

For Immediate release

7 November 2007

ALEXON GROUP PLC

Return of Capital and Interim Management Statement

Return of Capital

At the interim results, the Board of Alexon announced its intention to return 30 pence per ordinary share, representing approximately £17 million in aggregate. Having considered the most appropriate structure and mechanism the Board is pleased to propose a B share scheme and related share capital consolidation (the "Capital Reorganisation"). The B share scheme gives shareholders a choice to receive their cash either as a capital sum or as a dividend. The proposals are subject to shareholder approval; a shareholder circular and notice of an extraordinary general meeting ("EGM") to be held on 29 November 2007 were posted to shareholders yesterday.

Key timetables dates*:

Latest time and date for receipt of form of proxy for EGM	12 noon, 27 November 2007
EGM	12 noon, 29 November 2007
Record date for the Capital Reorganisation, existing ordinary share register closed and existing ordinary shares disabled in CREST	6.00pm 30 November 2007
Despatch of cheques or CREST credited, as appropriate, in respect of capital sum elections	14 December 2007
Despatch of cheques or bank accounts credited, as appropriate, in respect of dividend elections	17 December 2007

*All times and dates are subject to change

Interim Management Statement

In Alexon's interim results announced on 24 September 2007, Alexon made the following trading statement:

"Although like-for-like sales are down 5 per cent. in the first seven weeks of the second half, gross margins continue to be ahead of last year. The current trading climate remains challenging and the outcome for the year is largely dependent on the critical Christmas trading period."

The pattern of trade since 24 September 2007 has remained unchanged.

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