



J & E Davy Holdings

Summary Financial Statement

Davy
Davy House
49 Dawson Street
Dublin 2
Ireland

J&E Davy, trading as Davy, is regulated by the Central Bank of Ireland. Davy is a member of the Irish Stock Exchange, the London Stock Exchange and Euronext. For business in the UK, Davy is authorised by the Central Bank of Ireland and subject to limited regulation by the Financial Services Authority. Details about the extent of our regulation in the UK by the Financial Services Authority are available from us on request.

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The Davy Group

Background

Established in 1926, Davy is Ireland's leading provider of stockbroking, wealth management and financial advisory services. Employing over 420 people, we offer a broad range of services to private clients, small businesses, corporations and institutional investors, and organise our activities around four interrelated business areas – Capital Markets, Corporate Finance, Private Clients and Research.

As the leading broker in the Irish market, we accounted for approximately 40 per cent of all dealings in Irish equities on the Irish Stock Exchange in 2010. Davy is the only Irish based primary dealer in Irish Government Bonds and acts as arranger on most Irish corporate bond issues. We act as broker to 9 of the top 10 companies listed on the Irish Stock Exchange and 16 out of the 23 companies listed on the ESM (Ireland's equivalent of AIM). Davy is responsible for circa 70 per cent of funds raised on the Irish Stock Exchange over the past few years and has been consistently recognised by the world's top names in financial services for the quality of our research and service.

Ownership

J & E Davy Holdings ("JEDH"), the holding company for the Davy Group, is wholly owned by Davy management and staff. The Irish stockbroking entity (J & E Davy) is a wholly owned subsidiary of JEDH and trades as Davy.

Regulatory Environment

The Markets in Financial Instruments ("MiFID") and Capital Requirements Directives have been implemented in Ireland, ensuring that our regulatory environment conforms to the highest European standards. Davy is a member of the Irish Stock Exchange, the London Stock Exchange and Euronext and is authorised and regulated in Ireland by the Central Bank of Ireland. For business in the UK, Davy is authorised by the Central Bank of Ireland and subject to limited regulation by the Financial Services Authority. Details about the extent of our regulation by the Financial Services Authority are available from us on request.

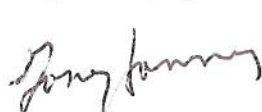
Davy Securities (a wholly owned subsidiary of JEDH) trades with Institutional Clients in the US and is a member of FINRA and SIPC, and is also regulated by the Central Bank of Ireland.

Financial Position and Current Trading

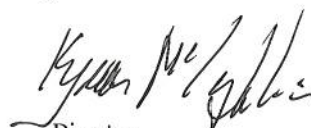
A summary consolidated Balance Sheet for JEDH as at 31 December 2010 is set out overleaf, together with an accountants report thereon. The Group was in a strong financial position at year end with Net Assets of €145,285,000 (2009: €135,630,000) and regulatory capital in excess of three times the statutory requirement. Current trading performance remains satisfactory.

Directors' Statement

The Consolidated Balance Sheet presented opposite is an extract from the company's statutory financial statements. These statutory financial statements have been reported on by the company's auditors without qualification.



Director



Director

7th March 2011

Date

Accountants' Report

We have examined the Consolidated Balance Sheet presented opposite, which has been prepared by the directors of J & E Davy Holdings, and confirm that it has been properly extracted from the company's statutory financial statements for the year ended 31 December 2010 on which we reported without reservation on 7 March 2011.

Respective responsibilities of the directors and auditors

The Directors are responsible for the preparation of the Consolidated Balance Sheet. We have agreed to report to you whether in our opinion the Consolidated Balance Sheet has been properly extracted from the statutory financial statements for the year end 31 December 2010, on which this firm reported without qualification, on 7 March 2011. That report, on the statutory financial statements, including the opinion, was prepared for and only for the company's members as a body in accordance with Section 193 of the Companies Act 1990 and for no other purpose. We do not, in giving that report or opinion, accept or assume responsibility for any other purpose or to any other person. This report including its opinion, is prepared for and only for the directors of J&E Davy Holdings. We do not in giving this report accept or assume responsibility for any other purpose or to any other person save where expressly agreed by prior consent in writing.



KPMG
Chartered Accountants
Registered Auditor
1 Stokes Place,
St. Stephen's Green,
Dublin 2

Date: 7th March 2011

J&E Davy Holdings Consolidated Balance Sheet – 31 December 2010

	2010 €000	2009 €000
Fixed Assets		
Tangible fixed assets	9,806	10,979
Financial fixed assets	448	426
Intangibles	730	1,013
	<u>10,984</u>	<u>12,418</u>
Current Assets		
Available for sale financial assets	2,279	1,038
Trade receivables	166,459	106,531
Stocks - Work in progress	100	30
Trading investments	26,943	26,373
Other debtors and prepayments	19,105	16,929
Cash at bank and in hand	173,337	182,090
	<u>388,223</u>	<u>332,991</u>
Creditors: Amounts falling due within one Year		
Financial liabilities	(14,744)	(11,565)
Trade payables	(172,321)	(119,611)
Other creditors & accruals	(66,857)	(78,603)
	<u>(253,922)</u>	<u>(209,779)</u>
Net current assets	<u>134,301</u>	<u>123,212</u>
Net Assets	<u>145,285</u>	<u>135,630</u>
Capital and Reserves		
Called up share capital	2,298	2,298
Capital conversion reserve fund	37	37
Share premium	17,621	17,621
Available for sale reserve	337	12
Profit and loss account	124,992	115,662
	<u>145,285</u>	<u>135,630</u>
Equity Shareholders' Funds	<u>145,285</u>	<u>135,630</u>