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SAGENTIA GROUP PLC
(‘Sagentia’ or the ‘Group’)

INTERIM RESULTS
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2009

Sagentia is a leading international technology consulting and IP exploitation organisation with a reputation for successfully commercialising emerging science and technology. Sagentia creates, develops and delivers business opportunities, products and services for its clients. Sagentia today announces its results for the six months to 30 June 2009 (the ‘period’).

Summary:

- Group structure further simplified with the disposal of Sagentia Catella AB, our Swedish Battery Testing company, during the period
- Following the death of Alistair Brown in April, the process of identifying a new Chief Executive is well underway
- Fees for services’ revenue of £10.8m (H1 2008: £11.4m) decreased by 5.7% on H1 2008
- Fees for services’ operating loss of £0.4m (H1 2008: profit of £0.6m)
- Action taken to reduce annual costs by £3m
- Cash balance at £4.6m, decreased by £0.7m (H2 2008: £5.3m)
- Net debt increased by £0.6m to £4.8m (H2 2008: £4.2m)
- Costs associated with Venture subsidiaries (£0.4m) and interest charges (£0.2m), together with a non-cash write-down included in change in fair value of financial assets (£1.1m), resulted in overall Group loss before taxation of £1.9m
- With costs reduced, the Group is confident of making progress in the second half of the year

Chris Masters, Sagentia Chairman said:

“Although Sagentia has not been alone in feeling the impact of the global recession, it is nevertheless still disappointing to see the core consulting business returning a small loss after all the progress made during 2008 in restructuring and realigning the business. We have however, moved swiftly to reduce costs. With the business now on a stable financial footing, we look to the future with cautious optimism.”

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**SAGENTIA GROUP PLC
INTERIM RESULTS 2009**

CHAIRMAN'S STATEMENT

In March 2008 I had the pleasure of announcing the appointment of Alistair Brown as CEO of the newly formed Sagentia Group plc. During his first year in the post, Alistair made great strides in improving the business and realigning the Group's strategic direction and it was with great sadness that in April 2009 I had to announce his totally unexpected and untimely death. Alistair leaves a wife and two children to whom we extend our deepest sympathies.

Following Alistair's tragic death Daniel Flicos, the Group's Commercial Director, assumed full operational control of the business, and the Board began the process of identifying Alistair's successor. This process is now nearing completion and we expect to be in a position to make an announcement in the near future.

During the first half of 2009 Sagentia has not been immune from the global recession and, with Fees for services revenue down 5.7% from the same period last year, the consulting operations returned a small loss. We have moved quickly to reduce costs and increase selling activity throughout the business and, we are hopeful of returning to profit during the second half of the year.

Our strategy for the business remains to focus on our consulting and intellectual property ("IP") exploitation activities. The disposal of Sagentia Catella AB, our Swedish Battery Testing company, during the period reflects this. Further disposals of the Group's spin-out companies and investments will occur when appropriate.

Although it is disappointing to see the core consulting business returning a small loss after all the progress made in 2008, the business is now on a stable financial footing, and we look to the future with cautious optimism.

Chris Masters
26 August 2009

ACTING CHIEF EXECUTIVE'S REVIEW

Economic downturns have historically led to a culture of caution and risk aversion. However, unlike previous recessions, in which budgets were cut across the board, many of our clients are continuing to recognise the importance of ongoing innovation to their competitive position. This is reflected in the fact that, whilst the recession has deepened, our revenues for the period are only 5.7% below where they were 12 months ago.

Our consulting services are focused on the creation, development and delivery of new business opportunities, products and services for our clients. During the period we have been particularly pleased to see a continued demand for product development services, which by their nature are larger, long term contracts.

Information on the Group and projects is also available from 'The Gen', our company magazine, recent editions of which may be downloaded from our web site (www.sagentia.com). The latest edition includes news of FreeHand, Prosurgics' laparoscopic robotic camera, which has now received FDA and CE approval, and for which Sagentia was Prosurgics' development partner. Prosurgics is one of a number of medical device clients where we are seeing opportunities to deliver innovation, further enhanced by our certification to ISO13485:2003 (the internationally recognised standard for ensuring adherence to regulatory requirements in the medical device industry).

Our increased focus on the health and wellness market in recent years is starting to reap rewards, and during the first half of 2009 we have seen a robust performance from the medical and consumer sectors. This will continue to form a key strategic focus for the business.

Our Chairman has already mentioned the sad news about Alistair Brown, and I would like to add my own condolences to his. Alistair, in his short time as CEO sought to improve our selling capability, grow our forward sales order book, improve our operational management, reduce costs within the business and consequently increase the profitability of the business. To the Group's benefit, he moved all of these challenges forward during 2008. It was clear in early 2009, however, that we

weren't immune to the recession, and we therefore started to take action to further reduce costs. The benefit of this will be seen in the second half of the year.

We supported Vodafone in the development of its groundbreaking Vodafone Money Transfer service which has been widely recognised as a breakthrough in payment solutions. Branded M-PESA in Kenya, Vodafone M-Pesa in Tanzania and as M-PAISA in Afghanistan, it is expected to launch in other significant markets shortly. Given its success and the wish by Vodafone to roll it into more markets, the service support will be moved to a global IT service delivery organisation. The Vodafone Money Transfer team within Sagentia of approximately 20 staff will therefore transfer during September. We would like to thank them for all of their hard and award winning work.

Sagentia continues to pursue a strategy of generating non-consulting income through IP licensing and through product royalties. Licence income is expected to be generated towards the end of this year, from Master Meter Inc as it launches a breakthrough water meter incorporating our sensing technology. We have made significant progress this year in exploiting a thin-film heating technology which is finding applications in areas as diverse as kitchen appliances and hair care and we expect to earn royalty income from this area in 2010.

The write-down of the deferred consideration from the disposal of Sensopad, shown as a £1.2m change in fair value on financial assets through the consolidated income statement, while not a cash cost to the business in the period, reflects the Board's current level of uncertainty in being able to collect this asset. Given the increased level of uncertainty, which is outside of our control, we have reduced the value of the asset to zero.

Investment in our venture subsidiaries, continues to be kept under careful review given our intention to withdraw from this area of activity. Atranova Ltd is currently in discussions to obtain further direct investment from third parties. If successful, this would reduce our holding in Atranova Ltd to below the level of subsidiary within the Group. Other than the disposal of our shares in CMR Fuel Cells Ltd ("CMR") for £0.4m in March, there has been no change in our 'Other investments', although we continue to look for opportunities to dispose of these holdings.

Dan Flicos

26 August 2009

FINANCIAL REVIEW

The Group focus on technology consulting and IP exploitation has led the segmental analysis to be revised into 'Consulting Operations' and Other Operations. Consulting operations comprise Fees for services, Rechargeable project expenses and Licence / royalty income. Other operations include residual Spin-out company operations and rental income. The segmental analysis is shown in Note 4.

Analysis of the financial statements is given below.

CONSOLIDATED INCOME STATEMENT

The following table analyses the sources of revenue and operating profits and losses on ordinary activities across the Group, and is extracted from the segmental information set out in the notes to this report.

£000s	Six months ended 30 June 2009		Six months ended 30 June 2008		Year ended 31 December 2008	
	Revenue	Profit / (Loss)	Revenue	Profit / (Loss)	Revenue	Profit / (Loss)
Consulting Operations:						
Fees for services	10,758	(382)	11,404	575	22,945	1,870
Recharged project expenses	774	-	2,401	-	4,434	-
Licence / royalty income	46	23	183	151	254	215
	11,578	(359)	13,988	726	27,633	2,085
Other Operations:	662	(197)	827	(524)	1,438	(744)
Revenues : Gross (loss) profit	12,240	(556)	14,815	202	29,071	1,340
Change in fair value of financial assets		(1,124)		(1,067)		(1,982)
Redomiciliation		-		(600)		(589)
Share based payment charge		(95)		(78)		(170)
Operating loss		(1,775)		(1,543)		(1,401)

Fees for services' revenue reduced to £10.8m, a decrease of 5.7% on H1 2008. As outlined above, this follows a slight weakening of order intake at the start of the period, together with a weakening US Dollar for US sales.

Recharged project expenses reduced from £2.4m to £0.8m which does not affect overall profits, but does have a positive benefit on working capital.

Other operations' revenue reduced by £0.2m as a result of the loss of Asset Management fees in 2009, following the disposal of Chord Capital in July 2008. The remaining revenue represents external rental income on Harston Mill and Venture subsidiary income which has remained consistent during the periods.

Gross (loss) profit

Gross loss for the period amounted to £0.6m (H1 2008 profit of £0.2m). This includes exceptional spend in relation to cost savings of £0.3m and forex loss of £0.1m (H1 2008: gain £0.1m).

Change in fair value on financial assets

The reduction of £1.1m comprises a £1.2m write-down of accrued income (deferred consideration) previously recognised, partially offset by the increase in the market value of shares held in AIM listed CMR. The deferred consideration was originally estimated following our disposal of Sensopad Ltd in 2004, and is dependent upon the quantity of sensors to be sold within a four year period. The write-down reflects the reduced levels of Sensopad sensors being used in the automotive sector, and hence the uncertainty over our ability to recover the remaining deferred consideration balance.

The Group's full interest in CMR was disposed of in March 2009.

Redomiciliation

In 2008, the cost of the Redomiciliation of the Group and transfer to AIM, through the creation of Sagentia Group plc, was written off to the Consolidated Income Statement.

Share based payment charge

Under IFRS, the Group has provided £95K for the cost of options issued and outstanding at the end of the period (H1 2008: £78K). No options have been exercised or granted in 2009.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2009 the Group had shareholders' equity of £13.5m (H2 2008: £15.5m) which was equivalent to approximately 62.9p per share (H2 2008: 73.4p per share).

This includes freehold land and buildings with a net book value of £14.2m (H2 2008: £14.2m), against which the Group has an outstanding loan of £9.0m (H2 2008: £9.0m), in addition to cash of £4.6m (H2 2008: £5.3m). The current book value of the building is supported by existing tenants and the commercial property market in Cambridge.

The fair value of investments, other loans to investee companies and deferred income was £3.7m (H2 2008: £6.5m). This represents the BVCA or market valuation of all non-controlled investments. The following three investments, largest by value, represent 97% of the fair/BVCA value of the investment portfolio on the Sagentia balance sheet at 30 June 2009:

Investee company	Group fully diluted equity interest * %	BVCA valuation of Group interest £m
Sphere Medical Holding Ltd	9	1.7
Atraverda Ltd	8	1.3
Sensortec Ltd	10	0.6
Total		3.6

* Fully diluted interest assumes that granted options have been exercised

Cash and borrowings.

Cash at the end of the period was £4.6m (H2 2008 £5.3m). Bank borrowings were £9.0m (H2 2008 £9.0m) from a fully drawn-down facility from Lloyds TSB available until March 2011, and which remain subject to certain financial performance covenants.

Called up share capital, and Merger reserve.

See Note 2.1.

CONSOLIDATED STATEMENT OF CASH FLOWS

Net cash outflow from operating activities total £1.0m (H1 2008: inflow £1.5m). Of this, the loss before income tax, less non-cash items (depreciation, change in fair value, and options) accounted for a cash outflow of £0.6m (2008 H1: £0.5m). Working capital movements (receivables and payables) accounted for a further cash outflow of £0.5m (2008 H1: inflow £2.0m).

Capital expenditure was limited to £0.2m (H1 2008: £0.4m), with the sale of Sagentia Catella fixed assets generating £0.2m. Sales of shares in CMR generated £0.4m.

The cash outflow for the period was £0.7m (H1 2008: inflow £1.3m).

GROUP AUDITOR

The Board has re-appointed Grant Thornton UK LLP as Auditor to Sagentia.

Guy McCarthy

26 August 2009

Attachments
Sagentia Group plc

Consolidated income statement
For the period ended 30 June 2009

		Six months ended 30 June 2009 (Unaudited)	Six months ended 30 June 2008 (Unaudited – See Note 7)	Year ended 31 December 2008 (Audited – See Note 7)
	<i>Notes</i>	£000	£000	£000
Continuing operations				
Revenue		12,240	14,815	29,071
Operating expenses		(12,796)	(14,613)	(27,731)
Gross (loss) profit	4	(556)	202	1,340
Change in fair value on financial assets		(1,124)	(1,067)	(1,982)
Redomiciliation		-	(600)	(589)
Share based payment charge*		(95)	(78)	(170)
Operating loss	4	(1,775)	(1,543)	(1,401)
Finance costs		(250)	(272)	(536)
Finance income		2	15	16
Other financial result		90	273	(289)
Loss on continuing operations before income tax		(1,933)	(1,527)	(2,210)
Income tax expense		(5)	(13)	123
Loss on continuing operations for the period	4	(1,938)	(1,540)	(2,087)
Other comprehensive income				
Exchange differences on translating foreign operations		(93)	(70)	(421)
Total comprehensive income for the period		(2,031)	(1,610)	(2,508)
Attributable to:				
Equity holders of the parent		(2,009)	(1,601)	(2,196)
Minority interests		(22)	(9)	(312)
		(2,031)	(1,610)	(2,508)
Loss per share (basic)	5	(9.0)p	(7.1)p	(9.7)p
Loss per share (diluted)	5	(9.0)p	(7.1)p	(9.7)p

* See Consolidated Statement of Changes in Equity.

Sagentia Group plc
Consolidated statement of changes in shareholders' equity
For the period ended 30 June 2009

Group (Unaudited – See Note 7)	Issued capital	Merger Reserve	Investment In own shares	Translation reserve	Share based payment reserve	Retained earnings	Total – Shareholders funds	Minority Interest	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 January 2008	216	22,202	(61)	(232)	429	(5,150)	17,404	133	17,537
Total comprehensive income for the period	-	-	-	(71)	-	(1,530)	(1,601)	(9)	(1,610)
New shares issued	50	-	(50)	-	-	-	-	-	-
Share options adjustment	-	-	-	-	78	-	78	-	78
Balance at 30 June 2008	266	22,202	(111)	(303)	507	(6,680)	15,881	124	16,005
Balance at 1 July 2008	266	22,202	(111)	(303)	507	(6,680)	15,881	124	16,005
Total comprehensive income for the period	-	-	-	(374)	-	(221)	(595)	(303)	(898)
Dividends payable to minorities	-	-	-	-	-	-	-	(34)	(34)
Issue of shares to minorities	-	-	-	-	-	-	-	276	276
Share options adjustment	-	-	-	-	92	-	92	-	92
Balance at 31 December 2008	266	22,202	(111)	(677)	599	(6,901)	15,378	63	15,441
Balance at 1 January 2009	266	22,202	(111)	(677)	599	(6,901)	15,378	63	15,441
Total comprehensive income for the period	-	-	-	(110)	-	(1,899)	(2,009)	(22)	(2,031)
Share options adjustment	-	-	-	-	95	-	95	-	95
Balance at 30 June 2009	266	22,202	(111)	(787)	694	(8,800)	13,464	41	13,505

Sagentia Group plc
Consolidated statement of financial position
At 30 June 2009

	Six months ended 30 June 2009 (Unaudited) £000	Six months ended 30 June 2008 (Unaudited – See Note 7) £000	Year ended 31 December 2008 (Audited – See Note 7) £000
ASSETS			
Non-current assets			
Intangible assets	-	3	1
Property, plant and equipment	14,800	14,830	15,008
Investments	3,711	6,495	5,291
Deferred income tax assets	2,610	2,657	2,633
	21,121	23,985	22,933
Current assets			
Trade and other receivables	5,531	7,029	6,768
Current tax asset	15	72	80
Investments	-	-	-
Cash and cash equivalents	4,584	2,134	5,341
	10,130	9,235	12,189
Total assets	31,251	33,220	35,122
LIABILITIES			
Current liabilities			
Trade and other payables	5,215	6,211	6,926
Current income tax liabilities	22	33	-
Borrowings	-	60	113
	5,237	6,304	7,039
Non-current liabilities			
Borrowings	9,420	8,180	9,430
Other creditors	80	74	90
Financial instruments	399	-	489
Deferred income tax liabilities	2,610	2,657	2,633
	12,509	10,911	12,642
Total liabilities	17,746	17,215	19,681
Net assets / liabilities	13,505	16,005	15,441
EQUITY			
Equity attributable to equity holders of the parent			
Share capital*	266	266	266
Merger Reserve*	22,202	22,202	22,202
Investment in own shares*	(111)	(111)	(111)
Translation reserves*	(787)	(303)	(677)
Share based payment reserve*	694	507	599
Retained earnings*	(8,800)	(6,680)	(6,901)
	13,464	15,881	15,378
Minority interest*	41	124	63
Total equity	13,505	16,005	15,441

*See Consolidated Statement of Changes in Equity.

Sagentia Group plc
Consolidated statement of cash flows
For the period ended 30 June 2009

	Six months ended 30 June 2009 (Unaudited)	Six months ended 30 June 2008 (Unaudited – See Note 7)	Year ended 31 December 2008 (Audited – See Note 7)
	£000	£000	£000
Profit before taxation	(1,933)	(1,527)	(2,210)
Adjustments for:			
Depreciation charges	199	189	375
Change in fair value	1,124	1,067	2,047
Change in fair value of interest rate swap	(90)	(273)	289
Share based payment charge	95	78	170
(Increase) decrease receivables	1,237	777	965
(Decrease) increase in payables	(1,734)	1,251	918
Cash generated from operations	(1,102)	1,562	2,554
UK corporation tax (paid) received (net)	87	(29)	76
Foreign corporation tax paid (net)	5	-	-
Cash flows from operating activities	(1,010)	1,533	2,630
Purchase of property, plant and equipment	(217)	(435)	(764)
Proceeds from sale of property plant and equipment	188	-	-
Loan repayments received from third parties	9	7	19
Sale of subsidiary undertakings	-	-	10
Sale of financial assets at fair value through the profit and loss	447	-	206
Cash flow from investing activities	427	(428)	(529)
Issue of shares by subsidiary undertakings to minority interests	-	-	276
Dividends paid to minorities	-	-	(34)
Issue of loans by minority interests to subsidiary undertakings	(10)	-	502
Net Loan drawn down (repayment)	(107)	174	1,477
Cash flows from financing activities	(117)	174	2,221
(Decrease) increase in cash and cash equivalents in the period	(700)	1,279	4,322
Cash and cash equivalents at the beginning of the period	5,341	859	859
Exchange gains (losses) on cash	(57)	(4)	160
Cash and cash equivalents at the end of the period	4,584	2,134	5,341

Extracts from notes to the financial statements

1. General information

Sagentia Group plc ('Sagentia' or 'Company') and its subsidiaries (together 'Sagentia' or 'Group') is a leading international technology consulting and IP exploitation organisation with a reputation for successfully commercialising emerging science and technology. Sagentia creates, develops and delivers business opportunities, products and services for its clients.

The Company is the ultimate parent company in which results of all Sagentia companies are consolidated. The Company was incorporated on 17 March 2008 in order to acquire the whole of the undertaking of Sagentia Group AG via a share for share exchange. To date it has acquired 99.9% of Sagentia Group AG via a share for share exchange.

Sagentia develops technologies that underpin the future of the widest range of industries. Its key areas of expertise include: engineering, materials, telecommunications, life sciences, business innovation and electronics. Sagentia's facilities include state-of-the-art laboratories located in Europe in Cambridge and Frankfurt; in the US in Washington, and in Asia in Hong Kong.

The group and company financial statements of Sagentia Group plc for the year ended 31 December 2008 were prepared under IFRS and have been audited by Grant Thornton UK LLP. Copies of the Financial Statements are available from the company's registered office; Harston Mill Harston, Cambridge, CB22 7GG.

The Company is incorporated in England and Wales and has its primary listing on the AIM Market of the London Stock Exchange (SAG.L)

The financial information for the year ended 31 December 2008 set out in this interim report does not constitute statutory accounts as defined in Section 240 of the Companies Act 1985. The financial information included has been abridged, and, where necessary, restated from the 2008 Financial Statements of Sagentia Group plc. The Groups statutory financial statements for the year ended 31 December 2008 have been filed with the Registrar of Companies. The auditor's report on those financial statements was unqualified and did not contain a statement under S237(2) or S237(3) of the Companies Act 1985.

These un-audited interim results have been approved for issue by the Board of Directors on 26th August 2009.

2 Accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

These interim consolidated financial statements are for the six months ended 30 June 2009. They have been prepared based on the measurement and recognition principles of International Financial Reporting Standards (IFRS) and IFRIC interpretations issued and effective at the time of preparing these statements. IAS 1 Presentation of Financial Statements (Revised 2007) and IFRS 8 Operating Segments have therefore been adopted for the first time.

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets at fair value, as allowed by IAS39 Financial Instruments: Recognition and Measure. The basis of consolidation is set out below:

Merger Accounting: Acquisition of Sagentia Group AG by Sagentia Group plc

Sagentia Group plc was incorporated in March 2008 in order to acquire the whole of the undertaking of Sagentia Group AG via a share for share exchange. At 31 December 2008 Sagentia Group plc had acquired 99.6% of Sagentia Group. At 30 June 2009 it had acquired 99.9% of Sagentia Group AG.

The transaction does not qualify as a business combination, and has therefore been accounted for using the merger accounting method. The results and cash flows of the combined entities were therefore brought into the consolidated financial statements of Sagentia Group plc, as though they had always been 99.9% owned, restating comparative results as necessary.

2.2 Research and development expenditure

Research expenditure

Research expenditure is written off as incurred.

Development expenditure

Development expenditure is also written off as incurred, except where the Directors are satisfied that the technical, commercial and financial viability of individual projects criteria are met that would allow such costs to be capitalised.

2.3 Investments

Fair value through profit or loss investments, that are not controlled investments, are shown on the balance sheet at their fair value and any associated changes in fair value are included in the income statement in the period they arise.

Valuation policy - In determining fair value, investments have been valued by the Directors in compliance with the principles of the International Private Equity and Venture Capital Guidelines, updated and effective 1 January 2005, as recommended by the British Venture Capital Association (BVCA).

2.4 Property, plant and equipment

Land and buildings comprise offices and laboratories at Harston Mill, Harston, Cambridge, UK. Land and buildings are shown at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

2.5 Going Concern

The Group has in place bank loan facilities available to March 2011 of up to a maximum of £9.0m. These facilities are secured on the Harston Mill site, and are subject to financial performance covenants of the Group.

The Board has prepared working capital forecasts and concluded that the Group has adequate working capital, will be able to meet the financial performance covenants and that it is appropriate to use the going concern basis of preparation for this financial information.

3 Financial risk management

3.1 Financial risk factors

Sagentia's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest risk and price risk), credit risk, liquidity risk and cash flow interest-rate risk. Sagentia's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on Sagentia's financial performance. Sagentia uses derivative financial instruments to hedge certain risk exposures.

3.2 Fair value estimation

(a) Financial instruments

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by Sagentia is the current bid price. Non quoted financial assets are valued using BVCA methodology.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. Sagentia uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Techniques, such as estimated discounted cash flows, are used to determine fair value for non-traded financial instruments.

4. Segmental information

Sagentia operates one main business segment, being Consulting operations, and combines its other activities into 'Other Operations'. In 2008 Other operations was separated into 3 segments. However, as these either decrease in size or are disposed of, they have been combined into one reporting segment.

Consulting operations include all fees for services work undertaken, and licence / royalty income. Other operations include residual Spin-out company operations and rental income.

	Consulting	Other	Total
Period ended 30 June 2009			
(Unaudited)	£000	£000	£000
Revenue	10,758	662	11,420
Recharged project expenses	774	-	774
Licence / royalty income	46	-	46
Revenue	11,578	622	12,240
Gross loss	(359)	(197)	(556)
Profit on disposal of investments	-	-	-
Change in fair value on financial assets	-	(1,124)	(1,124)
Share based payment charge	(82)	(13)	(95)
Operating loss	(441)	(1,334)	(1,775)
Finance charges	(13)	(145)	(158)
Loss on continuing operations before income tax			(1,933)
Income tax expense			(5)
Loss on continuing operations for the period			(1,938)
Total assets	9,882	21,369	31,251
Total liabilities	(13,883)	(3,863)	(17,746)
Total equity	(4,001)	17,506	13,505

	Consulting	Other	Total
Period ended 30 June 2008			
(Unaudited – See Note 7)	£000	£000	£000
Revenue	11,404	827	12,231
Recharged project expenses	2,401	-	2,401
Licence / royalty income	183	-	183
Revenue	13,988	827	14,815
Gross loss	726	(524)	202
Change in fair value on financial assets	-	(1,067)	(1,067)
Redomiciliation	-	(600)	(600)
Share based payment charge	(67)	(11)	(78)
Operating loss	659	(2,202)	(1,543)
Finance charges			16
Loss on continuing operations before income tax			(1,527)
Income tax expense			(13)
Loss on continuing operations for the period			(1,540)
Total assets	11,790	21,430	33,220
Total liabilities	(13,188)	(4,027)	(17,215)
Total equity	(1,398)	17,403	16,005

4. Segmental information (continued)

	Consulting	Other	Total
Year ended 31 December 2008			
(Unaudited – See Note 7)	£000	£000	£000
Revenue	22,945	1,438	24,383
Recharged project expenses	4,434	-	4,434
Licence / royalty income	254	-	254
Revenue	27,633	1,438	29,071
Gross profit (loss)	2,085	(744)	1,340
Change in fair value on financial assets	-	(1,982)	(1,982)
Redomiciliation	-	(589)	(589)
Share based payment charge	(146)	(24)	(170)
Operating loss	1,939	(3,339)	(1,401)
Finance charges	31	(840)	(809)
Loss on continuing operations before income tax			(2,210)
Income tax expense			123
Loss on continuing operations for the period			(2,087)
Total assets	14,217	20,905	35,122
Total liabilities	(14,502)	(5,179)	(19,681)
Total equity	(285)	15,726	15,441

5. Earnings per share

The calculations of earnings per share are based on the following losses and numbers of shares:

	Six months ended 30 June 2009 (Unaudited)	Six months ended 30 June 2008 (Unaudited – See Note 7)	Year ended 31 December 2008 (Unaudited – See Note 7)
	£000	£000	£000
Loss for the financial period	(1,938)	(1,540)	(2,087)

Weighted average number of shares:	Number	Number	Number
For basic earnings per share	21,575,595	21,575,595	21,575,595
For fully diluted earnings per share	21,575,595	21,575,595	21,575,595

Options have no dilutive effect in loss-making periods, and hence the diluted loss per share for these periods are shown as the same as the basic loss per share.

6 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

6.1 Critical accounting estimates and assumptions

Sagentia makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Fair value of investments

Sagentia tests regularly whether investments, accrued income or other loans have suffered any impairment, in accordance with the accounting policy stated in Note 2. The recoverable amounts have been determined based on BVCA calculations. These calculations require the use of estimates and assumptions on both the recoverability of the loans or accrued income and ability to dispose of the asset for value on an individual investment basis.

(b) Project accounting

Sagentia undertakes a number of fixed price consultancy projects. The state of completeness of each project, and hence, revenue recognised, requires the use of estimates. The value of work done is calculated based on proportion of time spent on the project or value of stage gates achieved as set out in the project.

(c) Other loans recognition

Sagentia has recognised accrued income (deferred consideration) amounting to £Nil (2008: £1.2m) within 'Investments - loans and receivables' that will become due and receivable as part of the consideration of the disposal of Sensopad Ltd. The accrued income is dependent upon quantity of sensors used within a four year period. The write-down therefore reflects the reduced levels of Sensopad sensors currently being used in the automotive sector, and hence the uncertainty over our ability to recover the remaining deferred consideration balance.

7. Comparative Results

As stated in Note 2.1, Sagentia Group plc had acquired Sagentia Group AG via a share for share exchange. At 30 June 2009 Sagentia Group plc had increased its shareholding from 99.6% to 99.9% of Sagentia Group AG. The acquisition has been accounted for using the merger accounting method and therefore the consolidated financial statements of Sagentia Group plc have been produced as though they had always been 99.9% owned, restating comparative results as appropriate.

END.