

Summit Corporation plc (“Summit” or “the Company”)

PRELIMINARY RESULTS FOR THE YEAR ENDED 31 JANUARY 2009

Oxford, UK, 28 July 2009 – Summit Corporation plc (AIM: SUMM), a UK drug discovery company, today reports its preliminary results for the year ended 31 January 2009.

Highlights

Commercial

Establishment of Partnered Product Portfolio

- Worldwide licensing agreements with success based milestones and royalties signed with BioMarin for Duchenne muscular dystrophy programme (July 2008) and Evolva for iminosugar programme in bioterrorism (January 2009)
- Co-development agreements signed with Orient Pharma for sialorrhoea programme (Sept 2008) and the Lilly TB Drug Discovery Initiative for tuberculosis programme (Oct 2008)
- No further costs to Summit

Post period

- Three cross-license agreements signed with Orient Pharma for Acne (SMT D002), glaucoma (SMT D003) and AMD (SMT D004) programmes (May 2009)

Scientific

Advances in iminosugar drug discovery platform:

- Encouraging data generated in therapeutic focus areas of metabolic diseases (diabetes) and anti-infectives (hepatitis C)
- Expansion of compound collection with increased protection following patent filings
- Evolva deal followed positive in vivo data against bioterrorism pathogens

Financial

- \$7m equity investment by BioMarin as part of DMD licensing agreement
- Cash position of £2.7m at 31 January 2009 (31 January 2008: £10.0m)
- Net loss of £22.4m for the year ended 31 January 2009 (2008: £10.1m) inclusive of non-cash impairment provision of £12.5m (2007/08: nil)

Post period

Continued refocus on exciting iminosugar platform and instigated plan towards securing long-term future:

- Additional working capital raised through renegotiation and divestment of non-core business operations
- Operational cash-burn halved through on-going extensive restructuring programme
- Additional activities on-going to extend cash life beyond Autumn 2009

Steven Lee, PhD, Chief Executive Officer of Summit, commented on the results: “It has been a challenging period for the business and one of mixed fortunes. Whilst there have been major advances in the development of our iminosugar drug discovery platform, and all our other programmes were successfully progressed through to commercial deals, we suffered a fall in services revenue and were unsuccessful in an equity financing.

“Strategically, the Board recognised the considerable near-term potential opportunity in iminosugars and within the period instigated a restructuring programme to focus in this area. This process was accelerated post-period due to financial difficulties, and continues to deliver tangible support as part of our efforts towards securing our long-term future. Summit is now emerging with a valuable product portfolio, and an innovative and validated technology platform that is ready to deliver value for our shareholders.”

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About Summit

Summit is a UK based drug discovery company with a major focus on developing new therapeutics from its iminosugar drug discovery platform.

Summit believes iminosugars are the key to gaining access to several disease mechanisms where classical drugs have had little success, and thus offer a major opportunity for the discovery and development of new medicines.

Carbohydrates (sugars) play critical roles in maintaining correct functioning of many normal processes in healthy individuals and errors in carbohydrate recognition or modification can lead to malfunction in cells resulting in disease. Iminosugars have the potential to mimic carbohydrates or to interact with processes which manipulate carbohydrates to modify activity or to correct aberrant function. Additionally, the structural features of iminosugars allow them to have important effects when interacting with many other unexploited therapeutic targets.

Commercially, Summit has a track record of signing programme agreements and currently has an out-licensed product portfolio comprising of seven drug programmes with BioMarin, Orient Europharma, Evolva and the Lilly TB Drug Discovery Initiative. In the future these programmes

may generate success based milestone payments and royalties for Summit.

In addition, Summit owns Dextra Laboratories a standalone business unit that offers specialist carbohydrate chemistry services to third parties on a fee-for-service or collaborative basis.

The company listed on the alternative investment market (AIM) of the London Stock Exchange in October 2004 - symbol: SUMM. Further information about the company is available at www.summitplc.com.

Introduction

Summit remains committed to delivering value to shareholders through the development and commercialisation of early-stage drug discovery programmes. Over the period under review, your Company has made progress in delivering this strategy having signed a total of seven programme deals, including the Company's first major out-licensing agreement.

However in common with many other businesses in the current economic climate Summit experienced financial difficulties during the period, which culminated in an attempted fundraising that was unable to reach the minimum threshold to proceed, as announced to shareholders in February 2009. The financial difficulties have been reflected in the Company's share price performance during the period and as a Board, we share the concerns and frustration that this will have caused shareholders. As a consequence, a number of steps were taken, including implementation of an extensive restructuring programme, as the business works towards securing its longer-term financial future.

We remain confident about the underlying potential within the business. With our focus on developing new therapies in major areas of unmet medical need from our iminosugar drug discovery platform and, notwithstanding the current financial difficulties, we believe that this potential can be realised to create a sustainable business for the benefit of shareholders.

Strategy

Targeting early stage programme deals

Summit's strategy is to focus on the development of its drug programmes up to a late preclinical or early clinical stage and then to seek partners to undertake the more expensive registration studies and product commercialisation. The point at which individual programmes will be out-licensed will seek to balance the specific needs of the programme with extracting maximum value for the benefit of the business and shareholders,

Since July 2008, Summit has entered into seven programme agreements that encompass a broad range of therapeutic areas. These programmes were either the original assets that the business had been developing since formation or ones that were acquired through M&A activity. As outlined later, Summit's focus is on developing iminosugar based therapeutics, it is expected that future programme agreements will originate from this innovative technology platform.

Our strategy has consistently recognised a developing trend over the last decade within the pharmaceutical industry of licensing deals being signed at increasingly early stages of development. Indeed, Ernst & Young's 2009 global biotechnology report, Beyond Borders, stated that in 2008, 11 of the 15 largest European deals involved discovery programmes or assets in preclinical development and further supported our confidence in our strategy of commercialising programmes at an early-stage.

Re-focusing and Restructuring of the Business

Over the period, and as part of the Board's continual review of our R&D programmes, it was decided that the iminosugar drug discovery platform represented the best opportunity for the business to create significant future value and to date the Group has refocused its efforts to concentrate on the development of this innovative platform. As a result, and in view of the prevailing financial environment, it was also decided that a controlled restructuring programme within the business would occur, including the potential disposal of non-core assets at an appropriate time to extract best value and control costs.

During the period, Summit attempted to secure additional finance to provide additional working capital to support the development of the iminosugar platform. This fundraising coincided with a period of significant uncertainty in global financial markets, a key factor that contributed towards falling short of reaching our fundraising target. Shareholders were updated on these events in February 2009 and the news resulted in a sharp fall in the share price.

As a consequence, the Board stepped up activities around its restructuring programme as part of our efforts to secure the financial future of the Company. In summary, this programme has three objectives: To raise additional working capital; reduce future expenditure; and accelerate activities within the business to focus on the development and commercialisation of the iminosugar drug discovery platform. Progress has been made in all three areas.

To date, the restructuring programme has involved the renegotiation of the existing licensing agreements and disposal of non-core assets to raise short-term working capital and reduce research and development costs of the business. The disposal of the zebrafish services business resulted in an impairment provision for the period being recognised. In addition, the leases for the Cambridge and Wales facilities were terminated, while more favourable terms of rent for some of the remaining leases were negotiated. Headcount numbers were also reduced by 50%, a necessary action towards safeguarding the future of the business, and on behalf of the Board we thank the staff affected for the hard work and efforts during their time with the business. In addition the Board, which had already reduced in size during the period, agreed, after the year end, to cut total remuneration costs by 35%.

Collectively, these activities have more than halved the operational cash-burn of the business, a figure that is expected to fall further during 2009 as the restructuring programme continues.

Iminosugars

Summit's focus for creating future value is our proprietary iminosugar drug discovery platform. It is our belief that this innovative technology platform provides a major opportunity for the discovery of new medicines and has application in a number of major therapeutic areas with major unmet medical needs. Iminosugars now represent our sole area of investment with our internal research and development currently concentrated in the therapy areas of metabolic diseases and anti-infectives, both of which represent multi-billion dollar markets.

The decision to focus on iminosugars occurred during the last 18 months as the Board recognised the assets and activities around the platform represented the best immediate opportunity for creating a sustainable business that will generate future value for our shareholders. The Company was founded with two technology platforms in carbohydrate chemistry and zebrafish biology respectively. It was from within the carbohydrate platform that the diversity and broad application of iminosugars, small molecules that mimic

carbohydrates, has emerged. Over the last three years, the iminosugar platform has evolved under the guidance of our Chief Scientific Officer, Dr Richard Storer. The substantial level of investment that has already been made into the development of this technology means that the platform is now approaching a stage where we believe it can begin to generate significant value through commercial agreements with partners in the pharmaceutical and life sciences industries.

This belief was supported by the signing of the first iminosugar programme licensing agreement with Evolva Biotech in January 2009. The details of the agreement will be discussed later, but its signing provided important validation of the potential of the platform. Our target over the coming months is to generate significant value from this platform through the signing of new licensing agreements within our focus areas of metabolic diseases and anti-infectives. Importantly, we are already generating encouraging data from the programmes in these areas and we hope to be able to report on their continued progress over the coming months. In addition, we will seek collaborations in the many other disease areas where iminosugars are expected to find utility.

Product Portfolio

During the period, Summit entered into a number of programme agreements, including the Company's first major licensing agreement, with partners in the pharmaceutical industry. The establishment of these commercial agreements fulfilled a key objective for the business and the progress made exceeded our targets set at the start of the period with seven agreements being signed. Together, these agreements now form our Product Portfolio that could generate future value from contractual success based milestone and royalty payments but requires no further investment by Summit.

Licensing of SMT C1100 for Duchenne muscular dystrophy to BioMarin

In July 2008, Summit entered into an exclusive worldwide licensing agreement with the US biotechnology company BioMarin Pharmaceuticals Inc. for our preclinical candidate SMT C1100. This candidate is under development to treat Duchenne muscular dystrophy (DMD), a fatal genetic disease for which there is currently no cure.

On signature, BioMarin made a \$7 million equity investment in Summit at a 25% premium to the share price at that time. The total development and commercialisation milestones payable by BioMarin amounted to \$136 million, in addition to which Summit would receive tiered royalties on sales that rise to a low teen percentage.

In March 2009, this license agreement with BioMarin was renegotiated as part of Summit's restructuring programme. Under the terms of the restructured deal, BioMarin acquired full ownership of the DMD programme, including the preclinical candidate SMT C1100. In particular, BioMarin assumed all future preclinical and nonclinical development costs for SMT C1100 that were to be borne by Summit under the original licensing agreement. This was in exchange for a clinical development milestone of \$1 million that was anticipated to be payable in 2010. The changes to the agreement provided Summit with a short term cash advantage, although the overall effect on the Company's financial position is broadly neutral.

Summit now remains eligible to receive success-based development and regulatory milestones of up to \$50 million plus sales milestones of \$85 million and tiered royalty payments rising to a low-teen percentage.

Agreement with Orient Pharma for SMT D001 for sialorrhoea

The sialorrhoea programme was also subject of two separate agreements during the period under review. As with the DMD programme, the second agreement formed part of the Company's post-period restructuring activities.

In September 2008, Summit entered into a co-development agreement with Taiwan based Orient Pharma (Orient). Under the terms of this agreement, Orient gained commercial rights over SMT D001 in Asia-Pacific and Australasia and were responsible for future clinical development, manufacturing and distribution costs of SMT D001 in these territories. Summit retained commercial rights in the world's major territories including North America and Europe and would have access to all clinical data generated by Orient.

This agreement was superseded in May 2009 with the signing of a new agreement that saw Orient take full ownership of the programme. The terms of this agreement involved Orient making an equity investment in Summit shares of \$500,000 as a price of 13.5 pence, which was approximately 2.5 times the share price at that time. In addition, Summit is eligible to receive undisclosed royalties on worldwide sales of the product.

Co-development agreement with Lilly TB Drug Discovery Initiative

In October 2008, Summit entered into a co-development agreement with the Lilly TB Drug Discovery Initiative, (the Initiative), a public-private partnership created by the pharmaceutical company Eli Lilly to fund the discovery and development of new tuberculosis (TB) drugs. Summit provided to the Initiative novel compounds that have shown *in vitro* cell-killing activity against *Mycobacterium tuberculosis*, the bacteria that causes TB. The Initiative is responsible for all future R&D costs worldwide and has commercial rights to the compounds in the developing world for the treatment of respiratory diseases. Summit has exclusive access to the data generated and retains commercial rights to these compounds in all indications for the developed world.

Licensing of SMT 14400 for bioterrorism to Evolva

In January 2009, Summit entered into an exclusive worldwide license with Evolva Biotech for SMT 14400, and it preferred isomer SMT 15000, two iminosugars being developed as a potential treatment for infectious diseases associated with bioterrorism.

Under the terms of the agreement, Summit received an undisclosed payment on signature and will receive additional payments throughout preclinical development, a milestone payment at filing of an IND and further future success based development and regulatory milestone payments. Evolva is responsible for all development costs. On successful commercialisation, Summit is eligible to receive tiered royalties, rising to a low-teen percentage, and sales related milestone payments.

SMT 14400 originated from our iminosugar drug discovery platform and the licensing agreement provides validation of the potential of our second generation iminosugars. The compound is an immunomodulator, a compound that works by selectively boosting aspects of the human immune system. The deal followed evaluation of the compound by Evolva in *in vivo* preclinical studies that has shown it to be active against viral and bacterial pathogens, and is well tolerated. Evolva has a strong capability in this area and has attracted significant funding from the Defense Threat Reduction Agency (DTRA), a US-federal body developing technologies to counter the threat of biological agents.

Co-development agreement with Orient Pharma for acne (SMT D002), glaucoma (SMT D003) and AMD (SMT D004) programmes

The final three agreements were in May 2009 with Orient and cover Summit's clinical and preclinical programmes in acne (SMT D002), glaucoma (SMT D003) and wet age-related macular degeneration (AMD) (SMT D004). The agreements provide Orient with exclusive development and commercialisation rights in Asia-Pacific and Australasia and they will be responsible for all development, manufacturing and distribution costs associated with the products within its territories. Summit retains valuable rights to the products in North America, Europe and the rest of the world and has rights to access data generated by Orient. Our intention is to use these data, which will include clinical trial results, to secure future commercial agreements within our territories.

Financial Review

A critical feature of the period under review was not being able to secure additional equity funding, which has led to increased activities around our restructuring programme. This programme to date has resulted in a number of one-off charges and impairments as the Company works towards reconstructing its finances.

Prior to the restructuring activities, the fee-for-service operations had a difficult trading period as a consequence of the difficult economic climate with revenues lower at £1.8 million (2007/08: £3.0 million). Following our financial year end, Summit sold its zebrafish services division in May 2009 to Evotec AG for the consideration of £500,000 cash to leave only one services business, Dextra Laboratories. With our focus on the development of the iminosugar drug discovery platform, this standalone business now represents a potential future divestment opportunity, which the Board is actively marketing.

In the Balance Sheet, an impairment provision of £12.5 million (2007/08: nil) was recognised during the period. The sale of the zebrafish business was the principal reason for this impairment that resulted in a £8.4 million goodwill provision. In addition, a £1.4 million goodwill provision for Dextra Laboratories was recognised following a review of the fair value of the assets by the management while a £2.6 million intangible assets provision was recognised. Research and development investment was lower at £5.8 million (2007/08: £7.7 million) and reflected the reduced levels of research activity outside of iminosugars but this figure was off-set by the drop in revenue and grant income. Excluding impairments, the operating loss for the period was £11.8 million (2007/08: 11.7 million).

A research and development tax credit of £750,000 (2007/08: £720,000) was recognised during the 12 months under review and the Company expect's to receive this credit in the second half of 2009.

The cash outflow for the 12 months to 31 January 2009 was £7.3 million and compared to a cash outflow of £8.2 million over the previous 12 month period. The Company received £3.9 million in the period from the issue of new shares, of which £3.5 million was in respect of shares issued to BioMarin. At 31 January 2009, the Group had cash reserves of £2.7 million (2007/08: £10.0 million)

Working Capital

As already discussed, the business increased activities in its restructuring programme after the financial year end as part of the efforts towards securing the future of the business. This programme has already extended the cash life of the business into the Autumn of 2009 and significantly reduced the operating cash-burn of the Group.

The Group will, however, need to raise additional sources of finance to secure the longer-term future of the Group. The Board and management are actively marketing the diabetes and hepatitis C iminosugar programmes as out-licensing opportunities and the Dextra business unit for sale. They are also in discussion with the Group's financial advisers regarding sources of additional capital and other strategic transactions. The timing and amount of any funds that may be realised through asset disposals or a new fund-raise, however, represent a material uncertainty. The Board are confident that its plans will allow the Group to continue its operations for the foreseeable future. Based on this assessment, the Board have prepared these statements on a going concern basis.

Proposed Capital Reorganisation

The Company is also proposing to shareholders a capital reorganisation. The closing mid market price of an Ordinary share in Summit on 24 July 2009 was 5.0 pence meaning Summit's share price is below the nominal value of an Ordinary share of 10p. The effect of this is to restrict the ability of the business to raise further equity finance, since in order for the Company to comply with the regulations, any further shares would have to be used at price at or above the nominal value. In order to assist the Company with its on-going and future activities, the Board will propose a reorganisation of the share capital that will involve each issued ordinary share of 10 pence currently held being replaced with one having a nominal value of 1 pence. The proposal will be put to shareholders at this year's Annual General Meeting (AGM) with full details of the reorganisation being set out in the Notice of AGM.

Board Changes

The Board underwent a number of changes during the period that included the departure of Darren Millington as Chief Financial Officer and Colin Wall as a Non-executive Director. On behalf of the Board, we would like to thank Darren and Colin for their efforts during the time with the Company. Anthony Weir was appointed Chief Financial Officer in November 2008 and subsequently left the Company in March 2009 by mutual consent. As already mentioned, total Board remuneration fell by 35% since the end of the period under review.

Summary

The past 18 months has been a period of mixed fortunes; good progress was made in developing and commercialising our internal drug discovery programmes but the progress made within this side of the business was accompanied by considerable efforts towards restructuring the business to overcome its current financial difficulties.

The Company continues to take necessary and decisive action and is making good progress towards securing the long term financial future of the business. We remain confident that these immediate financial issues can be resolved and believe, through our iminosugar drug discovery platform and Product Portfolio, that the business is well equipped to generate value in the future for our shareholders.

We would like to thank shareholders for their continuing support and we will provide updates on the progress being made within the business over the coming months. Finally, we would like to thank all our staff who have endured a difficult few months for their continued dedication and loyalty as we all strive towards achieving our ambition of developing Summit into a successful and sustainable business.

Barry Price, PhD
Chairman

Steven Lee, PhD
Chief Executive Officer

27 July 2009

**Consolidated Income Statement
For the year ended 31 January 2009**

	Year ended 31 January 2009	Year ended 31 January 2008 (Restated)
	£000s	£000s
Revenue	1,831	3,030
Cost of sales	(1,058)	(1,264)
Gross profit	773	1,766
Other operating income	315	1,079
Administrative expenses		
Research and development	(5,754)	(7,712)
General and administration	(4,031)	(3,676)
Sales and marketing	(1,079)	(1,091)
Depreciation and amortisation	(1,894)	(1,650)
Impairment	(12,464)	-
Share based payment	(212)	(486)
Total administrative expenses	(25,434)	(14,615)
Operating loss	(24,346)	(11,770)
Finance income	304	775
Finance cost	(85)	(38)
Loss before taxation	(24,127)	(11,033)
Taxation	1724	911
Loss for the year attributable to equity shareholders of the parent	(22,403)	(10,122)
Basic and diluted loss per ordinary share	41.96p	21.13p

Consolidated balance sheet
For the year ended 31 January 2009

	31 January 2009	31 January 2008 (Restated)
	£000s	£000s
ASSETS		
Non-current assets		
Goodwill	-	9,767
Intangible assets	4,820	8,131
Property, plant and equipment	3,714	4,268
	8,534	22,166
Current assets		
Inventories	391	337
Trade and other receivables	1,495	1,581
Current tax	805	719
Cash and cash equivalents	2,717	10,088
	5,408	12,725
Total assets	13,942	34,891
LIABILITIES		
Current liabilities		
Trade and other payables	(1,732)	(3,129)
Borrowings	(135)	(188)
Total current liabilities	(1,867)	(3,317)
Non-current liabilities		
Deferred income	(141)	(97)
Provisions	(1,180)	(1,180)
Borrowings	(1,181)	(1,222)
Deferred tax	(1,020)	(1,879)
Total non-current liabilities	(3,522)	(4,378)
Total liabilities	(5,389)	(7,695)
Net assets	8,553	27,196
EQUITY		
Share capital	5,597	4,967
Share premium account	25,785	22,750
Shares to be issued	-	1,443
Share based payment reserve	1,176	964
Merger reserve	12,654	11,328
Retained earnings	(36,659)	(14,256)
Total equity attributable to the equity shareholders of the Parent	8,553	27,196

Consolidated cash flow statement
For the year ended 31 January 2009

	Year ended 31 January 2009 £000s	Year ended 31 January 2008 £000s
Cash flows from operating activities		
Loss before tax	(24,127)	(11,033)
Adjusted for:		
Finance income	(304)	(775)
Finance cost	85	38
Foreign exchange loss	2	-
Depreciation	1,182	766
Amortisation of intangible fixed assets	718	884
Loss on disposal	198	-
Impairment loss	12,464	-
Share based payment	212	486
Adjusted loss from operations before changes in working capital and provisions	(9,570)	(9,634)
(Increase)/decrease in trade and other receivables	86	(189)
(Increase) in inventories	(54)	(79)
Increase/(decrease) in trade and other payables	(1,489)	1,376
Cash used by operations	(11,027)	(8,526)
Taxation Received	898	454
Net cash used in operating activities	(10,129)	(8,072)
Investing activities		
Acquisition of businesses net of cash acquired	-	406
Purchase of property, plant and equipment	(997)	(1,846)
Purchase of intangible assets	(150)	(97)
Interest received	304	775
Net cash used in investing activities	(843)	(762)
Financing activities		
Proceeds from issue of share capital	3,900	142
Proceeds from receipt of loan	-	600
Repayment of debt during the period	(204)	(71)
Repayment of finance lease costs	(10)	-
Interest paid	(85)	(38)
Net cash generated from financing activities	3,601	633
Net (decrease)/increase in cash and cash equivalents	(7,371)	(8,201)
Cash and cash equivalents at beginning of period	10,088	18,289
Cash and cash equivalents at end of year	2,717	10,088

Notes to the financial statements for the year ended 31 January 2009

1. Basis of accounting

The financial information for the year ended 31 January 2009 is prepared in accordance with the recognition and measurement requirements of International Financial Reporting Standards (IFRSs) as endorsed by the European Union and implemented in the UK.

The financial information set out above is derived from but does not constitute the Company's statutory accounts for the years ended 31 January 2009 or 2008. Statutory accounts for 2008 have been delivered to the Registrar of Companies. The statutory accounts for 2009 will be delivered to the Registrar of Companies following the Company's Annual General Meeting. The auditors have reported on the 2009 and 2008 accounts; their reports were unqualified and did not contain a statement under section 237(2) or (3) of the Companies Act 1985. Due to the ongoing financial uncertainty for the Company, as discussed below, the auditors have included an emphasis of matter paragraph regarding the adequacy of the Company's disclosure in this respect in their report.

The financial information in these financial statements has been prepared on a going concern basis which assumes that the Group will continue in operational existence for the foreseeable future. The Directors have reviewed the working capital requirements of the Group over the next 12 months and have identified a number of steps that need to be taken to manage the cash position to ensure it can continue in operation for the foreseeable future. These actions include managing and reducing research and overhead costs and raising finance from other sources. The Directors have identified a number of areas where costs may be reduced including the restriction of R&D projects to core projects, premises lease costs, staff costs and Directors' fees. The Group has provided confidential information on its preclinical diabetes and Hepatitis C programmes to a number of prospective major pharmaceutical and biotech partners that have expressed interest with a view to the negotiation and completion of an out-licence deal. We are discussing fund-raising options with our financial advisors and we are also in a process that may lead to the sale of one of the Group's wholly owned subsidiaries, Dextra Laboratories Limited. The Group's future as an independent entity will depend upon managements' ability to complete at least one of the above fund-raising options in the Autumn of 2009 with a likelihood of needing to complete a second in Spring 2010. The Directors are confident that this can be achieved. The timing and extent of such transactions required to remain as a going concern however represent a material uncertainty and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. No adjustments have been provided in these accounts to reflect any loss in the value of assets or increase in liabilities that would arise should the Group be unable to continue as a going concern.

2. Impairments

As required by the relevant IFRS's, the Group carried out a review of the carrying value of its main assets that resulted in a non-cash impairment provision of £12,464k being recognised. Following the transfer of the trade and assets from Summit (Cambridge) Limited to Summit (Oxford) Limited during the year, and in light of the subsequent sale of the zebrafish business in May 2009, a goodwill provision of £8,389k was recognised. In addition, a £1,378k goodwill provision associated with Dextra Laboratories Limited was recognised with the Management having assessed the fair value of Dextra Laboratories net assets as an individual entity on both a value in use and a fair value less costs to sell basis, and have concluded on the latest available evidence that the recognition of an impairment provision against the goodwill is required. An intangible assets provision of £2,597k was also recognised in respect of the sialorrhoea and seborrhoea programmes following the licensing deals that were signed which affected both of them.

3. Shareholders' funds and statement in changes in shareholders' equity

For the year ended 31 January 2009

Group	Share capital £000s	Share premium account £000s	Shares to be issued £000s	Share based payment reserve £000s	Merger reserve £000s	Retained earnings £000s	Total £000s
At 1 February 2008	4,967	22,750	1,443	964	11,328	(14,256)	27,196
Loss for the year	-	-	-	-	-	(22,403)	(22,403)
Total recognised income and expense for the year	-	-	-	-	-	(22,403)	(22,403)
New share capital issued	630	3,035	(117)	-	-	-	3,548
Share based payment	-	-	-	212	-	-	212
Share issue eligible for merger relief	-	-	(1,326)	-	1,326	-	-
At 31 January 2009	5,597	25,785	-	1,176	12,654	(36,659)	8,553

For the year ended 31 January 2008

Group	Share capital £000s	Share premium account £000s	Shares to be issued £000	Share based payment reserve £000s	Merger reserve £000s	Retained earnings £000s	Total £000s
At 1 February 2007	3,722	22,327	-	478	(1,943)	(4,134)	20,450
Loss for the year	-	-	-	-	-	(10,122)	(10,122)
Total recognised income and expense for the year	-	-	-	-	-	(10,122)	(10,122)
New share capital issued	1,245	423	-	-	-	-	1,668
Share based payment	-	-	-	486	-	-	486
New shares to be issued	-	-	1,443	-	-	-	1,443
Merger Relief	-	-	-	-	13,271	-	13,271
At 31 January 2008	4,967	22,750	1,443	964	11,328	(14,256)	27,196

4. Restated comparatives

Following a review of operations it was agreed that overhead costs within general and administration would not be allocated to cost of sales and that depreciation would not be allocated to research and development expenditure. The prior year amounts have been adjusted as follows; cost of sales has been reduced by £359,000, research and development by £695,000 with a corresponding credit to general and administration of £1,054,000. An adjustment has also been made to correctly reflect the split between current and non-current liabilities for the deferred income resulting from the contributions made from a landlord of one of the premises occupied towards refurbishment costs. This adjustment resulted in an increase to non-current liabilities of £97,000 and a subsequent decrease to current liabilities of the same amount.

5. Annual General Meeting

The Annual General Meeting is due to be held at 10.00am on 20 August 2009 at the Company's registered office, 91 Milton Park, Abingdon, Oxfordshire, OX14 4RY.