Majedie

2009

Majedie Investments PLC

Half-Yearly Financial Report

31 March 2009

Majedie Investments PLC is a self-managed investment trust with total portfolio assets under management of over £130 million.

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.

Contents

Financial Highlights

for the half year ended 31 March 2009

Net assets per share decreased by 36.5% to 188.3p

Share price decreased by 44.6% to 138.5p

Discount to net assets widened from 15.7% to 26.4%

Earnings per share decreased by 42.7% to 4.7p

Interim dividend unchanged at 4.2p

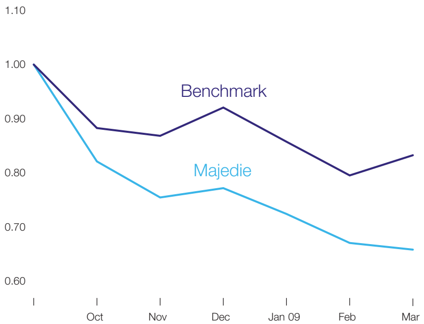
Performance

Net asset value total return of –34.2%

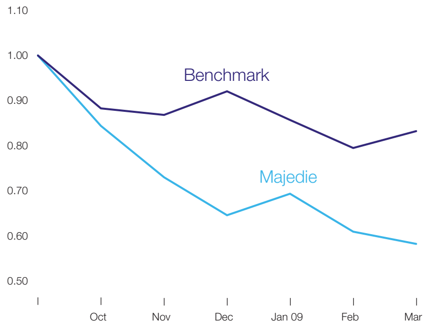
Total shareholder return of –41.8%

Benchmark total return of –16.8%

NAV TOTAL RETURN V BENCHMARK
FOR THE HALF YEAR ENDED 31 MARCH 2009



TOTAL SHAREHOLDER RETURN V BENCHMARK
FOR THE HALF YEAR ENDED 31 MARCH 2009



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 66⅔%, and any additional indebtedness is not to exceed 20%, of adjusted capital and reserves.

Chairman's Statement

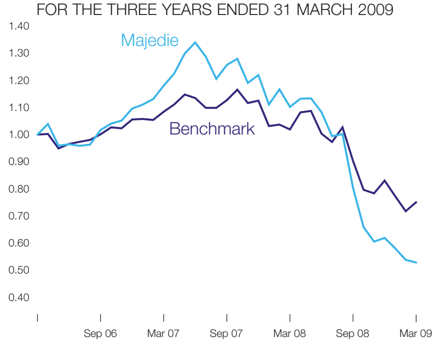
The six months to 31 March 2009 have borne witness to the most extraordinary economic conditions and events for many decades resulting in more negative returns on world stock markets. The impact of this on the Company's Net Asset Value (NAV) and Share Price has been exacerbated by our small cap exposure and our overweighting in sterling assets. I therefore regret to report that the NAV decreased by 34.2% and Share Price by 41.8% both compared to the benchmark total return of –16.8%.

The Board is continuing to take action to ensure that the portfolio is appropriately positioned for these current economic times and to provide future growth.

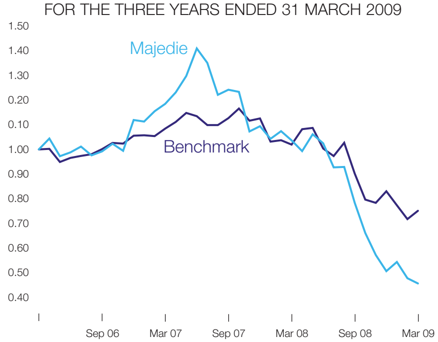
Results

The Group's net profit before tax for the six months was £2.4m compared with £4.2m for the prior year period. Group income for the six months reduced by £1.5m, due to the cessation of Majedie Asset Management Limited (MAM) special dividends, which provided £2.6m in the same period last year, and a decrease in dividends from our investment portfolio. This decrease was partially offset by the commencement of ordinary dividends from MAM amounting to £1.6m. Total group costs of £1.6m included the costs associated with both the departure of the previous Investment Director and our move to new offices, and were otherwise lower than the £1.5m incurred last year. The significant net decrease in MAM dividends contributed to the decrease in earnings per share of 42.7% to 4.7p from 8.2p for the same period last year.

NAV TOTAL RETURN V BENCHMARK
FOR THE THREE YEARS ENDED 31 MARCH 2009



TOTAL SHAREHOLDER RETURN V BENCHMARK
FOR THE THREE YEARS ENDED 31 MARCH 2009



Sources: The WM Company; Majedie

Chairman's Statement

This year the interim dividend is being maintained at 4.2 pence per share, consistent with last year. The interim dividend will be paid on 30 June 2009 to shareholders on the register on 5 June 2009. The Board has decided to maintain the interim dividend at this level notwithstanding both the reduced level of income this year and as I mentioned last year, the review of the Company's dividend objective in 2009. We will report to shareholders on this subject later in the year when we have finished our review.

The MAM business continued to perform strongly with profitability being very satisfactory. However given the current investment market the Board has determined that the value of our 30% investment should remain at its existing level of £22.5m as at 31 March 2009.

Portfolio

The management of the portfolio was changed on 1 January following the review of investment strategy and performance. In the turmoil which continued to swirl around markets until mid-March, the contribution of certain early stage small cap investments remained significantly adverse. The impact of this factor was partially offset by the decision to increase cash to over 15% of assets and, accordingly, the poor relative performance of the portfolio began to diminish during the first quarter of calendar 2009.

Our priority has been to upgrade the quality of securities held with a particular focus on safeguarding superior levels of income as well as building the foundations of a portfolio of mainstream overseas assets invested in the major markets of the US, Europe and Japan. This strategy was assisted by the high levels of cash built up in the New Year which were deployed in March as markets began to show some recovery. Against that background, cash fell to 6.7% of assets and since the period end has fallen still further. Investment in overseas equities, which rose to 17% by 31 March, is now at the 20% mark and is anticipated to increase further in the next few months.

The legacy of the very high small cap exposure continues to pose a conundrum. There are some exciting, high quality investments such as KSK Power Ventures, Pure Circle and Zenergy which have excellent prospects for growth and the management to deliver it. Nonetheless, despite the bounce seen in certain small cap indices, the environment for the worst of the small cap sector is not likely to be very favourable over the coming few years. Accordingly, we will seek to balance the desire to realise good value for some of these investments with an appreciation that better performance and reliable, growing, levels of income are more likely to be obtained from the mainstream areas of markets.

In carrying out our strategy, we do so with a reasonably cautious outlook based on the well known problems facing economies as the recession deepens and develops but with an increasingly confident view that the worse effects of this recession have been reflected in valuations and markets will be more focussed on improvement and recovery.

Business Development

We continue to make progress on developing another fund management business following on from our success with MAM. Whilst the current market conditions may seem to be an inhibitor they also generate opportunities for us to pursue. As such we remain confident that the proposals for new business development outlined at our last AGM will continue to provide the framework for other successful businesses over time.

Chairman's Statement

Office Premises

After fifteen years at 1 Minster Court and after an extensive period of analysis and investigation we have moved offices to Tower 42 in Old Broad Street. Whilst still in the City of London the new premises should provide more suitable office space for our current and potential needs and will provide savings in our future premises costs.

Outlook

Markets have displayed a sharp and swift recovery following the lows suffered in early March and many commentators have seen this as the major turning point from bear to bull. This optimism seems premature to us and we retain a reasonably cautious outlook as the recession deepens and develops. However we do believe that markets will now tend to look forward to a recovery and it is encouraging to note the adept way in which much of the corporate sector is dealing with the recession, as has been shown in the last reporting season in the UK and elsewhere.

Henry S Barlow Chairman
20 May 2009

Portfolio Information

at 31 March 2009

Fund Analysis

	Market Value £000	% of Fund
Oil & Gas	20,646	15.6
Basic Materials	6,800	5.1
Industrials	12,490	9.5
Consumer Goods	6,061	4.6
Health Care	6,047	4.6
Consumer Services	6,211	4.7
Telecommunications	11,655	8.8
Utilities	5,752	4.4
Financials	14,673	11.1
Technology	1,910	1.4
Unlisted (note 7)	31,025	23.5
Total Investments at Fair Value	123,270	93.3
Cash	8,786	6.7
	132,056	100.0
United Kingdom	109,172	82.7
Australia	635	0.5
United States	7,287	5.5
Continental Europe	1,940	1.4
Japan	3,127	2.4
Asia	1,109	0.8
Total Investments at Fair Value	123,270	93.3
Cash	8,786	6.7
	132,056	100.0

The portfolio information on pages 7 and 8 comprises the investments at fair value of £123,270,000 (including MAM at £22,500,000) and cash (as adjusted for amounts due to/from brokers for settlement) of £8,786,000.

Twenty Largest UK Investments

at 31 March 2009

Company	Market Value £000	% of Fund	Company	Market Value £000	% of Fund
Majedie Asset Management	22,500	17.0	Rio Tinto	2,023	1.5
BP	8,437	6.4	Capital Lease Avia	1,969	1.5
Vodafone	7,287	5.5	Accys Technologies	1,893	1.4
Royal Dutch Shell	4,074	3.1	Aviva	1,780	1.3
HSBC Holdings	3,476	2.6	Pure Circle	1,642	1.2
GlaxoSmithKline	3,263	2.5	Rolls Royce	1,564	1.2
Vostok Energy	3,195	2.4	BT Group	1,564	1.2
BHP Billiton	3,061	2.3	BG Group	1,542	1.2
Phorm	2,212	1.7	Unilever	1,516	1.1
London Capital	2,120	1.6	BAE Systems	1,505	1.1

Ten Largest Overseas Investments

at 31 March 2009

Company	Market Value £000	% of Fund	Company	Market Value £000	% of Fund
Exxon Mobil (USA)	947	0.7	Takeda Pharmaceutical (Japan)	877	0.7
Coca-Cola Co (USA)	920	0.7	Bristol-Myrs Squib (USA)	762	0.6
Johnson & Johnson (USA)	917	0.7	Heinz HJ (USA)	691	0.5
Nintendo Co (Japan)	885	0.7	China Construction Bank (Asia)	593	0.4
AT & T Inc (USA)	877	0.7	Monsanto (USA)	579	0.4

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;

(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 2008 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.

Henry S Barlow Chairman
For and on behalf of the Board
20 May 2009

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 2009 which comprise the Condensed Consolidated Income Statement, Condensed Consolidated Statement of Changes in Equity, Condensed Consolidated Balance Sheet, Condensed Consolidated Cash Flow Statement and the 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 Group 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 2009 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
20 May 2009

Condensed Consolidated Income Statement

for the half year ended 31 March 2009

		Half year ended 31 March 2009		
	Note	Revenue return £000	Capital return £000	Total £000
Investments				
Losses on investments at fair value through profit or loss			(52,065)	(52,065)
Net investment result			(52,065)	(52,065)
Income				
Dividends and interest		2,130		2,130
MAM dividend income		1,620		1,620
Special dividend income				
Other income		16		16
Total income		3,766		3,766
Expenses				
Administration expenses		(956)	(686)	(1,642)
Return/(deficit) before finance costs and taxation		2,810	(52,751)	(49,941)
Finance costs		(350)	(1,050)	(1,400)
Net return/(deficit) before taxation		2,460	(53,801)	(51,341)
Taxation	2	(18)		(18)
Net return/(deficit) after taxation for the period		2,442	(53,801)	(51,359)
Return/(deficit) per ordinary share:		pence	pence	pence
Basic and diluted	3	4.7	(103.6)	(98.9)

The total column of this statement is the Consolidated Income Statement of the Group, prepared in accordance with 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.

These accounts have been prepared in compliance with the recognition and measurement criteria of IFRS. See notes on pages 19 to 26.

Half year ended 31 March 2008 Revenue return £000	Capital return £000	Total £000	Year ended 30 September 2008 Revenue return £000	Capital return £000	Total £000
	(33,711)	(33,711)		(95,341)	(95,341)
	(33,711)	(33,711)		(95,341)	(95,341)
2,623		2,623	6,306		6,306
2,599		2,599	2,484		2,484
43		43	75		75
5,265		5,265	8,865		8,865
(673)	(833)	(1,506)	(1,702)	(1,571)	(3,273)
4,592	(34,544)	(29,952)	7,163	(96,912)	(89,749)
(350)	(1,049)	(1,399)	(701)	(2,099)	(2,800)
4,242	(35,593)	(31,351)	6,462	(99,011)	(92,549)
(8)		(8)	(51)		(51)
4,234	(35,593)	(31,359)	6,411	(99,011)	(92,600)
pence	pence	pence	pence	pence	pence
8.2	(69.2)	(61.0)	12.5	(192.3)	(179.8)

The total column of this statement is the Consolidated Income Statement of the Group, prepared in accordance with 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.

These accounts have been prepared in compliance with the recognition and measurement criteria of IFRS. See notes on pages 19 to 26.

Condensed Consolidated Statement of Changes in Equity

for the half year ended 31 March 2009

	Notes	Share capital £000	Share premium £000
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
Half year ended 31 March 2008			
30 September 2007		5,253	785
Net return/(deficit) after tax for the period			
Share options expense	4		
Dividends declared and paid in period	6		
Own shares purchased by Employee Incentive Trust (EIT)			
31 March 2008		5,253	785
Year ended 30 September 2008			
30 September 2007		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 2008		5,253	785

These accounts have been prepared in compliance with the recognition and measurement criteria of IFRS. 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	291	120,606	29,047	(2,573)	153,465
		(53,801)	2,442		(51,359)
	229				229
			(4,446)		(4,446)
	(826)			871	45
56	(306)	66,805	27,043	(1,702)	97,934
56	262	219,617	30,296	(3,053)	253,216
		(35,593)	4,234		(31,359)
	112				112
			(5,506)		(5,506)
				(914)	(914)
56	374	184,024	29,024	(3,967)	215,549
56	262	219,617	30,296	(3,053)	253,216
		(99,011)	6,411		(92,600)
	516				516
			(7,660)		(7,660)
	(487)			480	(7)
56	291	120,606	29,047	(2,573)	153,465

Condensed Consolidated Balance Sheet

at 31 March 2009

	Notes	31 March 2009 £000	31 March 2008 £000	30 September 2008 £000
Non-current assets				
Property and equipment		6	60	48
Investments at fair value through profit or loss	7,8	123,270	243,213	178,981
		123,276	243,273	179,029
Current assets				
Trade and other receivables		606	4,244	2,340
Cash and cash equivalents		10,243	3,495	8,135
		10,849	7,739	10,475
Total assets		134,125	251,012	189,504
Current liabilities				
Trade and other payables		(2,438)	(1,727)	(2,295)
Total assets less current liabilities		131,687	249,285	187,209
Non-current liabilities				
Debentures		(33,753)	(33,736)	(33,744)
Total liabilities		(36,191)	(35,463)	(36,039)
Net assets		97,934	215,549	153,465

These accounts have been prepared in compliance with the recognition and measurement criteria of IFRS. See notes on pages 19 to 26.

	Notes	31 March 2009 £000	31 March 2008 £000	30 September 2008 £000
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		(306)	374	291
Capital reserve		66,805	184,024	120,606
Revenue reserve		27,043	29,024	29,047
Own shares reserve		(1,702)	(3,967)	(2,573)
Equity Shareholders' Funds		97,934	215,549	153,465
Net asset value per share		pence	pence	pence
Basic and fully diluted	9	188.3	419.8	296.5

Condensed Consolidated Cash Flow Statement

for the half year ended 31 March 2009

	Notes	Half year ended 31 March 2009 £000	Half year ended 31 March 2008 £000	Year ended 30 September 2008 £000
Net cash inflow from operating activities	10	**7,903**	4,546	11,826
Investing activities				
Purchases of tangible assets		**(1)**	(3)	(4)
Net cash outflow from investing activities		**(1)**	(3)	(4)
Financing activities				
Interest paid		**(1,392)**	(1,392)	(2,784)
Equity dividends paid		**(4,446)**	(5,506)	(7,660)
Purchases of own shares			(914)	(914)
Exercise of options on own shares		**44**		907
Net cash outflow from financing activities		**(5,794)**	(7,812)	(10,451)
Increase/(decrease) in cash and cash equivalents for period	11	**2,108**	(3,269)	1,371
Cash and cash equivalents at start of period		**8,135**	6,764	6,764
Cash and cash equivalents at end of period		**10,243**	3,495	8,135

These accounts have been prepared in compliance with the recognition and measurement criteria of IFRS. See notes on pages 19 to 26.

Notes to the Condensed Consolidated Financial Statements

as at 31 March 2009

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 2009 and are presented in pounds sterling, as this is the principal currency in which the Group's transactions are undertaken.

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 2008, except that the Directors have chosen to early adopt the AIC Statement of Recommended Practice issued in January 2009 regarding the Financial Statements of Investment Trust Companies and Venture Capital Trusts. The changes are mainly presentational and have no effect on the net assets of the Group.

2. Taxation

The charge for the half year to 31 March 2009 is £18,000 (half year to 31 March 2008: £8,000; year ended 30 September 2008: £51,000). 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 2009

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 51,924,756 (half year ended 31 March 2008: 51,461,928; year ended 30 September 2008: 51,478,751) 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 operates 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 replaces 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 2009	31 March 2008	30 September 2008
Number of outstanding options			
Discretionary Share Option Scheme 2000	255,803	655,265	255,803
LTIP: TSR-based Awards	291,144	364,906	369,394
LTIP: Matching Awards	16,629	156,336	213,085
	563,576	1,176,507	838,282

4. Share-based payments continued

During the half year ended 31 March 2009 the number of options outstanding under the LTIP TSR-based Awards showed a net decrease of 78,250. This comprised 106,207 options granted on 4 December 2008 and an additional 7,941 options as a result of the 2008 6.3p final dividend and 2.25p special dividend which is in accordance with the LTIP rules. These were offset by an exercise of 30,925 options on 5 and 12 December 2008 and 161,473 options lapsed on 31 December 2008.

Furthermore during the half year to 31 March 2009 the number of options outstanding under matching awards showed a net decrease of 196,456. This reflects an exercise of 197,272 options on 5 and 12 December 2008 being offset by an additional 816 options in respect of the 2008 6.3p final dividend and 2.25p special dividend.

During the half year to 31 March 2009 the Group recognised a total expense for share-based payment transactions of £229,000 (half year ended 31 March 2008: £112,000; year ended 30 September 2008: £516,000).

The total shareholding of Majedie Investments PLC Incentive Trust is 505,490 (31 March 2008: 1,178,030; 30 September 2008: 763,852) 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 Payment.

5. Segment reporting

Under IAS14 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 2009

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 period:

	Half year ended 31 March 2009 £000	Half year ended 31 March 2008 £000	Year ended 30 September 2008 £000
2008 Final dividend of 6.30p paid on 28 January 2009	3,276		
2008 Special dividend of 2.25p paid on 28 January 2009	1,170		
2008 Interim dividend of 4.20p paid on 30 June 2008			2,156
2007 Special dividend of 4.50p paid on 23 January 2008		2,316	2,315
2007 Final dividend of 6.20p paid on 23 January 2008		3,190	3,189
	4,446	5,506	7,660

The directors propose an interim dividend for 2009 of 4.2p per share, to be paid on 30 June 2009.

7. Investments

All investments are accounted at fair value through profit or loss as defined by IAS 39.

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 normally valued on an 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.

Unlisted investments disclosed in the Portfolio Information on page 7 total £31,025,000 of which £8,525,000 is invested in 18 various companies and £22,500,000 for 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 consolidated balance sheet as part of investments at fair value through profit and loss:

	31 March 2009 £000	31 March 2008 £000	30 September 2008 £000
Deemed cost of investment	1,207	1,207	1,207
Unrealised gains	21,293	21,293	21,293
Fair value at period end	22,500	22,500	22,500

The carrying value of MAM in the 31 March 2009 Condensed Consolidated Financial Statements is its fair value as assessed at 31 March 2009. The Board regularly monitors the investment in MAM to ensure that the carrying value remains appropiate.

9. Net Asset Value

The net asset value per share has been calculated based on total equity and on 52,022,510 (31 March 2008: 51,349,970; 30 September 2008: 51,764,148) 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 2009

10. Reconciliation of Operating Profit to Operating Cash Flow

	Half year ended 31 March 2009 £000	Half year ended 31 March 2008 £000	Year ended 30 September 2008 £000
Consolidated net deficit before taxation	(51,341)	(31,351)	(92,549)
Adjustments for:			
Movements on investments	52,065	33,711	95,341
Dividends reinvested	(39)	(69)	(171)
Depreciation	43	12	25
Share based remuneration	229	112	516
Purchase of investments	(31,987)	(22,097)	(51,830)
Sales of investments	37,267	24,071	56,133
	6,237	4,389	7,465
Finance costs	1,400	1,399	2,800
Operating cash flows before movements in working capital	7,637	5,788	10,265
Decrease in trade and other payables	(10)	(124)	(454)
Decrease/(increase) in trade and other receivables	294	(1,110)	2,071
Net cash inflow from operating activities before tax	7,921	4,554	11,882
Tax on unfranked income	(18)	(8)	(56)
Net cash inflow from operating activities	**7,903**	4,546	11,826

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

	Half year ended 31 March 2009 £000	Half year ended 31 March 2008 £000	Year ended 30 September 2008 £000
Increase/(decrease) in cash	2,108	(3,269)	1,371
Non cash items	(9)	(8)	(16)
Change in net debt	2,099	(3,277)	1,355
Net debt beginning of period	(25,609)	(26,964)	(26,964)
Net debt at end of period	(23,510)	(30,241)	(25,609)

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 2009 £000	Half year ended 31 March 2008 £000	Year ended 30 September 2008 £000
Ordinary dividends receivable in the period	1,620		
Special dividends receivable in the period		2,599	2,484
Amounts owed to the group at the end of the period		2,599	

Notes to the Condensed Consolidated Financial Statements

as at 31 March 2009

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 2009 and 31 March 2008 has not been audited.

The information for the year ended 30 September 2008 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 either Section 237(2) or (3) of the Companies Act 1985. Those statutory accounts were prepared in accordance with International Financial Reporting Standards, as adopted by the European Union.

Company Information

Board of Directors

H S Barlow OBE, Chairman
H V Reid, Deputy Chairman
J W M Barlow
G P Aherne
A J Adcock
All directors are non executive

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Telephone: 01392 412122
Facsimile: 01392 253282

Registrar

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The Pavilions
Bridgwater Road
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Auditors

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London SE1 2AF

Financial Adviser and Broker

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