

For immediate release

14 February 2006

ABCAM PLC

("Abcam" or "the Company")

Interim Results for the Six Months ended 31 December 2005

Cambridge, UK: Abcam plc (AIM: ABC), a rapidly growing bioscience company that markets antibodies via an online catalogue, is pleased to announce its interim results for the six months ended 31 December 2005. These are Abcam's maiden interim results as a public company, the Company having joined AIM in November 2005.

Highlights

- Sales in the half year increased 63% to £8.3 million (H1 2005: £5.1m) and pre-tax profits increased 49% to £2.1 million (H1 2005: £1.4m)
- Continued expansion of product range: 18,900 products available on the Abcam website at end December 2005, up 49% from 12,700 products at end December 2004
- Significant contribution in sales and profits in the half year from US office. Intention to open new office in Japan, the world's third largest market for research antibodies, in 2006
- Board remains confident of achieving sales of at least £18.5 million in the current year
- Net cash of £10.8 million as at 31 December 2005
- Proposed interim dividend of 0.7p a share

Commenting on today's announcement, Jonathan Milner, Abcam's Chief Executive Officer, said: "Abcam has performed well since joining AIM and I am pleased to announce a maiden interim dividend, a reflection of the Company's robust financial profile and commitment to shareholders. We look forward to continuing the momentum in the Company's growth in the current half and beyond through initiatives including the acquisition of product lines, the development of in-house products and the opening of a Japan office."

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Notes for editors

About Abcam

Abcam is a producer and distributor of research-grade antibodies headquartered in Cambridge, UK, with a US office located in Cambridge, Massachusetts. Abcam was admitted to AIM in November 2005 and trades under the ticker symbol ABC. The Company produces and distributes its own and third party produced antibodies to academic and commercial users throughout the world with product information provided and ordering available through the Company's website, www.Abcam.com. The antibodies are sold almost entirely under the Abcam brandname. The Company's vision is to build the largest online antibody resource in the world while also ensuring that the antibodies are of high quality and commercially viable. Abcam now has an online catalogue of almost 19,000 products, most of which are antibodies, from over 170 suppliers supported by up-to-date and detailed technical data sheets, which are created by the Company. The Company currently employs 90 staff.

The Company was founded by Dr Jonathan Milner (CEO), Dr David Cleevely (Chairman) and Professor Tony Kouzarides (non-executive director) in February 1998. Abcam was established with funding provided by friends and family of the founders and business angels. Since establishment, the Company has grown significantly, driven by the increased availability and use of the internet and the expansion of the Company's product base, which in part is due to the rapid growth in the number of protein targets derived from the human genome project. In 2004, Abcam was ranked by Deloitte as the 11th fastest growing technology company in Europe.

In April 2005 it was awarded the Queen's Award for Enterprise. The Company reported its first profit in the financial year ended 30 June 2003. In April 2005 the Company moved its headquarters to larger premises in Cambridge, UK and its US subsidiary to larger premises in Cambridge, Massachusetts.

About antibodies

Antibodies are proteins produced by white blood cells in response to the introduction of a foreign body known as an antigen. Antibodies, which have a wide variety of uses in research, diagnostics and therapeutics, are used by bioscientists in research into disease and into the human genome, where they are used to mark and identify specific cells and other living matter. The number of human antibodies of use in research is potentially greater than one million.

CHAIRMAN'S STATEMENT

Overview

I am delighted to present my first report for Abcam as a public company. In the six months to 31 December 2005, the Company has continued to progress well. Turnover increased by 63% to £8.3m (H1 2005 £5.1m) and profits before tax increased by 49% to £2.1m (H1 2005 £1.4m), continuing the excellent progress made over the past five years.

Operational review

Growth in sales in part reflected the increased number of products on the website, up by 49% from 12,700 at the end of December 2004 to 18,900 at the end of December 2005.

We are continuing to seek additional antibodies from third party suppliers as a larger catalogue leads to increased sales and a wider customer base to promote our existing products. Abcam's raised profile following the listing on AIM in November 2005 has helped this process as a wider range of potential suppliers are willing to engage in discussions.

The proportion of products in our catalogue that originate and/or are owned by Abcam is relatively small at 4%, but with a high gross margin contribution. As a consequence, priority is being given to the in-house development of our own proprietary product lines as well as the acquisition of products by purchasing catalogues or companies, and increased resources are now being devoted to these areas. These activities are important to sustain both growth and gross margins in the long run. The funds raised on admission to AIM as well as the enhanced profile as a public company will enable us to achieve these two objectives more rapidly. We have increased the resources we devote to these tasks and will continue to increase our level of investment in this area.

We also expect growth to be driven through further geographical expansion. Our office in Boston, Massachusetts has made a significant contribution to sales and profit over the past two years and we are planning to increase our sales in Japan through investment in a new representative office. This we anticipate will contribute to both growth and margins in the medium term. Japan is the third largest market for research antibodies in the world. We are also looking at low-cost and low-risk ways to increase sales in other parts of the world through distributors and our own offices.

As the Company grows, it is important that the systems and processes are able to take advantage of economies of scale, and we keep this constantly under review. In particular, at the moment we are progressing with our investment in robotic storage and handling facilities. These new facilities will enable us to store, pick and pack stock more efficiently than the present systems, and will allow us to expand output without a corresponding growth in staff and expensive conventional refrigeration.

During the past six months we have also been gradually expanding our research and development programme and now have thirteen staff employed compared with seven at the end of December 2004. We expect to continue to grow our in-house activities and to engage with third parties in order to develop new products and processes that will be beneficial to our customers. The market for antibodies will not stand still and this research and development programme is important to assure the longer-term growth of the company.

Abcam was successfully admitted to AIM on 3 November 2005, at which time the Company raised £9.1m net of expenses in order to, amongst other objectives, acquire existing catalogues of antibodies from third parties and/or companies with complementary product lines and business models. Although the time since admission has been relatively short, we are working towards this goal and we will act if and when the right opportunity presents itself.

Financial review

Gross margins for the period were 61.5% compared with 62.3% for the six months ended 31 December 2004. This was a good result, against a background of our suppliers seeking to increase prices. We continue to keep costs tightly under control, and have recently negotiated improvements in shipping expenses that have largely offset such supplier price rises to date. Our continuing strategy to offset supplier price rises is to increase the proportion of our own antibodies in the Abcam catalogue.

Cash generated during the period from operating activities was £1.4 million and our cash balances as at 31 December 2005 stood at £10.8m.

Abcam generates significant surpluses in both US dollars and in euros. Rather than have its profits subject to the volatility of the currency markets, Abcam has a policy to sell forward 80% of the expected surpluses at the beginning of the financial year. However, in view of the considerable uncertainty over the medium term strength of the dollar we additionally sold forward 70% of our expected surplus currencies for the financial year beginning July 2006.

IFRS

The results for the period ended 31 December 2005 have been produced on the same basis as the statutory accounts at 30 June 2005. These accounts conform fully with UK Generally Accepted Accounting Principles. Abcam will move to report under International Financial Reporting Standards (IFRS) for the year beginning in July 2007.

Dividend policy

As stated at the time of admission to AIM, in the absence of unforeseen circumstances, an interim dividend following admission will be paid in respect of the financial year ending 30 June 2006. The company intends to pay dividends each year of an amount equal to 25% of the Company's post tax profit, subject to the need to retain sufficient earnings for the future growth of the Group. Given these encouraging first half results, the Board has decided to pay an interim dividend of 0.7 pence per share. The record date will be 10 March 2006, and the dividend will be paid on the 7 April 2006. The Board intends that a final dividend for the year will be declared at the announcement of the full year results.

Corporate governance

The Board continues to give a high priority to good governance. I am very pleased to welcome Peter Keen to the Board as a non-executive director. Peter has significant experience as a director of public and private technology companies and has already made a valuable contribution in guiding Abcam through its transition into a public company. The Board is now seeking to recruit an additional non-executive director of a similarly high calibre.

Outlook

Abcam is committed to providing its customers with high quality antibodies and relevant information to allow them to conduct successful experiments. Trading in January has continued in line with our expectations and we remain confident that the listing on AIM will enable Abcam to invest in its stated long-term growth strategy, specifically:

- Further expansion of the antibody catalogue;
- Increasing the proportion of its own antibodies in that catalogue through in house development and through product and/or company acquisition;
- Geographical expansion;
- Improved operational efficiency; and
- Research and development leading to new products and processes relevant to our core market.

In the admission document published in October 2005, the Board stated that this strategy should result in sales for the year ended 30 June 2006 being no less than £18.5 million. Based on current trading conditions and assuming continued progress in the implementation of this strategy, the Board remains confident that this target can be achieved.

We would like to take this opportunity to thank all our staff, customers, suppliers and shareholders for this continuing success and their enthusiasm and dedication to Abcam over the period and in the future.

David Cleevely

Chairman

13 February 2006

Company registration No. 3509322

INDEPENDENT REVIEW REPORT TO ABCAM PLC ^{1 2}

Introduction

We have been instructed by the company to review the financial information for the six months ended 31 December 2005 which comprises the profit and loss account, the statement of total recognised gains and losses, the balance sheet, the cash flow statement and related notes 1 to 6. We have read the other information contained in the interim report and considered whether it contains any apparent misstatements or material inconsistencies with the financial information.

This report is made solely to the company, in accordance with Bulletin 1999/4 issued by the Auditing Practices Board. Our work has been undertaken so that we might state to the company those matters we are required to state to them in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our review work, for this report, or for the conclusions we have formed.

Directors' responsibilities

The interim report, including the financial information contained therein, is the responsibility of, and has been approved by, the directors. The directors are also responsible for ensuring that the accounting policies and presentation applied to the interim figures are consistent with those applied in preparing the preceding annual accounts except where any changes, and the reasons for them, are disclosed.

Review work performed

We conducted our review in accordance with the guidance contained in Bulletin 1999/4 issued by the Auditing Practices Board for use in the United Kingdom. A review consists principally of making enquiries of group management and applying analytical procedures to the financial information and underlying financial data and, based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit performed in accordance with International Standards on Auditing (UK and Ireland) and therefore provides a lower level of assurance than an audit. Accordingly, we do not express an audit opinion on the financial information.

Review conclusion

On the basis of our review we are not aware of any material modifications that should be made to the financial information as presented for the six months ended 31 December 2005.

Deloitte & Touche LLP
Chartered Accountants
Cambridge, England
13 February 2006

¹ The maintenance and integrity of the Abcam plc web site 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 web site.

² Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

ABCAM PLC**CONSOLIDATED PROFIT AND LOSS ACCOUNT**
Six months ended 31 December 2005

	Six months ended 31.12.05 Unaudited £000's	Six months ended 31.12.04 Unaudited £000's	Year ended 30.6.05 Audited £000's
TURNOVER	8,287	5,090	12,135
Cost of sales	(3,188)	(1,918)	(4,678)
Gross profit	<u>5,099</u>	<u>3,172</u>	<u>7,457</u>
Administrative expenses	(3,145)	(1,820)	(4,554)
Other operating income	1,954	1,352	2,903
OPERATING PROFIT	<u>1,966</u>	<u>1,352</u>	<u>2,918</u>
Interest receivable and similar income	90	28	59
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	<u>2,056</u>	<u>1,380</u>	<u>2,977</u>
Tax on profit on ordinary activities	(515)	(325)	(696)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	<u>1,541</u>	<u>1,055</u>	<u>2,281</u>
Dividends paid	(912)	(623)	(1,317)
RETAINED PROFIT FOR THE PERIOD			
TRANSFERRED TO RESERVES	2 <u><u>629</u></u>	<u><u>432</u></u>	<u><u>964</u></u>

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
Six months ended 31 December 2005

	Note	Six months ended 31.12.05 Unaudited £000's	Six months ended 31.12.04 Unaudited £000's	Year ended 30.6.05 Audited £000's
Profit		1,541	1,055	2,281
Foreign exchange differences	2	8	(7)	12
Total recognised gains and losses		<u>1,549</u>	<u>1,048</u>	<u>2,293</u>

EARNINGS PER SHARE

Basic earnings per share	1	5.13p	4.09p	8.60p
Fully dilutive earnings per share	1	4.99p	3.99p	8.49p

ABCAM PLC
CONSOLIDATED BALANCE SHEET
31 December 2005

	Note	31.12.05 Unaudited £000's	31.12.04 Unaudited £000's	30.6.05 Audited £000's
FIXED ASSETS				
Tangible assets		927	241	835
CURRENT ASSETS				
Stocks		1,678	882	1,187
Debtors		2,205	1,172	1,912
Investment: cash deposit		8,112	1,450	1,000
Cash at bank and in hand		2,666	399	510
		<u>14,661</u>	<u>3,903</u>	<u>4,609</u>
CREDITORS: amounts falling due				
Within one year		(2,345)	(1,542)	(2,149)
		<u>12,316</u>	<u>2,361</u>	<u>2,460</u>
NET CURRENT ASSETS				
		<u>12,316</u>	<u>2,361</u>	<u>2,460</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		13,243	2,602	3,295
Provisions for liabilities and charges		(74)	(1)	(80)
		<u>13,169</u>	<u>2,601</u>	<u>3,215</u>
NET ASSETS		<u>13,169</u>	<u>2,601</u>	<u>3,215</u>
CAPITAL AND RESERVES				
Called up share capital	2	344	27	28
Share premium account	2	10,569	1,501	1,568
Foreign exchange reserve	2	23	(3)	15
Other reserves	2	16	335	335
Profit and loss account	2	2,217	741	1,269
		<u>13,169</u>	<u>2,601</u>	<u>3,215</u>
TOTAL EQUITY SHAREHOLDERS' FUNDS		<u>13,169</u>	<u>2,601</u>	<u>3,215</u>

ABCAM PLC
CONSOLIDATED CASH FLOW STATEMENT
Six months ended 31 December 2005

	Note	Six months ended 31.12.05 Unaudited £000's	Six months ended 31.12.04 Unaudited £000's	Year ended 30.6.05 Audited £000's
Net cash inflow from operating activities	3	1,405	962	2,588
Returns on investments and servicing of finance				
Interest received		90	28	59
Corporation tax paid		(381)	(23)	(700)
Capital expenditure and financial investments				
Payments to acquire tangible fixed assets		(259)	(118)	(847)
Receipts from sales of tangible fixed assets		4	-	22
Net cash (outflow)/inflow from capital expenditure and financial investment		(255)	(118)	(825)
Equity dividends paid		(912)	(623)	(1,317)
Net cash outflow before use of liquid resources and financing		(53)	226	(195)
Management of liquid resources				
Increase in short term deposits		(7,112)	(600)	(150)
Issue of ordinary share capital		9,317	502	570
Increase in cash		2,152	128	225

ABCAM PLC
NOTES TO THE ACCOUNTS
Six months ended 31 December 2005

1 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit after tax for the period by the weighted average number of shares in issue during the period as adjusted for the bonus issue of shares.

The calculations for the periods are:

	Six months ended 31.12.05 Unaudited	Six months ended 31.12.04 Unaudited	Year ended 30.6.05 Audited
Profit after tax £000's	1,541	1,055	2,281
Weighted average number of shares in issue	30,018,707	25,786,756	26,516,312
Basic earnings per share	5.13p	4.09p	8.60p

Diluted earnings per share is calculated by dividing the profit after tax for the period by the weighted average number of shares in issue during the period as adjusted for the bonus issue of shares but also taking into account any shares that the company could be called on to issue under the group's share option schemes to the extent that they are dilutive.

Fully diluted weighted average number of shares	30,915,181	26,459,606	26,870,219
Fully diluted earnings per share	4.99p	3.99p	8.49p

ABCAM PLC
 NOTES TO THE ACCOUNTS
 Six months ended 31 December 2005

2 MOVEMENT IN SHARE CAPITAL AND RESERVES FOR THE GROUP

	Share capital Unaudited £000's	Share premium account Unaudited £000's	Foreign exchange reserve Unaudited £000's	Reserve for share options granted Unaudited £000's	Profit and loss account Unaudited £000's
As at 1 July 2005	28	1,568	15	335	1,269
Profit for the six months	-	-	-	-	629
Currency translation difference					
On foreign currency net investments	-	-	8	-	-
Transfer in respect of share options exercised or cancelled	-	-	-	(319)	319
Shares issued	316	9,001	-	-	-
At 31 December 2005	<u>344</u>	<u>10,569</u>	<u>23</u>	<u>16</u>	<u>2,217</u>

3 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATIONAL ACTIVITIES

	Six months ended 31.12.05 Unaudited £000's	Six months ended 31.12.04 Unaudited £000's	Year ended 30.6.05 Audited £000's
Operating profit	1,966	1,352	2,918
Depreciation	172	52	153
Charge in respect of share options granted	-	17	17
(Profit)/loss on sale of tangible fixed assets	(4)	-	12
Increase in stocks	(491)	(324)	(629)
Increase in debtors	(293)	(171)	(911)
Increase in creditors	55	36	1,028
Net cash inflow from operating activities	<u>1,405</u>	<u>962</u>	<u>2,588</u>

ABCAM PLC
NOTES TO THE ACCOUNTS
Six months ended 31 December 2005

4 ANALYSIS OF NET FUNDS

	At 01.07.05 £000's	Cash flow £000's	Exchange movement £000's	At 31.12.05 £000's
Cash in hand and at bank	510	2,152	4	2,666
Current asset investments	1,000	7,112	-	8,112
Total	<u>1,510</u>	<u>9,264</u>	<u>4</u>	<u>10,778</u>

5 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	Six months ended 31.12.05 Unaudited £000's	Six months ended 31.12.05 Unaudited £000's	Six months ended 31.12.04 Unaudited £000's	Six months ended 31.12.04 Unaudited £000's
Increase in cash in the period	2,152		128	
Cash inflow from increase in liquid resources	7,112		600	
Change in net funds resulting from cash flows		9,264		728
Translation difference		4		(3)
Movement in net funds in the period		9,268		725
Net funds at start of period		1,510		1,124
Net funds at end of period		<u>10,778</u>		<u>1,849</u>

6 BASIS OF PREPARATION

This interim financial information does not constitute statutory financial statements within the meaning of section 240 of the Companies Act 1985. The financial information for the six months ended 31 December 2005 and 31 December 2004 has not been audited. The information relating to the year ended 30 June 2005 is an extract from the audited financial statements for that year on which the auditors gave an unqualified audit report and which did not contain a statement under s237(2) of the Companies Act 1985. A copy of those financial statements has been filed with the Registrar of Companies.