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Publishing Technology PLC
19 December 2011

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Publishing Technology plc ("Publishing Technology" or "the Company")

Trading Update

Publishing Technology plc, the largest provider of software and services to the publishing industry, announces that 2011 has been its most successful sales year to date, having signed new contracts with over 50 publishers.

The Company's policy of recognising revenue over the life of its long term contracts means that the increased volume of new sales will not have a large impact on the year ending 31 December 2011, and this, together with the heavy investment made in new product development in the enterprise division and in international expansion during the year, means that revenues for the year ending 31 December 2011 are expected to be roughly flat on the prior year and net profits are expected to be around 30% below the level achieved in 2010.

The Company closes the year in a strong position, welcoming several significant US academic publishers to its online custom hosting platform, *pub2web*, including, the American Institute of Physics (AIP), American Society of Microbiology (ASM) and United Nations Publications. Publishing Technology will produce the next generation Scitation site for AIP, work closely with ASM to create the largest resource of microbiology research online and build a custom site for the UN that will become home to 5,300 publications. In addition to this, a further 21 publishers are to host their journal-based content on *ingentaconnect*.

Alongside the significant gains made by its online division, Publishing Technology has expanded into new geographical markets, rolling out its operations into India and launching in China, which culminated in a noteworthy partnership with the China National Publications Import and Export Corporation (CNPIEC). The enterprise side of the business secured new contracts with large publishers, such as SAGE, and the Company's sales and marketing consultancy, Publishers Communication Group (PCG), partnered with the likes of the Independent Scholarly Publishers Group (ISPG), Adam Matthew Group and American Psychiatric Publishing, taking its annual tally up to an impressive 16 new contracts signed.

George Lossius, CEO at Publishing Technology, commented:

"Whilst the level of profitability in the current year is expected to be below our expectations, we are delighted with the way the Company has improved sales performance in every part of the business this year. The growth in our customer base, particularly in the online arena, proves our products are right for the market and underpins the revenues for 2012."

He continued: "The Company has sought new opportunities in growth markets across the globe and established key partnerships as a result which are beginning to pay off. We have many more exciting opportunities in the pipeline for 2012 so are very much looking forward to seeing what the New Year will bring."

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