Press Release **22 March 2012**

Evocutis plc

("Evocutis" or "the Company" and with its subsidiaries the "Group")

Interim Results

Evocutis plc (AIM: EVO), the company focussed on advanced laboratory and clinical evaluations of skincare products for the health and cosmetic markets, today announces its unaudited interim results for the six months ended 31 January 2012.

Financial Highlights

- Increased revenue to £344,000 (H1 2011: £161,000) reflecting improving performance across the Group
- Adjusted operating loss* reduced to £346,000 (H1 2011: loss of £542,000)
- Basic loss per share reduced to 0.21p (H1 2011: loss per share of 0.47p)
- Cash balance of £1,849,000 at 31 January 2012 (H1 2011: £1,068,000)

Operational Highlights

- Significant revenues are being generated from our key service areas: LabSkin™ (our skin equivalent model), clinical operations and microbiology services
- Interest in our technology platforms (particularly LabSkin™) and services provided continues to increase as business development activity expands
- Further evolution of the technology offerings continues to drive revenue opportunities
- Completed integration of Leeds Skin into the Group
- Change of name to Evocutis plc from Syntopix Group plc in October 2011

* Operating loss before share-based payment charge, acquisition costs, depreciation and amortisation

Dr Stephen Jones, Chief Executive Officer, commented: “The significant increase in revenue over the first half of the year reflects the progress we are now starting to make in commercialising our new and existing technology platforms. As previously announced, we have continued to invest in the development and validation of these platforms and we fully expect to realise the commercial benefit of these initiatives throughout the next 12 months. This is a very exciting time for Evocutis as the Group continues to attract a very healthy interest from the skin care industry for its unique technology offerings.”

- Ends -

For further information, please contact:

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The interim results will be available electronically on the Group’s website: www.evocutis.com.

Notes to editors

About Evocutis plc

With a rich portfolio of new product opportunities, Evocutis offers antimicrobial and dermatological expertise to the cosmetic, consumer healthcare and pharmaceutical industries. Being uniquely able to combine research for laboratory testing, advanced skin models and clinical testing, Evocutis offers a complete service for the development of skin care products and ingredients. Through research and testing we enable our clients to advance the discovery of skin care products that actually work.

Offering high quality contract research services, Evocutis specialises in Human Skin Microbiology, tissue culture systems and Human Volunteer and Clinical Dermatology Research. Unique characteristics of its colonised full thickness model of human skin (LabSkin™) allow rapid, cost effective screening of, for example, anti-ageing, anti-inflammatory and antimicrobial ingredients and products for use on skin. Additionally, the clinical, human volunteer testing facility that is housed on-site provides rapid, bespoke evaluation of dermatological products.

When it comes to advanced laboratory and clinical evaluations of skincare products for the health and cosmetic markets, the Evocutis focus is simple: intelligent and specialised R&D input.

For further information, please see www.evocutis.com

About LabSkin™

LabSkin™ is an animal-replacement technology, that emulates living skin tissue and is a high value research and product testing tool for the cosmetic and healthcare industries. It is a full thickness human skin model, comprised of both dermal and epidermal layers, and is produced exclusively and reproducibly on site at Evocutis from primary human cells (keratinocytes & fibroblasts). The model exhibits a fully differentiated epidermal layer, which provides a completely dry surface for tailored testing requirements.

LabSkin™ is highly versatile, and alongside its antimicrobial model, Evocutis is developing models to test anti-ageing and moisturising products. The antimicrobial LabSkin™ model allows testing using pathogenic microorganisms which would not be possible in human clinical studies. In addition, methods have been developed to allow LabSkin™ to be inoculated with skin washings taken directly from human skin, thus providing a step-change in the quality of data possible from a laboratory model. By benchmarking activity against best-in-class products, the activity of new ingredients and formulations can be assessed for several antimicrobial endpoints, including immediate kill, rate of kill and residual activity.

Recent research indicates that our natural microflora is an integral part of our skin and makes a significant contribution to skin health. LabSkin™ provides a unique living skin surface which is validated for microbial applications and can simultaneously provide information on irritation, penetration, barrier function and skin structure.

Chairman's and Chief Executive Officer's Report

Introduction

We are pleased to report the interim results for the six months ended 31 January 2012. This is the first full reporting period when the benefit of the acquisition of Leeds Skin Centre for Applied Research Limited can be seen in the Group's results. During this period, we have generated significantly increased revenues, primarily from the delivery of high quality contract research services. These revenues have been generated using our proprietary LabSkin™ technology (a full thickness human skin model produced exclusively by Evocutis), as well as from fees associated with clinical and microbiology dermatology research. Additionally, SYN1113, our lead compound for the treatment of acne, continues to attract interest; especially in its patented formulation designed to enhance speed of penetration and efficacy.

LabSkin™ technology

The ability of LabSkin™ to be colonised with microorganisms, therefore reflecting true-life conditions of the skin surface, is attracting significant interest from many companies, but particularly ones who have products and brands associated with the treatment of dandruff, body odour and acne. The Group continues to develop the utility of this aspect of LabSkin™ and its application for studying prebiotic product claims which was announced in November 2011.

Additionally, the LabSkin™ technology was validated for use in supporting anti-ageing claims, which allows the customer to benchmark the activity of new ingredients and products prior to expensive human-use studies, thereby de-risking the development process.

In the next six months we will aim to establish the applicability of LabSkin™ in understanding the action and efficacy of sunblock and skin whitening treatments.

The contacts that Evocutis have made and extensive discussions held, over the last six months, have confirmed the uniqueness of the offering and we believe that there are no commercially available equivalents to several applications of the LabSkin™ technology.

Laboratory and Clinical Services

The skin microbiology expertise, coupled with the database of over 3,200 antimicrobial compounds, continue to support the LabSkin™ and research services which underpin the Group. We believe that the Group is unique in that it can offer bespoke clinical services (using human volunteers) with support from a microbiology department. Evocutis has conducted several studies of this kind over the last six months.

The Group continues to invest in the services it can offer and in January 2012 we announced that a state-of-the-art histology laboratory is now available to support our services. This laboratory allows interactive, real-time experimentation which provides customers with innovative and valuable data to support their product development.

Commercial agreements

During the period, the Group has continued its ongoing collaboration work with Sinclair IS Pharma for the potential commercialisation of a product containing delmopinol.

SYN1113, our lead anti-acne compound, which has been formulated in a patent protected formulation, continues to attract interest and is currently being evaluated by major cosmetics companies with worldwide brands. We remain confident that it is a valuable component of the Group's portfolio, but are disappointed with the rate of progress of licensing this opportunity. . The Group believes that further commercial progress can be made with the synergistic combination of SYN0269 with SYN0693 but a decision to progress with this will be dependent upon the commercial interest and success of SYN1113.

Income statement

A summary of the Group's results is set out below. This shows the growth of the Group during the period and the reduction in the losses being incurred.

	Six months ended 31 January 2012 £'000	Six months ended 31 January 2011 £'000	Year ended 31 July 2011 £'000
Revenue	**344**	161	227
Adjusted operating loss*	**(346)**	(542)	(1,086)
Operating loss	**(446)**	(559)	(1,219)
Loss for the period	**(373)**	(507)	(1,079)

* Operating loss before share-based payment charge, acquisition costs, depreciation and amortisation

Balance sheet

The accounting period to 31 January 2012 ends with the Group having net assets of £3,081,000 (H1 2011: £1,289,000). The Group has no external borrowings and cash reserves of £1,849,000 (H1 2011: £1,068,000).

Cash

Cash balances have decreased in the period by £467,000 with the principal elements of the movement being:

	Six months ended 31 January 2012 £'000	Six months ended 31 January 2011 £'000	Year ended 31 July 2011 £'000
Net cash from operations	**(530)**	(668)	(1,122)
Net cash used in investing activities	**(30)**	(1)	(169)
Issue of share capital	**-**	-	1,850
Repayment of short term loans	**-**	-	(92)
Tax received (net of tax paid)	**93**	-	112
Movement during the period	**(467)**	(669)	579

The Group continues to manage its operational expenditure prudently and plans its research and development programme to ensure that it continues to have sufficient cash resources for the foreseeable future.

Taxation

The Group continues to qualify for Research and Development tax credits and the financial statements contain a debtor of £47,000 (H1 2011: £160,000) in respect of research costs.

Principal risks and uncertainties

A detailed explanation of the principal risks and uncertainties faced by the Group and the steps taken to manage them is set out in Evocutis plc's 2011 Annual Report and Accounts. The principal risks and uncertainties are summarised as follows:

- Risks that the Group will not achieve commercial success
- Risk that the Group's intellectual property will not be adequately protected
- Risk that the Group cannot attract or retain key staff

There have been no significant changes in the nature of these risks that will affect the next six months of the financial year.

Outlook

Even at this early stage of the commercialisation of the Group's technologies, considerable interest has been shown by a number of large, multinational cosmetics and personal care companies. This has reinforced our confidence in the market opportunity, and the uniqueness of our offering. The focus for the business is to continue to accelerate the commercialisation and continue to invest in the development of the technologies, which should lead to significant growth in revenues and improvement in profitability. I look forward to updating shareholders on our progress at regular intervals.

Thomas Bannatyne
Chairman

Dr Stephen Jones
Chief Executive Officer

22 March 2012

Condensed consolidated statement of comprehensive income - unaudited

For the six months ended 31 January 2012

	Unaudited Six months ended 31 January 2012 £'000	Unaudited Six months ended 31 January 2011 £'000	Audited Year ended 31 July 2011 £'000
Revenue	**344**	161	227
Cost of sales	**(137)**	-	-
Gross profit	**207**	161	227
Research and development	**(241)**	(471)	(792)
General and administration	**(412)**	(255)	(671)
Other operating income	**-**	6	17
Adjusted operating loss*	**(346)**	(542)	(1,086)
Share-based payment charges	**(36)**	(5)	(54)
Acquisition costs	**-**	-	(42)
Depreciation and amortisation	**(64)**	(12)	(37)
Operating loss	**(446)**	(559)	(1,219)
Financial income	**12**	2	3
Loss before tax	**(434)**	(557)	(1,216)
Income tax credit	**61**	50	137
Loss after tax for the year and total comprehensive income attributable to equity shareholders	**(373)**	(507)	(1,079)
Loss per ordinary share			
Basic and diluted	**(0.21p)**	(0.47p)	(0.90p)

* Operating loss before share-based payment charge, acquisition costs, depreciation and amortisation

All Group activities relate to continuing operations.

Condensed consolidated interim statement of financial position - unaudited

As at 31 January 2012

	Unaudited At 31 January 2012 £'000	Unaudited At 31 January 2011 £'000	Audited At 31 July 2011 £'000
Non-current assets			
Property, plant and equipment	**184**	20	177
Goodwill	**489**	-	489
Other intangible assets	**415**	-	444
Total non-current assets	**1,088**	20	1,110
Current assets			
Trade and other receivables	**314**	126	201
Current tax recoverable	**47**	160	120
Cash and cash equivalents	**1,849**	1,068	2,316
Total current assets	**2,210**	1,354	2,637
Total assets	**3,298**	1,374	3,747
Current liabilities			
Trade and other payables	**(105)**	(85)	(176)
Current tax payable	**-**	-	(34)
Total current liabilities	**(105)**	(85)	(210)
Non-current liabilities			
Deferred tax liabilities	**(112)**	-	(119)
Total non-current liabilities	**(112)**	-	(119)
Total liabilities	**(217)**	(85)	(329)
Net assets	**3,081**	1,289	3,418

Equity attributable to equity holders of the company			
Called up share capital	**1,732**	1,071	1,732
Share premium reserve	**7,632**	6,282	7,632
Merger reserve	**979**	338	979
Share-based payments reserve	**315**	230	279
Retained earnings	**(7,577)**	(6,632)	(7,204)
Total equity	**3,081**	1,289	3,418

Consolidated statement of changes in equity - unaudited

For the six months ended 31 January 2012

	Share Capital £'000	Share Premium £'000	Merger Reserve £'000	Share Based Payments Reserve £'000	Retained (losses)/ Earnings £'000	Total £'000
Unaudited						
At 1 August 2010	1,071	6,282	338	225	(6,125)	1,791
Loss and total comprehensive income for the six month period ended 31 January 2011	-	-	-	-	(507)	(507)
Transactions with owners:						
Share option charge in the period	-	-	-	5	-	5
At 31 January 2011	1,071	6,282	338	230	(6,632)	1,289
Audited						
At 1 August 2010	1,071	6,282	338	225	(6,125)	1,791
Loss and total comprehensive income for the year ended 31 July 2011	-	-	-	-	(1,079)	(1,079)
Transactions with owners:						
Shares issued	661	1,500	641	-	-	2,802
Expenses of share issue	-	(150)	-	-	-	(150)
Share option charge in the year	-	-	-	54	-	54
At 31 July 2011	1,732	7,632	979	279	(7,204)	3,418
Unaudited						
At 1 August 2011	1,732	7,632	979	279	(7,204)	3,418
Loss and total comprehensive income for the six month period ended 31 January 2012	-	-	-	-	(373)	(373)
Transactions with owners:						
Share option charge in the period	-	-	-	36	-	36
At 31 January 2012	1,732	7,632	979	315	(7,577)	3,081

Condensed consolidated interim statement of cash flows - unaudited

for the six months ended 31 January 2012

	Unaudited Six months ended 31 January 2012 £'000	Unaudited Six months ended 31 January 2011 £'000	Audited Year ended 31 July 2011 £'000
Cash flows from operating activities			
Loss before tax	**(434)**	(557)	(1,216)
Interest received	**(12)**	(2)	(3)
Depreciation	**35**	12	27
Amortisation of intangible assets	**29**	-	10
Share–based payment charges	**36**	5	54
Operating cash outflow before changes in working capital	**(346)**	(542)	(1,128)
Movement in trade and other receivables	**(113)**	(66)	22
Movement in trade and other payables	**(71)**	(60)	(16)
Cash flow from operations	**(530)**	(668)	(1,122)
Tax received	**123**	-	112
Tax paid	**(30)**	-	-
Net cash flows used in operating activities	**(437)**	(668)	(1,010)
Cash flow from investing activities			
Purchase of property, plant and equipment	**(42)**	(3)	(67)
Purchase of business, net of cash acquired	**-**	-	(105)
Finance income	**12**	2	3
Net cash outflow from investing activities	**(30)**	(1)	(169)
Cash flow from financing activities			
Issue of share capital	**-**	-	2,000
Expenses of share issue	**-**	-	(150)
Repayment of short term loans	**-**	-	(92)
Net cash flow from financing activities	**-**	-	1,758
Net (decrease)/increase in cash and cash equivalents	**(467)**	(669)	579
Cash and cash equivalents at start of period	**2,316**	1,737	1,737
Cash and cash equivalents at end of period	**1,849**	1,068	2,316

Notes to the consolidated interim report

1 Basis of preparation

The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 July 2011, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union.

The interim financial information for each of the six month periods ended 31 January 2012 and 31 January 2011 has neither been reviewed nor audited pursuant to guidance issued by the Auditing Practices Board within the meaning of Section 435 of the Companies Act 2006. The information for the year ended 31 July 2011 does not constitute statutory accounts within the meaning of Section 435 of the Companies Act 2006, but is based on the statutory accounts for that year, on which the Group's auditors have reported on and which have been filed with the Registrar of Companies.

Their audit report was unqualified, did not include references to any matters to which the auditors drew attention by way of emphasis without qualifying their report and did not contain a statement under Section 498 (2) or (3) Companies Act 2006. This interim financial report has neither been audited nor reviewed pursuant to the International Standard on Review Engagements (UK and Ireland) 2410.

The condensed consolidated interim financial information was approved for issue on 22 March 2012.

2 Accounting Policies

The accounting policies applied by the Group in these interim financial statements are the same as those applied by the Group in its audited consolidated financial statements for the year ended 31 July 2011 and which will form the basis of the 2012 Annual Report, other than as required from changes in accounting standards as discussed in note 3. The basis of consolidation is set out in the Group's accounting policies in those financial statements.

The preparation of the interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Estimates and judgements are continually evaluated and are based on historical experience and other factors, such as expectations of future events and are believed to be reasonable under the circumstances.

Actual results may differ from these estimates. In preparing these interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the audited consolidated financial statements for the year ended 31 July 2011.

3 Changes in accounting policies

The following amendments to financial reporting standards were adopted from 1 August 2011. None of them have had a significant impact on the Group:

- IFRS Improvements (2010)
- Amendment to IAS 24 'Related Party Disclosures'
- Amendments as part of the Annual Improvements
    - Amendments to IFRS 7 'Financial Instruments: Disclosures'
    - Amendment to IAS 1 'Presentation of financial statements'
    - Amendments to IAS 34 'Interim Financial Reporting'
- IFRIC 13 (amendment) 'Customer Loyalty Programmes'
- IFRIC 14 (amendment) 'The Limited on a Defined Benefit Asset'

4 Segment information

Operating segment information is reported based on the financial information provided to the Board of Directors, which is regarded as the 'Chief Operating Decision Maker' (CODM). The CODM considers that the Group has one operating segment, being 'Dermatological services with an emphasis on skin microbiology expertise'. No geographic information is regularly provided to the CODM.

The CODM assesses the performance of the Group by reference to group-wide results. The group-wide measures of results are 'operating loss' and 'loss for the year'. Both these measures are disclosed on the face of the Condensed consolidated statement of comprehensive income. No differences exist between the basis of preparation of the performance measures used by the CODM and the figures presented in the consolidated financial statements.

Geographical information

The UK is the Group's country of domicile.

Revenue by location of customer	**Six months ended 31 January 2012 £000**	Six months ended 31 January 2011 £000	Year ended 31 July 2011 £000
UK	**164**	110	142
USA	**22**	30	35
Belgium	**38**	-	-
France	**77**	-	8
Germany	**33**	21	42
Sweden	**10**	-	-
Total revenue	**344**	161	227

Revenue by location of group entity	**Six months ended 31 January 2012 £000**	Six months ended 31 January 2011 £000	Year ended 31 July 2011 £000
UK	**344**	161	227
Total revenue	**344**	161	227

Other information

Revenue for both the current and previous financial year was generated from the rendering of research services.

For the six months ended 31 January 2012, four customers each generated revenues over 10% of total revenues, being 24%, 22%, 15% and 11% respectively.

For the six months ended 31 January 2011, our three largest customers accounted for approximately 65%, 19% and 13% of total revenues respectively.

For the year ended 31 July 2011, our three largest customers accounted for approximately 64%, 19% and 12% of total revenues respectively.

Non-current assets all relate to the Group's single operating segment.

5 Loss per share

The calculation of basic and diluted loss per share is based upon the loss after tax divided by the weighted average number of shares in issue during the period. Due to the losses incurred there is no dilutive effect from the issue of share options.

Basic and diluted loss per share	**Loss after tax £'000**	**Weighted average number of shares**	**EPS (pence)**
6 months ended 31 January 2012	(373)	173,179,690	(0.21p)
6 months ended 31 January 2011	(507)	107,148,440	(0.47p)
12 months ended 31 July 2011	(1,079)	119,631,060	(0.90p)

At 31 January 2012 there were 8,560,110 share options granted but not yet exercised (31 January 2011: 8,980,010; 31 July 2011: 8,560,110).

6 Seasonality

The Group's revenues are subject to the timing and fulfilment of major contracts for fee based research services which can have a significant impact on the revenues in any given period and are difficult to predict.

7 Related party transactions

The following transactions took place during the year with other related parties:

	Purchase of goods and services			**Amounts owed to related parties**		
Group	**H1 2012 £000**	H1 2011 £000	FY 2011 £000	**H1 2012 £000**	H1 2011 £000	FY 2011 £000
Atraxa Consulting Limited[1]	**40**	18	60	**20**	-	10

1 – Atraxa Consulting Limited provides accountancy services to the Group. One of the Company's directors, Darren Bamforth, is a director and shareholder of Atraxa Consulting Limited.

Statement of Directors' Responsibilities

The directors confirm to the best of their knowledge that:

i) The condensed consolidated interim financial information has been prepared in accordance with IAS 34 as adopted by the European Union; and

ii) The interim management report includes a fair review of the information required by the FSA's Disclosure and Transparency Rules (4.2.7 R and 4.2.8 R).

Financial statements are published on the Group's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Group's website is the responsibility of the directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

The Directors of Evocutis plc and their functions are listed below.

Further information for Shareholders

Company number:	05656604
Registered office:	Sandbeck Lane Wetherby LS22 7TW
Directors:	Thomas Bannatyne (Chairman) Dr Stephen Jones (Chief Executive Officer) Dr Richard Bojar (Chief Scientific Officer) Darren Bamforth (Group Finance Director) Dr Gwyn Humphreys (Non-Executive Director) Michael Townend (Non-Executive Director)
Company Secretary:	Darren Bamforth