

## **B.P. Marsh & Partners Plc ("B.P. Marsh", "the Company" or "the Group")**

### **Trading Update**

B.P. Marsh, a niche venture capital provider to early stage financial services businesses, is pleased to provide the market with an update on trading for the six month period to 31<sup>st</sup> July 2011. Since reporting our results on 1<sup>st</sup> June 2011 and against a backdrop of further global financial turmoil, the Group's portfolio companies continue to perform in line with management expectations.

On the 1<sup>st</sup> June 2011 the Group announced its annual results for the year ended 31<sup>st</sup> January 2011. At 31<sup>st</sup> January 2011 the Group's Net Asset Value was £46.5m (equating to an NAV per share of 159p). As stated at the time of the annual results, the Board remains committed to narrowing the discount between the share price and NAV. At 31<sup>st</sup> July 2011 the Group had cash balances of £0.4m and outstanding loans of £1.25m (net cash at 31<sup>st</sup> January 2011 was £0.5m). As announced on 1<sup>st</sup> April 2011, £1.25m was drawn down from a Directors' Loan facility in order to complete the further investment in Besso Insurance Group Limited (formerly Besso Holdings Limited).

## **Hyperion Insurance Group Ltd ("Hyperion")**

### **Howden Broking Group Ltd - PYV Ltd acquisition**

Howden Broking Group (the broking subsidiary of Hyperion) reached agreement to acquire the broking activity of professional indemnity specialist PYV Ltd on 3<sup>rd</sup> May 2011. The acquisition has seen a significant team and book of business move over to Howden Broking Group. Hyperion's chief executive, David Howden, said, "In line with our group strategy we are actively looking at opportunities in the insurance market that will add value for our clients, the business and our shareholders. The acquisition of this book of business adds breadth and depth to our existing UK retail team".

### **Howden Insurance Brokers Ltd - Insurance Broker of the Year**

Howden Insurance Brokers (the UK subsidiary of Howden Broking Group) won the Insurance Broker of the Year at the 2011 British Insurance Industry Awards on 6<sup>th</sup> July 2011.

The award recognises a company that can "demonstrate a real commitment to meeting customer needs and delivering a high quality of service across all the lines of its business", coupled with "evidence of a proven track record of profitability with a clear strategy to deliver future growth, either in existing or new markets".

Tim Coles, CEO of Howden Broking Group and Howden Insurance Brokers said, "It is a wonderful accolade and testament to the drive, ambition and spirit of every single person in the Howden Broking Group across the world - all of whom work unceasingly to deliver outstanding results for our clients".

## **US Risk UK Ltd ("US Risk UK")**

### **Oxford Insurance Brokers Ltd**

Oxford Insurance Brokers Ltd ("Oxford"), the 100% owned subsidiary of US Risk UK, has added to its existing production teams in its Speciality Lines Division, as well as its UK Professional Indemnity

and International Divisions. These new personnel hires demonstrate Oxford's ambitions for development and Oxford continues to pursue other individuals and teams who are interested in joining a growing, motivated business.

Neill Cotton, managing director of Oxford commented, "We have been successful in attracting some experienced professionals during the first six months of 2011. This has assisted us in our growth and diversification plans and we are confident that we will be able to add to these new teams, in order to achieve our development targets, over the next 12 months".

### **LEBC Holdings Limited ("LEBC")**

The Retirement Adviser, part of the Longevity Risk Division at LEBC Group Limited (the trading subsidiary of LEBC) which is headed by Nick Flynn, won the Best Annuity Planner award at the 2011 Money Marketing Awards.

### **New Business Opportunities**

The Group focuses on minority investment opportunities in financial services business, typically taking an equity stake of between 15% and 45%. The geographic focus is predominantly within the UK but the Group is investigating opportunities to strengthen relationships with potential US-based investment partners, recognising that in the insurance market in particular there are increasing investment opportunities in the North American region. These are in part being generated by fall-out from continuing consolidation in the "big three" insurance brokers (AON, Willis and Marsh), leading to potential opportunities for new investment and for the Group's existing portfolio companies.

### **Exit Opportunities**

The Board continues to consider exit opportunities for both portfolio investments and for the Group itself as and when they may arise.

### **For further information please contact:**

**B.P. Marsh & Partners Plc**

[www.bpmarsh.co.uk](http://www.bpmarsh.co.uk)

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### **Nominated Adviser and Broker**

**Arbuthnot Securities Limited**

Nick Tulloch / Rebecca Gordon

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## **Notes to Editors:**

### **About B.P. Marsh & Partners Plc**

B.P. Marsh's current portfolio contains 10 companies. More detailed descriptions of the portfolio can be found at [www.bpmarsh.co.uk](http://www.bpmarsh.co.uk).

Over the past 20 years, the Company has assembled a management team with considerable experience both in the financial services sector and in managing private equity investments. Many of the directors have worked with each other in previous roles, and all have worked with each other for at least four years.

Prior to Brian Marsh's involvement in the Company, he spent many years in insurance broking and underwriting in Lloyd's as well as the London and overseas market. He has over 30 years' experience in building, buying and selling financial services businesses, particularly in the insurance sector.

Jonathan Newman is a Chartered Management Accountant and is the Group Director of Finance and has over 14 years' experience in the financial services industry. Jonathan advises investee companies through several non-executive board appointments and evaluates new investment opportunities.

Daniel Topping is a Member of the Chartered Institute of Securities and Investment (MCSI) and an Associate Member of the Institute of Chartered Secretaries and Administrators (ACIS). Dan currently holds four non-executive board appointments through which he advises investee companies and he also evaluates new investment opportunities.

Camilla Kenyon was appointed as Head of Investor Relations at B. P. Marsh in February 2009, having four years of prior experience with the Company. Since then she has also been appointed as Head of the New Business Department, with responsibility for coordinating new investment opportunities and Chairing the New Business Committee. Millie currently has two non-executive appointments.

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