

10 July 2008

ANGLE plc

Preliminary Results for the year ended 30 April 2008

Business moves into profitability with strong contributions from both the Management services business and the Investment Portfolio

ANGLE plc ('ANGLE' or the 'Company'), the intellectual property and technology commercialisation company, today announces preliminary results for the year ended 30 April 2008.

Overview

- ◆ Successful implementation of turnaround strategy moves the business back into profitability
- ◆ Significant improvement in performance of both the Management services division and the Investment Portfolio
- ◆ Platform established for ongoing sustainability and future growth

Financial Highlights

Group:

- ◆ Turnover up 15% to £3.9 million (2007: £3.4 million)
- ◆ Profit before controlled investments and tax of £3.4 million (2007: loss £6.1 million)
- ◆ Profit before tax of £1.1 million (2007: loss £9.3 million)
- ◆ Cash balance at £1.0 million materially unchanged from the half year (30 April 2007: £2.6 million)

Management services:

- ◆ Management services business moves back into profitability generating profit of £1.1 million (2007: loss £0.4 million)

Investment Portfolio:

- ◆ Fair value of portfolio doubled to £7.3 million (30 April 2007: £3.7 million)
- ◆ Cash realisations in the year of £0.5 million (2007: £1.1 million)

Operational Highlights

Management services:

- ◆ Continued progress in winning significant cash generative management contracts:

- London Development Agency potentially worth £5.4 million over three years
- Innovation Lincolnshire worth £0.9 million over 21 months
- ♦ Sold order book for the next three years (including the LDA extension announced today) of £8.2 million at 30 April 2008 (2007: £5.1 million)

Investment Portfolio:

- ♦ Portfolio continues to mature – average age of portfolio companies now more than four years
- ♦ Embedded expertise and IP in portfolio companies underpins significant future value realisation opportunities for shareholders.
- ♦ Significant progress in the year. Highlights include:
 - Aguru Images (capture & recreation of photo-realistic images): product development completed, successful completion of first sales to a major film-maker;
 - Geomerics (enhanced computer game graphics): successful market launch of 'Enlighten' product. £2.0 million of investment attracted from new investors during the year; and
 - Parsortix (prenatal diagnostics): major technology breakthrough in the separation of foetal cells from maternal blood allowing simple, non-invasive testing of the unborn baby.

Garth Selvey, Chairman, commented:

"The portfolio is maturing well with a substantially enhanced valuation reported in the year and there is now a reduced demand on ANGLE's cash. The Management services business has, at the same time, become more efficient and more resilient. Cash will continue to need careful management but the board believes that the opportunity remains for the portfolio to produce significant shareholder returns from the currently available resources."

Enquiries:

ANGLE plc

Andrew Newland, Chief Executive
Ian Griffiths, Finance Director

01483 295830

Collins Stewart Europe Limited

Mark Connelly, Stewart Wallace

0207 523 8350

Scott Harris

Stephen Scott, James O'Shaughnessy, Harry Dee

0207 653 0030

Buchanan Communications

Suzanne Brocks, James Strong

0207 466 5000

Notes to Editors

Founded in 1994, ANGLE is an international venture management company focusing on the commercialisation of technology and the development of technology-based industry. ANGLE creates, develops and advises technology businesses on its own behalf and for its clients.

ANGLE is an active investor in high growth companies in the medical and technology sectors in both the UK and the US, taking operational responsibility for the companies as subsidiaries during the development phase and maintaining a substantial shareholding and close involvement during the growth phase. ANGLE has significant holdings in 10 portfolio companies developing proven technologies targeting substantial commercial markets. ANGLE is listed on AIM (AGL.L); further information can be found on www.ANGLEplc.com

CHAIRMAN'S STATEMENT

I am pleased to report a number of significant achievements and improved results for the year ended 30 April 2008.

Results

The Group profit before controlled investments and tax was £3.4 million (2007: loss £6.1 million). Profit before tax was £1.1 million (2007: loss £9.3 million). After careful management and an expensed investment of £2.3 million (2007: £3.1 million) into the existing portfolio, cash at £1.0 million (2007: £2.6 million) remains materially unchanged from that at the interims. The fair value of the portfolio doubled to £7.3 million (2007: £3.7 million) and this does not include the fair value of the controlled investments in the portfolio.

Management services

This business has improved its focus, cost efficiency and profitability. As well as winning a number of significant new business opportunities, the division has leveraged its existing strong client relationships to secure extensions to existing contracts.

The UK has performed particularly strongly but the Company also has a number of new quotation opportunities in the Middle East to replace the existing Qatar contract as it approaches successful completion in March 2009. The long term nature of ANGLE's management contracts provides the Company with a high level of visibility of future cash generation and therefore enables costs to be matched against known contract requirements.

Investment Portfolio

Our investment strategy continues to be focused on the existing portfolio. The core aim is to maximise the development of each business, but also move towards a position where each operation becomes both less dependent on financing from ANGLE and more attractive to new third party investors or acquirers, both from financial and industry sources.

ANGLE has seen good progress to date in its portfolio companies. Aguru has won and successfully delivered its first contract to a major film studio; Geomerics is building a significant prospect list for its computer game graphics; Parsortix has proved its ability to separate foetal material using a blood sample from the pregnant mother and has had the results independently assessed by a leading independent expert in the field. Each of these operations has proven proprietary technology addressing large growth markets.

ANGLE's business model of holding substantial equity stakes and playing an active role in the management of its investments enables the Company to help drive value creation and maximise the prospect of ANGLE receiving a substantial return on its investment at exit.

Bid approach

In April, ANGLE announced that it had received an approach, which may or may not lead to a formal offer for the Company. The proposed consideration is in the prospective bidder's shares.

The Board is considering the proposal with particular regard to whether the offer would be likely to result in enhanced value for ANGLE shareholders taking into account a range of

factors. These include the strategic fit of the two businesses, the impact of a merger upon the generation of significant realisations from ANGLE's investment portfolio and the quality of the prospective bidder's paper.

Outlook

The portfolio is maturing well with a substantially enhanced valuation reported in the year and there is now a reduced demand on ANGLE's cash. The Management services business has, at the same time, become more efficient and more resilient. Cash will continue to need careful management but the board believes that the opportunity remains for the portfolio to produce significant shareholder returns from the currently available resources.

The substantial efforts involved to achieve these goals reflect the hard work of ANGLE's staff and the Board thanks them sincerely for their continuing efforts.

.....
Garth Selvey
Chairman
9 July 2008

CHIEF EXECUTIVE'S STATEMENT

The year ended 30 April 2008 has been a year of successful restructuring for ANGLE and we have established a strong platform for the future. Costs have been reduced, revenues increased and a tight focus maintained on the existing portfolio. Taking these actions has placed the Company in a better position to weather the increasingly tight financial markets and to successfully achieve our aim of delivering shareholder value from our combined revenue and capital based business model.

Both the Management services business and the Investment Portfolio have moved into profit during the year with the result that the Group generated a profit before controlled investments and tax of £3.4 million. This compares to a £6.1 million loss in the year ended 30 April 2007.

During the year, controlled investments into majority owned portfolio companies amounted to £2.3 million (2007: £3.1 million). After these investments, which are expensed, profit before tax was £1.1 million, compared to a loss of £9.3 million in the previous financial year. Reflecting the maturing portfolio, the level of ongoing expenditure on controlled investments is now substantially reduced.

Cash generated by the business in the second half of the year met all the operating costs and investment in the portfolio during that period. As a result the cash balance at 30 April 2008 of £1.0 million was materially unchanged from the cash balance at 31 October 2007 of £1.1 million.

Management services

ANGLE's Management services business is a key feature of the Company's business model. Its value to ANGLE goes beyond its financial contribution to the business. The division also provides the Company with a high quality pool of in-house expertise and talent as well as access to leading academic, research and science organisations internationally, raising the profile of the whole Group and providing access to high quality IP commercialisation opportunities.

The three key aims for this division during the year were to:

- ♦ generate a profit and strong cashflow;
- ♦ focus on larger, longer term contracts with a high degree of financial visibility; and
- ♦ increase the overall number of contracts.

I am very pleased to report that in the last twelve months the Management services business has achieved all three of these aims.

Financial performance was strong with turnover rising 14% to £3.8 million (2007: £3.4 million). As importantly, the quality of earnings from this business materially improved leading to profit for the year from the Management services division of £1.1 million (2007: loss £0.4 million).

During the year ANGLE continued to win new management services contracts. These included significant wins with Innovation Lincolnshire, a contract worth £0.9 million over 21 months, and as announced today with the London Development Agency's (LDA) Knowledge Connect Programme now, subject to contract, increased in value from £3.7 million to £5.4 million over three years.

In addition to new UK contracts, the pipeline of potential opportunities includes further major contracts in the Middle East. As at 30 April 2008, ANGLE's sold order book for the next three years (including the expected LDA extension) was £8.2 million (2007: £5.1 million) and the management remains extremely active in implementing initiatives to extend this order book further.

The improvement in ANGLE's profile in the market and the increasing recognition of the added value that the Management services business delivers is demonstrated in the order book itself. In the last four years the scale of individual contracts has grown fivefold, with the average value size per contract now being in excess of £450,000 per annum. Accessing larger and more significant contracts not only improves profitability but also enables management time to be used more effectively.

ANGLE's reputation in the industry as a high quality provider of management services is growing. Even discounting the important benefits that are generated for the venture portfolio, the Board believes that as a stand alone business the Management services division is an important and valuable business in its own right. Further, in more challenging economic conditions, this division provides ANGLE with a core strength and robustness not seen elsewhere in the IP commercialisation space.

Investment Portfolio

In the last twelve months ANGLE has continued to manage its portfolio of investment companies effectively. The benefits of this focused approach are also being seen in both the operational and financial performance of this division.

A coherent strategy has been deployed across the portfolio with the intention of maximising ANGLE's investment return, whilst controlling the investment risk and cash requirements of the individual companies. Where additional capital has been required to continue the development of high quality IP commercialisation opportunities, this has been made available. We have also continued to work closely with each of the underlying investments portfolio companies providing expertise and management support as required.

A key feature of ANGLE's portfolio, and indeed a key differentiator for the business model, is that ANGLE looks to maintain significant stakes in each portfolio company. This ensures that ANGLE retains a high level of influence on the development of each opportunity. This is becoming increasingly important as our portfolio of companies reaches maturity and exit strategies are being developed. Many of our companies have developed well beyond the start up phase, with our average portfolio company now having been in existence for over four years.

As with the Management services division, ANGLE's strategy for its investment portfolio is being reflected in strong financial performance. During the year, a fair value gain in the portfolio was achieved of £3.9 million (2007: loss £2.0 million) and the fair value of the portfolio on the balance sheet doubled to £7.3 million (30 April 2007 £3.7 million). It is also important to highlight that this balance sheet figure does not include the fair value of the

Company's controlled investments, which to date have received direct investment of £3.7 million from ANGLE.

During the year, cash of £0.5 million was realised from mature investments (2007: £1.1 million).

Portfolio progress highlights

ANGLE's investment portfolio now contains ten companies. Whilst progress continues to be made across the portfolio, the most significant developments during the year have occurred in three of our "High Potential Return" investments.

1. Aguru Images (rapid capture & recreation of photo-realistic images - 75% holding*)

The company has completed both its product development and also, as announced today, the successful first commercial sale to a major film maker in Los Angeles. The contract utilised Aguru's proprietary devices to measure faces, materials and objects for visual effects shots on a major feature film.

Aguru's advanced capture technologies reduce the time, cost and complexity of pre-production, production and post-production rendering for simulations and interactive computer graphics. Aguru has exclusive rights to highly innovative technologies developed at the University of Southern California's Institute for Creative Technologies and New York University's Courant Institute as well as other rights. The company's target markets include visual effects in motion pictures, computer and video games, animation, and design – for improved renderings by interior, fashion, architectural and industrial designers.

Aguru is building the world's largest online library of stock shapes and textures, comparable to photographic image libraries. Aguru is also generating revenue and brand awareness by offering products and services that enable the capture, editing and application of real-world textured surfaces for use in 3D computer-generated imagery.

Aguru's first target market is the visual effects industry of over 500 films produced each year, where Aguru's facial image capture provides a photo-realistic result currently unattainable by other methods. Thereafter Aguru intends to expand into the computer games market and then sell products to over 50,000 architecture, interior design, fashion, industrial, online catalogue and advertising companies.

The company is supported by a world class Advisory Board comprising executives from Industrial Light & Magic, Digital Domain, Pixar, DreamWorks, RFX, Adobe, Autodesk, Electronic Arts, University of Southern California and New York University.

2. Geomerics (enhanced computer game graphics, 47% holding*)

In the last twelve months, this company has seen the successful development and launch of its 'Enlighten' product, which dramatically improves the lighting effect capabilities for computer games. In addition, £2.0 million of investment was raised from new investors during the period under review. A number of major customers are evaluating the product and significant sales are expected in the current year.

ANGLE founded Geomerics in 2005 to commercialise technology developed by the University of Cambridge's Astrophysics Department. With the assistance of ANGLE's proven management capabilities, Geomerics has developed a unique patent protected technology platform for the computer games industry. Its first commercial product, Enlighten, delivers dramatically improved lighting effect capabilities for computer game programmers.

Rapid computation of light reflection and refraction in computer animation is a key factor in the creation of greater realism in computer games. The computer gaming market is forecast to grow at an average 11.4% compound annual rate to \$46.5bn by 2010, with strong demand anticipated from Asia Pacific and EMEA regions. Geomerics is well positioned to benefit from the growth in this market.

3. Parsortix (prenatal diagnostics - 68% holding*)

Parsortix has achieved a world technology break-through by isolating foetal cells in maternal blood and, as announced today, this has been independently verified by a leading independent expert in the field. For the first time this allows completely non-invasive testing of the unborn baby.

Pregnant women have a very small number of their baby's cells circulating in their blood, thought to be at most one foetal cell in every 500 million maternal cells. Parsortix has developed a patent protected micro fluidic device which, when 1.5 ml of the mother's blood is flowed through the device, can for the first time capture these foetal cells for analysis.

Early definitive diagnosis for chromosomal abnormalities associated with Down's, Turner, and Klinefelter syndromes, as well as other disorders due to genetic abnormalities such as spina bifida, can help physicians better care for both the mother and the foetus during pregnancy. It also gives families earlier information with respect to the health of the unborn child and is increasingly important as the mother's average age increases.

At present, diagnosis is only possible through invasive procedures such as amniocentesis and chorionic villus sampling (CVS). These carry a risk to both the baby and the mother and as a result are limited only to high risk pregnancies. Parsortix's new device allows completely non-invasive testing of the unborn baby removing the risk and allowing diagnosis to be extended as a matter of course to all babies not just those known to be at high risk. The physical separation process used is simple and cost-effective. It requires no pre-treatment of the sample and no reagents.

Commercially, Parsortix's unique patented separation technique will reduce overall medical costs. In the high risk category, there are currently 375,000 tests per annum in the US market alone. With a non-invasive test, the market is likely to expand to cover lower risk patients with a theoretical maximum in the US market alone of 2.6 million tests per annum. Parsortix has the potential to secure a dominant position in this separation market. The current cost of the amniocentesis procedure in the US is around \$1,200. The Parsortix technique is expected to reduce this cost by at least 60%.

A number of multinationals have already expressed interest in Parsortix and ANGLE is now focused on completing development of the product and securing regulatory approval.

*Percentage shareholdings based on issued share capital as at 30 April 2008.

Outlook

ANGLE has reduced its operating costs, met its investment objectives and moved to profitability.

ANGLE is now structured so that cash generated by the Management services business, which is already secured through existing long term management contracts, is expected to more than cover all the operating costs of the business over the next 12 months. Investment will continue at a reduced level during the first half. Cash balances are expected to decline in the first half but to recover in the second half.

ANGLE has built a strong position in the field of IP commercialisation, not only in the UK, but also Internationally. The Board looks forward to continuing to leverage the significant opportunities that are present throughout the business to generate substantial cash returns for shareholders.

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Andrew Newland
Chief Executive
9 July 2008

ANGLE PLC

CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 30 APRIL 2008

	Note	2008 £	2007 £
Turnover	4	3,873,477	3,377,354
Change in fair value	8	3,911,031	(2,036,814)
Operating costs			
Management services		(2,732,866)	(3,769,204)
Ventures		(1,579,409)	(2,994,989)
Controlled investments		(2,254,897)	(3,126,480)
Share based payments		(258,751)	(414,741)
Restructuring charges	5	130,359	(540,814)
		<u>(6,695,564)</u>	<u>(10,846,228)</u>
Operating profit / (loss)		1,088,944	(9,505,688)
Finance income		49,524	202,315
Finance costs		<u>(17,751)</u>	<u>(5,494)</u>
Net finance income		31,773	196,821
		<u>1,120,717</u>	<u>(9,308,867)</u>
Profit / (loss) before tax		1,120,717	(9,308,867)
Profit / (loss) before controlled investments and tax		3,416,059	(6,120,766)
Controlled investments		(2,295,342)	(3,188,101)
Tax	6	89,199	201,184
Profit / (loss) for the year		1,209,916	(9,107,683)
Earnings / (loss) per share	7		
Basic and Diluted (pence per share)		4.52	(34.02)

ANGLE PLC
CONSOLIDATED BALANCE SHEET
AS AT 30 APRIL 2008

	Note	2008 £	2007 £
ASSETS			
Non-current assets			
Non-controlled investments	8	4,373,504	-
Other receivables	8	1,902,724	1,902,724
Property, plant and equipment		71,723	122,863
Intangible assets		<u>191,529</u>	<u>389,159</u>
Total non-current assets		6,539,480	2,414,746
Current assets			
Non-controlled investments	8	1,042,331	1,812,197
Trade and other receivables		628,025	964,293
Cash and cash equivalents		<u>970,197</u>	<u>2,551,168</u>
Total current assets		<u>2,640,553</u>	<u>5,327,658</u>
Total assets		<u>9,180,033</u>	<u>7,742,404</u>
EQUITY AND LIABILITIES			
Equity			
Issued capital		2,713,293	2,713,293
Share premium account		13,701,935	13,701,935
Share based payments reserve		1,522,429	1,713,289
Other reserves		2,553,356	2,553,356
Translation reserve		(297,311)	(193,813)
Retained earnings		(12,617,357)	(14,420,638)
ESOT shares		(355,453)	(370,000)
Total equity		<u>7,220,892</u>	<u>5,697,422</u>
Liabilities			
Non-current liabilities			
Obligations under finance leases		-	4,560
Controlled investments – convertible loans		<u>125,976</u>	<u>-</u>
Total non-current liabilities		125,976	4,560
Current liabilities			
Trade and other payables		1,828,605	2,022,180
Obligations under finance leases		<u>4,560</u>	<u>18,242</u>
Total current liabilities		1,833,165	2,040,422
Total liabilities		<u>1,959,141</u>	<u>2,044,982</u>
Total equity and liabilities		<u>9,180,033</u>	<u>7,742,404</u>

ANGLE PLC

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30 APRIL 2008

	2008	2007
	£	£
Operating activities		
Operating profit / (loss)	1,088,944	(9,505,688)
Depreciation of property, plant and equipment	49,518	63,964
Amortisation of intangible assets	92,574	4,164
Exchange differences	(6,551)	(121,562)
(Increase) / decrease in trade and other receivables	132,696	283,908
Increase / (decrease) in trade and other payables	(84,708)	454,887
Income tax received	118,882	142,506
Change in fair value of non-controlled investments	(3,911,031)	2,036,814
Share based payments	258,751	414,741
	<hr/>	<hr/>
Net cash from operating activities	(2,260,925)	(6,226,266)
Investing activities		
Purchase of property, plant and equipment	(19,528)	(43,268)
Disposal of property, plant and equipment	1,485	2,756
Purchase of intangible assets	(28,722)	(10,117)
Purchase of non-controlled investments	-	(262,500)
Provision of convertible loans	(47,000)	(90,780)
Proceeds from sale of investments	538,692	1,111,673
Deemed disposal of subsidiaries	(20,260)	-
Purchase of ESOT shares	-	(350,000)
Interest paid	(2,717)	(1,449)
Interest received	49,458	210,384
	<hr/>	<hr/>
Net cash used in investing activities	471,408	566,699
Financing activities		
Capital elements of finance lease contracts	(18,242)	(24,118)
Proceeds from issue of convertible loans	226,788	-
	<hr/>	<hr/>
Net cash from financing activities	208,546	(24,118)
Net increase / (decrease) in cash and cash equivalents	(1,580,971)	(5,683,685)
Cash and cash equivalents at start of year	2,551,168	8,234,853
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Cash and cash equivalents at end of year	970,197	2,551,168
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ANGLE PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 APRIL 2008

	Issued capital £	Share premium £	Share based payments reserve £	Other reserves £	Translation reserve £	Retained earnings £	ESOT shares £	Total equity £
At 1 May 2006	2,713,293	13,701,935	918,876	2,553,356	(73,159)	(5,312,955)	(20,000)	14,481,346
For the year to 30 April 2007								
Consolidated profit / (loss)					(120,654)	(9,107,683)		(9,228,337)
Share based payments			794,413					794,413
ESOT shares							(350,000)	(350,000)
At 30 April 2007	2,713,293	13,701,935	1,713,289	2,553,356	(193,813)	(14,420,638)	(370,000)	5,697,422
For the year to 30 April 2008								
Consolidated profit / (loss)					(103,498)	1,209,916		1,106,418
Share based payments			288,485					288,485
Released on forfeiture / lapse			(145,391)			145,391		-
Utilised on share schemes							14,547	14,547
Deemed disposal of subsidiaries			(333,954)			333,954		-
Partial disposal of subsidiaries						114,020		114,020
At 30 April 2008	2,713,293	13,701,935	1,522,429	2,553,356	(297,311)	(12,617,357)	(355,453)	7,220,892

Share based payments reserve

The share based payments reserve account is used for the corresponding entry to the share based payments charged through a) the income statement for staff incentive arrangements in the Group and Controlled investments and b) the balance sheet for acquired intangible assets in the Controlled investments comprising intellectual property.

Transfers are made from this reserve to retained earnings as the related share options are exercised, lapse or expire or as a Controlled investment becomes non-controlled (a deemed disposal).

Translation reserve

The translation reserve account comprises cumulative exchange differences arising on consolidation from the translation of the financial statements of international operations. Under IFRS this is separated from retained earnings.

ESOT shares

These relate to shares purchased by the ANGLE Employee Share Ownership Trust and used to assist the obligations under employee remuneration schemes.

ANGLE PLC

NOTES TO THE PRELIMINARY ANNOUNCEMENT FOR THE YEAR ENDED 30 APRIL 2008

1 Preliminary announcement

The preliminary announcement set out above does not constitute the Company's statutory financial statements for the years ended 30 April 2008 or 2007 within the meaning of section 240 of the Companies Act 1985 but is derived from those audited financial statements. The 2008 statutory accounts will be delivered to the Registrar of Companies following the Company's Annual General Meeting. The auditors have reported on these accounts and their reports were unqualified and did not contain statements under s237(2) or (3) of the Companies Act 1985.

2 Compliance with accounting standards

While the financial information included in this preliminary announcement has been computed in accordance with IFRS, this announcement does not itself contain sufficient information to comply with IFRS.

At the date of authorisation of these financial statements the following Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective:

IFRS 8	Operating segments
IFRIC 12	Service Concession Arrangements
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

The directors anticipate that the adoption of these Standards and Interpretations in future periods will have no material impact on the financial statements of the Group when the relevant standards and interpretations come into effect.

3 Going concern

The Directors have reviewed the projections for the forthcoming 12 month period from the date of signing of these financial statements and based on the level of existing cash, projected income and expenditure, the Directors are satisfied that the Company and Group have adequate resources to continue in business for the foreseeable future. Accordingly the going concern basis has been used in preparing the financial statements.

4 Turnover

The breakdown of turnover by business segment is set out below:

	2008	2007
	£	£
Management services	3,834,543	3,364,547
Ventures	26,727	11,865
Controlled investments	12,207	942
	<u>3,873,477</u>	<u>3,377,354</u>
	=====	=====

Turnover from Management services represents fees received from clients for management consulting services. Turnover from Ventures represents fees received from non-controlled investments for accounting and other services provided by the Group. Turnover from controlled investments represents the consolidated turnover of those businesses.

5 Restructuring charges

The Restructuring credit of £130,359 relates to a release of an unutilised provision from 2007 as a result of improved business performance requiring a lower level of restructuring charge. Restructuring charges in 2007 of £540,814 relate to the reduction of operating costs and staffing to focus on the development of the existing portfolio and on the longer term Management services business.

6 Tax

The Group is eligible for and takes advantage of the substantial shareholdings relief UK corporation tax exemption. This results in the gain from any disposals of UK investments where the Group has an equity stake greater than 10%, and subject to certain other tests, being free of corporation tax. Tax is therefore based on the net of profits in the Management services business as relieved by losses incurred in the establishment and development of new ventures.

Controlled investments undertake research and development activities. In the UK these activities qualify for tax relief and result in tax credits.

7 Earnings / (loss) per share

The basic and fully diluted earnings / (loss) per share is calculated on an after tax profit of £1.21 million (2007: loss £9.11 million).

The basic and fully diluted earnings / (loss) per share are based on 26,745,485 weighted average ordinary 10p shares (2007: 26,769,846 – restated from 27,132,931 for the deduction of ESOT shares). Share options are non-dilutive for the respective years.

8 Non-controlled investments and Other receivables

The Group's investment portfolio comprises investments in Progeny® companies. Progeny® companies are businesses established by ANGLE to commercialise intellectual property (IP) using ANGLE's proprietary Progeny® process.

Where the Group has control of a Progeny® company (typically owning more than 50% of the equity), these are defined as controlled investments and are consolidated as subsidiaries. At the point control no longer exists, a deemed profit arises and the non-controlled investment is held at fair value on the Consolidated Balance Sheet. In the year to 30 April 2008 costs relating to controlled investments of £2.3 million (2007: £3.1 million) were charged to the income statement.

Where the Group does not control a Progeny® company (typically owning less than 50% of the equity), these are defined as non-controlled investments and held on the balance sheet at fair value, as set out in the table below:

	Non-current assets Unquoted £	Current assets Quoted £	Total Non- controlled investments £
At 1 May 2006	1,642,051	4,868,077	6,510,128
Investments	90,780	262,500	353,280
Disposals	*(2,733,647)	(280,750)	(3,014,397)
Change in fair value	1,000,816	(3,037,630)	(2,036,814)
At 1 May 2007	-	1,812,197	1,812,197
Investments	89,461	-	89,461
Disposals	-	(538,692)	(538,692)
Fair value gain on deemed disposal of subsidiaries	#4,373,504	-	4,373,504
Change in fair value	(89,461)	(231,174)	(320,635)
At 30 April 2008	4,373,504	1,042,331	5,415,835

Investments are made directly and in the form of loans. The loans are normally convertible into equity and are non-interest bearing.

Other receivables

* ANGLE's Progeny® company Acolyte Biomedica was sold to 3M Corporation in February 2007. ANGLE's share of the proceeds was an initial £0.9 million in cash and an earn-out of up to £4.7 million receivable early in 2010. A fair value of £1.9 million (2007: £1.9 million) of this potential £4.7 million earn-out is held on ANGLE's balance sheet under the "Other receivables" category.

Change in fair value

ANGLE's accounting policy is that, in accordance with IAS39 Financial Instruments: Recognition and Measurement, upon initial recognition of an investment it is designated at fair value through the Income Statement. As a result of 1) securing third party funds and reducing the equity position in Geomerics Limited; 2) securing third party funds and taking account of the effect of potential voting rights in Synature Limited; and 3) a stock redemption agreement with Aberro Inc, then these are "deemed" disposals as the status has changed from subsidiary (controlled investment) which is consolidated to an associate (non-controlled investment) which is held at fair value.

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Deemed loss from net assets no longer consolidated	(141,838)
Fair value gain on deemed disposal of subsidiaries	4,373,504
Change in fair value of investments	(320,635)

Change in fair value	3,911,031
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9 Shareholder communications

Copies of this announcement are posted on the Company's website www.ANGLEplc.com and are available from Buchanan Communications.

The Annual General Meeting of the Company will be held at 2:00 pm on 11 September 2008 at ANGLE's offices, 20 Nugent Road, The Surrey Research Park, Guildford, GU2 7AF. Notice of the meeting will be enclosed with the audited statutory financial statements.

The audited statutory financial statements for the year ended 30 April 2008 are expected to be distributed to shareholders by 12 August 2008 and will subsequently be available on the Company's website or from the registered office, 20 Nugent Road, Surrey Research Park, Guildford, GU2 7AF.

This preliminary announcement was approved by the Board on 9 July 2008.