



VOLLER ENERGY GROUP Plc
("Voller "or "the Company")

Interim results for the six months ended 31 December 2008.

I am pleased to report on the activities of Voller for the six months to 31 December 2008.

Voller Energy Group plc, announces its interim results for the six months ended 31 December, 2008.

Following the initial commercial sales of the Emerald fuel cell system in the 2007/08 financial year, the first six months to 31 December, 2008 saw Voller make further progress in shipping Emerald systems to customers and penetrating its target markets. Unfortunately, general market conditions deteriorated throughout 2008 making the raising of the new funding that the Group required to execute its commercial strategy extremely difficult.

On 17th November 2008 the Company announced that due to the lack of new funding available, the Board had reluctantly concluded that not all of the Company's original strategic objectives of designing, developing, manufacturing and marketing fuel cell systems could be achieved. The Board therefore resolved that, subject to Court and shareholder approval, the trading activity of the Company should cease and that cash should be returned to shareholders by way of dividend.

Furthermore the Board recommended that the Company remain listed on AIM as a cash shell with a view to acquiring another business. This change of strategy results in the Company being treated as an "investing company" under AIM Rules. Any acquisition of another business would be classified as a "reverse takeover" under the AIM Rules and would be subject to Shareholder approval and a new Admission document would be required to be published.

Shareholder approval for the new strategy was gained via the passing of a resolution at the Company's General Meeting held on 12th December 2008.

Accordingly, the trading activity of the Group has now ceased, all employees have been made redundant, and the physical assets of the group have been sold. The intellectual property assets continue to be held by the Group and could form part of any reverse takeover transaction. The Directors remain willing to entertain any serious offers for the intellectual property assets.

Payment of the dividend also required that capital of the Company be reorganised. Shareholder approval for this was obtained via the passing of resolutions at the Company's General Meeting on 12 December 2008, was approved by the High Court in January 2009, has been registered at Companies House and has therefore been completed. As announced on 19th February 2009 two pence per share will be distributed by way of a dividend payment on 20th March 2009 in line with previous guidance.

As previously described a small amount of cash will be retained in the Company to cover anticipated broker, listing and professional fees, for the protection of the Company's creditors, and as a reserve to allow for potential future liquidation costs or other costs. If a suitable reverse acquisition target is not found by 12th December 2009 the remaining Directors will seek shareholder approval to de-list and to proceed with a members' voluntary liquidation, both of which will be carried out as soon as practicable after that twelve month period has passed. Any remaining cash in the shell following liquidation will be distributed to

shareholders. J E Brown and R M Clarke will work with the Company's advisers in trying to source potential acquisition targets and manage the cash shell. All other Directors have now stepped down from the Board following the approval of the dividend.

John brown Chairman commented:

"It is deeply unfortunate that current economic conditions have made it impossible for us to fully commercialise the groundbreaking technology represented by the Emerald system, a product that had the potential to make a significant contribution to easing the pressures on the environment caused by global warming. Voller Energy would like to thank all of our shareholders, employees, customers, partners and suppliers for their past support and wish them every success in the future."

John Brown FCCA.
Chairman

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Voller Energy Group Plc

Consolidated income statement (IFRS)
for the six months ended 31 December 2008

| | Note | (Unaudited) 6 months to 31 Dec 2008 £'000 | (Unaudited) 6 months to 31 Dec 2007 £'000 | Year to 30 June 2008 £'000 |
|---|------|---|---|-------------------------------------|
| Revenue | 3 | (38) | 19 | 105 |
| Cost of sales | | <u>(5)</u> | <u>(17)</u> | <u>(310)</u> |
| Gross (Loss)/ Profit | | (43) | 2 | (205) |
| Administrative expenses | | 1,764 | 1,403 | (2,795) |
| Operating Loss | | (1807) | (1,401) | (3,000) |
| Investment Income | | <u>32</u> | <u>124</u> | <u>201</u> |
| Loss on ordinary activities before taxation | | <u>(1775)</u> | <u>(1,277)</u> | <u>(2,799)</u> |
| Taxation | | - | - | 260 |
| Loss on ordinary activities after taxation and retained loss for the period/year | | <u>(1775)</u> | <u>(1,277)</u> | <u>(2,539)</u> |
| Basic and diluted loss per ordinary share | 4 | <u>(7.71)p</u> | <u>(5.55)p</u> | <u>(11.03)p</u> |

All amounts relate to continuing activities.

Voller Energy Group Plc**Consolidated Balance Sheet as at 31 December 2008**

| | (Unaudited) 31 Dec 2008 £000 | (Unaudited) 31 Dec 2007 £000 | 30 June 2008 £000 |
|-----------------------------|---------------------------------------|---------------------------------------|-------------------------|
| Non Current Assets | | | |
| Property, Plant & Equipment | 80 | 267 | 175 |
| Current Assets | | | |
| Inventories | - | 31 | 210 |
| Trade and other receivables | 135 | 337 | 526 |
| Cash and cash equivalents | <u>1,023</u> | <u>3,330</u> | <u>1,948</u> |
| | <u>1,158</u> | <u>3,698</u> | <u>2,684</u> |
| Current Liabilities | | | |
| Trade and other payables | <u>461</u> | <u>237</u> | <u>307</u> |
| Net Current Assets | 697 | 3,461 | 2,377 |
| Net Assets | <u>777</u> | <u>3,728</u> | <u>2,552</u> |
| Equity | | | |
| Share Capital | 459 | 459 | 459 |
| Share Premium | 8,884 | 8,884 | 8,884 |
| Merger Reserve | 161 | 161 | 161 |
| Equity Reserve | 132 | 18 | 132 |
| Retained Loss | (8,859) | (5,794) | (7,084) |
| Total Equity | <u>777</u> | <u>3,728</u> | <u>2,552</u> |

Voller Energy Group Plc

Consolidated Cash Flow Statement
for the six months ended 30 December 2008

| | Note | (Unaudited) 6 months to 31 Dec 2008 £000 | (Unaudited) 6 months to 31 Dec 2007 £000 | Year to 30 June 2008 £000 |
|---|------|--|--|------------------------------------|
| Net cash outflow from operating activities | 6 | (956) | (1,477) | (2,989) |
| Investing activities | | | | |
| Interest received | | 32 | 124 | 201 |
| Purchase of property, plant and equipment | | (2) | (49) | (66) |
| Disposal of property, plant and equipment | | 1 | - | 70 |
| Net cash from financing activities | | <u>31</u> | <u>75</u> | <u>205</u> |
| Decrease in cash and cash equivalents in the year | | <u>(925)</u> | <u>(1,402)</u> | <u>(2,784)</u> |
| Cash and cash equivalents at start of the period/ year | | <u>1,948</u> | <u>4,732</u> | <u>4,732</u> |
| Cash and cash equivalents at the end of the period/ year | | <u>1,023</u> | <u>3,330</u> | <u>1,948</u> |

Voller Energy Group PLC

Notes to the interim statement for the six months ended 31 December 2008

1. General information

The information for the year ended 30 June 2008 does not constitute statutory accounts as defined in section 240 of the Companies Act 1985. A copy of the statutory accounts for that year has been delivered to the Registrar of Companies. The auditors' report on those accounts was not qualified and did not contain statements under section 237(2) or (3) of the Companies Act 1985.

2. Accounting policies

The annual financial statements of Voller Energy Group Plc are prepared in accordance with IFRSs 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 International Accounting Standards 34 'Interim Financial Reporting', as adopted by the European Union.

The same accounting policies, presentation methods of computation are followed in the condensed set of financial statements as applied in the Group's latest annual audited financial statements.

3. Revenue

Revenue is wholly attributable to the principal activity of the Company. Turnover, results and assets are by origin located within the United Kingdom.

An analysis of the group's revenue is as follows:

| | Unaudited 6 months to 31 Dec 2008 £'000 | Unaudited 6 months to 31 Dec 2007 £'000 | Audited year ended 30 June 2008 £'000 |
|------------------------------|---|---|--|
| Continuing operations | | | |
| Sales of goods | (38) | 19 | 105 |
| Revenue | (38) | 19 | 105 |
| Investment income | 32 | 124 | 201 |
| Total revenue | (6) | 143 | 306 |

Business and geographical segments

Business segments

For management purposes, the group is currently organised into one operating division. This division is the basis on which the group reports its primary segment information.

The principal activity is the production of fuel cell systems, being the only segment of the business. As per IAS 14 the Group is not required to produce the segmental analysis as there is only one segment.

3. Revenue (continued)

The following table provides an analysis of the Group's sales by geographical market:

| | Unaudited 6 months to 31 Dec 2008 £'000 | Unaudited 6 months to 31 Dec 2007 £'000 | Audited year ended 30 June 2008 £'000 |
|----------------|---|---|---|
| United Kingdom | (60) | 4 | 79 |
| Europe | 22 | 3 | 4 |
| North America | - | 6 | 10 |
| Asia Pacific | - | 6 | 12 |
| | <u>(38)</u> | <u>19</u> | <u>105</u> |

Voller Energy Group Plc do not operate on a seasonal basis.
The negative revenue shown above represents the cancellation of a sale in the United Kingdom prior to 30 June, 2008.

4. Dividend

The directors propose a dividend of 2p per share.

5. Consolidated statement of changes in equity

| | Share Capital £'000 | Share Premium £'000 | Merger Reserve £'000 | Share Option Reserve £'000 | Profit and Loss £'000 | Total £'000 |
|------------------------------|---------------------------|---------------------------|----------------------------|-------------------------------------|-----------------------------|----------------|
| At 30 June 2008 | 459 | 8,884 | 161 | 132 | (7,084) | 2,552 |
| Retained loss for the period | | | | | (1,775) | (1,775) |
| At 31 December 2008 | <u>459</u> | <u>8,884</u> | <u>161</u> | <u>132</u> | <u>(8,859)</u> | <u>777</u> |

6. Reconciliation of operating loss to net cash outflow from operating activities

| | Unaudited 6 months to 31 December 2008 | Unaudited 6 months to 31 December 2007 | Audited year ended 30 June 2008 |
|--|---|---|---------------------------------------|
| Operating loss | (1,807) | (1,401) | (3,000) |
| Depreciation | 36 | 39 | 78 |
| Impairment provision | 60 | - | - |
| Taxation | - | - | 213 |
| Decrease/(Increase in stocks) | 210 | (1) | (180) |
| Decrease/(Increase) in debtors | 391 | (25) | (167) |
| Increase/(decrease) in creditors | 154 | (89) | 67 |
| Net cash outflow from operating activities | <u>(956)</u> | <u>(1,477)</u> | <u>(2,989)</u> |

7. Loss per share from continuing operations

The calculation of the basic and diluted loss per share is based on the following data,

| | Unaudited 6 months to 31 December 2008 | Unaudited 6 months to 31 December 2007 | Audited year ended 30 June 2008 |
|--|--|--|--|
| Loss | | | |
| Loss for the purpose of basic loss per share being net loss attributable to equity holders of the parent | <u>1,775</u> | <u>1,277</u> | <u>2,539</u> |
| Number of shares | No. | No. | No. |
| Weighted average number of ordinary shares for the purpose of basic loss per share | <u>23,000,513</u> | <u>23,000,513</u> | <u>23,000,513</u> |

IAS 33 requires presentation of diluted EPS when a company could be called upon to issue shares that would decrease net profit or increase net loss per share. For a loss making company with outstanding share options, net loss would only be increased by the exercise of out-of-the-money options. Since it seems inappropriate to assume that the option holders would act irrationally, no adjustment has been made to diluted EPS for out-of-the-money share options.

Post Balance sheet events

Capital Restructure

The share premium account was cancelled and the share capital reduced from 2p per share to 0.1p per share by special resolutions passed at the general meeting of the Company on 12 December, 2008. The capital reduction was confirmed by the High Court of England and Wales on 26 January 2009.

The capital reduction became effective on 27 January, 2009 when the Court Order was registered with the Registrar of Companies.

Following the capital reduction the amounts of £8.884m (Share Premium account) and £436k (reduction in share capital) were transferred to distributable reserves.

Consequent upon this transfer the Company had retained profits of £726k and on 19 February, 2009 the Company made an announcement to declare a dividend of 2p per share and filed Proforma accounts of the Company for the seven months to 31 January, 2009 in support. The announcement indicated that the dividend would be paid on 20 March, 2009.