Ambrian Capital plc
Registered number:
3172986

AMBRIAN

Unaudited
Interim Financial Statements
for the period ended 30 June 2011

Ambrian Capital plc ("Ambrian Capital") today announces its unaudited results for the six months ended 30 June 2011.

Financial Highlights

- Total income for the period from continuing operations increased 40% to £9.40 million (H1 2010: £6.74 million)
- Profit for the period from continuing operations, before tax and impairment charges, was £1.05 million (H1 2010: £(0.21) million)
- After the impairment of intangible assets relating to Ambrian Partners, the loss attributable to shareholders from continuing operations was £1.46 million (H1 2010: £(0.10) million)
- Net loss per share for the period was 1.49p (H1 2010: (0.10)p)
- Tangible net asset value per share was 31.48p as at 30 June 2011 compared with 31.14p as at 31 December 2010

Commenting on the results, Robert Ashley, Chief Executive of Ambrian Capital, said:

"In relative terms Ambrian has had a reasonable trading performance during the period, but economic and political headwinds are making for a more difficult second half, particularly in our investment banking business. We continue to look for ways to enhance shareholder value."

CHIEF EXECUTIVE'S STATEMENT

Total Income and Pre-Tax Profits

Total income from continuing operations was £9.40 million for the first half of 2011 compared with £6.74 million for the first half of 2010. Following the disposal of Ambrian Commodities Limited, the results of this company have been treated as a discontinued operation.

Operating costs from continuing operations of £8.43 million (before the impairment charges referred to below) were higher than the operating costs for the same period last year of £7.21 million, largely by reason of the introduction of our new Energy businesses.

Profit attributable to shareholders from continuing operations before tax and impairment charges was £1.05 million, compared to a loss of £0.21 million for the same period last year.

In light of the financial turmoil experienced this year and the increasingly difficult and volatile market conditions currently being experienced in global equity markets, the Board has reviewed the carrying value of the Group's investment in its investment banking business, Ambrian Partners Limited ("APL"). The Board has concluded that the intangible assets attributable to this business (of £2.15 million) should be impaired in full. As a result of this impairment and after share-based payment charges and tax, the loss attributable to shareholders from continuing operations was £1.46 million in the first half, compared with a loss of £0.10 million in the first half of 2010.

Dividend

In view of the loss reported by the Group and the uncertain economic climate, the Board has decided not to declare a dividend in respect of the period ended 30 June 2011 (0.75p for 30 June 2010).

Commodities – Physical Metals

Revenue from Ambrian Metals Limited ("AML") was £3.85 million in the first half of 2011 compared with £2.89 million for the same period last year. Profit before tax for the division for the period to 30 June 2011 was £2.59 million compared with £1.60 million for the same period in 2010.

Over the six months ended 30 June 2011, Chinese demand for refined copper was more subdued than in the corresponding period in 2010. This arose largely as a result of increased volumes of scrap being imported into China which has by far the largest secondary copper refining capacity in the world. These imports were also influenced by the closure of a number of other smelters caused by the Japanese Tsunami in March 2011.

CHIEF EXECUTIVE'S STATEMENT (Continued)

An additional factor in the increased interest in scrap was a reduction in demand for concentrates following environmental concerns in India.

However, the re-imposition of a 10% duty on exports from Russia (which had been lifted in 2010) resulted in our managing to increase our market share of sales of Cathode and Copper Rod to the Middle East.

Against this background, over the six months ended 30 June 2011, AML supplied a total tonnage of refined copper of 115,678 tonnes (compared with 110,892 tonnes supplied for the equivalent period in 2010).

During the period, AML primarily sourced refined copper from producers located in Zambia, Democratic Republic of Congo, Russia, Kazakhstan, Chile and South Africa.

AML continued to benefit from the strong support of its bankers and now has uncommitted trade finance facilities totalling over US$330 million compared with US$320 million at December 2010 and US$200 million at 31 December 2009.

Energy Division

Total revenue in our energy division for the six months ended 30 June 2011 was £2.36 million, generating a profit before tax of £1.40 million. This was a strong performance for a new business line. Most of the revenue and profit was generated from our biofuels division supplying and blending principally palm methyl ester for use in European biodiesel. Ambrian is at the forefront of sustainability practices in its biofuels business, with all palm oil and other feedstock being supplied from sustainable sources.

As noted in our 2010 Annual Report, Ambrian Energy has been granted a certificate of compliance with the International Sustainability and Carbon Certification ("ISCC"). Amongst other things, this accreditation is designed to promote the reduction of greenhouse gas emissions, the protection of natural biospheres and a sustainable and social use of land.

Ambrian's customers are predominantly European oil majors and multinational groups involved in the production of biodiesel as well as distribution companies. We are exploring the potential for expanding our product range into bio-ethanol and bio-mass products.

The business has been funded to date by US$6.2 million capital provided by the Group and trade finance facilities of US$45 million provided by commercial banks. New credit facilities are being developed to cover the growth of the business.

CHIEF EXECUTIVE'S STATEMENT (Continued)

In April 2011, Ambrian established Strategic Energy Bank Limited ("SEB") in partnership with Morgan Stanley. The objective of SEB is to conclude transactions with the Strategic Stockpiling Agencies of National Governments whereby their storage and petroleum reserves are integrated with markets non-speculatively to create revenue, upgrade oil stocks and/or reduce the cost of stockpiling.

Corporate Finance & Equities

Corporate Finance & Equities' revenue was £3.30 million for the first half of 2011 compared with £2.71 million for the same period last year, resulting in a break-even position for the period (H1 2010: £(1.77) million).

This was a reasonable result against a background of macroeconomic uncertainty and difficult market conditions.

APL has 29 retained clients in the natural resources sector. The most significant transaction in the period was the £90 million placing for Chariot Oil & Gas PLC.

Market turmoil and political concerns have increased markedly since 30 June 2011, and although there are potential transactions in train and under consideration, it is impossible to predict their outcome and, therefore, the future performance of the corporate finance and equities division. In addition, given the continuing uncertainty in the financial markets, we have reduced the size of our market-making book.

As referred to above, in light of the performance to date this year and the uncertain future performance of the division, the Board decided to impair in full the intangible assets representing the goodwill and customer relationships attributable to the division in the books of the Group, amounting to £2.15 million.

Principal Investments

In the first half of 2011, Ambrian Principal Investments Limited ("APIL") recorded a loss (before expenses) of £0.49 million compared to revenues of £1.11 million generated by the Group's principal investments in the first half of 2010.

This reflects a reduction of 8.6% in the value of the investment portfolio since 31 December 2010, but compares with increases over the same period in sterling terms of 4% for gold and 15% for crude oil and a decrease of 19% for the AIM Basic Resources Index.

CHIEF EXECUTIVE'S STATEMENT (Continued)

The total value of APIL's investment portfolio at 30 June 2011 was £5.16 million compared with a principal investment portfolio valued at £5.65 million at 31 December 2010.

At 30 June 2011, APIL had 19 holdings and the three largest were Fire River Gold (valued at £0.63 million), Tiger Resources (valued at £0.43 million) and Royal Coal Corp (valued at £0.39 million).

The unlisted investments were valued at £0.59 million at 30 June 2011, compared with £0.71 million at 31 December 2010.

The Company continues to hold a 12.5% interest in Consolidated General Minerals PLC ("CGM") which was de-listed from AIM on 1 July 2011. CGM is managed and part-owned by employees of Ambrian Resources AG ("ARAG"), which was established in February 2010 in partnership with a team of three former executives of Glencore International AG. ARAG employees are now charged to CGM. CGM continues to focus on developing its clinker grinding mill and cement packaging plant in Beira, Mozambique. As of 30 June 2011, the company's reported cash position was US$20.3 million.

Discontinued Operation
In April 2011 we entered into an agreement for the sale to a subsidiary of INTL FCStone Inc. of the whole of the issued share capital of Ambrian Commodities Limited with effect from 31 March 2011. This agreement was completed on 31 August 2011 and resulted in the return to the Company of its invested capital of £4.37 million. As a result of the disposal of ACL, the results of ACL for the period to 30 June 2011 have been treated as a discontinued operation.

Expenses
Group administrative expenses (including the £2.15 million impairment charge referred to above) were £10.58 million in the first half of 2011 (H1 2010: £7.21 million), of which £6.71 million (H1 2010: £6.39 million) were represented by fixed costs (excluding provisions for year-end profit-related bonuses and share-based payment charges). Like for like expenses were broadly in line with those for the same period last year. The increase in operating costs was largely attributable to the costs attributable to the new Energy businesses.

CHIEF EXECUTIVE'S STATEMENT (Continued)

Remuneration expenses, before share-based payment charges, were £5.38 million in the first half of 2011 (H1 2010: £4.43 million) of which (i) £3.67 million was represented by salaries, employers' national insurance and benefits (H1 2010: £3.42 million) and (ii) £1.72 million represented a provision for year-end profit-related bonuses (H1 2010: £0.75 million). The ratio of total remuneration expenses to total income was 58.2% for the first half of 2011 compared with 65.8% for the first half of 2010. Total headcount at 30 June 2011 was 72, a reduction of 6 since 31 December 2010.

Share-based payment charges were £82,000 in the first half of 2011 (H1 2010: £260,000).

Non-remuneration expenses (excluding impairment charges of intangible assets of £2.15 million) were £3.05 million in the first half of 2011 (H1 2010: £2.78 million).

Balance Sheet

Total assets decreased to £468 million at 30 June 2011 from £550 million at 31 December 2010 primarily due to lower inventories.

The Group's own cash resources, net of amounts due to clients totalled £11.1 million at 30 June 2011 compared with £18.97 million at 31 December 2010. As a result of the disposal of Ambrian Commodities Limited, the £4.37 million cash due on sale which was previously classified as own cash has been treated as a debtor. The balance of the reduction in own cash amounting to £3.33 million is principally attributable to the final dividend payment (of £0.75 million) and the accrued bonuses of £2.18 million.

Shareholders' equity was £31.4 million at 30 June 2011 compared to £32.8 million at 31 December 2010.

Tangible net asset value per share was 31.48p, representing an increase of 1.17% from 31 December 2010. Net asset value per share is based on 99,770,124 ordinary shares outstanding at 30 June 2011 (excluding Treasury shares and shares held by the Ambrian Capital Employee Benefit Trust).

The aggregate regulatory capital requirement for the Group's regulated subsidiaries was £1.8 million at 30 June 2011, which was substantially exceeded by the aggregate regulatory resources of the regulated subsidiaries of £7.5 million.

CHIEF EXECUTIVE'S STATEMENT (Continued)

Board Changes

As stated in the 2010 Annual Report, I became Chief Executive of the Group following the departure of Tom Gaffney in February 2011.

In July 2011, Lawrence Banks retired as Chairman of the Group and stood down from the Board. Lawrence had a long association with Ambrian, having been chairman of Ambrian Partners Limited for some time before it was merged into the Group in September 2004. His retirement follows his announcement at this year's Annual General Meeting in June. We owe a significant debt to Lawrence for his wise counsel and leadership over the years and are grateful for his contribution to the Group. We wish Lawrence well.

Following Lawrence's retirement, Nathan Steinberg (one of the non-executive Directors and someone who has been associated with the Group for many years) has taken over as Chairman.

Outlook

Relative to the performance of the Group for the same period last year, the Group has performed effectively for the 6 months to 30 June 2011. However, the weakness and volatility experienced in global equity markets since the end of March 2011 have weighed on the Group's corporate finance and equities division. As a result, the transaction pipeline has been weakened and primary and secondary placement activity significantly reduced, with little visibility for a short-term upswing. The commodities trading divisions continue to trade profitably.

The Board is conscious of the substantial discount at which the Company's share price stands to its net asset value and continues to look at ways of reducing this and otherwise enhancing shareholder value.

Robert Ashley
Chief Executive
27 September 2011

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Six months to 30/6/11 (unaudited) £	Six months to 30/6/10 (unaudited, restated) £	Year to 31/12/10 (audited, restated) £
Revenue	**9,813,862**	5,638,343	16,384,505
Investment portfolio (loss)/gains	**(417,806)**	1,109,381	4,094,224
Total income	**9,396,056**	6,747,724	20,478,729
Administrative expenses	**(10,577,419)**	(7,209,951)	(17,943,884)
(Loss)/profit before tax	**(1,181,363)**	(462,227)	2,534,845
Taxation	**(216,004)**	54,770	(1,025,157)
(Loss)/profit from continuing operations	**(1,397,367)**	(407,457)	1,509,688
(Loss)/profit on discontinued operation, net of tax	**(53,637)**	266,618	363,798
(Loss)/profit	**(1,451,004)**	(140,839)	1,873,486
Other comprehensive income			
Exchange profit/(loss) arising from translation of foreign operations	**730,052**	(58,035)	(459,080)
Total other comprehensive income	**730,052**	(58,035)	(459,080)
Total comprehensive (loss)/income	**(720,952)**	(198,874)	1,414,406
(Loss)/profit for the period attributable to:			
Owners of the parent	**(1,460,618)**	(95,115)	1,963,931
Non-controlling interest	**9,614**	(45,724)	(90,445)
	(1,451,004)	(140,839)	1,873,486
Total comprehensive income attributable to:			
Owners of the parent	**(730,566)**	(153,150)	1,504,851
Non-controlling interest	**9,614**	(45,724)	(90,445)
	(720,952)	(198,874)	1,414,406
(Loss)/earnings per share continuing and discontinued operations:			
Basic	**(1.49) pence**	(0.10) pence	1.99 pence
Diluted	**(1.48) pence**	(0.10) pence	1.97 pence
Continuing operations			
Basic	**(1.44) pence**	(0.38) pence	1.76 pence
Diluted	**(1.43) pence**	(0.38) pence	1.74 pence

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	30/6/11 (unaudited) £	30/6/10 (unaudited) £	31/12/10 (audited) £
ASSETS			
Non-current assets			
Property, plant and equipment	**233,910**	247,008	288,754
Intangible assets	**–**	2,220,109	2,150,109
Deferred tax asset	**1,145,903**	1,254,128	1,284,734
	1,379,813	3,721,245	3,723,597
Current assets			
Financial assets at fair value through profit or loss	**9,177,719**	18,250,086	7,250,816
Inventory	**121,568,529**	89,600,563	225,266,676
Trade and other receivables	**324,715,145**	128,827,248	283,135,124
Cash at bank and in hand	**11,094,027**	31,212,096	31,121,434
	466,555,420	267,889,993	546,774,050
Total assets	**467,935,233**	271,611,238	550,497,647
LIABILITIES			
Current liabilities			
Financial liabilities at fair value through profit or loss	**–**	–	(18,745,460)
Short-term borrowings	**(181,302,494)**	–	(177,851,710)
Short-term liabilities under sale and repurchase agreements	**(58,593,246)**	–	(82,363,606)
Trade and other payables	**(195,555,732)**	(239,696,792)	(237,089,155)
Current tax payable	**(1,076,543)**	(130,297)	(1,630,602)
Total liabilities	**(436,528,015)**	(239,827,089)	(517,680,533)
Total net assets	**31,407,218**	31,784,149	32,817,114
Capital and reserves			
Share capital	**11,136,121**	11,136,121	11,136,121
Share premium account	**11,105,383**	11,105,383	11,105,383
Merger reserve	**1,245,256**	1,245,256	1,245,256
Treasury shares	**(1,128,716)**	(1,128,716)	(1,128,716)
Retained earnings	**10,652,269**	11,537,700	12,858,252
Employee benefit trust	**(5,471,023)**	(5,342,707)	(5,445,444)
Share-based payments reserve	**4,243,508**	3,900,592	4,161,508
Exchange reserve	**(345,880)**	(674,887)	(1,075,932)
Total equity attributable to owners of the parent	**31,436,918**	31,778,742	32,856,428
Minority interest	**(29,700)**	5,407	(39,314)
Total equity	**31,407,218**	31,784,149	32,817,114

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

	Share capital £	Share premium account £	Merger reserve £	Share-based payments reserve £	Employee benefit trust £	Treasury shares £	Retained earnings £	Exchange reserve £	Non-controlling interest £	Total equity £
Balance at 31 December 2009	11,136,121	11,105,383	1,245,256	3,639,675	(5,342,707)	(1,093,889)	12,357,624	(616,852)	–	32,430,611
Total comprehensive income	–	–	–	–	–	–	(95,115)	(58,035)	(45,724)	(198,874)
Minority interest on incorporation of subsidiary	–	–	–	–	–	–	–	–	51,131	51,131
Share-based payment charge	–	–	–	260,917	–	–	–	–	–	260,917
Purchase of shares	–	–	–	–	–	(34,827)	–	–	–	(34,827)
Dividends	–	–	–	–	–	–	(724,809)	–	–	(724,809)
Balance at 30 June 2010	11,136,121	11,105,383	1,245,256	3,900,592	(5,342,707)	(1,128,716)	11,537,700	(674,887)	5,407	31,784,149

	Share capital £	Share premium account £	Merger reserve £	Share-based payments reserve £	Employee benefit trust £	Treasury shares £	Retained earnings £	Exchange reserve £	Non-controlling interest £	Total equity £
Balance at 31 December 2009	11,136,121	11,105,383	1,245,256	3,639,675	(5,342,707)	(1,093,889)	12,357,624	(616,852)	–	32,430,611
Total comprehensive income	–	–	–	–	–	–	1,963,931	–	(90,445)	1,873,486
Other comprehensive income	–	–	–	–	–	–	–	(459,080)	–	(459,080)
Non-controlling interest on incorporation of subsidiary	–	–	–	–	–	–	–	–	51,131	51,131
Share-based payment charge	–	–	–	521,833	–	–	–	–	–	521,833
Purchase of shares	–	–	–	–	(268,295)	(34,827)	–	–	–	(303,122)
Sale of shares	–	–	–	–	165,558	–	–	–	–	165,558
Dividends	–	–	–	–	–	–	(1,463,303)	–	–	(1,463,303)
Balance at 31 December 2010	11,136,121	11,105,383	1,245,256	4,161,508	(5,445,444)	(1,128,716)	12,858,252	(1,075,932)	(39,314)	32,817,114

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY (Continued)

	Share capital £	Share premium account £	Merger reserve £	Share-based payments reserve £	Employee benefit trust £	Treasury shares £	Retained earnings £	Exchange reserve £	Non-controlling interest £	Total equity £
Balance at 31 December 2010	11,136,121	11,105,383	1,245,256	4,161,508	(5,445,444)	(1,128,716)	12,858,252	(1,075,932)	(39,314)	32,817,114
Total comprehensive income	–	–	–	–	–	–	(1,460,618)	–	9,614	(1,451,003)
Other comprehensive income	–	–	–	–	–	–		730,052	–	730,052
Share-based payment charge	–	–	–	82,000	–	–	–	–	–	82,000
Purchase of shares	–	–	–	–	(57,809)	–	–	–	–	(57,809)
Sale of shares	–	–	–	–	32,230	–	–	–	–	32,230
Dividends	–	–	–	–	–	–	(745,365)	–	–	(745,365)
Balance at 30 June 2011	11,136,121	11,105,383	1,245,256	4,243,508	(5,471,023)	(1,128,716)	10,652,269	(345,880)	(29,700)	31,407,218

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Six months To 30/6/11 (unaudited) £	Six months To 30/6/10 (unaudited) £	Year To 31/12/10 (audited) £
Profit/(loss) for the period	**(1,451,003)**	(140,839)	1,873,486
Adjustments for:			
Depreciation of property, plant and equipment	**138,745**	105,748	217,392
Amortisation of intangible assets	**2,150,109**	70,000	140,000
Foreign exchange losses/(gains)	**–**	–	(38,311)
Taxation (credit)/expense	**216,004**	(54,770)	1,025,157
Unrealised gains on financial assets designated at fair value	**(403,446)**	(10,467,764)	48,845
Realised losses/(gains) on financial assets designated at fair value	**552,481**	263,567	263,567
Net cost on acquisition of financial assets designated at fair value	**(2,075,938)**	(3,347,155)	(2,864,494)
Decrease/(increase) in inventories	**103,698,147**	(31,048,831)	(166,714,945)
Decrease/(increase) in trade and other receivables	**(41,580,021)**	47,071,435	(107,236,441)
Unrealised gains on financial liabilities at fair value	**(18,745,460)**	(7,709,922)	11,035,538
(Decrease)/increase in trade and other payables	**(41,533,423)**	(1,259,947)	81,722,485
(Decrease)/increase in short-term liabilities under sale and repurchase agreements	**(23,770,360)**	–	82,363,606
Increase in short-term borrowings	**3,450,784**	–	92,261,639
Share-based payment charge	**82,000**	260,917	521,833
Cash used in operations	**(19,271,381)**	(6,257,561)	(5,380,643)
Taxation recovered/(paid)	**(631,234)**	839,307	1,229,080
Net cash flow used in operating activities	**(19,902,615)**	(5,418,254)	(4,151,563)
Investing activities			
Cash introduced by non-controlling interest on incorporation of subsidiary	**–**	51,131	51,131,
Purchase of property, plant and equipment	**(83,901)**	(35,245)	(188,767)
Disposal of property, plant and equipment	**–**	–	133
Net cash from/(used in) investing activities	**(83,901)**	15,886	(137,503)
Financing activities			
Purchase of shares by employee benefit trust	**(57,809)**	–	(268,295)
Sale of shares by employee benefit trust	**32,230**	–	165,558
Purchase of treasury shares	**–**	(34,827)	(34,828)
Dividend paid to owners of the parent	**(745,365)**	(724,809)	(1,463,303)
Net cash used in financing activities	**(770,944)**	(759,636)	(1,600,868)
Net decrease in cash and cash equivalents	**(20,757,460)**	(6,162,004)	(5,889,934)
Cash and cash equivalents at the beginning of the year	**31,121,434**	37,432,137	37,432,137
Foreign exchange gains/(losses)	**730,053**	(58,037)	(420,769)
Cash and cash equivalents at the end of the year	**11,094,027**	31,212,096	31,121,434

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1 Basis of preparation

The condensed consolidated interim financial statements have been prepared in accordance with the accounting policies previously adopted for the year ended 31 December 2010 are based on the recognition and measurement principles of IFRS in issue as adopted by the European Union (EU) and are effective at 31 December 2010.

The interim financial statements are for the six months ended 30 June 2011. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2010.

The interim financial statements have been prepared under the historical cost convention, except for revaluation of certain financial assets.

The accounting policies have been applied consistently throughout the Group for the purposes of preparation of the interim financial statements.

The financial information set out in these interim financial statements does not constitute statutory accounts as defined in Section 434(3) of the Companies Act 2006 and is unaudited. The Group's statutory financial statements for the year ended 31 December 2010, prepared under IFRS, have been filed with the Registrar of Companies. The auditor's report on those financial statements was unqualified and did not contain a statement under 498(2) or 498(3) of the Companies Act 2006.

These interim financial statements have neither been audited nor reviewed by the Group’s external auditors.

The interim financial statements were approved by the Directors on 27 September 2011 and copies are available to the public free of charge from the company at Old Change House, 128 Queen Victoria Street, London EC4V 4BJ during normal office hours, Saturdays, Sundays and Bank Holidays excepted, for 14 days from today.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Continued)

2 Segmental Analysis

The Group has four main reportable segments:

- Energy: comprises Ambrian Energy GmbH and Ambrian Energy Limited, a physical fuels merchant.
- Commodities : Physical metals – comprises Ambrian Metals Limited, a physical metals merchant.
- Corporate Finance & Equities – comprises Ambrian Partners Limited which provides corporate finance advice, equity research, sales & trading and market making services.
- Central & investment portfolio – comprises the Group's principal investment portfolio, plus the assets and liabilities of the parent holding company, which includes a general provision for the yearend profit-related bonuses across the Group.

Revenue/Income

6 months to 30 June 2011 – unaudited	Corporate Finance & equities	Energy	Commodities: Physical metals	Central & investment portfolio	Total
Total income	**£3,303,601**	**£2,360,280**	**£3,845,751**	**(£113,576)**	**£9,396,056**

6 months to 30 June 2010 – unaudited, restated	Corporate Finance & equities	Energy	Commodities: Physical metals	Central & investment portfolio	Total
Total income	£2,715,490	–	£2,892,853	£1,139,381	£6,747,724

Year to 31 December 2010 – audited, restated	Corporate Finance & equities	Energy	Commodities: Physical metals	Central & investment portfolio	Total
Total income	£9,776,968	£1,342,539	£5,264,998	£4,094,224	£20,478,729

Total income includes investment and other income. The investment portfolio includes realised and unrealised gains on financial assets.

Net assets

6 months to 30 June 2011 – unaudited	Corporate Finance & equities	Energy	Commodities: Physical metals	Central & investment portfolio	Unallocated taxation	Total
Net assets	**£3,541,865**	**£4,644,400**	**£13,781,672**	**£9,369,920**	**£69,361**	**£31,407,218**

6 months to 30 June 2010 – unaudited	Corporate Finance & equities	Energy	Commodities: Physical metals	Central & investment portfolio	Unallocated taxation	Total
Net assets	£5,950,785	–	£12,345,473	£12,364,061	£1,123,830	£31,784,149

Year to 31 December 2009 – audited	Corporate Finance & equities	Energy	Commodities: Physical metals	Central & investment portfolio	Unallocated taxation	Total
Net assets	£3,571,114	£2,234,608	£11,146,648	£16,210,612	(£345,868)	£32,817,114

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Continued)

3. Administrative expenses

Administrative expenses amounting to £10,577,419 (30 June 2010: £7,209,951 and 31 December 2010: £17,943,884) include an impairment charge of intangible assets of £2,150,109 (30 June 2010: £70,000 and 31 December 2010: £140,000).

The intangible assets relating to the business of Ambrian Partners Limited have been impaired in full.

4. Cash at bank and in hand

Own cash resources included in cash at bank and in hand amounted to £11,094,027 as at 30 June 2011 (30 June 2010: £18,431,300 and 31 December 2010: £18,971,629).

Own cash resources have decreased compared to previous periods, due in part to Ambrian Commodities Limited leaving the Group. £4.37 million of cash receivable for the sale of this company is treated as a Trade and other receivable at 30 June 2011 (See note 6).

5. Earnings per share

The calculation of the basic earnings per share is based on the earnings attributable to ordinary shareholders divided by the weighted average number of shares in issue during the year, excluding shares held in the Employee Benefit Trust on 30 June 2011 of 7,091,026 (2010: 8,766,726) and Treasury shares 30 June 2011 of 4,500,058 (2010: 4,500,058).

The calculation of diluted earnings per share is based on the basic earnings per share, adjusted to allow for the issue of shares on the assumed conversion of all dilutive options.

Reconciliations of the earnings and weighted average number of shares used in the calculations are set out below.

6 months to 30 June 2011 – unaudited	Earnings £	Weighted average number of shares	Per share amount Pence
Basic profit per share	**(1,460,617)**	**97,863,342**	**(1.49)**
Diluted profit per share	**(1,460,617)**	**98,858,302**	**(1.48)**

6 months to 30 June 2010 – unaudited	Earnings £	Weighted average number of shares	Per share amount Pence
Basic earnings per share	(95,115)	97,732,446	(0.10)
Diluted earnings per share	(95,115)	98,024,720	(0.10)

Year to 31 December 2010 – audited	Earnings £	Weighted average number of shares	Per share amount Pence
Basic earnings per share	1,963,931	98,542,909	1.99
Diluted earnings per share	1,963,931	99,537,869	1.97

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Continued)

6. Discontinued operation

In March 2011, the Group sold its 100% interest in Ambrian Commodities Limited which is the only operation presented as a discontinued operation in 2011. The comparative information for 2010 was restated to present income generated and expenses incurred by Ambrian Commodities Limited's discontinued operation.

Trade & other receivables contain a sum of £4,370,196 being the post tax consideration for the disposal.

	30/6/11 (unaudited) £	30/6/10 (unaudited) £	31/12/10 (audited) £
Property, plant and equipment	**697**	2,252	919
Trade and other receivables	**477,994**	1,642,428	3,503,149
Cash	**2,904,881**	11,664,732	15,787,435
Trade and other payables	**986,624**	(9,371,330)	(15,179,553)
Net asset position	**4,370,196**	3,938,082	4,111,950

The following shows the contribution of the discontinued operation:

	6 months to 30/6/11 (unaudited) £	6 months to 30/6/10 (unaudited) £	Year to 31/12/10 (audited) £
Result of discontinued operation			
Revenue	**513,891**	1,155,862	2,172,107
Expenses	**(567,528)**	(889,243)	(1,808,309)
Tax credit/(expense)			
(Loss)/profit for the period	**(53,637)**	266,619	363,798
Earnings per share from discontinued operation	**(0.05 pence)**	0.28 pence	0.23 pence
Statement of cash flows from discontinued operation			
Operating activities	**(10,909,396)**	(11,779,060)	(7,656,357)
Investing activities	**–**	–	–
Financing activities	**–**	–	–
Net cash from discontinued operation	**(10,909,396)**	(11,779,060)	(7,656,357)

7. Minority interest

The minority interest disclosed in the interim statement of comprehensive income and interim statement of financial position represents a 20% minority interest in Ambrian Resources AG held by shareholders other than Ambrian Capital plc.

Ambrian Resources AG, a private equity business, was established in February 2010 in partnership with a team of three former executives from Glencore who hold 20% of the share capital of the company.

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