

Frenkel Topping Group plc
("Frenkel Topping" or "The Group")

Through its trading subsidiary Frenkel Topping Limited, Frenkel Topping Group Plc, provides specialist independent financial advice on the investment of personal injury damages and clinical negligence awards. Frenkel Topping offers a complete service for all personal injury claims handlers, lawyers and individual clients, dealing with awards from a few thousand pounds to multi-million pound cases. Frenkel Topping's expertise includes asset protection, bespoke investment portfolios, analysis of periodical payments, Court of Protection portfolios and the provision of, and setting up of, trustee and receivership bank accounts.

Unaudited Interim Results for the six months ended 30 June 2008

Highlights

	6 Months ended 30 June 2008 £	6 Months ended 30 June 2007 £	Year ended 31 December 2007 £
Revenue	1,374,799	1,394,659	2,757,411
Profit from operations before share based compensation	106,411	128,089	250,847
Profit from operations	93,556	5,771	115,495

Frenkel Topping Group plc

Richard Fraser
Chief Executive
Tel No: 0161 886 8000

WH Ireland Limited

David Youngman
Tel No: 0161 832 2174

Chairman's Statement

Results

We are pleased to announce the results of the Group for the six month period ended 30 June 2008.

For the six months ended 30 June 2008 the Group has reported a profit from operations before share based compensation of £106k (£128k for the six months ended 30 June 2007 and £251k for the year ended 31 December 2007). In comparison to the same period last year revenue has fallen slightly, by less than 2% and the gross profit margin has reduced by 6% to 56%. The reduction in gross profit margin has been caused by a planned investment of additional resource into the Group's client servicing department due to the increased volume of clients. The Board understands the importance of, and is committed to, servicing its client bank both from a regulatory and revenue generating point of view and felt it necessary to increase resource in this area.

As at 30 June 2008 the Group's Funds in the Investment Management Service (FIMS) were £224m (£177m as at 30 June 2007 and £200m as at 31 December 2007).

The Group had a cash absorption of £126k from its operating activities during the period (£48k generated in the six month to 30 June 2007, £243k generated for the year ended 31 December 2007). The reduction in cash generated during the period compared to earlier periods is due to the Group experiencing delays in the receipt of cash from investing new clients' funds. This delay has been caused by the introduction of the Mental Capacity Act during the last quarter of 2007 and changes in the administration function of the Office of Public Guardian.

The net asset value of the Group as at 30 June 2008 was £4.8m (£4.7m as at 30 June 2007, £4.8m as at 31 December 2007).

Dividend

The Board does not propose an interim dividend.

Strategy

The Group's aim is still to increase the recurring income from the Funds in the Investment Management Service (FIMS) and to focus on revenue generation and cost control. In addition the Board remains focused on the continued repositioning of the Frenkel Topping brand as one of the market leaders in the field of investment of personal injury awards.

Prospects

The growth in the FIMS year on year is encouraging together with a satisfactory pipeline of business to be finalised in the coming months, the Board is confident that progress will continue to be made for the future.

David Southworth
Chairman
20 August 2008

Frenkel Topping Group plc
Consolidated income statement

	Note	6 Months ended 30-Jun-08 Unaudited £	6 Months ended 30-Jun-07 Unaudited £	Year ended 31-Dec- 07 Audited £
REVENUE		1,374,799	1,394,659	2,757,411
Direct staff costs		(608,940)	(535,051)	(1,083,026)
Gross Profit		765,859	859,608	1,674,385
ADMINISTRATIVE EXPENSES				
Share based compensation		(12,855)	(122,318)	(135,352)
Other		(659,448)	(731,519)	(1,423,538)
TOTAL ADMINISTRATIVE EXPENSES		(672,303)	(853,837)	(1,558,890)
Profit from operations before share based compensation		106,411	128,089	250,847
Share based compensation		(12,855)	(122,318)	(135,352)
PROFIT FROM OPERATIONS		93,556	5,771	115,495
Finance costs		(22,337)	(34,617)	(68,361)
PROFIT/(LOSS) BEFORE TAXATION		71,219	(28,846)	47,134
Income tax expense		(23,596)	-	(28,503)
PROFIT/(LOSS) FOR THE PERIOD		47,623	(28,846)	18,631
Profit/(Loss) attributable to:				
Equity holders of parent		39,088	(40,971)	(15,386)
Minority Interests		8,535	12,125	34,017
		47,623	(28,846)	18,631
Earnings/(Loss) per share - basic (pence)	3	0.07	(0.07)	(0.03)
Earnings/(Loss) per share - diluted (pence)	3	0.06	(0.07)	(0.03)

The results for the period are derived from continuing activities.

There was no recognised income or expenditure other than the profit/ (loss) for the period/year. Accordingly no Statement of Recognised Income and Expenditure has been prepared.

Frenkel Topping Group plc
Consolidated Balance Sheet

As at 30 June 2008

	30-Jun-08 Unaudited £	30-Jun-07 Unaudited £	31-Dec-07 Audited £
ASSETS			
NON CURRENT ASSETS			
Plant and equipment	50,603	30,197	51,670
Goodwill	5,095,287	5,095,287	5,095,287
Deferred tax	35,615	7,069	35,615
	<u>5,181,505</u>	<u>5,132,553</u>	<u>5,182,572</u>
CURRENT ASSETS			
Accrued income	519,774	490,587	394,032
Trade receivables	246,824	308,030	289,925
Other receivables	138,421	77,540	123,399
Cash	38	161	26
	<u>905,057</u>	<u>876,318</u>	<u>807,382</u>
TOTAL ASSETS	<u><u>6,086,562</u></u>	<u><u>6,008,871</u></u>	<u><u>5,989,954</u></u>
EQUITY AND LIABILITIES			
EQUITY			
Issued capital	273,915	273,915	273,915
Share premium account	5,744,876	5,744,876	5,744,876
Share based payment reserve	434,705	408,816	421,850
Other reserve	12,997	12,997	12,997
Treasury share reserve	(25,000)	(25,000)	(25,000)
Retained losses	(2,183,082)	(2,247,755)	(2,222,170)
	<u>4,258,411</u>	<u>4,167,849</u>	<u>4,206,468</u>
Minority Interests	551,189	520,762	542,654
TOTAL EQUITY	<u>4,809,600</u>	<u>4,688,611</u>	<u>4,749,122</u>
NON CURRENT LIABILITIES			
Other payables	75,000	75,000	75,000
Financial liabilities	201,156	187,118	194,176
	<u>276,156</u>	<u>262,118</u>	<u>269,176</u>
CURRENT LIABILITIES			
Amounts due to bankers and short financial liabilities	293,832	274,792	143,587
Current taxation	144,986	89,890	119,025
Trade and other payables	485,516	578,460	631,507
Provisions	76,472	115,000	77,537
	<u>1,000,806</u>	<u>1,058,142</u>	<u>971,656</u>
TOTAL LIABILITIES	<u>1,276,962</u>	<u>1,320,260</u>	<u>1,240,832</u>
TOTAL EQUITY AND LIABILITIES	<u><u>6,086,562</u></u>	<u><u>6,008,871</u></u>	<u><u>5,989,954</u></u>

Consolidated Statement of Changes in Equity

For the period to 30 June 2008

	Share Capital £	Share Premium £	Share based payment reserve £	Other reserve £	Treasury share reserve £	Retained losses £	Total Equity £
Balance 1 January 2007	273,915	5,744,876	286,498	-	(25,000)	(2,206,784)	4,073,505
Share base compensation	-	-	122,318	-	-	-	122,318
Loss for the period	-	-	-	-	-	(40,971)	(40,971)
Equity element of compound instrument	-	-	-	12,997	-	-	12,997
Balance 30 June 2007	273,915	5,744,876	408,816	12,997	(25,000)	(2,247,755)	4,167,849
Share base compensation	-	-	13,034	-	-	-	13,034
Profit for the period	-	-	-	-	-	25,585	25,585
Balance 31 December 2007	273,915	5,744,876	421,850	12,997	(25,000)	(2,222,170)	4,206,468
Share base compensation	-	-	12,855	-	-	-	12,855
Profit for the period	-	-	-	-	-	39,088	39,088
Balance 30 June 2008	<u>273,915</u>	<u>5,744,876</u>	<u>434,705</u>	<u>12,997</u>	<u>(25,000)</u>	<u>(2,183,082)</u>	<u>4,258,411</u>

The treasury share reserve represents the cost of 1,067,471 shares held by FTG EBT Trustees Limited, a subsidiary of Frenkel Topping Group Plc. The open market value of the shares held at 30 June 2008 was £64,049.

The other reserve represents the fair value of the embedded option to convert the loan instrument into equity.

Frenkel Topping Group plc
Consolidated Cash Flow
For the period to 30 June 2008

	6 Months ended 30-Jun-08 Unaudited £	6 Months ended 30-Jun-07 Unaudited £	Year ended 31-Dec -07 Audited £
Profit/(loss) before tax	71,219	(28,846)	47,134
Adjustments to reconcile profit/(loss) before tax to cash generated from/(used in) operating activities			
Finance cost	22,337	34,617	68,361
Share based compensation	12,855	122,318	135,352
Depreciation	9,954	22,957	26,920
(Increase)/decrease in accrued income trade and other receivables	(97,625)	(50,722)	19,044
(Decrease)/increase in trade and other payables	(144,726)	(52,620)	(14,279)
Cash generated (used in)/from operations	(125,986)	47,704	282,532
Taxation	-	-	(39,605)
Cash generated (used in)/from operating activities	(125,986)	47,704	242,927
Acquisition of property, plant and equipment	(8,887)	(4,506)	(34,942)
Cash used in investing activities	(8,887)	(4,506)	(34,942)
Financing			
Net borrowings	(100,000)	167,668	114,668
Repayment of finance lease	-	(9,807)	(9,807)
Interest on loans	(15,706)	(34,617)	(68,361)
Cash (used in)/from financing	(115,706)	123,244	36,500
(Decrease)/Increase in cash and cash equivalents	(250,579)	166,442	244,485
Opening cash and cash equivalents	(43,215)	(287,700)	(287,700)
Closing cash and cash equivalents	(293,794)	(121,258)	(43,215)

Notes to the Interim Financial Statements

1. Basis of preparation and accounting policies

Basis of preparation

The Group's interim result consolidates the results of the company and its subsidiary undertakings made up to 30 June 2008. The company is a limited liability company incorporated and domiciled in England & Wales and whose shares are quoted on the AIM market, a market operated by The London Stock Exchange.

The financial information contained in this interim report does not constitute statutory accounts as defined in section 240 of the Companies Act 1985. It does not therefore include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements as at 31 December 2007.

The financial information for the 6 months ended 30 June 2008 is also unaudited but has been reviewed by the auditors 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. The Group has not applied IAS 34, Interim Financial Reporting, which is not mandatory for UK Groups, in the preparation of these interim financial statements.

The Group's statutory accounts for the year ended 31 December 2007 have been delivered to the Registrar of Companies. The report of the auditors on these accounts was unqualified and did not contain a statement under Section 237(2) or (3) of the Companies Act 1985.

Significant accounting policies

The accounting policies used in the preparation of the financial information for the six months ended 30 June 2008 are in accordance with the recognition and measurement criteria of International Financial Reporting Standards ('IFRS') as adopted by the European Union and are consistent with those which were adopted in the annual statutory financial statements for the year ended 31 December 2007.

2. Segmental Reporting

The total revenue, losses before tax and net assets are attributable to the one principal activity of the Group, the provision of advice regarding structured settlements and related financial services. All revenue and costs originate within the United Kingdom.

3. Earnings/(Loss) per ordinary share

	6 months June 2008	6 months June 2007	Year ending December 2007
Profit/(loss) attributable to equity holders of parent	£39,088	£(40,971)	£(15,386)
Number of shares – basic	54,782,947	54,782,947	54,782,947
Number of shares – diluted	60,083,886	54,782,947	54,782,947
Earnings/(Loss) per share – basic (pence)	0.07	(0.07)	(0.03)
Earnings/(Loss) per share – diluted (pence)	0.06	(0.07)	(0.03)

The weighted average number of ordinary shares for calculating the diluted loss per share for the year ended 31 December 2007 and the period ended 30 June 2007 are identical to those for the basic loss per share. This is because the outstanding share options would have the effect of reducing the loss per ordinary share and would therefore not be dilutive under the terms of International Accounting Standard ("IAS") 33.

4. The Board of Directors approved the interim report on 20 August 2008.

INDEPENDENT REVIEW REPORT TO FRENKEL TOPPING 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 2008 which comprises Consolidated Income Statement, Consolidated Balance Sheet, Consolidated Cash Flow Statement, Consolidated Statement of Changes in Equity and related notes that have been reviewed. 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 contained in the condensed set of financial statements.

This report, including the conclusion, has been prepared for and only for the company for the purpose of meeting the requirements of the AIM Rules for Companies and for no other purpose. We do not, therefore, 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.

Directors' responsibilities

The half-yearly financial report, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing and presenting the half-yearly financial report in accordance with the AIM Rules For Companies

As disclosed in note 1, the annual financial statements of the Group are prepared in accordance with International Financial Reporting Standards and International Financial Reporting Interpretations Committee ("IFRIC") pronouncements 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 the measurement and recognition criteria of International Financial Reporting Standards and International Financial Reporting Interpretations Committee ("IFRIC") pronouncements, as adopted by the European Union.

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.

Review work performed

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.

Review 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 2008 is not prepared, in all material respects, in accordance with the measurement and recognition criteria of International Financial Reporting Standards and International Financial Reporting Interpretations Committee ("IFRIC") pronouncements as adopted by the European Union, and the AIM Rules for Companies.

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20 August 2008