

THIS ANNOUNCEMENT REPLACES THE EARLIER RELEASE TODAY AT 7.00AM UNDER RNS 7391K. THIS IS DUE TO A TYPOGRAPHICAL ERROR IN THE CASH FLOW STATEMENT. NO OTHER CHANGES WERE MADE.

24 December 2008

Baydonhill plc
(“Baydonhill” or the “Company”)

Exercise of Options

Interim results for the six month period ended 30 September 2008

Key Points:

- Net loss for the period of £658,451 (six month period to 30 September 2007: loss £845,967)
- Gross profit (foreign exchange commission) up 36 per cent. to £1,366,256
- Operating loss for the period down 32 per cent. to £633,854 (2007: loss £932,842)
- 'BH Online', the Company's new corporate trading system, fully operational for the period

Contacts:

Baydonhill plc
Eric Peacock, Chairman
Wayne Mitchell, Chief Executive

Tel: 020 7594 0584

John East & Partners Limited
Bidhi Bhoma

Tel: 0207 628 2200

Chairman's Statement

Overview

For the six months ended 30 September 2008 the Company made a loss before tax of £658,451 (2007: loss £845,967) on gross turnover of £220,720,675 (2007: £131,669,000).

During the period, the Company announced that it had entered into a new £500,000 loan facility with Wallich & Matthes Holdings B.V., a wholly owned subsidiary of Ekwinox Limited ('Ekwinox'), the Company's largest shareholder. The Company remains dependent on Ekwinox to support its working capital requirements in the short to medium term and, when necessary, will enter into discussions with Ekwinox during 2009.

Review

The launch of the Corporate Division contributed £136 million to gross turnover, helping to increase the Company's overall gross turnover to £221 million (2007: £132 million). Gross profit (representing foreign exchange commission earned) for the period increased by 36 per cent. to £1,366,256.

The Private Client Division performed relatively well in difficult market conditions for foreign exchange providers, with gross revenues only 13 per cent. lower than those reported for the same period last year. We believe this is a reassuring performance in light of the market decline which has been widely reported in the financial press.

Having experienced a delay in the implementation of its online payment platform for its Corporate Division in the previous financial year, the Company benefited from having the platform fully operational during the period. The positive impact on the Company's revenue has been demonstrated by the results of the Corporate Division, which the Board expect to continue to improve, despite difficult market conditions.

Board

With the exception of Ian Collins, the composition of the Board remains unchanged. Mr Collins resigned on 11 August 2008.

Outlook

The Directors believe that 2009 will be a challenging year for the Private Client Division with limited growth opportunities in the current economic climate, but expect significant continued growth from the Corporate Division.

In light of the positive results from the Corporate Division, the Company recently expanded its sales force to take advantage of opportunities in the current climate. The Company expects to continue to increase its personnel base, when justified to do so by an increase in business.

Given the promising growth of the Corporate Division combined with the existing revenue stream from the Private Client Division, the Company is now better equipped to deliver revenue growth and make significant progress towards profitability.

Eric Peacock
Chairman

24 December 2008

PROFIT AND LOSS ACCOUNT

	Six months ended 30 September 2008 (unaudited) £	Six months ended 30 September 2007 (unaudited) £	Year ended 31 March 2008 (audited) £
TURNOVER	220,720,675	131,668,803	293,792,374
Cost of sales	(219,354,419)	(130,665,662)	(291,647,277)
GROSS PROFIT	1,366,256	1,003,140	2,145,097
Administrative expenses	(2,000,110)	(1,935,982)	(3,737,519)
OPERATING LOSS	(633,854)	(932,842)	(1,592,422)
Interest receivable and similar income	59,187	97,364	177,863
Interest payable and similar charges	(83,784)	(10,489)	(55,624)
(LOSS) / PROFIT BEFORE TAX	(658,451)	(845,967)	(1,470,183)
TAXATION	-	-	-
(LOSS) / PROFIT FOR THE PERIOD	(658,451)	(845,967)	(1,470,183)
(Loss) / Earnings per share - basic	(2.70p)	(3.79p)	(6.29p)
- diluted	(2.70p)	(3.00p)	(6.29p)

BALANCE SHEET

	At 30 September 2008 (unaudited) £	At 30 September 2007 (unaudited) £ (as restated)	At 31 March 2008 (audited) £
FIXED ASSETS			
Tangible	676,658	421,398	590,037
CURRENT ASSETS			
Debtors	30,628,476	12,915,384	19,201,359
Cash at Bank	2,111,983	3,466,754	3,892,481
	32,740,460	16,382,138	23,093,840
CREDITORS: Amounts falling due within one year	(33,062,508)	(16,413,341)	(22,801,713)
NET CURRENT (LIABILITIES) / ASSETS	(322,048)	(31,203)	292,127
TOTAL ASSETS LESS CURRENT LIABILITIES	354,610	390,195	882,164
CREDITORS: Amounts falling due after more than one year	(1,306,137)	-	(1,135,732)
NET ASSETS	(951,527)	390,195	(253,568)
CAPITAL AND RESERVES			
Called up share capital	243,841	243,841	243,841
Share premium account	3,005,551	3,005,551	3,005,551
Profit and loss account	(4,261,387)	(2,859,197)	(3,555,398)
Shares to be issued	60,468	-	52,438
EQUITY SHAREHOLDERS FUNDS	(951,527)	390,195	(253,568)

CASH FLOW STATEMENT

	Six months ended 30 September 2008 (unaudited) £	Six months ended 30 September 2007 (unaudited) £	Year ended 31 March 2008 (audited) £
Reconciliation of operating loss to net cash (outflow) from operating activities			
Operating loss	(633,854)	(932,842)	(1,592,422)
Depreciation of tangible fixed assets	87,586	35,224	93,404
(Increase) in debtors	(11,427,117)	(3,668,711)	(9,954,686)
Increase in creditors	10,129,229	3,459,642	10,010,174
Share-based payment (credit)	(47,538)	(10,201)	(82,186)
Net cash (outflow) from operating activities	(1,891,694)	(1,116,888)	(1,525,716)
Returns of investment & servicing of finance	(24,597)	86,875	122,239
Taxation	-	-	-
Capital expenditure	(174,207)	(113,440)	(340,249)
Cash (outflow) before use of liquid resources	(2,090,498)	(1,143,453)	(1,743,726)
Financing:			
Other Loans	160,000	-	-
Convertible Loans	150,000	-	1,026,000
Issue of shares	-	503,782	503,782
(Decrease) in cash for the period	(1,780,498)	(639,671)	(213,944)
Reconciliation of net cash flow to movement in net funds			
(Decrease) in cash in the year	(1,780,498)	(639,671)	(213,944)
Convertible loan note	(141,970)	-	(973,562)
Other Loan	(160,000)	-	-
Net funds at 1 April 2008	2,918,919	4,106,425	4,106,425
Net funds at 30 September 2008	836,451	3,466,754	2,918,919

1. Nature of Information

The interim accounts for the six months ended 30 September 2008 and the comparative figures for the six months ended 30 September 2007 are unaudited. The comparative figures for the twelve months ended 31 March 2008 are not the Company's statutory accounts within the meaning of section 240 of the Companies Act 1985 but are abridged from such accounts which have been reported on by the Company's auditors and delivered to the Registrar of Companies. The report of the auditors on such accounts was unqualified and did not contain any statement under Sections 237(2) or 237(3) of the Companies Act 1985.

The interim accounts and the comparative figures are prepared on the basis of the accounting policies set out in the accounts of the Company for the twelve months ended 31 March 2008.

2. Principal Activities

The principal activities of the Company continue to be the provision of foreign currency exchange and related financial products and the arrangement of overseas mortgages.

3. Taxation

Based on the results of the period, the Company believe that no provision for taxation is required.

4. Dividends

The Directors do not recommend the payment of a dividend.

5. Loss per Share

The loss per share is calculated on the loss for the period of £658,451 (2007:£845,967), based on the weighted average number of shares in issue at 30 September 2008 of 24,384,015 (2007:22,331,328). Diluted loss and earnings per share at 30 September 2008 and 31 March 2008 is calculated on the same basis as basic loss and earnings per share because the effect of the potential ordinary shares (share options and warrants) reduces the net loss and is therefore anti – dilutive.

6. Copies of this interim announcement will be available from the Company's website at www.baydonhill.com.