

INTERBULK GROUP PLC
Interim Report 31 March 2009



Chairman's Statement	01
Consolidated Income Statement	05
Consolidated Statement of Recognised Income and Expenses	06
Consolidated Balance Sheet	07
Consolidated Cash Flow Statement	08
Notes to Interim Financial Statements	09
Independent Review Report	15

Chairman's Statement

I am pleased to present the interim results for InterBulk Group plc for the 6 months to 31 March 2009, a period in which InterBulk Group plc has delivered a strong performance in a challenging economic environment. We have made good progress towards achieving our vision to be a global leader in intermodal logistics solutions for liquid and dry bulk materials.

Last December our outgoing chairman anticipated a challenging year ahead. This has proven to be the case. Our customers in the chemical and polymer industry have been significantly impacted by the downturn in the global economy. However, I can report that our business has coped well in this challenging environment with further growth in operating profit during the period. Our outsourced international business model, together with prompt implementation of tough but necessary actions to trim overheads has allowed us to manage the impact of the lower activity level. The response from our team has been excellent.

Financial Highlights

	6 months to 31 March 2009 £'000	6 months to 31 March 2008 £'000	Change %
Revenue	116,940	121,696	-4%
Gross profit	19,325	17,456	+11%
EBITDA before exceptional items	13,343	10,915	+22%
Operating profit before exceptional items and amortisation	9,029	6,942	+30%
Profit before tax before all exceptional items and amortisation	3,403	1,776	+92%
Profit/(loss) before tax	1,847	(1,622)	
Net debt	114,695	105,756	

- 4% reduction in revenue due to falling market activity worldwide
- EBITDA (before exceptional items) increased 22% to £13.3m
- Operating profit (before exceptional items and amortisation) increased 30% to £9.0m
- Profit before tax (before all exceptional items and amortisation) increased 92% to £3.4m
- Exceptional items of £0.4m are reported within the operating profit and £0.9m within finance expenses
- Adjusted EPS increased by 88% to 0.81p for the 6 month period to 31 March 2009
- Increase in net debt due solely to currency effect with period end exchange rate of €1.08/£

Our Strategy

InterBulk is a leading provider of intermodal logistics solutions to the chemical, polymer, food and mineral industries. We have a well established network and a partnership approach with our customers in Europe, Asia and the Americas. We are recognised for excellent service and cost effective, inventive solutions while achieving high standards of safety and environmental protection.

We are building a high performance InterBulk global team to reinforce this base and to:

- Expand our operations in the growth regions of China, the Middle East, and Russia
- Increase our inter-regional and export liquid bulk activity in the Americas and South East Asia
- Establish solutions for deep sea dry bulk and develop our terminal network
- Grow our business in the food and minerals sectors
- Promote the sustainability of intermodal transport and lead the development of the market
- Create strategic alliances with logistics service providers in key markets
- Enhance our leading IT platform to maximise operational efficiency

Our Performance

Liquid Bulk

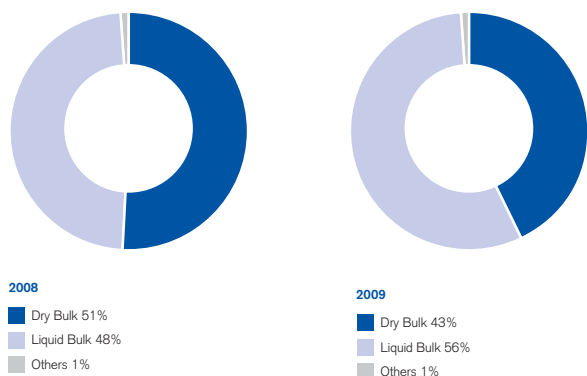
The European Liquid Bulk business which serves the chemical industry has been substantially impacted by the economic conditions. Domestic business has been affected more than deep sea export. The volume reduction was offset by the favourable translational impact of EUR and USD denominated business and this has resulted in stable revenue. Our team in St Petersburg has made a good start to our market entry into Russia.

Two customer successes have been publicised in the 6 month period. A 3 year contract for logistic services has been agreed with AkzoNobel for the distribution and collection of varnishes, lacquers and resins in bulk for their facility in Birmingham, UK. The contract is expected to have a value of £9m over 3 years. We have also extended the contract for logistics services with Lucite International to 2011 with a value of £7m per annum. This is one of our largest contracts for the intermodal transportation of liquid chemicals in tankcontainers. These two successes are testament to our high quality service and track record. During June 2009 we also announced that we had been awarded new business as a result of a global tender by Syngenta. We have been working very closely with this leading customer to demonstrate our capabilities, and have now increased our business to an estimated £3m per annum.

Asia has been the most resilient of our markets. Revenue and margins were up against prior period with an even split between inter Asian traffic flows and business to and from Europe and the Americas. We have expanded our China team and infrastructure

Chairman's Statement (continued)

Segmental Performance - Revenue



during the last 6 months. The local domestic business is at an early stage of development. The international business is fully integrated with our global operations. We have confirmed the significant market opportunity which exists in China both with our existing customer base and new Asian customers. Further growth of our business in China is a strategic priority.

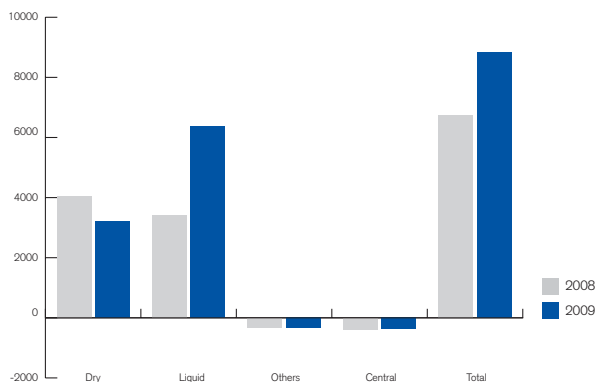
Our Liquid Bulk business in the Americas has delivered impressive results. The strengthening of the US\$ has made a material impact, but the underlying performance has also been good. We have seen a reduction in the number of export moves performed, which is also linked to prevailing exchange rates, but this was partially compensated by an increase in the level of temporary storage income. Our South American team has performed well, with positive results achieved in Brazil in particular. In terms of our global fleet, imbalances in the USA continue to be an operational challenge. This is an industry wide issue with the slowdown in exports from the USA resulting in surplus stocks of tankcontainers in the region.

We have decided to exit the Asian Flexi-tanks business due to weak margins which continued with a loss of £0.1m in the current 6 month period to 31 March 2009. In the current economic climate we decided that management time and resources could be better employed on other growth opportunities. We will retain the capability to provide a Flexi-tank solution as part of an integrated supply chain solution but we no longer treat it as a focus area, certainly for the immediate future.

Dry Bulk

The major part of our Dry Bulk business serves the European polymer industry. An important focus in the last 6 months has been to adapt our business to the significant changes affecting our customers. They have witnessed an unprecedented fall in demand for their products combined with a 3 month (November to January) period of deep destocking as the sudden fall in oil price triggered a reduction in the value of stocks through the various value chains. Since January, the demand for polymer has remained depressed with no end yet in sight to the challenges of a range of end use sectors including construction and automotive. The very large consumer packaging sector has on the other hand remained reasonably resilient.

Segmental Performance - Operating Profit



During the last 6 months we have successfully retained our high customer service levels. This has been the foundation to gain ground in tender processes and new business development despite the highly competitive state of the marketplace. We will continue on this basis and the impact of the good work of our team will be seen as the new gains become operational.

Across the Group the European polymer business has been the area most impacted by the economic situation with an 18% reduction in revenue. Prompt action to manage costs has meant that our operating profit in this area has held up well with only a small decrease in margin to 6.1% compared to 6.5% in the prior period.

Our reliance on the polymer market is recognised and we have a strategy to diversify into other markets. Food and minerals are the two main areas where our intermodal solutions have the greatest opportunity for providing cost effective and safe logistics solutions. These markets contributed £7.0m of revenue in the 6 months to 31 March 2009 and have good potential.

We are building Dry Bulk business outside of Europe from scratch. We achieved £1.1m of revenue from non-European business in the 6 months to 31 March 2009. However, our pipeline of projects is growing. Recently we secured a £1m contract for the sale of dry bulk liners for sugar exports from Mauritius to Europe, and we have also made our first delivery of Polymer from North America to Europe. We are building our team and capability for this area and these business wins are encouraging at this stage.

Our ISO-Veyor technology is aimed at the market for cement and related products. This market in particular has been impacted by global economic conditions and the slump in construction. As a result, the excellent prospects for business at the beginning of this year did not materialise and commercial success has been delayed. We have scaled back our direct sales and marketing efforts accordingly, but we remain committed to this innovative solution and the value it can bring when conditions improve in the construction industry. The business unit reported a small operating loss of £0.3m in the 6 month period and we expect that the full impact of cost management in the second half will result in a breakeven position in this unit.

Figure 1

	Less than 1 year £'000	1-2 years £'000	2-3 years £'000	3-4 years £'000	4-5 years £'000	More than 5 years £'000
Bank of Scotland senior debt	3,625	3,992	4,602	3,671	29,026	44,303
Other bank loans	569	615	754	615	102	-
Asset finance lease creditor	6,142	6,555	4,946	5,057	3,673	6,539
	10,336	11,162	10,302	9,343	32,801	50,842

Logistics terminals

We currently operate six logistics terminals in Europe which are connected to our customer's manufacturing plants and play a vital role in our ability to deliver logistics solutions by providing on and off site support to production and material handling. Due to the current low throughput from our customers using these terminals, our profitability is running at a reduced level. Meanwhile, we are working with our partners to complete our largest tri-modal terminal for intermodal shipments in the Port of Duisburg, Germany. This project has been delayed slightly and the opening should now take place in October 2009. Our focused approach on terminal operations are currently opening up a new pipeline of growth opportunities with our existing customer base.

Contingency Planning

The last 6 months have been very demanding on our operations. Our variable cost model gives us a competitive advantage compared to companies with a high fixed cost base. Nevertheless, we have promptly implemented our contingency plan for overall cost reduction comprising:

- Reduction of operational cost base (third party trucking, rail and shipping) to align with lower demand
- Closure of our UK liner manufacturing site which commenced in September 2008
- Workforce reductions in Europe, supported by some reorganisation of our regional offices
- Exit from Asian Flexi-tank business
- Programme to review asset utilisation with return of hired tank containers and tight controls for capital expenditure
- Tight control of discretionary spend
- Continued focus on credit control procedures and managing cash

In summary, our management moved quickly and we have already adapted our business model to react to market conditions. Importantly this was achieved without impacting the success already made in improving our customer relationships by providing an excellent service.

Net Debt

The Group has net debt (defined as bank loans, overdrafts and obligations under finance leases less cash and cash equivalents) at 31 March 2009 of £114.7m (30 September 2008: £104.2m).

This net debt position is split as follows:

	31 March 2009 £'000	30 September 2008 £'000
Bank of Scotland senior debt	89,219	82,378
Other bank loans	2,655	2,466
Asset finance lease creditor	32,912	28,717
Less: Cash and cash equivalents	(10,091)	(9,317)
	114,695	104,244

During the 6 months to 31 March 2009 we have continued to make all scheduled loan repayments. The increase in our net debt position is driven by the EUR/GBP exchange rate movement as the majority of our financial liabilities are EUR denominated. The movement in our net debt (see note 9) includes a £13.3m negative impact due to this currency impact. If the 31 March 2009 net debt was retranslated at €1.17/GBP being the actual exchange rate on the 24 June 2009 then there would be a reduction of approximately £6.2m from that reported above.

The age profile of our debt is shown in Figure 1 above.

The Group has a long term debt package which includes a committed revolving credit and ancillary facility of £10m for working capital purposes until 31 March 2013. The Board is satisfied that our debt obligations can be met and that we require no additional working capital facility or any extension of bank facilities for the foreseeable future. The Group achieved all covenant tests during the period.

Chairman's Statement (continued)

The Group's covenants include provisions to increase the levels of the tests over time. We have examined a range of forecast scenarios and in certain circumstances some future covenant tests may not be fully met. The Group has recently entered into discussions with its bankers to establish revised covenant tests which the Board believe will provide a better match to the Group's future growth plans, updated in the light of the current global economic conditions and potential further volatility in exchange rates. These discussions are progressing on a constructive basis and we expect to reach a satisfactory conclusion in the near future.

Outlook

Our well established European customer base is going through a very challenging period of low demand, overcapacity and margin pressure. They anticipate neither a near term nor a rapid recovery and have introduced wide reaching reorganisations including plant closures as the weakest operations fall by the wayside. We expect more announcements in this vein and are monitoring and managing as far as possible our exposure to such changes.

For our European business we believe that activity levels in polymers have now stabilised, albeit at a lower level and with limited recovery likely in the short-term. Conditions in these markets will remain tough as competitors from all modes of transport attempt to maintain asset utilisation. Our liquid chemicals business has been resilient, particularly in the Americas and we expect this good performance to be maintained. Our team is focused on service excellence to protect and where possible grow our market share, while at the same time ensuring the optimisation of our operations in the next 6 months.

The chemical and polymer industry has made and will continue to make very large investments in the growth economies of the world and in regions with major feedstock advantage. China and the Middle East feature prominently among these. InterBulk does have growth opportunities which are linked to bringing the intermodal logistics solutions to these markets and our key actions are spelt out in our updated strategy. Delivery of these strategic elements will not have a major financial impact in the remainder of this year, but they represent increasingly a major source of growth in years to come.

Our business model is flexible and management has reacted well to the current unprecedented economic conditions and despite this challenging environment we have grown our profitability. This foundation, along with our updated strategy, leave us well positioned to benefit when the general economic climate improves.

David Rolph
Non-Executive Chairman
29 June 2009

Consolidated Income Statement

For the 6 months ended 31 March 2009 (unaudited)

	Notes	6 months to 31 March 2009 (unaudited) £'000	6 months to 31 March 2008 (unaudited) £'000	Year to 30 September 2008 (audited) £'000
Revenue	3	116,940	121,696	250,167
Cost of sales		(97,615)	(104,240)	(213,102)
Gross profit		19,325	17,456	37,065
Administrative expenses		(10,478)	(10,705)	(22,323)
Operating profit before exceptional items		8,847	6,751	14,742
Analysed as:				
Operating profit before exceptional items, depreciation & amortisation		13,343	10,915	23,301
Depreciation of tangible assets		(4,314)	(3,973)	(8,196)
Amortisation of intangible assets		(182)	(191)	(363)
Exceptional items	6	(446)	-	(441)
Operating profit	3	8,401	6,751	14,301
Finance income		27	167	241
Finance expenses	4	(5,653)	(5,333)	(10,378)
Profit before taxation, and finance expense exceptional items		2,775	1,585	4,164
Exceptional finance expenses	4	(928)	(3,207)	(3,445)
Profit/(loss) before taxation		1,847	(1,622)	719
Taxation	7	(640)	486	112
Profit/(loss) for the period		1,207	(1,136)	831
Earnings per share (pence)				
- Basic	5	0.40p	(0.37p)	0.27p
- Diluted	5	0.40p	(0.37p)	0.27p
- Adjusted (Basic and Diluted)	5	0.81p	0.43p	1.31p

Consolidated Statement of Recognised Income and Expenses

For the 6 months ended 31 March 2009 (unaudited)

	6 months to 31 March 2009 (unaudited) £'000	6 months to 31 March 2008 (unaudited) £'000	Year to 30 September 2008 (audited) £'000
Net exchange difference on retranslation of foreign operations	6,640	4,097	3,805
Net losses on net investment hedge taken to equity net of tax	(6,183)	(1,470)	(1,232)
Net losses on cash flow hedge taken to equity, net of tax	(2,614)	(558)	(41)
Actuarial gains/(losses) on retirement benefit obligations	22	81	(118)
Movement of deferred tax on retirement benefit obligations	(6)	28	31
Net (losses)/gains not recognised in income statement	(2,141)	2,178	2,445
Profit/(loss) for the financial period	1,207	(1,136)	831
Total recognised (expense)/income for the period	(934)	1,042	3,276

Consolidated Balance Sheet

At 31 March 2009 (unaudited)

Notes	31 March 2009 (unaudited) £'000	31 March 2008 (unaudited) £'000	30 September 2008 (audited) £'000
Assets			
Non-current assets			
Goodwill	126,406	118,922	118,397
Other intangible assets	3,891	4,222	4,074
Property, plant and equipment	69,822	62,935	64,790
Deferred tax assets	821	434	821
Investments	-	46	-
	200,940	186,559	188,082
Current assets			
Inventories	2,256	4,607	3,308
Trade and other receivables	36,191	40,701	39,978
Current tax	-	943	-
Cash and cash equivalents	10,091	7,243	9,317
	48,538	53,494	52,603
Total assets	249,478	240,053	240,685
Liabilities			
Current liabilities			
Financial liabilities	(10,526)	(11,220)	(10,270)
Trade and other payables	(54,324)	(60,769)	(58,891)
Current tax liabilities	(470)	-	(97)
	(65,320)	(71,989)	(69,258)
Non-current liabilities			
Financial liabilities	(118,680)	(103,286)	(104,081)
Deferred tax liabilities	(4,406)	(5,002)	(5,359)
Retirement benefit obligations	(43)	(75)	(38)
	(123,129)	(108,363)	(109,478)
Total liabilities	(188,449)	(180,352)	(178,736)
Net assets	61,029	59,701	61,949
Shareholders' Equity			
Ordinary shares	10 30,289	30,289	30,289
Share premium	10 26,431	26,431	26,431
Consideration warrants	10 1,424	1,424	1,424
Retirement benefit obligations reserve	10 (11)	169	(27)
Share option reserve	10 69	41	55
Cumulative translation reserve	10 3,021	2,618	2,564
Hedge reserve	10 (3,101)	(1,004)	(487)
Retained earnings	10 2,907	(267)	1,700
Total equity attributable to shareholders	61,029	59,701	61,949

Consolidated Cash Flow Statement

For the 6 months ended 31 March 2009 (unaudited)

	Notes	6 months to 31 March 2009 (unaudited) £'000	6 months to 31 March 2008 (unaudited) £'000	Year to 30 September 2008 (audited) £'000
Cash flows from operating activities				
Cash generated from operations	8	11,713	10,608	21,091
Tax (paid)/received		(261)	215	509
Net cash flow from operating activities		11,452	10,823	21,600
Cash flows from investing activities				
Interest received		27	167	241
Sale of property, plant and equipment		219	29	384
Payment of deferred consideration		-	(543)	(543)
Purchases of property, plant and equipment (net of finance lease)		(1,348)	(1,326)	(2,189)
Payments to acquire intangible fixed assets		(21)	(10)	(95)
Net cash flow from investing activities		(1,123)	(1,683)	(2,202)
Cash flows from financing activities				
Interest paid		(5,592)	(5,405)	(10,125)
Repayment of borrowings		(1,740)	(987)	(2,807)
Repayment of capital element of finance leases		(3,083)	(3,281)	(5,238)
Net cash flow from financing activities		(10,415)	(9,673)	(18,170)
(Decrease)/increase in cash and cash equivalents		(86)	(533)	1,228
Effect of exchange rates on cash and cash equivalents		860	375	688
Cash and cash equivalents at the beginning of the period		9,317	7,401	7,401
Cash and cash equivalents at the end of the period		10,091	7,243	9,317

Notes to the Interim Financial Statements

1. Basis of preparation

The interim financial information has been prepared in accordance with the AIM Rules for companies and has been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the European Union. As permitted, the Group has chosen not to adopt IAS 34 – Interim Financial Reporting, in preparing these interim financial statements, and therefore this information is not wholly compliant with International Financial Reporting Standards.

The interim financial statements are unaudited and do not constitute statutory accounts as defined in section 434 of the Companies Act 2006. The interim financial report should be read in conjunction with the financial statements for the year ended 30 September 2008.

The statutory accounts for the year ended 30 September 2008 have been delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified and did not contain a statement under either Section 237(2) or 237(3) of the Companies Act 1985.

2. Accounting policies

The accounting policies adopted are consistent with those of the financial statements for the year ended 30 September 2008 and are applied as described on pages 30 to 36 in those financial statements.

As noted in the Chairman's Statement we recently entered into discussions with our bank to establish revised future covenant tests in the Group's banking facilities. The Group requires no extension to bank facilities and the Board is satisfied that the Group can meet all loan and interest repayments as scheduled for the foreseeable future. The Directors are confident, based on dialogue with the Group's bankers to date, that an acceptable conclusion to these discussions should be reached in the near future. The Directors have concluded after carefully reviewing the Group's business plan and the constructive nature of the discussions on changes to future covenant tests, that a satisfactory conclusion to these discussions will be reached and so continue to adopt the going concern basis in preparing the financial statements.

3. Segment information

The Directors consider that the risks and rates of return are strongly affected by both differences in its services and differences in the geographical areas in which it operates. The Directors consider that there are two business segments being the provision of logistics services for Dry Bulk material and Liquid Bulk material. Other activities such as capital sales of specialist dry bulk containers ("ISO-Veyors") are business segments, but are below 10% of the Group's activity, and therefore are not reportable segments.

The operations are based on three geographical areas. The analysis by geographical area of the Group's turnover and segment result is set out below. The sales analysis set out below is based on the location where the order is received and invoiced and where the assets are located.

6 months to 31 March 2009

Geographic	Europe £'000	Americas £'000	Asia £'000	Total £'000
Revenue				
Sales to external customers	96,428	12,022	8,490	116,940
Results				
Segment result before exceptional items	7,112	1,880	225	9,217
Exceptional items	(146)	-	(300)	(446)
Segment result after exceptional items	6,966	1,880	(75)	8,771
Unallocated expenses				(370)
Group operating profit				8,401
Net finance expenses				(6,554)
Profit before taxation				1,847
Taxation				(640)
Net profit for the period				1,207

Notes on the Interim Financial Statements (continued)

3. Segment information (continued)
6 months to 31 March 2009 (continued)

Business	Dry Bulk £'000	Liquid Bulk £'000	Others £'000	Total £'000
Revenue				
Sales to external customers	51,274	65,253	413	116,940
Results				
Segment result before exceptional items	3,197	6,362	(342)	9,217
Exceptional items	(133)	(300)	(13)	(446)
Segment result after exceptional items	3,064	6,062	(355)	8,771
Unallocated expenses				(370)
Group operating profit				8,401
Net finance expenses				(6,554)
Profit before taxation				1,847
Taxation				(640)
Net profit for the period				1,207

6 months to 31 March 2008

Geographic	Europe £'000	Americas £'000	Asia £'000	Total £'000
Revenue				
Sales to external customers	105,361	9,022	7,313	121,696
Results				
Segment result	6,238	582	324	7,144
Unallocated expenses				(393)
Group operating profit				6,751
Net finance expenses				(8,373)
Loss before taxation				(1,622)
Taxation				486
Net loss for the period				(1,136)

Business	Dry Bulk £'000	Liquid Bulk £'000	Others £'000	Total £'000
Revenue				
Sales to external customers	62,154	58,925	617	121,696
Results				
Segment result	4,039	3,422	(317)	7,144
Unallocated expenses				(393)
Group operating profit				6,751
Net finance expenses				(8,373)
Loss before taxation				(1,622)
Taxation				486
Net loss for the period				(1,136)

4. Finance Expenses

	6 months to 31 March 2009 £'000	6 months to 31 March 2008 £'000	Year to 30 September 2008 £'000
Interest payable on bank loans and overdrafts	4,361	4,283	8,405
Amortisation of deferred finance costs	142	130	265
Finance charges payable under finance leases and hire purchase contracts	1,138	916	1,694
Interest on pension scheme assets/liabilities	12	4	14
Finance expense (before unrealised exchange loss and exceptional items)	5,653	5,333	10,378
Unrealised exchange loss on long term bank debt	-	3,207	3,045
Unrealised exchange loss on translation of asset finance	928	-	400
Total finance expense	6,581	8,540	13,823

Included in the finance expense in prior period was an unrealised non-cash exchange loss on an element of long-term debt denominated in Euros to create a hedge against annual Euro trading income. The associated bank loan is repayable on the 31 March 2014, so any exchange movements are well away from becoming realised unless an earlier redenomination is deemed appropriate. A change in designation of this Euro loan to a balance sheet hedge was adopted in the prior period. The unrealised non-cash exchange loss also includes a £928,000 unrealised exchange loss (year to 30 September 2008: £0.4m) relating to some asset finance which is maintained in currencies other than sterling to match cash inflows.

The group's bank loans are borrowed at floating rates of interest and can use forward rate agreements or interest rate swaps to generate the desired interest profile and to manage the group's exposure to interest rate fluctuations. At 31 March 2009, 92% (31 March 2008: 91%) of the Group's financial liabilities were at fixed rates after taking account of interest rate swaps. The interest rate swaps expire on 30 September 2010 and at 31 March 2009 has a fair value of £4,420,000 (30 September 2008: £790,000) which is included in the financial liabilities in the balance sheet.

5. Earnings per ordinary share

The basic earnings per share are calculated by dividing the profit for the financial period attributable to shareholders by the weighted average number of shares in issue. In calculating the diluted profit per share, warrants and options outstanding have been taken into account.

	6 months to 31 March 2009 £'000	6 months to 31 March 2008 £'000	Year to 30 September 2008 £'000
Profit/(loss) for the period (£'000)	1,207	(1,136)	831
The weighted average number of shares were (number)	302,892,041	302,892,041	302,892,041
Adjusted weighted average number of ordinary shares (number)	302,892,041	302,892,041	302,892,041
Basic profit/(loss) per share (pence)	0.40p	(0.37p)	0.27p
Diluted profit/(loss) per share (pence)	0.40p	(0.37p)	0.27p

In all of the above periods the effects of outstanding warrants and options increase the profit per share and thus are anti-dilutive. As a result, the diluted profit per share is the same as the basic profit per share. The outstanding warrants and options are not added to the adjusted weighted average number of ordinary shares.

Notes on the Interim Financial Statements (continued)

5. Earnings per ordinary share (continued)

InterBulk Group plc assesses the performance of the Group by adjusting earnings per share, calculated in accordance with IAS 33, to exclude items it considers to be non-recurring and believes that the exclusion of such items provides a better comparison of business performance. The calculation of earnings per ordinary share on this basis is based on the following adjusted earnings:

	6 months to 31 March 2009 £'000	6 months to 31 March 2008 £'000	Year to 30 September 2008 £'000
Profit/(loss) for the period (£'000)	1,207	(1,136)	831
Exclude exceptional items (net of attributable taxation)	1,073	2,245	2,759
Exclude amortisation of intangible assets	182	191	363
Adjusted earnings	2,462	1,300	3,953
An adjusted earnings per share figure is presented below:			
Adjusted basic earnings per share (pence)	0.81p	0.43p	1.31p
Adjusted diluted earnings per share (pence)	0.81p	0.43p	1.31p

6. Exceptional items*Items charged to operating profit:*

Exceptional charges of £446,000 in the year relates to a redundancy programme executed mainly impacting the UK workforce plus exit costs associated with the closure of the Flexi-tank business in Asia. The exceptional charge of £441,000 in the year to 30 September 2008 related to the closure of the UK factory involved in the manufacturing of the specialist liners used for the transportation of dry bulk materials.

Items charged to finance expenses:

Included in the finance expense is an unrealised non-cash loss of £928,000 relating to some asset finance which is in currencies other than sterling to match cash inflows. The associated asset finance is long term in nature.

In prior periods as well as asset finance items the exceptional items included unrealised non-cash losses on long-term senior debt denominated in Euros. At the end of June 2008 these loans were re-designated as a balance sheet hedge and since that date exchange gains and losses have recorded within a separate component of equity, the cumulative exchange reserve.

7. Taxation

The taxation charge for the period is based on an estimate of the Group's expected annual effective rate of tax for the year to 30 September 2009 which is currently estimated to be 30% (6 months to 31 March 2008: 30%). The exceptional charge associated with the closure of the flexi-tank business in Asia has a nil effective tax rate applied due to the existence of tax brought forward losses. This treatment results in the headline effective rate of 34.7% on the face of the income statement in the 6 months to 31 March 2009.

8. Cash flows from operations

	6 months to 31 March 2009 £'000	6 months to 31 March 2008 £'000	Year to 30 September 2008 £'000
Net profit/(loss) before taxation	1,847	(1,622)	719
Adjustments for:			
Depreciation	4,314	3,973	8,196
Amortisation of intangible assets: patents	182	191	363
(Profit)/loss on disposal of property plant & equipment	(22)	(29)	34
Finance income	(27)	(167)	(241)
Finance expenses	6,581	8,540	13,823
Decrease/(increase) in inventories	950	(1,305)	(254)
Decrease/(increase) in trade & other receivables	1,399	(3,099)	(2,751)
(Decrease)/increase in payables	(3,511)	4,126	1,202
Cash generated from operations	11,713	10,608	21,091

9. Analysis of net debt

	1 October 2008 £'000	Cash flow £'000	Exchange differences £'000	Non-cash movements £'000	31 March 2009 £'000
Cash and cash equivalents	9,317	(86)	860	-	10,091
Loans	(84,844)	1,740	(8,912)	142	(91,874)
Finance leases	(28,717)	3,083	(5,207)	(2,071)	(32,912)
	(104,244)	4,737	(13,259)	(1,929)	(114,695)

Non-cash movements include £2,071,000 relating to the inception of new finance leases on the purchase of containers and other direct equipment during the year. Non-cash movements within loans include amortisation of deferred finance costs of £142,000 in the period.

Excluded from the analysis of net debt above but included within Financial Liabilities is a mark to market fair value for the interest rate swap agreements which expire in 30 September 2010. The balance sheet value at 31 March 2009 was £4,420,000 (30 September 2008; £790,000).

Notes on the Interim Financial Statements (continued)

10. Reconciliation of movements in equity

	Equity share capital £'000	Share premium account £'000	Consideration Warrants £'000	Performance Share Plan £'000	Retirement benefit obligation reserve £'000	Cumulative translation adjustment £'000	Hedge reserve £'000	Retained earnings £'000	Total equity £'000
As at 31 March 2008	30,289	26,431	1,424	41	169	2,618	(1,004)	(267)	59,701
Total recognised income and expense for the period	-	-	-	-	(196)	(54)	517	1,967	2,234
Performance share plan	-	-	-	14	-	-	-	-	14
As at 30 September 2008	30,289	26,431	1,424	55	(27)	2,564	(487)	1,700	61,949
Total recognised income and expense for the period	-	-	-	-	16	457	(2,614)	1,207	(934)
Performance Share Plan	-	-	-	14	-	-	-	-	14
As at 31 March 2009	30,289	26,431	1,424	69	(11)	3,021	(3,101)	2,907	61,029

11. Interim Statements

This interim statement is being sent to all shareholders and is available on the Company's website. Copies may be obtained from the Company Secretary at the Registered Office of the Company: One London Wall, London, EC2Y 5AB.

Independent review report to InterBulk Group plc

Introduction

We have been engaged by the directors of InterBulk Group plc (the "Company") to review the condensed set of financial statements in the half-yearly financial report for the six months ended 31 March 2009 which comprises the consolidated interim balance sheet as at 31 March 2009 and the related consolidated interim statement of income, cash flows and changes in statement of recognised income and expenses for the six months then ended 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 AIM Rules for Companies which require that the financial information must be presented and prepared in a form consistent with that which will be adopted in the company's annual financial statements.

This interim report has been prepared in accordance with the basis set out in Note 1.

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 AIM Rules for Companies 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. 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 31 March 2009 is not prepared, in all material respects, in accordance with the basis set out in Note 1 and the AIM Rules for Companies.

PricewaterhouseCoopers LLP

Chartered Accountants
Glasgow

29 June 2009

Notes

www.interbulkgroup.com

Registered number: 5308244

