Antisoma plc

Interim Report for the six months to 31 December 2008

Antisoma's mission is to develop and commercialise novel drugs for the treatment of cancer.

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First product approval from FDA

- Oral fludarabine approved for chronic lymphocytic leukaemia

Pivotal phase III programmes advanced

- Phase III trial of ASA404 in first-line lung cancer ongoing
- Phase III trial of ASA404 in second-line lung cancer initiated
- Phase III trial of AS1413 in leukaemia expanded

Strong partnership with Novartis on ASA404

- Lung cancer programme extended to second-line setting
- Clinical development to expand into breast cancer

Supportive phase II data on key programmes

- Long-term follow-up data from ASA404 and AS1413 trials
- Positive interim data on AS1411 in acute myeloid leukaemia

New phase II trials initiated

- AS1411 in renal cancer, AS1402 in breast cancer

Financial highlights

- Six month revenues of £5.5 million (H1 2007: £16.5 million)
- Loss after tax of £5.0 million (H1 2007: profit after tax of £6.2 million)
- Cash resources at 31 December 2008 of £52.7 million (31 December 2007: £50.4 million)

"We have made substantial progress during this period, with our first product approval from the FDA and gathering momentum on our two key phase III development programmes, as well as very interesting initial findings from our phase II trial of AS1411 in leukaemia. We look forward to further developments in the first half of this year, notably a commercialisation deal for our approved product oral fludarabine and the final data from the AS1411 trial."

Glyn Edwards
Chief Executive Officer

Chairman's report

Overview

During the past six months we have received our first product approval from the US Food and Drug Administration (FDA), seen significant advances in our two phase III programmes and reported new supportive data from several phase II trials. With cash resources of around £53 million available as of 31 December 2008, we are well placed to realise the potential of our pipeline.

Antisoma's first product approval – oral fludarabine

Antisoma owns the US rights to oral fludarabine, the tablet formulation of a drug widely used to treat chronic lymphocytic leukaemia (CLL). In December the FDA approved oral fludarabine for marketing in the US, providing Antisoma with its first product approval.

We see oral fludarabine as an attractive sales opportunity because it avoids the need for intravenous infusions, which until now have been the only way in which US patients could receive fludarabine. In European countries where oral fludarabine has been introduced, it has captured a significant fraction of the total fludarabine market.

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. FDA approval of the drug has put us in a very good negotiating position. We have been in talks with a number of companies, and expect to conclude a divestment or partnering deal by the end of June.

A deal on oral fludarabine could extend our cash resources significantly. We expect that this will enable the Company to be funded through to mid-2011, comfortably beyond the expected timing of key phase III data on ASA404 and AS1413.

Two phase III drugs now in three pivotal studies

ASA404 programme advances, widens

Our Tumour-Vascular Disrupting Agent, ASA404, is making good progress in the capable hands of our partner, Novartis. A 1200-patient phase III trial (ATTRACT-1) is testing the drug as a first-line treatment for non-small cell lung cancer. This is the setting in which we observed a five-month improvement in median survival in a randomised phase II trial. Should the phase III trial produce positive data, we expect applications for marketing licences to be submitted in 2011.

Novartis has now also started a second, 900-patient phase III trial (ATTRACT-2), testing ASA404 in patients who have already received one round of treatment for non-small cell lung cancer. This trial is designed to support applications to market ASA404 as a second-line treatment. We are very pleased that Novartis has decided to evaluate ASA404 in both the first-line and second-line settings, as this will ensure that a broad spectrum of lung cancer patients could be eligible for treatment with the drug.

During the period, the results of the key phase II trial supporting phase III development in lung cancer were published in the *British Journal of Cancer*. We also announced further encouraging findings from a phase II trial in prostate cancer.

In February, we announced that Novartis had decided on priorities for the further development of ASA404. After lung cancer, the next priority will be HER2-negative metastatic breast cancer. The decision to expand the development programme to include breast as well as lung cancer underlines the broad potential of ASA404.

In addition to the $100 million that we have already received from Novartis, we can earn substantial further milestone payments based on progress of ASA404 in development and achievement of sales targets. We will also earn royalties on all sales of the drug worldwide, and have a strategically important option to co-commercialise ASA404 in the US.

AS1413 pivotal study expanded

AS1413 is being tested in a pivotal phase III trial (ACCEDE) under a Special Protocol Assessment (SPA) agreed with the US Food and Drug Administration (FDA). The trial is being conducted in patients with secondary acute myeloid leukaemia

(secondary AML). This form of leukaemia follows previous bone marrow disease or treatment for other cancers, and has a poor prognosis and poor responsiveness to currently available treatments.

During the period, we agreed with the FDA an enlargement of the phase III trial, such that it will now enrol around 450 patients. Numbers of hospitals included in the study and its geographical reach are also being increased. The study is expected to report data in late 2010 or early 2011.

At the American Society for Haematology (ASH) meeting in December, we reported positive long-term follow-up data from a phase II trial of secondary AML patients treated with AS1413 plus cytarabine. Some 40% of patients who achieved complete remissions were still in remission 18 months after treatment. The ACCEDE trial is evaluating the same regimen of AS1413 plus cytarabine, comparing it with standard treatment of daunroubicin plus cytarabine.

We retain all rights to AS1413, and intend to take it to market ourselves in the US while seeking partnerships for other territories. If ASA404 is successful, we will have sales infrastructure provided by Novartis that could be used to sell AS1413 in the US.

Promise in pipeline

AS1411 phase II data cascade begins

A second presentation at the ASH meeting covered positive interim findings from a 60-patient randomised phase II trial of our aptamer drug AS1411. This was conducted in patients with relapsed and refractory AML, another group of AML patients with a poor prognosis and few treatment options. The study has two stages, evaluating two different doses of AS1411 in combination with standard chemotherapy and comparing each of these regimes with chemotherapy alone. Initial data showed that adding the lower dose of AS1411 to chemotherapy produced some complete responses, whereas there were no such responses with chemotherapy alone.

We now await data from the second part of the phase II study, which compares patients receiving a higher dose of AS1411 plus chemotherapy with additional control patients on chemotherapy alone. Final data are expected during the first half of 2009. If these are positive, the drug could progress into phase III trials.

AS1411 has also entered a 30-patient single-arm phase II trial in kidney cancer (renal cell carcinoma). This trial tests AS1411 as a monotherapy treatment in patients who have progressed after initial therapy for their cancer. The first findings are expected in the second half of 2009.

AS1402 enters phase II

Our antibody drug AS1402 has entered a 110-patient phase II trial in women receiving first-line treatment for advanced breast cancer. Patients are being randomised to receive either AS1402 plus the hormone therapy letrozole or letrozole alone. Results are expected during 2010.

Operation preparing for commercialisation

In line with our plan to become a company that markets as well as developing cancer drugs, we have made two appointments of individuals with significant commercial experience. Eric Dodd joined in November as Chief Financial Officer, following a career in technology businesses, and Michael Lewis, a senior commercial executive at the medical device company Gambro, has joined our Board as a Non-Executive Director. The Board wishes to thank Raymond Spencer, former Chief Financial Officer who left Antisoma in December 2008, for his contribution to the development of the Company.

Financial review

Overview

We have a solid financial position that reflects the careful use of the substantial cash resources we have built up, notably from milestone payments made by Novartis, our development and commercialisation partner for ASA404. Novartis is funding all development work on ASA404 while we are investing in our other pipeline products, particularly AS1413, which is in a pivotal phase III trial, and AS1411 and AS1402, which are both in phase II development.

Results of operations

Revenues in the period were £5.5 million, of which £5.4 million represents recognition of the final parts of two payments from Novartis for ASA404: the upfront payment of $75 million and a milestone payment of $25 million paid on the start of the first phase III trial in lung cancer. Recognition of these revenues was completed in July 2008. The remaining £0.1 million represents reimbursement by Novartis of costs incurred on ASA404.

"Our financial results show that we are well placed to continue investment in our drug pipeline, with current cash resources sufficient to take our key programmes through mid-2010. With the divestment or partnering of oral fludarabine, we expect to extend this to mid-2011."

Eric Dodd
Chief Financial Officer

Total operating expenses for the six months ended 31 December 2008 were £20.0 million (2007: £13.9 million). The increase in expenses reflects the expansion of the business through the acquisition of Xanthus Pharmaceuticals, Inc. in June 2008 and the resulting increase in expenditure associated with a broader and more mature drug pipeline.

During the period we have made exchange gains of £6.7 million on translation of our US Dollar and Euro balances into Sterling. We also made a gain of £1.1 million on our working capital. We recognised a further £13.7 million exchange gain on our Dollar-denominated intangible assets.

Our loss of £5.0 million reflects the difference between our revenues, finance income and tax credit and our operating expenses, as we continue to invest in our cancer drug pipeline.

Liquidity and capital resources

Cash, cash equivalents and short-term deposits amounted to £52.7 million as at 31 December 2008 (30 June 2008: £66.9 million; 31 December 2007: £50.4 million). Net cash used in operating activities for the six months ended 31 December 2008 was £19.2 million (six months ended 31 December 2007: £10.7 million).

In managing our cash resources, we have taken account of the changing environment with respect to deposit risks, and have maintained a conservative treasury policy with short deposit terms and diversified counterparty risk.

Taxation

We have recognised a credit of £1.5 million in respect of an R&D tax credit receivable for the first six months of the financial year.

(Loss)/profit per share

The basic loss per share for the half-year ended 31 December 2008 was (0.8)p. The profit per share for the half-year ended 31 December 2007 was 1.4p.

Outlook

After a very productive 2008, we look forward to further important developments during 2009. During the first half of the year, we expect to conclude a divestment or partnering deal for oral fludarabine, further enhancing our already significant cash resources. We also expect the final data from our phase II study of AS1411 in leukaemia, an important milestone that could lead to progress of this drug into phase III testing. Looking further ahead, we have two ongoing phase III programmes that provide us with a clear opportunity to transition into a company that not only develops novel cancer drugs but also participates in their commercialisation.

Barry Price
Chairman
13 February 2009

Consolidated income statement
for the six months ended 31 December 2008

	Notes	6 months ended 31.12.08 unaudited £'000	6 months ended 31.12.07[1] unaudited £'000	Year ended 30.6.08[1] audited £'000
Revenue		**5,514**	16,526	39,527
Research and development expenditure		**(16,775)**	(10,444)	(22,249)
Administrative expenses		**(3,208)**	(3,464)	(6,480)
Total operating expenses		**(19,983)**	(13,908)	(28,729)
Operating (loss)/profit		**(14,469)**	2,618	10,798
Finance income	3	**8,011**	1,502	2,578
(Loss)/profit before taxation		**(6,458)**	4,120	13,376
Taxation		**1,493**	2,050	(1,047)
(Loss)/profit for the period	6	**(4,965)**	6,170	12,329
(Loss)/profit per ordinary share				
Basic	4	**(0.8)p**	1.4p	2.7p
Diluted	4	**(0.8)p**	1.3p	2.6p

1 Certain costs have been reclassified between Research and Development and Administrative Expenses as disclosed in Note 5.

Consolidated statement of recognised income and expense
for the six months ended 31 December 2008

	6 months ended 31.12.08 unaudited £'000	6 months ended 31.12.07 unaudited £'000	Year ended 30.6.08 audited £'000
(Loss)/profit for the period	**(4,965)**	6,170	12,329
Exchange translation difference on consolidation	**12,484**	71	(235)
Total recognised gain for the period	**7,519**	6,241	12,094

Consolidated balance sheet
as at 31 December 2008

	Notes	As at 31.12.08 unaudited £'000	As at 31.12.07[1] unaudited £'000	As at 30.6.08[1] audited £'000
Assets				
Non-current assets				
Goodwill		**7,642**	5,548	5,559
Intangible assets		**62,653**	19,136	47,149
Property, plant and equipment		**2,282**	531	2,358
Deferred tax asset		**–**	3,158	–
		72,577	28,373	55,066
Current assets				
Trade and other receivables		**1,904**	1,751	2,113
Current tax receivable		**1,493**	–	–
Short-term deposits		**10,000**	25,524	10,000
Cash and cash equivalents		**42,700**	24,854	56,861
		56,097	52,129	68,974
Liabilities				
Current liabilities				
Trade and other payables		**(9,740)**	(5,484)	(9,866)
Current tax payable		**(297)**	(358)	(297)
Deferred income		**–**	(15,823)	(5,401)
Provisions		**(477)**	(150)	(629)
Net current assets		**45,583**	30,314	52,781
Total assets less current liabilities		**118,160**	58,687	107,847
Non-current liabilities				
Deferred tax liabilities		**(7,642)**	(5,548)	(5,559)
Provisions		**(145)**	(77)	(81)
		(7,787)	(5,625)	(5,640)
Net assets		**110,373**	53,062	102,207
Shareholders' equity				
Share capital	6	**10,468**	8,797	10,467
Share premium	6	**119,649**	100,483	119,629
Shares to be issued	6	**2,273**	–	2,273
Other reserves	6	**50,480**	18,642	37,996
Profit and loss account	6	**(72,497)**	(74,860)	(68,158)
Total shareholders' equity		**110,373**	53,062	102,207

1 Cash and cash equivalents and short-term deposits have been reclassified as disclosed in Note 5.

Consolidated cash flow statement
for the six months ended 31 December 2008

	6 months ended 31.12.08 unaudited £'000	6 months ended 31.12.07[1] unaudited £'000	Year ended 30.6.08[1] audited £'000
Cash flows from operating activities			
(Loss)/profit for the period/year	**(4,965)**	6,170	12,329
Add back:			
Foreign exchange (gain)/loss	**(1,076)**	136	–
Finance income	**(8,011)**	(1,502)	(2,578)
Tax (credit)/charge	**(1,493)**	(2,050)	1,047
Depreciation of property, plant and equipment	**318**	162	213
Share-based payments	**626**	508	1,051
Operating cash flows before movement in working capital	**(14,601)**	3,424	12,062
Decrease in debtors	**1,237**	1,239	961
Decrease in creditors	**(6,963)**	(18,372)	(28,506)
Cash used in operations	**(20,327)**	(13,709)	(15,483)
Interest received	**1,136**	972	2,753
Research and development tax credit received	**–**	2,011	2,011
Net cash used in operating activities	**(19,191)**	(10,726)	(10,719)
Cash flows from investing activities			
Purchase of property, plant and equipment	**(200)**	(208)	(1,969)
Purchase of intangible assets	**(1,779)**	–	(1,605)
Purchase of short-term deposits	**–**	(20,524)	(5,000)
Net cash outflow in respect of acquisitions	**–**	–	(237)
Net cash used in investing activities	**(1,979)**	(20,732)	(8,811)
Cash flows from financing activities			
Proceeds from issue of ordinary share capital	**21**	34	20,966
Expenses paid in connection with issue of ordinary share capital	**–**	–	(980)
Net cash generated from financing activities	**21**	34	19,986
Net decrease in cash and cash equivalents	**(21,149)**	(31,424)	456
Exchange gains/(losses) on cash and bank overdrafts	**6,988**	(136)	(9)
Cash and cash equivalents at beginning of year	**56,861**	56,414	56,414
Cash and cash equivalents at end of year	**42,700**	24,854	56,861

1 Cash and cash equivalents and short-term deposits have been reclassified as disclosed in Note 5.

Notes to the interim accounts

1. Basis of preparation and accounting policies

The interim financial statements do not comprise statutory accounts within the meaning of Section 434 of the Companies Act 2006. Statutory accounts for the year ended 30 June 2008 were approved by the Board of Directors on 26 September 2008 and delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under Section 498 of the Companies Act 2006. This condensed consolidated interim financial information has been reviewed not audited.

This condensed consolidated half-yearly financial information for the six months ended 31 December 2008 has been prepared in accordance with the Disclosure and Transparency Rules of the Financial Services Authority and with IAS 34 – 'Interim Financial Reporting' as adopted by the European Union. This half-yearly condensed consolidated financial report should be read in conjunction with the annual financial statements for the year ended 30 June 2008, which have been prepared in accordance with IFRSs as adopted by the European Union. Except as described below, the accounting policies adopted are consistent with those of the annual financial statements for the year ended 30 June 2008, as described in those financial statements.

Taxes on income in interim periods are accrued using the tax rate that would be applicable to total expected annual earnings.

There are no new Standards likely to effect the financial statements for the year ending 30 June 2009.

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 is derived from customers whose operations are located in Europe.

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

	6 months ended 31.12.08 £'000	6 months ended 31.12.07 £'000	Year ended 30.6.08 £'000
Total assets/(liabilities)			
UK	**112,457**	53,460	80,430
US	**(2,084)**	(398)	21,777
Total	**110,373**	53,062	102,207

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

Notes to the interim accounts continued

2. Segmental information *continued*

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

	6 months ended 31.12.08 £'000	6 months ended 31.12.07 £'000	Year ended 30.6.08 £'000
Capital expenditure			
UK	**1,866**	208	3,574
US	**113**	–	26,900
Total	**1,979**	208	30,474

3. Finance income

	6 months ended 31.12.08 £'000	6 months ended 31.12.07 £'000	Year ended 30.6.08 £'000
Interest receivable:			
– On short-term deposits	**289**	980	480
– On cash and cash equivalents	**1,027**	522	2,098
Net foreign exchange gains on financing activities	**6,695**	–	–
Total	**8,011**	1,502	2,578

4. (Loss)/profit per ordinary share

	6 months ended 31.12.08	6 months ended 31.12.07	Year ended 30.6.08
(Loss)/profit for the period (£'000)	**(4,965)**	6,170	12,329
Weighted average number of shares ('000)	**613,529**	446,405	455,649
Basic (loss)/earnings per ordinary share	**(0.8)p**	1.4p	2.7p

4. (Loss)/profit per ordinary share *continued*

	6 months ended 31.12.08	6 months ended 31.12.07	Year ended 30.6.08
(Loss)/profit for the period (£'000)	**(4,965)**	6,170	12,329
Weighted average number of shares ('000)	**613,529**	446,405	455,649
Adjustments for:			
– share options ('000)	**–**	16,555	19,269
– deferred consideration shares ('000)	**–**	–	523
Weighted average number of shares ('000)	**613,529**	462,960	475,441
Diluted (loss)/earnings per ordinary share	**(0.8)p**	1.3p	2.6p

In the six months ended 31 December 2008, the Group had no dilutive potential ordinary shares in issue because it was loss making. In prior periods diluted earnings per share consider the effects of potential dilutive shares relating to employee share option schemes and deferred consideration shares.

5. Reclassification

The Directors have reviewed the classification of certain items within the Income Statement and Balance Sheet and believe, in order to aid comparison, it is more appropriate to classify the following differently than was reported in prior periods:

1) Reclassification of expenditure – certain costs were previously included within Administrative Expenses and have been reclassified in Research and Development in order to be consistent with industry sector accounting practices. The impact of the change is to increase Research and Development costs and reduce Administrative expenses by £3,360,000 (six months to December 2007: an increase of £1,018,000; year ended 30 June 2008: an increase of £3,817,000). Reallocated costs include business development, facilities and a proportion of other overheads directly attributable to Research and Development activities.

2) Reclassification of cash and cash equivalents and short-term deposits – the Group's definition of cash and cash equivalents has been restated to reflect more accurately the underlying substance of the deposits. Historically cash was classified as a deposit when its duration was over 90 days whereas it now includes all cash deposited for three months. The impact of the change is to increase cash and cash equivalents and reduce short-term deposits by £24,517,000 (six months to 31 December 2007: £8,012,000; year ended 30 June 2008: £23,000,000). The relevant comparatives in the cash flow statement have been amended to reflect these adjustments.

Notes to the interim accounts continued

6. Shareholders' funds and statement of changes in shareholders' equity

	Share capital £'000	Share premium £'000	Shares to be issued £'000	Other reserve: retranslation £'000	Other reserve: merger £'000	Profit and loss account £'000	Total £'000
At 1 July 2007	8,795	100,451	–	(1,024)	19,595	(81,538)	46,279
Profit for the period	–	–	–	–	–	6,170	6,170
New share capital issued	2	32	–	–	–	–	34
Share options: value of employee services	–	–	–	–	–	508	508
Foreign exchange adjustments on consolidation	–	–	–	71	–	–	71
At 31 December 2007	**8,797**	**100,483**	**–**	**(953)**	**19,595**	**(74,860)**	**53,062**
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**
At 1 July 2008	10,467	119,629	2,273	(1,259)	39,255	(68,158)	102,207
Loss for the period	–	–	–	–	–	(4,965)	(4,965)
New share capital issued	1	20	–	–	–		21
Share options: value of employee services	–	–	–	–	–	626	626
Foreign exchange adjustments on consolidation	–	–	–	12,484	–	–	12,484
At 31 December 2008	**10,468**	**119,649**	**2,273**	**11,225**	**39,255**	**(72,497)**	**110,373**

7. Principal risks and uncertainties

The principal risks and uncertainties which could impact the Group's long-term performance remain those detailed on page 14 of the Group's 2008 Annual Report and Financial Statements, a copy of which is available on the Group's website: www.antisoma.com.

Statement of Directors' responsibilities

The Directors confirm that this condensed consolidated interim financial information has been prepared in accordance with IAS 34 as adopted by the European Union and that the interim management report includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8, namely:

- an indication of important events that have occurred during the first six months and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- material related party transactions in the first six months and any material changes in the related party transactions described in the last Annual Report.

The Directors of Antisoma plc are listed in the Antisoma plc Annual Report for 30 June 2008, with the exception of the following change during the period: Eric Dodd was appointed on 3 November 2008 as Chief Financial Officer and Raymond Spencer resigned on 31 December 2008. A list of current Directors is maintained on the Antisoma plc website: www.antisoma.com.

By order of the Board

Glyn Edwards
Chief Executive
13 February 2009

Eric Dodd
Chief Financial Officer
13 February 2009

Independent review report to Antisoma plc

Introduction

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 31 December 2008, which comprises the consolidated income statement, the consolidated statement of recognised income and expense, the consolidated balance sheet, the consolidated cash flow statement and related notes. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

As disclosed in note 1, the annual financial statements of the group are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union.

Our responsibility

Our responsibility is to express to the company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review. This report, including the conclusion, has been prepared for and only for the company for the purpose of the Disclosure and Transparency Rules of the Financial Services Authority and for no other purpose. We do not, in producing this report, 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.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 31 December 2008 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

PricewaterhouseCoopers LLP
Chartered Accountants
Uxbridge

Notes:

(a) The maintenance and integrity of the Antisoma plc website is the responsibility of the Directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

(b) Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Notes

Designed and produced by **Emperor Design Consultants Ltd**
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