Date: 28th October 2008
On behalf of: B.P. Marsh & Partners Plc
Embargoed until: 0700hrs

B.P. Marsh & Partners Plc

("B. P. Marsh", "the Company" or "the Group")

Interim Results

B. P. Marsh & Partners Plc (AIM: BPM), a niche venture capital provider to early stage financial services businesses, announces its unaudited Group results for the six months ended 31 July 2008.

Chairman's Statement - A view from the Bridge

It has been suggested that shareholders, at this difficult time for some financial services companies, might like to have a better understanding of where B.P. Marsh currently stands and of what possibilities might emerge before us.

In order to try to achieve this, I have given thought to the possibilities, and come to the conclusion that a brief commentary devoted to an explanation of our present situation might be illuminating. I have decided to break this down into the following three headings:-

1. Our History

The business started on or about 1st February 1990, funded by £2.5m which I subscribed from personal resources. At that stage I owned 100% of the Company.

Over the eighteen years since that time its net assets have grown in value, by means of buying, selling and holding minority stakes in financial services companies in various parts of the world, to its current level of approximately £45m. My personal percentage ownership has fallen to about 58.5% with new partners taking a shareholding following a public flotation in February 2006.

Our current Stock Market price values the business at about £26.1m which I believe is a result of the gloomy sentiment with which market participants generally view financial services businesses at this time. At the interim period we held about £7.75m in cash which implies that the markets are currently discounting our non-cash assets by over 50%.

2. Our Present Portfolio

We currently hold 12 investments, all in different stages of development. I am not alarmed by the state of any of them, nor about the resilience of our portfolio in the face of the economic slow-down now developing around us.

3. Our Future Options

Broadly speaking, we have three possible options:-

1. We can continue as before. We have sufficient cash reserves to do this;
2. We can endeavour gradually to convert our holdings into cash, in which event we would hopefully emerge as a cash-shell, holding about £45m after tax;
3. We can consider other ways to realise for shareholders the real value locked up in the Group and its investments.

Your Board and I are very much alert and aware of these possible ways forward. We see merits in each. Over the months ahead we will continue to test these options and I would expect to write to you again if and when it becomes clear that one of these routes in our mind seem to be in the best interests of shareholders and staff.

Brian Marsh OBE
Chairman
28th October 2008

Financial Overview

In the six months to 31st July 2008, the Group made the following investments:

- The Group acquired a 35% shareholding in Amberglobe Limited ("Amberglobe") for £0.07m and has provided a further £0.25m in loans to develop the business. In addition, and subject to performance, the Group has agreed to provide a further £0.38m in loans. Amberglobe is a business that acts as an agent for the sellers of SME businesses in the sub £3m price bracket, such as childcare centres, care homes, corner shops, restaurants, pubs and post offices;

- The Group acquired a 25% shareholding in Trillium Partners Limited ("Trillium") for an initial consideration of £0.5m and has agreed to provide a further £0.75m in loans, subject to performance, to further develop the business. Trillium is an independent financial advisory firm serving the European Media and Information sector. Founded in 2004, Trillium has advised corporations, private equity firms and high net worth individuals in relation to a broad range of assignments including acquisitions, disposals, mergers and fund raisings;

- The Group invested a further £1.06m (€1.33m) in Summa Insurance Brokerage S.L. ("Summa"), a Madrid based consolidator of regional brokerages in Spain. This was the second of three agreed tranches (the first tranche having been invested in the year to 31st January 2008), being part of an agreed total investment of €4m alongside €4m from a well-respected private Spanish investor to facilitate the next stage of Summa's expansion;

- The Group provided £0.4m in loans to Besso Holdings Limited ("Besso") to fund business development in Australia.

During this period the Group also made the following realisation:

- The Group exited its investment in Principal Investment Holdings following its acquisition by the Sanlam Group for an immediate cash payment of £5.8m and a preferred dividend entitlement of £0.17m. In addition the Group was anticipating further consideration of up to £1.45m, payable on the first and second anniversaries of the sale subject to the performance of the FTSE 100 index over the years to 31st December 2008 and 31st December 2009 respectively. However, due to the recent turbulence in the financial markets and the poor performance of the FTSE 100 index the Group has currently written off its expectation of receiving any further consideration from the sale.

Outlook

Overall, the investments within the Group's portfolio made steady progress during the period allowing for the downturn in global economies. Hyperion Insurance Group ranked 90th in the Sunday Times Deloitte Buyout Track 100 league table and secured a major inward investment from 3i, underpinning our investment valuation in that company. Elsewhere the Group's strategy for ensuring a preferred return of capital on a sale has underpinned the valuation on several investments which have experienced difficulties this year due to the global market crisis and public perception of an impending recession.

During the period we actively reviewed a number of prospective new investments. Three potential investments were brought to an advanced stage of negotiation and two of these, Amberglobe Limited and Trillium Partners Limited were completed.

At the interim period the Group held cash reserves of £7.8m and no debt which we consider the place to be during a time of market uncertainty and a lack of liquidity.

Financial Performance

At 31st July 2008, the net asset value of the Group was £45.2m (2007: £42.9m) including a provision for deferred tax. This equates to an increase in net asset value over the prior year of 5.3% (2007: 11.7%). During the six months since 31st January 2008, the net asset value of the Group fell by (0.9)% (2007: gain 5.7%).

The Directors are satisfied, given market conditions, that the Group delivered an annual compound growth rate of 14.6% (2007: 15.3%) in Group net asset value after running costs, realisations, losses, distributions and deferred tax since 1990.

Based upon the above figures, the Group's net asset value per share as at 31st July 2008 was 154.4p (2007: 146.6p).

The Group's investment portfolio movement during the year was as follows:

July 2007 Valuation	Acquisitions at cost	Disposals at cost	Valuations released to Income Statement on disposal	Adjusted July 2007 valuation	July 2008 valuation
£45.3m	£3.7m	£(2.8)m	£(3.0)m	£43.2m	£44.2m

This equates to an uplift of 2.2% over the 31st July 2007 adjusted valuation before deferred tax.

The sale of Principal for an initial £5.8m produced a profit in excess of investment costs of £3.0m. However, the Group valued this company at £6.7m at 31st January 2008 and therefore has shown a fair value adjustment on disposal of £(0.9)m in the Income Statement. Principal were a predominantly discretionary fund management business and were directly affected by the performance of the UK stock market, hence the consequential drop in value. This reduction in value had a major impact on the performance of the Group as a whole during the interim period.

The consolidated loss on ordinary activities after tax for the six months to 31st July 2008 was £(0.5)m (2007: profit £2.2m) as a result of revaluing the investment portfolio. Adjusting for unrealised losses on investment revaluations and carried interest provisions the Group delivered an underlying consolidated profit on ordinary activities before share based provisions for the six months to 31st July 2008 of £357k (2007: £268k).

Other Highlights

In March 2008, the Group welcomed 3i as an investment partner in Hyperion Insurance Group. 3i has made a £50m commitment (including follow-on funding) to Hyperion for a 29.7% shareholding which we welcome as a major step forward in Hyperion's continued growth and development. As a result of this transaction the Group's shareholding decreased from 27.89% to 21.58%, and could decrease to 19.8% subject to performance. Hyperion repaid the £2.35m loan outstanding to the Group in full.

Business Strategy

The Group typically invests amounts of up to £2.5m and only takes minority equity positions, normally acquiring between 15% and 40% of an investee company's total equity. The Group requires its investee companies to adopt certain minority shareholder protections and appoints a Director to the relevant board. The Group's successful track record is based upon a number of factors that include, amongst other things, a robust investment process, the management's considerable experience of the financial services sector, and a flexible approach towards exit-strategies.

The Group had cash reserves of £7.8m at 31st July 2008. It currently has committed to provide further funding of up to £2.6m for its existing investments, subject to performance. After taking this into consideration, the Group currently has approx. £5.2m of cash available for further investments.

Investments

As at 31st July 2008 the Group's equity interests were as follows:

Amberglobe Limited
(www.amberglobe.co.uk)
In March 2008 the Group assisted in establishing Amberglobe Limited, a business sales platform that provides valuation and negotiation services for the sale of SME businesses in the sub £3m sector.
Date of investment: March 2008
Equity stake: 35.0%
31st July 2008 valuation: £70,000

Berkeley (Insurance) Holdings Limited
(www.berkeleyinsurance.com)
In July 2002 the Group invested in Berkeley (Insurance) Holdings, a company that provides its clients with independent advice on the most suitable choice of insurance broker in specialist as well as mainstream insurance areas.
Date of investment: July 2002
Equity stake: 19.9%
31st July 2008 valuation: £nil

Besso Holdings Limited
(www.besso.co.uk)
In February 1995 the Group assisted a specialist team departing from insurance broker Jardine Lloyd Thompson Group in establishing Besso Holdings. The company specialises in insurance broking for the North American wholesale market.
Date of investment: February 1995
Equity stake: 22.73%
31st July 2008 valuation: £8,893,000

HQB Partners Limited
(www.hqbpartners.com)
In January 2005 the Group made an investment in HQB Partners, a company which provides strategic transaction advice, proxy solicitation services, voting analysis and investor relations services.
Date of investment: January 2005
Equity stake: 27.72%
31st July 2008 valuation: £231,000

Hyperion Insurance Group Limited
(www.hyperiongrp.com)
The Group first invested in Hyperion Insurance Group in 1994. The Hyperion Insurance Group owns, amongst other things, an insurance broker specialising in directors' and officers' ("D&O") and professional indemnity ("PI") insurance. A subsidiary of Hyperion became a registered Lloyd's insurance broker. In 1998 Hyperion set up an insurance managing general agency specialising in developing D&O and PI business in Europe.
Date of investment: November 1994
Equity: 21.58%
31st July 2008 valuation: £20,938,000

JMD Specialist Insurance Services Group Limited
(www.jmd-sis.com)
In March 2007 the Group invested in JMD, a provider of leading-edge services to the insurance industry. Their unique approach to measurable cash flow and profit enhancements adds value to Lloyd's syndicates, UK and international insurers and re-insurers.
Date of investment: March 2007
Equity stake: 25.0%
31 July 2008 valuation: £600,000

LEBC Holdings Limited
(www.lebc-group.com)
In April 2007 the Group invested in LEBC, an Independent Financial Advisory company providing services to individuals, corporates and partnerships, principally in employee benefits, investment and life product areas.
Date of investment: April 2007
Equity stake: 22.5%
31 July 2008 valuation: £2,066,000

Paterson Martin Limited
(www.patersonmartin.com)
Paterson Martin was founded by a group of professionals from the actuarial, capital markets and reinsurance advisory sectors in conjunction with the Group. The company uses sophisticated modeling techniques to assess risk, with a view to providing counter-party risk transaction advice.
Date of investment: April 2004
Equity stake: 22.5%
31st July 2008 valuation: £182,000

Portfolio Design Group International Limited
(www.surrendalink.co.uk)
In March 1994 the Group invested in the Portfolio Design Group, a company which sells with-profits life endowment policies to large financial institutions. In 2002 the company diversified into investment management.
Date of investment: March 1994
Equity stake: 20.0%
31st July 2008 valuation: £6,558,000

Public Risk Management Limited
(www.publicriskmanagement.co.uk)
In September 2003 the Group assisted in establishing Public Risk Management, a company which specialises in the development and provision of risk management services, including processes and procedures, to the public sector.
Date of investment: September 2003
Equity stake: 44.0%
31st July 2008 valuation: £nil

Summa Insurance Brokerage, S. L.
(www.grupo-summa.com)
In January 2005 the Group provided finance to a Spanish management team with the objective of acquiring and consolidating regional insurance brokers in Spain.
Date of investment: January 2005
Equity stake: 48.63%
31st July 2008 valuation: £4,135,000

Trillium Partners Limited
(www.trilliumpartners.co.uk)
In March 2008 the Group invested in Trillium, an independent financial advisory firm serving the European Media and Information sector. Founded in 2004, Trillium has advised corporations, private equity firms and high net worth individuals in relation to a broad range of assignments including acquisitions, disposals, mergers and fund raisings.
Date of investment: March 2008
Equity stake: 25.0%
31st July 2008 valuation: £500,000

These investments have been valued in accordance with the accounting policies on Investments set out in note 1 of the Consolidated Financial Statements.

Consolidated Financial Statements

CONSOLIDATED INCOME STATEMENT

FOR THE PERIOD ENDED 31ST JULY 2008

	Notes	Unaudited 6 months to 31st July 2008		Unaudited 6 months to 31st July 2007		Audited Year to 31st January 2008	
		£'000	£'000	£'000	£'000	£'000	£'000
GAINS ON INVESTMENT							
Realised gains on disposal of investments		-		91		153	
Fair value adjustment on disposal of investments		(914)		-		-	
Impairment of investments and loans		-		-		(488)	
Unrealised (losses)/gains on investment revaluation	3	(499)		2,591		5,052	
			(1,413)		2,682		4,717
INCOME							
Dividends		560		491		1,336	
Income from loans and receivables		138		355		682	
Fees receivable		340		406		715	
			1,038		1,252		2,733
OPERATING INCOME			(375)		3,934		7,450
Operating expenses			(884)		(1,139)		(2,249)
OPERATING (LOSS)/PROFIT			(1,259)		2,795		5,201
Financial income		166		91		183	
Financial expenses		(7)		(15)		(30)	
Carried interest provision	6	299		50		(508)	
Exchange movements		44		(11)		180	
			502		115		(175)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE SHARE BASED PROVISION			(757)		2,910		5,026
Share based provision	7		(88)		(131)		(175)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			(845)		2,779		4,851
Income tax	5		356		(588)		(21)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION ATTRIBUTABLE TO EQUITY HOLDERS			(489)		2,191		4,830

Earnings Per Share			
Basic and diluted (pence)	(0.02)	0.07	0.16

The result for the period is wholly attributable to continuing activities.

CONSOLIDATED BALANCE SHEET

AS AT 31ST JULY 2008

	Notes	Unaudited 31st July 2008 £'000	Unaudited 31st July 2008 £'000	Unaudited 31st July 2007 £'000	Unaudited 31st July 2007 £'000	Audited 31st January 2008 £'000	Audited 31st January 2008 £'000
ASSETS							
NON-CURRENT ASSETS							
Office equipment, fixtures and fittings		3		4		3	
Investments	3	44,173		45,305		49,754	
Loans and receivables		1,461		4,134		771	
			45,637		49,443		50,528
CURRENT ASSETS							
Trade and other receivables		776		1,271		3,135	
Cash and cash equivalents		7,755		1,880		1,701	
			8,531		3,151		4,836
LIABILITIES							
NON-CURRENT LIABILITIES							
Carried interest provision	6	(1,259)		(1,000)		(1,558)	
Deferred tax liabilities	5	(7,120)		(7,698)		(7,476)	
			(8,379)		(8,698)		(9,034)
CURRENT LIABILITIES							
Trade and other payables		(579)		(969)		(719)	
			(579)		(969)		(719)
NET ASSETS			45,210		42,927		45,611
CAPITAL AND RESERVES - EQUITY							
Called up share capital			2,929		2,929		2,929
Shares to be issued			485		353		397
Share premium account			9,370		9,370		9,370
Fair value reserve			18,638		20,216		22,392
Reverse acquisition reserve			393		393		393
Retained earnings			13,395		9,666		10,130
SHAREHOLDERS' FUNDS - EQUITY			45,210		42,927		45,611

CONSOLIDATED CASH FLOW STATEMENT

FOR THE PERIOD ENDED 31ST JULY 2008

	Unaudited 31st July 2008 £'000	Unaudited 31st July 2007 £'000
Cash from / (used by) operating activities		
Interest received on loans to investees	138	355
Dividends received	560	491
Fees received from investment activity	340	406
Operating expenses	(884)	(1,139)
Decrease / (increase) in receivables	19	(214)
Decrease in payables	(140)	(240)
Depreciation	1	1
Net cash from / (used by) operating activities	34	(340)
Net cash from / (used by) investing activities		
Purchase of property, plant and equipment	(1)	-
Purchase of investments	(1,629)	(3,929)
Proceeds from investments	5,797	91
Net cash from / (used by) investing activities	4,167	(3,838)
Net cash from / (used by) financing activities		
(Payments) / repayments of loans to / (from) investee companies	1,650	(995)
Financial income	166	91
Financial expenses	(7)	(15)
Net cash from / (used by) financing activities	1,809	(919)
Change in cash and cash equivalents	6,010	(5,097)
Cash and cash equivalents at beginning of the period	1,701	6,989
Exchange gain / (loss)	44	(12)
Cash and cash equivalents at end of period	7,755	1,880

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 31ST JULY 2008

	Unaudited 6 months to 31st July 2008 £'000	Unaudited 6 months to 31st July 2007 £'000	Audited 12 months to 31st January 2008 £'000
Opening total equity	45,611	40,605	40,606
Total recognised income and expense for period	(489)	2,191	4,830
Shares to be issued (share based payments)	88	131	175
Total Equity	45,210	42,927	45,611

NOTES TO THE ACCOUNTS

FOR THE PERIOD ENDED 31ST JULY 2008

1. ACCOUNTING POLICIES

Basis of preparation of financial statements

These financial statements have been prepared in accordance with International Financial Reporting Standards as adopted for use by the European Union ("IFRS"), International Financial Reporting Committee ("IFRIC") interpretations and the Companies Act 1985 applicable to Companies reporting under IFRS. The consolidated financial statements have been prepared under the historical cost convention as modified by the revaluations of financial assets and financial liabilities through the profit or loss.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates particularly in relation to investment valuation. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

The financial information contained in this interim statement has not been audited or reviewed by the Group's Auditors and does not constitute statutory accounts within the meaning of section 240 of the Companies Act 1985. They have been prepared using accounting policies applicable to the year ended 31 January 2008. Those accounts, upon which the Group's Auditors issued an unqualified opinion, have been filed with the Registrar of Companies.

Basis of consolidation

The Group financial statements consolidate the results and net assets of the Company and all of its subsidiary undertakings.

Business Combinations

The results of subsidiary undertakings are included in the consolidated financial statements from the date that control commences until the date that control ceases. Control exists where the Group has the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities. Accounting policies of the subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

All business combinations are accounted for by using the acquisition accounting method except as noted in the "reverse acquisition accounting" noted below. This involves recognising identifiable assets and liabilities of the acquired business at fair value. Goodwill represents the excess of the fair value of the purchase consideration for the interests in subsidiary undertakings over the fair value to the Group of the net assets and any contingent liabilities acquired.

Intra-group balances and any unrealised gains and losses or income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements.

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Investments that are held as part of the Group's investment portfolio are carried in the balance sheet at fair value even though the Group may have significant influence over those companies. This treatment is permitted by IAS 28 Investment in Associates ("IAS 28"), which requires investments held by venture capital organisations to be excluded from its scope where those investments are designated, upon initial recognition, as at fair value through profit or loss and accounted for in accordance with IAS 39, with changes in fair value recognised in profit or loss in the period of the change. The Group has no interests in associates through which it carries on its business.

Employee services settled in equity instruments

The Group issued equity settled share-based awards to certain employees and advisors. A fair value for the equity settled share awards is measured at the date of grant. The Group measured the fair value using the valuation technique most appropriate to value each class of award, either the Black-Scholes or a Trinomial valuation method.

The fair value of each award is recognised as an expense over the vesting period on a straight-line basis, after allowing for an estimate of the share awards that will eventually vest. The level of vesting is reviewed annually; and the charge is adjusted to reflect actual or estimated levels of vesting with the corresponding entry to equity.

Investments

All investments are designated as "fair value through profit or loss" assets and are initially recognised at the fair value of the consideration. They are measured at subsequent reporting dates at fair value.

The Board conducts the valuations of investments. In valuing investments the Board applies guidelines issued by the British Venture Capital Association (BVCA). The following valuation methodologies have been used in reaching fair value of investments, some of which are in early stage companies:

a) at cost, unless there has been a significant round of new equity finance in which case the investment is valued at the price paid by an independent third party. Where subsequent events or changes to circumstances indicate that an impairment may have occurred, the carrying value is reduced to reflect the estimated extent of impairment;
b) by reference to underlying funds under management;
c) by applying appropriate multiples to the earnings and revenues of the investee company; or
d) by reference to expected future cashflow from the investment where a realisation or flotation is imminent.

Both realised and unrealised gains and losses arising from changes in fair value are taken to the income statement for the year. In the balance sheet the unrealised gains and losses arising from changes in fair value are shown within a "fair value reserve" separate from retained earnings. Transaction costs on acquisition or disposal of investments are expensed in the income statement.

Income from investments

Income from investments comprises:

a) gross interest from loans, which is taken to the income on an accruals basis;

b) dividends from equity investments are recognised in the income statement when the shareholders rights to receive payment have been established; and

c) advisory fees from management services provided to investee companies, which are recognised on an accruals basis in accordance with the substance of the relevant investment advisory agreement.

Carried Interest Provision

This represents the amount payable to an executive in the event of a particular investment being sold and is calculated on the fair value of that investment at the balance sheet date.

Taxation

The tax expense represents the sum of the tax currently payable and any deferred tax. The tax currently payable is based on the estimated taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and of liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and it is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary differences arise from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current assets and liabilities on a net basis.

Bonus provision

There is no contractual obligation on the company to pay bonuses to employees and as such no provision has been made in the operating expenses within the income statement for the period to 31st July 2008 (as per the interims to 31st July 2007). However, the income statement to 31st January 2008 does include such provision where discretionary awards were made for the year-end.

2. SEGMENTAL REPORTING

PRIMARY REPORTING SEGMENT – GEOGRAPHIC SEGMENTS

For management purposes, the Group is organised and reports its performance by two geographic segments: UK and Channel Islands and Non-UK and Channel Islands.

	Geographic segment 1: *UK & Channel Islands*		Geographic segment 2: *Non-UK & Channel Islands*		Group	
	Unaudited 6 months to 31st July 2008 £'000	Audited 12 months to 31st January 2008 £'000	Unaudited 6 months to 31st July 2008 £'000	Audited 12 months to 31st January 2008 £'000	Unaudited 6 months to 31st July 2008 £'000	Audited 12 months to 31st January 2008 £'000
Operating income	(481)	6,906	106	544	(375)	7,450
Operating expenses	(710)	(2,085)	(174)	(164)	(884)	(2,249)
Segment operating (loss) / profit	(1,191)	4,821	(68)	380	(1,259)	5,201
Financial income	133	170	33	13	166	183
Financial expenses	(6)	(28)	(1)	(2)	(7)	(30)
Carried interest provision	299	(508)	-	-	299	(508)
Exchange movements	2	16	42	164	44	180
Share based provisions	(71)	(162)	(17)	(13)	(88)	(175)
(Loss) / profit before tax	(834)	4,309	(11)	542	(845)	4,851
Income tax	353	142	3	(163)	356	(21)
(Loss) / profit for the year	**(481)**	**4,451**	**(8)**	**379**	**(489)**	**4,830**

	Geographic segment 1: *UK & Channel Islands*		Geographic segment 2: *Non-UK & Channel Islands*		Group	
	Unaudited 31st July 2008 £'000	Audited 31st January 2008 £'000	Unaudited 31st July 2008 £'000	Audited 31st January 2008 £'000	Unaudited 31st July 2008 £'000	Audited 31st January 2008 £'000
Non-current assets						
Office equipment, fixtures and fittings	3	3	-	-	3	3
Investments	40,038	46,662	4,135	3,092	44,173	49,754
Loans and receivables	730	80	731	691	1,461	771
	40,771	46,745	4,866	3,783	45,637	50,528
Current assets						
Trade and other receivables	684	3,127	92	8	776	3,135
Cash and cash equivalents	7,755	1,701	-	-	7,755	1,701
	8,439	4,828	92	8	8,531	4,836
Total assets	49,210	51,573	4,958	3,791	54,168	55,364
Non-current liabilities						
Carried interest provision	(1,259)	(1,558)	-	-	(1,259)	(1,558)
Deferred tax liabilities	(7,124)	(7,405)	4	(71)	(7,120)	(7,476)
	(8,383)	(8,963)	4	(71)	(8,379)	(9,034)
Current liabilities						
Trade and other payables	(579)	(719)	-	-	(579)	(719)
Total liabilities	(8,962)	(9,682)	4	(71)	(8,958)	(9,753)
Net assets	**40,248**	**41,891**	**4,962**	**3,720**	**45,210**	**45,611**

The Group operates in one business segment, provision of consultancy services and making and trading investments in financial services businesses.

The interim consolidated accounts for the six months ended 31st July 2007 did not require separate segmental reporting disclosures because the Non-UK and Channel Islands segment was not material to the Group overall. As such no comparative for this period has been included in the reported figures above.

3. NON-CURRENT ASSET INVESTMENTS

Group Investments	Unaudited 31st July 2008 £'000	Unaudited 31st July 2007 £'000	Audited 31st January 2008 £'000
At valuation			
At 1st February	49,754	38,834	38,834
Additions	1,629	3,930	6,011
Disposals	(6,711)	(50)	(50)
Provisions	-	-	(93)
Movement in valuation	(499)	2,591	5,052
At period end	44,173	45,305	49,754
At cost			
At 1st February	18,328	12,460	12,460
Additions	1,629	3,930	6,011
Disposals	(2,801)	(50)	(50)
Provisions	-	-	(93)
At period end	17,156	16,340	18,328

The investee companies, which are registered in England except Summa Insurance Brokerage S.L. (Spain), Preferred Asset Management Ltd (Jersey) and New Horizons Ltd (Isle of Man), are as follows:

Name of company	% holding of share capital	Date information available to	Aggregate capital and reserves £	Post tax Profit/(loss) for the year £	Principal activity
Amberglobe Limited	35.00	Start-up	-	-	Business sales platform
Berkeley Insurance (Holdings) Limited	19.90	31.10.06	80,000	24,000	Insurance holding company
Besso Holdings Limited	22.73	31.12.07	8,977,109	130,998	Investment holding company
HQB Partners Limited	27.72	31.12.07	260,431	(11,303)	Investor relations consultants
Hyperion Insurance Group Limited	21.58	30.09.07	17,272,000	2,371,000	Insurance holding company
JMD Specialist Insurance Services Ltd	25.00	31.10.07	479,426	72,049	Insurance collection services company
LEBC Holdings Ltd	22.50	31.05.07	1,012,450	500,364	Independent financial advisor company
Paterson Martin Limited	22.50	31.12.07	75,169	(385,505)	Actuarial insurance/ reinsurance consultants
Portfolio Design Group International Limited	20.00	31.12.07	7,136,710	4,351,673	Fund managers of traded endowment policies
Morex Commercial Ltd	20.00	31.07.07	120,600	614,463	Trading in secondary life policies
Preferred Asset Management Ltd	20.00	30.09.07	161,396	(84,340)	Fund management company
New Horizons Ltd (formerly Surrenda-Link Nominees Ltd)	20.00	31.12.04	654	Nil	Investment holding company
Public Risk Management Limited	44.00	31.12.06	(277,057)	3,943	Public sector risk management consultants
Summa Insurance Brokerage, S.L.	48.63	31.12.06	1,070,657	(91,157)	Consolidator of regional insurance brokers
Trillium Partners Limited	25.00	30.09.07	9,777	343,125	Independent corporate advisory company

The aggregate capital and reserves and profit for the year shown above is extracted from the relevant GAAP accounts of the investee companies.

Under FRS 25 the Paterson Martin Limited accounts have included the company's 22.5% interest as a long-term creditor. As this is in reality an equity investment the aggregate capital and reserves shown have therefore been adjusted to include this as equity and therefore part of the total shareholders' funds.

Under FRS 25 the HQB Consulting Limited accounts have included the company's 28% interest as a long-term creditor. As this is in reality an equity investment the aggregate capital and reserves shown have therefore been adjusted to include this as equity and the profit has been adjusted by the dividend paid out.

Under FRS 25 the Hyperion Insurance Group Limited accounts have included their Preferred Ordinary Shares as a long-term creditor. As this is in reality equity the aggregate capital and reserves shown have therefore been increased by £4,125,000 to include this as equity and the profit has been increased by £246,000, which relates to the dividend paid out.

LEBC Holdings Limited do not prepare consolidated accounts. The figures shown include the aggregate capital and reserves of that company (£106,005) and 90% of its subsidiary company's (LEBC Group Limited) aggregate capital and reserves (£1,007,161) and profit for the year (£555,960) as an estimate of the consolidated position.

In November 2007 the Group acquired a 20% equity holding in London Endowments Limited. No statutory financial information is available at this time.

4. LOAN AND EQUITY COMMITMENTS

On 7th February 2005 the Group entered into an agreement to provide a loan facility of £140,000 to HQB Partners Limited, an associated company. As at 31st July 2008 £80,000 of this facility had been drawn down.

On 21st March 2007 the Group entered into an agreement to provide a loan facility of £250,000 to JMD Specialist Insurance Services Ltd, an associated company. At 31st July 2008 none of this facility had been drawn down.

On 29th June 2007 the Group entered into an agreement to provide additional equity funding of €3,963,462 to Summa Insurance Brokerage S.L., an associated company, payable in three equal tranches of €1,321,154. At 31st July 2008 two of these tranches totaling €2,642,308 (£2,045,831) had been paid, with a final tranche of €1,321,154 (£1,040,688) payable on a future date to be agreed. This investment increased the Group's shareholding from 35% to 48.625%.

On 10th March 2008 the Group entered into an agreement to provide a loan facility of £630,000 to Amberglobe Limited, an associated company. As at 31st July 2008 £250,000 of this facility had been drawn down.

On 19th March 2008 the Group entered into an agreement to provide a loan facility of £750,000 to Trillium Partners Limited, an associated company. As at 31st July 2008 none of this facility had been drawn down.

5. DEFERRED TAX AND CONTINGENT LIABILITIES

The Directors estimate that, if the Group were to dispose of all its investments at the amount stated in the Balance Sheet, £7.1m (2007: £7.7m) of tax on capital gains would become payable by the Group at the current corporation tax rate of 28%.

The Group has entered into long-term incentive arrangements with certain employees. Provided the employees remain in employment with the Group as at 1st November 2010 the Group has agreed to pay bonuses totaling £250,000 together with the Employers' National Insurance due thereon. £50,000 of this is currently funded through an Employee Benefit Trust.

6. DIRECTOR'S INTEREST IN CONTRACTS

S.S. Clarke is entitled to a maximum of 20% of any gain, after deducting expenses and following the repayment of all loans, the redemption of all preference shares, loan stock and equivalent finance provided by the Group, on the sale of certain agreed investments of the Group and its subsidiaries.

No amounts were paid under this contract during the year (2007: £nil).

7. **SHARE BASED PAYMENT ARRANGEMENTS**

During the year ended 31 January 2007, B.P. Marsh & Partners Plc entered into a share-based payment arrangement with certain employees and advisors. The details of the arrangements are described in the following table:

Nature of the arrangement	Share options granted to advisors	Share options granted to advisors	Share appreciation rights
Date of grant	2 February 2006	9 February 2006	19 April 2006
Number or instruments granted	17,857	17,857	4,392,921
Exercise price (pence)	140.00	140.00	140.00
Share price at grant (pence)	150.50	150.50	150.50
Vesting period (years)	5	5	Units vest 10 days after results to 31/01/09 reported, i.e. approx 3 years
Vesting conditions	None	None	50% vest if IRR over exercise price exceeds 5% and 100% vest if IRR exceeds 8% after 3 years. Between 5% and 8% it is pro-rata.
Option Life (years)	5	5	3.34
Expected volatility	15%	15%	15%
Risk free rate	4.2%	4.15%	4.52%
Expected dividends expressed as a dividend yield	0%	0%	0%
Settlement	Shares	Shares	Shares
% expected to vest (based upon leavers)	100%	100%	60%
Number expected to vest	17,857	17,857	2,635,752
Fair value per granted instrument (pence)	41.90	41.20	23.50
Charge for period ending 31 July 2008 (£)	£nil	£nil	£87,541
Valuation model	Black-Scholes	Black-Scholes	Trinomial

The Company admitted its shares for trading on AIM on 2nd February 2006 and consequently, at the date of valuation of the options, little historical price data existed. As a consequence the volatilities of quoted companies that the directors considered to be the most comparable to the Group were used to determine the Group's expected volatility over the life of the options.

The risk free rates were based on the yield on UK Government Gilts of a term consistent with the assumed option life.

No options were exercised during the period.

Notice

The financial information set out above does not constitute B.P. Marsh & Partners Plc's statutory accounts for the year to 31 January 2007 but is derived from those accounts. The statutory accounts for the year to 31 January 2007 have not yet been delivered to the Registrar of Companies. The auditors have reported on those accounts and have given the following opinion :-

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the affairs of the company and the Group as at 31st January 2007 and the profit and cash flows of the Group for the year then ended; and

- the financial statements have been properly prepared in accordance with the Companies Act 1985.

Analyst Briefing

An analyst briefing given by Brian Marsh OBE, Executive Chairman, Francis de Zulueta, Director of New Business Development and Jonathan Newman, Finance Director, will be held at 09:30 am on Tuesday 28th October 2008 at Redleaf Communications Ltd, 9-13 St Andrew Street, London EC4A 3AF.

For further information:

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Notes to Editors:

About B.P. Marsh & Partners Plc

B.P. Marsh's current portfolio contains twelve companies. More detailed descriptions of the portfolio can be found at www.bpmarsh.co.uk.

Over the past 18 years, the Group has assembled a management team with considerable experience both in the financial services sector and in managing private equity investments. Many of the directors have worked with each other in previous roles, and all have worked with each other for at least five years.

Brian Marsh is the Group's Chairman and a major shareholder. Prior to Brian's involvement in the Group, he spent many years in insurance broking and underwriting in Lloyd's as well as the London and overseas market. He has over 30 years' experience in building, buying and selling financial services businesses, particularly in the insurance sector.

Francis de Zulueta is the Group's Development Director. With a wide-ranging knowledge of the financial services market, he seeks out, researches and evaluates potential new investments for B.P. Marsh. Following a 23-year broking career with Willis Faber and Aon, among others, he took an active interest in the mergers, acquisitions and venture capital business of Marsh McLennan.

Jonathan Newman is the Group Director of Finance and has over 10 years' experience in the financial services industry. Jonathan advises investee companies through several non-executive board appointments and evaluates new investment opportunities.

Robert King is a Director and Group Company Secretary. He joined B.P. Marsh in May 2003 having started his career at PricewaterhouseCoopers. Since joining the Group he has taken on responsibility for the legal, compliance and secretarial functions and played a key role in the flotation of the Company.