

Original Investments PLC

ORIGINAL INVESTMENTS PLC

Interim results for the six months ended 30 September 2005

Highlights

- Shareholders approve broader investment strategy
- Company name changed to Original Investments PLC ("OI")
- Both investments held by OI are moving towards commercial success
- Participation in ViaLogy's successful \$1.6 million financing round

Chairman's Statement

Since I last wrote to investors the company held its annual general meeting on September 28th 2005 at which the board proposed two important and interconnected changes. The first recommendation, which was approved, gave the company authority to consider a much wider range of investments rather than be restricted to providing finance for early-stage biotechnology companies. The second resolution, which also met with the approval of shareholders, changed the name of the company from BioProjects International PLC to Original Investments PLC to reflect better the new investment policy.

The sale of our holding in Acolyte Biomedica earlier this year has resulted in Original Investments having a strong cash balance and we are now actively investigating a number of financial opportunities. One of these is to consolidate our position in our two current investments because, during the six months covered by this interim statement, it is very pleasing to note that they have both made considerable progress.

ViaLogy in particular has moved from being an exciting but speculative technology research and development company to a business that is in detailed commercial negotiations with a number of international organisations. Having validated its ability to produce valuable additional information from microarrays, enabling users to obtain data hitherto hidden by background 'noise', the strengthened management and technical team has now turned its attention to more established and therefore more commercially attractive industries. Detailed discussions are on-going with leading companies in the fields of mass spectrometry, sensor communication, geoseismology, and national security. We hope and expect that these will lead to the ViaLogy technology being incorporated in products that will have commercial significance. In September we had no hesitation in taking the decision to join our fellow investor Aeris Holdings of Switzerland, in a \$1.6 million additional financing for ViaLogy. In common with Aeris we also agreed to convert all our loans to ViaLogy into equity in the company in November this year. We are hopeful that, in the coming year, ViaLogy will sign a number of valuable commercial contracts.

Acrobot, which was our very first investment back in 2000, has also taken its first truly commercial steps by announcing Acrobot Navigation, its innovative medical device, enabling orthopaedic surgeons to plan and perform hip resurfacing surgery with accuracy. The system has been granted a CE-mark by BSI's Certification Panel.

The device has been developed in collaboration with Corin Group PLC, and the CE-mark is the manufacturer's guarantee that the device meets all the required European manufacturing and safety standards.

In addition, Acrobot is marketing its own visualisation software, The Acrobot Planner, which enables orthopaedic surgeons to produce three-dimensional bone surface models from Computed Tomography scans for pre-operative surgical planning.

In summary, I believe Original Investments can look forward to 2006 with considerable confidence. Our two existing investments are in good shape and set to realise their commercial promise. You can be assured that improving shareholder value will remain our top priority.

Jim Slater
Chairman

16 December 2005

Current Portfolio

Vialogy Corp (ViaLogy)

ViaLogy has perfected a technology which has its origins in NASA's space programme. In Caltech/NASA's jet propulsion laboratories scientists developed a revolutionary process, based on quantum mathematics, for identifying and understanding weak signals transmitted from spacecraft. Hitherto they had been smothered by background 'noise'.

The principal Caltech scientist involved in the discovery of this breakthrough technology is now technical director of ViaLogy and the company has the rights to adapt the process commercially. Initially, ViaLogy concentrated on the young and volatile microarray industry to demonstrate the far-reaching potential of the process. Success in this area has been validated by major companies. Now the company plans to adapt the technology for use in more profitable fields such as mass spectrometry, geo-seismology and national security. Technical development and commercial discussions with leading organisations in these international industries are well advanced.

ViaLogy has considerably strengthened its management and technical team. Michael Kelly, who has extensive experience of company development, has taken over as CEO and Terry Bond, managing director of Original Investments, has been appointed as non-executive chairman of ViaLogy.

During the period under review Original Investments made additional convertible loans to ViaLogy of \$345,000 (£195,711). At 30 September 2005 Original Investments had invested a total of £3,335,056 and in addition had made loans to Vialogy totalling \$1,595,000 (£904,810).

In September 2005, Original Investments participated in the \$1.6 million Series B funding round with a further investment of \$405,000 (£230,835). The private placement funding was completed in November 2005. As part of the Series B financing all loans to ViaLogy from all sources were converted to equity. Original Investments now owns 41.43% of ViaLogy.

The Acrobot Company Limited (Acrobot)

Acrobot is a spinout company from Imperial College, London. At its laboratories in London's Leathermarket the company develops precision surgical systems for minimally-invasive, bone conserving orthopaedic surgery. Its founders and principal directors are Professor Justin Cobb, one of Britain's leading orthopaedic surgeons, and Professor Brian Davies, Professor of Medical Robotics at Imperial College. They lead a small and dedicated team of scientists and their work over the last five years, since Original Investments demonstrated its faith by becoming Acrobot's first 'outside' investor, is beginning to make a real impact in the orthopaedic world.

By the end of 2006 three Acrobot products will be in use in operating theatres:-

- The Acrobot® Navigation is a medical device which gives the surgeon the ability to implant hip resurfacing prostheses in an accurate and minimally invasive procedure. It differs from competitive products by using mechanical tracking rather than optical or electromagnetic technologies, giving it a higher accuracy at a lower cost.
- The Acrobot® Planner gives the surgeon the ability to visualise a patient's three dimensional bone surface models built from CT scans. The visualisation is interactive and the user can select and position implant models onto the bones, evaluate the resulting range of motion, and produce reports.
- The Acrobot® Hands-On Robotic System, which has already been successfully proven in clinic for unicompartmental knee arthroplasty is planned for commercial launch next year.

As at 30 September 2005 the 25.3% holding Original Investments has in Acrobot was carried at £200,000 in the company's financial statements.

thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit performed in accordance with United Kingdom Auditing Standards and therefore provides a lower level of assurance than an audit. Accordingly we do not express an audit opinion on the financial information.

Review conclusion

On the basis of our review we are not aware of any material modifications that should be made to the financial information as presented for the six months ended 30 September 2005.

BDO Stoy Hayward LLP
Chartered Accountants
London

16 December 2005

