Date: 27th October 2009
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 2009.

Chairman's Statement

Introduction

I am pleased to present the interim results for B. P. Marsh & Partners Plc ("B. P. Marsh" or the "Group") and its consolidated statements for the six month period ended 31st July 2009 (the "Period").

It has been a productive six months for B. P. Marsh with a number of new investments being made in its portfolio companies, the details of which are set out below. The share price trades at a 45.8 per cent discount to the Group's published net asset value which remains a source of great frustration. Nevertheless the board continues to apply its investment strategy with rigour and confidence and adopts a prudent approach to valuations.

As described in more detail below, current economic and legislative changes have produced a higher number of good quality opportunities than in the recent past and there is reason to be optimistic about B. P. Marsh's prospects over the medium term. Despite the challenging trading environment faced by our portfolio businesses in the Period, a number of them have shown resilient growth and have used this time to consolidate their market position.

Portfolio Update

Hyperion Insurance Group Limited ("Hyperion")

- As announced in June, the Group lent Hyperion £2.46m for working capital purposes, to assist in supporting its international growth and expansion. Hyperion has shown itself to be an increasingly high growth company, with an annual compound growth rate of 15.7% on its profit from ordinary activities before taxation and exceptional items, between its financial years ending 30th September 2003 (£2.90m) and 30th September 2008 (£6.04m).

- The Group also agreed to subscribe €0.9m for Loan Notes in a subsidiary of Hyperion as part of a €4.5m loan note issue, alongside other shareholders, which was used to fund the acquisition of Hendricks & Co. GmbH, the leading specialist Directors & Officers and Commercial Legal Expenses broker in Germany. The Group funded its participation in the Loan Notes from its existing cash resources. The participating shareholders also took up an offer from Hyperion to acquire shares at par value as part of the loan note issue. The total percentage of shares to be allotted to participating shareholders in the issue is 1% of the fully diluted share capital, of which the Group has been allotted 0.2%.

- Hyperion continued to deliver increased revenue and EBITDA and this is forecast to grow further in 2010.

Summa Insurance Brokerage S. L. (“Summa”)

- The Group provided Summa a loan of €0.45m. These funds are being used to fund further consolidation of regional brokers in Spain and this forms part of the third capital increase of €1.3m. Summa now has operations in 15 towns and cities in Spain and is the third largest independent broker in Spain.

Portfolio Design Group International Limited (“PDGI”)

- In a temporary market-wide cessation of trading in endowment policies and life interests, the valuation approach to the investment in PDGI has changed to a net asset basis, reflecting a difficult current year but also the determination of PDGI to reorganise and achieve sustainable profits going forward. As a result our valuation of the investment has accordingly reduced by £2m from the value as at January 2009 (£3.9m).

Trillium Partners Limited ("Trillium")

- As a result of difficult conditions in the media mergers and acquisitions market Trillium was placed into administration on 3rd September 2009. It is unlikely that the Group will recover its equity investment of £0.5m, which it has provided against in full. In addition, the Group had originally agreed to provide a £0.75m working capital loan to the business, of which £0.3m had been drawn down.

- The Group considered that on the current cost base the business would require considerable funding beyond its original commitments and, given the market conditions at the time and likely time-lag before mandates would be converted into revenues, decided to cease further funding. Although clearly disappointed with the performance of this investment, the Board considered that it was in the shareholders' best interests to protect the remaining £0.45m of loan funding rather than continue to support Trillium. As a result £0.45m is now available in cash to fund other investments with better long-term prospects.

Other Investments

- In addition the Group has currently committed to provide a further £1.6 million of funding either through debt or deferred equity to its existing investments. After taking this into consideration and any long term incentive schemes, the Group currently has circa £0.9 million of cash available for further investments and remains ungeared.

Investment Portfolio

Investment	Investment cost * (£'000)	Fair market value 31.07.09 (£'000)	Fair market value 31.01.09 (£'000)	Stake
Amberglobe Ltd	70	70	70	35.00%
Besso Holdings Ltd	3,062	6,836	6,804	22.73%
HQB Partners Ltd	35	27	131	27.72%
Hyperion Insurance Group Ltd	4,345	23,213	22,932	21.20%†
JMD Insurance Specialist Services Grp. Ltd	600	569	600	25.00%
LEBC Holdings Ltd	2,066	2,418	2,066	21.95%
Paterson Squared LLC	-	175	180	22.50%
Portfolio Design Group International Ltd	263	1,878	3,943	20.00%
Summa Insurance Brokerage, S.L.	3,896	4,595	4,591	48.625%
Trillium Partners Ltd *²	-	-	352	
Total	14,337	39,781	41,669	

† This does not take into account the provision for sweet equity, which would result in a shareholding of 19.4% for any value of Hyperion over £98m.

* This is the cash cost of investment. This differs from the Net Book Value cost of investment, totalling £16,543,000 per the consolidated statements, which includes some historic revaluations of investments where they had been transferred between Group companies and required restatement at fair value at that time.

*² Trillium Partners Ltd has recently been placed into administration.

Financial Performance

At 31st July 2009 the net asset value ("NAV") of the Group having made the appropriate allowance for deferred tax was £42.7m (2.7% lower than NAV of £43.9m at January 2009, and 5.5% lower than the NAV of £45.2 at July 2008) . This was mainly as a direct result of the revaluations of Trillium and PDGI, however during the same period we also saw growth in other investments, such as Hyperion and Summa.

The reported NAV of £42.7m represents a total increase in net asset value of £30.1m since the Group was originally formed in 1990 having adjusted for the £10.1m net proceeds raised on AIM and the original capital investment of £2.5m. Despite the reduction in NAV for the Period, the Directors note that the Group has delivered an annual compound growth rate of 13% in Group NAV after running costs, realisations, losses, distributions and deferred tax since 1990.

Based upon the above figures the NAV per share (having allowed for deferred tax) as at 31st July 2009 was 146p (January 2009: 150p, July 2008: 154.4p).

The Group's investment portfolio movement during the period was as below:

	Unaudited 31st July 2009 £'000	Unaudited 31 July 2008 £'000	Audited 31 Jan 2009 £'000
Investments at fair value	39,781	44,173	41,673
Net decrease in portfolio at 31 July 2009 over previous period		9.9% (year)	4.5% (6 months)

The consolidated pre-tax loss before exceptional items for the Period increased by 55.6% to £1.8m (July 2008: £0.8m loss).

Outlook

The Group remains a leader in its investment sector and the quality of our management skills and market knowledge is endorsed by the frequency of enquiries by third parties seeking our participation in investment opportunities. The economic downturn, coupled with recent regulatory changes in the financial services and pensions markets, has brought about the need for change in many businesses. This in itself has produced several opportunities for B. P. Marsh. As the year has unfolded, the quality of these undervalued opportunities has increased. We remain focused on suitable investments for the Group as well as being mindful of value enhancements or potential exits for our existing portfolio.

The Group's investment strategy has generated substantial uplifts in net asset value since B. P. Marsh was formed and the Directors are confident that, given the number and quality of opportunities available at this stage in the economic cycle, B. P. Marsh is well positioned to capitalise on the current market conditions.

Brian Marsh OBE
Chairman
27th October 2009

Investments

As at 31st July 2009 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 2009 valuation: £70,000

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 2009 valuation: £6,836,000

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 2009 valuation: £27,000

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: 19.6%
31st July 2009 valuation: £23,213,000

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%
31st July 2009 valuation: £569,000

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: 21.95%
31st July 2009 valuation: £2,418,000

Paterson Squared, LLC
(www.paterson2.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 modelling techniques to assess risk, with a view to providing counter-party risk transaction advice.
Date of investment: September 2008
Equity stake: 22.5%
31st July 2009 valuation: £175,000

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 2009 valuation: £1,878,000

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 2009 valuation: £4,595,000

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 2009 valuation: £0

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD ENDED 31ST JULY 2009

	Notes	Unaudited 6 months to 31st July 2009		Unaudited 6 months to 31st July 2008		Audited Year to 31st January 2009	
		£'000	£'000	£'000	£'000	£'000	£'000
LOSSES ON INVESTMENT							
Realised losses on disposal of investments		-		(914)		(966)	
Unrealised losses on investment revaluation	4	(2,188)		(499)		(2,886)	
			(2,188)		(1,413)		(3,852)
INCOME							
Dividends		140		560		948	
Income from loans and receivables		169		138		240	
Fees receivable		406		340		731	
			715		1,038		1,919
INCOME NET OF LOSSES ON INVESTMENT			(1,473)		(375)		(1,933)
Operating expenses			(678)		(884)		(1,944)
OPERATING LOSS			(2,151)		(1,259)		(3,877)
Financial income		21		166		292	
Financial expenses		-		(7)		(7)	
Carried interest provision	7	413		299		822	
Exchange movements		(38)		44		201	
			396		502		1,308
LOSS ON ORDINARY ACTIVITIES BEFORE EXCEPTIONAL ITEMS			(1,755)		(757)		(2,569)
Exceptional items	8		-		(88)		(136)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION			(1,755)		(845)		(2,705)
Income tax	6		525		356		978
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION ATTRIBUTABLE TO EQUITY HOLDERS			£(1,230)		£(489)		£(1,727)
Loss per share - basic and diluted (pence)	3		(4.2)p		(1.7)p		(5.9)p

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31ST JULY 2009

	Notes	Unaudited 31st July 2009		Unaudited 31st July 2008		Audited 31st January 2009	
		£'000	£'000	£'000	£'000	£'000	£'000
ASSETS							
NON-CURRENT ASSETS							
Property, plant and equipment		61		3		72	
Investments	4	39,781		44,173		41,673	
Loans and receivables		4,899		1,461		1,955	
			44,741		45,637		43,700
CURRENT ASSETS							
Trade and other receivables		647		776		776	
Cash and cash equivalents		4,078		7,755		7,341	
			4,725		8,531		8,117
LIABILITIES							
NON-CURRENT LIABILITIES							
Carried interest provision	7	(323)		(1,259)		(736)	
Deferred tax liabilities	6	(5,974)		(7,120)		(6,498)	
			(6,297)		(8,379)		(7,234)
CURRENT LIABILITIES							
Trade and other payables		(515)		(579)		(699)	
			(515)		(579)		(699)
NET ASSETS			£42,654		£45,210		£43,884
CAPITAL AND RESERVES - EQUITY							
Called up share capital			2,929		2,929		2,929
Shares to be issued			-		485		-
Share premium account			9,370		9,370		9,370
Fair value reserve			16,941		18,638		17,396
Reverse acquisition reserve			393		393		393
Retained earnings			13,021		13,395		13,796
SHAREHOLDERS' FUNDS - EQUITY			£42,654		£45,210		£43,884

The Interim Consolidated Financial Statements were approved by the Board of Directors on 26th October 2009 and signed on its behalf by B.P. Marsh & J.S. Newman.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 31ST JULY 2009

	Unaudited 31st July 2009 £'000	Unaudited 31st July 2008 £'000	Audited 31st January 2009 £'000
Cash (used by) / from operating activities			
Income from loans to investees	169	138	240
Dividends	140	560	948
Fees received from investment activity	406	340	731
Operating expenses	(678)	(884)	(1,944)
Exceptional item – termination payment	-	-	(136)
Decrease / (increase) in receivables	80	59	(42)
Decrease in payables	(184)	(140)	(20)
Depreciation	11	1	14
Net cash (used by) / from operating activities	£(56)	£74	£(209)
Net cash from investing activities			
Purchase of property, plant and equipment	-	(1)	(83)
Purchase of investments	-	(1,629)	(1,629)
Proceeds from investments	4	5,797	5,858
Net cash from investing activities	£4	£4,167	£4,146
Net cash (used by) / from financing activities			
(Payments) / repayments of loans (to) / from investee companies	(3,225)	1,650	1,350
Financial income	21	166	292
Financial expenses	-	(7)	(7)
Net cash (used by) / from financing activities	£(3,204)	£1,809	£1,635
Change in cash and cash equivalents	(3,256)	6,050	5,572
Cash and cash equivalents at beginning of the period	7,341	1,701	1,701
Exchange (loss) / gain*	(7)	4	68
Cash and cash equivalents at end of period	£4,078	£7,755	£7,341

*The exchange (loss)/gain as noted in the Consolidated Statement of Comprehensive Income is £(38)k (6 months to 31st July 2008: £44k & 12 months to 31st January 2009: £201k). The exchange (loss)/gain in the Consolidated Statement of Cash Flows excludes £(31)k (6 months to 31st July 2008: £40k & 12 months to 31st January 2009: £133k) relating to the revaluation of a loan denominated in Euros as this is a non-cash movement. The comparative amounts in respect of the exchange gain for 2008, which have had no effect on the overall cash balances, have been restated in the Consolidated Statement of Cash Flows to ensure the exchange (losses)/gains are comparable and consistent in both periods.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 31ST JULY 2009

	Unaudited 6 months to 31st July 2009 £'000	Unaudited 6 months to 31st July 2008 £'000	Audited 12 months to 31st January 2009 £'000
Opening total equity	43,884	45,611	45,611
Total recognised income and expense for period	(1,230)	(489)	(1,727)
Shares to be issued (share based payments)	-	88	-
Total equity	£42,654	£45,210	£43,884

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"), including standards and interpretations issued by the International Accounting Standards Board. The consolidated financial statements have been prepared under the historical cost convention as modified by the revaluation 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.

These interim consolidated financial statements were approved by the Board on 26th October 2009. They have not been audited nor reviewed by the Group's Auditors, as is the case with the comparatives to 31st July 2008, and do not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006.

Except as described below, the financial statements have been prepared using the accounting policies and presentation that were applied in the audited financial statements for the year ended 31st January 2009. Those accounts, upon which the Group's Auditors issued an unqualified opinion, have been filed with the Registrar of Companies and do not contain a statement under section 237 (2) or (3) of the Companies Act 1985.

IAS 1 (revised) Presentation of Financial Statements ("IAS 1") is mandatory for accounting periods beginning on or after 1st January 2009. The revised standard prohibits the presentation of items of income and expenditure within the statement of changes in equity. All 'non-owner changes in equity' are required to be shown in a performance statement. Entities can choose whether to present one performance statement (the statement of comprehensive income) or two (the income statement and statement of comprehensive income). The Group has elected to present one performance statement, being the statement of comprehensive income. IAS 1 has also introduced a number of changes in terminology, and as a consequence the balance sheet has been renamed the 'consolidated statement of financial position' and the cash flow statement has been renamed the 'consolidated statement of cash flows'. There have been no changes to the reported results or financial position as a result of adopting IAS 1.

IFRS 8 Operating Segments, Amendment to IAS 23 Borrowing Costs and Amendment to IFRS 2 Share Based Payments are effective for annual periods beginning on or after 1st January 2009 and have been adopted in preparing these interim consolidated financial statements. The adoption of these standards has not had a significant impact on these interim financial statements.

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.

Business combinations are accounted for by using the acquisition accounting method. 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 recognised 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 Statement of Financial Position 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.

Cancellation of the rights to the equity settled share-based awards by the employees is accounted for as if the relevant employees have left the Group with the related amounts recorded previously in reserves being transferred to retained earnings.

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 International Private Equity and Venture Capital Valuation ("IPEVCV"). 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 cash flow 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 Statement of Comprehensive Income for the period. In the Statement of Financial Position 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 Statement of Comprehensive Income.

Income from investments

Income from investments comprises:

a) gross interest from loans, which is taken to the Statement of Comprehensive Income on an accruals basis;

b) dividends from equity investments are recognised in the Statement of Comprehensive Income 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 a director in the event of a particular investment being sold and is calculated on the fair value of that investment at the reporting period.

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 Statement of Comprehensive Income 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 reporting period.

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 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 reporting period 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 Statement of Comprehensive Income, 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 Group to pay bonuses to employees and as such no provision has been made in the operating expenses within the Statement of Comprehensive Income for the period to 31st July 2009 (as was also the case with the interims to 31st July 2008). However, the income statement to 31st January 2009 does include such provision where discretionary awards were made for the year-end.

2. SEGMENTAL REPORTING

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

The Group identifies its reportable operating segments based on the geographical location in which each of its investments is incorporated and primarily operates. 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.

If material to the Group overall (where the segment revenues, reported profit or loss or combined assets exceed the quantitative thresholds prescribed by IFRS 8 Operating Segments ("IFRS 8")), the segment information is reported separately.

The Group allocates revenues, expenses, assets and liabilities to the operating segment where directly attributable to that segment. All indirect items are apportioned based on the percentage proportion of revenue that the operating segment contributes to the total Group revenue (excluding any unrealised gains and losses on the Group's non-current investments).

Each reportable segment derives its revenues from three main sources. These are described in further detail in Note 1 under 'Income from investments'.

All reportable segments derive their revenues entirely from external clients and there are no inter-segment sales.

The transition from the provisions of IAS 14 Segment Reporting ("IAS 14") to IFRS 8, which became mandatory for accounting periods beginning on or after 1st January 2009, has not given rise to any specific changes in the way the Group reports on its operating segments. However management have reviewed the current segments and have confirmed the existing approach to be satisfactory under the provisions of IFRS 8.

	Geographic segment 1: *UK & Channel Islands*		Geographic segment 2: *Non-UK & Channel Islands*		Group	
	Unaudited 6 months to 31st July 2009 £'000	Unaudited 6 months to 31st July 2008 £'000	Unaudited 6 months to 31st July 2009 £'000	Unaudited 6 months to 31st July 2008 £'000	Unaudited 6 months to 31st July 2009 £'000	Unaudited 6 months to 31st July 2008 £'000
Income net of losses on investment	(1,629)	(481)	156	106	(1,473)	(375)
Operating expenses	(530)	(710)	(148)	(174)	(678)	(884)
Segment operating loss	(2,159)	(1,191)	8	(68)	(2,151)	(1,259)
Financial income	16	133	5	33	21	166
Financial expenses	-	(6)	-	(1)	-	(7)
Carried interest provision	413	299	-	-	413	299
Exchange movements	(7)	2	(31)	42	(38)	44
Exceptional items	-	(71)	-	(17)	-	(88)
Loss before tax	(1,737)	(834)	(18)	(11)	(1,755)	(845)
Income tax	520	353	5	3	525	356
Loss for the period	**£(1,217)**	**£(481)**	**£(13)**	**£(8)**	**(1,230)**	**£(489)**
Non-current assets						
Property, plant and equipment	54	3	7	-	61	3
Investments	35,011	40,038	4,770	4,135	39,781	44,173
Loans and receivables	3,610	730	1,289	731	4,899	1,461
	38,675	40,771	6,066	4,866	44,741	45,637
Current assets						
Trade and other receivables	246	684	401	92	647	776
Cash and cash equivalents	4,078	7,755	-	-	4,078	7,755
	4,324	8,439	401	92	4,725	8,531
Total assets	42,999	49,210	6,467	4,958	49,466	54,168
Non-current liabilities						
Carried interest provision	(323)	(1,259)	-	-	(323)	(1,259)
Deferred tax liabilities	(5,974)	(7,124)	-	4	(5,974)	(7,120)
	(6,297)	(8,383)	-	4	(6,297)	(8,379)
Current liabilities						
Trade and other payables	(515)	(579)	-	-	(515)	(579)
Total liabilities	(6,812)	(8,962)	-	4	(6,812)	(8,958)
Net assets	**£36,187**	**£40,248**	**£6,467**	**£4,962**	**£42,654**	**£45,210**

2. SEGMENTAL REPORTING (continued)

	Geographic segment 1: *UK & Channel Islands*		Geographic segment 2: *Non-UK & Channel Islands*		Group	
	Unaudited 31st July 2009 £'000	Unaudited 31st July 2008 £'000	Unaudited 31st July 2009 £'000	Unaudited 31st July 2008 £'000	Unaudited 31st July 2009 £'000	Unaudited 31st July 2008 £'000
Additions to property, plant and equipment	-	1	-	-	-	1
Depreciation of property, plant and equipment	10	1	1	-	11	1

	Geographic segment 1: *UK & Channel Islands*	Geographic segment 2: *Non-UK & Channel Islands*	Group
	Audited 31st January 2009 £'000	Audited 31st January 2009 £'000	Audited 31st January 2009 £'000
Income net of losses on investment	(2,802)	869	(1,933)
Operating expenses	(1,691)	(253)	(1,944)
Segment operating (loss) / profit	(4,493)	616	(3,877)
Financial income	254	38	292
Financial expenses	(6)	(1)	(7)
Carried interest provision	822	-	822
Exchange movements	65	136	201
Exceptional items	(136)	-	(136)
(Loss) / profit before tax	(3,494)	789	(2,705)
Income tax	1,199	(221)	978
(Loss) / profit for the year	**£(2,295)**	**£568**	**£(1,727)**
Non-current assets			
Property, plant and equipment	64	8	72
Investments	36,902	4,771	41,673
Loans and receivables	1,030	925	1,955
	37,996	5,704	43,700
Current assets			
Trade and other receivables	465	311	776
Cash and cash equivalents	7,341	-	7,341
	7,806	311	8,117
Total assets	45,802	6,015	51,817
Non-current liabilities			
Carried interest provision	(736)	-	(736)
Deferred tax liabilities	(6,324)	(174)	(6,498)
	(7,060)	(174)	(7,234)
Current liabilities			
Trade and other payables	(699)	-	(699)
Total liabilities	(7,759)	(174)	(7,933)
Net assets	**£38,043**	**£5,841**	**£43,884**
Additions to property, plant and equipment	73	10	83
Depreciation of property, plant and equipment	12	2	14

3. LOSS PER SHARE FROM CONTINUING OPERATIONS ATTRIBUTABLE TO THE EQUITY SHAREHOLDERS

	Unaudited 31st July 2009 £'000	Unaudited 31st July 2008 £'000	Audited 31st January 2009 £'000
Loss			
Loss for the purposes of basic and diluted earnings per share being net loss attributable to equity shareholders	(1,230)	(489)	(1,727)
Loss per share – basic and diluted	(4.2)p	(1.7)p	(5.9)p
Number of shares	Number	Number	Number
Weighted average number of ordinary shares for the purposes of basic earnings per share	29,286,143	29,286,143	29,286,143
Number of dilutive shares under option	Nil	Nil	Nil
Weighted average number of ordinary shares for the purposes of dilutive earnings per share	29,286,143	29,286,143	29,286,143

4. NON-CURRENT INVESTMENTS

Group Investments	Unaudited 31st July 2009 £'000	Unaudited 31st July 2008 £'000	Audited 31st January 2009 £'000
At valuation			
At 1st February	41,673	49,754	49,754
Additions	-	1,629	1,629
Disposals	(4)	(6,711)	(6,824)
Movement in valuation / provisions	(1,888)	(499)	(2,886)
At period end	39,781	44,173	41,673
At cost			
At 1st February	17,043	18,328	18,328
Additions	-	1,629	1,629
Disposals	-	(2,801)	(2,914)
Provisions	(500)	-	-
At period end	16,543	17,156	17,043

On 3rd September 2009 Trillium Partners Limited ("Trillium"), an associated company, was placed into administration. As at 31st July 2009 the Group had invested a total of £800,000 in Trillium (£500,000 equity and £300,000 loan financing). The directors consider that there may be a permanent diminution in value as a result of the company's circumstances and have therefore deemed it prudent to provide against the amount invested in full.

The investee companies, which are registered in England except Summa Insurance Brokerage S.L. (Spain), Preferred Asset Management Ltd (Jersey), New Horizons Ltd (Isle of Man) and Paterson Squared, LLC (USA) 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	30.04.08	139,285	(60,715)	Business sales platform
Besso Holdings Limited	22.73	31.12.08	10,138,223	964,214	Investment holding company
HQB Partners Limited	27.72	31.12.08	166,057	40,583	Investor relations consultants
Hyperion Insurance Group Limited	19.60	30.09.08	37,253,000	1,929,000	Insurance holding company
JMD Specialist Insurance Services Group Limited	25.00	31.10.08	485,646	6,220	Insurance collection services company
LEBC Holdings Limited	21.95	30.09.08	889,946	166,019	Independent financial advisor company
Portfolio Design Group International Limited	20.00	31.12.08	9,592,387	4,081,188	Fund managers of traded endowment policies
Morex Commercial Limited	20.00	31.12.08	312,379	191,780	Trading in secondary life policies
Preferred Asset Management Limited	20.00	30.09.08	396,545	235,149	Fund management company
New Horizons Limited (formerly Surrenda-Link Nominees Limited)	20.00	31.12.08	1,595,863	66,732	Investment holding company
Public Risk Management Limited	44.00	31.12.07	(292,757)	(21,140)	Public sector risk management consultants
Summa Insurance Brokerage, S.L.	48.625	31.12.07	376,897	(782,957)	Consolidator of regional insurance brokers
Trillium Partners Limited	25.00	31.12.08	171,052	(359,137)	Independent corporate advisory company

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

Under FRS 25 the HQB Consulting Limited accounts have included the Group's 27.72% 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.

LEBC Holdings Limited does not prepare consolidated accounts. The figures shown include the aggregate capital and reserves of that company of £106,005 and 90% of its subsidiary company's (LEBC Group Limited) aggregate capital and reserves of £871,045 and profit for the period of £184,466 as an estimate of the consolidated position. The figures shown are for a six-month period only due to the company changing its accounting period from 31st May to 30th September.

Under FRS 25 the Trillium Partners Limited accounts have included the Group's 25% 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.

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

In September 2008 the Group acquired a 22.5% equity holding in Paterson Squared, LLC (a US company). As the company was only incorporated in September 2008, no statutory financial information is available at this time.

5. 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 2009 £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 Group Ltd, an associated company. At 31st July 2009 £100,000 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 2009 two of these tranches totaling €2,642,308 (£2,045,831) had been paid, with a final tranche of €1,321,154 (£1,129,867) 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 2009 £570,000 of this facility had been drawn down.

On 1st April 2009 the Group entered into an agreement to provide a loan facility of £400,000 to LEBC Group Limited, an associated company. As at 31st July 2009 none of this facility had been drawn down.

On 2nd June 2009 the Group entered into an agreement with Hyperion Insurance Group Limited to subscribe for €900,000 in loan notes to fund an acquisition, being part of a €4,500,000 loan note issue alongside other shareholders. As at 31st July 2009 no amounts had been drawn down.

6. 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 Statement of Financial Position, £6.0m (interim 6 months to 31st July 2008: £7.1m & full year to 31st January 2009: £6.5m) 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 specified dates in the future, the Group has agreed to pay bonuses totalling £600,000 together with the Employers' National Insurance due thereon. £150,000, £50,000, £50,000, £100,000 and £250,000 are due to be paid on 1st April 2010, 1st October 2010, 6th April 2011, 1st October 2011 and 1st October 2012 respectively.

No amount has been included in these financial statements as the performance conditions relating to these incentives had not been met at the time of the reporting period.

7. 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 period (interim 6 months to 31st July 2008: £nil & full year to 31st January 2009: £nil). The Group has included provisions for this entitlement based upon the fair value of these investments, which totalled £0.3m at 31st July 2009 (interim 6 months to 31st July 2008: £1.3m & full year to 31st January 2009: £0.7m).

8. EXCEPTIONAL ITEMS

(1) Share based payment arrangements – 6 months to 31st July 2008

During the year ended 31st January 2007, B.P. Marsh & Partners Plc entered into a share-based payment arrangement with certain employees and advisors. The details of the arrangements in respect of the 6-month period to 31st July 2008 are described in the following table:

Nature of the arrangement	Share options granted to advisors	Share options granted to advisors	Share appreciation rights to employees
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

No options were exercised during the period covered by these financial statements. Share appreciation rights representing 65% of the available units granted were forfeited in prior years following the employees leaving the Group and the remaining 35% of the units were subsequently waived by the relevant employees in the year to 31st January 2009. The expected number of units to vest was adjusted accordingly. As a consequence, no further charge in respect of these share arrangements has been made in these financial statements and the amounts recorded in reserves in respect of the earlier periods' charges were transferred to retained earnings in the year to 31st January 2009.

(2) Termination payments – year ended 31st January 2009

In the year to 31st January 2009, one-off compensation payments totalling £136,300 were made to two employees (including one director) who left the Group during that year.

Analyst Briefing

An analyst briefing given by Brian Marsh OBE, Executive Chairman, Jonathan Newman, Finance Director and Robert King, Director and Group Company Secretary will be held at 9:30 a.m. on Tuesday 27 October 2009 at B.P. Marsh's office at 2nd Floor, 36 Broadway, London SW1H 0BH.

- Ends -

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Notes to Editors:

About B.P. Marsh & Partners Plc

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

Over the past 19 years, the Company 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 six years.

Prior to Brian Marsh's involvement in the Company, 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.

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 B.P. Marsh he has taken on responsibility for the Group's legal, compliance and secretarial functions and played a key role in the flotation of the Company.