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Notice of Annual General Meeting continued

Resolution 7: Aero Inventory plc Global Savings-Related Share Option Plan ('the Plan')
It is proposed to implement a Global Savings-Related Share Option Plan, open to all eligible employees outside the UK. The Company already successfully operates a Revenue approved scheme of this kind for UK employees. As outlined in the Annual Report, more than 50 per cent of the Group's employees are now located outside the UK. The Remuneration Committee believes that the Scheme will form a useful addition to the rewards package offered by Aero Inventory and will generate greater alignment between the interests of employees and shareholders. The principal terms of the Scheme are summarised in Appendix 1 to this notice.

Resolution 8: Aero Inventory plc Unapproved Share Option Scheme ('the Unapproved Scheme')
The Aero Inventory plc Unapproved Share Option Scheme allows options to be granted to employees anywhere in the world. Some jurisdictions have local reporting and compliance requirements and also provide tax/social security efficient opportunities to encourage the grant of options. The proposed change to the Unapproved Scheme rules allows the establishment of sub-plans or arrangements to support compliance and to allow the utilisation of local tax/social security mitigation opportunities where it is sensible so to do.

Resolution 9: Aero Inventory plc Unapproved Share Option Scheme ('the Unapproved Scheme') and the Aero Inventory plc Long Term Incentive Plan ('the LTIP')
Some of Aero Inventory's contracts with non-UK customers provide for staff previously working for the customer to become 'sub-vented' to Aero Inventory and work on behalf of the Company as part of the on-site customer support. Some such personnel (less than 10 per cent of overall headcount), whilst legally employed by our customer, operate for all other purposes as if employed by Aero Inventory. In some other locations, personnel are contracted on a long-term basis through local agencies to avoid the complexity of establishing local payrolls etc. Such personnel provide valuable committed services to the Company and it is desired to allow them to be considered for the grant of share options under the Unapproved Scheme or the LTIP as if they were legal employees.

Resolution 10: General authority to allot shares
Your Directors may only allot shares or grant rights over shares if authorised to do so by the shareholders. The authority granted at the Annual General Meeting of the Company held on 19 November 2007 is due to expire at this year's Annual General Meeting. Accordingly, this resolution will be proposed as an ordinary resolution to grant a new authority to allot unissued share capital up to an aggregate nominal value of £198,445.01, representing 33.3 per cent of the total issued ordinary share capital as at the date of this notice. If given, this authority will expire on 24 February 2010 or at the conclusion of the Annual General Meeting in 2009 whichever is the earlier. The directors have no present intention of exercising this authority.

Resolution 11: Dis-application of pre-emption rights
Your Directors also request additional authority from the shareholders to allot shares or grant rights over shares where they propose to do so for cash and otherwise than to existing shareholders pro rata to their holdings. The authority granted at the Annual General Meeting of the Company held on 19 November 2007 is due to expire at this year's Annual General Meeting. Accordingly, this resolution will be proposed as a special resolution to grant such authority. The authority will be limited to the issue of shares up to an aggregate nominal value of £59,533.50 (being 10 per cent of the total issued ordinary share capital as at the date of this notice). If given, this authority will expire on 24 February 2010 or at the conclusion of the Annual General Meeting in 2009 whichever is the earlier. The directors have no present intention of exercising this authority.

The Resolution also requests the renewal of authorities previously given in relation to options to be granted under share option schemes.

Resolution 12: Adoption of new articles of association
This Resolution seeks approval for the adoption of new articles of association of the Company. The Company's current articles of association were last amended on 21 November 2005. Since then there have been a number of developments in the law and market practice which affect the Company's articles of association including, recently, the implementation of certain parts of the Companies Act 2006. The Company together with its advisers has therefore carried out a detailed review of its articles of association and considers that this is an appropriate time to update them to reflect the current law and practice.

A summary of the reasons for and effect of the principal differences between the existing articles of association and those proposed to be adopted are summarised in Appendix 2 to this notice.

Resolution 13: Sending documents by making them available on a website
New provisions of the Companies Act 2006 came into effect on 20 January 2007, enabling companies, in certain circumstances, to send documents to shareholders by making them available on a website and notifying the shareholders where the documents can be accessed. This resolution seeks to grant authority for the Company to take advantage of this legal change in the future if the Board decides that this would be in the best interests of the Company.

If the Company decides to implement the authority to be given by this Resolution, an individual separate letter from the Company requesting each shareholder's consent to send copies of annual reports and other documents in future by means of making them available on a website will be sent under separate cover. The letter will advise that if a shareholder wishes to consent to this method of communication, they should do nothing, as a nil response will constitute deemed consent after 28 days have passed. The letter will also advise what to do if a shareholder does NOT wish to consent.

Appendix 1

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Aero Inventory plc Global Savings-Related Share Option Plan ('the Global Plan')
It is proposed to implement a global savings-related share option plan in addition to the existing UK savings related share option scheme. This will give Aero Inventory personnel outside the UK the opportunity to apply for and be granted share options. The shares will eventually be bought using amounts they have saved under a savings arrangement. Where considered appropriate, the Global Plan will be structured as far as possible to provide a tax-advantageous way for participants to gain an interest in the shares of the Company. The principal features of the Global Plan are as follows:

1. Administration
The Company's Remuneration Committee ('the Committee') is responsible for administering the Global Plan.

2. Tax authority approval
In relevant jurisdictions, formal approval in relation to local tax and securities legislation will be sought. The Global Plan will be operated in compliance with all relevant legal and tax requirements.

3. Grant of options and eligibility
The Committee may invite all eligible personnel employees to apply for the grant of an option to acquire ordinary shares in the Company during the appropriate Invitation Period. A fixed number of shares may be made available for such applications. If applications exceed the number of shares available, the Global Plan rules will provide for applications to be scaled back.

4. Invitation periods
Invitation Periods are a period of six weeks commencing four days after each date on which the Company announces its annual or half-yearly results.

5. Savings contract
The grant of options will be subject to applicants agreeing to enter into a suitable savings arrangement for no less than three years, saving the equivalent of between £10 and £250 per month.

6. Exercise price
The exercise price per ordinary share shall be not less than the higher of the nominal value of the share or 90 per cent of the average market value of a share on the three business days before the invitation to apply for that option was issued.

7. Plan limit
The maximum number of ordinary shares over which options to subscribe may be granted under the Global Plan or any other share option scheme (other than the Aero Inventory plc Long Term Incentive Plan) may not exceed 10 per cent of the issued and issuable share capital from time to time.

8. Exercise and lapse of options
General position
Options are generally exercisable at or after the dates when the relevant savings arrangement matures. Participants may choose not to exercise the options and retain the proceeds of the savings arrangement.
Special circumstances
Options will generally lapse on cessation of service except in particular situations such as redundancy or disability. Exercise is also permitted in special circumstances such as a takeover.
Exchange of options on a takeover
In the event of a takeover, an option holder may be permitted to exchange their options for options over shares in the acquiring company.

9. Variations of share capital
On certain variations of the ordinary share capital of the Company, the Committee may, subject to the approval of the Company's auditors, adjust the exercise price and the number of ordinary shares comprised in existing options.

10. Amendment
The Committee may amend the rules of the Global Plan provided that no amendment may materially affect an existing option, and no amendment may be made which would make the terms on which options may be granted more generous with the prior approval of the company in general meeting.

Further, the Committee may make any changes which they consider appropriate, including the creation of any sub-plan or addendum to the Plan, without further approval of the Company in general meeting, to: (i) conform the terms of the Global Plan with the requirements of each jurisdiction where a participant is located; or (ii) take account of or mitigate or comply with taxation, securities or exchange control laws; or (iii) improve the tax and/or social security position of the Company or any other group company or of any of the persons eligible to participate. However, any such arrangements which are established for overseas participants will not be materially more favourable to such participants than the Company's UK savings related share option scheme.

11. Relationship with employment contract
The grant of an option does not form part of an option holder's rights or entitlements under their contract of employment, nor does it affect the terms of their contract of employment.

Appendix 2

Explanatory notes of principal changes to the Company's Articles of Association

1. Articles which duplicate statutory provisions

Provisions in the Current Articles which may conflict with provisions in the Companies Act 2006 are in the main amended to bring them into line with the Companies Act 2006. Certain examples of such provisions include provisions as to the form of resolutions, the variation of class rights, the requirement to keep accounting records and provisions regarding the period of notice required to convene general meetings. The main changes made to reflect this approach are detailed below.

2. Form of resolution

The Current Articles contain a provision that, where for any purpose an ordinary resolution is required, a special or extraordinary resolution is also effective and that, where an extraordinary resolution is required, a special resolution is also effective. This provision is being amended as the concept of extraordinary resolutions has not been retained under the Companies Act 2006.

3. Convening extraordinary and annual general meetings

The provisions in the Current Articles dealing with the convening of general meetings and the length of notice required to convene general meetings are being amended to conform to new provisions in the Companies Act 2006. In particular a general meeting to consider a special resolution can be convened on 14 days' notice whereas previously 21 days' notice was required.

4. Votes of members

Under the Companies Act 2006 proxies are entitled to vote on a show of hands whereas under the current articles proxies are only entitled to vote on a poll. The time limits for the appointment or termination of a proxy appointment have been altered by the Companies Act 2006 so that the articles cannot provide that they should be received more than 48 hours before the meeting or in the case of a poll taken more than 48 hours after the meeting, more than 24 hours before the time for the taking of a poll, with weekends and bank holidays being permitted to be excluded for this purpose. Multiple proxies may be appointed provided that each proxy is appointed to exercise the rights attached to a different share held by the shareholder. The proposed new articles reflect all of these new provisions.

5. Conflicts of interest

The Companies Act 2006 sets out directors' general duties which largely codify the existing law but with some changes. Under the Companies Act 2006, from 1 October 2008 a director must avoid a situation where he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict with the Company's interests. The requirement is very broad and could apply, for example, if a director becomes a director of another company or a trustee of another organisation. The Companies Act 2006 allows directors of public companies to authorise conflicts and potential conflicts, where appropriate, where the articles of association contain a provision to this effect. The Companies Act 2006 also allows the articles of association to contain other provisions for dealing with directors' conflicts of interest to avoid a breach of duty. The new articles give the directors authority to approve such situations and to include other provisions to allow conflicts of interest to be dealt with in a similar way to the current position.

These are safeguards which will apply when directors decide whether to authorise a conflict or potential conflict. First, only directors who have no interest in the matter being considered will be able to take the relevant decision, and secondly, in taking the decision the directors must act in a way they consider, in good faith, will be most likely to promote the Company's success. The directors will be able to impose limits or conditions when giving authorisation if they think this is appropriate.

It is also proposed that the new articles should contain provisions relating to confidential information, attendance at board meetings and availability of board papers to protect a director being in breach of duty if a conflict of interest or potential interest arises. These provisions will only apply where the position giving rise to the potential conflict has previously been authorised by the directors. It is the Board's intention to report annually on the Company's procedures for ensuring that the Board's powers to authorise conflicts are operated effectively.

6. General

Generally the opportunity has been taken to bring clearer language into the New Articles.

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Shareholder information

Financial calendar

Financial year end	30 June 2008
Preliminary results	22 September 2008
Ex-dividend date	14 November 2008
Annual General Meeting	24 November 2008
Payment of final dividend	11 December 2008
Interim results	March 2009
Financial year end	30 June 2009
Preliminary results	September 2009

Annual reports
Further copies of this annual report are available from the Company Secretary at the Registered Office. It can also be ordered through the Financial Times Annual Report service.

Share price information
The Company's share price is quoted daily in the Financial Times and the Daily Telegraph, in both cases in the Alternative Investment Market section.

Reuters code: AI.L
Bloomberg code: AI/ LN

Investor relations information
The Company's website – www.aero-inventory.com – provides certain investor relations information, including press releases and access to up-to-date share price data.

Registrar
Enquiries about administrative matters relating to the holding of Aero Inventory plc shares should be addressed to the Company's registrars, Capita Registrars, Shareholder Services Department, Northern House, Woodsome Park, Fenay Bridge, Huddersfield, West Yorkshire HD8 0LA, tel: 0870 1623 3100*. (Telephone number from outside the UK: +44 20 8629 3399). This includes: loss of share certificates; notification of change of address; and transfer of shares to another person.

CREST
A computerised system for settling sales and purchases of shares (CREST) operates for the Company's shares. It is a voluntary system that enables shareholders, if they choose, to hold and transfer shareholdings electronically rather than in paper form. Shareholders wishing to retain their paper certificates continue to be able to do so.

Further information
For further information, please contact Hugh Bevan (Finance Director) on +44 (0)20 8447 3303, or by email, to hugh.bevan@aero-inventory.com

*Calls cost 10p per minute plus network extras.

Five year summary

Year ended 30 June	2004 $'000	2005 $'000	2006 $'000	2007 $'001	2008 $'000
Turnover	38.6	79.5	117.1	247.0	440.0
Operating profit	3.5	14.3	21.2	52.9	93.3
Net Interest	(0.4)	(1.3)	(3.0)	(7.3)	(20.2)
Pre-tax profit	3.0	13.0	18.2	45.6	73.1
Tax	(1.2)	(3.8)	(6.1)	(14.5)	(21.5)
Profit after tax	1.9	9.2	12.1	31.1	51.6
Fully diluted EPS (cents)	10.4	45.9	40.5	65.2	101.8
Dividends per share (pence)	4.8	8.0	10.0	15.0	18.0
Shareholders' funds	59.6	76.4	231.2	253.8	294.2
Employees (average)	101	114	139	184	297

Company information

Directors
H N P McCorkell FCA
P R Lewin
M P Dodge MBA
H C Bevan FCA
P M Docker
C L Trupp
M J Webster
R W J Davis
L Heyworth
F Turner FR Eng

Secretary
M J Webster FCIS

Company number
2887038

Registered office
30 Lancaster Road
New Barnet
Hertfordshire
EN4 8AP

Auditors
Deloitte & Touche LLP
Reading

Solicitors
Taylor Wessing
London

Principal bankers
Lloyds TSB Bank plc
10 Gresham Street
London
EC2V 7AE

Nominated adviser and joint broker
J P Morgan
Cazenove Limited
20 Moorgate
London
EC2R 6DA

Joint broker
Numis Securities Limited
10 Paternoster Square
London
EC2M 7LT

Registrars
Capita Registrars
Shareholder Services Department
Northern House
Woodsome Park
Fenay Bridge
Huddersfield
West Yorkshire
HD8 0LA

Aero Inventory would like to thank its customers HAECO, Aveos Fleet Services and Qantas Airways for the provision of photographs for use in this report.

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Form of proxy

I/We ____ (block letters please)

of ____

being a member/members of Aero Inventory plc hereby appoint the Chairman of the Meeting or

____

as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the company to be held on 24 November 2008, and at any adjournment thereof, in the manner specified below.

Resolutions	**For**	**Against**
1. To receive and adopt the accounts		
2. To declare the dividend		
3. To re-elect P R Lewin		
4. To re-elect H N P McCorkell		
5. To re-elect C L Trupp		
6. To re-appoint the auditors and to authorise the directors to agree their remuneration		
7. To approve the establishment of the Aero Inventory plc Global Savings-Related Share Option Plan and to authorise the directors to put the plan into effect		
8. To amend the rules of the Aero Inventory plc Unapproved Share Option Scheme to allow the establishment of non-UK sub-plans		
9. To authorise the grant of options under the Aero Inventory plc Unapproved Share Option Scheme and the Aero Inventory plc Long Term Incentive Plan to certain non-employee personnel		
10. To authorise the directors under section 80		
11. To disapply pre-emption rights		
12. To adopt new Articles of Association		
13. To authorise the Company to use electronic communications to shareholders		

Signature ______________________________ Dated ____________________ 2008

Notes

(1) Please indicate by a **X** in the space provided how you wish your votes to be cast. Without such directions the proxy will vote or abstain at his/her discretion.

(2) In the case of a corporation this form of proxy should be completed under its common seal or signed by its attorney or by an officer on its behalf.

(3) In the case of joint holders the vote of the senior who tenders the vote will be accepted to the exclusion of all others, seniority being determined by the order in which the names stand in the Register of Members.

(4) To be valid this form of proxy, duly executed, and the power of attorney or other authority (if any) under which it is executed or a certified copy of such power or authority must be received at the Company's registered office not later than 48 hours before the time appointed for the Meeting.

(5) If a member wishes to appoint any other person to act as proxy, insert the name in the space provided and strike out all other appointees. The proxy need not be a member of the Company.

(6) Completion of this form will not preclude you from attending and voting at the Meeting if you so wish.

(7) Any alteration to this form of proxy must be initialled.

For Company Secretary's use
Number of shares

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SECOND FOLD

AFFIX
STAMP
HERE

FIRST FOLD

Capita Registrars (Proxies)
PO Box 25
34 Beckenham Road
Beckenham
Kent
BR3 4BR

THIRD FOLD AND TUCK IN OPPOSITE

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Aero Inventory is proud to be a major sponsor of the Vulcan to the Sky Trust for 2008/09.

The mission of the Trust is

- To preserve and protect AVRO Vulcan G-VLCN (XH558), to return her to full working order for the benefit of the public.
- To demonstrate and display the aircraft at public events and to conserve her as a heritage asset in perpetuity.
- To advance the education of the general public, and also specifically engineers and aviators, in the AVRO Vulcan, her provenance; historical and social context; design technologies; operational and maintenance processes and procedures; for the benefit of British heritage, historical and technical knowledge and conservation.
- To assist in the conservation to full working order of other heritage aircraft of the 20th century.

The Trust delivered its aim of demonstrating Vulcan XH558 at a number of UK air shows in 2008, attracting much public and commercial interest. With this sponsorship, Aero Inventory aims to support the Trust's objectives of honouring the past and inspiring the future.

Aero Inventory is using its association with the Vulcan to the Sky Trust to build global awareness of the Aero Inventory brand.

Mixed Sources
Product group from well-managed forests, controlled sources and recycled wood or fiber
FSC www.fsc.org Cert no. TT-COC-002349
© 1996 Forest Stewardship Council

Regency is produced in an area of exceptional natural beauty, heavily protected by environmental legislation. It is therefore important for the mill to monitor all its environmental processes to match that of the local environment as well as national legislation. Cartiere del Garda is ISO 14001 certified and only uses celluloses with an ECF bleaching process

Our printers hold the Forest Stewardship Council (FSC) Chain of Custody accreditation, a certification demonstrating their ability to trace paper sourced from sustainable managed forests, through to the final product. This accreditation allows our printer to display the FSC logo on all work produced by them using FSC papers

They are accredited with the internationally recognised ISO 14001 Environmental standard demonstrating their commitment to the continual monitoring and improvement to all Company related issues affecting the environment.

Designed and produced by **Emperor Design Consultants Ltd**
Telephone **+44 (0)121 262 3830 www.emperordesign.co.uk**

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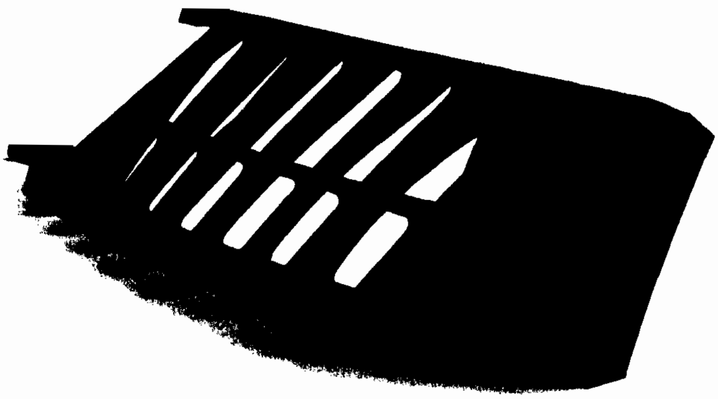
Email enquiries.bahrain@aero-inventory.com



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Fax +81-3-5756-0303
Email enquiries.japan@aero-inventory.com

www.aero-inventory.com

TAB 3B

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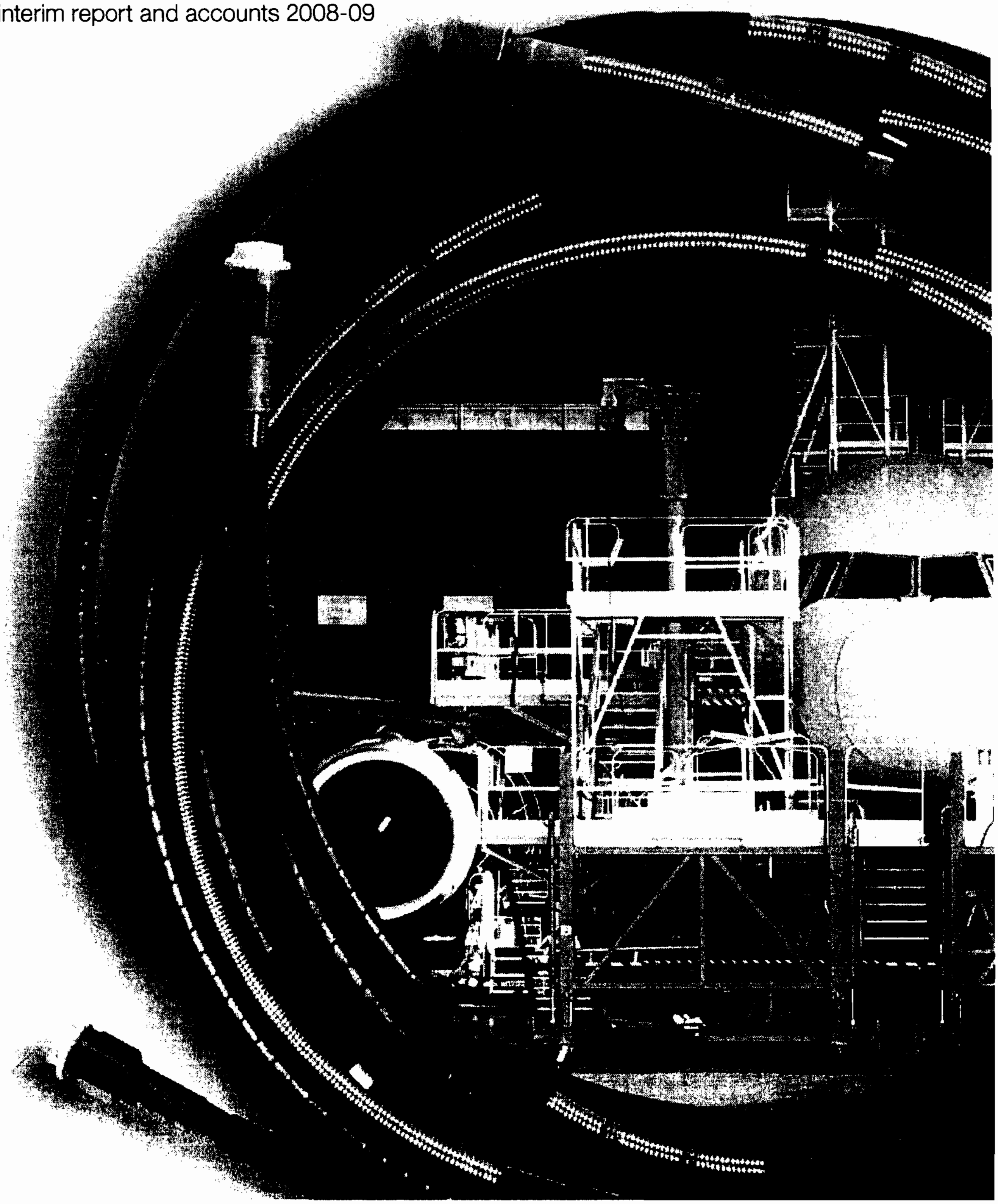
This is Exhibit B referred to in the affidavit of NICHOLAS BREARTON sworn before me, this 23rd day of APRIL 2010

A COMMISSIONER FOR TAKING AFFIDAVITS

Aero Inventory plc

interim report and accounts 2008-09



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Highlights

Revenues

$256.1m

up 55%

Interim dividend

6.0p

level maintained

Pre-tax profit

$33.1m

up 46%

Fully diluted EPS

46.9c

up 47%

- Revenue of US$256.1 million, an increase of 55 per cent over the corresponding period (2007: US$165.1 million), reflecting in particular a full six-month contribution from our contract with Aveos (formerly ACTS).
- Pre-tax profits of US$33.1 million, an increase of 46 per cent over the corresponding period (2007: US$22.7 million).
- Fully diluted EPS of 46.9 cents per share, an increase of 47 per cent over the corresponding period (2007: 31.9 cents per share). Translated into Sterling at the current exchange rate the diluted earnings per share amounted to approximately 34 pence per share.
- Interim dividend maintained at last year's level of 6.0 pence per share.
- Decision taken to withdraw from contract negotiations with the major airline referred to in our 10 February announcement as satisfactory commercial terms could not be agreed.
- In the absence of this major piece of new business, the Board has determined to focus in the near term on cash generation and improved operational efficiency.

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Chairman's statement

Strategy

Aero Inventory's long-term strategy is to continue to grow the business rapidly and profitably by securing long-term sole supplier contracts with airlines and maintenance, repair and overhaul companies (MROs). The market is large, and the trend towards outsourcing strong. The potential for further growth is therefore significant. However, following the termination of contract negotiations with a major airline, the Board has decided that in the near term the Company's focus will be on cash generation and improved operational efficiency. Substantial new contracts have long gestation periods. While we may add some smaller pieces of business which complement our existing contracts we intend to view this period, at a time when investors are wary of gearing and focused upon cash, as an opportunity to demonstrate the ability of the business to generate cash and increase its stock efficiency, having already proven its ability over a number of years to achieve rapid growth in sales and profits.

Results and dividend

The results for the first half were in line with management expectations, reflecting in particular a full six-month contribution from our contract with Aveos (formerly ACTS) in Canada. Turnover was up 55 per cent and pre-tax profits were up by 46 per cent. In the light of this result and given the satisfactory outlook for profits the Board is recommending an unchanged interim dividend of 6.0 pence per share. The interim dividend will be paid on 19 June 2009 to shareholders on the share register on 22 May 2009.

Nigel McCorkell
Chairman
16 March 2009

We intend to view this period as an opportunity to demonstrate the ability of the business to generate cash and

Chief Executive's statement

Review of results
The first half of the current financial year included a full six months contribution from our contract with Aveos (formerly ACTS) and, largely reflecting this, our revenues have grown by 55 per cent to $256.1 million and profits before tax by 46 per cent to $33.1 million.

Gross margins in the period amounted to 34 per cent compared to 36.8 per cent in the comparative period and the operating margin remained at approximately 18 per cent as operating expenses only increased 31 per cent compared to the 55 per cent increase in revenue.

Finance costs increased to US$14.9 million (2007: US$8.1 million). The increase reflects the increased level in borrowings to finance the Aveos and ANA contracts and some additional investment in stock to support other existing contracts.

The pre-tax profit for the six months was US$33.1 million (2007: US$22.7 million). The tax charge was US$10.4 million (2007: US$6.5 million), which reflects an estimated effective annual rate of 31 per cent compared to a tax rate of 29 per cent in the last financial year.

On the basis of after tax earnings of US$22.7 million (2007: US$16.2 million) and the weighted average number of shares in issue during the period of 47,626,909 (2007: 47,360,921), basic earnings per share were 47.6 cents per share (2007: 34.1 cents per share). Diluted earnings per share were 46.9 cents per share (2007: 31.9 cents per share). Translated into Sterling at the current exchange rate the diluted earnings per share amounted to approximately 34 pence per share.

The period-end balance sheet shows increased stocks at US$751.9 million (compared to US$690.1 million at 30 June 2008). The increase from 30 June 2008 includes additional investment made in stock to support our ANA and Aveos contracts but excludes the stocks sold in February to Air Canada. If this transaction had been included the stock value would have been similar to that reported at the end of the last financial year.

+55%
Turnover

+46%
Pre-tax profits

Chief Executive's statement *continued*

Net bank debt at 31 December 2008 was US$467.1 million (compared to US$392.2 million at 30 June 2008). The movement since 30 June 2008 again principally reflects stock investment to support our newer contracts. Since 31 December 2008 we have made progress in reducing stock levels with a sale of stock to Air Canada referred to above. The Company has a committed US$500 million facility in place which does not expire until February 2013.

Operational improvements
We continue to focus on all operational aspects of our business and recently a series of changes has been made to our planning and purchasing activities to try to ensure that inventory meets as closely as possible the requirements of our customers. Total purchases in March 2009 are anticipated to amount to less than US$20 million compared with over US$40 million one year earlier as contracts mature and we start to reap the rewards of tighter planning and greater stock fungibility. More stocks are being transferred between sites and the total value of these transfers completed in the period amounted to over US$50 million.

SRT Ireland
It was announced on 12 February 2009 that SR Technics plans to close its operations in Dublin. Aero Inventory's business in Dublin accounted for less than 5 per cent of turnover in the six months to 31 December 2008 and therefore this closure will not have a material effect on Aero Inventory's results particularly as some of the work previously performed in Dublin is likely to be transferred to Zurich or Stansted, where the Company continues to support SR Technics as previously. The stock held in Dublin will be transferred to other sites. No stock or debtor write-downs are anticipated.

Aero Inventory's two other contracts with SR Technics in Zurich and at Stansted were due to be renewed in August 2009 but have now been extended by a further three months to November 2009.

Air Canada
On 10 February 2009 Aero Inventory announced that it had completed the sale of a significant quantity of consumable aircraft parts to Air Canada, the principal customer of Aveos. The consideration received by

This sale of material represents a

the Company's twin objectives of improving stock turn and releasing cash from inventory.

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Aero Inventory for this material is in the form of Bills of Exchange with a face value of approximately US$100 million, maturing in early February 2010. Aero Inventory had intended to discount the bills for cash to raise part of the funds necessary to finance its prospective substantial new contract. In light of the decision to terminate the contract negotiations referred to earlier the Company is now considering whether to hold some or all of the bills until maturity. This sale of material which will largely not need to be restocked represents a significant step towards achieving the Company's twin objectives of improving stock turn and releasing cash from inventory. The stock sold represents in part materials that would have been purchased by Air Canada from our customer Aveos and therefore the sale will have the effect of reducing ongoing sales levels to Aveos in the short term.

Share placing

At the same time as the sale of stocks to Air Canada the Company announced that it had raised £11.9 million before expenses, through an institutional placing of 4,762,680 new shares at a price of 250 pence per share.

Current trading and prospects

Against the background of a strong first half, it is disappointing to announce that the Board has decided to withdraw from negotiations for a substantial new contract (referred to in our 10 February announcement) as satisfactory commercial terms could not be agreed. Given the long gestation periods of substantial new contracts, the near term focus for the business has now turned to cash generation and improved operational efficiency. Our existing business continues to trade broadly in line with management expectations, although, as we have said on previous occasions, it would be unrealistic to expect it to be unaffected by the deterioration in the global aviation market. While some additional costs have been put in place in preparation for the major new contract, the outcome for the year is still anticipated to be satisfactory.

Rupert Lewin
Chief Executive
16 March 2009

Consolidated income statement

for the half year ended 31 December 2008

	Notes	**6 months ended 31 December 2008 $'millions**	6 months ended 31 December 2007 $'millions Restated*	Year ended 30 June 2008 $'millions Restated*
Revenue	4	**256.1**	165.1	440.0
Cost of sales		**(168.7)**	(104.3)	(270.1)
Net operating expenses		**(39.4)**	(30.0)	(76.6)
Operating profit		**48.0**	30.8	93.3
Finance costs		**(14.9)**	(8.1)	(20.2)
Profit before tax		**33.1**	22.7	73.1
Tax	5	**(10.4)**	(6.5)	(21.5)
Profit for the year		**22.7**	16.2	51.6
Earnings per share (expressed in cents per share)				
Basic	7	**47.6c**	34.1c	108.7c
Diluted	7	**46.9c**	31.9c	102.0c

All amounts are derived from continuing operations.

* For the six months to 31 December 2007 US$1.7 million of carriage was reclassified from net operating expenses to cost of sales. For the year to 30 June 2008 US$8.1 million of carriage was reclassified from net operating expenses to cost of sales

Consolidated statement of recognised income and expense

for the half year ended 31 December 2008

	Notes	**6 months ended 31 December 2008 $'millions**	6 months ended 31 December 2007 $'millions	Year ended 30 June 2008 $'millions
Taxation on share based payments		**(1.1)**	–	1.4
Effect of translation of foreign operations		**3.3**	–	–
Net income recognised directly in equity	10	**2.2**	–	1.4
Profit for the period		**22.7**	16.2	51.6
Total recognised income for the year		**24.9**	16.2	53.0

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Consolidated balance sheet

for the half year ended 31 December 2008

	Notes	**6 months ended 31 December 2008 $'millions**	6 months ended 31 December 2007 $'millions	Year ended 30 June 2008 $'millions
Non-current assets				
Intangible assets		**48.1**	56.9	52.8
Property, plant and equipment		**4.0**	3.8	3.9
		52.1	60.7	56.7
Current assets				
Inventories		**751.9**	569.4	690.1
Trade and other receivables		**129.5**	64.2	96.8
Deferred taxation		**1.6**	0.5	2.8
Cash and cash equivalents	8	**0.9**	0.4	1.2
		883.9	634.5	790.9
Total assets		**936.0**	695.2	847.6
Current liabilities				
Trade and other payables		**128.9**	106.3	141.9
Corporation tax payable		**28.9**	23.1	19.3
		157.8	129.4	161.2
Non-current liabilities				
Borrowings	8	**467.1**	304.7	392.2
Total liabilities		**624.9**	434.1	553.4
Net assets		**311.1**	261.1	294.2
Equity				
Share capital	10	**1.0**	1.0	1.0
Share premium account	10	**212.1**	211.1	212.1
Share based payment reserve	10	**4.0**	2.8	3.3
Retained earnings	10	**94.0**	46.2	77.8
Total equity	10	**311.1**	261.1	294.2

The accounts were approved by the Board on 16 March 2009.

By order of the Board

Rupert Lewin
Chief Executive
16 March 2009

Hugh Bevan
Finance Director
16 March 2009

Consolidated cash flow statement

for the half year ended 31 December 2008

	Notes	**6 months ended 31 December 2008 $'millions**	6 months ended 31 December 2007 $'millions	Year ended 30 June 2008 $'millions
Operating activities				
Profit for the period		**22.7**	16.2	51.6
Adjustments to reconcile profit for the period to net cash outflow from operating activities:				
Net finance costs		**14.9**	8.1	18.3
Income tax expense		**10.4**	6.5	21.5
Depreciation of property, plant and equipment		**0.7**	0.6	1.9
Amortisation of intangible assets		**6.2**	4.8	10.2
Net foreign exchange movement		**0.9**	–	–
Cost of share based payments	9	**0.7**	0.6	1.3
Increase in inventories		**(61.8)**	(179.1)	(300.5)
Increase in trade and other receivables		**(31.2)**	(11.3)	(45.5)
(Decrease)/increase in trade and other payables		**(13.0)**	10.0	36.5
Increase in provisions		**–**	0.6	1.3
Cash absorbed by operations		**(49.5)**	(143.0)	(203.4)
Income taxes paid		**(0.7)**	(3.1)	(20.0)
Net cash out flows from operating activities		**(50.2)**	(146.1)	(223.4)
Investing activities				
Purchase of property, plant and equipment		**(1.0)**	(1.3)	(3.3)
Purchase of intangible assets		**(1.5)**	(25.1)	(25.8)
Net cash flows used in investing activities		**(2.5)**	(26.4)	(29.1)
Financing activities				
Net interest paid		**(13.9)**	(8.2)	(14.0)
Proceeds on issue of ordinary shares – net of expenses		**–**	0.8	1.8
Dividends paid		**(8.7)**	(10.5)	(15.7)
Repayment of borrowings	8	**–**	(113.3)	(111.0)
New bank loans raised	8	**74.2**	308.6	410.9
Loan costs	8	**0.8**	(4.9)	(18.7)
Net cash flows from financing activities		**52.4**	172.5	253.3
Net (decrease)/increase in cash and cash equivalents		**(0.3)**	0.0	0.8
Cash and cash equivalents at beginning of year	8	**1.2**	0.4	0.4
Cash and cash equivalents at end of year	8	**0.9**	0.4	1.2

Notes to the condensed financial statements

for the half year ended 31 December 2008

1. Accounting presentation and policies

The financial information for the half year ended 31 December 2008 does not constitute statutory accounts as defined in section 435 of the Companies Act 2006. Statutory accounts for the years ended 30 June 2008 and 2007 have been delivered to the Registrar of Companies. The auditors have reported on those accounts; their reports were unqualified, did not draw attention to any matters by way of an emphasis without qualifying their report and did not contain statements under section 237(2) or (3) the Companies Act 1985.

This financial information is prepared in accordance with the measurement criteria included in International Financial Reporting Standards ('IFRSs') as adopted for use in the EU, as set out in the Company's 2008 Annual Report, and in accordance with the accounting policies the Group intends to use in preparing its next annual financial statements.

In light of recent Financial Reporting Guidance we are making the following enhanced going concern disclosures. As highlighted in note 6 to this financial information, the Group has met its day to day working capital requirements, and the anticipated requirements over a two to three year period, through an asset based lending facility supplemented by equity issues where appropriate. This facility, which is due for renewal in February 2013, may be drawn in advances, which may be of 1, 3, 6, 9 or 12 months duration. The current economic conditions create uncertainty particularly over the level of demand for the Group's products. The Group's forecasts and projections, taking account of reasonably likely contract revenues and stock sales, show that the Group is able to operate within the level of its current facility. After making enquiries, the directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial information for the half year ended 31 December 2008.

2. Principal risks and uncertainties

The principal risks and uncertainties affecting the Group are those described under the headings below in the 'Review of Business' section of the Directors' Report of the Annual Report 2008.

Operating risks
External risks
Financial risks
Credit risk
Cash flow risk
Liquidity risk
Exchange rate risk

3. Directors' responsibility statement

The Board of Directors approved this document on 16 March 2009.

The directors confirm that to the best of their knowledge this unaudited condensed financial information, which has been prepared in accordance with IFRSs, gives a true and fair view of the assets, liabilities, financial position and profit or loss of the issuer and the undertakings included in the consolidation as a whole and that the interim management report includes a fair review of the information herein.

The directors of Aero Inventory plc are as listed in the Company's 2008 Annual Report and have not changed since that date.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial information differs from legislation in other jurisdictions.

4. Business segments

All revenue arose from the activity of procurement and inventory management for the aerospace industry.

An analysis of revenue by type of sale is as follows:

	6 months ended 31 December 2008 $'millions	6 months ended 31 December 2007 $'millions	Year ended 30 June 2008 $'millions
Sales to contracted customers under long term supply agreements	**253.6**	161.3	434.3
Other sales	**2.5**	3.8	5.7
	256.1	165.1	440.0

Geographical analysis is presented below:

Revenue			
UK, rest of Europe and Middle East	**33.7**	41.6	78.1
America	**93.2**	24.6	143.4
Asia Pacific	**129.2**	98.9	218.5
	256.1	165.1	440.0
Assets			
UK, rest of Europe and Middle East	**208.3**	178.5	258.6
America	**245.4**	172.5	231.4
Asia Pacific	**482.3**	349.1	357.6
	936.0	700.1	847.6
Liabilities			
UK, rest of Europe and Middle East	**534.8**	356.2	480.4
America	**24.7**	59.2	23.2
Asia Pacific	**65.4**	23.6	49.8
	624.9	439.0	553.4

5. Taxation

(a) Tax on profit on ordinary activities

	6 months ended 31 December 2008 $'millions	6 months ended 31 December 2007 $'millions	Year ended 30 June 2008 $'millions
Current year taxation:			
UK Corporation Tax	**10.3**	6.9	22.8
Adjustment in respect of prior year	**-**	-	(0.2)
Foreign taxation	**-**	-	0.2
	10.3	6.9	22.8
Deferred tax:			
Origination and reversal of temporary differences	**0.1**	(0.4)	(1.3)
Total deferred tax	**0.1**	(0.4)	(1.3)
Tax charge in the income statement	**10.4**	6.5	21.5

Notes to the condensed financial statements continued

for the half year ended 31 December 2008

5. Taxation continued

(b) Reconciliation of the total tax charge

The tax assessed for the year is higher (2007: lower) than the standard rate of UK corporation tax of 28 per cent (2007: 30 per cent). The differences are explained below:

	6 months ended 31 December 2008 $'millions	6 months ended 31 December 2007 $'millions	Year ended 30 June 2008 $'millions
Profit before tax	**33.0**	22.7	73.1
Profit on ordinary items activities multiplied by standard rate of Corporation Tax in the UK of 28 per cent (2007: 30 per cent)	**9.3**	6.8	21.6
Tax effects of:			
Expenses not deductible for tax purposes	**0.1**	(0.3)	0.1
Share based payments	**1.0**	–	(0.2)
Total tax expense	**10.4**	6.5	21.5

The UK corporation tax rate decreased from 30 per cent to 28 per cent from 1 April 2008 resulting in an average standard rate of 29.5 per cent for the year ending 30 June 2008.

6. Dividends

	6 months ended 31 December 2008 $'millions	6 months ended 31 December 2007 $'millions
Amounts recognised as distributions to equity holders in the year:		
Final dividend for the year ended 30 June 2008 of 12 pence per share, equivalent to 18.36 cents per share (2007: 10.5 pence, equivalent to 20.3 cents per share)	**8.7**	10.1
	8.7	10.1

The Board has recommended an interim dividend of 6.0 pence per share (equivalent to 8.2 cents per share) (2007: 6.0 pence, equivalent to 11.27 cents per share).

7. Earnings per share

The calculation of the basic and diluted earnings per share is based on the following data:

Earnings

	6 months ended 31 December 2008 $'millions	6 months ended 31 December 2007 $'millions
Earnings for the purposes of basic and diluted earnings per share	**22.7**	16.1

Number of shares

	2008 Number	2007 Number
Weighted average number of ordinary shares for the purposes of basic earnings per share	**47,626,909**	47,360,921
Effect of dilutive potential ordinary shares:		
Share options	**682,907**	3,314,865
Weighted average number of ordinary shares for the purposes of diluted earnings per share	**48,309,817**	50,675,786

	2008 Cents	2007 Cents
Basic earnings per share	**47.6**	34.1
Effect of dilutive potential ordinary shares	**(0.7)**	(2.2)
Diluted earnings per share	**46.9**	31.9

8. Borrowings and net debt

	6 months ended 31 December 2008 $'millions	6 months ended 31 December 2007 $'millions	Year ended 30 June 2008 $'millions
Cash			
Bank	**0.9**	0.4	1.2
Borrowings			
Bank loans	**485.1**	309.6	410.9
Loan costs	**(18.0)**	(4.9)	(18.7)
	467.1	304.7	392.2
Net debt	**466.2**	304.3	391.0

In February 2008 a five year syndicated asset based lending facility was signed and increased the size of the available banking facility from US$356 million to US$425 million. The facility was further increased on 23 June 2008 to US$500 million. The syndicated facility is led by Lloyds TSB Commercial Finance and is secured on Aero Inventory's stock and trade debtors in the UK, Switzerland, Ireland, Canada, the United States, Hong Kong, Australia and Japan.

At 31 December 2008, the Group had available US$14.9 million (30 June 2008: US$89.1 million) of undrawn committed borrowing facilities.

The bank loan is secured by a fixed and floating charge which is secured by the trade receivables and inventory of the Group. The book value of financial liabilities approximates their fair value.

	6 months ended 31 December 2008 $'millions	6 months ended 31 December 2007 $'millions	Year ended 30 June 2008 $'millions
The borrowings are repayable as follows:			
On demand or within one year	**–**	–	–
In the second year	**–**	–	–
In the third to fifth years inclusive	**485.1**	309.6	410.9
	485.1	309.6	410.9
Less: Amount due for settlement within 12 months (shown under current liabilities)	**–**	–	–
Amounts due for settlement after 12 months.	**485.1**	309.6	410.9

The interest rate charged on the facility is US Libor + 3 per cent. The average interest rate charged in the period was 5.78 per cent.

9. Share-based payment

The Company provides benefits to employees (including directors) of the Company in the form of share-based payment transactions (share options), whereby employees render services in exchange for rights over shares ('equity-settled transactions'). The fair value of the employee services rendered is determined by reference to the fair value of the options granted.

All share options are valued using an appropriate option-pricing model such as Black-Scholes. This fair value is charged to the profit and loss account over the vesting period of the share-based payment scheme, with the corresponding increase in equity. The value of the charge is adjusted in the profit and loss account over the remainder of the vesting period to reflect expected and actual levels of options vesting, with the corresponding adjustment made in equity.

The Group has recognised a total expense of US$0.7 million relating to equity settled share option scheme transactions in the period (period to 31 December 2007: US$0.6 million).

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Notes to the condensed financial statements continued
for the half year ended 31 December 2008

10. Reserves

	Share premium account $'millions	Share based payment reserve $'millions	Retained earnings $'millions	Total $'millions
At 1 July 2007	210.3	2.0	40.5	252.8
Profit for the financial period	–	–	51.6	51.6
Dividends paid	–	–	(15.7)	(15.7)
Share based payments	–	1.3	–	1.3
Shares issued	1.8	–	–	1.8
Taxation on share based payments	–	–	1.4	1.4
At 30 June 2008 and 1 July 2008	212.1	3.3	77.8	293.2
Profit for the financial period	–	–	22.7	22.7
Dividends paid	–	–	(8.7)	(8.7)
Share based payments	–	0.7	–	0.7
Foreign currency translation reserve	–	–	3.3	3.3
Taxation on share based payments	–	–	(1.1)	(1.1)
At 31 December 2008	**212.1**	**4.0**	**94.0**	**310.1**

11. Subsequent events
As mentioned in the Chief Executive's statement, the Company has in February completed the sale of a significant quantity of consumable aircraft parts to Air Canada. The consideration received by the Company for this material is in the form of Bills of Exchange with a face value of approximately US$100 million, maturing in just less than one year from the date of issue.

The Company had also completed the placing of 4,762,680 ordinary shares with certain existing shareholders at a price of £2.50 (US$3.63) per share, raising additional capital of £11.9 million (US$17.3 million). The shares placed represents approximately 10 per cent of the Company's existing issued share capital and approximately 9.1 per cent of the Company's issued share capital following the placing.

12. Availability of information
Copies of this announcement are available from the Company Secretary at 30 Lancaster Road, New Barnet, Hertfordshire, EN4 8AP.

Independent review report to Aero Inventory plc

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 2008 which comprises the consolidated income statement, the consolidated balance sheet, the consolidated statement of recognized income and expense, the consolidated cash flow statement and related notes 1 to 12. 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.

This report is made solely to the company in accordance with International Standard on Review Engagements 2410 issued by the Auditing Practices Board. Our work has been undertaken so that we might state to the company those matters we are required to state to them in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our review work, for this report, or for the conclusions we have formed.

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 AIM Rules of the London Stock Exchange.

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 have been prepared in accordance with the accounting policies the Group intends to use in preparing its next annual financial statements.

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.

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 inquiries, 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 2008 is not prepared, in all material respects, in accordance with the AIM Rules of the London Stock Exchange.

Deloitte LLP
Chartered Accountants and Statutory Auditors
Reading, United Kingdom
16 March 2009

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Company information

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P R Lewin
M P Dodge MBA
H C Bevan FCA
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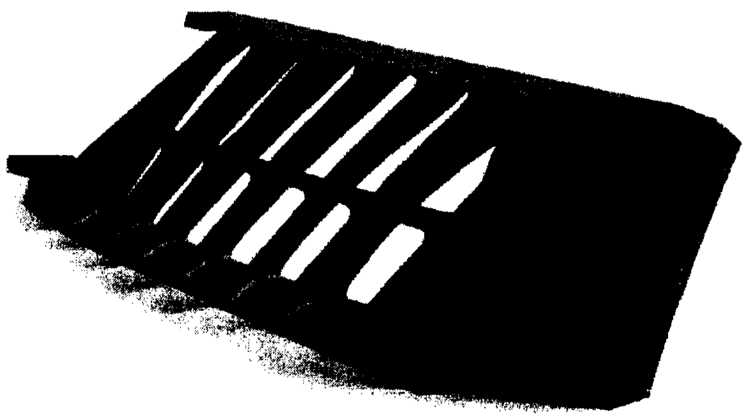

www.aero-inventory.com

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Regency is produced in an area of exceptional natural beauty, heavily protected by environmental legislation. It is therefore important for the mill to monitor all its environmental processes to match that of the local environment as well as national legislation. Cartiere del Garda is ISO 14001 certified and only uses celluloses with an ECF bleaching process

Our printers hold the Forest Stewardship Council (FSC) Chain of Custody accreditation, a certification demonstrating their ability to trace paper sourced from sustainable managed forests, through to the final product. This accreditation allows our printer to display the FSC logo on all work produced by them using FSC papers

They are accredited with the internationally recognised ISO 14001 Environmental standard demonstrating their commitment to the

Designed and produced by **Emperor Design Consultants Ltd**

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Aero Inventory

Aero Inventory is listed on the Alternative Investment Market of the London Stock Exchange with operations in the United Kingdom, Australia, Bahrain, Canada, China, Hong Kong, Indonesia, Japan, Switzerland and the United States of America.

We are a service provider to companies in the aerospace industry, providing a comprehensive procurement and inventory management service.

We focus on the hundreds of thousands of consumable and expendable parts required in the maintenance of commercial aircraft and our e-based systems are complemented by on-site representation and 24-hour customer support. We aim to grow the business by [illegible] aerospace maintenance and repair companies.

Aero Inventory's ultimate goal is to become the world's leading aircraft consumable parts service provider.

TAB 3C

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Aero Inventory Plc

Group Management Accounts
June 2009

This is Exhibit C referred to in the affidavit of NICHOLAS BREARTON sworn ... 23rd day of APRIL 2010

A COMMISSIONER FOR TAKING AFFIDAVITS

Aero Inventory Plc
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Aero Inventory Plc
Group Finance Report
June 2009
Management Summary

The Management Accounts attached are a draft of the accounts for the year. The draft accounts are now with our auditors, Deloitte, as they undertake our annual audit.

Since the May Management Accounts were published there has been a presentation on the 27th July to the Banking Syndicate in which the current business overview and outlook were discussed.

In view of this, below is a brief overview relating to June's activities:

Business Overview

Sales	Sales in June include sales for parts consumed in the month as well as accruals for stock-related adjustments. Some of these adjustments result from our detailed work on the stock position at the financial year end.
Cash Management	AI continues to operate within the permitted facility, however as previously reported the two sided squeeze between our customers and suppliers continues to mask the progress of the company's initiatives to improve controls which will ultimately create cash and improve headroom.
Non Contract Sales	As reported in the syndicate meeting AI is continuing to pursue a number of potential opportunities and will make representations once deals are finalised.
Outlook	As previously reported a sale of $18m of stocks to SR Technics has been concluded and an MoU has been signed with SRT as a step towards renewal of the SRT contracts.

Profit and Loss Account

Sales	▸	Sales are trading significantly above the latest forecast as a result of the stock-related accruals mentioned above. The customer accounts affected by these accruals are Qantas, Aveos and Haeco.
Contribution	▸	Contribution is trading in line with the increased revenues. The biggest contributors are Qantas, Aveos and the year end adjustment for attributable overheads.
Overheads	▸	Overall overheads for the month of June are trading in line with the forecast.

Balance sheet

Fixed Assets	▸	Fixed assets movements consists of additions and depreciation in the month. Fixed assets are trading below the budget and forecast as planned capital expenditure of computer equipment and leasehold improvements has not materialised.
Stock	▸	Stock has reduced by $14m in the month largely reflecting the additional revenues which have been billed
Trade Debtors	▸	For consistency, where we have common debtors and creditors, these have been set-off to reflect the net position. $87m of debtors and creditors have been set-off against each other in the current month. Debtors have increased significantly in comparison to previous months as a result of the additional accruals mentioned in sales above. The sales accruals will be invoiced over the coming months.
Prepayments and Other Debtors	▸	For consistency, where we have common debtors and creditors, these have been set-off to reflect the net position. Prepayments relating to the banking facility of $15.7m have been netted off the bank loans.
Trade Creditors	▸	For consistency, where we have common debtors and creditors, these have been set-off to reflect the net position. $87m has been contra'd off debtors in the month.
Bank overdraft	▸	The bank facility represents the drawn facility and overdrafts net of capitalised loan setup costs.

Aero Inventory Plc
Group Finance Report
June 2009
Profit and Loss Account

Schedule 1

	Period 12 - Year to Date				
	Actual $'000	**Original Budget $'000**	**Latest Forecast $'000**	**Variance to Original Budget $'000**	**Variance to Latest Forecast $'000**
Sales	661,280	707,814	609,573	(50,534)	51,707
Sales Returns	(47,206)	0	(50,810)	(47,206)	3,604
Cost of Sales	(410,280)	(483,667)	(379,032)	73,387	(31,249)
					0
Gross Profit	**203,794**	**224,146**	**179,732**	(24,352)	**24,062**
Margin	32.7%	31.7%	32.2%	24.9%	0.6%
					0.0%
OVERHEADS					0
Administration Expenses	(86,764)	(98,808)	(89,789)	12,043	3,024
OPERATING PROFIT	**117,030**	**125,339**	**89,944**	(12,309)	**27,086**
Net Finance	(26,993)	(24,452)	(26,854)	(4,541)	(139)
Exchange Gain/(Loss)	3,740	0	4,237	3,740	(497)
PROFIT BEFORE TAX	**93,776**	**100,887**	**67,327**	(13,110)	**26,450**
Taxation	(22,258)	(30,041)	(21,135)	7,783	(1,123)
Dividend	(13,869)	(20,622)	(12,982)	6,753	(888)
					0
PROFIT AFTER TAX AND DIVIDEND	**57,649**	**50,224**	**33,210**	(5,328)	**24,439**

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Aero Inventory Plc
Group Finance Report
June 2009
Balance Sheet

Schedule 2

2008/9 Period 12 $'000s	2008/9 Period 12 Original Budget $'000s	2008/9 Period 12 Latest Forecast $'000s		2008/9 Original Budget Full year $'000s	2008/9 Balance Sheet at 30th June 2008 $"000
			FIXED ASSETS		
31,640	33,246	31,640	Intangible Assets - Intellectual Property	33,246	35,918
10,443	8,602	11,104	Intangible Assets - IT Consultancy	8,602	16,853
3,793	12,127	6,138	Tangible Fixed Assets	12,127	3,853
			CURRENT ASSETS		
748,028	663,120	762,069	Stock	663,120	690,069
90,768	139,410	25,358	Trade Debtors	139,410	92,620
4,893	25,891	5,077	Other Debtors and Prepayments	25,891	25,805
79,000	0	79,000	Bills of Exchange		
299	200	380	Bank	200	1,180
922,988	**828,622**	**871,884**		**828,622**	**809,674**
968,864	**882,597**	**920,766**	**TOTAL ASSETS**	**882,597**	**866,298**
			CURRENT LIABILITIES		
54,572	104,013	57,876	Trade Creditors	104,013	132,900
40,161	18,693	29,181	Corporation Tax Creditor	18,693	19,300
3,352	3,971	(1.226)	Interest Creditor	3,971	7,216
18,220	8,565	4,680	Other Creditors	8,565	1,784
806,684	**693,378**	**781,373**	**Net current assets**	693,378	648,474
			NON CURRENT LIABILITIES		
482,570	395,357	482,066	Borrowings	395,357	410,909
598,874	**530,600**	**572,577**	**TOTAL LIABILITIES**	**530,600**	572,109
369,990	**351,996**	**348,189**	**NET ASSETS**	**351,996**	**294,189**
311,494	301,773	310,969	Share Capital and Reserves	302,523	242,634
847	0	4,010	Foreign currency translation reserve		
57,649	50,224	33,210	Profit/(Loss) in the Period	49,474	51,555
369,990	**351,996**	**348,189**		**351,996**	**294,189**

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Consolidated Cash flow

Schedule 3

	2008/9 YTD Actual $'000s	2008/9 YTD Original Budget $'000s	June Month
Operating Profit	117,030	124,589	25,541
Depreciation/Amortisation	14,314	16,690	1,366
Profit/Loss on disposal of fixed assets	0	0	0
		0	0
Movement in Stock	(57,959)	35,000	14,041
Movement in Trade Debtors	1,852	2,647	(52,653)
Movement on Bills of Exchange	(79,000)	0	0
Movement in Other Debtors	20,912	250	271
Movement in Trade Creditors	(78,328)	(74,430)	1,190
Movement in Other Creditors	16,436	967	14,816
			0
			0
Cash flow from operations	(44,744)	105,712	4,572
Interest Paid	(30,857)	(25,102)	(560)
Tax Payments	(1,398)	(31,570)	963
Exchange Differences	3,977	0	(1,053)
Capital expenditure	(3,563)	(13,884)	618
Dividends	(13,869)	(20,622)	(5,088)
		0	
Total Cash flow	(90,455)	14,534	(546)
Issue of shares net of expenses	16,550	0	0
Capital element of finance lease	0	0	0
Share Option reserve	1,362	0	121
Net Cash flow	(72,542)	14,534	(425)
Opening net cash	(409,729)	(409,691)	(481,847)
Closing net cash	(482,271)	(395,157)	(482,271)

Aero Inventory Plc
Group Finance Report
June 2009
Expenses Analysis

Schedule 4

	Period 12 - Year to Date			
	2008/09	2008/09	2008/09	2008/09
	Period 12 Actual $000s	Period 12 Budget $000s	Period 12 Latest Forecast $000s	Variance to Latest Forecast $000s
Salaries	41,116	47,426	40,184	(932)
Bonuses	(799)	-	(780)	19
Travel and Entertaining	4,173	2,117	3,962	(211)
Depreciation	10,174	12,328	10,250	76
Amortisation	4,140	4,362	4,140	0
Rent and Rates	2,717	3,493	3,373	656
Telephone	868	1,016	886	18
Property Costs	1,091	717	1,099	8
P/P and Stationery	470	803	504	34
Legal and professional fees	6,215	2,645	5,697	(518)
Insurance	2,075	1,625	2,098	23
Sundry Expenses	(3,098)	1,000	130	3,228
Penalties	1,877	-	0	(1,877)
SRT Switzerland Overheads				(396)
SRT UK/Ireland overheads				6
Taeco subvented costs				(222)
ACTS sub vented costs				(693)
Qantas overheads				342
ANA overheads				(161)
GMF oheads				(198)
New business oheads	0	750	750	750
Attributable overheads	(5,635)	-	(2,811)	2,824
IT Hosting Costs	2,463	4,328	2,555	92
Share Option Costs	1,362	2,271	1,331	(31)
Haeco Rebate	1,470	1,560	1,506	36
Bank Facility Charges	4,604	2,184	4,755	151
Bank charges	618	556	626	8
Stock provision	9	-	-	9
Total Overheads	86,764	98,808	89,789	3,024

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Aero Inventory Plc
Group Finance Report
June 2009
Segmental Reporting

Schedule 5

Primary segmental analysis

	Sales to contracted customers under long term supply agreement	Other Sales	Group Total		Total Sales Percentage increase
	to 30 June 2009	to 30 June 2009	to 30 June 2009	to 31 May 2009	%
	$'000	$'000	$'000	$'000	
Turnover	564,724	92,742	657,466	568,121	15.02
Sales Returns	(47,206)	-	(47,206)	(36,234)	
Net Sales	517,518	92,742	610,260	531,887	
Gross Profit	172,919	30,875	203,794	170,198	17.39
Common Costs			(86,764)	(78,709)	
Operating Profit			117,030	91,489	23.54
Net Interest			(26,993)	(25,073)	
Net Exchange difference			3,740	4,237	
Group Profit before taxation			93,777	70,652	24.24

Secondary Segmental analysis: Geographic split

	America's to 30 June 2009	Asia Pacific to 30 June 2009	UK, Europe & Middle East to 30 June 2009	Group Total to 30 June 2009	Group Total to 31 May 2009
	$'000	$'000	$'000	$'000	$'000
Turnover	298,016	261,833	50,412	610,260	531,887

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Aero Inventory Plc
Group Finance Report
June 2009
Debtor's Analysis

Schedule 6

TRADE DEBTORS ANALYSIS

	Total per Trade Debtors Control Account		Income Accruals: Amounts Invoiced July 2009	Income Accruals: Amounts not yet Invoiced	Total Trade Debtors	Comments on debtors
Trade Debtors	$'000		$'000	$'000	$'000	
GMF	2,313		99		2,412	
SRT-Ireland	406		6	30	442	
SRT-UK	409		35	75	519	
SRT-Switzerland	2,337		46	544	2,927	
SRT - Bahrain	6				6	
HAECO	(2)		1,020	197	1,215	
STAECO	25		394	5	424	
TAECO	0		390		390	
CLK	1		827	3,844	4,672	
TACA	0		377	90	467	
Qantas	(1,379)		3,087	33,608	35,316	$8.1m contra'd
ACTS	(0)		9,655	31,433	41,088	$22.3m contra'd
ANA	0		176		176	$3.4m contra'd
Air Canada	-		-	-	-	$14.5m contra'd
Aeroman	0			-	0	$18.67m contra'd
Others	582		91	41	714	
Total debt per ledger	**4,698**		**16,203**	**69,867**	**90,768**	

OTHERS DEBTORS & PREPAYMENTS ANALYSIS

	$'000
Sundry Debtors	137
Prepayments	3,128
Deferred Taxation	1,629
Total Other debtors and prepayments	**4,893**

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Aero Inventory Plc
Group Finance Report
June 2009
Creditor's Analysis

Schedule 7

CREDITORS ANALYSIS

	Total $'000
Trade Creditors Control Account	42,090
Purchase ledger accrual	12,482
Total Trade Creditors per the balance sheet	**54,572**
Other Creditors	
Payroll	513
Corporation Tax	40,161
Other tax and VAT	13,566
Interest Creditor	3,352
Accruals and other creditors	4,140
Intercompany	0
Total Creditors per Balance Sheet	**116,304**

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Aero Inventory Plc

Group Finance Report
June 2009
Banking & Covenant information
Lloyds facility covenants

Schedule 8

Bank Covenants

Dividend Cover		**"Dividend Cover"**: means the ratio of EBT less tax and less Exceptional Items during the Relevant Period to dividends or distributions paid by the Company in cash during that Relevant Period;
Dividends Paid (12 months)	13,869	
Profit after tax (12 months)	71,518	**rolling 12 months**
Dividend cover	**4.68**	Dividend Cover in respect of any Relevant Period shall not be less than 2.00:1 at any time.
Interest cover Ratio		**"Interest Cover"**: means the ratio of EBITDA less dividends or distributions paid by the Company in cash during the Relevant Period to Finance Charges for that Relevant Period;
Interest for 12 month period	26,993	
Total	**26,993**	
EBITDA for 12 month period	135,948	
Total	**135,948**	
Dividends	13,869	
Interest cover	**4.52**	Interest Cover in respect of any Relevant Period shall not be less than 3.50:1 at any time.
Capex spend		
Actual cost 12 month period	3,563	
Total	**3,563**	the aggregate Capital Expenditure of the Group in respect of any Relevant Period shall not exceed US$20,000,000
EBT		
EBT for 12 months	93,776	
Total	**93,776**	Requirement = $65m covenant at June 2009. Increase of $2.5 per completed quarter excluding the current quarter
Stock Turn		
Naked Book Value	696,365	
May 2009 Cost of Sales	58,771	
Stock Turn	**361**	Stock turn shall not exceed 810 days. Measured by dividing the total value of Stock by cost of sales for a calendar month and multiplying the result by 30.5 times

TAB 3D

Aero Inventory Plc

Group Management Accounts
August 2009

This is Exhibit......D......referred to in the affidavit of...NICHOLAS BREARTON.
sworn before me, this......23rd......
day of......APRIL......2010

A COMMISSIONER FOR TAKING AFFIDAVITS

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Aero Inventory Plc
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Aero Inventory Plc
Group Finance Report
August 2009
Business Overview

August Business Overview

The company recently announced that it would be seeking a move from AIM to the main market of the London Stock Exchange and that our results would now be announced on Wednesday October 28th.

We have also arranged to have a bank syndicate presentation on the afternoon of October 27th. We will use this meeting to provide more colour on the year just completed as well as updating you on current trading and also our plans for the next few months.

The move to the main market is an issue that has often been raised by shareholders and we believe that this is a natural step for a company that has grown enormously since it listed on AIM in 2000. We are hopeful that the move will lead to a wider investor base as well as improving the liquidity in the trading of the shares. This also involves a substantial amount of work, some of which dovetails with the work required for our annual audit so we are effectively working with Deloitte's on both the audit and the new listing simultaneously.

Sales and Cash Management

Sales in August were in line with budget and benefited from a sale to Haeco of stocks for some $8 million. We have now succeeded in selling some $30 million of stocks to SR Technics and HAECO since the year end and this has benefited our cash flow . We have as previously discussed tightening cash controls and this is leading in some cases to customers buying shortage parts themselves rather than AI purchasing on their behalf. This protects AI's cash position but leads to a temporary reduction in reported sales. Overall AI believe that the ongoing level of demand from customers is holding up well but it is being affected to some extent by these customer purchased parts.

Cash Management

Together with the cash receipt from SRT at the end of July and other client cash flows during August, with careful planning of supplier payments, AI continues to operate within the permitted facility.

Non Contract Sales

AI had discussed Tier 2 sales at the Bank Syndicate meeting in July..
Further additional non contract sales are being discussed. The negotiations outlined at the bank meeting in July are taking longer than expected and the outcome of these proposals remains uncertain.

Fund Raising

We are also working on an issue of new shares by way of rights so as to raise money to support both new business as well as to assist working capital. The rights issue is to be underwritten by our brokers, JP Morgan Cazenove. Planning for this fund raising is at an early stage and is highly confidential. It is dependent on market conditions but it is an indication of the very strong level of interest that exists in Aero Inventory's services from airline and MRO customers worldwide. We will update you on the progress of new business and fund raising discussions when we meet the banking syndicate at the end of October.

Aero Inventory Plc
Group Finance Report
August 2009
Management Summary

Profit and Loss Account

Sales	Sales in the month is trading above budget mainly as a result of a bulk sale to Haeco for $8m. All customer revenues are trading just below budget as the industry still struggles in what is difficult times.
Contribution	The contribution is greater than budget as a result of the bulk sale mentioned above. The increasein contribution is however not in line with the incraased sales as a discount was offered on the bulk sale.
Overheads	Overheads are trading below budget as management continues to cut costs in what is a very difficult time in the industry. Salaries are trading below budget as the effect of the recent redundancy programme.

Balance sheet

Fixed Assets	Fixed Asset transaction relate mainly to depreciation and additions.
Stock	Stock is significantly lower than the original budget as this was prepared using a higher June 09 closing position than the final closing position. The stock balance is further reduced by the stock sales to SRT in July and HAECO in August.
Trade Debtors	Trade debtors is significantly higher than budget as it includes accruals calculated at 30 June 09 which have not yet been collected. These relets to parts consumed but which have not previously been invoiced. For consistency, where we have common debtors and creditors, these have been set-off to reflect the net position. $78.3m of debtors and creditors have been set-off against each other in the current month.
Prepayments and Other Debtors	For consistency, where we have common debtors and creditors, these have been set-off to reflect the net position. Prepayments relating to the banking facility of $15.0m have been netted off the bank loans.
Trade Creditors	For consistency, where we have common debtors and creditors, these have been set-off to reflect the net position. $78.3m has been contra'd off debtors in the month.
Bank overdraft	The bank facility represents the drawn facility and overdrafts net of capitalised loan setup costs.

Aero Inventory Plc
Group Finance Report
August 2009
Profit and Loss Account

Schedule 1

Period 2 - Month in Isolation				Period 2 - Year to Date		
Actual $'000	**Original Budget $'000**	**Variance to Original Budget $'000**		**Actual $'000**	**Original Budget $'000**	**Variance to Original Budget $'000**
42,081	37,140	4,941	Sales	85,592	71,750	13,842
(4,131)	(6,098)	1,966	Sales Returns	(8,880)	(12,185)	3,304
(27,265)	(22,046)	(5,219)	Cost of Sales	(54,170)	(54,300)	130
10,685	**8,997**	**1,688**	**Gross Profit**	**22,541**	**17,449**	**17,276**
28.2%	29.0%	24.4%	Margin	29.4%	29.3%	100.8%
			<u>OVERHEADS</u>			
(7,118)	(7,854)	736	Administration Expenses	(14,564)	(15,077)	513
3,567	**1,143**	**2,425**	**OPERATING PROFIT**	**7,977**	**2,372**	**5,605**
(3,594)	(1,782)	(1,812)	Net Finance	(5,602)	(3,572)	(2,030)
188	0	188	Exchange Gain/(Loss)	674	0	674
161	(639)	**800**	**PROFIT BEFORE TAX**	**3,049**	(1,200)	**4,248**
(1)	192	(193)	Taxation	(869)	360	(1,229)
0	0	0	Dividend	0	0	0
160	(447)	**607**	**PROFIT AFTER TAX AND DIVIDEND**	**2,180**	(840)	**3,020**

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Aero Inventory Plc
Group Finance Repor
August 2009
Balance Sheet

Schedule 2

2009/10 Period 2 $'000s	2009/10 Period 2 Original Budget $'000s		2009/10 Original Budget Full year $'000s	2008/9 Balance Sheet at 30th June 2009 $"000
		FIXED ASSETS		
30,950	30,950	Intangible Assets - Intellectual Property	27,500	31,640
9,437	10,032	Intangible Assets - IT Consultancy	11,180	10,443
3,680	5,839	Tangible Fixed Assets	5,736	3,793
		CURRENT ASSETS		
727,202	768,653	Stock	657,053	751,971
116,096	53,304	Trade Debtors	77,204	90,768
4,717	4,889	Other Debtors and Prepayments	4,133	4,893
79,000	80,000	Bills of Exchange	0	79,000
332	845	Bank	845	299
927,346	**907,691**		**739,235**	**926,931**
971,413	**954,512**	**TOTAL ASSETS**	**783,651**	**972,807**
		CURRENT LIABILITIES		
64,618	63,081	Trade Creditors	53,719	54,572
41,027	42,476	Corporation Tax Creditor	16,082	40,161
3,937	2,333	Interest Creditor	384	3,352
2,614	4,800	Other Creditors	4,154	18,220
815,150	**795,000**	**Net current assets**	664,895	810,626
		NON CURRENT LIABILITIES		
482,806	485,250	Borrowings	308,859	482,570
595,002	**597,940**	**TOTAL LIABILITIES**	**383,199**	598,875
376,410	**356,571**	**NET ASSETS**	**400,452**	**373,932**
376,097	353,010	Share Capital and Reserves	395,611	311,494
154	4,010	Foreign currency translation reserve	4,010	847
160	(447)	Profit/(Loss) in the Period	832	61,592
376,410	**356,572**		**400,452**	**373,933**

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Aero Inventory Plc
Group Finance Report
August 2009
Consolidated Cash flow

Schedule 3

2009/10 Period 2 $'000s	2009/10 Period 2 Original Budget $'000s		2009/10 YTD Actual $'000s	2009/10 YTD Original Budget $'000s
3,567	1,143	Operating Profit	7,977	2,372
1,152	1,272	Depreciation/Amortisation	2,296	2,532
0		Profit/Loss on disposal of fixed assets	0	0
			0	0
9,126	0	Movement in Stock	24,769	0
(17,788)	(9,316)	Movement in Trade Debtors	(25,328)	(6,018)
0	0	Movement on Bills of Exchange	0	0
669	83	Movement in Other Debtors	176	167
14,081	6,510	Movement in Trade Creditors	10,046	3,060
(8,218)	656	Movement in Other Creditors	(15,606)	202
			0	0
			0	0
2,588	**348**	**Cash flow from operations**	**4,332**	**2,315**
			0	0
(4,619)	(2,500)	Interest Paid	(5,017)	(2,500)
(1)	0	Tax Payments	3	0
(207)	0	Exchange Differences	858	0
(182)	(571)	Capital expenditure	(487)	(471)
0	0	Dividends	0	0
0			0	0
(2,421)	(2,723)	**Total Cash flow**	(311)	(655)
			0	0
0	0	Issue of shares net of expenses	0	0
0	0	Capital element of finance lease	0	0
109	100	Share Option reserve	109	200
			0	0
(2,312)	(2,623)	**Net Cash flow**	(203)	(455)
(480,162)	(481,782)	**Opening net cash**	(482,271)	(483,950)
(482,474)	(484,405)	**Closing net cash**	(482,474)	(484,405)

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Aero Inventory Plc
Group Finance Repo…
August 2009
Sales Analysis

Schedule 4

Period 2 - Month in Isolation				Period 2 - Year to Date		
Actual $'000	Original Budget $'000	Variance to Original Budget $'000		Actual $'000	Original Budget $'000	Variance to Original Budget $'000
30	1,100	(1,070)	SRT Ireland	5	2,200	(2,195)
16	450	(434)	SRT UK	9,787	950	8,837
(60)	1,500	(1,560)	SRT Switzerland	10,104	3,000	7,104
8,602	1,200	7,402	CLK	9,564	2,400	7,164
784	1,200	(416)	HAECO TKO	1,918	2,400	(482)
332	1,200	(868)	TAECO	642	2,400	(1,758)
255	300	(45)	STAECO	579	700	(121)
98	30		Air Hong Kong	155	60	95
13,372	15,000	(1,628)	Qantas	23,474	27,000	(3,526)
222	20	202	GMF	418	40	378
7	0	7	GAMCO	23	0	23
300	20		SRT Bahrain	300	40	260
216	1,440	(1,224)	Stock & Other Sales	665	1,700	(1,035)
1,950	1,300	650	Aeroman	3,028	2,600	428
(51)	80	(131)	TACA	26	160	(134)
12,872	6,300	6,572	Aveos	14,821	14,100	721
2,543	4,000	(1,457)	ANA	5,303	8,000	(2,697)
593	2000	(1,407)	Air Canada	4,782	4,000	782
(4,131)	(6,098)	1,966	Sale Returns	(8,880)	(12,185)	3,304
37,950	**31,042**	**6,559**	**Net Sales**	**76,712**	**59,565**	**17,146**

Aero Inventory Plc
Group Finance Report
August 2009
Contribution Analysis

Schedule 5

Period 2 - Month in Isolation						Period 2 - Year to Date				
Actual $'000	%	Original Budget $'000	%	Variance to Original Budget $'000		Actual $'000	%	Original Budget $'000	%	Variance to Original Budget $'000
					SRT Ireland					
					SRT UK					
					SRT Switzerland					
					CLK					
					HAECO TKO					
					TAECO					
					STAECO					
					Air Hong Kong					
					Qantas					
					GMF					
					GAMCO					
					SRT Bahrain					
					Stock & Other Sales					
					Aeroman					
					Aveos					
					TACA					
					ANA					
					Air Canada					
					Carriage					
					Attributable Overheads					
					Supplier rebates					
					Sales Returns			0		0
10,685	28.2	8,997	29.0	1,688	Total	22,541	29.4	17,449	29.3	5,092

Aero Inventory Plc
Group Finance Report
August 2009
Expenses Analysis

Schedule 6

Period 1 - Month in Isolation				Period 1 - Year to Date		
2008/09	2008/09	2008/09		2008/09	2008/09	2008/09
Period 2 Actual $000s	Period 2 Budget $000s	Variance to Original Budget $000s		Period 2 Actual $000s	Period 2 Budget $000s	Variance to Original Budget $000s
2,623	3,036	(413)	Salaries	5,931	6,122	(191)
0	-	0	Bonuses	0	-	0
170	210	(40)	Travel and Entertaining	252	421	(169)
150	150	0	Depreciation	275	296	(21)
1,002	1,122	(120)	Amortisation	2,021	2,236	(214)
256	87	169	Rent and Rates	508	173	334
35	117	(82)	Telephone	118	235	(117)
56	44	12	Property Costs	102	86	16
10	47	(37)	P/P and Stationery	34	95	(61)
763	320	444	Legal and professional fees	904	645	259
161	199	(38)	Insurance	365	398	(33)
223	61	161	Sundry Expenses	506	123	383
91	-	91	Penalties	509	-	509
-	-	0	New business oheads	0	-	0
0	-	0	Attributable overheads	0	-	0
161	1,064	(903)	IT Hosting Costs	358	1,454	(1,096)
109	100	9	Share Option Costs	219	200	19
128	112	16	Haeco Rebate	220	224	(4)
358	320	38	Bank Facility Charges	717	640	77
39	35	3	Bank charges	76	70	5
-	-	0	Stock provision	-	-	-
7,118	7,854	(736)	**Total Overheads**	14,564	15,077	(513)

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