



16th November 2010

Byotrol plc

Interim results for six months ended 30 September 2010

Byotrol plc ('Byotrol' or the 'Company'), the developer of anti microbial hygiene technologies, is pleased to announce its unaudited Interim results for the six months ended 30 September 2010.

Operational highlights include:

- Successful placing to raise £3.7m net of expenses
- 5% increase in like for like product sales, excluding the effects of swine flu demand on 2009 sales
- Restructuring of sales, marketing and technology capability
- 25% reduction in like for like overhead costs
- Restructuring of US operations
- Encouraging progress in Consumer Products

Commenting on the results, Gary Millar, Chief Executive of Byotrol, said:

“Whilst total revenues for the period show a decline, this resulted directly from the exceptional increase in demand, related to swine flu, for hand hygiene B2B products in the comparable reporting period last year. More encouragingly, underlying product sales continued to grow and, having secured additional funding, we have enhanced our technical marketing capability to position us strongly to execute our strategy. The strengthening of the Balance Sheet and the re-focussing of the business at a time when the ‘value proposition’ of Byotrol is being increasingly appreciated bodes well for the future.”

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Notes to Editors

Byotrol plc (BYOT.L), quoted on AIM, is a leading microbial technology hygiene company, operating globally in the Healthcare, Food and Consumer sectors, providing a low toxicity product with a broad-based and long lasting efficacy across all microbial classes; bacteria, viruses, fungi, moulds, mycobacteria and algae.

Powerful, long lasting and gentle, Byotrol's products can be used stand alone or as an ingredient brand where, as a complementary addition within existing products, Byotrol can significantly improve their performance in personal hygiene, domestic and industrial disinfection, odour control, food production and food management.

Founded in 2005, the Company has prioritised the development of a technology that creates easier, safer and cleaner lives through partnering with providers of essential goods and services. Byotrol is the catalyst behind the global 'Hygiene Revolution'.

For more information, please go to www.byotrol.co.uk

Chief Executive's Report

I am pleased to present our results for the first half year. As incoming Chief Executive I have used my first few months to review the company's operations, and with the balance sheet now strengthened, to put in place the necessary changes that will lead to stronger performance in the future.

Overall revenues for the first half year were £922,270. This compares to £1,995,375 in the same period last year, which was boosted by the exceptional demand related to the swine flu pandemic scare, particularly for hand hygiene B2B products.

Underlying product sales, excluding licence receipts and the impact of the swine flu pandemic, show growth from £550,000 to £580,000 compared to the same period last year, on a like-for-like basis. The Byofresh business, acquired in February 2010, has completed its integration satisfactorily and sales continue to progress well.

First half revenues comprise product sales of £891,357 (2009: £1,540,395), licence fees of £26,548 (2009: £450,000) and royalties of £4,365 (2009: £4,980). The reported loss for the period was £1,260,304 (2009: loss of £590,211); the increase in the loss is a direct outcome of the exceptional swine flu impact of a year ago. The balance sheet is strong with cash and cash equivalents of £3,186,887 (2009: £1,678,343), following the successful fund raising undertaken in August 2010.

Over recent months, I have focused on ensuring that our strategy is capable of achieving our medium term financial goals of profitability and positive cash generation by March 2012, via:

- A sharp focus on our core markets – Consumer, Food & Beverage, Healthcare and Industrial & Agriculture
- Building our technology pipeline and technical marketing capability; and
- A relentless focus on operational excellence

Underpinning this is my conviction that Byotrol's technological superiority is a game-changing opportunity. The technology is world class, and I am highly motivated to realise the profit potential that this offers.

Key Decisions Taken

I have taken several key decisions to position the Company well for accelerated growth:

- fundamental reorganisation of sales, marketing and technology capability
- newly appointed sales and marketing director of Byotrol Technology
- recently recruited high calibre sales and marketing personnel from the food and beverage sector
- using benefits of the NWDA *GRAND* award, we have enhanced our technological skill base
- sharp focus on efficiency and cost control with a 25% reduction in like-for-like administrative costs
- planned amalgamation of our two North West sites into one location at the Daresbury Science and Innovation Centre in March 2011

- A restructuring of US operations

These key decisions will enable us to focus on those market sectors where we can unambiguously demonstrate product performance superiority, and provide customer relevant solutions. I am confident that this will allow us to convert additional opportunities into revenues.

Markets

Consumer products

Good progress continues to be made in this sector, which we serve via Byotrol Consumer Products (BCP) our joint venture with ?What If! Ventures, with our goal of delivering Byotrol technology to consumers worldwide in partnership with major brands has developed on a number of fronts.

Specifically, we announced in July 2010 that we had reached agreement with Robert McBride to develop certain antimicrobial products powered by Byotrol for supermarket own brands. This joint development programme continues and we are working towards bringing products onto shelves in the UK in the first six months of 2011.

Also our previously announced collaboration with PZ Cussons progresses well with an anticipated launch of antimicrobial products in sub Saharan Africa.

In addition we are working with the Mayborn Group, owners of the leading *Tommee Tippee*™ brand, for a range of baby care products.

We have also been successful in progressing our standstill/technical exploration agreement with a Fortune 150 international hygiene and consumer products business into potential joint development agreements. These would be to develop products for several global consumer markets.

Food & Beverage

As stated above, this sector experienced exceptional increase in demand for hand hygiene B2B products in the comparable reporting period last year.

The food & beverage sector is strategic for Byotrol, and our marketing effort continues to focus on building higher quality, repeatable end-user demand.

Our strategy of partnering with a limited number of distributors continues. We have underpinned this by a repositioning of our core product range, with greater emphasis on the differentiated nature of Byotrol technology, whilst engaging at the highest levels with opinion formers in the food hygiene sector. Early successes include the recent capture of a major hand hygiene account in the food processing segment. This has been achieved by a product repositioning and more targeted marketing which clearly demonstrates superior performance and maps the economic benefits of Byotrol's unique proposition onto unmet customer needs.

Healthcare

We continue to support our licensee, Synergy Health plc, in their exclusive territories, although in the UK, royalty growth remains below expectations. However, the changed political climate has opened up new opportunities to engage in discussions within the NHS and with the Department of Health on the clear economic benefits Byotrol offers.

The decline in licence income for the period was largely a result of Synergy opting not to extend their exclusivity to include certain European countries. Consequently new distribution options are now available to exploit these opportunities.

Industrial & Agriculture

We continue to make good progress in these sectors. Our focus is on bringing the benefits of Byotrol into high care niche areas of agriculture, where long lasting low hazard antimicrobial performance brings significant benefit. Recent advances made in South Africa are particularly pleasing.

R&D

Over the last few months we have built our world class technology resource by strengthening our microbiological and formulation chemistry capability at our Daresbury facility. As already announced, Byotrol technology was recently recognised by the award of a prestigious NWDA *GRAND* 3 year grant of £443,000, and this will part fund our current and next generation technology development pipeline, to reinforce Byotrol's position as a leading anti-microbial technology company.

By co-locating our sales and marketing resources alongside this centre of technical excellence, we will position Byotrol to exploit the game changing opportunity that our unique anti microbial proposition presents.

Byotrol team

I want to thank David McRobbie Chief Executive of Byotrol Inc. and executive director of Byotrol plc, for his significant effort and commitment in developing the Byotrol business. David has informed the Company that it is his wish to resign from the Company to pursue broader interests. David leaves with our best wishes having been a founder member of the Byotrol business and with the Company's thanks for his significant contribution.

I would also like to thank the rest of the Byotrol team for their continued dedication and professionalism as we seek to transform the future of our business.

Gary Millar
Chief Executive
16th November 2010

Byotrol plc

UNAUDITED CONSOLIDATED INCOME STATEMENT

for the 6 months ended 30 September 2010

	6 Mths ended 30-Sep-10 £	6 Mths ended 30-Sep-09 £	Year ended 31-Mar-10 £
Revenue	922,270	1,995,375	3,145,157
Cost of sales	(551,542)	(812,760)	(1,527,263)
	<hr/>	<hr/>	<hr/>
Gross profit	370,728	1,182,615	1,617,894
Administration expenses excluding depreciation and amortisation	(1,339,543)	(1,477,024)	(2,926,581)
Share based payments	(158,803)	(150,064)	(298,993)
Share of joint venture loss before tax	(97,063)	(124,866)	(162,156)
	<hr/>	<hr/>	<hr/>
Loss before interest, depreciation, amortisation and tax	(1,224,681)	(569,339)	(1,769,836)
Amortisation	(22,004)	(8,134)	(18,659)
Depreciation	(23,834)	(15,320)	(40,026)
Finance income	541	2,586	3,217
Finance costs	(6)	(4)	(102)
	<hr/>	<hr/>	<hr/>
Loss before tax credit	(1,269,984)	(590,211)	(1,825,406)
Tax credit	9,680	-	-
	<hr/>	<hr/>	<hr/>
Loss for the financial period attributable to owners of the parent	(1,260,304)	(590,211)	(1,825,406)
	<hr/>	<hr/>	<hr/>
OTHER COMPREHENSIVE INCOME, NET OF TAX			
Currency translation difference	(11,342)	(23,839)	(19,726)
	<hr/>	<hr/>	<hr/>
TOTAL COMPREHENSIVE LOSS FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE PARENT	(1,271,646)	(614,050)	(1,845,132)
	<hr/>	<hr/>	<hr/>
Loss per share			
Basic per share (pence)	(1.42)	(0.71)	(2.18)
Diluted per share (pence)	(1.42)	(0.71)	(2.18)
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The loss for the period arises from the Group's continuing operations

Byotrol plc

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 September 2010

	30 September 2010	30 September 2009	31 March 2010
	£	£	£
ASSETS			
Property, plant and equipment	145,581	155,594	159,519
Intangible assets	412,351	131,932	354,495
	<hr/>	<hr/>	<hr/>
	557,932	287,526	514,014
	<hr/>	<hr/>	<hr/>
Current assets			
Inventories	686,929	407,641	682,418
Trade and other receivables	1,513,697	1,848,889	1,597,882
Cash and cash equivalents	3,186,887	1,678,343	766,215
	<hr/>	<hr/>	<hr/>
	5,387,513	3,934,873	3,046,515
	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	<hr/> 5,945,445 <hr/>	<hr/> 4,222,399 <hr/>	<hr/> 3,560,529 <hr/>
LIABILITIES			
Current liabilities			
Trade and other payables	874,958	806,778	1,135,703
Joint venture	138,330	151,841	115,199
	<hr/>	<hr/>	<hr/>
	1,013,288	958,619	1,250,902
	<hr/>	<hr/>	<hr/>
Equity attributable to owners of the parent			
Share capital	276,957	209,290	210,290
Share premium account	15,959,603	12,163,897	12,290,897
Merger reserve	1,064,712	1,064,712	1,064,712
Retained earnings	(12,369,115)	(10,174,119)	(11,256,272)
	<hr/>	<hr/>	<hr/>
TOTAL EQUITY	<hr/> 4,932,157 <hr/>	<hr/> 3,263,780 <hr/>	<hr/> 2,309,627 <hr/>
	<hr/>	<hr/>	<hr/>
TOTAL EQUITY AND LIABILITIES	<hr/> 5,945,445 <hr/>	<hr/> 4,222,399 <hr/>	<hr/> 3,560,529 <hr/>

Byotrol plc

UNAUDITED CONSOLIDATED CASH FLOW STATEMENT for the 6 months ended 30 September 2010

	6 Mths ended 30-Sep-10 £	6 Mths ended 30-Sep-09 £	Year ended 31-Mar-10 £
Cash flow from operating activities			
Loss before tax for the period	(1,269,984)	(590,211)	(1,825,406)
Adjustments for:			
Share based payments	158,803	150,064	298,993
Depreciation	23,834	15,320	40,026
Amortisation	22,004	8,134	18,659
Profit on disposal of fixed assets	-	-	(4,037)
Finance income	(541)	(2,586)	(3,217)
Finance costs	6	4	102
Foreign exchange gains and losses	(11,342)	(23,839)	(13,673)
Share of loss of joint ventures	97,063	124,866	162,156
Increase in joint venture account	(88,016)	(95,593)	(147,864)
Changes in working capital			
Increase in inventories	(4,511)	(216,715)	(375,938)
(Increase)/decrease in trade and other receivables	98,269	(824,623)	(595,277)
Increase/(decrease) in trade and other payables	(260,745)	406,094	735,019
Net cash used in operating activities	(1,235,160)	(1,049,085)	(1,710,457)
Interest paid	(6)	(4)	(102)
Income taxes received	9,680	-	-
Net cash used in operating activities	(1,225,486)	(1,049,089)	(1,710,559)
Cash flows from investing activities			
Payments to acquire property, plant and equipment	(9,896)	(107,730)	(118,664)
Payments to acquire intangible assets	(79,860)	(31,333)	(98,071)
Proceeds from sale of tangible fixed assets	-	-	17,347
Acquisition of trade and assets, net of cash acquired	-	-	(184,911)
Interest received	541	2,586	3,217
Net cash used in investing activities	(89,215)	(136,477)	(381,082)
Cash flows from financing activities			
Proceeds of issue of ordinary shares	4,000,000	-	-
Share issue costs	(264,627)	-	-
Net cash inflow from financing	3,735,373	-	-
Net increase/(decrease) in cash and cash equivalents	2,420,672	(1,185,566)	(2,091,641)
Cash & cash equivalents at the beginning of the financial period	766,215	2,863,909	2,863,909
Effect of foreign exchange rates	-	-	(6,053)
Cash & cash equivalents at the end of the financial period	3,186,887	1,678,343	766,215

Byotrol plc

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY as at 30 September 2010

	Share Capital £	Share Premium £	Merger Reserve £	Retained Earnings deficit £	Total £
Balance at 1 April 2009	209,290	12,163,897	1,064,712	(9,710,133)	3,727,766
Loss for the period	-	-	-	(590,211)	(590,211)
Exchange difference	-	-	-	(23,839)	(23,839)
Share based payments	-	-	-	150,064	150,064
Balance at 30 September 2009	209,290	12,163,897	1,064,712	(10,174,119)	3,263,780
Placing of shares	1,000	127,000	-	-	128,000
Loss for the period	-	-	-	(1,235,195)	(1,235,195)
Exchange difference	-	-	-	4,113	4,113
Share based payments	-	-	-	148,929	148,929
Balance at 31 March 2010	210,290	12,290,897	1,064,712	(11,256,272)	2,309,627
Placing of shares	66,667	3,933,333	-	-	4,000,000
Placing costs	-	(264,627)	-	-	(264,627)
Loss for the period	-	-	-	(1,260,304)	(1,260,304)
Exchange difference	-	-	-	(11,342)	(11,342)
Share based payments	-	-	-	158,803	158,803
Balance at 30 September 2010	276,957	15,959,603	1,064,712	(12,369,115)	4,932,157

Byotrol plc
Notes to the Interim Financial Statements
for the period to 30 September 2010

1 Basis of preparation

This interim statement has been prepared in accordance with the AIM rules and the basis of accounting policies set out in the accounts for the year ended 31 March 2010 and on the basis of all International Financial Reporting Standards ("IFRS") as adopted by the European Union that are expected to be applicable to the Group's statutory accounts for the year ended 31 March 2011. The interim statement is unaudited and was approved by the Directors on 16th November 2010. The information set out herein is abbreviated and does not constitute statutory accounts within the meaning of Section 435 of the Companies Act 2006. The results for the year ended 31 March 2010 are in abbreviated form and have been extracted from the published financial statements. These were audited and reported upon without qualification by Baker Tilly UK Audit LLP and did not contain a statement under Section 498(2) or (3) of the Companies Act 2006. The audit report did however include an emphasis of matter paragraph in respect of going concern.

The Group has not applied IAS 34, Interim Financial Reporting, which is not mandatory for UK Groups, in the preparation of these interim financial statements.

The company is a limited liability company incorporated and domiciled in England & Wales and whose shares are quoted on AIM, a market operated by The London Stock Exchange. The consolidated financial information of Byotrol plc is presented in Pounds Sterling (£), which is also the functional currency of the parent.

2 Going concern

The Group has continued to incur losses in the period to 30 September 2010, but had, at the period end, significant cash reserves and net assets of £4.9million. In view of the losses sustained, the directors have prepared cash flow forecasts for the Group that reflect the Group's forecast revenues, costs and financing. It is envisaged by the directors that these forecast cash flow streams, together with current cash reserves will provide adequate funds for Byotrol plc and all its subsidiary companies for the foreseeable future. The financial statements have therefore been prepared on a going concern basis.

Bytrol plc
Notes to the Interim Financial Statements
for the period to 30 September 2010

3 Segmental information

The Group has three reportable segments, being Product sales, License fees and Royalties. This disclosure correlates with the information which is presented to the Group's Chief Decision Maker, the CEO. The Group's revenue, result before taxation and net assets were all derived from its principal activities.

The joint venture is included in the product sales segment. Segmental information is presented using Group policies.

6 months ended 30 September 2010	<i>Continuing operations</i>			Total
	Product sales	Licence fees	Royalties	
	£	£	£	£
REVENUE				
External revenue	891,357	26,548	4,365	922,270
Total revenue	<u>891,357</u>	<u>26,548</u>	<u>4,365</u>	<u>922,270</u>
RESULT				
Segment result	(1,301,432)	26,548	4,365	(1,270,519)
Investment income	541	-	-	541
Finance costs	(6)	-	-	(6)
Loss before tax	<u>(1,300,897)</u>	<u>26,548</u>	<u>4,365</u>	<u>(1,269,984)</u>
OTHER INFORMATION				
Capital additions	89,756	-	-	89,756
Depreciation and amortisation	45,838	-	-	45,838
ASSETS				
Segment assets	5,913,768	26,548	5,129	5,945,445
Total assets	<u>5,913,768</u>	<u>26,548</u>	<u>5,129</u>	<u>5,945,445</u>
LIABILITIES				
Segment liabilities	1,013,288	-	-	1,013,288
Net assets	<u>4,900,480</u>	<u>26,548</u>	<u>5,129</u>	<u>4,932,157</u>

Byotrol plc
Notes to the Interim Financial Statements
for the period to 30 September 2010

3 Segmental information (continued)

6 months ended 30 September 2009	<i>Continuing operations</i>			Total £
	Product sales £	Licence fees £	Royalties £	
REVENUE				
External revenue	1,540,395	450,000	4,980	1,995,375
Total revenue	<u>1,540,395</u>	<u>450,000</u>	<u>4,980</u>	<u>1,995,375</u>
RESULT				
Segment result	(1,047,773)	450,000	4,980	(592,793)
Investment income	2,586	-	-	2,586
Finance costs	(4)	-	-	(4)
Loss before tax	<u>(1,045,191)</u>	<u>450,000</u>	<u>4,980</u>	<u>(590,211)</u>
OTHER INFORMATION				
Capital additions	139,063	-	-	139,063
Depreciation and amortisation	23,454	-	-	23,454
ASSETS				
Segment assets	4,216,672	-	5,727	4,222,399
Total assets	<u>4,216,672</u>	<u>-</u>	<u>5,727</u>	<u>4,222,399</u>
LIABILITIES				
Segment liabilities	958,619	-	-	958,619
Net assets	<u>3,258,053</u>	<u>-</u>	<u>5,727</u>	<u>3,263,780</u>

Byotrol plc
Notes to the Interim Financial Statements
for the period to 30 September 2010

3 Segmental information (continued)

Year ended 31 March 2010	<i>Continuing operations</i>			Total
	Product sales	Licence fees	Royalties	
	£	£	£	£
REVENUE				
External revenue	2,619,360	502,113	23,684	3,145,157
Total revenue	<u>2,619,360</u>	<u>502,113</u>	<u>23,684</u>	<u>3,145,157</u>
RESULT				
Segment result	(2,354,318)	502,113	23,684	(1,828,521)
Investment income	3,217	-	-	3,217
Finance costs	(102)	-	-	(102)
Loss before tax	<u>(2,351,203)</u>	<u>502,113</u>	<u>23,684</u>	<u>(1,825,406)</u>
OTHER INFORMATION				
Capital additions	414,182	-	-	414,182
Depreciation and amortisation	58,685	-	-	58,685
ASSETS				
Segment assets	3,540,884	-	19,645	3,560,529
Total assets	<u>3,540,884</u>	<u>-</u>	<u>19,645</u>	<u>3,560,529</u>
LIABILITIES				
Segment liabilities	1,250,902	-	-	1,250,902
Net assets	<u>2,289,982</u>	<u>-</u>	<u>19,645</u>	<u>2,309,627</u>

Byotrol plc
Notes to the Interim Financial Statements
for the period to 30 September 2010

3 Segmental information (continued)

Geographical segments

The Group's operations are located in the United Kingdom and the United States of America.

The following table provides an analysis of the Group's sales by geography based upon location of the Group's customers.

	United Kingdom £	North America £	Rest of the World £	Total £
6 months ended 30 September 2010				
External revenue	464,268	266,665	191,337	922,270
Carrying amount of segment assets	5,204,646	292,830	447,969	5,945,445
Capital additions	89,756	-	-	89,756
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	United Kingdom £	North America £	Rest of the World £	Total £
6 months ended 30 September 2009				
External revenue	1,246,138	95,474	653,763	1,995,375
Carrying amount of segment assets	3,750,284	196,733	275,382	4,222,399
Capital additions	139,063	-	-	139,063
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	United Kingdom £	North America £	Rest of the World £	Total £
Year ended 31 March 2010				
External revenue	1,980,247	213,256	951,654	3,145,157
Segment assets	2,887,691	238,889	433,949	3,560,529
Capital additions	414,182	-	-	414,182
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

4 Loss per ordinary share

The loss per ordinary share is based on the losses for the period of £1,260,304 (six months ended 30 September 2009: £590,211 loss; twelve months ended 31 March 2010 £1,825,406 loss) and the weighted average number of ordinary shares in issue during the period of 88,974,194 (six months ended 30 September 2009: 83,716,411; twelve months ended 31 March 2010: 83,777,781).

The loss for the period and the weighted average number of ordinary shares for calculating the diluted earnings per share for the six months ended 30 September 2010 and for the comparative periods are identical to those used for the basic earnings per share. This is because the outstanding share options would have the effect of reducing the loss per ordinary share and would therefore not be dilutive.

Byotrol plc
Notes to the Interim Financial Statements
for the period to 30 September 2010

5 Taxation

No liability to UK corporation or overseas income taxes arises for the period due to losses incurred. The directors have assessed the position in relation to deferred tax and concluded that no provision or asset should be created at this stage in respect of deferred tax in view of the timescale and uncertainty of the recovery of tax losses. This position will be reviewed again at 31 March 2011.

The tax credit relates to research and development repayment claims received from HMRC.

6 Interim announcement

The interim report was issued to the Stock Exchange and the press on 16th November 2010. A copy will be posted on the Company's website.

Independent Review Report to Bytrol plc

Introduction

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2010 which comprises the consolidated income statement, the consolidated statement of financial position, the consolidated cash flow statement, the consolidated statement of changes in equity and the accompanying notes. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the Company in accordance with International Standard on Review Engagements (UK and Ireland) 2410 "Review of Interim Financial Information performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board. Our review work has been undertaken so that we might state to the Company those matters we are required to state to them in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our review work, for this report, or for the conclusions we have formed.

Directors' Responsibilities

The half-yearly financial report, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing and presenting the half-yearly financial report in accordance with the AIM Rules of the London Stock Exchange.

As disclosed in note 1, the annual financial statements of the Group are prepared in accordance with International Financial Reporting Standards and International Financial Reporting Interpretations Committee pronouncements as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with the presentation, recognition and measurement criteria of International Financial Reporting Standards and International Financial Reporting Interpretations Committee pronouncements, as adopted by the European Union.

Our Responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2010 is not prepared, in all material respects, in accordance with the presentation, recognition and measurement criteria of International Financial Reporting Standards and International Financial Reporting Interpretations Committee pronouncements as adopted by the European Union, and the AIM Rules of the London Stock Exchange.

Baker Tilly UK Audit LLP
Chartered Accountants
3 Hardman Street
Manchester
M3 3HF

16th November 2010