



## VIDEO TRANSCRIPT

### **TITLE: WHAT IS THE STORY BEHIND THE NUMBERS?**

**BY: CARL BEARDMORE (GROUP CEO) & PAUL VINCENT (GROUP FINANCE DIRECTOR)**

**Introduction:** Our results for the year ended 31 December 2010 showed good progress. CEO Carl Beardmore and Paul Vincent, Finance Director, will talk you through the BMS financial story.

**Carl Beardmore:** We wanted the past year to be a transformational year for BMS. I am pleased to confirm that we achieved virtually all of our aspirations. We turned in a very strong financial performance, we recruited some excellent new people. We created our underwriting platform and we introduced a new iPad initiative, which is an exciting way of developing paperless trading. Importantly, we started to change the perception of BMS, it is early days in the life of our strategy at the moment, but we are pleased with the progress we are making and I think others are impressed with the progress we have made. Fundamentally we are very much on track. At that point I would like to hand over to Paul to give you more information on the numbers.

**Paul Vincent:** Thanks Carl. I would just like to give you a bit of colour and background on the 2010 year and our future development plans. We think it is a pretty good set of results and has positioned us very nicely as the group is continuing through its development phase. In terms of BMS, BMS comprises a portfolio of over 600 clients and that has generated £50 million of revenue. The top 50 of those clients generates just less than 50 per cent of the revenue and they have been clients for over 13 years. We think that is a really strong testament to the quality of our service proposition.

In terms of underlying profits during 2010, our profits rose 28% to £7 million. We have chosen to invest a substantial part of that profit both in broader development of our teams and also a new business that we have called 'Pioneer' which is an MGA and launched on 1 April 2011. In terms of financial resources, the development of the group so far has been funded through our own cash and at the year end we had £6.5 million of cash, against which we had £800,000 of borrowings which is a relatively modest level.

During 2011, we have arranged a further £10 million working capital facility with one of the major banks, and we are very pleased that that gives us a strong base to continue the development of the group. Another very important task of financial management is our foreign exchange exposure. Given the current favourable rates we are very pleased that we have forward sold the next two and half years of our exposure.

Overall we are very pleased that we have a strong platform together for our future plans.

**Carl Beardmore:** Thanks Paul. As you can see BMS has the means by which to continue funding its expansionist strategy and we will continue to invest in technology, in people and any other resource that is required to ensure that we deliver the highest quality products and service to clients.

Clients are at the centre of BMS's universe and our dedication historically and going forward is to making them extremely happy through the service that we provide to them. That is what we will continue to do going forward and that is how we will achieve success for all.