

PRESS ANNOUNCEMENT

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**PRELIMINARY INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 JUNE 2003**

	Continuing Activities Six Months ended 30 June 2003	Continuing Activities Six Months ended 30 June 2002 Restated		Total Six Months ended 30 June 2003	Total Six Months ended 30 June 2002 Restated
	Unaudited €000	Unaudited €000	Notes	Unaudited €000	Unaudited €000
Turnover	37,185	34,228	1	43,674	47,296
Operating profit	6,255	7,240	2	4,010	4,033
Profit/(loss) before taxation	4,345	5,133	2	1,154	(21,352)
Recurring income	10,683	9,092		10,899	11,578
Interim Dividend per ordinary share - €cent	0.73	0.73		0.73	0.73
Adjusted earnings per ordinary share - €cent	5.53	6.29	3	n/a	n/a
Basic earnings per ordinary share- €cent	n/a	n/a		1.27	(33.03)

Notes :

1. Turnover in relation to continuing activities excludes amounts in respect of employee leasing.
2. Continuing activity figures are stated before goodwill amortisation and exceptional items.
3. Adjusted earnings per share is calculated before goodwill amortisation and exceptional items.

Commenting on the results, Richard Hayes chief executive said

“The Group programme of debt reduction continues. The outlook for the Actuarial and Pensioner Trustee business remains good. The UK IFA business is improving and continued growth is expected in our International and Irish businesses”.

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Commentary on Interim Results

The directors report that operating profit before goodwill amortisation in respect of continuing activities for the six months ended 30 June 2003 was €6.26 million compared with €7.24 million in the previous year. Profit before taxation was €1.15 million compared with a loss of (€21.35) million in the previous year. Adjusted earnings per share were 5.53 cent (2002HY 6.29 cent). Basic earnings per share were 1.27 cent (2002HY (33.03)).

These figures are before the following exceptional items-

- losses on continuing Pension release activities of €0.66 million
- losses on continuing restructured activities of €0.19 million
- losses on discontinued investment activities of €0.20 million
- losses on the sale of a UK business of €0.22 million
- profits on the sale of a property investment of €0.06 million

Recurring income credited, a key measurement for the future of the company, was €10.68 million from continuing operations, an increase of 17.5% on the 2002 comparative figure of €9.09 million. Recurring income includes insurance renewals, trustee fees, actuarial fees and fund management fees, which recur over a long period.

The Board has decided to pay an interim dividend of 0.73 cent per share subject to withholding tax at 20% (2002HY 0.73 cent). The dividend will be paid to qualifying shareholders on the Register at the close of business on 21 November 2003. Dividend warrants will be posted on 5 December 2003.

The Group's International, UK Actuarial and Irish businesses performed well with an overall increase in profits of 40%, an increase of €1.54 million on €3.89 million profit for the previous year. The UK IFA business traded profitably in a difficult market. The Group's Pension Release business however, produced negligible profit. This has resulted from an ongoing compliance driven restructuring of the business.

Debt

Significant progress has been made over the past year resulting in a reduction of our total commitment as follows:

	Half Year 30-Jun-03 € m	Year end 31-Dec-02 € m	Half Year 30-Jun-02 € m
Core Debt	45.4	47.3	51.9
Contingent Deferred Consideration	<u>11.4</u>	<u>18.9</u>	<u>27.1</u>
	56.8	66.2	79.0
Investment Debt	<u>6.0</u>	<u>19.4</u>	<u>49.8</u>
	<u>62.8</u>	<u>85.6</u>	<u>128.8</u>

Core Debt

The Group's banking and deferred consideration commitments at the half year are further analysed as follows:

	Core €m	Investment € m	Total €m
Net Debt per Balance Sheet	24.5	6.0	30.5
Bank Guaranteed Deferred Consideration	<u>20.9</u>	<u>-</u>	<u>20.9</u>
	<u>45.4</u>	<u>6.0</u>	<u>51.4</u>

The core debt of the business is thus €45.4 million of which €20.9 million is shown in the balance sheet as part of deferred consideration.

Investment Debt

€6.0 million of the company's debt is secured by the investment division's assets and are "ring fenced" or isolated from the core trading business. The investment related debt of €6.0 million is offset by the following assets:

	€m
Debtors for the sale and surrender of endowment policies	2.3
Remaining Assets	<u>6.3</u>
	<u>8.6</u>

Divisional Performance

The Group continues to focus on providing independent financial advisory and administrative services to clients in the following areas:

- Trustee and Corporate Services – non-advisory administrative services in IOM, Jersey and Geneva;
- Actuarial & Pensioner Trustee – self administered and self invested pension plans for companies and individuals;
- Financial Services – independent advisory services for corporate and private clients;
- Pension Release – pension transfer;
- Mortgage Intermediary – commercial and residential mortgage broking (Ireland).

Group Performance

The performance of the Group in the first half year, split between its main activities, was as follow:

	Continuing Activities Six Months Ended 30 June '03 Unaudited €000	Continuing Activities Six Months Ended 30 June '02 Restated Unaudited €000	Total Operating Profit 30 June '03 Unaudited €000	Total Operating Profit 30 June '02 Unaudited €000
International				
Trustee and Corporate Services	2,283	1,707	2,283	1,707
UK				
Actuarial & Pensioner Trustee	1,855	1,569	1,855	1,569
Financial Services				
-subject to restructuring	-	(606)	-	(606)
-not subject to restructuring	791	1,416	591	820
Pension Release and Discount Brokerage	34	2,543	(629)	2,543
Investment	-	-	(77)	(269)
Ireland				
Mortgage Intermediary	890	561	890	561
Financial Services including Central Overhead	402	50	402	50
<hr/>				
Operating Profit before Goodwill Amortisation	6,255	7,240	5,315	6,375
Goodwill Amortisation	(1,305)	(2,342)	(1,305)	(2,342)
<hr/>				
Operating Profit	4,950	4,898	4,010	4,033
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The International Trustee and Corporate services division achieved a 34% increase in operating profit to €2.28 million. The Isle of Man business performed particularly well. This business continues to develop its multicentre platform as a provider of administration services.

The actuarial and pensioner trustee division is made up of IPS, an acquisition made during the first half of 2002 based in Bristol, and businesses in London and Manchester. These businesses which continue to hold 10% of the SSAS and 5% of the SSIP market, are now being integrated. The integration of management and the scope for increased efficiency of resource allocation will allow us to continue to exploit the market.

In the UK, our IFA business continues to suffer from a tough business environment. We are seeing the benefit from the work of the last two years. Trading in our City based business continues to grow. Our other UK business centres were slow but profitable. As previously stated however, pension release is currently undergoing a compliance driven restructuring and this has sharply affected profitability.

In the Irish business, the Mortgage Intermediary business continued to grow. Cheque issues on behalf of clients amounted to €352 million, an increase of 45% on the same period last year.

The Irish Financial Services business continues to expand its client base in the pensions market. Performance across our Title Insurance, Credit Insurance broking and Individual Wealth Management has exceeded expectation.

Outlook

The Group programme of debt reduction continues. The outlook for the Actuarial and Pensioner Trustee business remains good. The UK IFA business is improving and continued growth is expected in our International and Irish businesses.

Consolidated Profit & Loss Account
Six months ended 30 June 2003

		2003 Half Year				2002 HY	2002 YE
		Continuing Activities	Discontinued Activities	Exceptional Items	Total	Continuing Activities	Continuing Activities
		Six Months ended 30 June 2003	Six Months ended 30 June 2003	Six Months ended 30 June 2003	Six Months ended 30 June 2003	Six Months ended 30 June 2002 Restated	Year ended 31 Dec 2002 Restated
Notes		Unaudited €000	Unaudited €000	Unaudited €000	Unaudited €000	Unaudited €000	Unaudited €000
	Turnover	43,452	222	-	43,674	46,282	85,595
	Cost of sales	<u>(5,657)</u>	<u>(169)</u>	<u>-</u>	<u>(5,826)</u>	<u>(3,040)</u>	<u>(12,395)</u>
	Gross profit	37,795	53	-	37,848	43,242	73,200
	Operating expenses						
	Exceptional Item:						
	- Continuing operations - Pension release	-	-	(663)	(663)	-	-
	Goodwill amortisation	(1,305)	-	-	(1,305)	(2,342)	(4,573)
	Other	<u>(31,540)</u>	<u>(330)</u>	<u>-</u>	<u>(31,870)</u>	<u>(36,002)</u>	<u>(60,169)</u>
		<u>(32,845)</u>	<u>(330)</u>	<u>(663)</u>	<u>(33,838)</u>	<u>(38,344)</u>	<u>(64,742)</u>
	Operating profit/(loss)	4,950	(277)	(663)	4,010	4,898	8,458
	Exceptional Items						
	Continuing operations - Restructuring	-	-	(188)	(188)	-	-
	Discontinued operations - Investments	-	-	(200)	(200)	-	-
	Discontinued operations - Sale of business	-	-	(218)	(218)	-	-
	Discontinued operations - Sale of property investment	<u>-</u>	<u>-</u>	<u>62</u>	<u>62</u>	<u>-</u>	<u>-</u>
		-	-	(544)	(544)	-	-
	Profit/(loss) on ordinary activities before interest	4,950	(277)	(1,207)	3,466	4,898	8,458
	Net Interest and other income	<u>(1,910)</u>	<u>(402)</u>	<u>-</u>	<u>(2,312)</u>	<u>(2,107)</u>	<u>(3,410)</u>
	Profit/(loss) on ordinary activities before taxation	3,040	(679)	(1,207)	1,154	2,791	5,048
	Tax on profits on ordinary activities	<u>(767)</u>	<u>110</u>	<u>315</u>	<u>(342)</u>	<u>(888)</u>	<u>(1,994)</u>
	Profit/(loss) on ordinary activities after taxation	2,273	(569)	(892)	812	1,903	3,054
	Minority interest	<u>11</u>	<u>-</u>	<u>-</u>	<u>11</u>	<u>(175)</u>	<u>(80)</u>
	Profit/(loss) for the financial period	2,284	(569)	(892)	823	1,728	2,974
	Dividends	<u>(474)</u>	<u>-</u>	<u>-</u>	<u>(474)</u>	<u>(474)</u>	<u>(1,431)</u>
	Retained profit/(loss) for the financial period	<u>1,810</u>	<u>(569)</u>	<u>(892)</u>	<u>349</u>	<u>1,254</u>	<u>1,543</u>
	Earnings per ordinary share						
	Adjusted earnings per share - € cent *	<u>5.53</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>6.29</u>	<u>11.65</u>
	Basic earnings per share - € cent	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>1.27</u>	<u>n/a</u>	<u>n/a</u>
	Diluted earnings per share - € cent	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>1.27</u>	<u>n/a</u>	<u>n/a</u>

* before goodwill amortisation and exceptional items

Reconciliation of comparative profit and loss figures to published results

	Notes	2002 Half Year				2002 Year End			
		Continuing Activities Six Months ended 30 June 2002 Restated Unaudited €000	Discontinued Activities Six Months ended 30 June 2002 Restated Unaudited €000	Exceptional Items Six Months ended 30 June 2002 Restated Unaudited €000	As published Total Six Months ended 30 June 2002 Unaudited €000	Continuing Year ended 31 Dec 2002 Restated Unaudited €000	Discontinued Year ended 31 Dec 2002 Restated Unaudited €000	Exceptional Items Year ended 31 Dec 2002 Restated Unaudited €000	As published Total Year ended 31 Dec 2002 Audited €000
Turnover	5	46,282	1,014	-	47,296	85,595	2,747	(3,152)	85,190
Cost of sales		<u>(3,040)</u>	<u>-</u>	<u>-</u>	<u>(3,040)</u>	<u>(12,395)</u>	<u>-</u>	<u>-</u>	<u>(12,395)</u>
Gross profit		43,242	1,014	-	44,256	73,200	2,747	(3,152)	72,795
Operating expenses		<u>(38,344)</u>	<u>(1,879)</u>	<u>-</u>	<u>(40,223)</u>	<u>(64,742)</u>	<u>(6,634)</u>	<u>(4,367)</u>	<u>(75,743)</u>
Operating profit/(loss)	5	4,898	(865)	-	4,033	8,458	(3,887)	(7,519)	(2,948)
Exceptional Items	6								
Continuing operations- Restructuring charge		-	-	(2,621)	(2,621)	-	-	(2,775)	(2,775)
Discontinued Operations:									
Termination of UK operations		-	-	(685)	(685)	-	-	(1,628)	(1,628)
Termination of endowment trading for investment purposes		-	-	(18,456)	(18,456)	-	-	(19,708)	(19,708)
Disposal of property investments		-	-	346	346	-	-	1,444	1,444
Disposal of Irish businesses		-	-	-	-	-	-	(553)	(553)
Profit/(loss) on ordinary activities before interest		4,898	(865)	(21,416)	(17,383)	8,458	(3,887)	(30,739)	(26,168)
Net interest and other income		<u>(2,107)</u>	<u>(1,862)</u>	<u>-</u>	<u>(3,969)</u>	<u>(3,410)</u>	<u>(3,215)</u>	<u>-</u>	<u>(6,625)</u>
Profit/(loss) on ordinary activities before taxation		2,791	(2,727)	(21,416)	(21,352)	5,048	(7,102)	(30,739)	(32,793)
Tax on profits on ordinary activities		<u>(888)</u>	<u>245</u>	<u>792</u>	<u>149</u>	<u>(1,994)</u>	<u>562</u>	<u>692</u>	<u>(740)</u>
Profit/(loss) on ordinary activities after taxation		1,903	(2,482)	(20,624)	(21,203)	3,054	(6,540)	(30,047)	(33,533)
Minority interest		<u>(175)</u>	<u>-</u>	<u>-</u>	<u>(175)</u>	<u>(80)</u>	<u>-</u>	<u>-</u>	<u>(80)</u>
Profit/(loss) for the financial period		1,728	(2,482)	(20,624)	(21,378)	2,974	(6,540)	(30,047)	(33,613)
Dividends		<u>(474)</u>	<u>-</u>	<u>-</u>	<u>(474)</u>	<u>(1,431)</u>	<u>-</u>	<u>-</u>	<u>(1,431)</u>
Retained profit/(loss) for the financial period		<u>1,254</u>	<u>(2,482)</u>	<u>(20,624)</u>	<u>(21,852)</u>	<u>1,543</u>	<u>(6,540)</u>	<u>(30,047)</u>	<u>(35,044)</u>
Earnings per ordinary share	4								
Adjusted earnings per share - € cent *		<u>6.29</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>11.65</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>
Basic earnings per share - € cent		<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>(33.03)</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>(51.87)</u>
Diluted earnings per share - € cent		<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>(31.75)</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>(51.13)</u>

* before goodwill amortisation and exceptional items

Other Statements
Six Months Ended 30 June 2003

	Six Months ended 30 June 2003 Unaudited €000	Six Months ended 30 June 2002 Restated Unaudited €000	Year ended 31 Dec 2002 Audited €000
Statement of Total Recognised Gains and Losses			
Profit/(loss) for the financial period	823	(21,378)	(33,613)
Exchange movements gain	2,016	2,787	3,014
Cost of senior unsecured notes issued	<u>-</u>	<u>(174)</u>	<u>(174)</u>
	2,839	(18,765)	(30,773)
Prior year adjustment	<u>-</u>	<u>(270)</u>	<u>(270)</u>
Total recognised gains/(losses) for the financial period	<u>2,839</u>	<u>(19,035)</u>	<u>(31,043)</u>

	Six Months ended 30 June 2003 Unaudited €000	Six Months ended 30 June 2002 Unaudited €000	Year ended 31 Dec 2002 Audited €000
Reconciliation of Movements in Shareholders' Funds			
Profit/(loss) for the financial period	823	(21,378)	(33,613)
Dividends	<u>(474)</u>	<u>(474)</u>	<u>(1,431)</u>
	349	(21,852)	(35,044)
Other recognised gains and losses relating to the period:			
Exchange movements gain	2,016	2,787	3,014
Increase in share capital	9	30	30
Increase in share premium (net of expenses)	10	144	144
Goodwill resurrected on disposal of subsidiary	<u>-</u>	<u>-</u>	<u>(103)</u>
Net increase/(decrease) to equity shareholders' funds	<u>2,384</u>	<u>(18,891)</u>	<u>(31,959)</u>
Opening equity shareholders' funds	<u>33,916</u>	<u>65,875</u>	<u>65,875</u>
Closing equity shareholders' funds	<u>36,300</u>	<u>46,984</u>	<u>33,916</u>

**Consolidated Balance Sheet
as at 30 June 2003**

	30 June 2003	30 June 2002	31 Dec 2002
	Unaudited €000	Restated Unaudited €000	Audited €000
Fixed assets			
Intangible assets	70,569	90,867	78,176
Tangible assets	5,622	11,825	6,865
Financial assets			
- investments in joint ventures	-	248	304
- investments in associates	307	1,435	1,179
- other investments	985	4,297	985
	<hr/>	<hr/>	<hr/>
	77,483	108,672	87,509
	<hr/>	<hr/>	<hr/>
Current Assets			
Stocks	2,227	1,679	1,634
Debtors	36,519	32,727	47,632
Investments	-	50,607	-
Cash at bank and in hand	23,347	23,636	23,909
	<hr/>	<hr/>	<hr/>
	62,093	108,649	73,175
	<hr/>	<hr/>	<hr/>
Creditors (amounts falling due within one year)	(26,215)	(30,854)	(30,000)
	<hr/>	<hr/>	<hr/>
Net current assets	35,878	77,795	43,175
	<hr/>	<hr/>	<hr/>
Total assets less current liabilities	113,361	186,467	130,684
	<hr/>	<hr/>	<hr/>
Creditors (amounts falling due after more than one year)	(65,476)	(95,861)	(81,391)
Provisions for liabilities and charges	(11,710)	(43,502)	(15,514)
	<hr/>	<hr/>	<hr/>
	36,175	47,104	33,779
	<hr/>	<hr/>	<hr/>
Capital and reserves			
Called up share capital	7,794	7,785	7,785
Share premium account	44,799	44,789	44,789
Capital conversion reserve fund	414	414	414
Revaluation reserve	-	2,803	248
Profit and loss account	(16,707)	(8,807)	(19,320)
	<hr/>	<hr/>	<hr/>
Group equity shareholders' funds	36,300	46,984	33,916
Equity minority interests	(125)	120	(137)
	<hr/>	<hr/>	<hr/>
Total shareholders' Funds	36,175	47,104	33,779
	<hr/>	<hr/>	<hr/>

Consolidated Cash Flow Statement
Six months ended 30 June 2003

	Notes	Six months ended 30 June 2003 Unaudited €000	Six months ended 30 June 2002 Unaudited €000	Year ended 31 Dec 2002 Audited €000
Net cash inflow/(outflow) from operating activities	9	<u>13,163</u>	<u>1,091</u>	<u>(21,010)</u>
Returns on investment and servicing of finance				
Interest received		439	614	1,700
Interest paid		(1,991)	(3,831)	(5,799)
Finance lease interest paid		(26)	(118)	(76)
Dividends received		28	74	130
Dividends paid to minority interests		-	-	(164)
Cost of senior unsecured notes issued		(14)	(174)	(688)
		<u>(1,564)</u>	<u>(3,435)</u>	<u>(4,897)</u>
Taxation		(315)	(505)	(4,391)
Capital expenditure and financial investment				
Purchase of tangible fixed assets		(398)	(1,939)	(6,135)
Sale of tangible fixed assets		607	568	4,533
Exceptional Item- disposal of property investments		<u>902</u>	<u>3,738</u>	<u>9,786</u>
		1,111	2,367	8,184
Acquisitions and Disposals				
Purchase of subsidiary undertakings		364	(1,203)	(493)
Deferred consideration on acquisitions		(7,901)	(10,343)	(14,714)
Interest on loan notes issued on acquisitions		(154)	-	(557)
Purchase of Investments		-	(321)	(699)
Sale of investments		635	-	-
Exceptional Item - sale of subsidiary undertaking		2,269	-	-
Exceptional Item- disposal of Irish business		-	-	(221)
Proceeds on prior year disposal of subsidiary		-	-	762
(Increase)/decrease in holding of quoted investments		-	(50)	110
		<u>(4,787)</u>	<u>(11,917)</u>	<u>(15,812)</u>
Equity dividends paid		-	-	<u>(1,431)</u>
Cash inflow/(outflow) before use of liquid resources and financing		7,608	(12,399)	(39,357)
Management of liquid resources				
Increase in current asset investments		-	(7,792)	-
Exceptional Item- decrease in investment in endowment policies		-	-	<u>54,674</u>
		-	(7,792)	54,674
Financing				
New loans in period		-	12,263	15,293
Senior unsecured notes issued		-	10,000	10,000
Capital element of finance lease rentals		(123)	(719)	(871)
Repayment of debt		(588)	(4,027)	(6,818)
Issue of share capital		19	174	49
Expenses of share issue and sale of treasury shares		-	(1)	(2)
Exceptional item-repayment of debt related to discontinued endowment business		<u>(12,592)</u>	-	<u>(35,544)</u>
Net cash (outflow)/inflow from financing		(13,284)	17,690	(17,893)
Movement in cash	10	<u>(5,676)</u>	<u>(2,501)</u>	<u>(2,576)</u>

Supplementary information

1. Basis of Preparation

The interim financial statements have been prepared on the basis of the accounting policies set out in the Group's Annual Report for the year ended 31 December 2002.

The interim statement was approved by the Board of Directors on 01 September 2003. The interim financial information has been reviewed, but not audited, by the Group's auditors, PricewaterhouseCoopers (PwC).

2. Comparative figures

Comparative figures in the Consolidated Profit and Loss Account for the six months ended 30 June 2003 (page 6) are presented net of amounts relating to discontinued activities and exceptional items. A reconciliation of comparative profit and loss figures to the 2002 published results is included on page 7 of the Interim Report.

Comparative figures in the Consolidated Profit & Loss Account for the 6 months ended 30 June 2002 have been represented to reflect results of discontinued activities separately from results of continuing activities, consistent with the 2003 presentation.

3. Acquisitions and Disposals

The company made the following acquisition and disposal during the six months ended 30 June 2003.

First American Title Company (Ireland) Limited

In February 2003, the Group acquired 50% of the share capital of First American Title Company (Ireland) Limited from its joint venture partner First American Management Services Limited, a subsidiary of First American Corporation. The Group now hold 100% of the company. The business provides title insurance in the re-mortgage market in Ireland.

The consideration for the 50% equity acquired was €271,000 of which €150,000 was paid in cash on the date of acquisition and the remaining €121,000 was paid on 1st April 2003. As part of the transaction First American Title Company (Ireland) Limited has entered into a 10 year exclusivity agreement whereby the First American Corporation will underwrite the title insurance provided by the company.

The ISA Shop Limited

On 16 May 2003 the Group disposed of the entire issued share capital of The ISA Shop Limited, its specialist Independent Financial Advisor, based in Nottingham, England.

The entire consideration was €2,653,000, of which €178,000 represented payment for net current assets. The disposal is consistent with the Group's focus on fee based independent financial advisory activities. The proceeds have been applied to reduce debt and strengthen the Group's balance sheet.

4. Earnings per Share

	30 June 2003 Unaudited	30 June 2002 Restated Unaudited	31 Dec 2002 Restated Audited
Adjusted			
Profit on continuing activities after taxation and minority interest before exceptional items and goodwill amortisation (€000)	3,589	4,070	7,547
Weighted average number of ordinary shares in issue	64,903,936	64,722,742	64,798,418
Adjusted earnings per share (€ cent)	5.53	6.29	11.65
Basic			
Profit/(loss) after taxation and minority interest (€000)	823	(21,378)	(33,613)
Weighted average number of ordinary shares in issue	64,903,936	64,722,742	64,798,418
Basic earnings per share (€ cent)	1.27	(33.03)	(51.87)
Diluted			
Profit/(loss) after taxation and minority interest (€000)	823	(21,378)	(33,613)
Weighted average number of ordinary shares in issue	65,008,990	67,337,849	65,742,754
Diluted earnings per share (€ cent)	1.27	(31.75)	(51.13)

Reconciliation of adjusted earnings

	Six Months 30 June 2003		Six Months 30 June 2002 Restated		Year 31 Dec 2002 Restated	
	Per share €Cent	Earnings €000	Per share €Cent	Earnings €000	Per share €Cent	Earnings €000
Profit/(loss) for the financial year	1.27	823	(33.03)	(21,378)	(51.87)	(33,613)
Adjustment for exceptional items	1.37	892	31.87	20,624	46.37	30,047
Adjustment for discontinued activities	0.88	569	3.83	2,482	10.09	6,540
Adjustment for goodwill amortisation	2.01	1,305	3.62	2,342	7.06	4,573
Adjusted earnings	5.53	3,589	6.29	4,070	11.65	7,547

5. Segmental Analysis

Turnover	30 June 2003	30 June 2002	31 Dec 2002
	Unaudited €000	Restated Unaudited €000	Restated Unaudited €000
Business Sector			
Continuing Operations			
Financial Services	29,779	27,221	54,042
International Trustee & Corporate Services	7,406	7,007	14,998
Employee Leasing	6,267	12,054	16,555
	<u>43,452</u>	<u>46,282</u>	<u>85,595</u>
Exceptional impairment of investments	-	-	(3,152)
Discontinued Operations			
Financial Services	222	990	2,747
Investment	-	24	-
	<u>43,674</u>	<u>47,296</u>	<u>85,190</u>

Operating Profit	30 June 2003	30 June 2002	31 Dec 2002
	Unaudited €000	Restated Unaudited €000	Restated Unaudited €000
Business Sector			
Continuing Operations			
Financial Services	3,911	5,185	9,264
International Trustee & Corporate Services	2,283	1,707	3,348
Employee Leasing	61	348	419
	<u>6,255</u>	<u>7,240</u>	<u>13,031</u>
Exceptional Item - pension release	(663)	-	-
Exceptional impairment of investments	-	-	(3,152)
Exceptional loss on investment in associated company	-	-	(803)
Discontinued Operations			
Financial Services	(200)	(596)	(1,018)
Investment	(77)	(269)	(2,869)
Operating profit before goodwill amortisation	<u>5,315</u>	<u>6,375</u>	<u>5,189</u>
Goodwill Amortisation	(1,305)	(2,342)	(8,137)
Operating profit/(loss) after goodwill amortisation	<u>4,010</u>	<u>4,033</u>	<u>(2,948)</u>

6. Exceptional Items and discontinued Activities

i) Continuing Operations - Pension Release

Arising from an ongoing review of our pension release business by the FSA, we are engaged in a programme which has involved exceptional restructuring and compliance costs totalling €663,000 to 30 June 2003.

ii) Continuing Operations - Restructuring

Further exceptional costs of €188,000 arose during the period, in respect of the restructuring of operations in the prior year.

iii) Discontinued operations – Investments

Following the Group's decision to unwind its investment division and to cease investment related activities, a further €200,000 loss crystallised on the disposal of investments in traded endowment policies. This amount had not been accrued as at 31 December 2002.

iv) Discontinued operations - Sale of business

On 16 May 2003, the Group disposed of the entire issued share capital of The ISA Shop Limited. The exceptional net loss on disposal amounted to €218,000. (Refer Note 3. Acquisitions and Disposals)

v) Discontinued operations - Sale of property investment

The Group disposed of a property interest during the year. The proceeds from this disposal were €902,000, resulting in an exceptional gain of €62,000.

7. Net interest and other income

In accordance with current accounting standards, net interest includes a €772,000 notional charge in respect of deferred consideration payable by the Company (June 2002: €708,000).

8. Taxation

The charge for taxation for the six months ended 30 June 2003 is based on the estimated effective rate of taxation for the period.

	Continuing €000	Discontinued €000	Exceptional €000	Total €000
Current tax - current year charge/(credit)	767	(110)	(315)	342
Current tax - prior year over provision	(464)	-	-	(464)
Total current tax	303	(110)	(315)	(122)
Utilisation of deferred tax asset	464	-	-	464
Net tax charge	767	(110)	(315)	342

9. Reconciliation of profit before interest and tax to net flow from operating activities

	30 June 2003 Unaudited €000	30 June 2002 Unaudited €000	31 Dec 2002 Audited €000
Profit/(loss) before interest and tax	3,466	(17,383)	(26,168)
Depreciation and amortisation	2,219	3,141	6,359
Profit on sale of fixed assets	-	(311)	(374)
Exceptional items- disposal of property investments	(62)	-	(1,444)
Currency translation adjustment	(259)	(1,317)	(760)
(Profit)/loss of associated and joint venture undertakings	(47)	92	(151)
Unrealised (increase)/decrease on revaluation of investments	(26)	18,090	6,734
Decrease in debtors	11,362	5,722	6,423
Exceptional items- restructuring charge continuing operations	121	926	467
Exceptional items- termination of UK discontinued operations	-	587	1,100
Exceptional items- termination of endowment trading for investment purposes	1,465	-	(14,827)
Decrease/(increase) in stocks	51	(662)	254
Loan (to)/from associated undertakings	(320)	655	710
Decrease in creditors	(5,025)	(8,449)	(7,339)
Loss on sale of subsidiary	218	-	639
Provision against investments	-	-	5,004
Exceptional items- provision against investments	-	-	7,518
(Decrease) in deferred consideration payable	-	-	(5,005)
Profit on sale of fixed asset investments	-	-	(150)
	-	-	-
Net cash inflow/(outflow) from operating activities	<u>13,163</u>	<u>1,091</u>	<u>(21,010)</u>

10. Reconciliation of net cash flow movements in net debt

	30 June 2003 Unaudited €000	30 June 2002 Unaudited €000	31 Dec 2002 Audited €000
Decrease in cash in period	(5,676)	(2,501)	(2,576)
Cash flow from increase/(decrease) in debt and lease financing	13,289	(18,168)	18,108
Change in net debt resulting from cash flows	<u>7,613</u>	<u>(20,669)</u>	<u>15,532</u>
New finance leases	(12)	-	(417)
Amortisation of issue costs	(59)	(55)	(114)
Translation difference	2,343	5,366	4,439
Finance leases on acquisitions	-	-	(147)
Movement in net debt in the period	<u>9,885</u>	<u>(15,358)</u>	<u>19,293</u>
Opening net debt	(40,393)	(59,686)	(59,686)
Closing net debt	<u>(30,508)</u>	<u>(75,044)</u>	<u>(40,393)</u>

11. Total Indebtedness

	Total Indebtedness 30 June 2003 €000
Total Indebtedness	
Investment Related (Ring Fenced) Debt	6,000
Core Business Debt	<u>45,400</u>
	<u>51,400</u>

12. Deferred consideration

	Discounted consideration provided 30 June 2003 €000
Deferred consideration on acquisitions Company:	
Berkeley Jacobs Financial Services Limited	938
DK Wild & Co Limited	1,536
Saunderson Ventures Limited, Saunderson House Limited	4,104
Trade Credit Brokers Limited	3,669
IPS Pensions Limited, IPS Actuarial Services Limited	21,373
Other Acquisitions	<u>660</u>
	<u>32,280</u>

13. Other Commitments and Contingencies

Following a review of sales and advice processes by the Financial Services Authority (FSA) at the Group's pension release subsidiary during the third quarter of 2002, FSA's Enforcement Division is conducting an investigation into aspects of those processes. It is not possible at this time to quantify either the costs of any potential regulatory action or the amount of redress, if any, which may need to be paid.

INDEPENDENT REVIEW REPORT TO IFG Group plc

Introduction

We have been instructed by IFG Group plc to review the financial information set out on pages 6 to 16 and we have read the other information contained in the interim report for any apparent misstatements or material inconsistencies with the financial information for the six month period ended 30 June 2003.

Directors' responsibilities

The interim report, including the financial information contained therein, is the responsibility of, and has been approved by the directors. The Listing Rules of the Irish Stock Exchange require that the accounting policies and presentation applied to the interim figures should be consistent with those applied in preparing the preceding annual accounts except where any changes, and the reasons for them, are disclosed.

Review work performed

We conducted our review in accordance with guidance contained in Bulletin 1999/4 issued by the Auditing Practices Board. A review consists principally of making enquiries of group management and applying analytical procedures to the financial information and underlying financial data and based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit performed in accordance with Auditing Standards and therefore provides a lower level of assurance than an audit. Accordingly we do not express an audit opinion on the financial information.

Review conclusion

On the basis of our review we are not aware of any material modifications that should be made to the financial information as presented for the six months ended 30 June 2003.

PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
Dublin

01 September 2003