

Fieldbury plc

Fieldbury plc
Previously Freeplay Energy plc
("Fieldbury", "the Group" or "the Company")

Unaudited Interim Results for the period ended 30 June 2009

Fieldbury plc is pleased to announce unaudited interim results for the period ended 30 June 2009.

	H1 2009	H1 2008	Change
	US\$'000	US\$'000	%
Revenue from continuing operations	-	-	-
(Loss) from continuing operations	(624)	(931)	33.0
(Loss) before taxation	(624)	(937)	33.4
Profit/(Loss) from discontinued operations	(6,903)	(1,550)	(356.2)
Profit/(Loss) for the period	(7,527)	(2,487)	(202.6)
Loss per share from continuing operations	(0.01)	(0.01)	-
Loss per share from discontinued operations	(0.07)	(0.02)	(250.0)

Highlights:

Commenting on the outlook for the full year, Rory Stear, Chairman, said:

"Following the disposal of the Dixie business, Fieldbury has now become an Investing Company under the AIM rules and the Group is actively considering a number of options available to it whilst assessing the future direction of the business. The focus of which is acquiring or taking a controlling interest in a company involved in renewables, alternative energy, environmental or consumer and financial services markets."

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For further information, please contact:

Fieldbury plc
Rory Stear, Chairman

020 7935 5226

Weber Shandwick Financial
Terry Garrett or James White

020 7067 0700

Chairman's Statement

I am pleased to present the interim results for Fieldbury plc (Fieldbury) for the period ended 30 June 2009. These results cover the trading activities of Dixie Sales Company Inc. ('Dixie Sales') which was, during the period, our sole operating subsidiary prior to its disposal.

On 9th July 2009, Fieldbury announced that it had entered into a conditional agreement to dispose of Dixie Sales to a group of Shareholders (the "Consortium"), including three directors of the Company, Harold Reiter, William Barrett and Edward Barrett.

The proposed disposal, and accompanying conversion of ordinary shares into valueless Deferred B Shares, was approved by shareholders at a General Meeting on 24th July. The disposal was completed on 3rd August for a principal consideration comprising the conversion of approximately 40% of the Group's ordinary shares and a cash consideration of \$500,000.

As a result, Harold Reiter, Edward Barrett and William Barrett resigned as directors of Fieldbury. Following the disposal, Fieldbury has now become an Investing Company under the AIM rules, with the proposed strategy to acquire or take a controlling interest in a company or business involved primarily in the following sectors: renewables, alternative energy, environmental or consumer and financial services markets.

The Board is currently exploring a range of options and opportunities that are open to it and is actively considering a number of potential investment opportunities. An update will be made in due course regarding these options and the future direction of the Company.

Financial Review

The operating loss and loss before taxation from continuing operations was US\$0.62 million (2008: Loss US\$0.93 million) and the corresponding loss per share was US\$0.01 (2008: loss US\$0.01).

The Company has a net cash position of \$2.4 million and its right to receive the remaining deferred cash consideration of US \$1.5 million.

Disposal of Dixie

The Disposal was effected by the sale of the entire issued share capital of Fieldbury Holdings Inc, which was the immediate parent company of Dixie Sales. The consideration in relation to the disposal of Dixie Sales consisted of the following:

- the conversion by the Consortium of a total of 39,180,361 Ordinary Shares into Deferred B Shares having limited rights. The Deferred B Shares will have no practical economic value, will not be listed, will be non-voting, will carry no right to a dividend and will be subject to eventual cancellation by the Company for a nominal amount. The ordinary shares owned by the Consortium amounted to approximately 40 per cent. of the total issued ordinary shares;
- cash consideration of US \$500,000 for a promissory note which has a face value of US \$1 million due to the Company from Dixie Sales (in respect of intercompany indebtedness due from Dixie Sales to Fieldbury after set-off of amounts owed by Fieldbury to Dixie Sales and a contribution of a proportion of the Note as a capital contribution to Fieldbury Holdings Inc.). The Note was sold, *inter alia*, to certain shareholders of Fieldbury;
- the release of Fieldbury's guarantee of up to US \$1 million which Fieldbury provided to Dixie Sales' bankers; and

- the release of the promissory note issued by Fieldbury in 2006 at the time of the acquisition of Dixie Sales pursuant to which Fieldbury owed Barrett Marketing Group Inc approximately US \$25,000 as at 30 June 2009.

Capital Reorganisation

At the general meeting shareholders also approved the resolutions relating to the capital reorganisation of the Company which now requires the confirmation of the Court. The application to the Court is in the process of being prepared and will be submitted to the Court for consideration in the near future.

The purpose of the Capital Reorganisation is to eliminate the deficit on the profit and loss account of the Company (which, at 31 December 2008 stood at US \$29,039,000 and which has arisen as a result of past losses incurred) and to create distributable reserves.

The Capital Reorganisation involves four steps and now requires confirmation by the Court:

- the cancellation of the Company's share premium account;
- the capitalisation of the Merger Reserve, creating new Deferred Shares ranking *pari passu* with the existing Deferred Shares;
- the cancellation of the Deferred Shares so created and the existing issued Deferred Shares by way of a reduction of capital; and
- the cancellation of the Deferred B Shares to be issued to the members of the Consortium.

The result of the cancellation of the share premium account, the capitalisation of the Merger Reserve and the cancellation of the Deferred Shares and the Deferred B Shares, once confirmed by the Court, will be to eliminate the current deficit on the Company's profit and loss account and to create a distributable reserve which the Company may use in due course to pay dividends to Shareholders, to distribute surplus cash and for other corporate purposes.

Remaining Business

Following the disposal of Dixie Sales, the Company has no remaining trading business and its only assets (other than the retained shareholding equivalent to 10 per cent. of the issued share capital of Freeplay Market Development which the Company is obliged to transfer in consideration for the payment of the deferred cash consideration) is cash and its right to receive the remaining deferred cash consideration of US \$1.5 million due to it on 31 December 2009 under the terms of the sale of the Freeplay Division which completed on 4 August 2008.

Outlook

At present, Fieldbury has a net cash position of \$2.4 million and its right to receive the remaining deferred cash consideration of US \$1.5 million and has now become an Investing Company under the AIM rules with the proposed strategy to acquire or take a controlling interest in a company or business involved primarily in the following sectors: renewables, alternative energy, environmental or consumer and financial services markets.

The Board continues to explore a number of strategic options concerning the Company's future development and a further update will be made in due course once a proposed course of action has been selected.

R Stear
CHAIRMAN

Fieldbury Plc
GROUP INCOME STATEMENT
For the period ended 30 June 2009

	<i>Notes</i>	Unaudited 6 months ended 30 June 2009	Unaudited 6 months ended 30 June 2008	Audited Year ended 31 December 2008
		Total US\$000	Total US\$000	Total US\$000
REVENUE		-	-	-
Cost of sales		-	-	-
GROSS PROFIT		<u>-</u>	<u>-</u>	<u>-</u>
Administrative expenses		(624)	(715)	(1,138)
Distribution expenses		-	-	-
Other income/(expense)		-	119	-
Impairment of intangible assets		-	-	-
Amortisation of intangible assets		-	(269)	(537)
Share of losses of joint venture		-	(66)	-
Loss from operations		<u>(624)</u>	<u>(931)</u>	<u>(1,675)</u>
Finance expenses		-	(6)	-
Finance income		-	-	33
Loss before tax		<u>(624)</u>	<u>(937)</u>	<u>(1,642)</u>
Income tax		-	-	-
Loss from continuing operations		<u>(624)</u>	<u>(937)</u>	<u>(1,642)</u>
(Loss)/profit from discontinued operations	1	(6,903)	(1,550)	9,732
(Loss)/profit for the period		<u>(7,527)</u>	<u>(2,487)</u>	<u>8,090</u>
Loss per share continuing operations				
Basic		(0.01)	(0.01)	(0.02)
Fully diluted		(0.01)	(0.01)	(0.02)

Fieldbury Plc
group statement of TOTAL RECOGNISED GAINS AND LOSSES
For the period ended 30 June 2009

	Unaudited 6 months ended 30 June 2009 US\$000	Unaudited 6 months ended 30 June 2008 US\$000	Audited Year ended 31 December 2008 US\$000
Foreign currency differences	-	-	-
Net income recognised directly in equity	-	-	-
(Loss)/profit after tax	(7,527)	(2,487)	8,090
Total recognised income and expense for the financial year	(7,527)	(2,487)	8,090

Fieldbury Plc
group BALANCE SHEET
As at 30 June 2009

	Unaudited 30 June 2009 US\$000	Unaudited 30 June 2008 US\$000	Audited Year ended 31 December 2008 US\$000
ASSETS			
NON CURRENT ASSETS			
Goodwill	-	3,495	3,495
Other intangible assets	-	3,673	3,502
Property, plant and equipment	5	807	544
	<u>5</u>	<u>7,975</u>	<u>7,541</u>
CURRENT ASSETS			
Inventory	-	9,447	8,257
Trade receivables and other receivables	1,690	7,785	6,109
other assets	-	445	-
Cash and cash equivalents	2,145	0	2,697
Total current assets	<u>3,835</u>	<u>17,677</u>	<u>17,063</u>
Assets classified as held for sale	14,391	846	-
TOTAL ASSETS	<u><u>18,231</u></u>	<u><u>26,498</u></u>	<u><u>24,604</u></u>
EQUITY AND LIABILITIES			
Capital and Reserves			
Share capital	11,426	11,426	11,426
Share premium account	28,761	28,761	28,761
Merger reserve	1,947	1,947	1,947
Other reserves	60	62	60
Foreign currency translation reserve	-	154	-
Share based payment reserve	1,777	1,762	1,727
Retained losses	(38,293)	(41,761)	(30,766)
TOTAL EQUITY	<u>5,678</u>	<u>2,351</u>	<u>13,155</u>
NON CURRENT LIABILITIES			
Amounts due to bankers and long term financial liabilities	28	255	19
Deferred taxation	-	1,698	524
	<u>28</u>	<u>1,953</u>	<u>543</u>
CURRENT LIABILITIES			
Trade and other payables	227	8,062	4,712
Amounts due to bankers	-	12,650	6,194
Other liabilities	-	1,482	-
Liabilities classified as held for sale	12,298	-	-
	<u>12,525</u>	<u>22,194</u>	<u>10,906</u>
TOTAL LIABILITIES	<u>12,553</u>	<u>24,147</u>	<u>11,449</u>
TOTAL EQUITY AND LIABILITIES	<u><u>18,231</u></u>	<u><u>26,498</u></u>	<u><u>24,604</u></u>

Fieldbury Plc
group statement of changes in equity
For the period ended 30 June 2009

	Share Capital US\$000	Share Premium US\$000	Merger reserve US\$000	Other reserve US\$000	Foreign currency translation reserve US\$000	Share based payment reserve US\$000	Retained losses US\$000	Total Equity US\$000
Balance 31 December 2007	11,426	28,761	1,947	60	154	1,881	(39,275)	4,954
Share based compensation	-	-	-	-	-	(119)	-	(119)
Loss for the period	-	-	-	-	-	-	(2,486)	(2,486)
Exchange differences arising on translation of foreign operations	-	-	-	2	-	-	-	2
Balance at 30 June 2008	11,426	28,761	1,947	62	154	1,762	(41,761)	2,351
Share based compensation	-	-	-	-	-	384	-	384
Transfer due to lapsed share options	-	-	-	-	-	(419)	419	-
Profit for the period	-	-	-	-	-	-	10,576	10,576
Reversal of exchange differences arising on disposal of subsidiaries	-	-	-	(2)	(154)	-	-	(156)
Balance 31 December 2008	11,426	28,761	1,947	60	-	1,727	(30,766)	13,155
Share based compensation	-	-	-	-	-	50	-	50
Loss for the period	-	-	-	-	-	-	(7,527)	(7,527)
Balance 30 June 2009	11,426	28,761	1,947	60	-	1,777	(38,293)	5,678

Fieldbury Plc
group CASHFLOW STATEMENT
For the period ended 30 June 2009

	Period ended 30-Jun-09	Period ended 30-Jun-08	Year ended 31-Dec-08
	US\$000	US\$000	US\$000
(Loss)/profit before taxation	(7,527)	(2,487)	6,916
Adjustments to reconcile (loss)/profit for the period to cash generated/(used) in operating activities			
Finance cost	216	494	639
Finance income	-	(2)	(33)
Share based compensation	50	(119)	265
Depreciation and impairment of fixed assets	678	295	342
Amortisation and impairment of intangible assets	6,916	269	599
Decrease in inventory	595	2,041	2,035
(Increase)/decrease in trade and other receivable	(2,047)	(551)	855
Increase in trade and other payables	390	33	354
Share of loss from joint venture	-	66	-
Loss on disposal of property, plant and equipment	-	2	14
Net movement on provisions	-	894	-
Gain on disposal of discontinued operations	-	-	(11,426)
Cash (used in)/generated from operations	(729)	935	560
Taxation	-	-	311
Cash used in operating activities	(729)	935	871
Cashflows from investment activities			
Acquisition of property, plant and equipment	(36)	(516)	(495)
Acquisition of intangible assets	(22)	-	(51)
Net cash inflow from disposal of Freeplay	-	-	10,022
Interest received	-	2	33
Advances to joint venture	-	(66)	-
Cash used in investing activities	(58)	(580)	9,509
Cashflows from financing activities			
Repayment of borrowings	(198)	(71)	(336)
Interest on loans	(216)	(494)	(639)
Cash from financing	(414)	(565)	(975)
(Decrease)/increase in cash and cash equivalents	(1,201)	(210)	9,405
Opening cash and cash equivalents	(3,290)	(12,695)	(12,695)
Closing cash and cash equivalents	(4,491)	(12,905)	(3,290)

Fieldbury Plc
NOTES TO THE INTERIM FINANCIAL STATEMENTS

GENERAL INFORMATION

The Group's interim result consolidates the results of the Company and its subsidiary companies made up to 30 June 2009.

The interim financial information is presented in US Dollars and all values are rounded to the nearest thousand dollars (\$000) except when otherwise indicated.

The company is a limited liability company incorporated and domiciled in England & Wales and whose shares are listed on the London AIM Stock Exchange.

The interim report was approved for issue by the Board of Directors on 14 September 2009.

BASIS OF PREPARATION

The financial information contained in this interim report does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. 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 2008. The financial information for the preceding year is based on the statutory accounts for the year ended 31 December 2008. These accounts have been delivered to the Registrar of Companies.

SIGNIFICANT ACCOUNTING POLICIES

In accordance with AIM Rules the normal requirement would be for the interim report to be prepared using accounting policies consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2008. Following the completion of the disposal of Dixie Sales Inc on 3 August 2009 the Company will no longer be required to produce consolidated accounts and the financial statements for the year ended 31 December 2009 will represent Fieldbury plc as an individual company and will be prepared in accordance with UK GAAP.

Fieldbury Plc
NOTES TO THE INTERIM FINANCIAL STATEMENTS
For the period ended 30 June 2009

1 DISCONTINUED OPERATIONS

	Unaudited 6 months ended 30 June 2009 US\$000	Unaudited 6 months ended 30 June 2008 US\$000	Audited Year ended 31 December 2008 US\$000
REVENUE	19,322	22,288	40,096
Cost of sales	(13,589)	(15,841)	(28,377)
GROSS PROFIT	5,733	6,447	11,719
Admin, distribution and financing expense	(12,636)	(7,997)	(14,587)
Loss before tax from discontinued operations	(6,903)	(1,550)	(2,868)
Gain on disposal of discontinued operation	-	-	11,426
Taxation	-	-	1,174
Net (loss)/profit attributable to discontinued operations	(6,903)	(1,550)	9,732

Included in Admin, distribution and financing expense is an impairment charge to goodwill, intangible assets and plant and equipment of US\$7,485,000.

The net cash flows attributable to discontinued operations are:

	Unaudited 6 months ended 30 June 2009 US\$000	Unaudited 6 months ended 30 June 2008 US\$000	Audited Year ended 31 December 2008 US\$000
Operating activities	(507)	450	677
Investing cash flow	(94)	(520)	(629)
Financing activities	(98)	(244)	(1,217)
Net cash outflow	(699)	(314)	(1,169)

(Loss)/earnings per share from discontinued operations

	pence	pence	pence
Basic	(0.07)	(0.02)	0.10
Diluted	(0.07)	(0.02)	0.10

2**(LOSS)/EARNINGS PER SHARE**

	Unaudited 30 June 2009 US\$000	Unaudited 30 June 2008 US\$000	Audited Year ended 31 December 2008 US\$000
Loss for the period from continuing operations	(624)	(937)	(1,642)
(Loss)/profit for discontinued operations	(6,903)	(1,550)	9,732
Total (loss)/profit for the period	<u>(7,527)</u>	<u>(2,487)</u>	<u>8,090</u>
Average number of ordinary shares in issue	96,865	96,865	96,865
Dilutive potential of share options	-	-	-
	<u>96,865</u>	<u>96,865</u>	<u>96,865</u>
EPS from continuing operations			
Basic loss per 5p (2008: 5p) ordinary share (in US\$)	(0.01)	(0.01)	(0.02)
Diluted (loss per 5p (2008: 5p) ordinary share (in US\$))	<u>(0.01)</u>	<u>(0.01)</u>	<u>(0.02)</u>
EPS from discontinued operations			
Basic loss per 5p (2008: 5p) ordinary share (in US\$)	(0.07)	(0.02)	0.10
Diluted (loss per 5p (2008: 5p) ordinary share (in US\$))	<u>(0.07)</u>	<u>(0.02)</u>	<u>0.10</u>

The calculation of the basic and diluted loss per ordinary share of 5p (2008: 5p) each has been based on the loss for the relevant period and on 96,864,559 shares (2008: 96,864,559). This represents the weighted average number of ordinary shares in issue. The loss for the period and the weighted average number of ordinary shares for the purposes of calculating the diluted loss per share are the same as for the basic loss per share calculation. This is because the outstanding share options would have the effect of reducing the loss per ordinary share and therefore not dilute under the terms of IAS 33.

3**POST BALANCE SHEET EVENTS****DISPOSAL OF DIXIE DIVISION**

At a general meeting held on 24th July, 2009 the shareholders approved the resolution for the disposal of Dixie Sales Company Inc and the sale of a promissory note.

The Disposal will be effected by the sale of the entire issued share capital of Fieldbury Holdings Inc, which is the immediate parent company of Dixie Sales. The consideration in relation to the disposal of Dixie Sales consists of the following:

- the conversion by the Consortium of a total of 39,180,361 Ordinary Shares into Deferred B Shares having the restricted rights. The Deferred Shares will have no practical economic value, will not be listed, will be non-voting, will carry no right to a dividend and will be subject to eventual cancellation by the Company for a nominal amount. The Ordinary Shares owned by the Consortium amount to approximately 40 per cent. of the total issued Ordinary Shares.
- cash consideration of US \$500,000 for a promissory note which, on completion of the Disposal, will have a face value of US \$1 million due to the Company from Dixie Sales (in respect of intercompany indebtedness due from Dixie Sales to Fieldbury after set-off of amounts owed by Fieldbury to Dixie Sales and a contribution of a proportion of the Note as a capital contribution to Fieldbury Holdings Inc.). The Note will be sold, *inter alia*, to certain Shareholders of Fieldbury.

- the release of Fieldbury's guarantee of up to US \$1 million which Fieldbury has provided to Dixie Sales' bankers.
- the release of the promissory note issued by Fieldbury in 2006 at the time of the acquisition of Dixie Sales pursuant to which Fieldbury owed Barrett Marketing Group, Ltd approximately US \$25,000 as at 30 June 2009.

CAPITAL REORGANISATION

At the general meeting held on 24th July, 2009 the shareholders also approved the resolutions relating to the capital reorganisation of the Company.

The purpose of the Capital Reorganisation is to eliminate the deficit on the profit and loss account of the Company (which, at 31 December 2008 stood at US\$29,039,000 and which has arisen as a result of past losses incurred) and to create distributable reserves.

The Capital Reorganisation involves four steps:

- the cancellation of the Company's share premium account;
- the capitalisation of the Merger Reserve, creating new Deferred Shares ranking *pari passu* with the existing Deferred Shares;
- the cancellation of the Deferred Shares so created and the existing issued Deferred Shares by way of a reduction of capital; and
- the cancellation of the Deferred B Shares to be issued to the members of the Consortium.

The result of the cancellation of the share premium account, the capitalisation of the Merger Reserve and the cancellation of the Deferred Shares and the Deferred B Shares, which has been approved by Shareholders but is awaiting confirmation by the Court, will be to eliminate the current deficit on the Company's profit and loss account and to create a distributable reserve which the Company may use in due course to pay dividends to Shareholders, to distribute surplus cash and for other corporate purposes.

REMAINING BUSINESS

Following the disposal of Dixie Sales, the Company will have no remaining trading business and its only assets (other than the retained shareholding equivalent to 10 per cent. of the issued share capital of Freeplay Market Development which the Company is obliged to transfer in consideration for the payment of the deferred cash consideration) will be cash and its right to receive the remaining deferred cash consideration of US\$1.5 million due to it under the terms of the sale of the Freeplay Division on 31 December 2009.

Following the Disposal the Company will be classified under the AIM Rules as an investing company.