $29,000 in the period from 11 June to 30 June 2008.

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Notes

Notes

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