

ILXTRA



In this issue:

First £1m plus training contract for CTG & new recurring business streams

AGM

Tony Glass:

New MD of Best Practice

Shareholder Information

"Read all about it!" What are the press saying about ILX?

Contract Wins for the Best Practice Division

Dear Shareholders,

Throughout the year we strive to ensure that the ILX story is communicated to a wide audience of Private Client Brokers, Institutional Investors, City-based research analysts and Financial Journalists. You can see later in this newsletter some of the recent articles that have been written on ILX over the last six months following contract gains, a new director appointment for Best Practice, a trading update and our Final Results. Shareholders and those interested in investing will also find the ILX website of great interest. Some of the latest features to be found here include:

Podcasts – Ex-City Editor of the *Sunday Times*, **Peter Shearlock**, spoke to **Eddie Kilkelly**, Operations Director of Best Practice, **Tony Glass**, the new MD of Best Practice and **Peter Evans**, MD of CTG as well as Chief Executive, **Ken Scott**. To listen and download the podcasts go to: www.ilxgroup.com/investor_podcasts.htm

Growth Company Investor Show – Our most recent investor presentation, delivered to participants of the Growth Company Investor Show in June 2007, can be viewed at: www.ilxgroup.com/investor_presentations.htm

First £1m plus training contract for CTG & new recurring business streams

On 11 June ILX announced that its financial training division, Corporate Training Group (CTG), will be providing in excess of £1.2 million of training courses for one of its main investment banking clients during the year ended 31 March 2008. This is the first CTG client to book in excess of £1 million in any one year.

The CTG strategy is to work in partnership with its key clients developing relationships with all parts

of the investment banks it serves from M&A teams to wealth management. In this way CTG has seen revenues for this particular client grow from approximately £10,000 to its current level of over £1.2 million in the past 5 years.

With regard to high quality long term business CTG has seen the following developments this year:

- In the core Investment Banking space 6 significant new clients with fees of

over £300K on a recurring basis.

- In the target growth areas of private wealth and Private equity CTG has won the following:

- > Private wealth: 3 global players with revenues booked for the year in excess of £150k – all recurring business
- > Private equity: 4 new firms (including some of the country's largest buyout funds) revenues in excess of £150k – all recurring business

Annual General Meeting

The ILX AGM was held on 20 July 2007. We would like to thank all shareholders who attended the meeting and who voted for the resolutions; all resolutions were passed.

Following the formal proceedings of the AGM, Ken Scott made a statement to shareholders which was also released to the stock exchange. In it Ken said, "I am pleased to confirm that trading at ILX Group has been most encouraging in the first quarter of 2007/8... we are therefore confident in our ability to deliver this year not only increased turnover and profit but also earnings per share growth, in line with market expectations."

In his statement, Ken also mentioned the strong revenue growth from CTG (including the division's first £1m+ client), trading from Best Practice has also been strong and that there will be major e-learning opportunities later in the year with the launch of a new ITIL v3 accreditation, as well as changes to the PRINCE2 Practitioner qualification. The Mount Lane division had recently won a large 3-year contract with a major agency which underlined confidence in this business' recovery.

We are also grateful for shareholder feedback and have been listening to what shareholders have been telling us. As a result of such feedback ILX is looking to increase its presence at industry conferences for learning and e-learning and to have a stronger voice with the trade publications that focus on Finance and Project Management.

Tony Glass: New MD of Best Practice



ILX has appointed Tony Glass as Managing Director of its Best Practice Division, which has recently been fully integrated into one Division, with effect from 18 June.

Tony was previously Vice President of Sales, EMEA for Skillsoft; a NASDAQ quoted leading provider of e-learning and performance support solutions for global enterprises, governments, education and small to medium-sized businesses. Tony joined SkillSoft in March 2001 and has been credited with growing sales revenue substantially over a sustained period. He joins ILX from a background of extensive experience in the training industry and particularly in product marketing, customer retention and in managing successful sales operations.

Shareholder Information

Directors' Shareholdings

	Ordinary Shares of 10 pence each	
	At 26/07/07	At 01/01/06
P R S Lever	84,100	46,600
K P Scott	147,585	102,570
J A Pickles	107,812	82,812
J H Davies*	49,100	36,600
P Virik**	-	-

*Resigned 3 January 2007

**Appointed 3 January 2007

There were no changes between 31 March 2007 and 22 June 2007.

Significant Shareholders (over 3%)

	Ordinary Shares of 10 pence each	%
Barnard Nominees Ltd	2,177,430	11.23
Investec Trust Guernsey Ltd*	1,850,000	9.54
Brewin Dolphin (Giltspur Nominees)	1,471,544	7.59
Park Row Group plc	1,030,652	5.32
Singer & Friedlander Investment Management	1,009,438	5.21
Kate Blackall	843,190	4.35
Marlborough Fund Managers	760,000	3.92
Andrew White	594,000	3.06
Singer & Friedlander AIM 3 VCT	591,600	3.05

*ILX Group plc Medium Term Incentive Plan



The stock exchange

To receive stock exchange announcements on ILX Group plc as they are released to the market please log on to the website: www.ilxgroup.com and add your name.

EPIC code:	ILX
Index membership:	FTSE AIM, Support Services – Education, business training & employment agencies
No. shares in issue:	19.4m
Share price:	68p (as of 24 July 2007)
Market cap:	£13.2m (as of 24 July 2007)
12 months Hi/Lo:	102p/54p
End of financial year:	31 March

Financial Calendar

Preliminary Results	June 2008
AGM	July 2008
Interim Results	November 2007

Share price listings

The share price for ILX Group plc is listed in the following newspapers:

Financial Times (Listed under AIM: Industrials)

The Times (Listed under Professional & support services)

It is also available by calling the *Financial Times* Cityline on **0906 003 5679**.

(at the menu following the FTSE 100 index select option 2 and key in ILX's 4 digit key code of 5679. Calls are charged at a premium rate. The company receives no income from this service which is provided by a third party).

Preliminary Results

ILX delivered a strong set of preliminary results with turnover up 49.6% to £10.34m, operating profit up 58% to £1.58m and pre tax profit up 44.9% to £1.36m. The group demonstrated strong cash generation with operating cash flow of £1.98m. A dividend of 0.75p per share is payable to shareholders on the register at 27 July 2007.

Ken Scott, CEO of ILX Group said: "Our strategy continues to be to build a sizeable training and software business in the vocational training market, achieved through organic growth and by earnings enhancing acquisitions. Despite the setbacks during 2006/7 we have continued to deliver overall profit growth and remain well placed to capitalise on the base that has been built to date."

20/07/07	Annual General Meeting
25/06/07	2007 PRELIMINARY RESULTS
23/05/07	Senior Management Appointment & Contract Wins
01/05/07	Total Voting Rights
16/04/07	Year end trading update
13/04/07	Issue of Shares
23/03/07	Notification of Major Interests in Shares
21/03/07	Notification of Major Interests in Shares
27/02/07	EU Transparency Directive - Initial Shareholder Notification
25/01/07	Holding in Company
15/01/07	Q3 Trading Update
09/01/07	Board Appointment
14/12/06	Total Voting Rights
20/11/06	2006 INTERIM RESULTS
07/11/06	Holding in Company
06/11/06	Holding in Company
01/11/06	Notice of Interim results
18/10/06	Issue of shares
27/09/06	Issue of shares
22/09/06	Medium Term Incentive Plan ("MTIP") and Share Options

Contact us/Feedback

If you have any questions or comments regarding Investor Relations for ILX Group plc you can write to us at:

Investor Relations, ILX Group plc
115 Hammersmith Road,
London, W14 0QH

Or email us at info@ilxgroup.com with the words "Investor Relations" in the subject line.

“Read all about it!”

What are the press saying about ILX?

Below are a few extracts from our recent press coverage:

“A hidden gem”

Money Observer, April 2007 – Subscribers to *Money Observer* can view the full article at www.moneyobserver.com/?page=previousissues&viewcontents=17 by clicking on the search archive button.

“ILX Group added 40.7 per cent to 79.5p as the business education and training company announced a handful of new contracts, including one with the Home Office.”
Financial Times, 24 May 2007

“When I last reviewed them [ILX shares] in April they were trading at 72.5p – after a 20p fall on the trading statement. They have since been down to 54p. That compares with a recommendation price here in November 2004 of 92.5p. Last week, however, they bounced to 65.5p on news that CTG, the financial training offshoot, has for the first time won a £1 million-plus contract from one of its investment banking clients. Five years ago, the same client was giving CTG business worth just £10,000 a year. The news was a potent reminder that ILX has some good businesses – as well as others that have led it to disappoint on occasions.”
Small Cap Stock Picks, 15 June 2007

“Analyst Paul Bates remains bullish on business education and training group ILX despite its April profits alert. The year to March was actually one of significant growth with turnover surging 50 per cent higher to £10.34 million and pre-tax profits coming in at £1.46 million, buoyed by £12.3 million acquisition CTG and the core training business of the Best Practice division. Mount Lane and Customer Projects proved disappointments. Bates concedes that management must regain confidence while criticising the market’s overreaction, pointing out ‘the core of ILX remains high growth and high margin, and CTG continues to perform excellently’. He underscores his ‘add’ stance by noting that ‘should the company remain on track’, the 69p shares ‘should then look very cheap’ on forward p/e ratios of 9.5 and 7.7.”
Growth Company Investor, July 2007

“ILX is down by 41% since we tipped it at 105p last year. Even so, this is a recovery story and the management must now work to generate growth across all business areas, showing the merits of consolidating its subsidiaries into the Best Practice division, whilst driving forward the new CTG business. Investor confidence will return once ILX confirms it is on track to hit market forecasts. For us, the market seems to have more than discounted the bad news. This is a growth stock on a low rating. BUY.”
The AIM & PLUS Newsletter, August 2007

The extracts above reflect the views of the individual publications and not of ILX Group plc. The extracts from the magazines are for general information only and are not intended to be relied upon by individuals in making (or refraining from making) any specific investment decision. Appropriate independent advice should be obtained before making any such decisions.

For your information: Some of you may have received an anonymous letter recently referring to ILX Group and its current market position. We would like to take this opportunity to inform you that the letter is factually incorrect and misrepresents the companies’ circumstances. If you did receive a copy of the letter and have any questions please call +44 (0)20 7371 4444. Alternatively email debbie.sharple@ilxgroup.com

Contract wins for the Best Practice division

ILX’s Best Practice Division has recently secured a number of large-scale contracts to deliver a range of services including “state of the art” e-learning, instructor-led training and implementation consultancy. These contract wins will contribute approximately £1m to revenue for the current financial year and include:

The Home Office: Having held the central contract to provide Programme and Project Management training for over two years, ILX was successful in being appointed to a new Framework contract to provide instructor-led training and related services to the whole Home Office Group, which comprises over 20,000 people.

A major High Street Bank: ILX has been given preferred supplier status to provide its full range of Best Practice training and consultancy across the Bank.

Telent: This communications support services company has commissioned a major consultancy exercise to align their Programme and Project Management capability to the Office of Government Commerce Best Practice Maturity Model.

The Environment Agency: ILX has been awarded a two year contract to deliver a blend of highly tailored project management training to the Environment Agency. This programme, to be delivered across eight regions, has been commissioned to raise the profile of project management competence throughout the organisation.