

Daejan Holdings PLC

Interim Statement 2004



Chairman's Statement

The Board is pleased to present the Interim Statement for the half year ended 30 September 2004.

- Profit for the period is up by £1.8m (16.3%) on the equivalent period last year and includes an increased contribution from the sale of investment properties.
- The interim dividend is increased to 25p per share in order to achieve a better balance between the interim and final payment.
- Profits for the full year are anticipated to be of a similar order to those of the previous year.
- The Group maintains a strong balance sheet which continues to provide a good platform for further progress.

B S E Freshwater

Chairman

16 December 2004

Contents

	Page
Consolidated Profit & Loss Account	2
Consolidated Balance Sheet	3
Consolidated Cash Flow Statement	4
Notes to the Financial Statements	5
Directors & Advisers	7



Consolidated Profit & Loss Account for the half year ended 30 September 2004

	Unaudited 6 months ended 30 September 2004 £000	Unaudited 6 months ended 30 September 2003 £000	Audited Year ended 31 March 2004 £000
Turnover	44,269	45,464	90,007
Net Rental Income	18,693	19,675	37,138
Surplus on Sale of Trading Properties	1,887	3,118	7,002
Other Income	62	118	196
Gross Profit	20,642	22,911	44,336
Administrative and Other Expenses	(3,218)	(3,675)	(7,342)
Operating Profit	17,424	19,236	36,994
Surplus on Sale of Investment Properties	4,208	416	1,489
Profit on Ordinary Activities before Interest	21,632	19,652	38,483
Net Interest Payable and Other Similar Items	(3,896)	(3,934)	(8,041)
Profit on Ordinary Activities before Taxation	17,736	15,718	30,442
Tax on Profit on Ordinary Activities	(5,123)	(4,898)	(7,522)
Profit on Ordinary Activities after Taxation	12,613	10,820	22,920
Minority Interests - Equity	(25)	—	(1)
Profit for the Period	12,588	10,820	22,919
Dividends: Interim	(4,074)	(3,585)	(3,585)
Final	—	—	(5,866)
Retained Profit for the Period	8,514	7,235	13,468
Earnings per Share	77.2p	66.4p	140.6p

All activities are continuing.

Consolidated Balance Sheet as at 30 September 2004

	Unaudited 30 September 2004 £000	Unaudited 30 September 2003 £000	Audited 31 March 2004 £000
<i>Fixed Assets</i>			
Tangible Assets	561,015	546,520	573,218
Investments	617	617	617
	561,632	547,137	573,835
<i>Current Assets</i>			
Properties held for Trading	73,292	60,767	71,648
Debtors	30,994	28,142	24,127
Investments	138	153	158
Cash at Bank	53,912	41,726	44,014
	158,336	130,788	139,947
<i>Creditors: Amounts falling due within one year</i>	(57,681)	(65,113)	(64,387)
Net Current Assets	100,655	65,675	75,560
<i>Total Assets Less Current Liabilities</i>	662,287	612,812	649,395
<i>Creditors: Amounts falling due after more than one year</i>	(141,854)	(129,218)	(137,265)
<i>Provisions for liabilities and charges</i>	(7,584)	(8,812)	(7,492)
Net Assets	512,849	474,782	504,638
<i>Capital and Reserves</i>			
Called up Share Capital	4,074	4,074	4,074
Share Premium Account	555	555	555
Revaluation Reserve	258,186	244,384	269,581
Other Reserves	6,784	6,784	6,784
Profit and Loss Account	243,107	218,838	223,511
Equity Shareholders' Funds	512,706	474,635	504,505
<i>Minority Interests – Equity</i>	143	147	133
	512,849	474,782	504,638
Equity Shareholders' Funds per share	£31.46	£29.13	£30.96

Consolidated Cash Flow Statement for the half year ended 30 September 2004

	Unaudited 6 months ended 30 September 2004 £000	Unaudited 6 months ended 30 September 2003 £000	Audited Year ended 31 March 2004 £000
<i>Operating activities</i>			
Net cash inflow from operating activities	8,358	26,876	34,618
<i>Returns on investments and servicing of finance</i>			
Interest received	1,226	847	2,472
Interest paid	(5,364)	(4,900)	(9,794)
Minority interests	8	(18)	17
Net cash outflow from returns on investments and servicing of finance	(4,130)	(4,071)	(7,305)
<i>Taxation</i>			
UK Corporation tax paid	(5,714)	(3,632)	(7,688)
Overseas tax paid	(75)	(131)	(44)
	(5,789)	(3,763)	(7,732)
<i>Capital expenditure</i>			
Purchase of investment properties	(126)	—	(1,547)
Sale of investment properties	17,000	1,241	2,636
Net cash inflow for capital expenditure	16,874	1,241	1,089
<i>Equity Dividends paid</i>			
	—	—	(8,962)
<i>Cash inflow before financing</i>	15,313	20,283	11,708
<i>Financing</i>			
Repayment of secured loans	(11,350)	(34,417)	(33,558)
Repayment of mortgage advances	(915)	(5,249)	(2,325)
New mortgage advances	5,954	4,508	12,857
Net cash outflow from financing	(6,311)	(35,158)	(23,026)
Increase/(Decrease) in cash in the period	9,002	(14,875)	(11,318)

*Notes to the Financial Statements**1. Reconciliation of Operating Profit to Net Cash Inflow from Operating Activities*

	Unaudited 6 months ended 30 September 2004 £000	Unaudited 6 months ended 30 September 2003 £000	Audited Year ended 31 March 2004 £000
Operating profit	17,424	19,236	36,994
(Increase)/Decrease in properties held for trading	(844)	2,992	(11,953)
(Increase)/Decrease in debtors	(4,395)	2,930	6,108
(Decrease)/Increase in creditors	(3,847)	1,742	3,495
Decrease/(Increase) in investments held as current assets	20	(24)	(26)
Net cash inflow from operating activities	8,358	26,876	34,618

2. Reconciliation of Net Cash Flow to Movement in Net Debt

	Unaudited 6 months ended 30 September 2004 £000	Unaudited 6 months ended 30 September 2003 £000	Audited Year ended 31 March 2004 £000
Increase/(Decrease) in cash	9,002	(14,875)	(11,318)
New mortgage advances	(5,954)	(4,508)	(12,857)
Repayment of financing	12,265	39,666	35,883
Change in net debt resulting from cash flows	15,313	20,283	11,708
Exchange movements	(716)	1,852	5,427
Change in net debt	14,597	22,135	17,135
Opening net debt	(113,836)	(130,971)	(130,971)
Closing net debt	(99,239)	(108,836)	(113,836)

Notes to the Financial Statements (continued)

3. Interim Financial Statements

The interim financial statements included in this document do not comprise statutory accounts within the meaning of section 240 of the Companies Act 1985. The statutory accounts for the year ended 31 March 2004 have been filed with the Registrar of Companies. The auditors have reported on those accounts; their report was unqualified and did not contain a statement under Section 237(2) or (3) of the Companies Act 1985. The interim financial information is unaudited.

4. Tangible Assets

Tangible assets are included in the Balance Sheet at a professional valuation carried out at 31 March 2004 and additions made since that date are included at cost.

5. Interim Dividend

The Board has decided to increase the interim dividend to 25p per share (2003 - 22p per share). This dividend will be paid on 11 March 2005 to shareholders registered at the close of business on 11 February 2005.

6. International Financial Reporting Standards

The Group will be reporting its interim financial result for the six months to 30 September 2005 under International Financial Reporting Standards. Preparatory work for this change is in progress.

Directors & Advisers

Directors

B S E Freshwater
(Chairman and Managing Director)
D Davis (non executive)
S I Freshwater

Secretary

M R M Jenner FCIS

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