

**ALBEMARLE & BOND HOLDINGS PLC**

**ANNOUNCES**

**INTERIM RESULTS FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2005**

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Date of issue:

Monday 6 February 2006

6 February 2006

Dear Shareholder

**INTERIM REPORT 31 DECEMBER 2005**

I am delighted to report that profit before tax for the period increased by 12% over the same period last year to £3.34m from £2.99m. Earnings per share have increased by a similar percentage.

Income from pawnbroking grew by 21%, income from cheque cashing by 16% and income from pay day advances by 7%. Retail sales increased by 13% and Speedloan continued to make a worthwhile contribution. Overall, gross profit increased by 16% and operating profit by 14%.

During the period we are pleased to have acquired twelve shops and opened two new greenfield sites. These acquisitions were funded by increased borrowings. We expect to open one further branch in the second half, relocate four branches to better sites and undertake a substantial refurbishment at one other branch.

In recognition of the continuing strong performance your board believes it is appropriate to increase the interim dividend by 11% to 1.5p per share (1.35p). This will be paid on 22 May 2006 to shareholders on the register at 21 April 2006.

Unaudited results of your company for the half year ended 31 December 2005 are set out overleaf together with the corresponding figures for the previous year.

Yours faithfully,

**CHARLES NICOLSON**  
**CHAIRMAN**

Our website can be found at [www.albemarlebond.com](http://www.albemarlebond.com)

**ALBEMARLE & BOND HOLDINGS PLC**  
**CONSOLIDATED PROFIT AND LOSS ACCOUNT**

	Six months ended 31.12.05 (unaudited) £'000	Six months ended 31.12.04 (unaudited) £'000	Year ended 30.06.05 (audited) £'000
TURNOVER	14,930	12,696	24,006
COST OF SALES	(4,630)	(3,883)	(6,491)
GROSS PROFIT	10,300	8,813	17,515
OPERATING COSTS	(6,536)	(5,499)	(11,174)
OPERATING PROFIT	3,764	3,314	6,341
INTEREST	(423)	(328)	(686)
PROFIT BEFORE TAX	3,341	2,986	5,655
TAXATION	(1,002)	(925)	(1,599)
PROFIT FOR THE FINANCIAL PERIOD	2,339	2,061	4,056
EARNINGS PER SHARE			
- BASIC	5.10p	4.53p	8.88p
- DILUTED	4.96p	4.41p	8.67p

**NOTES:**

- The figures for the six months ended 31 December 2005 and 31 December 2004 are unaudited and do not constitute statutory accounts.
- The figures for the year ended 30 June 2005 are abridged from audited accounts approved by shareholders on 4 November 2005 and lodged at Companies House and on which the company's auditors Solomon Hare Audit LLP gave an unqualified opinion.
- A copy of this announcement is being sent to shareholders and is available at the company's registered office.
- Earnings per share have been calculated based on the profit after tax and the weighted average number of shares in issue during the half year ended 31 December 2005 of 45,893,098 (31 December 2004 – 45,473,973; 30 June 2005 – 45,650,223). The diluted earnings per share also include weighted average unexercised share options at 31 December 2005 of 1,240,421 (31 December 2004 – 1,216,036; 30 June 2005 – 1,104,682).
- Taxation is based on the unaudited results and provision has been estimated at the rate applicable to the company at the time of this statement.
- Dividends declared on 30 June 2005 were paid on 30 January 2006. Interim dividends of 1.5p per share (2004: 1.35p per share) will be paid on 22 May 2006 to members on the register at 21 April 2006. This dividend has not been included within the results for the six months to 31 December 2005.
- During the period the company has adopted the provisions of FRS21, Events after the Balance Sheet Date. Under this standard a dividend cannot be recognised as a liability at the balance sheet date unless it has been authorised by the shareholders in the case of a final dividend and the board of directors in the case of an interim dividend. As a result at 31 December 2005 the net assets have increased by £696k (31 December 2004 - £623,000; 30 June 2005 - £1,225,000). This change in accounting policy has no effect on profit after tax in either the current or prior periods.

**ALBEMARLE & BOND HOLDINGS PLC****CONSOLIDATED BALANCE SHEET**

	31.12.05 (unaudited)	31.12.04 restated (unaudited)	30.06.05 restated (audited)
	£'000	£'000	£'000
FIXED ASSETS	7,425	5,089	5,250
CURRENT ASSETS			
Stock	8,751	5,760	5,787
Debtors	22,633	18,517	21,012
Cash at bank and in hand	2,286	1,953	1,709
	<u>33,670</u>	<u>26,230</u>	<u>28,508</u>
CURRENT LIABILITIES			
Bank overdraft and other loans	(300)	(796)	(1,044)
Trade creditors	(569)	(180)	(482)
Corporation tax	(1,141)	(1,054)	(841)
Dividend payable	(1,225)	(1,033)	-
Other creditors including tax and social security	(167)	(166)	(255)
Finance leases and hire purchase	(56)	(46)	(53)
Accruals	(375)	(266)	(326)
	<u>(3,833)</u>	<u>(3,541)</u>	<u>(3,001)</u>
NET CURRENT ASSETS	29,837	22,689	25,507
CREDITORS DUE AFTER MORE THAN ONE YEAR			
Finance leases and hire purchase	(65)	(38)	(57)
Bank loan	(15,433)	(8,600)	(10,150)
Provision for liabilities and charges	(230)	(277)	(230)
NET ASSETS	<u>21,534</u>	<u>18,863</u>	<u>20,320</u>
CAPITAL AND RESERVES			
Share capital	1,853	1,845	1,849
Share premium account	3,801	3,700	3,733
Capital redemption reserve	1,018	1,018	1,018
Other reserve	(121)	(197)	(149)
Profit and loss account	14,983	12,497	13,869
	<u>21,534</u>	<u>18,863</u>	<u>20,320</u>

**ALBEMARLE & BOND HOLDINGS PLC****CONSOLIDATED CASH FLOW STATEMENT**

	Six months ended 31.12.05 (unaudited) £'000	Six months ended 31.12.04 (unaudited) £'000	Year ended 30.06.05 (audited) £'000
NET CASH INFLOW FROM OPERATING ACTIVITIES	2,512	3,263	4,451
RETURNS ON INVESTMENTS & SERVICING OF FINANCE			
Interest paid	(360)	(317)	(670)
Hire purchase interest	(6)	(11)	(20)
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	(366)	(328)	(690)
TAXATION			
Taxation paid	(702)	(634)	(1,568)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT			
Payments to acquire tangible fixed assets	(778)	(736)	(1,122)
Receipts from sale of tangible fixed assets	16	8	300
NET CASH OUTFLOW FROM INVESTING ACTIVITIES	(762)	(728)	(822)
ACQUISITIONS			
Payments to acquire business	(4,851)	(274)	(593)
Cash acquired with acquisition	136	23	66
Net cash outflow from acquisitions	(4,715)	(251)	(527)
EQUITY DIVIDEND PAID	-	-	(1,661)
NET CASH (OUTFLOW)/INFLOW BEFORE FINANCING	(4,033)	1,322	(817)
FINANCING			
Decrease in hire purchase loan	(28)	(41)	(75)
Exercise of share options	100	73	204
Net increase in secured loans	4,538	100	1,650
NET CASH INFLOW FROM FINANCING	4,610	132	1,779
INCREASE IN CASH	577	1,454	962