



2010

Majedie Investments PLC
Half-Yearly Financial Report

31 March 2010

Majedie Investments PLC is a self-managed investment trust with total portfolio assets under management of over £163 million as at 31 March 2010.

Our Objective is to maximise total shareholder return over the long term whilst increasing dividends by more than the rate of inflation.

Our Benchmark is 70% FTSE All-Share Index and 30% FTSE World ex UK Index (Sterling) on a total return basis.

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Financial Highlights

for the half year ended 31 March 2010

Net assets per share increased by 4.8% to 250.1p

Share price increased by 4.9% to 199.0p

Discount to net assets narrowed from 20.5% to 20.4%

Revenue Return per share increased by 176.6% to 13.0p

Interim dividend unchanged at 4.2p

Special dividend paid of 2.5p

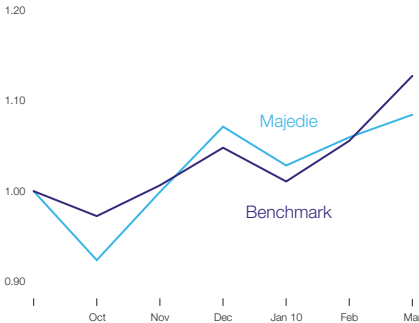
Performance

Net asset value total return of 8.5%

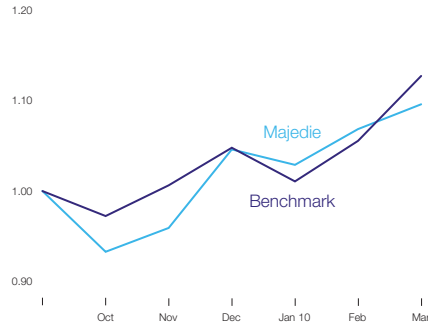
Total shareholder return of 9.6%

Benchmark total return of 12.7%

NAV TOTAL RETURN V BENCHMARK
FOR THE HALF YEAR ENDED 31 MARCH 2010



TOTAL SHAREHOLDER RETURN V BENCHMARK
FOR THE HALF YEAR ENDED 31 MARCH 2010



Sources: The WM Company; Majedie

Investment Objective and Policy Statement

Investment Objective

The Company's objective is to maximise total shareholder return over the long term whilst increasing dividends by more than the rate of inflation.

Investment Policy

The Company invests principally in securities of publicly quoted companies worldwide, though it may invest in unquoted securities up to levels set periodically by the Board.

The overall approach is based on analysis of global economies and sector trends with a focus on companies and sectors judged likely to deliver strong growth over the long term. The number of investments held, together with the geographic and sector diversity of the portfolio, enable the Company to spread its risks with regard to liquidity, market volatility, currency movements and revenue streams.

The Company's benchmark comprises 70% FTSE All-Share Index and 30% FTSE World ex UK Index (Sterling) on a total return basis. It is used to assess the performance and risk of the Company and investment portfolio. Whilst performance is measured against the benchmark, investment decisions and portfolio construction are made on an independent basis. The Board however sets various specific portfolio limits for stocks and sectors in order to restrict risk levels.

Although, exceptionally, derivative instruments may be employed, usually for hedging purposes and with specific prior approval of the Board, generally the Company is a long-only investor and would be unlikely to use such instruments.

The Company will not invest in any holding that would, at the time of investment, represent more than 15% of the value of its gross assets.

The Company uses gearing to enhance the long term returns to shareholders. The Articles of Association give the Board the ability to borrow up to 100% of adjusted capital and reserves. The Board also reviews the level of net gearing (borrowings less cash) on an ongoing basis and sets a range at its discretion as appropriate. The Company's current debenture borrowings are limited by covenant to 66 $\frac{2}{3}$ %, and any additional indebtedness is not to exceed 20%, of adjusted capital and reserves.

Chairman's Statement

The six months to 31 March 2010 saw a continuation of the nascent recovery in the global economy, notwithstanding the unevenness of that recovery, with economies in Asia and America leading the way.

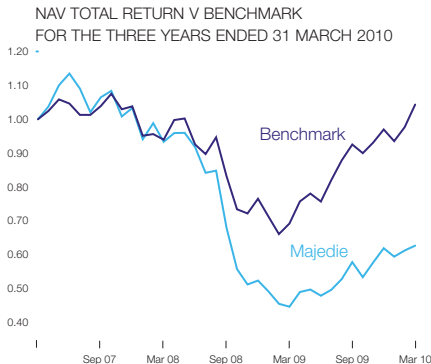
Although the portfolio has been restructured and is performing in-line with expectations we do retain some illiquid unlisted small cap investments which have continued to drag on our performance during the period.

Consequently on a total return basis, the NAV and Share price for the six month period increased by 8.5% and 9.6% respectively which compared to a 12.7% increase in the benchmark.

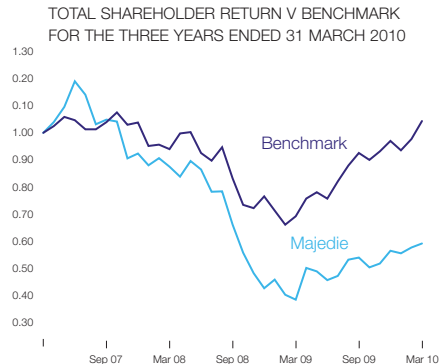
Results

The Group's net profit before tax for the six months to 31 March 2010 was £6.8m compared with £2.5m for the prior year period. Group income for the six months was £7.6m, including total income from Majedie Asset Management Limited (MAM)

of £5.9m which provided £1.6m in the same period last year. Current period MAM income includes a £5.4m special dividend, as compared to £1.4m previously. This increase was partially offset by a reduction in portfolio dividend income in the period. Total group costs of £1.9m are £0.3m higher than last year reflecting non recurring expenditure this year on Javelin Capital set up costs and current lower operating costs. The significant increase in MAM dividends contributed to the increase in earnings per share of 177% to 13.0p from 4.7p for the same period last year.



Sources: The WM Company; Majedie



Chairman's Statement

As a result of the MAM special dividend and the related investment trust minimum distribution requirement under UK tax legislation, the Board declared a special interim dividend of 2.5 pence per share which was paid on 8 March 2010 to shareholders on the register on 26 February 2010. The Board has decided that the ordinary interim dividend is to be maintained at 4.2 pence per share, consistent with last year. The interim dividend will be paid on 30 June 2010 to shareholders on the register on 4 June 2010.

The MAM business continues to perform well. As a result of this strong performance, and notwithstanding the large special dividend received during the period the Board has maintained the carrying value of our 30% investment at its existing level of £30m as at 31 March 2010.

Portfolio

The active management of the portfolio has now been split into core and non-core components. The former, comprises holdings in mainly large-cap UK and international stocks and a small number of carefully selected mid-cap companies. The latter portfolio consists of the remaining small-cap stocks and early stage investments, exits from which are being sought over time but which are by their nature illiquid. The non-core portfolio now represents only a small percentage of total assets.

A number of changes have been made to the core portfolio over the period, the most important of which has been the decision to remain reasonably fully invested in the markets and to maintain only relatively low levels of cash. Investment in the overseas part of the portfolio has again been increased and now is at a level approaching the 30% benchmark. This has enabled the portfolio to benefit somewhat from the general depreciation of sterling over the period.

One major theme in adding new investments to the portfolio has been to seek companies exposed to growth in the Far East or beneficiaries from a decline in sterling. Exposure to both the energy and mining sectors has thus been increased and several support services companies such as de la Rue, Bunzl and Group 4 Securicor have been added – all companies with strong overseas market positions. Compass Group, another company with a strong international franchise in the catering area has also been purchased and has performed strongly over the period. The two smaller energy related holdings exposed to the Indian market, KSK Holdings and Great Eastern Energy, have both fully justified their retention within the core portfolio and have benefited from the economic growth of the Indian sub-continent.

Markets have proved to be reasonably buoyant since the autumn as ample liquidity and historically very low rates of interest have encouraged investors to increase overall exposure to riskier assets. The Far East and United States now seem to be recovering well from the recent recession whilst the Eurozone is still beset by debt issues and here growth prospects appear less attractive. Our focus will thus continue to be to source good quality companies with sound cash flows and the potential to grow dividends meaningfully over the medium to long term.

Javelin Capital

Steady but significant progress has been made with the establishment of our new fund management business and we hope to begin operations, subject to the receipt of the relevant approvals, shortly. We are confident that the offering will be attractive in the marketplace and should provide a significant new opportunity for the Company in the future.

Chairman's Statement

Outlook

The recovery in markets which began from the low point reached in March 2009 has continued to gain pace, although it is clear that economic growth is recovering more strongly in the Far East and the United States than in the Eurozone and the UK. Nevertheless, the UK market has performed creditably given its orientation towards large global companies in the energy and mining industries. Purely domestic areas of the market such as utilities and some smaller companies have tended to underperform as investment sentiment has favoured more cyclical stocks. Overall, there are early signs of monetary tightening in major jurisdictions which may depress market sentiment in the short term, particularly if this gathers pace and if it is combined with continued uncertainty within the euro area.



Andrew J Adcock

Chairman

18 May 2010

Portfolio Information

at 31 March 2010

Fund Analysis

	Market Value £000	% of Fund
Oil & Gas	21,342	13.0
Basic Materials	12,121	7.4
Industrials	13,374	8.2
Consumer Goods	10,205	6.2
Health Care	9,197	5.6
Consumer Services	8,808	5.4
Telecommunications	9,636	5.9
Utilities	3,544	2.1
Financials	21,906	13.4
Technology	5,421	3.3
Unlisted (note 7)	35,498	21.7
Total Investments at Fair Value	151,052	92.2
Cash	12,733	7.8
	<u>163,785</u>	<u>100.0</u>
United Kingdom	116,500	71.1
Australia	766	0.5
United States	16,625	10.2
Continental Europe	8,101	4.9
Japan	3,359	2.0
Asia	5,701	3.5
Total Investments at Fair Value	151,052	92.2
Cash	12,733	7.8
	<u>163,785</u>	<u>100.0</u>

The portfolio information on pages 7 and 8 comprises the investments at fair value of £151,052,000 (including MAM at £30,000,000) and cash (as adjusted for amounts due to/from brokers for settlement) of £12,733,000.

Twenty Largest UK Investments

at 31 March 2010

Company	Market Value £000	% of Fund	Company	Market Value £000	% of Fund
Majedie Asset Management	30,000	18.3	BG Group	2,270	1.4
BP	8,104	5.0	Antofagasta	2,236	1.4
HSBC	7,348	4.5	Barclays	2,162	1.3
Royal Dutch Shell 'B'	5,900	3.6	Unilever	2,129	1.3
Vodafone	4,940	3.0	British Land	1,684	1.0
BHP Billiton	4,746	2.9	BAE Systems	1,559	1.0
GlaxoSmithKline	4,619	2.8	National Grid	1,283	0.8
Rio Tinto	4,100	2.5	Sainsbury (J)	1,147	0.7
Vostok Energy	3,019	1.8	Charter International	1,088	0.7
Aviva	2,562	1.6	Compass Group	1,052	0.6

Ten Largest Overseas Investments

at 31 March 2010

Company	Market Value £000	% of Fund	Company	Market Value £000	% of Fund
Wells Fargo (USA)	1,383	0.8	Sanofi-Aventis (France)	1,231	0.8
China Construction Bank (China)	1,346	0.8	Lockheed Martin (USA)	1,207	0.7
Toyota (Japan)	1,318	0.8	JPMorgan Chase (USA)	1,180	0.7
Microsoft Corp (USA)	1,254	0.8	Telefonica (Spain)	1,173	0.7
ENI (Italy)	1,232	0.8	Bristol-Myers Squibb (USA)	1,144	0.7

Interim Management Report

The important events that have occurred during the period under review, the key factors influencing the financial statements and the principal uncertainties for the remaining six months of the financial year are set out in the Chairman's Statement on pages 3 to 6.

The principal risks facing the Company are substantially unchanged since the date of the Annual Report for the year ended 30 September 2009 and continue to be as set out in that report. Risks faced by the Company include, but are not limited to, market risk, discount volatility, regulatory risk, financial risk, risks associated with banking and hedging and non-compliance with Section 842 of the Income and Corporation Taxes 1988.

Responsibility Statement of the Directors in respect of the Half-Yearly Financial Report

In accordance with the Disclosure and Transparency Rules 4.2.7R and 4.2.8R, we confirm that to the best of our knowledge:

- (a) The condensed set of financial statements has been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting, as adopted by the European Union, as required by the Disclosure and Transparency Rule 4.2.4R, and gives a true and fair view of the assets, liabilities and financial position of the Company;
- (b) The Chairman's Statement includes a fair review of the information required to be disclosed under the Disclosure and Transparency Rule 4.2.7R, interim management report. This includes (i) an indication of important events that have occurred during the first six months of the financial year, and their impact on the condensed set of financial statements presented in the Half-Yearly Financial Report and (ii) a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- (c) There were no changes in the transactions or arrangements with related parties as described in the Group's annual report for the year ended 30 September 2009 that would have had a material effect on the financial position or performance of the Group in the first six months of the current financial year.

Andrew J Adcock

Chairman

For and on behalf of the Board

18 May 2010

Independent Review Report to Majedie Investments PLC

Introduction

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 31 March 2010 which comprises the Condensed Consolidated Income Statement, Condensed Consolidated Statement of Changes in Equity, Condensed Consolidated Balance Sheet, Condensed Consolidated Cash Flow Statement and related notes 1 to 13.

We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the Company in accordance with guidance contained in ISRE 2410 (UK and Ireland) Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Auditing Practices Board. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our work, for this report, or for the conclusions we have formed.

Directors' Responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

As disclosed in note 1, the annual financial statements of the Company are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting, as adopted by the European Union.

Our Responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 31 March 2010 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

Ernst & Young LLP

London

18 May 2010

Condensed Consolidated Income Statement

for the half year ended 31 March 2010

Half year ended 31 March 2010			
	Revenue	Capital	Total
	return	return	
Note	£000	£000	£000
Investments			
Gains/(losses) on investments at fair value through profit or loss		6,218	6,218
Net investment result		6,218	6,218
Income			
Dividends	1,716		1,716
Interest	27		27
MAM dividend income	468		468
MAM special dividend income	5,400		5,400
Other income	21		21
Total income	7,632		7,632
Expenses			
Administration expenses	(478)	(1,434)	(1,912)
Return/(deficit) before finance costs and taxation	7,154	4,784	11,938
Finance costs	(350)	(1,051)	(1,401)
Net return/(deficit) before taxation	6,804	3,733	10,537
Taxation	2 (50)		(50)
Net return/(deficit) after taxation for the period	6,754	3,733	10,487
Return/(deficit) per ordinary share:			
Basic and diluted	3 pence	pence	pence
	13.0	7.2	20.2

The Group does not have any income or expenses that are not included in net return for the period, and therefore the 'Net return after taxation for the period' is also the 'Total comprehensive income for the period'.

The total column of this statement is the Statement of Comprehensive Income of the Group, prepared in accordance with International Financial Reporting Standards (IFRS). The supplementary revenue return and capital return columns are prepared under guidance published by the Association of Investment Companies. All items in the above statement relate to continuing operations.

See notes on pages 19 to 26.

Half year ended 31 March 2009		
Revenue return £000	Capital return £000	Total £000
	(52,065)	(52,065)
	(52,065)	(52,065)
2,044		2,044
86		86
261		261
1,359		1,359
16		16
3,766		3,766
(956)	(686)	(1,642)
2,810	(52,751)	(49,941)
(350)	(1,050)	(1,400)
2,460	(53,801)	(51,341)
(18)		(18)
2,442	(53,801)	(51,359)
pence	pence	pence
4.7	(103.6)	(98.9)

Year ended 30 September 2009		
Revenue return £000	Capital return £000	Total £000
	(23,723)	(23,723)
	(23,723)	(23,723)
4,499		4,499
95		95
547		547
1,359		1,359
34		34
6,534		6,534
(1,507)	(1,359)	(2,866)
5,027	(25,082)	(20,055)
(702)	(2,100)	(2,802)
4,325	(27,182)	(22,857)
(92)		(92)
4,233	(27,182)	(22,949)
pence	pence	pence
8.1	(52.3)	(44.2)

Condensed Consolidated Statement of Changes in Equity

for the half year ended 31 March 2010

	Notes	Share capital £000	Share premium £000
Half year ended 31 March 2010			
30 September 2009		5,253	785
Net return after tax for the period			
Share options expense	4		
Dividends declared and paid in period	6		
31 March 2010		5,253	785
Half year ended 31 March 2009			
30 September 2008		5,253	785
Net return/(deficit) after tax for the period			
Share options expense	4		
Dividends declared and paid in period	6		
Own shares (sold)/purchased by Employee Incentive Trust (EIT)			
31 March 2009		5,253	785
Year ended 30 September 2009			
30 September 2008		5,253	785
Net return/(deficit) after tax for the year			
Share options expense	4		
Dividends declared and paid in year	6		
Own shares (sold)/purchased by Employee Incentive Trust (EIT)			
30 September 2009		5,253	785

See notes on pages 19 to 26.

Capital redemption reserve £000	Share options reserve £000	Capital reserve £000	Revenue reserve £000	Own shares reserve £000	Total £000
56	(284)	93,424	26,649	(1,702)	124,181
		3,733	6,754		10,487
	29				29
			(4,578)		(4,578)
<u>56</u>	<u>(255)</u>	<u>97,157</u>	<u>28,825</u>	<u>(1,702)</u>	<u>130,119</u>
56	291	120,606	29,047	(2,573)	153,465
		(53,801)	2,442		(51,359)
	229				229
			(4,446)		(4,446)
	(826)			871	45
<u>56</u>	<u>(306)</u>	<u>66,805</u>	<u>27,043</u>	<u>(1,702)</u>	<u>97,934</u>
56	291	120,606	29,047	(2,573)	153,465
		(27,182)	4,233		(22,949)
	251				251
			(6,631)		(6,631)
	(826)			871	45
<u>56</u>	<u>(284)</u>	<u>93,424</u>	<u>26,649</u>	<u>(1,702)</u>	<u>124,181</u>

Condensed Consolidated Balance Sheet

at 31 March 2010

	Notes	31 March 2010 £000	31 March 2009 £000	30 September 2009 £000
Non-current assets				
Property and equipment		287	6	224
Investments at fair value through profit or loss	7,8	151,052	123,270	147,291
		<u>151,339</u>	<u>123,276</u>	<u>147,515</u>
Current assets				
Trade and other receivables		1,508	606	1,897
Cash and cash equivalents		12,218	10,243	12,384
		<u>13,726</u>	<u>10,849</u>	<u>14,281</u>
Total assets		<u>165,065</u>	<u>134,125</u>	<u>161,796</u>
Current liabilities				
Trade and other payables		(1,175)	(2,438)	(3,853)
Total assets less current liabilities		<u>163,890</u>	<u>131,687</u>	<u>157,943</u>
Non-current liabilities				
Debentures		(33,771)	(33,753)	(33,762)
Total liabilities		<u>(34,946)</u>	<u>(36,191)</u>	<u>(37,615)</u>
Net assets		<u>130,119</u>	<u>97,934</u>	<u>124,181</u>

	31 March 2010 £000	31 March 2009 £000	30 September 2009 £000
Notes			
Represented by:			
Ordinary share capital	5,253	5,253	5,253
Share premium	785	785	785
Capital redemption reserve	56	56	56
Share options reserve	(255)	(306)	(284)
Capital reserve	97,157	66,805	93,424
Revenue reserve	28,825	27,043	26,649
Own shares reserve	(1,702)	(1,702)	(1,702)
Equity Shareholders' Funds	130,119	97,934	124,181
Net asset value per share	pence	pence	pence
Basic and fully diluted	9 250.1	188.3	238.7

See notes on pages 19 to 26.

Condensed Consolidated Cash Flow Statement

for the half year ended 31 March 2010

		Half year ended 31 March 2010 £000	Half year ended 31 March 2009 £000	Year ended 30 September 2009 £000
	Notes			
Net cash inflow from operating activities	10	5,897	7,903	13,853
Investing activities				
Purchases of property and equipment		(93)	(1)	(234)
Net cash outflow from investing activities		(93)	(1)	(234)
Financing activities				
Interest paid		(1,392)	(1,392)	(2,783)
Equity dividends paid		(4,578)	(4,446)	(6,631)
Exercise of options on own shares			44	44
Net cash outflow from financing activities		(5,970)	(5,794)	(9,370)
(Decrease)/increase in cash and cash equivalents for period	11	(166)	2,108	4,249
Cash and cash equivalents at start of period		12,384	8,135	8,135
Cash and cash equivalents at end of period		12,218	10,243	12,384

See notes on pages 19 to 26.

Notes to the Condensed Consolidated Financial Statements

as at 31 March 2010

1. Accounting Policies

The Condensed Consolidated Financial Statements on pages 12 to 18 comprise the unaudited results of the Company and subsidiaries for the six months to 31 March 2010 and are presented in pounds sterling, as this is the functional currency of the Group.

The Condensed Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standard ('IFRS') for interim financial statements; IAS 34 Interim Financial Reporting. They do not include all financial information required for full annual financial statements. The Condensed Consolidated Financial Statements have been prepared using the accounting policies adopted in the audited financial statements for the year ended 30 September 2009. Certain presentational changes have been made which have no effect on the net assets of the Group.

2. Taxation

The charge for the half year to 31 March 2010 is £50,000 (half year to 31 March 2009: £18,000; year ended 30 September 2009: £92,000). These amounts represent irrecoverable withholding tax paid on overseas investment income.

The Company has an effective tax rate of 0%. The estimated effective tax rate is 0% as investment gains are exempt from tax owing to the Company's status as an Investment Trust and there is expected to be an excess of management expenses over taxable income and thus there is no charge for corporation tax.

Notes to the Condensed Consolidated Financial Statements

as at 31 March 2010

3. Calculation of Returns per Ordinary Share

Basic returns per ordinary share in each period are based on the return on ordinary activities after taxation attributable to equity shareholders. Basic return per ordinary share for the period is based on 52,022,510 (half year ended 31 March 2009: 51,924,756; year ended 30 September 2009: 51,973,767) shares, being the weighted average number of shares in issue after adjustment for the shares held by the Employee Incentive Trust.

There is no dilution to the basic return per ordinary share since share options, if exercised, would be satisfied by shares already held by the Employee Incentive Trust.

4. Share-based payments

The Group operated two share-based payment schemes: the Discretionary Share Option Scheme 2000 and the 2006 Long Term Incentive Plan which in turn has two sections relating to TSR-based Awards and Matching Awards. The LTIP replaced the Discretionary Share Option Scheme 2000 for executive directors and senior executives.

The number of outstanding options granted by the Company are summarised in the table below:

	31 March 2010	31 March 2009	30 September 2009
Number of outstanding options			
Discretionary Share Option Scheme 2000		255,803	106,656
LTIP: TSR-based Awards	291,268	291,144	166,427
LTIP: Matching Awards	17,812	16,629	17,071
	309,080	563,576	290,154

4. Share-based payments *continued*

During the half year ended 31 March 2010 the last remaining options under the Discretionary Share Options Scheme 2000 lapsed. The Scheme is now closed.

During the half year ended 31 March 2010 the number of options outstanding under the LTIP TSR-based Awards showed a net increase of 124,841. This comprised 112,721 options granted on 8 December 2009 and an additional 12,120 options as a result of the 2009 6.3p final dividend and 2010 2.5p special dividend which is in accordance with the LTIP rules. Additionally the number of options outstanding under LTIP Matching Awards showed a net increase of 741. Again this reflects the increase in options in respect of the 2009 6.3p final dividend and 2010 2.5p special dividend in accordance with the LTIP rules.

During the half year to 31 March 2010 the Group recognised a total expense for share-based payment transactions of £29,000 (half year ended 31 March 2009: £229,000; year ended 30 September 2009: £251,000).

The total shareholding of Majedie Investments PLC Incentive Trust is 505,490 (31 March 2009: 505,490; 30 September 2009: 505,490) ordinary shares. The shares will be held by the trust until the relevant options are exercised or until they lapse. The cost of the shares is presented in the Condensed Consolidated Balance Sheet under the heading 'Own shares reserve', as a deduction from shareholders' funds in accordance with IFRS 2: Share-based Payments.

5. Segment reporting

Under IFRS 8 neither the nature or the extent of the activities of the Group is appropriate for separate disclosure.

Notes to the Condensed Consolidated Financial Statements

as at 31 March 2010

6. Dividends

In accordance with International Accounting Standard 10: Events After the Balance Sheet Date, dividends are not accounted for until paid. The following table summarises the amounts recognised as distributions to equity holders in the relevant period:

	Half year ended 31 March 2010 £000	Half year ended 31 March 2009 £000	Year ended 30 September 2009 £000
2010 Special dividend of 2.50p paid on 8 March 2010	1,301		
2009 Final dividend of 6.30p paid on 27 January 2010	3,277		
2009 Interim dividend of 4.20p paid on 30 June 2009			2,185
2008 Final dividend of 6.30p paid on 28 January 2009		3,276	3,276
2008 Special dividend of 2.25p paid on 28 January 2009		1,170	1,170
	4,578	4,446	6,631

The directors propose an interim dividend for 2010 of 4.2p per share, to be paid on 30 June 2010.

7. Investments

All investments are designated upon initial recognition as held at fair value through profit or loss, and are measured at subsequent reporting dates at fair value, which is either the bid price or the last traded price, depending on the convention of the exchange on which the investment is quoted. Investments in unit trusts or open ended investment companies are valued at the closing price, the bid price or the single price as appropriate, released by the relevant investment manager.

7. Investments continued

Unlisted investments are formally valued on a semi-annual basis by the Board of Directors taking into account relevant information as appropriate including market prices, latest dealings, accounting information, professional advice and the guidelines issued by the International Private Equity and Venture Capital Association. In between the formal valuations the Directors review these investments for any significant changes and incorporate such changes as they consider necessary.

Unlisted investments disclosed in the Portfolio Information on page 7 total £35,498,000 of which £5,498,000 is invested in 23 companies and £30,000,000 is the carrying value of our investment in MAM as detailed in note 8 below.

8. Majedie Asset Management Limited (MAM)

Majedie Investments PLC owns a 30% equity shareholding in MAM, which provides investment management and advisory services relating to UK equities.

The carrying value of our investment in MAM is included in the Condensed Consolidated Balance Sheet as part of investments at fair value through profit or loss:

	31 March 2010 £000	31 March 2009 £000	30 September 2009 £000
Deemed cost of investment	1,207	1,207	1,207
Holding gains	28,793	21,293	28,793
Fair value at period end	30,000	22,500	30,000

The carrying value of MAM in the 31 March 2010 Condensed Consolidated Financial Statements is its fair value as assessed at 31 March 2010. The Board regularly monitors the investment in MAM to ensure that the carrying value remains appropriate.

9. Net Asset Value

The net asset value per share has been calculated based on total equity and on 52,022,510 (31 March 2009: 52,022,510; 30 September 2009: 52,022,510) ordinary shares, being the shares in issue at the period end having deducted the number of shares held by the Employee Incentive Trust.

Notes to the Condensed Consolidated Financial Statements

as at 31 March 2010

10. Reconciliation of Operating Profit to Operating Cash Flow

	Half year ended 31 March 2010 £000	Half year ended 31 March 2009 £000	Year ended 30 September 2009 £000
Consolidated net return/(deficit) before taxation	10,537	(51,341)	(22,857)
Adjustments for:			
Movements on investments	(6,218)	52,065	23,723
Dividends reinvested	(32)	(39)	(132)
Depreciation	30	43	58
Share-based remuneration	29	229	251
Purchases of investments	(24,372)	(31,987)	(57,427)
Sales of investments	24,805	37,267	67,202
	4,779	6,237	10,818
Finance costs	1,401	1,400	2,802
Operating cash flows before movements in working capital	6,180	7,637	13,620
(Decrease)/increase in trade and other payables	(60)	(10)	241
(Increase)/decrease in trade and other receivables	(166)	294	96
Net cash inflow from operating activities before tax	5,954	7,921	13,957
Tax recovered	4		2
Tax on unfranked income	(61)	(18)	(106)
Net cash inflow from operating activities	5,897	7,903	13,853

11. Reconciliation of Net Cash Flow to Movement in Net Debt

	Half year ended 31 March 2010 £000	Half year ended 31 March 2009 £000	Year ended 30 September 2009 £000
(Decrease)/increase in cash	(166)	2,108	4,249
Non cash items	(9)	(9)	(18)
Change in net debt	(175)	2,099	4,231
Net debt beginning of period	(21,378)	(25,609)	(25,609)
Net debt at end of period	(21,553)	(23,510)	(21,378)

12. Related Party Transactions

Majedie Asset Management Limited is considered to be a related party under IFRS.

Significant related party transactions with Majedie Asset Management Limited are disclosed in the table below.

	Half year ended 31 March 2010 £000	Half year ended 31 March 2009 £000	Year ended 30 September 2009 £000
Ordinary dividends receivable in the period	468	261	547
Special dividends receivable in the period	5,400	1,359	1,359

There were no amounts owed to the group at the end of the relevant periods.

Notes to the Condensed Consolidated Financial Statements

as at 31 March 2010

13. Financial Information

The financial information contained in this Half-Yearly Financial Report does not constitute full statutory accounts as defined in Section 434 of the Companies Act 2006. The financial information for the six months ended 31 March 2010 and 31 March 2009 have not been audited, but have been reviewed by the Company's auditors and their report is on pages 10 and 11.

The information for the year ended 30 September 2009 has been extracted from the latest published audited accounts. Those accounts have been filed with the Registrar of Companies and included the report of the auditors which was unqualified and did not contain a statement under Section 498(2) or (3) of the Companies Act 2006. Those statutory accounts were prepared in accordance with International Financial Reporting Standards, as adopted by the European Union.

Company Information

Board of Directors

A J Adcock*, Chairman
H V Reid*, Deputy Chairman
J W M Barlow*
G P Aherne
C J Arnheim*
P D Gadd*

* Non-executive Directors

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Company Secretary

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Registrars

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Notes

