



**FOR RELEASE**

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**EPIC GROUP PLC ("Epic")**

(The UK's leading e-learning company)

**STRONG CASH POSITION**

**CLEAR OPPORTUNITY TO BUILD ON LEADING POSITION  
IN THE  
E-LEARNING MARKET**

Michael Inwards, the Chairman of Epic, speaking at the Annual General Meeting held in Brighton today, said:

The financial statements for the year ended 31 May 2001 showed a third successive year of significant growth by Epic. Due to decreasing business confidence during the summer months, we reassessed the forecasts on 27 September and stated that overall revenue for 2001/2002 was likely to be up to 20% lower than the previous year. In the last two months, we have managed to maintain a stable order book which is in line with the above mentioned forecast.

We have continued to receive repeat business from The Royal Bank of Scotland, Lloyds TSB, Barclays, University for Industry, Cabinet Office, ntl, KPMG and American Express. Clients with whom we are starting to build relationships are the E-University, CGNU, Orange, Channel 4, GuinnessUDV, ICI, Whitbread and Coca-Cola Enterprises.

Evidence remains that the e-learning market is very much alive. Work is continuing under the framework contracts we have in place with American Express, Lloyds TSB and the Department of Work and Pensions. Attendance at the October major global e-learning conference in the USA confirmed our view that e-learning has become a mainstream activity. Epic's 'Napsterisation of learning' (peer-to-peer) concept was well received and considered innovative. In the UK, we are seeing strong public sector plans for e-learning. The Department of Work and Pensions has a budget of several million this year and another major government department have issued a tender document to spend £15m over the next 3 years.

Recognition of our leading market position was reinforced in October when Epic won a prestigious Brandon-Hall Award for e-learning at Online Learning 2001 in Los Angeles and received the 'Outstanding Achievement in e-learning Award' at the World Open Learning Conference.

Our financial strength and strong cash position give us the clear opportunity to build on our leading position in the e-learning market.

**For further information:**

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**BACKGROUND NOTE:**

**MARKET DATA ON THE E-LEARNING MARKET:**

IDC estimate that the e-learning market will grow to \$18 billion by the year 2005 compared to an estimated \$2.3 billion for 2000. In Europe, IDC estimate that the market will grow to \$4.0 billion in 2004. The market will be dominated by the UK, Sweden and Netherlands. IDC also estimate that a shift in the e-learning market will occur from IT skills training to the non-IT or business skills segment. In 2000 the business skills segment accounted for 24 percent of the market, but is expected to capture 53.8 percent by 2005.

**EPIC'S CLIENTS:**

Epic has worked with The Royal Bank of Scotland, Lloyds TSB, Barclays, Credit Suisse and the Chartered Institute of Bankers. In the government sector, it has undertaken work for the Department of Work and Pension, LearnDirect, Scottish Enterprise, the DETR, Inland Revenue and Customs & Excise. British Airways, BOC, PriceWaterhouseCoopers, Video Arts, Linguaphone and the Industrial Society are also clients.

**WEBSITE**

[www.epic.co.uk](http://www.epic.co.uk)