Chairman's statement

The Board of Energiser Investments plc ("Energiser" or "the Company") announces its interim results for the six months to 30 June 2011. Whilst the economy remains challenging, the Board is now very determined to create value for shareholders on a number of fronts. The Group's main property investment of 20 freehold houses in Wellingborough, Northamptonshire is fully let and is now seeing some growth in rental income. A number of new residential investment opportunities are being reviewed.

Results

The Group made a loss before tax of £50,000 (2010: profit £182,000) which was primarily due to administrative overheads and finance costs. The basic loss per share was 0.16p (2010: earnings per share of 0.57p). As I stated in my last two statements the results were not expected to improve from the year ended 31 December 2010 in the absence of any other activity. The Group's net assets were £293,000 (2010: £445,000) at 30 June 2011, representing net asset value per share of 0.92p (2010: 1.39p).

Stephen Wicks, the Company's largest shareholder has been providing financial support to the Group and as at 30 June 2011, the balance due to him was £6,000 (2010: £89,000). Shareholders will note that the Group has other borrowings but Mr Wicks has agreed to continue to provide continuing financial support to the Group for the foreseeable future, as may be required.

Operations

The Company subscribed for a further 13,547,222 ordinary shares in the EiRx Therapeutics plc ("ETP") as part of its equity fund raising in April 2011 at a cost of £24,000. Our current holding in this company amounts to 12.5% of its issued share capital and as far as the Board is aware, ETP still intends to relist its shares on the AIM market as referred to in my last statement. If this does take place there could be significant value in this investment.

The rental income during the six month period from the 20 houses owned by the Group in Wellingborough was £73,000 (2010: £67,000). The profit after letting, management fees and maintenance was £54,000 (2010: £54,000). The Group has a bank loan of £1,335,000 (2010: £1,361,000) against these properties and the related finance cost for the six months to 30 June 2011 was £29,000 (2010: £25,000). All these properties are currently let and we are evidencing some increases in rental income.

The Group has been looking at investment opportunities in various sectors and has recently invested a small sum in a project within the leisure industry. The Group is phasing its investment in this project in a controlled manner and further sums will only be invested subject to the outcome of the initial phase. However the Board believes that there is potential in the project.

Outlook

The Group will continue its search for other investment opportunities and has taken the decision to sell the property in Gateshead in order to raise further cash in preparation for the new investment opportunities.

Simon Bennett
29 September 2011

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Group income statement

	Note	**Unaudited 6 months to 30 June 2011 £'000**	Unaudited 6 months to 30 June 2010 £'000	Audited year to 31 December 2010 £'000
Continuing operations				
Change in fair value of investments	5&6	**—**	(11)	(11)
Rental income	6	**76**	70	100
Other income	6	**—**	297	297
Administrative expenses	6	**(70)**	(85)	(176)
Operating profit		**6**	271	210
Finance costs		**(56)**	(97)	(149)
Finance income		**—**	8	7
(Loss)/profit before taxation		**(50)**	182	68
Taxation		**—**	—	—
(Loss)/profit for the period attributable to shareholders of the Company		**(50)**	182	68
(Loss)/earnings per share				
Basic and diluted (loss)/earnings per share from total and continuing operations	4	**(0.16)p**	0.57p	0.21p

Diluted earnings per share is taken as equal to basic earnings per share as the Group's average share price during the period is lower than the exercise price and therefore the effect of including share options is anti-dilutive.

Group statement of financial position

	Note	**Unaudited as at 30 June 2011**	Unaudited as at 30 June 2010	Audited as at 31 December 2010
		£'000	£'000	£'000
ASSETS				
Non-current assets				
Financial assets at fair value through profit and loss	6	**34**	1	—
Current assets				
Inventories		**2,447**	2,494	2,447
Trade and other receivables		**19**	16	22
Cash and cash equivalents		**10**	72	8
		2,476	2,582	2,477
Total assets		**2,510**	2,583	2,477
LIABILITIES				
Current liabilities				
Trade and other payables		**173**	287	143
Short term borrowings		**743**	1,851	733
		916	2,138	876
Non-current liabilities				
Long term borrowings		**1,301**	—	1,262
Total liabilities		**2,217**	2,138	2,138
Net assets		**293**	445	339
EQUITY				
Share capital		**2,300**	2,300	2,300
Share premium account		**5,641**	5,641	5,641
Convertible loan		**88**	88	88
Merger reserve		**1,012**	1,012	1,012
Retained earnings		**(8,748)**	(8,596)	(8,702)
Total equity		**293**	445	339

Group statement of changes in equity

Share

	Share capital £'000	premium account £'000	Convertible loan £'000	Merger reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2010	2,300	5,641	88	1,012	(8,786)	255
Profit for the 6 months	—	—	—	—	182	182
Total comprehensive income	—	—	—	—	182	182
Share based compensation	—	—	—	—	8	8
Balance at 30 June 2010	**2,300**	**5,641**	**88**	**1,012**	**(8,596)**	**445**
Loss for the 6 months	—	—	—	—	(114)	(114)
Total comprehensive income	—	—	—	—	(114)	(114)
Share based compensation	—	—	—	—	8	8
Balance at 31 December 2010	**2,300**	**5,641**	**88**	**1,012**	**(8,702)**	**339**
Loss for the 6 months	—	—	—	—	(50)	(50)
Total comprehensive income	**—**	**—**	**—**	**—**	**(50)**	**(50)**
Share based compensation	—	—	—	—	4	4
Balance at 30 June 2011	**2,300**	**5,641**	**88**	**1,012**	**(8,748)**	**293**

Group statement of cash flows

	Unaudited 6 months to 30 June 2011	Unaudited 6 months to 30 June 2010	Audited year to 31 December 2010

	£'000	£'000	£'000
Cash flows from operating activities			
(Loss)/profit before and after taxation	**(50)**	182	68
Adjustments for:			
Change in fair value of investments	**—**	11	11
Interest expense	**56**	96	149
Decrease/(increase) in trade and other receivables	**3**	—	(5)
Increase/(decrease) in trade payables	**3**	(33)	(183)
Interest received	**—**	(7)	(7)
Profit on loan redemption	**—**	(297)	(297)
Share option charge	**4**	8	16
Write down of inventories to net realisable value	**—**	—	40
Increase in inventories	**—**	(101)	(94)
Net cash generated from/(used in) operating activities	**16**	(141)	(302)
Cash flows from investing activities			
Purchase of investments	**(34)**	(52)	(52)
Proceeds from sale of investments	**—**	268	269
Interest received	**—**	7	7
Net cash (used in)/generated from investing activities	**(34)**	223	224
Cash flows from financing activities			
Proceeds from borrowings	**66**	209	442
Re-payment of borrowings	**(17)**	(465)	(553)
Interest paid	**(29)**	(24)	(73)
Net cash generated from/(used in) financing activities	**20**	(280)	(184)
Net increase/(decrease) in cash and cash equivalents	**2**	(198)	(262)
Cash and cash equivalents at beginning of period	**8**	270	270
Cash and cash equivalents at end of period	**10**	72	8

1. Nature of operations and general information

The principal activity of the Group is as an investment company investing in quoted and unquoted companies to achieve capital growth. The Group also holds a property development acquired by way of its principal activity. The properties are held for sale with rental income arising from short term lets.

Energiser Investments plc is the Group's ultimate parent company. It is incorporated and domiciled in Great Britain. The address of Energiser Investments plc's registered office, which is also its principal place of business, is 2 Anglo Office Park, 67 White Lion Road, Amersham, Bucks, HP7 9FB.

Energiser Investments plc's shares are quoted on AIM, a market operated by the London Stock Exchange. This consolidated interim statement has been approved for issue by the Board of Directors on 29 September 2011.

The financial information set out in this interim statement does not constitute statutory accounts as defined in Sections 434(3) and 435(3) of the Companies Act 2006. The Group's statutory financial statements for the year ended 31 December 2010 have been filed with the Registrar of Companies and are available at www.energiserinvestments.co.uk. The auditor's report on those financial statements was unqualified and did not contain any statement under Section 498(2) or Section 498(3) of the Companies Act 2006.

2. Basis of preparation

This consolidated interim statement has been prepared in accordance with International Accounting Standard 34 – Interim Financial Reporting.

The consolidated interim statement should be read in conjunction with the annual financial statements for the year ended 31 December 2010, which have been prepared in accordance with IFRS as adopted by the European Union.

3. Accounting policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2010, as described in those financial statements

4. (Loss)/earnings per ordinary share

The (loss)/earnings per ordinary share is based on the weighted average number of ordinary shares in issue during the period of 32,037,956 ordinary shares of 0.1p (2010: 32,037,956 ordinary shares of 0.1p) and the following figures:

	Unaudited 6 months to 30 June 2011	Unaudited 6 months to 30 June 2010	Audited year to 31 December 2010
(Loss)/earnings attributable to equity shareholders £'000	**(50)**	182	**68**
(Loss)/earnings per ordinary share	**(0.16)p**	0.57p	**0.21p**

Diluted earnings per share is taken as equal to basic earnings per share as the Group's average share price during the period is lower than the exercise price and therefore the effect of including share options is anti-dilutive.

5. Income and segmental analysis

	Unaudited 6 months to 30 June 2011 £'000	Unaudited 6 months to 30 June 2010 £'000	Audited year to 31 December 2010 £'000
Segment result			
Investment activities:			

Change in fair value of investments	**—**	(11)	(11)
Administrative expenses	**(50)**	(64)	(132)
	(50)	(75)	(143)
Rental activities:			
Rental income	**76**	70	100
Administrative expenses	**(20)**	(21)	(44)
	56	49	56
Other income:			
Profit on loan redemption	**—**	297	297
	—	297	297
Operating profit	**6**	271	210
Finance costs	**(56)**	(97)	(149)
Finance income	**—**	8	7
Profit before tax	**(50)**	182	68

	Unaudited as at 30 June 2011	Unaudited as at 30 June 2010	Audited as at 31 December 2010
	£'000	£'000	£'000
Segment assets			
Investment activities:			
Non-current assets	**34**	1	—
Current assets	**12**	60	11
	46	61	11
Rental:			
Current assets – inventories	**2,447**	2,494	2,447
Current assets – other	**17**	28	19
	2,464	2,522	2,466
Segment liabilities			
Investment activities:			
Current liabilities	**709**	737	617
Non-current liabilities	**—**	**—**	—
	709	737	617
Rental:			
Current liabilities	**207**	1,401	259
Non-current liabilities	**1,301**	**—**	1,262
	1,508	1,401	1,521

The activity of both the investments and rentals arose wholly in the United Kingdom. No single customer accounts for more than 10% of revenue.

6. Investments

In accordance with IFRS 7, financial instruments are measured by level of the following fair value measurement hierarchy:

- Level 1: quoted prices in an active market for identical assets or liabilities. The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the closing price on the last day of the financial year of the Group. These instruments are included in level 1 and comprise FTSE and AIM listed investments classified as held at fair value through profit and loss.
- Level 2: the fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on

entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. The Group holds no such instruments in the current or prior year.

- L evel 3: the fair value of financial instruments that are not traded in an active market (for example, investments in unquoted companies) is determined by using valuation techniques such as earnings multiples. If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

All items held at fair value through profit and loss were designated as such upon initial recognition. Movements in investments at fair value through profit or loss are summarised as follows:

	Level 1 Quoted equity investments £'000	**Level 3 Unquoted financial instruments £'000**	**Total investments £'000**
Cost			
At 1 January 2010	216	4,853	5,069
Additions	52	—	52
Sales:			
– proceeds	(268)	—	(268)
– realised gains on sales	(11)	—	(11)
At 30 June 2010	(11)	4,853	4,842
Unrealised appreciation/(depreciation)			
At 1 January 2010	12	(4,853)	(4,841)
At 30 June 2010	12	(4,853)	(4,841)
Fair value			
At 30 June 2010	**1**	**—**	**1**
Cost			
At 1 July 2010	(11)	4,853	4,842
Sales:			
– proceeds	(1)	—	(1)
At 31 December 2010	(12)	4,853	4,841
Unrealised appreciation/(depreciation)			
At 1 July 2010	12	(4,853)	(4,841)
At 31 December 2010	12	(4,853)	4,841
Fair value			
At 31 December 2010	**—**	**—**	**—**
Cost			
At 1 January 2011	(12)	4,853	4,841
Additions	—	34	34
At 30 June 2011	**(12)**	**4,887**	**4,875**
Unrealised appreciation/(depreciation)			
At 1 January 2011	12	(4,853)	(4,841)
At 30 June 2011	**12**	**(4,853)**	**4,841**
Fair value			
At 30 June 2011	**—**	**34**	**34**