

**INTERIM RESULTS**

**FOR THE SIX MONTHS ENDED 30 JUNE 2009**

	<b>Adjusted measures Six months ended 30 June 2009 Unaudited €'000</b>	Adjusted measures Six months ended 30 June 2008 Unaudited €'000	Notes	<b>IFRS Six months ended 30 June 2009 Unaudited €'000</b>	IFRS Six months ended 30 June 2008 Unaudited €'000
Revenue	n/a	n/a		49,029	54,204
Operating profit	12,674	10,503	1	9,580	8,053
Profit before income tax	11,627	9,419	1	8,533	6,969
Adjusted earnings per ordinary share - in cent	12.04	12.80	2	n/a	n/a
Basic earnings per ordinary share - in cent	n/a	n/a		7.89	9.34
Group net debt				49,326	38,789
Interim dividend per ordinary share - in cent			3	1.27	1.27

Notes:

1. Adjusted profit before income tax and adjusted earnings per share are stated before exceptional adjustments, amortisation of intangible assets and share based payment compensation.

2. Reconciliation of adjusted earnings:

	<b>Six months ended 30 June 2009</b>		Six months ended 30 June 2008	
	Per share cent	Earnings €'000	Per share cent	Earnings €'000
Profit attributable to equity holders	7.89	5,888	9.34	6,598
Amortisation of intangible assets	3.09	2,304	1.61	1,138
Share based payment compensation	1.06	790	1.85	1,312
Adjusted earnings	12.04	8,982	12.80	9,048

3. In accordance with IFRS the interim dividend is not accrued until paid and as such is not included as a reduction in reserves.

## Commentary on Interim Results

The directors report that adjusted operating profit for the six months ended 30 June 2009 was €12.7 million compared with €10.5 million in the previous period on revenue of €49.0 million (2008 HY: €54.2m). Adjusted profit before taxation was €11.6 million compared with €9.4 million in the previous period. Adjusted earnings per share were 12.04 cent (2008 HY: 12.80 cent).

The Board has decided to maintain the interim dividend at 1.27 cent (2008 HY: 1.27 cent) per share subject to withholding tax at 20%. The dividend will be paid to qualifying shareholders on the Register at the close of business on 15 January 2010. Dividend warrants will be posted on 29 January 2010.

### Group Performance

The Group is managed from a geographic perspective based on 3 reporting segments: International, United Kingdom (UK) and Ireland. The Group earns revenues in these geographical locations from two sources:

- Fees from the provision of services including, in particular, trustee and corporate services and pensioner trustee services;
- Commissions earned in the intermediation of financial services products.

The performance of the Group in the first six months split between its main activities was as follows:

	<b>Six months ended 30 June 2009</b>	Six months ended 30 June 2008
	<b>€'000</b>	€'000
<b>International</b>		
Trustee & Corporate Services	7,349	5,559
<b>UK</b>		
Pensioner Trustee	2,017	1,656
Financial Services	1,251	1,781
	<b>3,268</b>	3,437
<b>Ireland</b>		
Mortgage	1,170	624
Financial Services - including Central Overhead	887	883
	<b>2,057</b>	1,507
<b>Adjusted profit *</b>	<b>12,674</b>	10,503

\*A reconciliation of adjusted profit to profit before tax is included in the segmental analysis in Note 5.

### International

The International Trustee and Corporate Services business has shown an increase in adjusted operating profit from €5.6 million to €7.4 million, an increase of 32% on the previous period. On a constant currency basis this growth would be 46% in the first half.

The Division performed well despite the decrease in activity, generalised fall in values across all asset classes and a consequent increase in the number of structures being unwound in the first half of the year. This growth is largely due to the acquisition of Excel-Serve Management Limited in Cyprus in June 2008.

Our fund administration business which was also impacted by a significant drop in asset valuations has yet to break into profit. We remain confident that this will happen towards the year end or early 2010.

The 2007 Swiss & BVI acquisitions, Gestinor AG & Corfiser Holdings Limited, have performed to expectation and we made the final consideration payment of €2.8 million in March of this year bringing the total paid for these businesses to €8.0 million.

Since the credit crises there has been considerable political and media debate in relation to low tax jurisdictions. Despite the negative commentary it is clear that the drive to appropriately and legitimately protect assets and optimise tax affairs for both corporate and high net worth individuals will continue to drive growth in the industry. Increased regulation, transparency and supervision will support the larger, independent and conflict free providers of service such as IFG.

Our focus in the first half has been on cash generation and the integration of the 2008 Cyprus acquisition. While we remain cautious in our outlook regarding the global economy we continue to believe that the sector will afford new growth opportunities both organic and by acquisition in the medium term.

## UK

The UK business has shown a decrease in adjusted operating profit from €3.4 million to €3.3 million, a decrease of 5% period on period. On a constant currency basis this equates to a 13% increase in the first half of the year.

### Pensioner Trustee

	<b>30 June 2009</b>	30 June 2008
	<b>€'000</b>	€'000
Revenue	<b>4,859</b>	4,748
Operating profit	<b>2,017</b>	1,656

The Pensioner Trustee business maintained its rate of winning new business with a net 660 new SIPPs acquired in the first half.

The rate of new business acquisition is shown below

	<b>SIPP</b>	<b>SSAS</b>
Opening balance @ 1 January 2009	6,683	1,553
Additions / transfers in	839	18
Attritions / transfers out	<u>(179)</u>	<u>(59)</u>
Closing balance @ 30 June 2009	<b><u>7,343</u></b>	<b><u>1,512</u></b>

Whilst we lost slightly more than forecast, our gross additions met expectations at 857 and the rate of decay of the SSAS book continues to be lower than expected. Current assets under administration are circa €3.5 billion with growth being offset by loss of asset values.

In the past half year we combined the London, Manchester and Bristol businesses, launched a new SIPP product and increased marketing capability. This is shown clearly by year on year growth of profit on a constant currency basis of 43%.

The SIPP sector will remain a cornerstone of pension planning although new limits on annual contributions will impact the market in the short term. The result has been achieved despite exposure to base rates and a narrowing of LIBOR spreads as the business earns an interest margin on the aggregate cash held on behalf of the clients. Our expectation for the second half of the year and into next year is that we will continue to see the business perform both in profitability and in “embedded value” terms.

## Financial Services

	30 June 2009	30 June 2008
	€'000	€'000
Revenue	12,570	14,496
Operating profit	1,251	1,781

Our Advisory business performance suffered a decline of 30%, or a decline of 16% on a constant currency basis. Saunderson House continues to perform well in a challenging environment with revenue and operating profit ahead of last year. The decline is therefore attributable to the traditional commission based business and to Siddalls which specialises in advising clients who leave the UK to live in France, Spain and Australia. Siddalls has faced the challenge of volatile investment markets, the weakness of Sterling and the weakness of the housing market.

The UK performance, in a period of recession, has been excellent and proves again the robust nature of our model. However, we remain cautious in the short term, as the full impact of changes in pensions' relief for individuals' relief plays out.

## Ireland

The Ireland business has shown an increase in adjusted operating profit from €1.5 million to €2.1 million, an increase of 36% period on period.

## Mortgage

Lending volumes have continued to drop throughout the period. New technology has been implemented which is increasing efficiency and has permitted further cost reduction. Over the past two years the Irish mortgage market has decreased in size by 83% from €36 billion in 2007 to a projected €6 billion in 2009.

IFG's response has been to (1) use technology to reduce cost of processing thus making our distribution the most cost effective route to market; (2) seek to capture an increased share of the mortgage and advisory community; (3) enable the intermediaries to sell additional services (life, pensions and general insurance products) using our platform and CRM system. This result is helped by a number of non-recurring revenue items (circa €2.0 million). We expect the business to be loss making in the second half of the year.

The remortgage market is effectively closed and our Remortgage Title Insurance business is discontinued and classified as held for sale.

## Financial Services

The Group Pension and Individual Advisory businesses have performed well given the difficult economic backdrop. This is driven by the increased scale and competence of our post acquisition Group Pensions team and the ongoing success of our Individual Financial Advisory or Private Client business.

Our remaining Irish transaction based businesses have been subject to considerable cost cutting as capital has withdrawn from the credit insurance market and trading has declined.

## Debt

Group net commitment (net debt plus net contingent consideration) is summarised and compared to the previous half year and year end below.

	<b>As at 30 June 2009</b>	As at 31 December 2008	As at 30 June 2008
	<b>€'m</b>	€'m	€'m
Total net debt	<b>49.3</b>	46.8	38.8
Contingent consideration	<b>18.2</b>	20.9	18.1
Less restricted cash – held in escrow	<b>(12.6)</b>	(12.2)	(10.7)
<hr/>			
Total net commitment	<b>54.9</b>	55.5	46.2
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Our net debt commitment has remained at the 31 December 2008 level. This is historically consistent as net cash generation is traditionally weighted to the second half of the year. We expect the Group net commitment to be in line with analyst expectations.

### Principal risks and uncertainties

In accordance with the Transparency (Directive 2004/109/EC) Regulations 2007, the directors note the principal risks and uncertainties facing the Group in the six months to 31 December 2009 would include adverse developments in the following areas:

- liquidity and credit crises in all the developed economies
- significant rises in interest rates and / or significant adverse movement in foreign currencies particularly Sterling pounds;
- the Group's ability to successfully manage its costs and to reduce its costs on a timely basis during periods of declining income;
- the maintenance of satisfactory relationships with key customers and intermediaries;
- the ability to attract and retain highly skilled employees and executives.

The Group has performed well in the first half notwithstanding the unprecedented external pressure of the liquidity and credit crises and the resultant deep recessions in all developed economies. As a provider of financial services where activity levels globally have been significantly affected, our businesses are demonstrating their solidity and the robust nature of their income streams. We will continue to focus on cash generation, debt reduction and positioning ourselves for future opportunities as and when the global economy recovers

# Consolidated Income Statement

## Six months ended 30 June 2009

	Notes	Six months ended 30 June 2009 Unaudited €'000	Six months ended 30 June 2008 Unaudited €'000	Year ended 31 December 2008 Audited €'000
<i>Continuing operations</i>				
Revenue	5	49,029	54,204	105,087
Cost of sales		(35,321)	(43,245)	(85,658)
<b>Gross profit</b>		<b>13,708</b>	10,959	19,429
Administrative expenses		(3,931)	(2,906)	(3,956)
Other income		-	-	625
Other losses - net		(197)	-	-
<b>Operating profit</b>		<b>9,580</b>	8,053	16,098
Finance income		528	326	1,027
Finance costs		(1,575)	(1,410)	(3,926)
<b>Profit before income tax</b>		<b>8,533</b>	6,969	13,199
Income tax expense	6	(1,620)	(987)	(1,675)
Profit after income tax		6,913	5,982	11,524
Discontinued operations – (loss) / profit for the period	4	(516)	494	(1,100)
<b>Profit for the period</b>	5	<b>6,397</b>	6,476	10,424
<b>Profit for period attributable to:</b>				
Equity holders of the Company		5,888	6,598	11,365
Minority interest		509	(122)	(941)
		<b>6,397</b>	6,476	10,424
<b>Earnings per ordinary share (cent)</b>				
Basic	3	7.89	9.34	15.69
Diluted	3	7.72	9.10	15.05

Consolidated Statement of Comprehensive Income  
Six months ended 30 June 2009

	Six months ended 30 June 2009 Unaudited €'000	Six months ended 30 June 2008 Unaudited €'000	Year ended 31 December 2008 Audited €'000
<b>Profit for the period</b>	<b>6,397</b>	6,476	10,424
<i>Other comprehensive income</i>			
Currency translation difference	<b>4,798</b>	(5,185)	(17,963)
<b>Total comprehensive income for the period</b>	<b>11,195</b>	1,291	(7,539)
<b>Total comprehensive income attributable to:</b>			
- Equity holders of the company	<b>10,690</b>	1,409	(6,607)
- Minority interest	<b>505</b>	(118)	(932)
	<b>11,195</b>	1,291	(7,539)

Consolidated Balance Sheet  
As at 30 June 2009

		30 June 2009	30 June 2008	31 December 2008
	Notes	Unaudited €'000	Unaudited €'000	Audited €'000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant & equipment		4,865	5,111	4,507
Intangible assets		98,672	93,506	95,699
Investments in associates and joint ventures	12	79	-	-
Deferred income tax assets		979	1,374	1,315
Other non-current assets	12	500	-	-
Available-for-sale financial assets		117	-	105
<b>Total non-current assets</b>		<b>105,212</b>	<b>99,991</b>	<b>101,626</b>
<b>Current assets</b>				
Trade and other receivables		40,852	46,994	38,884
Current income tax asset		226	-	147
Restricted cash – held in escrow		12,561	10,721	12,211
Cash and cash equivalents		22,965	26,691	22,540
<b>Total current assets</b>		<b>76,604</b>	<b>84,406</b>	<b>73,782</b>
Assets of disposal group classified as held for sale	4	738	-	-
		<b>77,342</b>	<b>84,406</b>	<b>73,782</b>
<b>Total assets</b>		<b>182,554</b>	<b>184,397</b>	<b>175,408</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Borrowings		60,894	55,557	56,619
Deferred income tax liabilities		4,693	4,476	4,992
Retirement benefit obligations		235	441	231
Provisions for liabilities		9,882	6,665	10,314
Other non-current liabilities		-	1,250	-
<b>Total non-current liabilities</b>		<b>75,704</b>	<b>68,389</b>	<b>72,156</b>
<b>Current liabilities</b>				
Trade and other payables		24,033	30,085	29,371
Current income tax liabilities		2,679	1,668	1,440
Borrowings		11,580	9,923	12,730
Derivative financial instruments		197	-	-
Provisions for liabilities		10,382	17,557	14,061
<b>Total current liabilities</b>		<b>48,871</b>	<b>59,233</b>	<b>57,602</b>
Liabilities of disposal group classified as held for sale	4	301	-	-
		<b>49,172</b>	<b>59,233</b>	<b>57,602</b>
<b>Total liabilities</b>		<b>124,876</b>	<b>127,622</b>	<b>129,758</b>
<b>Net assets</b>		<b>57,678</b>	<b>56,775</b>	<b>45,650</b>
<b>EQUITY</b>				
<b>Capital &amp; reserves attributable to equity holders of the company</b>				
Share capital	10	8,998	8,886	8,909
Share premium	10	60,061	59,826	60,025
Other reserves		(17,225)	(10,207)	(22,735)
Retained earnings		4,309	(3,574)	(1,579)
		<b>56,143</b>	<b>54,931</b>	<b>44,620</b>
Minority interest		1,535	1,844	1,030
<b>Total equity</b>		<b>57,678</b>	<b>56,775</b>	<b>45,650</b>

# Consolidated Cash Flow Statement

## Six months ended 30 June 2009

	Notes	Six months ended 30 June 2009 Unaudited €'000	Six months ended 30 June 2008 Unaudited €'000	Year ended 31 December 2008 Audited €'000
<b>Cash flows from operating activities</b>				
Cash generated from operations - net	8	4,610	1,418	14,740
Interest received		178	327	738
Income taxes paid		(416)	(1,709)	(2,912)
<b>Net cash generated from operating activities</b>		<b>4,372</b>	<b>36</b>	<b>12,566</b>
<b>Cash flows from investing activities</b>				
Purchase of property, plant & equipment		(1,056)	(473)	(1,169)
Sale of property, plant & equipment		6	30	3
Purchase of available-for-sale & other non-current assets		(500)	-	(127)
Dividend received from associate / joint venture		-	241	241
Purchase of other intangibles		(544)	(912)	(2,579)
(Purchase) / Sale of investments		(79)	100	100
Purchase of subsidiary undertakings net of cash acquired		(67)	(20,683)	(30,288)
Deferred & contingent consideration on prior period acquisitions		(2,812)	(2,375)	(6,509)
<b>Net cash used in investing activities</b>		<b>(5,052)</b>	<b>(24,072)</b>	<b>(40,328)</b>
<b>Cash flows from financing activities</b>				
Dividends paid	7	-	-	(2,772)
Interest paid		(1,136)	(1,287)	(3,165)
Proceeds from issue of share capital		43	7,237	7,459
Repayment of debt		(920)	(690)	(5,690)
Proceeds from long term borrowings		2,600	21,443	33,300
Payment of finance lease liabilities		(23)	(36)	(44)
<b>Net cash generated in financing activities</b>		<b>564</b>	<b>26,667</b>	<b>29,088</b>
Net (decrease) / increase in cash and cash equivalents		(116)	2,631	1,326
Cash and cash equivalents at the beginning of the period		21,284	24,291	24,291
Effect of foreign exchange rate changes		1,589	(1,249)	(4,333)
<b>Cash and cash equivalents at end of period</b>		<b>22,757</b>	<b>25,673</b>	<b>21,284</b>

Cash and cash equivalents are comprised of cash and short term deposits net of bank overdrafts that are repayable on demand.

For the purpose of the cash flow statement cash and cash equivalents include the following:

	Notes	Six months ended 30 June 2009 Unaudited €'000	Six months ended 30 June 2008 Unaudited €'000	Year ended 31 December 2008 Audited €'000
Cash and short term deposits		22,965	26,691	22,540
Included in the assets of disposal group held for sale		218	-	-
Bank overdrafts		(391)	(1,018)	(1,256)
Included in the liabilities of disposal group held for sale		(35)	-	-
	9	<b>22,757</b>	<b>25,673</b>	<b>21,284</b>

## Consolidated Statement of Changes in Equity

	Share capital €'000	Share premium €'000	Other reserves €'000	Retained earnings €'000	Attributable to equity holders €'000	Minority interest €'000	Total equity €'000
<b>At 1 January 2009</b>	8,909	60,025	(22,735)	(1,579)	44,620	1,030	45,650
<b>Total comprehensive income for the period</b>	-	-	4,802	5,888	10,690	505	11,195
Issue of share capital	89	36	(82)	-	43	-	43
Share based payment compensation:	-	-	165	-	165	-	165
- Value of employee services	-	-	625	-	625	-	625
- share option plans	-	-	708	-	833	-	833
- long term incentive plan	89	36	-	-	-	-	-
<b>At 30 June 2009</b>	8,998	60,061	(17,225)	4,309	56,143	1,535	57,678
<b>At 1 January 2008</b>	8,360	53,032	(6,247)	(10,172)	44,973	1,962	46,935
<b>Total comprehensive income for the period</b>	-	-	(5,189)	6,598	1,409	(118)	1,291
Issue of share capital	526	6,794	(83)	-	7,237	-	7,237
Share based payment compensation:	-	-	187	-	187	-	187
- Value of employee services	-	-	1,125	-	1,125	-	1,125
- share option plans	-	-	1,229	-	8549	-	8,549
- long term incentive plan	526	6,794	-	-	-	-	-
<b>At 30 June 2008</b>	8,886	59,826	(10,207)	(3,574)	54,931	1,844	56,775
<b>At 1 January 2008</b>	8,360	53,032	(6,247)	(10,172)	44,973	1,962	46,935
<b>Total comprehensive income for the period</b>	-	-	(17,972)	11,365	(6,607)	(932)	(7,539)
Dividends	-	-	-	(2,772)	(2,772)	-	(2,772)
Issue of share capital	549	6,993	(83)	-	7,459	-	7,459
Share based payment compensation:	-	-	317	-	317	-	317
- Value of employee services	-	-	1,250	-	1,250	-	1,250
- share option plans	-	-	1,484	-	6,254	-	6,254
- long term incentive plan	549	6,993	-	(2,772)	-	-	-
<b>At 31 December 2008</b>	8,909	60,025	(22,735)	(1,579)	44,620	1,030	45,650

# Notes to the Financial Information

## 1. General Information

IFG Group and its subsidiaries (together the 'Group') are engaged in the provision of financial advisory services and international corporate and trustee services. The Company is a public company, incorporated and domiciled in the Republic of Ireland. The address of its registered office is IFG House, Booterstown Hall, Booterstown, County Dublin, Ireland. This condensed consolidated interim financial information statement ("financial information") was approved for issue by the Board of Directors on 27 August 2009. This financial information has been reviewed, not audited.

## 2. Basis of Preparation

This financial information for the six months ended 30 June 2009 has been prepared in accordance with the Transparency Regulations 2007, the Transparency Rules of the Irish Financial Services Regulations Authority and IAS 34, Interim Financial Reporting as adopted by the EU. This financial information should be read in conjunction with the Financial Statements for the year ended 31 December 2008 which have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU.

The accounting policies applied in preparing this financial information are consistent with those used to prepare the Financial Statements for the year ended 31 December 2008 except as described below.

1. Taxes on income in the interim period are accrued using the tax rate that would be applicable for expected total earnings for the financial year beginning 1 January 2009.
2. The new standards and amendments which are mandatory for the first time for the financial year beginning 1 January 2009.
  - IAS 1 (revised), Presentation of financial statements. The revised standard requires "non-owner changes in equity" to be shown in a performance statement. Entities can choose to present one performance statement or two statements. The company has chosen to present the consolidated income statement and the consolidated statement of comprehensive income.
  - IFRS 8, Operating Segments. This standard replaces IAS 14, segment reporting. It requires a management approach under which segment information is presented on the same basis as that used for internal reporting processes.

The following new standards, amendments to existing standards and interpretations are mandatory for the first time for the financial year beginning 1 January 2009 but are not currently relevant for the Group:

- IAS 19 (Amendment), 'Employee Benefits'
- IAS 23 (Amendment), 'Borrowing costs'
- IFRS 2 (Amendment), 'Share based payment'
- IAS 32 (Amendment), 'Financial Instruments: Presentation'
- IFRIC 13, 'Customer loyalty programme'
- IFRIC 15, 'Agreement for the construction of real estate'
- IFRIC 16, 'Hedges of a net investment in a foreign operation'
- IAS 39 (Amendment), 'Financial instruments: Recognition and measurement'
- IFRS 1 and IAS 27 (Amendment), 'Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate'
- IAS 39 and IFRS 7 (Amendment), 'Reclassification of Financial Assets'
- IAS 29 (Amendment), 'Financial Reporting in Hyperinflationary Economies'
- IFRS 7 (Amendment), 'Improving Disclosures about Financial Instruments'

## Notes to the Financial Information - continued

The preparation of the financial information includes the use of estimates and assumptions that affect items reported in the Consolidated Balance Sheet, Consolidated Statements of Income and the disclosure of contingent assets and liabilities at the date of the financial information. Although these estimates are based on management's best knowledge of current circumstances and future events and actions, actual results may differ from those estimates, possibly significantly. Management have reviewed the critical accounting estimates and judgements made at year end (disclosed in note 4 to the Notes to the 2008 Financial Statements) and note that there was no significant impact on the result for the half year ended 30 June 2009 as a result of changes to these estimated and judgments except as noted in Note 14.

The financial information in this interim report are not the statutory accounts of the Company, a copy of which is required to be annexed to the Company's annual return to the Companies Registration Office in Ireland. A copy of the statutory accounts required to be annexed to the Company's annual return in respect of the year ended 31 December 2008 has in fact been so annexed. The auditors of the Company have made a report, without any qualification, on their audit of the statutory accounts of the Company in respect of the year ended 31 December 2008.

### 3. Earnings per ordinary share

Earnings per share attributable to equity holders of the company arise from continuing and discontinued operations as follows:

	<b>Six months ended 30 June 2009 Unaudited</b>	Six months ended 30 June 2008 Unaudited	Year ended 31 December 2008 Audited
<b>Basic</b>			
- from continuing operations	<b>8.59</b>	8.64	17.21
- from discontinued operations	<b>(0.70)</b>	0.70	(1.52)
<b>Basic earnings per share (cent)</b>	<b>7.89</b>	9.34	15.69
<b>Diluted</b>			
- from continuing operations	<b>8.40</b>	8.42	16.51
- from discontinued operations	<b>(0.68)</b>	0.68	(1.46)
<b>Diluted earnings per share (cent)</b>	<b>7.72</b>	9.10	15.05

### 4. Discontinued operations and disposal groups held for sale

In June 2009 the directors approved the plan to sell a subsidiary which forms part of the Ireland reporting segment. The Group has an active programme in place to obtain a buyer and expects the sale of this subsidiary to be completed within the next year. The results of this business are presented in this financial information as discontinued operations. Financial information relating to this discontinued operation is set out below. The income statement and cashflow statement distinguish discontinued operations from continuing operations. Comparatives in both primary statements have thus been restated.

## Notes to the Financial Information - continued

	<b>Six months ended 30 June 2009 Unaudited €'000</b>	Six months ended 30 June 2008 Unaudited €'000	Year ended 31 December 2008 Audited €'000
<b>Revenue</b>	642	3,815	4,200
Cost of sales	(1,144)	(3,266)	(5,244)
<b>Gross (loss) / profit</b>	<b>(502)</b>	549	(1,044)
Administrative expenses	(12)	(52)	(53)
<b>Operating (loss) / profit</b>	<b>(514)</b>	497	(1,097)
Finance income	-	1	1
Finance costs	<b>(2)</b>	(4)	(4)
<b>(Loss) / profit before income tax</b>	<b>(516)</b>	494	(1,100)
Income tax expense	-	-	-
<b>(Loss) / profit after income tax</b>	<b>(516)</b>	494	(1,100)

### ASSETS

	<b>€'000</b>
Property, plant & equipment	66
Intangible assets	30
Deferred income tax assets	20
Trade and other receivables	404
Cash and cash equivalents	218
<b>Total assets held for sale</b>	<b>738</b>

### LIABILITIES

Trade and other payables	(270)
Current income tax liabilities	4
Borrowings	(35)
<b>Total liabilities held for sale</b>	<b>(301)</b>

### Net assets held for sale

**437**

The assets and liabilities relate to Title Underwriting Ireland Limited and have been presented as held for sale. Completion of the transaction is expected to take place within a 12 month period.

## 5. Segmental information

In line with the requirements of IFRS 8, Operating Segments the Group has identified its chief operating decision maker (CODM). The Group has identified the Chief Executive Officer (CEO) of the company as its CODM. The CEO reviews the Group's internal reporting in order to assess the performance of the Group and allocate resources. The operating segments have been identified based on these reports.

The CEO considers the business from a geographic perspective based on 3 reporting segments: International, UK and Ireland. He assesses the performance of the segments based on a measure of adjusted earnings before interest, amortisation, tax and share based payment charges. The CEO reviews working capital and overall balance sheet performance on a Group wide basis.

Goodwill is allocated by management to groups of cash-generating units on a reporting segment level. There has been no change to the allocation of goodwill relating to prior period business combinations. The implementation of IFRS 8 has not resulted in any additional goodwill impairment.

Comparatives have been restated.

## Notes to the Financial Information - continued

The tables below provide a summary of the reportable segments of the Group.

The segment results for the period ended 30 June 2009 are as follows:

	International Unaudited €'000	UK Unaudited €'000	Ireland Unaudited €'000	Other Unaudited €'000	Total Unaudited €'000
Revenue	20,665	17,429	10,935	-	49,029
Intercompany revenue	-	-	112	(112)	-
	<u>20,665</u>	<u>17,429</u>	<u>11,047</u>	<u>(112)</u>	<u>49,029</u>
Adjusted earnings before interest, amortisation, tax, share based payment charges	7,349	3,268	1,474	583	12,674
Share based payment charges					(790)
Amortisation of intangibles					(2,304)
Discontinued operations					(516)
Finance income					528
Finance costs					<u>(1,575)</u>
Profit before income tax					8,017
Income tax expense					<u>(1,620)</u>
Profit after income tax					<u>6,397</u>

The segment results for the period ended 30 June 2008 are as follows:

	International Unaudited €'000	UK Unaudited €'000	Ireland Unaudited €'000	Other Unaudited €'000	Total Unaudited €'000
Revenue	19,999	19,244	14,961	-	54,204
Intercompany revenue	-	-	10	(10)	-
	<u>19,999</u>	<u>19,244</u>	<u>14,971</u>	<u>(10)</u>	<u>54,204</u>
Adjusted earnings before interest, amortisation, tax, share based payment charges	5,559	3,437	1,544	(37)	10,503
Share based payment charges					(1,312)
Amortisation of intangibles					(1,138)
Discontinued operations					494
Finance income					326
Finance costs					<u>(1,410)</u>
Profit before income tax					7,463
Income tax expense					<u>(987)</u>
Profit after income tax					<u>6,476</u>

## Notes to the Financial Information - continued

The segment results for the year ended 31 December 2008 are as follows:

	International Unaudited €'000	UK Unaudited €'000	Ireland Unaudited €'000	Other Unaudited €'000	Total Unaudited €'000
Revenue	43,271	37,495	24,287	34	105,087
Intercompany revenue	-	-	105	(105)	-
	<u>43,271</u>	<u>37,495</u>	<u>24,392</u>	<u>(71)</u>	<u>105,087</u>
Adjusted earnings before interest, amortisation, tax, share based payment charges	12,209	6,826	(952)	3,148	21,231
Share based payment charges					(1,567)
Amortisation of intangibles					(3,566)
Discontinued operations					(1,100)
Finance income					1,027
Finance costs					<u>(3,926)</u>
Profit before income tax					12,099
Income tax expense					<u>(1,675)</u>
Profit after income tax					<u>10,424</u>

Segment assets for the periods are as follows:

	International Unaudited €'000	UK Unaudited €'000	Ireland Unaudited €'000	Other Unaudited €'000	Total Unaudited €'000
<b>30 June 2009</b>	<b>88,246</b>	<b>53,643</b>	<b>32,735</b>	<b>7,930</b>	<b>182,554</b>
30 June 2008	92,227	54,645	22,537	14,988	184,397
31 December 2008	88,132	49,887	29,258	8,131	175,408

Segment assets consist primarily of property, plant & equipment, intangible assets, trade receivables and cash. They exclude income tax, deferred tax, investments and assets held for sale.

The unallocated assets above include income tax, deferred tax, investments and assets held for sale and assets held centrally including some bank balances.

### 6. Income tax expense

The charge for taxation for the six months ended 30 June 2009 is based on the estimated effective rate of taxation for the year.

	Six months ended 30 June 2009 Unaudited €'000	Six months ended 30 June 2008 Unaudited €'000	Year ended 31 December 2008 Audited €'000
Current tax - current period expense	1,910	1,255	2,834
Current tax - prior period over provision	<u>(360)</u>	-	<u>(745)</u>
Total current tax	1,550	1,255	2,089
Movement in deferred tax	70	(268)	(414)
Net tax expense	<u>1,620</u>	<u>987</u>	<u>1,675</u>

The total tax charge for the period ending 30 June 2009 includes €1,520,000 (HY 2008: €1,075,000) relating to tax on UK profits.

## Notes to the Financial Information - continued

### 7. Dividends

	<b>Six months ended 30 June 2009 Unaudited €'000</b>	Six months ended 30 June 2008 Unaudited €'000	Year ended 31 December 2008 Audited €'000
Final dividend paid	-	-	1,829
Interim dividend paid	-	-	943
	-	-	2,772

A final dividend for 2008 of 2.36 cent per share was approved by the shareholders on 1 July 2009. An interim ordinary dividend of 1.27 cent (2008 : 1.27 cent) has been declared subsequent to 30 June 2009. In accordance with the Group's accounting policy, these amounts are not included in the half year results.

### 8. Cash generated from operations

	<b>Six months ended 30 June 2009 Unaudited €'000</b>	Six months ended 30 June 2008 Unaudited €'000	Year ended 31 December 2008 Audited €'000
<b>Continuing operations</b>			
Profit before income tax	<b>8,533</b>	6,969	13,199
Depreciation and amortisation	<b>3,168</b>	1,903	5,142
Loss on sale of property, plant & equipment	-	24	14
Finance costs	<b>1,575</b>	1,410	3,926
Finance income	<b>(528)</b>	(326)	(1,027)
Foreign exchange (gain) / loss	<b>(149)</b>	33	(3,543)
Non-cash share based payment compensation charges	<b>790</b>	1,312	1,567
Decrease / (increase) in trade & other receivables	<b>212</b>	(1,608)	2,290
Loan to associated undertakings	<b>(3)</b>	(18)	(16)
Decrease in trade & other payables	<b>(8,394)</b>	(9,818)	(6,810)
Cashflow from continuing operations	<b>5,204</b>	(119)	14,742
<b>Discontinued operations</b>			
(Loss) / profit before income tax	<b>(516)</b>	494	(1,100)
Depreciation and amortisation	<b>43</b>	50	96
Finance costs	<b>2</b>	4	4
Finance income	-	(1)	(1)
(Increase) / decrease in trade & other receivables	<b>(29)</b>	1,175	1,886
Decrease in trade & other payables	<b>(94)</b>	(185)	(887)
Cashflow from discontinued operations	<b>(594)</b>	1,537	(2)
Cash generated from operations - net	<b>4,610</b>	1,418	14,740

## Notes to the Financial Information - continued

### 9. Analysis of net debt

	Opening balance	Cash flow	Other non cash changes	Closing balance
	€'000	€'000	€'000	€'000
Cash	22,540	(1,056)	1,699	23,183
Overdraft	(1,256)	940	(110)	(426)
	21,284	(116)	1,589	22,757
Loans due within one year	(10,511)	(650)	-	(11,161)
Loans due after one year	(56,610)	(1,950)	(2,329)	(60,889)
Senior unsecured notes due < 1 yr	(920)	920	-	-
Finance leases	(52)	23	(4)	(33)
<b>Total</b>	<b>(46,809)</b>	<b>(1,773)</b>	<b>(744)</b>	<b>(49,326)</b>

### 10. Share capital and premium

Ordinary shares amounting to 687,501 were issued under the Long Term Incentive Plan (LTIP) to the Trust established for this purpose during the period ended 30 June 2009. These shares are held in trust for the executives including some executive directors who are participants in the LTIP.

Ordinary shares amounting to 55,000 were issued under the terms of the IFG Group Share Option schemes during the period ended 30 June 2009. These shares were issued and allotted following the receipt of the subscription price from the subscribers.

### 11. Capital Commitment

Committed future expenditure for intangibles (software) as at 30 June 2009 amounted to €0.5 million (31 December 2008: €1.2 million).

### 12. Related party transactions

At 30 June 2009, Group companies were owed €1.3 million (December 2008: €1.3 million) by Rayband Limited. These advances are unsecured, interest free and have no fixed repayment date. This company is controlled by Patrick Joseph Moran, a Director of IFG Group plc.

On 17 February 2009, the Group acquired a 26% interest in Simply Mortgages Holdings Limited, an Irish entity. In addition it also advanced a €0.4 million loan to Simply Mortgages Limited secured on an insurance renewal book of the company. This is classified within 'Other non-current assets'.

### 13. Contingencies

Given the nature of the business the Group has a number of claims against it. The Group has procedures in place to assess the veracity of the claims and provision has been made to cover its best estimate of the exposure in respect of these matters.

### 14. Changes in estimates and key judgements

In note 4 to the 2008 Financial Statements some estimates and assumptions were identified as having the potential of causing a material adjustment to the carrying amount of assets and liabilities within the current financial year. The only item of note in respect of those matters identified in the half year is a revision to the provision to cover the costs associated with the review of past business practices at Berkeley Jacobs Financial Services Limited ("BJFS") and possible redress following an investigation by the Financial Services Authority ("FSA"). During the half year €0.3 million of the provision at 31 December 2008 was released following a revision of management's best estimate of the Group's exposure in respect of this matter.

## Notes to the Financial Information - continued

### 15. Statement of directors' responsibilities

We confirm our responsibility for this report and that to the best of our knowledge:

- (a) The condensed interim financial statements comprising the consolidated statements of income, the consolidated statement of changes in equity, the consolidated balance sheet, the consolidated cash flow statement and related notes have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU.
- (b) The interim management report included a fair review of the information required by:
  - (i) Regulation 8(2) of the Transparency (Directive 2004/109/EC) Regulations 2007, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months: and
  - (ii) Regulation 8(3) of the Transparency (Directive 2004/109/EC) Regulations 2007, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period: and any changes in the related party transactions described in the last Financial Statements that could do so.

The directors of IFG Group plc are listed in the IFG Group plc Annual Report for the year ended 31 December 2008. A list of the current directors is maintained on the IFG Group plc website.

### On Behalf of the Board

**Mark Bourke**  
Chief Executive

**Donal Lynch**  
Company Secretary

### Forward-looking statements

Certain statements in this report are forward-looking. Although the Group believes that the expectations reflected in these forward-looking statements are reasonable, it can give no guarantee that these expectations will prove to have been correct. Because these statements involve risks and uncertainties, actual results may differ materially from those expressed or implied by these forward-looking statements. The Group undertakes no commitment to update any forward-looking statements whether as a result of new information, future events or otherwise.

# Independent Review Report to IFG Group 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 June 2009, which comprises the consolidated statements of income, consolidated balance sheet, consolidated statement of changes in equity, consolidated cash flow statement and related 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.

## Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the Transparency (Directive 2004/109/EC) Regulations 2007 and the Transparency Rules of the Irish Financial Services Regulatory Authority.

As disclosed in the notes, the annual financial statements of the Group are prepared in accordance with IFRSs 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 International Accounting Standard 34, "Interim Financial Reporting", as adopted by the European Union.

The maintenance and integrity of the IFG Group plc web site is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the interim report since it was initially presented on the web site.

Legislation in the Republic of Ireland governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.

## 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. This report, including the conclusion, has been prepared for and only for the company for the purpose of the Transparency (Directive 2004/109/EC) Regulations 2007 and the Transparency Rules of the Irish Financial Services Regulatory Authority and for no other purpose. We do not, in producing this report, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## 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 and Ireland. 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 June 2009 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Transparency (Directive 2004/109/EC) Regulations 2007 and the Transparency Rules of the Irish Financial Services Regulatory Authority.

PricewaterhouseCoopers  
Chartered Accountants  
Dublin

27 August 2009