

Bamboo

INVESTMENTS (ISLE OF MAN) PLC

‘..... a look to the future’

Interim Report 2007

BAMBOO INVESTMENTS (ISLE OF MAN) PLC

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BAMBOO INVESTMENTS (ISLE OF MAN) PLC

DIRECTORS and ADMINISTRATION

Non-executive directors	M C Stoddart (Chairman) C D Pemberton P P Scales
Secretary	P P Scales
Administrator	IOMA Fund and Investment Management Limited IOMA House Hope Street Douglas Isle of Man IM1 1AP
Company Number	112765C
Registered Office	IOMA House Hope Street Douglas Isle of Man IM1 1AP
Investment Advisor	Close Ventures Limited 10 Crown Place London EC2A 4FT
Independent Auditors	Deloitte & Touche Douglas Isle of Man
Legal advisor	Cains Advocates Limited Old Bank Chambers 15-19 Athol Street Douglas Isle of Man IM1 1LB
Registrars	Computershare Investor Services (Channel Islands) Limited PO Box 83 Ordnance House 31 Pier Road St Helier Jersey JE4 8PW

CHAIRMAN'S STATEMENT

Introduction

I am pleased to present to you the consolidated accounts of Bamboo Investments (Isle of Man) PLC for the six months ended 30 June 2007.

As shareholders are aware, the Group was restructured in April 2005 with the effect that the business was transferred to the Isle of Man. It has been the policy of the Board to focus on the realisation of Bamboo's investment portfolio.

In November 2005, Bamboo Isle of Man made a first return of cash to shareholder by way of a capital reduction, and shareholders received 5.6 pence per share, a total of £8.55 million. In May 2006 a further return of £1.75 million was made to shareholders by way of a capital reduction through the cancellation of 35 million ordinary shares at the nominal value of 5 pence per share. This meant that the net asset value of the remaining shares increased accordingly.

I am pleased to report that Bamboo has made good progress in terms of realising its portfolio over the six month period. In 2007, realisations were achieved for our holdings in Careforce Group Plc and for Casewise Systems. We would hope that further realisations, at values in excess of current book value, will be achieved over the course of the coming year.

Portfolio Activity

In the six month period, a total of £284,673 was received from the realisations of Careforce Group Plc and Casewise Systems. The Careforce sale involved a take over by Mears Group PLC at £1.50 per share; this compares to an original investment of £0.51 per share. We exercised a put option in relation to our shareholding in Casewise Systems and sold the shares back to the company at a loss of £130,209.

Subsequent to the period end, Bamboo received £145,433 for the deferred loan note held in Doctor Foster Limited.

Net asset value

In the six months to June 2007, the net asset value per share, calculated on the new number of shares, has increased from 20.27 pence to 21.55 pence. This is partly due to a revaluation in our holding of Grosvenor Health and also due to the profit arising on the takeover of Careforce.

The net asset value per share of 21.55 pence at 30 June 2007 is equivalent to a total value per share to shareholders, including cash returned, of £127.55 for those shareholders who did not participate in the May 2003 tender offer and £87.51 for those that did participate in the May 2003 tender offer.

Results

The Group made a loss before tax of £48,472 for the six month period after making a further provision for the incentive fee of £27,874. At 30 June 2007, the Group had cash of £1,022,858 and we are in the process of adopting an appropriate treasury policy designed to safeguard the Company's liquid assets. Subsequent to 30 June 2007, the cash has increased by £145,433 from the deferred loan note in Doctor Foster as outlined above. The Board is mindful of the ongoing running expenses on the reduced capital base and will endeavour to manage costs tightly.

Outlook

It is the Board's firm intention to return cash to shareholders upon realisation of investments. As shareholders are aware, HM Revenue & Customs has opened an enquiry into the Group's tax affairs. This enquiry has been quite slow moving and so far HMRC has only requested further information and has not made any assessments.

The Board will continue to pursue its policy of realising the investments and returning cash to shareholders whilst maintaining a prudent approach to reserving cash whilst the tax enquiry is ongoing.

Michael Stoddart
Chairman

15 November 2007

BAMBOO INVESTMENTS (ISLE OF MAN) PLC

INVESTMENT PORTFOLIO

Venture capital investments by value	Historic cost to Group	Directors' valuation	% of net assets
	£	£	%
Dr Foster Limited	385,010	862,677	36
Grosvenor Health Limited	187,255	689,333	29
Infrared Integrated Systems Limited	474,602	283,939	12
Sparesfinder Limited	125,630	63,660	3
Venture capital portfolio		1,899,609	80
Cash and other net current assets		953,659	40
Other liabilities		(471,198)	(20)
Total net assets		2,382,070	100
Net asset value per 5p share (pence)		21.55p	

BAMBOO INVESTMENTS (ISLE OF MAN) PLC

CONSOLIDATED INCOME STATEMENT

	Note	Six months ended 30 June 2007 (unaudited)	Six months ended 30 June 2006 (unaudited)	Year ended 31 December 2006 (audited)
		£	£	£
Investment income	2	18,028	53,288	69,919
Total income		18,028	53,288	69,919
Administrative expenses		(114,191)	(175,849)	(231,243)
Operating loss		(96,163)	(122,561)	(161,324)
Realised gains on investments		47,691	-	135,443
Movement in provisions for impairment of investments		-	(181,397)	(299,484)
Loss on ordinary activities before taxation		(48,472)	(303,958)	(325,365)
Taxation on ordinary activities		-	-	13,811
Loss on ordinary activities after taxation		(48,472)	(303,958)	(311,554)
Loss per share		(0.44)p	(0.74)p	(1.20)p

**CONSOLIDATED STATEMENT OF TOTAL RECOGNISED
GAINS AND LOSSES**

	Six months ended 30 June 2007 (unaudited)	Six months ended 30 June 2006 (unaudited)	Year ended 31 December 2006 (audited)
	£	£	£
Loss for the period	(48,472)	(303,958)	(311,554)
Unrealised gains in the period	189,905	119,244	(135,243)
Total recognised gains and losses	141,433	(184,714)	(446,797)
Total recognised gains and losses per share	1.28p	(0.45)p	(1.72)p

BAMBOO INVESTMENTS (ISLE OF MAN) PLC

CONSOLIDATED BALANCE SHEET

	Note	30 June 2007 (unaudited)	30 June 2006 (unaudited)	31 December 2006 (audited)
		£	£	£
Fixed assets				
Venture capital portfolio	4	1,899,609	2,695,950	1,947,831
		1,899,609	2,695,950	1,947,831
Current assets				
Debtors		14,945	8,594	28,463
Cash at bank		1,022,858	833,923	800,641
		1,037,803	842,517	829,104
Creditors: amounts falling due within one year		(84,144)	(535,748)	(92,974)
Net current assets		953,658	306,769	736,130
Total assets less current liabilities		2,853,268	3,002,719	2,683,961
Creditors due in more than one year		(471,198)	(500,000)	(443,324)
Net assets		2,382,070	2,502,719	2,240,637
Shareholders' funds				
Called up share capital		552,721	552,721	552,721
Profit and loss account		849,602	855,897	849,706
Revaluation reserve		979,747	1,094,101	838,210
Total equity shareholders' funds	5	2,382,070	2,502,719	2,240,637
Net asset value per share (pence)		21.55p	22.60p	20.27p

Michael Stoddart
Chairman

15 November 2007

BAMBOO INVESTMENTS (ISLE OF MAN) PLC

COMPANY BALANCE SHEET

	Note	30 June 2007 (unaudited)	30 June 2006 (unaudited)	31 December 2006 (audited)
		£	£	£
Fixed assets				
Investment in subsidiaries		5,000	5,000	5,000
Venture capital portfolio	4	1,899,609	2,695,950	1,947,831
		1,904,609	2,700,950	1,952,831
Current assets				
Debtors		9,929	16,076	23,446
Cash at bank		992,589	788,885	771,145
		1,002,518	804,961	794,591
Creditors: amounts falling due within one year				
		(84,145)	(520,296)	(92,974)
Net current assets		918,373	284,665	701,617
Total assets less current liabilities		2,822,982	2,985,615	2,654,448
Creditors due in more than one year				
		(471,198)	(500,000)	(443,324)
Net assets		2,351,784	2,485,615	2,211,124
Shareholders' funds				
Called up share capital		552,721	552,721	552,721
Profit and loss account		1,030,642	904,311	1,009,702
Revaluation reserve		768,421	1,028,583	648,701
Total equity shareholders' funds	5	2,351,784	2,485,615	2,211,124

Michael Stoddart
Chairman

15 November 2007

BAMBOO INVESTMENTS (ISLE OF MAN) PLC

CONSOLIDATED CASH FLOW STATEMENT

	Six months ended 30 June 2007 (unaudited)	Six months ended 30 June 2006 (unaudited)	Year ended 31 December 2006 (audited)
	£	£	£
Net cash outflow from operating activities	(62,456)	(32,002)	(562,581)
Capital expenditure and financial investment			
Purchase of fixed asset investments	-	(14,815)	(14,815)
Realisation of fixed asset investments	284,673	1,078,864	1,592,162
Net cash inflow from investing activities	284,673	1,064,049	1,577,347
Corporate taxation paid	-	-	(16,001)
Equity dividends paid	-	-	-
Net cash inflow before financing	222,217	1,032,048	998,765
Financing			
Redemption of shares	-	(1,750,283)	(1,750,283)
Net cash outflow from financing	-	(1,750,283)	(1,750,283)
Increase/(decrease) in cash	222,217	(718,236)	(751,518)

NOTES TO THE INTERIM REPORT

Note 1. Accounting policies

The interim financial statements have been prepared under the historic cost convention as modified by the revaluation of investments and in accordance with applicable Isle of Man law, the Statement of Recommended Practice issued by the Isle of Man Society of Chartered Accountants and the Association of Chartered Certified Accountants and applicable United Kingdom Accounting Standards. The accounting policies used for the statutory accounts to 31 December 2006 have been adopted.

Basis of consolidation

Bamboo Investments (Isle of Man) PLC was incorporated on 8 February 2005. During the year ended 31 December 2005, under a scheme of arrangement, Bamboo Investments Limited (formerly Bamboo Investments PLC) became a wholly owned subsidiary of Bamboo Investments (Isle of Man) PLC. This group reconstruction was accounted for using the merger accounting principles set out in Financial Reporting Standard 6. Accordingly the financial information for the prior period has been presented as if Bamboo Investments Limited (formerly Bamboo Investments PLC) had been owned by Bamboo Investments (Isle of Man) PLC throughout the prior accounting period.

Note 2. Investment income

	Six months ended 30 June 2007 (unaudited)	Six months ended 30 June 2006 (unaudited)	Year ended 31 December 2006 (audited)
	£	£	£
Income from loan stock	3,125	7,005	9,664
Income from cash deposits	14,412	46,283	59,763
Dividends	491	-	492
	18,028	53,288	69,919

Note 3. Loss per share

The calculation of loss per share for the six months to 30 June 2007 is based upon the loss attributable to shareholders after taxation of £48,472 and the weighted average number of shares in issue being 11,054,019. The six months to 30 June 2006 is based upon a loss attributable to shareholders after taxation of £303,958 and 41,224,644 shares being the weighted average number of shares in issue throughout the period. The year to 31 December 2006 is based on a loss attributable to shareholders after taxation of £311,554 and the weighted average number of shares in issue being 26,015,343.

Total recognised gains and losses per share for the six months ended 30 June 2007 and 2006 are based on the total gains for the period of £141,433 (2006: total losses of £184,714) and for the year ended 31 December 2006 total gains of £446,797; and the weighted average number of shares as above.

NOTES TO THE INTERIM REPORT

Note 4. Venture capital portfolio

	Investments
Group	£
Cost	
At 1 January 2007	4,398,133
Additions	-
Realisations	(882,782)
At 30 June 2007	3,515,351
Surplus/(deficit) on revaluation	
At 1 January 2007	(2,452,611)
Revaluations in the period	189,905
Realisations	645,804
At 30 June 2007	(1,616,902)
Accumulated loan stock premium	
At 1 January 2007	2,309
Revaluations in the period	3,125
Realisations	(4,274)
At 30 June 2007	1,160
Directors' valuation at 30 June 2007	1,899,609
Directors' valuation at 1 January 2007	1,947,831

Note 5. Reconciliation of movement in shareholders' funds

	Six months ended 30 June 2007	Six months ended 30 June 2006	Year ended 31 December 2006
	(unaudited)	(unaudited)	(audited)
	£	£	£
Opening shareholders' funds	2,240,637	4,437,717	4,437,717
Loss for the period	(48,472)	(303,958)	(311,554)
Revaluation of investments in the period	189,905	119,244	(135,243)
Reduction of capital	-	(1,750,284)	(1,750,283)
Closing shareholders' funds	2,382,070	2,502,719	2,240,637

