

ALBEMARLE & BOND HOLDINGS PLC

ANNOUNCES

INTERIM RESULTS FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2007

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Dear Shareholder

I am delighted to report that the profit before tax and amortisation of intangible assets increased 39% to £5.474m from £3.928m for the same period last year. Earnings per share before amortisation of intangible assets increased by 20%.

These figures include for the first time Herbert Brown & Son Ltd, which we acquired on 17 July 2007. Herbert Brown is the third largest pawnbroker in the UK with 26 branches.

In accordance with the AIM Rules for Companies, this is the first period when the company adopts International Financial Reporting Standards (“IFRS”) rather than UK Generally Accepted Accounting Principles (“UK GAAP”) as the basis for reporting its financial results. This transition will lead to some differences between reported numbers under IFRS and UK GAAP that are simply a result of the accounting framework change and not a reflection of a change in business performance.

For Albemarle & Bond the main business driver has been the growth in pawn lending and the pawn loan book has increased by 24% since this time last year. The retail climate has been challenging and overall sales were about the same as last year. Third party cheque cashing has become increasingly competitive and income is down 9%. Pay Day Advances has suffered from increased bad debts and is down 7%, whilst Speedloan which has benefited from increased marketing effort in the last year is up 20%.

In the current economic climate we are very happy with the increased proportion of the business which is being generated by pawnbroking, where the loans are secured against gold jewellery and diamonds.

Herbert Brown has continued to make good progress since our acquisition. Our aim was to increase the amount of income generated by financial services; we have started this process and are happy with the results achieved to date.

In recognition of the continuing strong performance your board believes it is appropriate to increase the interim dividend by 14% to 2.00p per share (2007: 1.75p). This will be paid on 27 May to shareholders on the register at 25 April 2008.

Unaudited results of your company for the half year ended 31 December 2007 are set out overleaf together with corresponding figures for the previous year.

Yours faithfully

Charles Nicolson
Chairman

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ALBEMARLE & BOND HOLDINGS PLC
CONSOLIDATED INCOME STATEMENT (UNDER IFRS)

	Six months ended 31.12.07 (unaudited) £000	Six months ended 31.12.06 (unaudited and restated) £000	Year ended 30.06.07 (restated) £000
Revenue	24,917	17,237	32,923
Cost of sales	(6,928)	(4,866)	(8,282)
Gross profit	17,989	12,371	24,641
Operating costs excluding amortisation	(11,260)	(7,907)	(16,488)
Adjusted operating profit	6,729	4,464	8,153
Amortisation of intangible assets	(276)	0	0
Operating profit	6,453	4,464	8,153
Finance costs	(1,255)	(536)	(1,134)
Profit before tax	5,198	3,928	7,019
Taxation	(1,642)	(1,164)	(1,837)
Profit for the period	3,556	2,764	5,182
Earnings per share			
Basic	6.65	5.97	11.16
Basic excluding amortisation of intangible assets	7.16	5.97	11.16
Diluted	6.54	5.83	10.78
Diluted excluding amortisation of intangible assets	7.04	5.83	10.78

ALBEMARLE & BOND HOLDINGS PLC
CONSOLIDATED BALANCE SHEET (UNDER IFRS)

	31.12.07 (unaudited) £000	31.12.06 (unaudited and restated) £000	30.06.07 (restated) £000
Non current assets			
Intangible assets	23,706	2,996	6,361
Plant, property and equipment	6,476	5,013	5,701
Total non current assets	<u>30,182</u>	<u>8,009</u>	<u>12,062</u>
Current assets			
Inventories	14,920	9,144	9,353
Trade and other receivables	41,253	26,118	30,165
Cash and cash equivalent	3,835	2,192	1,964
Total current assets	<u>60,008</u>	<u>37,454</u>	<u>41,482</u>
Total assets	<u>90,190</u>	<u>45,463</u>	<u>53,554</u>
Non current liabilities			
Borrowings	38,100	17,133	24,264
Finance leases and hire purchase	94	91	94
Finance liability (gold hedge)	2,197	104	70
Deferred tax liabilities	271	174	311
Total non current liabilities	<u>40,662</u>	<u>17,502</u>	<u>24,739</u>
Current liabilities			
Bank overdraft and loans	1,200	250	837
Trade and other payables	3,264	1,104	1,754
Current tax liabilities	2,458	1,192	790
Dividend payable	1,913	1,495	0
Total current liabilities	<u>8,835</u>	<u>4,041</u>	<u>3,381</u>
Capital and reserves			
Share capital	2,187	1,870	1,884
Share premium account	19,602	3,939	4,101
Shares to be issued reserve	316	270	226
Capital redemption reserve	1,018	1,018	1,018
Other reserve	(543)	(116)	(185)
Cash flow hedge reserve	(2,197)	(104)	(70)
Retained earnings	20,310	17,043	18,450
Total capital and reserves	<u>40,693</u>	<u>23,920</u>	<u>25,424</u>
Total capital, reserves and liabilities	<u>90,190</u>	<u>45,463</u>	<u>53,544</u>

ALBEMARLE & BOND HOLDINGS PLC
CONSOLIDATED CASH FLOW STATEMENT

	Six months ended 31.12.07 (unaudited) £000	Six months ended 31.12.06 (unaudited and restated) £000	Year ended 30.06.07 (restated) £000
Cash generated by operations	2,307	1,781	3,223
Taxes paid	(1,634)	(933)	(2,060)
Net cash from operating activities	<u>673</u>	<u>848</u>	<u>1,163</u>
Investing activities			
Acquisition of subsidiaries (net of cash acquired)	(18,959)	(363)	(4,419)
Purchase of property, plant and equipment	(1,177)	(767)	(1,856)
Proceeds from sale of plant and equipment	0	0	12
Cash used in investing activities	<u>(20,136)</u>	<u>(1,130)</u>	<u>(6,263)</u>
Finance activities			
Interest paid	(1,255)	(479)	(1,111)
Dividends paid to company shareholders	0	0	(2,318)
Exercise of share options less EBT acquisition of shares	(231)	101	(18)
Increase in/(repayment of) borrowings	13,836	1,241	8,639
Repayment of obligations under finances leases	(55)	(52)	(108)
Net proceeds from issue of shares	<u>8,676</u>	<u>0</u>	<u>0</u>
Net cash flow from/(used in) financing activities	<u>20,971</u>	<u>811</u>	<u>5,084</u>
Net increase/(decrease) in cash and cash equivalents	<u><u>1,508</u></u>	<u><u>529</u></u>	<u><u>(16)</u></u>

NOTES:

1. The figures for the six months ended 31 December 2007 and 31 December 2006 are unaudited and do not constitute statutory accounts.
2. From 1 July 2007 Albemarle & Bond will be reporting its results in accordance with International Financial Reporting Standards (IFRS). The Group's first published Financial Statements under IFRS will be for the year ending 30 June 2008. Accordingly these interim results have been prepared for the first time in accordance with IFRS. A full explanation of the accounting policies adopted and an explanation of the effect of transition to IFRS will be announced in due course.
3. The figures for the year ended 30 June 2007 and six months ended 31 December 2006 have been restated in accordance with International Financial Reporting Standards. Audited accounts for the year ended 30 June 2007 prepared under UK Generally Accepted Accounting Principles, on which the company's auditors Smith & Williamson Solomon Hare Audit LLP gave an unqualified opinion, were approved by shareholders on 28 September 2007 and lodged at Companies House.
4. A copy of this announcement is being sent to shareholders and is available at the company's registered office.
5. 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 2007 of 53,503,358 (31 December 2006 – 46,263,639; 30 June 2007 – 46,431,253). The diluted earnings per share also include weighted average unexercised share options at 31 December 2007 of 898,174 (31 December 2006 – 1,178,262; 30 June 2007 – 1,653,479).
6. 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.
7. Dividends approved on 2 November 2007 were paid on 29 January 2008. Interim dividends of 2.00p per share (2006: 1.75p per share) will be paid on 27 May 2008 to members on the register at 25 April 2008. This dividend has not been included within the results for the six months to 31 December 2007.

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