

**GoIndustry-DoveBid plc (“GoIndustry DoveBid” or the “Company”)
Consolidated half-year financial report 2009**

GoIndustry-DoveBid plc, the AIM quoted global market leader in the provision of asset management, auction and valuations services, announces its results for the six months ended 30 June 2009.

Summary results

In thousands of pounds	2009	2008
Direct profit	<u>12,833</u>	<u>11,610</u>
Adjusted EBITDA (loss) / profit*	(711)	372
Interest expense (net)	(534)	(216)
Depreciation and amortisation**	<u>(333)</u>	<u>(211)</u>
Adjusted loss before taxation*	(1,578)	(55)
Exceptional items	(1,016)	(1,664)
Other charges	<u>(476)</u>	<u>(281)</u>
Loss before taxation	<u>(3,070)</u>	<u>(2,000)</u>

Highlights

- Gross asset sales (GAS) of £54 million (2008: £57 million)
- Online sales accounted for 63% of GAS (2008: 56%)
- Share of Direct Profit generated from long-term corporate relationships increased to 24% (2008: 21%)
- Share of Direct Profit generated from North America increased to 52% (2008: 39%)
- Share of Direct Profit from agency commissions and fees remaining steady at 89% (2008: 88%)
- Achieved positive adjusted EBITDA* in the second quarter
- Subsequent to the half-year end, on 11 September 2009 the Company raised £4.5 million of new equity capital and converted £4.5 million of convertible loan notes into equity

* - Adjusted EBITDA and adjusted loss before tax are before exceptional items and other charges (see note 5).

** - Depreciation and amortisation excludes amortisation of acquired intangibles (see notes 5 and 7).

Chief executive's review

I am very pleased to present the 2009 interim results as the new Chief Executive.

The extremely difficult trading conditions of the fourth quarter of 2008 continued through the first two months of 2009 but business improved over the four months from March to June. The second quarter of 2009 showed a positive adjusted EBITDA*, although this was not sufficient to offset the losses suffered in the first quarter and therefore the Company is reporting an adjusted loss before tax* for the 6-month period ended 30 June 2009 of £1.6 million compared to £0.1 million for the same period in 2008. Adjusted EBITDA* in the first half of 2009 showed a loss of £0.7 million on Direct Profit of £12.8 million, compared to a positive EBITDA of £0.4 million for the same period in 2008 on Direct Profit of £11.6 million.

In light of market conditions, the Company took action during the first quarter to reduce headcount and operating expenses, cutting approximately £6 million of annualised costs. As a result, the Company is currently reporting a restructuring charge of £1.0 million for the period (2008: £1.7 million). This restructuring has reduced our fixed cost base in order that the Company should be profitable at current levels of Direct Profit. In addition, the Company has taken steps to improve the rate of auction Direct Profit as a percentage of Gross Asset Sales, which stands at 18.4% for the first half of 2009 compared to 16.1% in 2008.

In early 2009, we initiated a plan to strengthen the balance sheet that resulted in the issuance of £4.5 million of new equity for cash and the conversion of £4.5 million of the 2011 convertible loan notes into equity, both events completing on 11 September 2009. I would like to thank both our existing and our new shareholders for their vote of confidence and support toward GoIndustry DoveBid with these transactions.

With the equity fundraising complete, we are now turning our full attention to refining and executing the Company's strategy and have identified a number of key initiatives to improve the Company's operational performance:

- Strengthening sales execution which includes increasing global sales management and coordination, improving alignment of sales incentives and sharpening our focus on key regional markets;
- Enhancing our corporate service offerings and building on our already substantial base of multinational clients to increase long-term contracts and improve the predictability of revenue;
- Investing in better customer-oriented solutions and management information systems;
- Increasing emphasis on the high margin valuations business to improve profitability and the flow of assets for auction; and
- Intensifying our focus on the overall quality of service to our customers.

Underpinning these initiatives is an overriding management focus on organic Direct Profit growth coupled with tight cost control, which are prerequisites for the Company to achieve economies of scale and to drive the operational leverage implicit in its business model.

Financial Review

As a result of the acquisition of DoveBid in 2008, the geographic composition of our Direct Profit has changed. North America now represents 52% of consolidated Direct Profit compared to 39% in 2008, whereas Europe represents 36% compared to 50% in 2008, and Asia has remained steady at 12% compared to 11% in 2008. The greater presence in North America was one of the reasons for acquiring DoveBid.

The composition of our Direct Profit by type of business did not change significantly since 2008. The commission business remained steady at 67%, whilst fee-based services are up 1% to 22% and principal business is down 1% to 11%.

Since 31 December 2008, the Company has significantly restructured its banking and debt facilities.

- The \$10 million facilities with PNC Bank in the US were renewed.

Condensed consolidated statement of comprehensive income (unaudited)

In thousands of pounds sterling

		2009			Six months ended 30 June 2008				
	Note	Before exceptio- nal items and other charges	Excepti- onal items (note 5)	Other charges (note 5)	Total	Before exceptio- nal items and other charges	Excepti- onal items (note 5)	Other charges (note 5)	Total
Revenue	4	21,472	-	-	21,472	17,589	-	-	17,589
Cost of sales		(8,639)	-	-	(8,639)	(5,979)	-	-	(5,979)
Direct profit		12,833	-	-	12,833	11,610	-	-	11,610
Administrative expenses		(13,897)	(1,016)	(476)	(15,389)	(11,449)	(1,664)	(281)	(13,394)
Operating (loss) / profit	4	(1,064)	(1,016)	(476)	(2,556)	161	(1,664)	(281)	(1,784)
Finance costs									
Interest income		73	-	-	73	165	-	-	165
Interest expense		(607)	-	-	(607)	(381)	-	-	(381)
Share of profit of associate		20	-	-	20	-	-	-	-
Loss before income tax	4	(1,578)	(1,016)	(476)	(3,070)	(55)	(1,664)	(281)	(2,000)
Income tax expense		(62)	-	-	(62)	(44)	-	-	(44)
Loss for the period from continuing operations		(1,640)	(1,016)	(476)	(3,132)	(99)	(1,664)	(281)	(2,044)
Discontinued operations									
Loss for the period from discontinued operations		-	-	-	-	-	(1,194)	-	(1,194)
Loss for the period		(1,640)	(1,016)	(476)	(3,132)	(99)	(2,858)	(281)	(3,238)
Other comprehensive income:									
Exchange differences on translating foreign operations					(4,327)				(1,215)
Other comprehensive income for the period, net of tax					(4,327)				(1,215)
Total comprehensive income for the period					(7,459)				(4,453)
Loss attributable to:									
Equity holders of the Company					(3,162)				(3,249)
Minority interests					30				11
					(3,132)				(3,238)
Total comprehensive income attributable to:									
Equity holders of the Company					(7,482)				(4,474)
Minority interests					23				21
					(7,459)				(4,453)
Loss per share attributable to equity holders of the Company									
Basic	6				(0.7p)				(0.8p)
Fully diluted	6				(0.7p)				(0.8p)

The accompanying notes form an integral part of this consolidated half-year financial report.

Condensed consolidated statement of changes in equity (unaudited)

In thousands of pounds sterling

	Ordinary shares	Re-deemable deferred shares	Share premium	Shares to be issued	Own shares held in trust	Other reserves	Accumulated losses	Capital and reserves attributable to equity holders of the company	Minority interest	Total equity
At 1 January 2008 (audited)	13,250	-	9,578	-	(1,042)	47,991	(41,989)	27,788	84	27,872
Currency translation differences	-	-	-	-	-	(1,204)	-	(1,204)	-	(1,204)
(Loss) / profit for period	-	-	-	-	-	-	(3,249)	(3,249)	48	(3,201)
Share based payments	-	-	-	-	34	63	-	97	-	97
Issue of share capital to finance the acquisition of DoveBid, Inc.										
Proceeds from shares issued	9,250	-	9,250	-	-	-	-	18,500	-	18,500
Less: cost of share issue	-	-	(1,031)	-	-	-	-	(1,031)	-	(1,031)
Shares issued as consideration for the acquisition of DoveBid.	1,083	-	1,083	1,084	-	-	-	3,250	-	3,250
At 1 July 2008 (unaudited)	23,583	-	18,880	1,084	(1,008)	46,850	(45,238)	44,151	132	44,283
Currency translation differences	-	-	-	-	-	9,247	-	9,247	-	9,247
(Loss) / profit for period	-	-	-	-	-	-	(27,074)	(27,074)	49	(27,025)
Actuarial gain on defined benefit pension scheme	-	-	-	-	-	-	430	430	-	430
Share based payments	-	-	-	-	34	110	-	144	-	144
Cancellation of shares issued as consideration for the Acquisition of DoveBid	-	-	-	(542)	-	-	-	(542)	-	(542)
Additional costs of share issue	-	-	(8)	-	-	-	-	(8)	-	(8)
At 1 January 2009 (audited)	23,583	-	18,872	542	(974)	56,207	(71,882)	26,348	181	26,529
Sub-division of ordinary shares	(18,866)	18,866	-	-	-	-	-	-	-	-
Cancellation of own shares held	(41)	(171)	(676)	-	888	-	-	-	-	-
Currency translation differences	-	-	-	-	-	(4,327)	-	(4,327)	-	(4,327)
(Loss) / profit for period	-	-	-	-	-	-	(3,162)	(3,162)	30	(3,132)
Share based payments	-	-	-	-	34	112	-	146	-	146
At 30 June 2009 (unaudited)	4,676	18,695	18,196	542	(52)	51,992	(75,044)	19,005	211	19,216

The accompanying notes form an integral part of this consolidated half-year financial report.

Condensed consolidated statement of financial position

In thousands of pounds sterling	Note	30 June 2009 (unaudited)	31 December 2008 (audited)	30 June 2008 (unaudited)
Non-current assets				
Property, plant and equipment	7	1,178	1,429	1,214
Intangible assets	7	31,344	35,750	46,644
Investment in associate		48	28	-
		32,570	37,207	47,858
Current assets				
Inventories		979	2,743	2,301
Trade and other receivables		7,791	10,853	11,077
Cash and cash equivalents		16,474	18,037	11,307
		25,244	31,633	24,685
Total assets		57,814	68,840	72,543
Current liabilities				
Trade and other payables		25,813	27,803	18,935
Borrowings	8	2,348	9,970	4,856
		28,161	37,773	23,791
Non-current liabilities				
Trade and other payables		1,047	1,094	462
Borrowings	8	6,785	546	468
Retirement benefit obligations		2,605	2,898	3,539
		10,437	4,538	4,469
Total liabilities		38,598	42,311	28,260
Net assets		19,216	26,529	44,283
Equity				
Share capital	9	23,371	23,583	23,583
Share premium	9	18,196	18,872	18,880
Shares to be issued		542	542	1,084
Own shares held in trust	10	(52)	(974)	(1,008)
Other reserves		51,992	56,207	46,850
Accumulated losses		(75,044)	(71,882)	(45,238)
Capital and reserves attributable to equity holders of the company		19,005	26,348	44,151
Minority interests		211	181	132
Total equity		19,216	26,529	44,283

The accompanying notes form an integral part of this consolidated half-year financial report.

Condensed consolidated statement of cash-flows (unaudited)

In thousands of pounds sterling	Six months ended 30 June	
	2009 (unaudited)	2008 (unaudited)
Cash flows from operating activities		
Loss before income tax	(3,070)	(2,000)
Depreciation	229	175
Amortisation	435	220
Net interest expense	534	216
Share based payments	146	97
Share of profit of associate	(20)	-
Changes in working capital:		
Decrease / (increase) in inventories	1,519	(1,413)
Decrease in accounts receivable	2,094	1,566
Increase / (decrease) in accounts payable	449	(2,599)
(Decrease) / increase in provisions	(293)	20
Operating cash flows before interest and taxes	2,023	(3,718)
Interest paid	(607)	(381)
Income and corporation taxes (paid) / refunded	(75)	9
Interest received	73	165
Net cash generated from / (used in) operating activities	1,414	(3,925)
Cash flows from investing activities		
Purchase of property, plant and equipment	(128)	(71)
Purchase of intangible assets	(175)	(449)
Disposal of subsidiary	-	(129)
Acquisition of subsidiary	-	(8,520)
Net cash used in investing activities	(303)	(9,169)
Cash flows from financing activities		
Proceeds from issue of share capital	-	17,469
Proceeds from bank loans and overdrafts	783	-
Repayment of bank loans and overdrafts	(5,225)	(1,415)
Proceeds from term loan	1,816	-
Proceeds from issuance of convertible loan notes	5,000	-
Repayment of convertible loan notes	(2,990)	-
Repayment of subordinated loan notes	(117)	(397)
Net cash (used in) / generated from financing activities	(733)	15,657
Net increase in cash and cash equivalents	378	2,563
Cash and cash equivalents at beginning of period	18,037	9,949
Foreign exchange differences	(1,941)	(1,205)
Cash and cash equivalents at end of period	16,474	11,307

The accompanying notes form an integral part of this consolidated half-year financial report.

Notes to the consolidated half-year financial report

1. General information

These unaudited interim financial statements are for the six months ended 30 June 2009. They have been prepared in accordance with recognition and measurement principles of International Financial Reporting Standards (IFRS) as endorsed by the European Union and implemented in the UK. The financial information in this interim announcement does not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006.

2. Basis of preparation

The interim financial statements do not include all of the information required for full annual financial statements and do not comply with all the disclosures in IAS 34 'Interim Financial Reporting'. Accordingly, whilst the interim statements have been prepared in accordance with the recognition and measurement principles of IFRS, they cannot be construed as being in full compliance with IFRS.

The comparative financial information for the year ended 31 December 2008 does not constitute statutory accounts within the meaning of Section 240 of the Companies Act 1985. The statutory accounts of GoIndustry-DoveBid plc for the year ended 31 December 2008 have been reported on by the Company's auditors and have been delivered to the Registrar of Companies. The report of the auditors was unqualified and did not contain an emphasis of matter statement. The auditors' report did not contain statements under Section 237(2) or 272(3) of the Companies Act 1985.

3. Accounting policies

The IFRS that will be effective in the financial statements for the year to 31 December 2009 are still subject to change and to the issue of additional interpretation(s) and therefore cannot be determined with certainty. Accordingly, the accounting policies for that annual period that are relevant to this interim financial information will be determined only when the IFRS financial statements are prepared at 31 December 2009.

Except as described above, the current and comparative periods to June have been prepared using accounting policies and practices consistent with those adopted in the annual financial statements for the year ended 31 December 2008 and are also consistent with those which will be adopted in the 31 December 2009 financial statements.

The following Standards, which were effective for this financial period, have no material impact on the financial statements of the Group:

- IFRS 2 'Share-based Payments' (effective for annual periods beginning on or after 1 January 2009); changes to vesting conditions and cancellations in relation to share-based remuneration.
- IAS 23 (amended) 'Capitalisation of Borrowing Cost' (effective for annual periods beginning on or after 1 January 2009).

There were no other Standards and Interpretations which were in issue but not effective at the date of authorisation of these financial statements that the directors anticipate will have a material impact on the financial statements of the Group.

4. Segmental information (unaudited)

	Six months ended 30 June 2009			
In thousands of pounds	Europe	North America	Asia	Consolidated
Revenue from external customers	8,297	11,017	2,158	21,472
Segment loss	(368)	(581)	(115)	(1,064)
Reorganisation costs	(590)	(351)	(75)	(1,016)
Other charges	(172)	(246)	(58)	(476)
Operating loss	(1,130)	(1,178)	(248)	(2,556)
Interest income	19	41	13	73
Interest expense	(191)	(363)	(53)	(607)
Share of profit of associate	-	20	-	20
Loss before income tax	(1,302)	(1,480)	(288)	(3,070)

4. Segmental information (unaudited) - continued

Six months ended 30 June 2008

In thousands of pounds	Europe	North America	Asia	Consolidated
Revenue from external customers	8,834	6,899	1,856	17,589
Segment profit / (loss)	176	109	(124)	161
Reorganisation costs	(663)	(730)	(271)	(1,664)
Other charges	(141)	(110)	(30)	(281)
Operating loss	(628)	(731)	(425)	(1,784)
Interest income	62	90	13	165
Interest expense	(195)	(171)	(15)	(381)
Loss before income tax for the half year from continuing operations	(761)	(812)	(427)	(2,000)
Loss for the half-year from discontinued operations	(1,194)	-	-	(1,194)
Loss before income tax for the half year	(1,955)	(812)	(427)	(3,194)

Segment (loss) / profit reconciles to operating (loss) / profit before exceptional items and other charges.

5. Exceptional items and other charges

Exceptional items of £1.0 million (2008: £1.7 million) relate to reorganisation costs arising from the restructuring of the group. Other adjustments of £0.5 million (2008: £0.3 million) comprise £0.4 million (2008: £0.2 million) of amortisation on identifiable intangibles arising on the acquisition of DoveBid, Inc. and £0.1 million (2008: £0.1 million) of share based payment charges.

6. Loss per share

The loss per share is calculated on a loss of £3.1 million (2008: £3.2 million) and on 467,419,000 shares (2008: 401,697,000 shares) being the weighted average number of shares in issue during the period.

7. Property, plant and equipment and intangible assets

In thousands of pounds	Property, plant and equipment	Intangible assets
Opening net book amount as at 1 January 2008 (audited)	1,158	25,066
Additions	72	449
Acquisition of subsidiary	309	22,672
Amortisation of acquired intangibles	-	(184)
Depreciation and amortisation of other assets	(175)	(36)
Discontinued operations - sale of GoIndustry Benelux	(150)	(1,323)
At 1 July 2008 (unaudited)	1,214	46,644
Exchange differences	126	8,936
Additions	274	-
Amortisation of acquired intangibles	-	(363)
Depreciation and amortisation of other assets	(185)	(89)
Impairment of goodwill	-	(19,378)
At 1 January 2009 (audited)	1,429	35,750
Exchange differences	(151)	(4,173)
Additions	129	202
Amortisation of acquired intangibles	-	(331)
Depreciation and amortisation of other assets	(229)	(104)
At 30 June 2008 (unaudited)	1,178	31,344

8. Borrowings

In thousands of pounds	30 June 2009 (unaudited)	31 December 2008 (audited)	30 June 2008 (unaudited)
Current:			
Bank loans and overdrafts	1,757	6,722	1,677
Term loan	363	-	-
Convertible loan notes	-	2,990	2,990
Subordinated loan notes	228	258	189
	2,348	9,970	4,856
Non-current:			
Term loan	1,423	-	-
Convertible loan notes	5,000	-	-
Subordinated loan notes	362	546	468
	6,785	546	468

In thousands of pounds	30 June 2009 (unaudited)	31 December 2008 (audited)	30 June 2008 (unaudited)
Pounds sterling	5,476	5,226	2,990
United States dollar	3,657	5,290	2,334
	9,133	10,516	5,324

In thousands of pounds	30 June 2009 (unaudited)	31 December 2008 (audited)	30 June 2008 (unaudited)
Floating rate:			
Expiring within one year	2,120	6,722	1,677
Expiring beyond one year	1,423	-	-
Fixed rate:			
Expiring within one year	228	3,248	3,179
Expiring beyond one year	5,362	546	468
	9,133	10,516	5,324

United States Dollar loans are secured by a charge over the assets of GoIndustry USA, Inc., DoveBid, Inc. and DoveBid Valuation Consultants, Inc. as well as by a guarantee provided by GoIndustry-DoveBid plc of £3,027 thousand (31 December 2008: £3,453 thousand; 30 June 2008: £2,508 thousand). They bear floating interest at 0.75% above US Prime Rate. Pounds Sterling borrowings comprise the 12% convertible loan notes and other bank facilities. The bank facilities bear floating interest at 2.5% above Base Rate and are secured by a charge over the assets of GoIndustry-DoveBid plc and GoIndustry (UK) Limited.

The term loan is held by GoIndustry USA, Inc and is secured by a charge over the assets of GoIndustry USA, Inc., DoveBid, Inc. and DoveBid Valuation Consultants, Inc. It bears floating interest at 0.75% above US Prime Rate and is repayable in 35 monthly instalments of £30 thousand with the balance repayable by 30 April 2012.

The convertible loan notes mature on 31 Dec 2011 and bear interest at 12% per annum, payable quarterly in arrears. The notes are convertible at any time into 1p Ordinary shares at a price of 3.62p per share. The notes may be redeemed by the company at face value from 31 December 2010. At the option of the Participants, any amounts of the New Convertible Loan which remain outstanding to the Participants as at 31 December 2011 are convertible in whole or in part into Conversion Shares at the Conversion Price or can be redeemed for the issued nominal value. As disclosed in Note 11, £4,500 thousand of the convertible loan notes were converted into 1p ordinary shares on 11 September 2009.

The subordinated loan notes are held by DoveBid, Inc. and do not bear interest. The loan notes are unsecured, subordinated to other debt of the group and are repayable in 60 monthly instalments commencing December 2006.

9. Share capital

On 2nd January 2009 a resolution was passed to sub-divide each ordinary share of 5 pence into one new ordinary share of 1 pence and one redeemable deferred share of 4 pence. The redeemable deferred shares have no voting rights, no rights to dividends and negligible rights on a return of capital.

In thousands of pounds sterling unless otherwise stated	4p redeemable deferred shares		1p ordinary shares		Share premium
	Number (000's)	Nominal value	Number (000's)	Nominal value	
At 1 January 2008 (audited)	-	-	264,998	13,250	9,578
Issue of share capital for the acquisition of DoveBid, Inc.					
Proceeds from shares issued	-	-	185,000	9,250	9,250
Less: cost of share issue		-		-	(1,031)
Shares issued as consideration for the acquisition of DoveBid, Inc.	-	-	21,660	1,083	1,083
At 1 July 2008 (unaudited)	-	-	471,658	23,583	18,880
Issue of share capital for the acquisition of DoveBid, Inc.					
Cost of share issue		-		-	(8)
At 1 January 2009 (audited)	-	-	471,658	23,583	18,872
Sub-division of ordinary shares	471,658	18,866	-	(18,866)	-
Cancellation of own shares held	(4,239)	(171)	(4,239)	(41)	(676)
At 30 June 2009 (unaudited)	467,419	18,695	467,419	4,676	18,196

10. Own shares held in trust

In thousands of pounds

At 1 January 2008 (audited)	(1,042)
Equity settled share based payments	34
At 30 June 2008 (unaudited)	(1,008)
Equity settled share based payments	34
At 1 January 2009 (audited)	(974)
Cancellation of own shares held	888
Equity settled share based payments	34
At 30 June 2008 (unaudited)	(52)

11. Events after the balance sheet date

On 11 September 2009 GoIndustry-DoveBid plc raised £4.5 million through the issue of 251 million 1p ordinary shares for consideration of 1.8p per share. Also on 11 September 2009, holders of £4.5 million of the convertible loan notes converted their holdings into 1p ordinary shares at a price of 1.8p per share. As a result of this the outstanding balance of convertible loan notes has been reduced to £0.5 million. The terms of the remaining convertible loan notes have been revised to allow the note holders to convert their holdings at any time into 1p ordinary shares of the company at a price of 2.8p.

Also on 11 September 2009 GoIndustry-DoveBid plc acquired all 467,419 thousand 4p redeemable deferred shares for consideration of one penny. These shares were immediately cancelled and £18,695 thousand has been credited to a capital redemption reserve.