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BlueBay Asset Management plc
77 Grosvenor Street
London
W1K 3JR
United Kingdom

Securities and Exchange Commission (the "SEC")
Office of International Corporate Finance
450 Fifth Street, N.W.
Washington, D.C. 20549
USA

17 April 2008

SEC
Mail Room

ADD 22 MAIL

By Courier

SUPPL

Washington, DC
104

Dear Sir or Madam

RE: BlueBay Asset Management plc

On behalf of BlueBay Asset Management plc (the "Company"), a company incorporated under the laws of the United Kingdom, we herewith submit information with respect to the Company as required by subparagraph (b)(1)(iii) of Rule 12g3-2 under the Securities Exchange Act of 1934 (the "Exchange Act") in order to maintain the exemption of the Company from the requirements of section 12(g) of the Exchange Act.

Information Furnished

Please find attached hereto as Appendix A a list of the information the Company has made public, filed or distributed since the date of the previous list sent to you by the Company. Please also find enclosed copies of the documents referred to in Appendix A.

The information and documents being furnished hereby are being furnished with the understanding that such information and documents will not be deemed "filed" with the SEC or otherwise be subject to the liabilities of section 18 of the Exchange Act, and that neither this letter nor the furnishing of such information and documents constitutes an admission for any purpose that the Company is subject to the Exchange Act or otherwise seeks the benefits or protections of the U.S. legal system.

Can you please acknowledge receipt by stamping and returning the enclosed copy of this letter, using the self-addressed envelope also enclosed.

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MAY 20 2008
THOMSON REUTERS

Handwritten signature and date: 5/15

If you have any questions or comments regarding the foregoing, please contact the undersigned at the below noted phone number or e-mail address.

Yours faithfully



Simon Sutcliffe
Legal Associate
BlueBay Asset Management plc
77 Grosvenor Street, London, W1K 3JR

Tel: 020 7389 8372
Fax: 020 7930 7400

Email: ssutcliffe@bluebayinvest.com

www.bluebayinvest.com

APPENDIX A

MATERIAL MADE PUBLIC, FILED OR DISTRIBUTED BY THE COMPANY

| <u>Press Release / Regulatory News Items</u> | | |
|---|------------------------|---|
| Title | Date of Release | Description |
| Regulatory News Item | 19 February 2008 | Additional Listing |
| Press Release | 20 february 2008 | Interim Results for 6 Months Ended 31 December 2007 |
| Regulatory News Item | 20 February 2008 | Interim Results Part 1 |
| Regulatory News Item | 20 February 2008 | Interim Results Part 2 |
| Regulatory News Item | 29 February 2008 | New Appointment |
| Regulatory News Item | 29 February 2008 | Total Voting Rights |
| Regulatory News Item | 11 March 2008 | Employee Share Scheme |
| Regulatory News Item | 13 March 2008 | Director Shareholdings |
| Regulatory News Item | 14 March 2008 | Notification of IMS |
| Regulatory News Item | 1 April 2008 | Blocklisting Interim Review |
| Regulatory News Item | 1 April 2008 | Total Voting Rights |
| Regulatory News Item | 2 April 2008 | Employee Share Scheme |
| Regulatory News Item | 4 April 2008 | Holdings in Company |

| <u>UK Companies House / FSA / UKLA Filings</u> | | |
|---|-------------------|--------------------|
| Title | Stamp Date | Description |
| Annual Report | 15 February 2008 | Annual Report 2007 |



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REG-BlueBay Asset Man <BBAY.L> Additional Listing

19/02/2008

RNS Number:31290
BlueBay Asset Management PLC
19 February 2008

BlueBay Asset Management plc - Block Listing of Shares

Application has been made to the UK Listing Authority and the London Stock Exchange for a block listing of 2,000,000 ordinary shares of 0.1p each in BlueBay Asset Management plc ("Ordinary Shares"). These Ordinary Shares are being admitted to trade on the London Stock Exchange and are to be admitted to the Official List upon allotment pursuant to the Company's obligations under the unapproved option scheme. Participants in that scheme have or will become entitled to these shares following exercise in the case of share options. These shares will rank equally with the existing issued Ordinary Shares.

This information is provided by RNS
The company news service from the London Stock Exchange

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REG-BlueBay Asset Man <BBAY.L> Interim Results - Part 1

20/02/2008

RNS Number:34810
BlueBay Asset Management PLC
20 February 2008

FOR IMMEDIATE RELEASE

BlueBay Asset Management plc

INTERIM RESULTS FOR THE YEAR ENDED 31 DECEMBER 2007 (unaudited)

Financial highlights

| | Six months ended 31 December 2007 ----- | Six months ended 31 December 2006 ----- | Year to 30 June 2007 ----- |
|------------------------------------|--|--|----------------------------------|
| Assets under Management | US\$16.4bn | US\$9.6bn | US\$13.1bn |
| Total fee income | £62.0m | £56.6m | £109.2m |
| Net management fee income * | £43.3m | £26.6m | £61.0m |
| Performance fee income | £18.7m | £30.0m | £48.2m |
| Profit before tax ** | £29.6m | £29.2m | £51.6m |
| Operating margin ** | 44.4% | 50.0% | 45.2% |
| Profit after tax | £20.2m | £20.0m | £35.2m |
| Diluted earnings per share | 10.1p | 10.2p | 18.5p |
| Proposed dividend per share *** | 3.2p | n/a | 6.0p |

* Stated net of rebates

** Stated after exceptional items

*** Private limited company prior to November 2006

Hugh Willis, BlueBay's Chief Executive Officer, said:

"As has been well publicised, conditions in credit markets have continued to deteriorate since BlueBay's preliminary results in September 2007. Despite this, inflows into BlueBay's funds have remained strong and the Group has continued to generate positive performance fees. While it is quite likely that credit markets remain volatile in the near term, we are nevertheless confident of meeting the full year AuM growth projections made at the time of our preliminary results; implying second half net inflows of around \$2.5 billion, with a significant long-only weighting."

"Looking further forward, the medium term is beginning to look very interesting. The strong European corporate credit and emerging market fixed income secular growth trends that BlueBay has enjoyed for several years remain intact; as evidenced by continued inflows in the face of difficult market conditions. This secular opportunity is, moreover, fast being supplemented by a cyclical opportunity; as credit market turmoil causes credit indices to approach historic wides and forward IRRs on credit portfolios to increase sharply. In our experience, large strategic fund investors are looking as a result to raise their exposure to credit; anticipating a two to three year period of equity-style returns being available for credit risk. We believe that BlueBay's robust investment and infrastructure platform, coupled with its strong brand, leaves it very well positioned to benefit from these developments."

Enquiries:

BlueBay Asset Management plc 020 7389 3700

Hugh Willis, CEO

Nick Williams, CFO

Alex Khein, COO

Brunswick Group LLP 020 7404 5959

Nigel Prideaux/Andrew Garfield/Tim Williamson

Notes to Editors:

Information on BlueBay

Founded in 2001, BlueBay is one of the largest independent managers of fixed income credit funds and products in Europe. It listed on the London Stock Exchange in November 2006. With approximately US\$16.4 billion of assets under management as at 31 December 2007, it has one of the largest concentrations of fixed income credit expertise in Europe. BlueBay specialises in two major sub-asset classes of credit - European corporate debt and emerging markets debt.

Within each sub-asset class, the Company offers two distinct product lines: long

/short and long-only funds. It also manages a number of long-only segregated accounts on behalf of large institutional clients. BlueBay's overall aim is to provide a broad range of credit products to modern institutional investors which offer attractive risk-adjusted performance characteristics. BlueBay distributes its products directly, through wholesalers and via intermediaries. Its sales and marketing team is based in the Company's offices in London, Tokyo and New York.

Interim management report - half year review

1. Business overview

We are pleased to present the interim results of BlueBay Asset Management plc ("BlueBay" or the "Group") for the half year ended 31 December 2007.

We are a large independent European fixed income credit manager; combining asset class specialisation with product breadth. Recent developments in the asset management industry have favoured the growth of specialised asset managers over the more traditional generalists. We believe it is difficult to excel in a wide range of disparate investment disciplines and that focus on a narrower range of products produces superior returns. We therefore provide clients with products across a range of different risk-return profiles from absolute return oriented long/short funds to principal-protected long-only fund derivatives.

Against the backdrop of significant turmoil in the global credit markets over the six month period, BlueBay has continued to make solid progress. During the first half of the year, BlueBay recorded increases in Assets under Management (up 71% on the six months ended 31 December 2006) and net management fees (up 63% on the six months ended 31 December 2006). Partly as a result of credit market conditions and partly due to a very strong prior year comparable period, however, performance fees were down 38% on the six months ended 31 December 2006. This limited pre-tax profits growth to 1%. While credit market conditions have remained difficult in the early part of the second half of the financial year, we remain confident of the prospects for our business.

Assets under Management

Assets under Management increased during the six month period ended 31 December 2007: by 25% to US\$16.4 billion from their level at 30 June 2007; and by 71% from their level at 31 December 2006. The increase of US\$3.3 billion since 30 June 2007 is split between net subscriptions of US\$2.5 billion (gross subscriptions of \$4.1 billion and gross redemptions of \$1.6 billion) and net market appreciation of US\$0.8 billion. Of the gross redemptions, 25% were reinvested in other BlueBay products.

For the purpose of this interim report and for future reporting, we have decided to revise the presentational format of our AuM. Under the new format, we will be segmenting AuM into two product lines rather than three; with the segment previously referred to as Structured Products being reallocated between the remaining long/short or long-only segments as appropriate. This change is intended both to simplify presentation and to reflect more accurately the nature of the products involved - 73% of the funds historically reported as Structured Products are fund derivative products linked to BlueBay's existing long/short or long-only funds; the balance are open ended funds managed by BlueBay's long only portfolio managers.

An analysis of information reported under the new format compared with the old format is given in Appendix 1.

| | AuM (US\$ bn) as at | | | Six months ended 31 December 2007 | |
|--------------|------------------------|--------------------|------------------------|--------------------------------------|---|
| | 31 December 2007 | 30 June 2007 | 31 December 2006 | Net subscriptions (US\$ bn) | Net market appreciation (US\$ bn) |
| Long/Short | 5.6 | 5.1 | 3.8 | 0.3 | 0.2 |
| Long-only | 10.8 | 8.0 | 5.8 | 2.2 | 0.5 |
| Total | 16.4 | 13.1 | 9.6 | 2.5 | 0.8 |

Long/short AuM increased by 10% during the six month period ended 31 December 2007 to US\$5.6 billion split between net subscriptions of US\$287 million and net market appreciation of US\$220 million. No new long/short products were launched during the period so all net subscriptions were made into existing products.

Long-only AuM increased by 35% during the six month period ended 31 December 2007 to US\$10.8 billion split between net subscriptions of US\$2,248 million and net market appreciation of US\$549 million. A new sub-fund, the BlueBay High Yield Enhanced Fund was launched in September 2007, attracting US\$128 million of assets by 31 December 2007. We continue to accept segregated mandates selectively. Total segregated mandates constituted US\$455 million of net subscriptions during the six months ended 31 December 2007.

Looking across the two sub-asset classes managed by BlueBay, both benefited from the strong net inflows with net subscriptions of US\$1,377 million in European corporate debt products and US\$1,159 million in emerging market debt products.

Fund performance

Fund performance for the calendar year 2007 was satisfactory. Of the three flagship long/short funds the annual returns net of fees for 2007 were 10.0% for the BlueBay Emerging Market Total Return Fund, 4.0% for the BlueBay Value Recovery Fund (US\$ share class), 4.3% for the BlueBay Global Credit Fund and 6.8% for Alpha Select Global Credit Fund (US\$ share class). The BlueBay Multi-Strategy Fund and the BlueBay Multi-Strategy PLUS Fund, which were launched on 2 April 2007, achieved an annualised return net of fees of 10.3% and 12.2% respectively.

For the long-only flagship funds the relative annual returns for the calendar year 2007 were particularly strong for European corporate debt funds. For the BlueBay Investment Grade Bond Fund they were 333 basis points ahead of the relevant index and for the BlueBay High Yield Bond Fund 709 basis points ahead of the relevant index. For emerging market debt funds, they were 214 basis points behind the relevant index for the BlueBay Emerging Market Bond Fund, 125 basis points ahead of the relevant index for the BlueBay Emerging Markets Local Currency Fund and 5 basis points ahead of the relevant index for the BlueBay Emerging Market Select Bond Fund. The BlueBay European Credit Opportunity Fund generated an absolute return net of fees of 4.1%.

During the six months ended 31 December 2007, both the BlueBay Emerging Market Local Currency Bond Fund and the BlueBay Investment Grade Bond Fund achieved AA fund management ratings from Standard & Poors. BlueBay has also recently won Lipper Awards in both Germany and Switzerland recognising BlueBay as a top performer in its class across the categories of Bond Europe - High Yield (3 and 5 year periods), Bond Euro - Corporates (3 years) and as Best Fund Group (Bond Group Small) over 3 years. BlueBay was also successful in being awarded 'Eurozone Fixed Income Manager of the Year (Non-Government)' in Professional Pensions Specialist and Alternative Investment Manager Awards 2007. The awards recognise the leading and most innovative investment managers serving UK pension schemes.

Distribution

We have continued to focus on the broadening of BlueBay's geographic investor base with client wins across all regions during the six months ended 31 December 2007. In particular we have had significant business wins across Europe, the Middle East and Australia. During the period our New York office introduced its first major long-only segregated mandate; awarded to BlueBay by a US public sector pension fund. As our investor base continues to grow we are benefiting from greater diversification across our institutional investor base and continued interest in our products from existing and new distribution channels.

As of 31 March 2008, we intend to launch two new funds; the BlueBay Emerging Market Corporate Bond Fund and the BlueBay Investment Grade Libor Fund, both on the Luxembourg domiciled long-only platform, to be distributed by BlueBay's sales-force.

Employees

At 31 December 2007, BlueBay had 208 employees (compared to 144 employees as at 31 December 2006), including 66 investment and 38 sales and marketing professionals.

We remain committed to the principle of wide employee equity ownership. Immediately after admission of BlueBay's ordinary shares to the Official List of the UK Listing Authority (Listing), employees owned 58% of the issued share capital of BlueBay. On the anniversary of Listing on 22 November 2007, selling restrictions on the first 25% of the shares issued at the time of Listing and held by employees were lifted. In order to ensure continuing widespread employee ownership, the Group's Employee Benefit Trust has bought shares in the open market in order to satisfy restricted share awards to existing employees as part of the annual compensation round and to selected new joiners. For the second year running, as part of the compensation round at the end of 2007, a Share Incentive Programme (SIP) was offered to all permanent employees based in the UK. BlueBay continued to use the deferred bonus arrangement for employees earning over a certain minimum annual bonus. Under this arrangement, certain bonus awards were made in the form of conditional investments in some of the funds managed by BlueBay, to be released to the relevant employees over a three year period.

Principal risks and uncertainties

BlueBay's principal risks remain unchanged from those highlighted in our 2007 Annual Report. We continue to actively manage and review exposure to our business risks; principally investment risk, employee risk and operational risk.

As a specialist fixed income credit asset manager, BlueBay is exposed to the global credit markets, which in the current credit markets provide for uncertain times. We remain confident that BlueBay is well placed to weather such market volatility. For further comment, refer to the Business Overview section and the Outlook section.

2. Financial summary

One of our strategic objectives is to build a scalable diversified fixed income credit platform which benefits from a diversity of revenue streams. In addition to the long/short funds, we have developed a long-only fund platform which has seen significant growth in inflows following the establishment of successful multi-year track records. As a result, we expect the contribution of long-only funds to the AuM and to the management fee revenues to increase over time.

Net management fees

The growth in the AuM during the six months ended 31 December 2007, has fed through to increased management fees (net of rebates), albeit at a slightly slower rate. This is due to the increase in lower management fee yielding long-only products as a proportion of total AuM. Long/short management fees grew by 52% in the six months ended 31 December 2007 to £27.1 million whereas long-only management fees increased by 85% to £16.2 million over the same period.

| £ millions | Six months ended 31 December | | Year to 30 June |
|---------------------------|------------------------------|------|-----------------|
| | 2007 | 2006 | 2007 |
| Long/short | 27.1 | 17.8 | 40.6 |
| Long-only | 16.2 | 8.8 | 20.4 |
| Total net management fees | 43.3 | 26.6 | 61.0 |

The share of long/short products in the total management fees declined from 67% in the six months ended 31 December 2006 to 63% in the six months ended 31 December 2007.

Management fees on long/short products are charged at a standard 200 basis points per annum on all of the assets attributable to unrelated parties.

As a result of employee investments into non fee-bearing share classes of BlueBay's long/short products (partly as a result of the bonus deferral programme), the management fee yield was 198 basis points for the six months ended 31 December 2007, compared to 200 basis points for the six months ended 31 December 2006.

Under the new presentation of AuM, the management fee yield on the expanded category of long-only products has remained stable at 67 basis points in both the first and the second half of calendar year 2007.

Performance Fees

Performance fees continue to be generated predominantly by the long/short funds. Performance fees crystallize at the end of June on four of the five long/short funds and on all five at the end of December each year. For calendar year 2007, the weighted average long/short fund returns net of fees was 5.9%, which led to a 38% decrease in performance fees to £18.7 million for the six months ended 31 December 2007.

| £ millions | Six months ended 31 December | | Year to 30 June |
|-------------------------------|------------------------------|-------------|-----------------|
| | 2007 | 2006 | 2007 |
| Long/short | 17.0 | 29.8 | 46.6 |
| Long-only | 1.7 | 0.2 | 1.6 |
| Total performance fees | 18.7 | 30.0 | 48.2 |

The contribution made by long-only products as a percentage of total performance fees has increased to 9% of total performance fees. This reflects the strong performance recorded on some of BlueBay's long-only products as well as growing success at selling some of these products with both management and performance fee components.

Under the new presentation of AuM, the performance fee yield on long-only assets increased from 9 basis points in the first half of calendar year 2007 to 16 basis points in the second half of calendar year 2007.

Ratios and operating margin

We have again split our expenses up into three groups: performance-based compensation expenses, non performance based compensation expenses and non compensation expenses. Total compensation costs amounted to £23.2 million for the six months ended 31 December 2007, representing 37% of total fee revenues, compared to £20.2 million or 36% of total fee revenues for the six months ended 31 December 2006. Performance based compensation as a percentage of performance fees increased to 51% for the six months ended 31 December 2007 from 35% in the six months ended 31 December 2006. For the financial year ended 30 June 2007, this ratio was at 43%. This increase is partly due to the maturing effect of the bonus deferral programme, partly to the relatively strong performance of long-only European corporate credit products and partly to a review of compensation arrangements in the light of competitive pressures.

Non performance-based compensation as a percentage of management fees decreased to 32% in the six months ended 31 December 2007 from 37% in the six months ended 31 December 2006. For the financial year ended 30 June 2007, this ratio was at 36%. The improvement reflects the continuing scaling of the business as incremental AuM, particularly in long-only funds, can be managed with relatively small incremental costs.

Non compensation costs as a percentage of management fees decreased to 27% in the six months ended 31 December 2007 from 30% in the six months ended 31 December 2006. For the financial year ended 30 June 2007, this ratio was at 26%.

The Group experienced a step-change in its occupancy costs during the period following the relocation of its London offices.

The operating margin decreased to 44% in the six months ended 31 December 2007 from 50% in the six months ended 31 December 2006. For the financial year ended 30 June 2007, the Group's operating margin was 45%.

Taxation

The effective tax rate has stayed stable at 31.7% of profits before tax in the six months ended 31 December 2007 compared to a rate of 31.6% in the six months ended 31 December 2006. This is above the implied statutory corporation tax rate of 29.5% applicable to our fiscal year ending 30 June 2008, mainly due to disallowable capital expenses and depreciation against non qualifying assets.

The exercise of share options by employees at the time of the Listing created a tax deductible expense of £18.9 million. The unutilised deferred tax credit as at 30 June 2007 is expected to be fully offset against tax liabilities arising during the course of the 2008 financial year.

Share capital

The issued share capital of the Company at 31 December 2007 was 191,948,750 ordinary shares. The increase of 1,576,250 ordinary shares since 30 June 2007 was due to the exercise of options by employees under the Unapproved Share Option Plan which was established before Listing.

Dividends

For the year ended 30 June 2007, a final dividend of 6 pence per share was approved by shareholders at the Annual General Meeting held on 14 November 2007. Consequently, dividend payments of £11.4 million were made to shareholders on 23 November 2007. In respect of the six month period ended 31 December 2007, the Directors have declared an interim dividend of 3.2 pence per share to be paid to all shareholders on the register at 29 February 2008. The payment date of the interim dividend is 28 March 2008.

3. Outlook

As has been well publicised, conditions in credit markets have continued to deteriorate since BlueBay's preliminary results in September 2007. Despite this, inflows into BlueBay's funds have remained strong and the Group has continued to generate positive performance fees. While it is quite likely that credit markets remain volatile in the near term, we are nevertheless confident of meeting the full year AuM growth projections made at the time of our preliminary results; implying second half net inflows of around \$2.5 billion, with a significant long-only weighting.

Looking further forward, the medium term is beginning to look very interesting. The strong European corporate credit and emerging market fixed income secular growth trends that BlueBay has enjoyed for several years remain intact; as evidenced by continued inflows in the face of difficult market conditions. This secular opportunity is, moreover, fast being supplemented by a cyclical opportunity; as credit market turmoil causes credit indices to approach historic

wides and forward IRRs on credit portfolios to increase sharply. In our experience, large strategic fund investors are looking as a result to raise their exposure to credit; anticipating a two to three year period of equity-style returns being available for credit risk. We believe that BlueBay's robust investment and infrastructure platform, coupled with its strong brand, leaves it very well positioned to benefit from these developments.

Directors' statement of responsibilities

The Directors confirm that to the best of their knowledge (i) this condensed set of financial statements has been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union, and gives a true and fair view of the assets, liabilities, financial position and profit and loss of the Group and (ii) that the interim management report incorporated herein includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8. The Directors of BlueBay are listed in the Group Annual Report for the period to 30 June 2007, with the exception of Mr Alan Gibbins. Mr Gibbins was appointed as a Director on 5 November 2007. A list of current Directors is also maintained on the Group's website: www.bluebayinvest.com.

Hugh Willis

Chief Executive Officer

Nick Williams

Chief Financial Officer

This interim report contains certain forward-looking statements with respect to the financial condition, and results of, operations and business of BlueBay Asset Management plc. These statements and forecasts involve risk and uncertainty because they relate to events and depend on circumstances that may occur in the future. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements and forecasts. Forward-looking statements and forecasts are based on the Directors' current view and information known to them at the date of this report. The Directors do not make any undertaking to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Nothing in this document should be construed as a profit forecast.

Independent review report to BlueBay Asset Management plc

Introduction

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 31 December 2007 which comprises the Group income statement, Group balance sheet, Group statement of changes in shareholders' equity, Group cash flow statement and related notes. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

As disclosed in note 1, the annual financial statements of the Group 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 Standard 34, "Interim Financial Reporting," as adopted by the European Union.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review. This report, including the conclusion, has been prepared for and only for the Company for the purpose of the Disclosure and Transparency Rules of the Financial Services Authority and for no other purpose. We do not, in producing this report, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 31 December 2007 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

PricewaterhouseCoopers LLP

Chartered Accountants

19 February 2008

London

Notes:

(a) The maintenance and integrity of the BlueBay Asset Management plc web site is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the web site.

(b) Legislation in the United Kingdom governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.

Group income statement

| | Note | Six months ended 31 December 2007 £000's (unaudited) | Six months ended 31 December 2006 £000's (unaudited) | Year to 30 June 2007 £000's |
|--|------|---|---|--------------------------------------|
| Revenue | 2 | 61,985 | 56,602 | 109,191 |
| Other operating income | | 576 | 154 | 249 |
| Other operating expenses | | (70) | (321) | (343) |
| Administrative expenses | | (34,955) | (28,126) | (59,719) |
| Operating profit | | 27,536 | 28,309 | 49,378 |
| Operating profit before exceptional items | | 27,536 | 29,400 | 50,476 |
| Exceptional items | | - | (1,091) | (1,098) |
| Operating profit | | 27,536 | 28,309 | 49,378 |
| Finance income | | 2,045 | 937 | 2,244 |
| Finance expense | | - | - | (6) |
| Profit on ordinary activities before taxation | | 29,581 | 29,246 | 51,616 |
| Taxation | 3 | (9,382) | (9,256) | (16,448) |
| Profit for the period attributable to ordinary equity shareholders | | 20,199 | 19,990 | 35,168 |
| Earnings per share | | | | |
| Basic | 4 | 16.5p | 16.7p | 29.3p |
| Diluted | 4 | 10.1p | 10.2p | 18.5p |
| Memo | | | | |
| Dividends paid in the period | 5 | 11,435 | 14,398 | 14,398 |

Group balance sheet

| | Note | At 31 December 2007 £000's (unaudited) | At 31 December 2006 £000's (unaudited) | At 30 June 2007 £000's |
|---|------|--|--|---------------------------------|
| Assets | | | | |
| Non-current assets | | | | |
| Property, plant and equipment | 6 | 6,403 | 2,524 | 2,554 |
| Intangible assets | | 1,573 | 1,661 | 1,747 |
| Deferred tax assets | 10 | 5,477 | 10,524 | 6,731 |
| Trade and other receivables | 7 | 142 | 715 | 99 |
| Total non-current assets | | 13,595 | 15,424 | 11,131 |
| Current assets | | | | |
| Trade and other receivables | 7 | 41,073 | 45,328 | 35,771 |
| Current tax asset | | - | - | 84 |
| Derivative financial instruments | | - | - | 3 |
| Financial assets | 8 | 14,461 | 3,828 | 13,876 |
| Cash and cash equivalents | | 61,774 | 39,088 | 51,531 |
| Total current assets | | 117,308 | 88,244 | 101,265 |
| Total assets | | 130,903 | 103,668 | 112,396 |
| Liabilities | | | | |
| Non-current liabilities | | | | |
| Deferred tax liability | | - | 117 | - |
| Trade and other payables | 9 | 10,480 | 5,032 | 6,353 |
| Total non-current liabilities | | 10,480 | 5,149 | 6,353 |
| Current liabilities | | | | |
| Trade and other payables | 9 | 31,672 | 29,888 | 18,367 |
| Current tax liabilities | | 6,414 | 59 | 77 |
| Derivative financial instruments | | 67 | - | - |
| Total current liabilities | | 38,153 | 29,947 | 18,444 |
| Total liabilities | | 48,633 | 35,096 | 24,797 |
| Shareholders' equity | | | | |
| Share capital | 13 | 192 | 190 | 190 |
| Share premium | | 31,990 | 31,538 | 31,551 |
| Retained earnings | | 62,542 | 27,222 | 49,635 |
| Own shares | 14 | (18,951) | (1,114) | (1,015) |
| Other reserves | | 6,497 | 10,736 | 7,238 |
| Total shareholders' equity | | 82,270 | 68,572 | 87,559 |
| Total liabilities and shareholders' equity | | 130,903 | 103,668 | 112,396 |

Group statement of changes in shareholders' equity

| Unaudited | Note | Share capital £000's | Share premium £000's | Retained earnings £000's | Own shares £000's | Other reserves £000's | Total £000's |
|---|------|-------------------------|-------------------------|-----------------------------|----------------------|--------------------------|-----------------|
| Balance at 1 July 2007 | | 190 | 31,551 | 49,635 | (1,015) | 7,238 | 87,599 |
| Currency translation adjustments | | - | - | 13 | - | - | 13 |
| Net income/(expense) recognised directly in equity: | | - | - | 13 | - | - | 13 |
| Profit for the period | | - | - | 20,199 | - | - | 20,199 |
| Dividends | | - | - | (11,435) | - | - | (11,435) |
| Total recognised income for the period | | - | - | 8,777 | - | - | 8,777 |
| Share-based payments | | - | - | - | - | 1,663 | 1,663 |
| Deferred tax on share-based payments | | - | - | - | - | 1,726 | 1,726 |
| Exercise of share options | 13 | 2 | 400 | - | - | - | 402 |
| Purchase of own shares by Employee Benefit Trust | | - | - | - | (17,897) | - | (17,897) |
| Deferred tax asset utilised | | - | - | 4,130 | - | (4,130) | - |
| Transfer between reserves | | - | 39 | - | (39) | - | - |
| Balance at 31 December 2007 | | 192 | 31,990 | 62,542 | (18,951) | 6,497 | 82,270 |

More to follow, for following part double-click [nRN1T3481O]

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REG-BlueBay Asset Man <BBAY.L> Interim Results - Part 2

20/02/2008

RNS Number:34810

BlueBay Asset Man

Part 2 : For preceding part double-click [nRNST34810]

Group statement of changes in shareholders' equity

| Unaudited | Share capital £000's | Share premium £000's | Retained earnings £000's | Own shares £000's | Other reserves £000's | Total £000's |
|---|-------------------------|-------------------------|-----------------------------|----------------------|--------------------------|-----------------|
| Balance at 1 July 2006 | 12 | 15,587 | 12,531 | - | 447 | 28,577 |
| Currency translation adjustments | - | - | (5) | - | - | (5) |
| Net income/(expense) recognised directly in equity: | - | - | (5) | - | - | (5) |
| Profit for the period | - | - | 19,990 | - | - | 19,990 |
| Dividends | - | - | (14,398) | - | - | (14,398) |
| Total recognised income for the period | - | - | 5,587 | - | - | 5,587 |
| Share-based payments | - | - | - | - | 446 | 446 |
| Deferred tax on share-based | - | - | - | - | - | - |

| | | | | | | |
|--|-------|---------|--------|---------|---------|---------|
| payments | - | - | - | - | 18,947 | 18,947 |
| Reclassification of debt as equity | 50 | 11,968 | - | - | - | 12,018 |
| Exercise of share options | 20 | 5,216 | - | - | - | 5,236 |
| Bonus Issue | 108 | (108) | - | - | - | - |
| IPO costs | - | (1,125) | - | - | - | (1,125) |
| Purchase of own shares by Employee Benefit Trust | - | - | - | (214) | - | (214) |
| Purchase of own shares for Share Incentive Plan | - | - | - | (900) | - | (900) |
| Deferred tax asset utilised | - | - | 9,104 | - | (9,104) | - |
| | ----- | ----- | ----- | ----- | ----- | ----- |
| Balance at 31 December 2006 | 190 | 31,538 | 27,222 | (1,114) | 10,736 | 68,572 |
| | ----- | ----- | ----- | ----- | ----- | ----- |

Group statement of changes in shareholders' equity

| | Share capital £000's | Share premium £000's | Retained earnings £000's | Own shares £000's | Other reserves £000's | Total £000's |
|---|-------------------------|-------------------------|-----------------------------|----------------------|--------------------------|-----------------|
| ----- | ----- | ----- | ----- | ----- | ----- | ----- |
| Balance at 1 July 2006 | 12 | 15,587 | 12,531 | - | 447 | 28,577 |
| | ----- | ----- | ----- | ----- | ----- | ----- |
| Currency translation adjustments | - | - | (12) | - | - | (12) |
| | ----- | ----- | ----- | ----- | ----- | ----- |
| Net income/(expense) recognised directly in equity: | - | - | (12) | - | - | (12) |
| Profit for the year | - | - | 35,168 | - | - | 35,168 |
| Dividends | - | - | (14,398) | - | - | (14,398) |
| | ----- | ----- | ----- | ----- | ----- | ----- |
| Total recognised income for the year | - | - | 20,758 | - | - | 20,758 |
| | ----- | ----- | ----- | ----- | ----- | ----- |
| Share-based payments | - | - | - | - | 687 | 687 |
| Deferred tax on share-based payments | - | - | - | - | 22,450 | 22,450 |
| Reclassification of debt as equity | 50 | 11,968 | - | - | - | 12,018 |
| Exercise of share options | 20 | 5,234 | - | - | - | 5,254 |
| Bonus issue | 108 | (108) | - | - | - | - |
| IPO costs | - | (1,130) | - | - | - | (1,130) |
| Purchase of own shares by Employee Benefit Trust | - | - | - | (270) | - | (270) |
| Purchase of own | | | | | | |

| | | | | | | |
|---|-------|--------|--------|---------|----------|--------|
| shares for Share Incentive Plan | - | - | - | (900) | - | (900) |
| Disposal of own shares for Share Incentive Plan | - | - | - | 155 | - | 155 |
| Deferred tax asset utilised | - | - | 16,447 | - | (16,447) | - |
| Transfer between reserves | - | - | (101) | - | 101 | - |
| ----- | ----- | ----- | ----- | ----- | ----- | ----- |
| Balance at 30 June 2007 | 190 | 31,551 | 49,635 | (1,015) | 7,238 | 87,599 |
| ----- | ----- | ----- | ----- | ----- | ----- | ----- |

Group cash flow statement

| | Note | Six months ended 31 December 2007 £000's (unaudited) | Six months ended 31 December 2006 £000's (unaudited) | Year to 30 June 2007 £000's |
|--|------|--|--|--------------------------------|
| Cash flows from operating activities | | | | |
| Cash generated from operations | 11 | 44,557 | 32,587 | 56,118 |
| Income tax refunds/(paid) | | 19 | (5,440) | (5,564) |
| Exceptional items | | - | (1,091) | (1,098) |
| | | ----- | ----- | ----- |
| Net cash inflow from operating activities | | 44,576 | 26,056 | 49,456 |
| | | ----- | ----- | ----- |
| Cash flows from investing activities | | | | |
| Purchase of property, plant and equipment | | (5,358) | (515) | (1,348) |
| Purchase of intangible assets | | (45) | (267) | (550) |
| Purchase of current financial assets | | - | - | (10,199) |
| Sale of current financial assets | | - | - | 246 |
| | | ----- | ----- | ----- |
| Net cash outflow from investing activities | | (5,403) | (782) | (11,851) |
| | | ----- | ----- | ----- |
| Cash flows from financing activities | | | | |
| Proceeds from issue of ordinary shares | | 402 | 5,236 | 5,254 |
| Purchase of own shares by Employee Benefit Trust | | (17,897) | (214) | (270) |
| Purchase of own shares for Share Incentive Plan | | - | (900) | (900) |
| Sale of own shares by Share Incentive Plan | | - | - | 155 |
| IPO costs written off against share premium | | - | (1,125) | (1,130) |

| | | | | |
|--|---|----------|----------|----------|
| Dividends paid | 5 | (11,435) | (14,398) | (14,398) |
| | | ----- | ----- | ----- |
| Net cash outflow from financing activities | | (28,930) | (11,401) | (11,289) |
| | | ----- | ----- | ----- |
| Net increase in cash and cash equivalents | | 10,243 | 13,873 | 26,316 |
| | | ----- | ----- | ----- |
| Cash and cash equivalents at beginning of period | | 51,531 | 25,215 | 25,215 |
| | | ----- | ----- | ----- |
| Cash and cash equivalents at end of the period | | 61,774 | 39,088 | 51,531 |
| | | ----- | ----- | ----- |

The Group did not have any overdrafts repayable on demand at the end of each accounting period.

Notes to the interim financial statements

1. Basis of preparation

The condensed financial statements are unaudited and do not constitute statutory financial statements within the meaning of Section 240 of the Companies Act 1985. The financial statements for the year to 30 June 2007, which were prepared in accordance with International Financial Reporting Standards ('IFRS') and relevant IFRIC interpretations issued by the International Accounting Standards Board ('IASB') and IFRIC Committee respectively and adopted by the European Union ('EU'). The report of the auditors on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under Section 237 of the Companies Act 1985. The Group Annual Report for the year ended 30 June 2007 has been delivered to the Registrar of Companies and was posted to shareholders on 12 October 2007.

The condensed financial statements for the six months ended 31 December 2007 have been prepared in accordance with the Disclosure and Transparency Rules of the Financial Services Authority and IAS 34 'Interim Financial Reporting' as adopted by the European Union. The condensed financial statements should be read in conjunction with the Group's Annual Report for the year ended 30 June 2007, which have been prepared in accordance with IFRSs as adopted by the European Union. The accounting policies applied in these interim financial statements are consistent with those set out and applied in the Group's Annual Report for the year ended 30 June 2007.

A number of new standards, amendments to existing standards and interpretations have been issued, none of which will have a material impact on the results or financial position of the Group for the financial year ended 30 June 2008 or in future periods.

The following standards and interpretations are mandatory and will be applied for the financial year ending 30 June 2008:

IFRS 7 'Financial Instruments: Disclosures' and an amendment to IAS 1 'Presentation of Financial Statements'

IFRIC 8 - Scope of IFRS 2

IFRIC 9 - Reassessment of embedded derivatives

IFRIC 10 - Interim financial reporting and impairment

IFRIC 11, IFRS 2 - Group and treasury share transactions

The following standards and interpretations relevant to the Group were in issue but not yet effective:

IFRS 8 - Operating segments

IFRIC 13 - Customer loyalty programmes

2. Segmental reporting

The Group has one distinguishable business segment, being the provision of investment management services.

Revenue from investment management services can be broken down as follows:

| | Six months ended 31 December 2007 £000's | Six months ended 31 December 2006 £000's | Year to 30 June 2007 £000's |
|---------------------|--|--|--------------------------------------|
| Net management fees | 43,271 | 26,602 | 60,950 |
| Performance fees | 18,714 | 30,000 | 48,241 |
| | ----- | ----- | ----- |
| Total revenue | 61,985 | 56,602 | 109,191 |
| | ----- | ----- | ----- |

3. Taxation

| | Six months ended 31 December 2007 £000's | Six months ended 31 December 2006 £000's | Year to 30 June 2007 £000's |
|---|--|--|--------------------------------------|
| Current tax | | | |
| UK corporation tax on profits for the period | 10,481 | 9,247 | 16,444 |
| Adjustments in respect of previous periods | - | - | 63 |
| Overseas | 51 | 59 | 155 |
| | ----- | ----- | ----- |
| Total current tax | 10,532 | 9,306 | 16,662 |
| | ----- | ----- | ----- |
| Deferred tax | | | |
| Origination and reversal of temporary differences | - | 23 | (12) |
| Adjustments in respect of previous | | | |

| | | | |
|---|---------|-------|--------|
| periods | - | - | (64) |
| IFRS 2 share-based payments credit | (1,158) | (73) | (126) |
| Overseas | 8 | - | (21) |
| Adjustments in respect of change to future tax rate | - | - | 9 |
| | ----- | ----- | ----- |
| Total tax charge for the period | 9,382 | 9,256 | 16,448 |
| | ----- | ----- | ----- |

4. Earnings per share

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders for the relevant period by the number of ordinary shares in existence less the weighted average number of own shares.

Diluted earnings per share is calculated as for basic earnings per share with further adjustments to the weighted average number of ordinary shares to reflect the effects of all dilutive ordinary shares.

There are no differences between the profit for each financial period attributable to equity holders used in the basic and diluted earnings per share calculations.

Reconciliation of the figures used in calculating basic and diluted earnings per share:

| | 31 December 2007 Number (thousands) | 31 December 2006 Number (thousands) | 30 June 2007 Number (thousands) |
|---|--|--|--|
| Basic weighted average number of shares | 122,784 | 119,776 | 120,049 |
| Effect of dilution | 76,353 | 77,123 | 70,191 |
| | ----- | ----- | ----- |
| Diluted weighted average number of shares | 199,137 | 196,899 | 190,240 |
| | ----- | ----- | ----- |

The basic weighted average number of shares as at 30 June 2007 has been restated from 140,765,000 reported in the 2007 Group Annual Report to 120,049,000. This has led to an increase in basic earnings per share of 4.3p to 29.3p, up from 25.0p as at 30 June 2007. There is no change to the diluted earnings per share as at that date.

5. Dividends

| | Six months ended 31 December 2007 £000's | Six months ended 31 December 2006 £000's | Year to 30 June 2007 £000's |
|---|--|--|--------------------------------------|
| Declared and paid in the period Equity dividends and ordinary shares | | | |
| 1st Interim dividend £0.06 (2007: £0.06) | - | 10,177 | 10,177 |

| | | | |
|---|--------|--------|--------|
| 2nd Interim dividend £0.03 (2007: £0.03) | - | 4,221 | 4,221 |
| Final dividend 2007 £0.06 (2006: nil) | 11,435 | - | - |
| | ----- | ----- | ----- |
| Total | 11,435 | 14,398 | 14,398 |
| | ----- | ----- | ----- |

6. Property, plant and equipment

In the six months ended 31 December 2007, the Group acquired property, plant and equipment at a cost of £5,358,000 (six months ended 31 December 2006: £482,000) and made disposals at a net book value of £109,000 (six months ended 31 December 2006: £253,000).

At 31 December 2007, the Group did not have any capital commitments with respect to property, plant and equipment (as at 31 December 2006: £nil).

7. Trade and other receivables

| | 31 December 2007 £000's | 31 December 2006 £000's | 30 June 2007 £000's |
|--|-------------------------------|-------------------------------|---------------------------|
| Amounts falling due within one year | | | |
| Amounts owed by related parties | 36,752 | 41,630 | 31,472 |
| Other trade receivables | 1,080 | 2,784 | 1,269 |
| Prepayments and accrued income | 3,241 | 914 | 3,030 |
| | ----- | ----- | ----- |
| | 41,073 | 45,328 | 35,771 |
| | ----- | ----- | ----- |
| Amounts falling due after more than one year | | | |
| Other receivables | 142 | 715 | 99 |
| | ----- | ----- | ----- |

8. Financial assets

Financial assets are held in relation to the 'deferred compensation scheme'.

Financial assets of £3,583,000 have been reclassified from non-current assets to current assets in 2006.

9. Trade and other payables

| | 31 December 2007 £000's | 31 December 2006 £000's | 30 June 2007 £000's |
|-------------------------------------|-------------------------------|-------------------------------|---------------------------|
| Amounts falling due within one year | | | |
| Trade payables | 359 | 751 | 304 |

| | | | |
|---------------------------------------|--------|--------|--------|
| Amounts owed to related parties | - | 166 | - |
| Other tax and social security payable | 2,135 | 363 | 560 |
| Other creditors | 4,792 | 2,911 | 2,857 |
| Accruals | 24,386 | 25,697 | 14,646 |
| | ----- | ----- | ----- |
| | 31,672 | 29,888 | 18,367 |
| | ----- | ----- | ----- |

| | | | |
|--|--------|-------|-------|
| Amounts falling due after more than one year | | | |
| Accruals | 10,480 | 5,032 | 6,353 |
| | ----- | ----- | ----- |

10. Deferred tax

Deferred tax assets

| | |
|--|---------------------------------|
| | Temporary differences £000's |
| At 1 July 2007 | 6,731 |
| Income statement credit | 1,150 |
| Deferred tax asset utilised | (4,130) |
| Deferred tax on share-based payments taken to equity | 1,726 |
| | ----- |
| At 31 December 2007 | 5,477 |
| | ----- |

| | |
|--|---------------------------------|
| | Temporary differences £000's |
| At 1 July 2006 | 631 |
| Income statement credit | 50 |
| Deferred tax asset utilised | (9,104) |
| Deferred tax on share-based payments taken to equity | 18,947 |
| | ----- |
| At 31 December 2006 | 10,524 |
| | ----- |

| | |
|--|---------------------------------|
| | Temporary differences £000's |
| At 1 July 2006 | 631 |
| Income statement credit | 97 |
| Deferred tax asset utilised | (16,447) |
| Deferred tax on share-based payments taken to equity | 22,450 |
| | ----- |
| At 30 June 2007 | 6,731 |
| | ----- |

Deferred tax assets have been recognised where the tax deduction in the current period has exceeded the current forecast taxable profits. The recognition of the deferred tax asset is based on the probability that the Group will derive taxable profits in the future.

11. Cash generated from operations

| | Six months ended 31 December 2007 £000's | Six months ended 31 December 2006 £000's | Year to Year to 30 June 2007 £000's |
|---|--|--|---|
| Continuing operations | | | |
| Operating profit before exceptional items for the period | 27,536 | 29,400 | 50,476 |
| Adjustments for: | | | |
| Financial assets at fair value | (576) | (154) | (250) |
| Derivatives at fair value | 70 | - | (3) |
| Share based payments | 1,663 | 446 | 687 |
| Finance income | 2,070 | 869 | 2,257 |
| Finance expense | - | - | (47) |
| Depreciation | 1,404 | 522 | 1,312 |
| Amortisation of intangibles | 219 | 131 | 328 |
| Loss on disposal of property, plant and equipment | 109 | 253 | 254 |
| | 4,959 | 2,067 | 4,538 |
| Changes in working capital: | | | |
| Increase in receivables | (5,370) | (13,443) | (3,259) |
| Increase in payables | 17,432 | 14,563 | 4,363 |
| Cash generated from operations | 44,557 | 32,587 | 56,118 |

12. Contingent liabilities

Having made appropriate enquiries, the Directors are not aware of any contingent liabilities.

13. Share capital

| | |
|--|-------------------------------|
| | 31 December 2007 £000's |
| Authorised 250,000 ordinary shares of £0.001 each | 250 |
| Called up, allotted and fully paid 191,948,750 ordinary shares of £0.001 each | 192 |
| | 31 December 2006 £000's |
| Authorised 250,000,000 ordinary shares of £0.001 each | 250 |

| | |
|--|-------|
| Called up, allotted and fully paid | 190 |
| 190,310,000 ordinary shares of £0.001 each | ----- |

30 June
2007
£000's

| | |
|--|-------|
| Authorised | 250 |
| 250,000,000 ordinary shares of £0.001 each | ----- |

| | |
|--|-------|
| Called up, allotted and fully paid | 190 |
| 190,372,500 ordinary shares of £0.001 each | ----- |

During the period, 1,576,250 share options with a nominal value of £0.001 each were exercised (six months ended 31 December 2006: 70,310,000).

14. Own shares

Own shares are held by employee trusts for the purposes of satisfying certain equity-based awards where shares have not vested unconditionally in employees of the Group. During the period, the number of own shares purchased by employee trusts was 4,256,688, at a cost of £17,897,000 (six months ended 31 December 2006: 1,050,000 shares at a cost of £1,114,000)

The Group also holds own shares through its arrangements with a number of employees who have subscribed for or have been awarded shares which have not vested unconditionally. Under the terms of each subscription, the shares are held in a nominee account on behalf of each employee until such shares are released under agreed forfeiture arrangements. The number of own shares held under such arrangements was 53,728,332 (as at 31 December 2006: 69,560,000).

15. Related party transactions

The following transactions were carried out with related parties:

During the period the following categories of related party transactions occurred:

| Description of relationship | Description of Service | Description of transactions |
|-----------------------------|--|--|
| Funds managed by the Group | Provision of investment management and investment services by Group companies. | Management and performance fees earned |

Sales of services during the period

| | Six months Ended 31 December 2007 £000's | Six months ended 31 December 2006 £000's | Year to 30 June 2007 £000's |
|----------------------------|--|--|--------------------------------------|
| Investment management fees | 60,285 | 55,949 | 108,216 |

Balances arising with related parties as at

| | 31 December 2007 £000's | 31 December 2006 £000's | 30 June 2007 £000's |
|----------------------------|-------------------------------|-------------------------------|---------------------------|
| Funds managed by the Group | 36,752 | 41,630 | 31,472 |

All transactions with related parties were on an arm's length basis.

Key management compensation is in line with the accounts disclosed in the financial statements for the year ended 30 June 2007.

Appendix 1 - New format versus old format

Assets under Management

| | For period ended | | | | | |
|------------------------|------------------------|--------------------|------------------------|------------------------|--------------------|------------------------|
| | New format | | | Old format | | |
| US\$ billions | 31 December 2007 | 30 June 2007 | 31 December 2006 | 31 December 2007 | 30 June 2007 | 31 December 2006 |
| Long/Short | 5.6 | 5.1 | 3.8 | 5.5 | 4.9 | 3.6 |
| Long-only | 10.8 | 8.0 | 5.8 | 8.3 | 5.6 | 3.9 |
| Structured Products | - | - | - | 2.6 | 2.6 | 2.1 |
| Total | 16.4 | 13.1 | 9.6 | 16.4 | 13.1 | 9.6 |

Net subscriptions and market appreciation

| Six months ended 31 December | |
|------------------------------|------------|
| New format | Old format |
| 2007 | 2006 |
| | |

| US\$ billions | Net | | Net | |
|---------------------|---------------|-------------------------|---------------|-------------------------|
| | Subscriptions | Net market appreciation | Subscriptions | Net market appreciation |
| Long/Short | 0.3 | 0.2 | 0.4 | 0.2 |
| Long-only | 2.2 | 0.5 | 2.3 | 0.4 |
| Structured Products | - | - | (0.2) | 0.2 |
| Total | 2.5 | 0.8 | 2.5 | 0.8 |

Net management fees

| £ millions | Six months ended 31 December | | | |
|---------------------|------------------------------|------|------------|------|
| | New format | | Old format | |
| | 2007 | 2006 | 2007 | 2006 |
| Long/Short | 27.1 | 17.8 | 26.5 | 17.4 |
| Long-only | 16.2 | 8.8 | 11.8 | 5.3 |
| Structured Products | - | - | 5.0 | 3.9 |
| Total | 43.3 | 26.6 | 43.3 | 26.6 |

Performance fees

| £ millions | Six months ended 31 December | | | |
|---------------------|------------------------------|------|------------|------|
| | New format | | Old format | |
| | 2007 | 2006 | 2007 | 2006 |
| Long/Short | 17.0 | 29.8 | 16.5 | 29.6 |
| Long-only | 1.7 | 0.2 | 1.7 | 0.0 |
| Structured Products | - | - | 0.5 | 0.4 |
| Total | 18.7 | 30.0 | 18.7 | 30.0 |

Management fee yields

| Basis points | Six months ended | | | |
|---------------------|------------------|--------------|------------------|--------------|
| | New format | | Old format | |
| | 31 December 2007 | 30 June 2007 | 31 December 2007 | 30 June 2007 |
| Long/Short | 198 | 200 | 198 | 200 |
| Long-only | 67 | 67 | 64 | 62 |
| Structured Products | - | - | 83 | 88 |

Performance fee yields

Six months ended

| | New format | | Old format | |
|---------------------|------------------|--------------|------------------|--------------|
| | 31 December 2007 | 30 June 2007 | 31 December 2007 | 30 June 2007 |
| Basis points | | | | |
| Long/Short | 123 | 150 | 122 | 153 |
| Long-only | 16 | 9 | 21 | 10 |
| Structured Products | - | - | 10 | 15 |

Shareholder and Company Information

Registered office

BlueBay Asset Management plc
 77 Grosvenor Street
 London W1k 3JR
 United Kingdom
 Tel +44 (0)20 7389 3700
 Fax +44 (0)20 7389 3499

Registered number
 03262598

Overseas offices

Tokyo Office
 Holland Hills Mori Tower
 5-11-2 Toranomon Minato-ku
 Tokyo 105-0001
 Japan
 Tel +81(3)5777 1760

New York Office
 590 Madison Avenue
 37th Floor
 New York, New York 10022
 United States of America
 Tel: +1(212)655 7100

Website
www.bluebayinvest.com

Contact
investor@bluebayinvest.com

Registrar
 Capita Registrars

4th Floor, Beaufort House
London
WC2A 3ED

Events timetable

| | |
|--|-------------------|
| Third quarter interim management statement | 21 March 2008 |
| Fourth quarter trading statement | 16 July 2008 |
| Preliminary results announcement | 16 September 2008 |
| Annual General Meeting | 14 November 2008 |

Dates for 2008 interim dividend

| | |
|------------------|------------------|
| Ex dividend date | 27 February 2008 |
| Record date | 29 February 2008 |
| Payment date | 28 March 2008 |

Auditors

PricewaterhouseCoopers LLP
Hay's Galleria
1 Hay's Lane
London SE1 2RD
United Kingdom

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REG-BlueBay Asset Man <BBAY.L> New Appointment

29/02/2008

RNS Number:0617P
BlueBay Asset Management PLC
29 February 2008

Iain Burnett to join BlueBay's European Distressed Debt Group

BlueBay Asset Management plc ('BlueBay') is pleased to announce that it has hired Iain Burnett. He joins to co-head BlueBay's European Distressed Debt Group with Gina Germano; the Group's founder. Iain was previously a Managing Director at Morgan Stanley; responsible for the firm's European Distressed Debt and Special Situations Group.

Gina Germano, commenting on the appointment, said: "We are delighted that Iain is joining us. We know Iain very well and his familiarity with our business and our people will be invaluable. We expect his appointment to further strengthen our market leading distressed franchise at a time of exceptional opportunity."

Notes to Editors

Information on BlueBay

Founded in 2001, BlueBay is one of the largest independent managers of fixed income credit funds and products in Europe. It listed on the London Stock Exchange in November 2006. With approximately US\$16.4 billion of assets under management as at 31 December 2007, it has one of the largest concentrations of fixed income credit expertise in Europe. BlueBay specialises in two major sub-asset classes of credit - European corporate debt and emerging markets debt. Within each sub-asset class, the Company offers two distinct product lines: long /short and long-only funds. It also manages a number of long-only segregated accounts on behalf of large institutional clients. BlueBay's overall aim is to provide a broad range of credit products to modern institutional investors which offer attractive risk-adjusted performance characteristics. BlueBay distributes its products directly, through wholesalers and via intermediaries. Its sales and marketing team is based in the Company's offices in London, Tokyo and New York.

Enquiries:

BlueBay Asset Management plc 020 7389 3700

Hugh Willis, CEO

Jo Ongert, Head of Marketing and Client Relations

Brunswick Group LLP 020 7404 5959

Nigel Prideaux
Andrew Garfield
Tim Williamson

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REG-BlueBay Asset Man <BBAY.L> Total Voting Rights

29/02/2008

RNS Number:1063P
BlueBay Asset Management PLC
29 February 2008

BlueBay Asset Management plc - Total Voting Rights and Capital

In compliance with rule 5.6.1R of the Disclosure and Transparency Rules, the Company confirms that its current issued share capital comprises 192,298,750 ordinary shares of 0.1p each fully paid. The voting rights of all these shares are identical, with each share carrying the right to one vote. The Company holds no treasury shares.

The above figure of 192,298,750 may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company under the FSA's Disclosure and Transparency Rules.

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REG-BlueBay Asset Man <BBAY.L> Employee Share Scheme

11/03/2008

RNS Number:8638P
BlueBay Asset Management PLC
11 March 2008

BlueBay Asset Management plc - Employee Share Scheme

As reported in the Company's Annual Report for the year ended 30 June 2007, the Company intends to provide financing to Appleby Trust (Jersey) Limited, acting in its capacity as trustee of the Company's Employee Benefit Trust (the "Trust"), being the Company's primary employee benefit trust. The reason for the financing is to enable the Trust to purchase ordinary shares of the Company, for the purpose of making equity awards under the Company's equity incentivisation programme, over coming years.

The maximum potential commitment under the facility provided by the Company to the Trust, has been increased from £27 million to £30 million, with effect from 10 March 2008.

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REG-BlueBay Asset Man <BBAY.L> Director Shareholdings

13/03/2008

RNS Number:0735Q
BlueBay Asset Management PLC
13 March 2008

BlueBay Asset Management plc (the "Company") - Director Shareholdings

The Company was advised on 12 March 2008 by Capita IRG Trustees Ltd that on 22 February 2008 the following Directors of the Company acquired in London the number of ordinary shares of 0.1p each fully paid shown opposite their names below, at £2.70 per share, through participation in the Company's Share Incentive Plan (the "SIP").

| | No. of shares acquired* | Total holding of shares in the SIP | Total interest in shares following this notice |
|----------------|-------------------------|------------------------------------|--|
| Mr N. Williams | 2,813 | 4,674 | 3,004,674 |
| Mr A. Khein | 2,813 | 4,674 | 6,004,674 |

* Includes 30 dividend related shares, acquired in London at £3.63 per share on 24 December 2007.

This notice is given in fulfilment of the obligation under DTR 3.1.4(1)(a)R.

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REG-BlueBay Asset Man <BBAY.L> Notification of IMS

14/03/2008

RNS Number:1307Q
BlueBay Asset Management PLC
14 March 2008

BlueBay Asset Management plc - Notification of Interim Management Statement

The Company will announce its next Interim Management Statement on Monday 21 April 2008.

The above announcement date is an update from that stated in RNS no. 34810.

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REG-BlueBay Asset Man <BBAY.L> Blocklisting Interim Review

01/04/2008

RNS Number:3263R
BlueBay Asset Management PLC
01 April 2008

BlueBay Asset Management plc - Block Listing Six Monthly Return

Name of company: BlueBay Asset Management plc

Name of scheme: Unapproved Option Scheme

Period of return: From: 20 September 2007 To: 20 March 2008

Balance of unallotted securities under scheme from previous return: 2,300,000
ordinary shares of 0.1 pence each fully paid ("shares")

Plus: The amount by which the block scheme(s) has been increased since the
date of the last return (if any increase has been applied for):
2,000,000 shares, announced 19 February 2008

Less: Number of securities issued/allotted under scheme(s) during period:
2,188,750 shares issued/allotted

Equals: Balance under scheme(s) not yet issued/allotted at end of period:
2,111,250 shares

Name of contact: James Brace, Company Secretary

Telephone number: 020 7389 3700

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REG-BlueBay Asset Man <BBAY.L> Total Voting Rights

01/04/2008

RNS Number:3274R
BlueBay Asset Management PLC
01 April 2008

BlueBay Asset Management plc (the "Company") - Total Voting Rights and Capital

In compliance with rule 5.6.1R of the Disclosure and Transparency Rules, the Company confirms that its current issued share capital comprises 192,815,962 ordinary shares of 0.1p each fully paid. The voting rights of all these shares are identical, with each share carrying the right to one vote. The Company holds no treasury shares.

The above figure of 192,815,962 may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company under the FSA's Disclosure and Transparency Rules.

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REG-BlueBay Asset Man <BBAY.L> Employee Share Scheme

02/04/2008

RNS Number:4478R
BlueBay Asset Management PLC
02 April 2008

BlueBay Asset Management plc (the "Company") - Employee Share Scheme

As reported in the Company's Annual Report for the year ended 30 June 2007, the Company intends to provide financing to Appleby Trust (Jersey) Limited, acting in its capacity as trustee of the Company's Employee Benefit Trust (the "Trust"), being the Company's primary employee benefit trust. The reason for the financing is to enable the Trust to purchase ordinary shares of the Company, for the purpose of making equity awards under the Company's equity incentivisation programme, over coming years.

The maximum potential commitment under the facility provided by the Company to the Trust, has been increased from the £30 million potential commitment announced to the market on 11 March 2008 to £37 million with immediate effect.

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REG-BlueBay Asset Man <BBAY.L> Holding(s) in Company

04/04/2008

RNS Number:6752R
BlueBay Asset Management PLC
04 April 2008

TR-1: NOTIFICATION OF MAJOR INTERESTS IN SHARES

1. Identity of the issuer or the underlying issuer of existing shares to which voting rights are attached: BlueBay Asset Management plc

2. Reason for the notification (yes/no)

An acquisition or disposal of voting rights: Yes

An acquisition or disposal of financial instruments which may result in the acquisition of shares already issued to which voting rights are attached: No

An event changing the breakdown of voting rights: No

Other (please specify): N/A

3. Full name of person(s) subject to the notification obligation: Simon Treacher

4. Full name of shareholder(s) (if different from 3): N/A

5. Date of transaction (and date on which the threshold is crossed or reached if different): 02/04/2008

6. Date on which issuer notified: 04/04/2008

7. Threshold(s) that is/are crossed or reached: From above 3% to below 3%

8. Notified details

A: Voting rights attached to shares

Class/type of shares: GB00B1G52761

Situation previous to the triggering transaction

| Number of shares | Number of voting rights |
|------------------|-------------------------|
|------------------|-------------------------|

| | |
|-----------|-----------|
| 6,004,674 | 6,004,674 |
|-----------|-----------|

Resulting situation after the triggering transaction

| Number of shares | Number of voting rights | Percentage of voting rights |
|------------------|-------------------------|-----------------------------|
|------------------|-------------------------|-----------------------------|

Less than 3%

| |
|---------------|
| Direct: |
| Indirect: N/A |

| |
|---------------|
| Direct: |
| Indirect: N/A |

B: Financial Instruments

Resulting situation after the triggering transaction

Type of financial instrument: N/A

Expiration date: N/A

Exercise/conversion period/date: N/A

No. of voting rights that may be acquired (if the instrument is exercised/converted): N/A

Percentage of voting rights: N/A

Total (A+B)

Number of voting rights: N/A

Percentage of voting rights: N/A

9. Chain of controlled undertakings through which the voting rights and/or the financial instruments are effectively held, if applicable: N/A

Proxy Voting:

10. Name of the proxy holder: N/A

11. Number of voting rights proxy holder will cease to hold: N/A

12. Date on which proxy holder will cease to hold voting rights: N/A

13. Additional information:

Based on issued share capital comprising 192,815,962 ordinary shares of 0.1p each fully paid.

14. Contact name: Clare Humphreys

15. Contact telephone number: +0044(0)20 7389 3700

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FOR IMMEDIATE RELEASE

20 February 2008

BLUEBAY ASSET MANAGEMENT PLC

INTERIM RESULTS FOR THE YEAR ENDED 31 DECEMBER 2007 (unaudited)

Financial highlights

| | Six months ended 31 December 2007 | Six months ended 31 December 2006 | Year to 30 June 2007 |
|---------------------------------|--|--|---------------------------------|
| Assets under Management | US\$16.4bn | US\$9.6bn | US\$13.1bn |
| Total fee income | £62.0m | £56.6m | £109.2m |
| Net management fee income * | £43.3m | £26.6m | £61.0m |
| Performance fee income | £18.7m | £30.0m | £48.2m |
| Profit before tax ** | £29.6m | £29.2m | £51.6m |
| Operating margin ** | 44.4% | 50.0% | 45.2% |
| Profit after tax | £20.2m | £20.0m | £35.2m |
| Diluted earnings per share | 10.1p | 10.2p | 18.5p |
| Proposed dividend per share *** | 3.2p | n/a | 6.0p |

* Stated net of rebates

** Stated after exceptional items

*** Private limited company prior to November 2006

Hugh Willis, BlueBay's Chief Executive Officer, said:

"As has been well publicised, conditions in credit markets have continued to deteriorate since BlueBay's preliminary results in September 2007. Despite this, inflows into BlueBay's funds have remained strong and the Group has continued to generate positive performance fees. While it is quite likely that credit markets remain volatile in the near term, we are nevertheless confident of meeting the full year AuM growth projections made at the time of our preliminary results; implying second half net inflows of around \$2.5 billion, with a significant long-only weighting."

"Looking further forward, the medium term is beginning to look very interesting. The strong European corporate credit and emerging market fixed income secular growth trends that BlueBay has enjoyed for several years remain intact; as evidenced by continued inflows in the face of difficult market conditions. This secular opportunity is, moreover, fast

being supplemented by a cyclical opportunity; as credit market turmoil causes credit indices to approach historic highs and forward IRRs on credit portfolios to increase sharply. In our experience, large strategic fund investors are looking as a result to raise their exposure to credit; anticipating a two to three year period of equity-style returns being available for credit risk. We believe that BlueBay's robust investment and infrastructure platform, coupled with its strong brand, leaves it very well positioned to benefit from these developments."

Enquiries:

BlueBay Asset Management plc

020 7389 3700

Hugh Willis, CEO
Nick Williams, CFO
Alex Khein, COO

Brunswick Group LLP
Nigel Prideaux/Andrew Garfield/Tim Williamson

020 7404 5959

Notes to Editors:

Information on BlueBay

Founded in 2001, BlueBay is one of the largest independent managers of fixed income credit funds and products in Europe. It listed on the London Stock Exchange in November 2006. With approximately US\$16.4 billion of assets under management as at 31 December 2007, it has one of the largest concentrations of fixed income credit expertise in Europe. BlueBay specialises in two major sub-asset classes of credit – European corporate debt and emerging markets debt.

Within each sub-asset class, the Company offers two distinct product lines: long/short and long-only funds. It also manages a number of long-only segregated accounts on behalf of large institutional clients. BlueBay's overall aim is to provide a broad range of credit products to modern institutional investors which offer attractive risk-adjusted performance characteristics. BlueBay distributes its products directly, through wholesalers and via intermediaries. Its sales and marketing team is based in the Company's offices in London, Tokyo and New York.

Interim management report – half year review

1. Business overview

We are pleased to present the interim results of BlueBay Asset Management plc (“BlueBay” or the “Group”) for the half year ended 31 December 2007.

We are a large independent European fixed income credit manager; combining asset class specialisation with product breadth. Recent developments in the asset management industry have favoured the growth of specialised asset managers over the more traditional generalists. We believe it is difficult to excel in a wide range of disparate investment disciplines and that focus on a narrower range of products produces superior returns. We therefore provide clients with products across a range of different risk-return profiles from absolute return oriented long/short funds to principal-protected long-only fund derivatives.

Against the backdrop of significant turmoil in the global credit markets over the six month period, BlueBay has continued to make solid progress. During the first half of the year, BlueBay recorded increases in Assets under Management (up 71% on the six months ended 31 December 2006) and net management fees (up 63% on the six months ended 31 December 2006). Partly as a result of credit market conditions and partly due to a very strong prior year comparable period, however, performance fees were down 38% on the six months ended 31 December 2006. This limited pre-tax profits growth to 1%. While credit market conditions have remained difficult in the early part of the second half of the financial year, we remain confident of the prospects for our business.

Assets under Management

Assets under Management increased during the six month period ended 31 December 2007: by 25% to US\$16.4 billion from their level at 30 June 2007; and by 71% from their level at 31 December 2006. The increase of US\$3.3 billion since 30 June 2007 is split between net subscriptions of US\$2.5 billion (gross subscriptions of \$4.1 billion and gross redemptions of \$1.6 billion) and net market appreciation of US\$0.8 billion. Of the gross redemptions, 25% were reinvested in other BlueBay products.

For the purpose of this interim report and for future reporting, we have decided to revise the presentational format of our AuM. Under the new format, we will be segmenting AuM into two product lines rather than three; with the segment previously referred to as Structured Products being reallocated between the remaining long/short or long-only segments as appropriate. This change is intended both to simplify presentation and to reflect more accurately the nature of the products involved - 73%

of the funds historically reported as Structured Products are fund derivative products linked to BlueBay's existing long/short or long-only funds; the balance are open ended funds managed by BlueBay's long only portfolio managers.

An analysis of information reported under the new format compared with the old format is given in Appendix 1.

| | AuM (US\$ bn) | | | Six months ended | |
|------------|------------------------|--------------------|------------------------|-----------------------------------|---|
| | as at | | | 31 December 2007 | |
| | 31 December 2007 | 30 June 2007 | 31 December 2006 | Net subscriptions (US\$ bn) | Net market appreciation (US\$ bn) |
| Long/Short | 5.6 | 5.1 | 3.8 | 0.3 | 0.2 |
| Long-only | 10.8 | 8.0 | 5.8 | 2.2 | 0.5 |
| Total | 16.4 | 13.1 | 9.6 | 2.5 | 0.8 |

Long/short AuM increased by 10% during the six month period ended 31 December 2007 to US\$5.6 billion split between net subscriptions of US\$287 million and net market appreciation of US\$220 million. No new long/short products were launched during the period so all net subscriptions were made into existing products.

Long-only AuM increased by 35% during the six month period ended 31 December 2007 to US\$10.8 billion split between net subscriptions of US\$2,248 million and net market appreciation of US\$549 million. A new sub-fund, the BlueBay High Yield Enhanced Fund was launched in September 2007, attracting US\$128 million of assets by 31 December 2007. We continue to accept segregated mandates selectively. Total segregated mandates constituted US\$455 million of net subscriptions during the six months ended 31 December 2007.

Looking across the two sub-asset classes managed by BlueBay, both benefited from the strong net inflows with net subscriptions of US\$1,377 million in European corporate debt products and US\$1,159 million in emerging market debt products.

Fund performance

Fund performance for the calendar year 2007 was satisfactory. Of the three flagship long/short funds the annual returns net of fees for 2007 were 10.0% for the BlueBay Emerging Market Total Return Fund, 4.0% for the BlueBay Value Recovery Fund (US\$ share class), 4.3% for the BlueBay Global Credit Fund and 6.8% for Alpha Select Global Credit Fund (US\$ share class). The BlueBay Multi-Strategy Fund and the

BlueBay Multi-Strategy PLUS Fund, which were launched on 2 April 2007, achieved an annualised return net of fees of 10.3% and 12.2% respectively.

For the long-only flagship funds the relative annual returns for the calendar year 2007 were particularly strong for European corporate debt funds. For the BlueBay Investment Grade Bond Fund they were 333 basis points ahead of the relevant index and for the BlueBay High Yield Bond Fund 709 basis points ahead of the relevant index. For emerging market debt funds, they were 214 basis points behind the relevant index for the BlueBay Emerging Market Bond Fund, 125 basis points ahead of the relevant index for the BlueBay Emerging Markets Local Currency Fund and 5 basis points ahead of the relevant index for the BlueBay Emerging Market Select Bond Fund. The BlueBay European Credit Opportunity Fund generated an absolute return net of fees of 4.1%.

During the six months ended 31 December 2007, both the BlueBay Emerging Market Local Currency Bond Fund and the BlueBay Investment Grade Bond Fund achieved AA fund management ratings from Standard & Poors. BlueBay has also recently won Lipper Awards in both Germany and Switzerland recognising BlueBay as a top performer in its class across the categories of Bond Europe - High Yield (3 and 5 year periods), Bond Euro - Corporates (3 years) and as Best Fund Group (Bond Group Small) over 3 years. BlueBay was also successful in being awarded 'Eurozone Fixed Income Manager of the Year (Non-Government)' in Professional Pensions Specialist and Alternative Investment Manager Awards 2007. The awards recognise the leading and most innovative investment managers serving UK pension schemes.

Distribution

We have continued to focus on the broadening of BlueBay's geographic investor base with client wins across all regions during the six months ended 31 December 2007. In particular we have had significant business wins across Europe, the Middle East and Australia. During the period our New York office introduced its first major long-only segregated mandate; awarded to BlueBay by a US public sector pension fund. As our investor base continues to grow we are benefiting from greater diversification across our institutional investor base and continued interest in our products from existing and new distribution channels.

As of 31 March 2008, we intend to launch two new funds; the BlueBay Emerging Market Corporate Bond Fund and the BlueBay Investment Grade Libor Fund, both on the Luxembourg domiciled long-only platform, to be distributed by BlueBay's sales-force.

Employees

At 31 December 2007, BlueBay had 208 employees (compared to 144 employees as at 31 December 2006), including 66 investment and 38 sales and marketing professionals.

We remain committed to the principle of wide employee equity ownership. Immediately after admission of BlueBay's ordinary shares to the Official List of the UK Listing Authority (Listing), employees owned 58% of the issued share capital of BlueBay. On the anniversary of Listing on 22 November 2007, selling restrictions on the first 25% of the shares issued at the time of Listing and held by employees were lifted. In order to ensure continuing widespread employee ownership, the Group's Employee Benefit Trust has bought shares in the open market in order to satisfy restricted share awards to existing employees as part of the annual compensation round and to selected new joiners. For the second year running, as part of the compensation round at the end of 2007, a Share Incentive Programme (SIP) was offered to all permanent employees based in the UK. BlueBay continued to use the deferred bonus arrangement for employees earning over a certain minimum annual bonus. Under this arrangement, certain bonus awards were made in the form of conditional investments in some of the funds managed by BlueBay, to be released to the relevant employees over a three year period.

Principal risks and uncertainties

BlueBay's principal risks remain unchanged from those highlighted in our 2007 Annual Report. We continue to actively manage and review exposure to our business risks; principally investment risk, employee risk and operational risk.

As a specialist fixed income credit asset manager, BlueBay is exposed to the global credit markets, which in the current credit markets provide for uncertain times. We remain confident that BlueBay is well placed to weather such market volatility. For further comment, refer to the Business Overview section and the Outlook section.

2. Financial summary

One of our strategic objectives is to build a scalable diversified fixed income credit platform which benefits from a diversity of revenue streams. In addition to the long/short funds, we have developed a long-only fund platform which has seen significant growth in inflows following the establishment of successful multi-year track records. As a result, we expect the contribution of long-only funds to the AuM and to the management fee revenues to increase over time.

Net management fees

The growth in the AuM during the six months ended 31 December 2007, has fed through to increased management fees (net of rebates), albeit at a slightly slower rate. This is due to the increase in lower management fee yielding long-only products as a proportion of total AuM. Long/short management fees grew by 52% in the six months ended 31 December 2007 to £27.1 million whereas long-only management fees increased by 85% to £16.2 million over the same period.

| £ millions | Six months ended 31 December | | Year to 30 June |
|---------------------------|------------------------------|------|-----------------|
| | 2007 | 2006 | 2007 |
| Long/short | 27.1 | 17.8 | 40.6 |
| Long-only | 16.2 | 8.8 | 20.4 |
| Total net management fees | 43.3 | 26.6 | 61.0 |

The share of long/short products in the total management fees declined from 67% in the six months ended 31 December 2006 to 63% in the six months ended 31 December 2007.

Management fees on long/short products are charged at a standard 200 basis points per annum on all of the assets attributable to unrelated parties.

As a result of employee investments into non fee-bearing share classes of BlueBay's long/short products (partly as a result of the bonus deferral programme), the management fee yield was 198 basis points for the six months ended 31 December 2007, compared to 200 basis points for the six months ended 31 December 2006.

Under the new presentation of AuM, the management fee yield on the expanded category of long-only products has remained stable at 67 basis points in both the first and the second half of calendar year 2007.

Performance Fees

Performance fees continue to be generated predominantly by the long/short funds. Performance fees crystallize at the end of June on four of the five long/short funds and on all five at the end of December each year. For calendar year 2007, the weighted average long/short fund returns net of fees was 5.9%, which led to a 38% decrease in performance fees to £18.7 million for the six months ended 31 December 2007.

| £ millions | Six months ended 31 December | | Year to 30 June |
|------------------------|------------------------------|------|-----------------|
| | 2007 | 2006 | 2007 |
| Long/short | 17.0 | 29.8 | 46.6 |
| Long-only | 1.7 | 0.2 | 1.6 |
| Total performance fees | 18.7 | 30.0 | 48.2 |

The contribution made by long-only products as a percentage of total performance fees has increased to 9% of total performance fees. This reflects the strong performance recorded on some of BlueBay's long-only products as well as growing success at selling some of these products with both management and performance fee components.

Under the new presentation of AuM, the performance fee yield on long-only assets increased from 9 basis points in the first half of calendar year 2007 to 16 basis points in the second half of calendar year 2007.

Ratios and operating margin

We have again split our expenses up into three groups: performance-based compensation expenses, non performance based compensation expenses and non compensation expenses. Total compensation costs amounted to £23.2 million for the six months ended 31 December 2007, representing 37% of total fee revenues, compared to £20.2 million or 36% of total fee revenues for the six months ended 31 December 2006. Performance based compensation as a percentage of performance fees increased to 51% for the six months ended 31 December 2007 from 35% in the six months ended 31 December 2006. For the financial year ended 30 June 2007, this ratio was at 43%. This increase is partly due to the maturing effect of the bonus deferral programme, partly to the relatively strong performance of long-only European corporate credit products and partly to a review of compensation arrangements in the light of competitive pressures.

Non performance-based compensation as a percentage of management fees decreased to 32% in the six months ended 31 December 2007 from 37% in the six months ended 31 December 2006. For the financial year ended 30 June 2007, this ratio was at 36%. The improvement reflects the continuing scaling of the business as incremental AuM, particularly in long-only funds, can be managed with relatively small incremental costs.

Non compensation costs as a percentage of management fees decreased to 27% in the six months ended 31 December 2007 from 30% in the six months ended 31 December 2006. For the financial year ended 30 June 2007, this ratio was at 26%. The Group experienced a step-change in its occupancy costs during the period following the relocation of its London offices.

The operating margin decreased to 44% in the six months ended 31 December 2007 from 50% in the six months ended 31 December 2006. For the financial year ended 30 June 2007, the Group's operating margin was 45%.

Taxation

The effective tax rate has stayed stable at 31.7% of profits before tax in the six months ended 31 December 2007 compared to a rate of 31.6% in the six months ended 31 December 2006. This is above the implied statutory corporation tax rate of 29.5% applicable to our fiscal year ending 30 June 2008, mainly due to disallowable capital expenses and depreciation against non qualifying assets.

The exercise of share options by employees at the time of the Listing created a tax deductible expense of £18.9 million. The unutilised deferred tax credit as at 30 June 2007 is expected to be fully offset against tax liabilities arising during the course of the 2008 financial year.

Share capital

The issued share capital of the Company at 31 December 2007 was 191,948,750 ordinary shares. The increase of 1,576,250 ordinary shares since 30 June 2007 was due to the exercise of options by employees under the Unapproved Share Option Plan which was established before Listing.

Dividends

For the year ended 30 June 2007, a final dividend of 6 pence per share was approved by shareholders at the Annual General Meeting held on 14 November 2007. Consequently, dividend payments of £11.4 million were made to shareholders on 23 November 2007. In respect of the six month period ended 31 December 2007, the Directors have declared an interim dividend of 3.2 pence per share to be paid to all shareholders on the register at 29 February 2008. The payment date of the interim dividend is 28 March 2008.

3. Outlook

As has been well publicised, conditions in credit markets have continued to deteriorate since BlueBay's preliminary results in September 2007. Despite this, inflows into BlueBay's funds have remained strong and the Group has continued to generate positive performance fees. While it is quite likely that credit markets remain volatile in the near term, we are nevertheless confident of meeting the full year AuM growth projections made at the time of our preliminary results; implying second half net inflows of around \$2.5 billion, with a significant long-only weighting.

Looking further forward, the medium term is beginning to look very interesting. The strong European corporate credit and emerging market fixed income secular growth trends that BlueBay has enjoyed for several years remain intact; as evidenced by continued inflows in the face of difficult market conditions. This secular opportunity is, moreover, fast being supplemented by a cyclical opportunity; as credit market turmoil causes credit indices to approach historic wides and forward IRRs on credit portfolios to increase sharply. In our experience, large strategic fund investors are looking as a result to raise their exposure to credit; anticipating a two to three year period of equity-style returns being available for credit risk. We believe that BlueBay's robust investment and infrastructure platform, coupled with its strong brand, leaves it very well positioned to benefit from these developments.

Directors' statement of responsibilities

The Directors confirm that to the best of their knowledge (i) this condensed set of financial statements has been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union, and gives a true and fair view of the assets, liabilities, financial position and profit and loss of the Group and (ii) that the interim management report incorporated herein includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8. The Directors of BlueBay are listed in the Group Annual Report for the period to 30 June 2007, with the exception of Mr Alan Gibbins. Mr Gibbins was appointed as a Director on 5 November 2007. A list of current Directors is also maintained on the Group's website: www.bluebayinvest.com.

Hugh Willis
Chief Executive Officer

Nick Williams
Chief Financial Officer

This interim report contains certain forward-looking statements with respect to the financial condition, and results of, operations and business of BlueBay Asset Management plc. These statements and forecasts involve risk and uncertainty because they relate to events and depend on circumstances that may occur in the future. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements and forecasts. Forward-looking statements and forecasts are based on the Directors' current view and information known to them at the date of this report. The Directors do not make any undertaking to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Nothing in this document should be construed as a profit forecast.

Introduction

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 31 December 2007 which comprises the Group income statement, Group balance sheet, Group statement of changes in shareholders' equity, Group cash flow statement and related notes. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

As disclosed in note 1, the annual financial statements of the Group 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 Standard 34, "Interim Financial Reporting," as adopted by the European Union.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review. This report, including the conclusion, has been prepared for and only for the Company for the purpose of the Disclosure and Transparency Rules of the Financial Services Authority and for no other purpose. We do not, in producing this report, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does

not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 31 December 2007 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

PricewaterhouseCoopers LLP
Chartered Accountants
19 February 2008
London

Notes:

(a) The maintenance and integrity of the BlueBay Asset Management plc web site is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the web site.

(b) Legislation in the United Kingdom governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.

Group income statement

| | Note | Six months ended 31 December 2007 £000's (unaudited) | Six months ended 31 December 2006 £000's (unaudited) | Year to 30 June 2007 £000's |
|---|------|---|---|--------------------------------------|
| Revenue | 2 | 61,985 | 56,602 | 109,191 |
| Other operating income | | 576 | 154 | 249 |
| Other operating expenses | | (70) | (321) | (343) |
| Administrative expenses | | (34,955) | (28,126) | (59,719) |
| Operating profit | | 27,536 | 28,309 | 49,378 |
| Operating profit before exceptional items | | 27,536 | 29,400 | 50,476 |
| Exceptional items | | - | (1,091) | (1,098) |
| Operating profit | | 27,536 | 28,309 | 49,378 |
| Finance income | | 2,045 | 937 | 2,244 |
| Finance expense | | - | - | (6) |
| Profit on ordinary activities before taxation | | 29,581 | 29,246 | 51,616 |
| Taxation | 3 | (9,382) | (9,256) | (16,448) |
| Profit for the period attributable to ordinary equity shareholders | | 20,199 | 19,990 | 35,168 |
| Earnings per share | | | | |
| Basic | 4 | 16.5p | 16.7p | 29.3p |
| Diluted | 4 | 10.1p | 10.2p | 18.5p |
| Memo | | | | |
| Dividends paid in the period | 5 | 11,435 | 14,398 | 14,398 |

Group balance sheet

| | Note | At 31 December 2007 £000's (unaudited) | At 31 December 2006 £000's (unaudited) | At 30 June 2007 £000's |
|---|------|--|--|---------------------------------|
| Assets | | | | |
| Non-current assets | | | | |
| Property, plant and equipment | 6 | 6,403 | 2,524 | 2,554 |
| Intangible assets | | 1,573 | 1,661 | 1,747 |
| Deferred tax assets | 10 | 5,477 | 10,524 | 6,731 |
| Trade and other receivables | 7 | 142 | 715 | 99 |
| Total non-current assets | | 13,595 | 15,424 | 11,131 |
| Current assets | | | | |
| Trade and other receivables | 7 | 41,073 | 45,328 | 35,771 |
| Current tax asset | | - | - | 84 |
| Derivative financial instruments | | - | - | 3 |
| Financial assets | 8 | 14,461 | 3,828 | 13,876 |
| Cash and cash equivalents | | 61,774 | 39,088 | 51,531 |
| Total current assets | | 117,308 | 88,244 | 101,265 |
| Total assets | | 130,903 | 103,668 | 112,396 |
| Liabilities | | | | |
| Non-current liabilities | | | | |
| Deferred tax liability | | - | 117 | - |
| Trade and other payables | 9 | 10,480 | 5,032 | 6,353 |
| Total non-current liabilities | | 10,480 | 5,149 | 6,353 |
| Current liabilities | | | | |
| Trade and other payables | 9 | 31,672 | 29,888 | 18,367 |
| Current tax liabilities | | 6,414 | 59 | 77 |
| Derivative financial instruments | | 67 | - | - |
| Total current liabilities | | 38,153 | 29,947 | 18,444 |
| Total liabilities | | 48,633 | 35,096 | 24,797 |
| Shareholders' equity | | | | |
| Share capital | 13 | 192 | 190 | 190 |
| Share premium | | 31,990 | 31,538 | 31,551 |
| Retained earnings | | 62,542 | 27,222 | 49,635 |
| Own shares | 14 | (18,951) | (1,114) | (1,015) |
| Other reserves | | 6,497 | 10,736 | 7,238 |
| Total shareholders' equity | | 82,270 | 68,572 | 87,559 |
| Total liabilities and shareholders' equity | | 130,903 | 103,668 | 112,396 |

Group statement of changes in shareholders' equity

| Unaudited | Note | Share capital £000's | Share premium £000's | Retained earnings £000's | Own shares £000's | Other reserves £000's | Total £000's |
|--|------|----------------------------|----------------------------|--------------------------------|-------------------------|-----------------------------|-----------------|
| Balance at 1 July 2007 | | 190 | 31,551 | 49,635 | (1,015) | 7,238 | 87,599 |
| Currency translation adjustments | | - | - | 13 | - | - | 13 |
| Net income/(expense) recognised directly in equity: | | - | - | 13 | - | - | 13 |
| Profit for the period | | - | - | 20,199 | - | - | 20,199 |
| Dividends | | - | - | (11,435) | - | - | (11,435) |
| Total recognised income for the period | | - | - | 8,777 | - | - | 8,777 |
| Share-based payments | | - | - | - | - | 1,663 | 1,663 |
| Deferred tax on share-based payments | | - | - | - | - | 1,726 | 1,726 |
| Exercise of share options | 13 | 2 | 400 | - | - | - | 402 |
| Purchase of own shares by Employee Benefit Trust | | - | - | - | (17,897) | - | (17,897) |
| Deferred tax asset utilised | | - | - | 4,130 | - | (4,130) | - |
| Transfer between reserves | | - | 39 | - | (39) | - | - |
| Balance at 31 December 2007 | | 192 | 31,990 | 62,542 | (18,951) | 6,497 | 82,270 |

Group statement of changes in shareholders' equity

| Unaudited | Share capital £000's | Share premium £000's | Retained earnings £000's | Own shares £000's | Other reserves £000's | Total £000's |
|--|-------------------------|-------------------------|-----------------------------|----------------------|--------------------------|-----------------|
| Balance at 1 July 2006 | 12 | 15,587 | 12,531 | - | 447 | 28,577 |
| Currency translation adjustments | - | - | (5) | - | - | (5) |
| Net income/(expense) recognised directly in equity: | - | - | (5) | - | - | (5) |
| Profit for the period | - | - | 19,990 | - | - | 19,990 |
| Dividends | - | - | (14,398) | - | - | (14,398) |
| Total recognised income for the period | - | - | 5,587 | - | - | 5,587 |
| Share-based payments | - | - | - | - | 446 | 446 |
| Deferred tax on share-based payments | - | - | - | - | 18,947 | 18,947 |
| Reclassification of debt as equity | 50 | 11,968 | - | - | - | 12,018 |
| Exercise of share options | 20 | 5,216 | - | - | - | 5,236 |
| Bonus Issue | 108 | (108) | - | - | - | - |
| IPO costs | - | (1,125) | - | - | - | (1,125) |
| Purchase of own shares by Employee Benefit Trust | - | - | - | (214) | - | (214) |
| Purchase of own shares for Share Incentive Plan | - | - | - | (900) | - | (900) |
| Deferred tax asset utilised | - | - | 9,104 | - | (9,104) | - |
| Balance at 31 December 2006 | 190 | 31,538 | 27,222 | (1,114) | 10,736 | 68,572 |

Group statement of changes in shareholders' equity

| | Share capital £000's | Share premium £000's | Retained earnings £000's | Own shares £000's | Other reserves £000's | Total £000's |
|--|----------------------------|----------------------------|--------------------------------|-------------------------|-----------------------------|-----------------|
| Balance at 1 July 2006 | 12 | 15,587 | 12,531 | - | 447 | 28,577 |
| Currency translation adjustments | - | - | (12) | - | - | (12) |
| Net income/(expense) recognised directly in equity: | - | - | (12) | - | - | (12) |
| Profit for the year | - | - | 35,168 | - | - | 35,168 |
| Dividends | - | - | (14,398) | - | - | (14,398) |
| Total recognised income for the year | - | - | 20,758 | - | - | 20,758 |
| Share-based payments | - | - | - | - | 687 | 687 |
| Deferred tax on share-based payments | - | - | - | - | 22,450 | 22,450 |
| Reclassification of debt as equity | 50 | 11,968 | - | - | - | 12,018 |
| Exercise of share options | 20 | 5,234 | - | - | - | 5,254 |
| Bonus issue | 108 | (108) | - | - | - | - |
| IPO costs | - | (1,130) | - | - | - | (1,130) |
| Purchase of own shares by Employee Benefit Trust | - | - | - | (270) | - | (270) |
| Purchase of own shares for Share Incentive Plan | - | - | - | (900) | - | (900) |
| Disposal of own shares for Share Incentive Plan | - | - | - | 155 | - | 155 |
| Deferred tax asset utilised | - | - | 16,447 | - | (16,447) | - |
| Transfer between reserves | - | - | (101) | - | 101 | - |
| Balance at 30 June 2007 | 190 | 31,551 | 49,635 | (1,015) | 7,238 | 87,599 |

Group cash flow statement

| | | Six months ended 31 December 2007 £000's (unaudited) | Six months ended 31 December 2006 £000's (unaudited) | Year to 30 June 2007 £000's |
|---|----|---|---|--------------------------------------|
| Cash flows from operating activities | | | | |
| Cash generated from operations | 11 | 44,557 | 32,587 | 56,118 |
| Income tax refunds/(paid) | | 19 | (5,440) | (5,564) |
| Exceptional items | | - | (1,091) | (1,098) |
| Net cash inflow from operating activities | | 44,576 | 26,056 | 49,456 |
| Cash flows from investing activities | | | | |
| Purchase of property, plant and equipment | | (5,358) | (515) | (1,348) |
| Purchase of intangible assets | | (45) | (267) | (550) |
| Purchase of current financial assets | | - | - | (10,199) |
| Sale of current financial assets | | - | - | 246 |
| Net cash outflow from investing activities | | (5,403) | (782) | (11,851) |
| Cash flows from financing activities | | | | |
| Proceeds from issue of ordinary shares | | 402 | 5,236 | 5,254 |
| Purchase of own shares by Employee Benefit Trust | | (17,897) | (214) | (270) |
| Purchase of own shares for Share Incentive Plan | | - | (900) | (900) |
| Sale of own shares by Share Incentive Plan | | - | - | 155 |
| IPO costs written off against share premium | | - | (1,125) | (1,130) |
| Dividends paid | 5 | (11,435) | (14,398) | (14,398) |
| Net cash outflow from financing activities | | (28,930) | (11,401) | (11,289) |
| Net increase in cash and cash equivalents | | 10,243 | 13,873 | 26,316 |
| Cash and cash equivalents at beginning of period | | 51,531 | 25,215 | 25,215 |
| Cash and cash equivalents at end of the period | | 61,774 | 39,088 | 51,531 |

The Group did not have any overdrafts repayable on demand at the end of each accounting period.

1. Basis of preparation

The condensed financial statements are unaudited and do not constitute statutory financial statements within the meaning of Section 240 of the Companies Act 1985. The financial statements for the year to 30 June 2007, which were prepared in accordance with International Financial Reporting Standards ('IFRS') and relevant IFRIC interpretations issued by the International Accounting Standards Board ('IASB') and IFRIC Committee respectively and adopted by the European Union ('EU'). The report of the auditors on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under Section 237 of the Companies Act 1985. The Group Annual Report for the year ended 30 June 2007 has been delivered to the Registrar of Companies and was posted to shareholders on 12 October 2007.

The condensed financial statements for the six months ended 31 December 2007 have been prepared in accordance with the Disclosure and Transparency Rules of the Financial Services Authority and IAS 34 'Interim Financial Reporting' as adopted by the European Union. The condensed financial statements should be read in conjunction with the Group's Annual Report for the year ended 30 June 2007, which have been prepared in accordance with IFRSs as adopted by the European Union. The accounting policies applied in these interim financial statements are consistent with those set out and applied in the Group's Annual Report for the year ended 30 June 2007.

A number of new standards, amendments to existing standards and interpretations have been issued, none of which will have a material impact on the results or financial position of the Group for the financial year ended 30 June 2008 or in future periods.

The following standards and interpretations are mandatory and will be applied for the financial year ending 30 June 2008:

- IFRS 7 'Financial Instruments: Disclosures' and an amendment to IAS 1 'Presentation of Financial Statements'
- IFRIC 8 – Scope of IFRS 2
- IFRIC 9 – Reassessment of embedded derivatives
- IFRIC 10 – Interim financial reporting and impairment
- IFRIC 11, IFRS 2 – Group and treasury share transactions

The following standards and interpretations relevant to the Group were in issue but not yet effective:

- IFRS 8 – Operating segments
- IFRIC 13 – Customer loyalty programmes

2. Segmental reporting

The Group has one distinguishable business segment, being the provision of investment management services.

Revenue from investment management services can be broken down as follows:

| | Six months ended 31 December 2007 £000's | Six months ended 31 December 2006 £000's | Year to 30 June 2007 £000's |
|---------------------|--|--|--------------------------------------|
| Net management fees | 43,271 | 26,602 | 60,950 |
| Performance fees | 18,714 | 30,000 | 48,241 |
| Total revenue | <u>61,985</u> | <u>56,602</u> | <u>109,191</u> |

3. Taxation

| | Six months ended 31 December 2007 £000's | Six months ended 31 December 2006 £000's | Year to 30 June 2007 £000's |
|---|--|--|--------------------------------------|
| Current tax | | | |
| UK corporation tax on profits for the period | 10,481 | 9,247 | 16,444 |
| Adjustments in respect of previous periods | - | - | 63 |
| Overseas | 51 | 59 | 155 |
| Total current tax | <u>10,532</u> | <u>9,306</u> | <u>16,662</u> |
| Deferred tax | | | |
| Origination and reversal of temporary differences | - | 23 | (12) |
| Adjustments in respect of previous periods | - | - | (64) |
| IFRS 2 share-based payments credit | (1,158) | (73) | (126) |
| Overseas | 8 | - | (21) |
| Adjustments in respect of change to future tax rate | - | - | 9 |
| Total tax charge for the period | <u>9,382</u> | <u>9,256</u> | <u>16,448</u> |

4. Earnings per share

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders for the relevant period by the number of ordinary shares in existence less the weighted average number of own shares.

Diluted earnings per share is calculated as for basic earnings per share with further adjustments to the weighted average number of ordinary shares to reflect the effects of all dilutive ordinary shares.

There are no differences between the profit for each financial period attributable to equity holders used in the basic and diluted earnings per share calculations.

Reconciliation of the figures used in calculating basic and diluted earnings per share:

| | 31 December 2007 Number (thousands) | 31 December 2006 Number (thousands) | 30 June 2007 Number (thousands) |
|---|--|--|--|
| Basic weighted average number of shares | 122,784 | 119,776 | 120,049 |
| Effect of dilution | 76,353 | 77,123 | 70,191 |
| Diluted weighted average number of shares | <u>199,137</u> | <u>196,899</u> | <u>190,240</u> |

The basic weighted average number of shares as at 30 June 2007 has been restated from 140,765,000 reported in the 2007 Group Annual Report to 120,049,000. This has led to an increase in basic earnings per share of 4.3p to 29.3p, up from 25.0p as at 30 June 2007. There is no change to the diluted earnings per share as at that date.

5. Dividends

| | Six months ended 31 December 2007 £000's | Six months ended 31 December 2006 £000's | Year to 30 June 2007 £000's |
|--|--|--|--------------------------------------|
| Declared and paid in the period Equity dividends and ordinary shares | | | |
| 1 st Interim dividend £0.06 (2007: £0.06) | - | 10,177 | 10,177 |
| 2 nd Interim dividend £0.03 (2007: £0.03) | - | 4,221 | 4,221 |
| Final dividend 2007 £0.06 (2006: nil) | 11,435 | - | - |
| Total | <u>11,435</u> | <u>14,398</u> | <u>14,398</u> |

6. Property, plant and equipment

In the six months ended 31 December 2007, the Group acquired property, plant and equipment at a cost of £5,358,000 (six months ended 31 December 2006: £482,000) and made disposals at a net book value of £109,000 (six months ended 31 December 2006: £253,000).

At 31 December 2007, the Group did not have any capital commitments with respect to property, plant and equipment (as at 31 December 2006: £nil).

7. Trade and other receivables

| | 31 December 2007 £000's | 31 December 2006 £000's | 30 June 2007 £000's |
|---|-------------------------------|-------------------------------|---------------------------|
| Amounts falling due within one year | | | |
| Amounts owed by related parties | 36,752 | 41,630 | 31,472 |
| Other trade receivables | 1,080 | 2,784 | 1,269 |
| Prepayments and accrued income | 3,241 | 914 | 3,030 |
| | <u>41,073</u> | <u>45,328</u> | <u>35,771</u> |
| Amounts falling due after more than one year | | | |
| Other receivables | <u>142</u> | <u>715</u> | <u>99</u> |

8. Financial assets

Financial assets are held in relation to the 'deferred compensation scheme'.

Financial assets of £3,583,000 have been reclassified from non-current assets to current assets in 2006.

9. Trade and other payables

| | 31 December 2007 £000's | 31 December 2006 £000's | 30 June 2007 £000's |
|---|-------------------------------|-------------------------------|---------------------------|
| Amounts falling due within one year | | | |
| Trade payables | 359 | 751 | 304 |
| Amounts owed to related parties | - | 166 | - |
| Other tax and social security payable | 2,135 | 363 | 560 |
| Other creditors | 4,792 | 2,911 | 2,857 |
| Accruals | 24,386 | 25,697 | 14,646 |
| | <u>31,672</u> | <u>29,888</u> | <u>18,367</u> |
| Amounts falling due after more than one year | | | |
| Accruals | <u>10,480</u> | <u>5,032</u> | <u>6,353</u> |

10. Deferred tax

Deferred tax assets

| | Temporary differences £000's |
|--|---------------------------------|
| At 1 July 2007 | 6,731 |
| Income statement credit | 1,150 |
| Deferred tax asset utilised | (4,130) |
| Deferred tax on share-based payments taken to equity | 1,726 |
| | <hr/> |
| At 31 December 2007 | <u>5,477</u> |
| | Temporary differences £000's |
| At 1 July 2006 | 631 |
| Income statement credit | 50 |
| Deferred tax asset utilised | (9,104) |
| Deferred tax on share-based payments taken to equity | 18,947 |
| | <hr/> |
| At 31 December 2006 | <u>10,524</u> |
| | Temporary differences £000's |
| At 1 July 2006 | 631 |
| Income statement credit | 97 |
| Deferred tax asset utilised | (16,447) |
| Deferred tax on share-based payments taken to equity | 22,450 |
| | <hr/> |
| At 30 June 2007 | <u>6,731</u> |

Deferred tax assets have been recognised where the tax deduction in the current period has exceeded the current forecast taxable profits. The recognition of the deferred tax asset is based on the probability that the Group will derive taxable profits in the future.

11. Cash generated from operations

| | Six months ended 31 December 2007 £000's | Six months ended 31 December 2006 £000's | Year to Year to 30 June 2007 £000's |
|---|--|--|---|
| Continuing operations | | | |
| Operating profit before exceptional items for the period | 27,536 | 29,400 | 50,476 |
| Adjustments for: | | | |
| Financial assets at fair value | (576) | (154) | (250) |
| Derivatives at fair value | 70 | - | (3) |
| Share based payments | 1,663 | 446 | 687 |
| Finance income | 2,070 | 869 | 2,257 |
| Finance expense | - | - | (47) |
| Depreciation | 1,404 | 522 | 1,312 |
| Amortisation of intangibles | 219 | 131 | 328 |
| Loss on disposal of property, plant and equipment | 109 | 253 | 254 |
| | 4,959 | 2,067 | 4,538 |
| Changes in working capital: | | | |
| Increase in receivables | (5,370) | (13,443) | (3,259) |
| Increase in payables | 17,432 | 14,563 | 4,363 |
| Cash generated from operations | 44,557 | 32,587 | 56,118 |

12. Contingent liabilities

Having made appropriate enquiries, the Directors are not aware of any contingent liabilities.

13. Share capital

| | 31 December 2007 £000's |
|---|-------------------------------|
| Authorised 250,000,000 ordinary shares of £0.001 each | <u>250</u> |
| Called up, allotted and fully paid 191,948,750 ordinary shares of £0.001 each | <u>192</u> |
| | 31 December 2006 £000's |
| Authorised 250,000,000 ordinary shares of £0.001 each | <u>250</u> |
| Called up, allotted and fully paid 190,310,000 ordinary shares of £0.001 each | <u>190</u> |
| | 30 June 2007 £000's |
| Authorised 250,000,000 ordinary shares of £0.001 each | <u>250</u> |
| Called up, allotted and fully paid 190,372,500 ordinary shares of £0.001 each | <u>190</u> |

During the period, 1,576,250 share options with a nominal value of £0.001 each were exercised (six months ended 31 December 2006: 70,310,000).

14. Own shares

Own shares are held by employee trusts for the purposes of satisfying certain equity-based awards where shares have not vested unconditionally in employees of the Group. During the period, the number of own shares purchased by employee trusts was 4,256,688, at a cost of £17,897,000 (six months ended 31 December 2006: 1,050,000 shares at a cost of £1,114,000)

The Group also holds own shares through its arrangements with a number of employees who have subscribed for or have been awarded shares which have not vested unconditionally. Under the terms of each subscription, the shares are held in a nominee account on behalf of each employee until such shares are released under agreed forfeiture arrangements. The number of own shares held under such arrangements was 53,728,332 (as at 31 December 2006: 69,560,000).

15. Related party transactions

The following transactions were carried out with related parties:

During the period the following categories of related party transactions occurred:

| Description of relationship | Description of Service | Description of transactions |
|-----------------------------|--|--|
| Funds managed by the Group | Provision of investment management and investment services by Group companies. | Management and performance fees earned |

Sales of services during the period

| | Six months Ended 31 December 2007 £000's | Six months ended 31 December 2006 £000's | Year to 30 June 2007 £000's |
|-----------------------------------|--|--|--------------------------------------|
| <i>Investment management fees</i> | 60,285 | 55,949 | 108,216 |

Balances arising with related parties as at

| | 31 December 2007 £000's | 31 December 2006 £000's | 30 June 2007 £000's |
|----------------------------|-------------------------------|-------------------------------|---------------------------|
| Funds managed by the Group | 36,752 | 41,630 | 31,472 |

All transactions with related parties were on an arm's length basis.

Key management compensation is in line with the accounts disclosed in the financial statements for the year ended 30 June 2007.

Appendix 1 – New format versus old format

Assets under Management

| US\$ billions | For period ended | | | | | |
|---------------------|------------------|--------------|------------------|------------------|--------------|------------------|
| | New format | | | Old format | | |
| | 31 December 2007 | 30 June 2007 | 31 December 2006 | 31 December 2007 | 30 June 2007 | 31 December 2006 |
| Long/Short | 5.6 | 5.1 | 3.8 | 5.5 | 4.9 | 3.6 |
| Long-only | 10.8 | 8.0 | 5.8 | 8.3 | 5.6 | 3.9 |
| Structured Products | - | - | - | 2.6 | 2.6 | 2.1 |
| Total | 16.4 | 13.1 | 9.6 | 16.4 | 13.1 | 9.6 |

Net subscriptions and market appreciation

| US\$ billions | Six months ended 31 December | | | |
|-------------------------|------------------------------|------|------------|------|
| | New format | | Old format | |
| | 2007 | 2006 | 2007 | 2006 |
| Net Subscriptions | 0.3 | 0.2 | 0.4 | 0.2 |
| Net market appreciation | 2.2 | 0.5 | 2.3 | 0.4 |
| Structured Products | - | - | -0.2 | 0.2 |
| Total | 2.5 | 0.8 | 2.5 | 0.8 |

Net management fees

| | Six months ended 31 December | | | |
|---------------------|------------------------------|------|------------|------|
| | New format | | Old format | |
| £ millions | 2007 | 2006 | 2007 | 2006 |
| Long/Short | 27.1 | 17.8 | 26.5 | 17.4 |
| Long-only | 16.2 | 8.8 | 11.8 | 5.3 |
| Structured Products | - | - | 5.0 | 3.9 |
| Total | 43.3 | 26.6 | 43.3 | 26.6 |

Performance fees

| | Six months ended 31 December | | | |
|---------------------|------------------------------|------|------------|------|
| | New format | | Old format | |
| £ millions | 2007 | 2006 | 2007 | 2006 |
| Long/Short | 17.0 | 29.8 | 16.5 | 29.6 |
| Long-only | 1.7 | 0.2 | 1.7 | 0.0 |
| Structured Products | - | - | 0.5 | 0.4 |
| Total | 18.7 | 30.0 | 18.7 | 30.0 |

Management fee yields

| | Six months ended | | | |
|---------------------|------------------|--------------|------------------|--------------|
| | New format | | Old format | |
| | 31 December 2007 | 30 June 2007 | 31 December 2007 | 30 June 2007 |
| Basis points | | | | |
| Long/Short | 198 | 200 | 198 | 200 |
| Long-only | 67 | 67 | 64 | 62 |
| Structured Products | - | - | 83 | 88 |

Performance fee yields

| | Six months ended | | | |
|---------------------|------------------|--------------|------------------|--------------|
| | New format | | Old format | |
| | 31 December 2007 | 30 June 2007 | 31 December 2007 | 30 June 2007 |
| Basis points | | | | |
| Long/Short | 123 | 150 | 122 | 153 |
| Long-only | 16 | 9 | 21 | 10 |
| Structured Products | - | - | 10 | 15 |

Shareholder and Company Information

Registered office

BlueBay Asset Management plc
77 Grosvenor Street
London W1k 3JR
United Kingdom
Tel +44 (0)20 7389 3700
Fax +44 (0)20 7389 3499

Registered number

03262598

Overseas offices

Tokyo Office
Holland Hills Mori Tower
5-11-2 Toranomon Minato-ku
Tokyo 105-0001
Japan
Tel +81(3)5777 1760

New York Office
590 Madison Avenue
37th Floor
New York, New York 10022
United States of America
Tel: +1(212)655 7100

Website

www.bluebayinvest.com

Contact

investor@bluebayinvest.com

Registrar

Capita Registrars
4th Floor, Beaufort House
London
WC2A 3ED

Events timetable

| | |
|--|-------------------|
| Third quarter interim management statement | 21 March 2008 |
| Fourth quarter trading statement | 16 July 2008 |
| Preliminary results announcement | 16 September 2008 |
| Annual General Meeting | 14 November 2008 |

Dates for 2008 interim dividend

| | |
|------------------|------------------|
| Ex dividend date | 27 February 2008 |
| Record date | 29 February 2008 |
| Payment date | 28 March 2008 |

Auditors

PricewaterhouseCoopers LLP
Hay's Galleria
1 Hay's Lane
London SE1 2RD
United Kingdom