18 November 2004

HELICAL BAR PLC
("Helical"/"Company")

Interim Results

For the half year to 30 September 2004

HELICAL TO RETURN £4 A SHARE

- Shareholders to receive £4 a share by way of a capital reconstruction following the sale of Aycliffe & Peterlee Industrial Estates for £67.6m
- Adjusted diluted net asset value of 966p per share (31.3.04: 874p) – up 11% after interim valuation
- "Triple net" asset value of 886p per share (31.3.04: 797p) – up 11%
- Investment portfolio valuation increase of 9.3% since 31 March 2004
- Profit before tax of £9.5m (2003: £6.4m) – up 47%
- Interim dividend held at 6.60p per share (2003: 6.60p)
- A further 2.0% of share capital bought in for cancellation at an average cost of 843p per share.

John Southwell, Chairman, commented:

"With over 30 active projects spread across the different property sectors your directors view the financial and trading prospects of the Group for the current financial year and thereafter with confidence."

Further information, please contact:

Helical Bar plc **020 7629 0113**
Michael Slade (Managing Director)
Nigel McNair Scott (Finance Director)

Address: 11-15 Farm Street, London W1J 5RS
Fax: 020 7408 1666
Website: www.helical.co.uk

Financial Dynamics **020 7831 3113**
Stephanie Highett/Dido Laurimore

FINANCIAL HIGHLIGHTS

	Notes	Unaudited Half Year To 30 September 2004 £m	Unaudited Half Year To 30 September 2003 £m	Audited Year To 31 March 2004 £m
Net rental income		10.9	11.7	23.0
Development profits		0.2	(0.7)	-
Trading profits		1.3	0.3	1.0
Other gross profits		-	-	0.6
Profits before tax		9.5	6.4	13.7
Adjusted profits before tax	1	6.9	5.3	11.7
		pence	**pence**	**pence**
Diluted earnings per share		27.6	13.6	39.6
Dividends per share		6.60	6.60	16.60
Adjusted diluted net assets per share	2	966	779	874
Adjusted diluted “triple net” assets per share	3	886	719	797
		£m	**£m**	**£m**
Value of investment portfolio		303.9	281.3	334.9
Net borrowings		77.6	114.6	129.8
Adjusted net assets	4	275.0	232.6	248.7
Net gearing	4	28%	49%	52%

Notes

1. Excludes profit on sale of investment properties and loss on sale of subsidiary.

2. After adding back deferred taxation arising from the clawback of capital allowances on sale of investment properties and the cost of the investment in own shares held by the Company’s Employee Share Ownership Plan Trust.

3. Adjusted for contingent liabilities of deferred taxation on chargeable gains on investment properties and the market value of financial instruments but after adding back the deferred taxation referred to in Note 2 above and the cost of the investment in own shares held by the Company’s Employee Share Ownership Plan Trust.

4. After adding back the cost of the investment in own shares held by the Company’s Employee Share Ownership Plan Trust.

CHAIRMAN'S STATEMENT

Since the start of the financial year Helical has continued to take advantage of a buoyant investment market, selling over £150m of investment properties including its two industrial estates at Aycliffe & Peterlee, due to complete on 23 November 2004. The effect on the balance sheet of Helical of these, and previous investment sales, will be to reduce the Company's net gearing to below 15%. This is an inappropriate level for a Company such as Helical which traditionally has enhanced returns on shareholders' equity by the judicious use of gearing.

The Company is therefore considering a tax efficient return of cash to shareholders of £4 a share following the completion of the sale of Aycliffe & Peterlee. It is expected that the return of cash will be structured to give shareholders a choice between receiving the payment either in the form of income or of capital. In addition, shareholders will have a limited opportunity to receive further ordinary shares in lieu of their entitlement to a cash payment albeit at an effective premium to the market price.

As part of the return of cash scheme it is proposed there be a share reorganisation so that, subject to normal market movements, the Helical Bar share price following the return is approximately equal to the share price prior to the return of cash with shareholders accordingly holding a proportionately smaller number of shares.

Further details on the return of cash and subsequent share reorganisation will be included in the circular which is expected to be posted to shareholders shortly.

Such a return of cash will be in addition to the £4.5m spent buying back shares in the half year. It should be noted that since July 2003 the Company has spent £26.0m buying in shares for cancellation at an average share price of 756p per share, enhancing future returns to shareholders.

RESULTS

Pre-tax profits for the half year to 30 September 2004 increased by 47% to £9.5m (2003: £6.4m). Adjusted profits, after excluding the profit on sale of investment properties, rose by 30% to £6.9m (2003: £5.3m).

Rental income for the period fell to £12.3m (2003: £13.1m) following continued sales of investment properties. A development profit of £0.2m was made (2003: loss £0.7m). The profit on sale of investment properties was £2.6m (2003: £1.2m).

Earnings per share increased by 105% to 28.7p (2003: 14.0p) and on a diluted basis by 103% to 27.6p (2003: 13.6p). Adjusted earnings per share, after excluding exceptional items and adding back the FRS19 deferred tax provision, increased by 40% to 13.7p (2003: 9.8p).

As part of the preparation for the return of cash to shareholders, the investment portfolio was revalued at 30 September 2004. As a consequence of this the Company's basic net asset value per share increased by 10.5% to 1012p (31.03.2004: 916p) and, on a diluted basis, by 11.2% to 974p (31.03.2004: 876p). Net asset value per share adjusted for the addback of the deferred tax provision and the cost of the investment in own shares held by the Company's Employee Share Ownership Plan Trust increased by 10.5% to 966p (31.03.2004: 874p) and by 11.2% to 886p (31.03.2004: 797p) on a "triple net" basis.

DEVELOPMENT PROGRAMME

OFFICE DEVELOPMENTS

COMPLETED DEVELOPMENTS

40 Berkeley Square, London W1

40 Berkeley Square is an office development of 72,500 sq ft situated in a prime area of London's West End and carried out in joint venture with Morley Fund Management. The building, completed in March 2004, comprises eight floors of high specification offices. During the period the fourth floor was let to The Blackstone Group for 20 years at a rent of £80 psf and a rent free period of 18 months. With the top three floors already let to The Blackstone Group and the third floor let to Caxton Europe Asset Management, the building now has tenants for 37,900 sq ft (52%).

The Heights, Weybridge

The Heights, Weybridge is a 337,000 sq ft office campus development of five distinct buildings funded with Prudential. During the period 23,600 sq ft was let to Alliance Unichem on a 15 year lease at £27 psf.

The Waterfront Business Park, Fleet

This scheme, funded with Barclays, comprises three self contained office buildings overlooking the Fleet Pond Nature Reserve adjacent to Fleet railway station. The second floor of Building 1 was let to Hydra Plc and, of the two remaining floors, one is currently under offer. Building 2, which is the largest building at 26,700 sq ft, has recently been let to Dimension Data Network Services Limited and Building 3 was sold to the Conair Group for its own occupation.

FUTURE DEVELOPMENTS

Ropemaker Place, London EC2

Ropemaker Place comprises a 500,000 sq ft redevelopment of a site in partnership with owners DB Real Estate. Detailed planning consent has been granted. A pre-let is being sought.

Mitre Square, London EC3

Mitre Square is an office scheme of 350,000 sq ft planned in partnership with Ansbacher Property Development Limited. The planning application has been submitted and we continue to await its approval.

Wood Lane, White City

Helical, who jointly with Morley Fund Management acquired a 10 acre site at White City, have been working with a number of adjoining landowners to promote the regeneration of 43 acres of land for a major mixed use development. Following the sites' designation as an Opportunity Area in the London Plan, Hammersmith & Fulham Borough Council have adopted their "White City Opportunity Area – A Framework for Development" as Supplementary Planning Guidance to the Unitary Development Plan. The landowners are now looking to jointly instruct a masterplanner to promote their combined vision that the area be transformed into a thriving new mixed use urban quarter.

Amen Corner, Bracknell

Having acquired a number of residential properties and options over land at Amen Corner, Bracknell, Helical is continuing to promote the site for commercial/residential developments. This is now likely to happen through the new Local Development Framework process.

RETAIL DEVELOPMENTS

We continue to work closely with our retail partners, Oswin Developments and Overton Developments, on retail schemes throughout the country. In Milton Keynes, our joint venture partner Abbeygate is working on a number of schemes.

Friary Retail Park, Stafford

The 38,500 sq ft scheme is pre-let to T K Maxx (20,000 sq ft), PC World (15,000 sq ft) and Choices Video (3,500 sq ft) and funded with Arlington Property Investors at a yield of 5.5%. Construction work is well advanced and completion is due early in December. A further 4,000 sq ft unit is to be created adjacent to the main park as a second phase with construction envisaged to start in Spring 2005.

56-76 Commercial Road, Bournemouth

Development work is shortly to commence on this £40m project. The property, which was acquired from Equitable Life last year for £20m, is located in a prime position in Bournemouth, and comprises a number of income producing shops, most of which are about to be demolished to make way for a new three storey building. The development will comprise four shops of varying sizes, with two stores already pre-let (Hennes taking 22,000 sq ft and Zara taking 18,000 sq ft) and one of the remaining smaller units under offer to a national fashion retailer. The total size of the new building is 47,000 sq ft. In addition, three existing shops let to blue chip covenants will remain. We are currently in talks with a number of institutions who are interested in forward funding the scheme.

Trinity Square, Nottingham

Helical secured a contract on this prime 2.5 acre city centre site, which adjoins the Victoria Centre, two years ago and has since obtained detailed planning consent for a mixed use scheme comprising 250,000 sq ft of retail and leisure accommodation, a multi storey car park containing 480 spaces plus 460 student accommodation units. Major pre-lettings have been secured on three large retail stores, Borders taking 26,000 sq ft, T K Maxx 58,000 sq ft and Dixons 25,000 sq ft. The scheme will have a completed value of £100m. It is anticipated demolition of the site will commence in the Spring of next year, with the completed scheme opening for trading in the Summer of 2007. We are currently in discussions to forward fund the development.

Bluebrick, Wolverhampton

The 10 acre site was purchased last year and terms have now been agreed with Reg Vardy for a sale of two acres for a Land Rover dealership, Travelodge for a 80 bed hotel and a national housebuilder for a city living scheme comprising 175 apartments. The deals are conditional on planning and an application is to be submitted shortly.

Hatters Retail Park, Luton

Planning has recently been granted subject to a S.106 Agreement for a 80,000 sq ft retail warehouse park and 25,000 sq ft of industrial units. Once the planning documents have been finalised, marketing will be commenced with a view to starting construction in Summer 2005.

Town Centre, Shirley

The scheme, which comprises 160,000 sq ft of retail anchored by a 75,000 sq ft food store and some 200 apartments, is being progressed through a 50:50 joint venture with Coltham Developments and a development agreement has been exchanged with Solihull Metropolitan Borough Council who own the majority of the site. Site assembly is underway and it is envisaged that a planning application will be submitted early Summer 2005 with a view to start on site early in 2006.

SH3 Retail Park, Worcester

A purchase contract has been entered into with First Bus subject to their relocation to a new site. The scheme has planning consent for 35,000 sq ft of retail warehousing and 45 canalside apartments.

Milton Keynes

Planning consent has been obtained for an 80,000 sq ft retail warehouse in Milton Keynes pre-let to Homebase. The £24.5m scheme has now been funded with Arlington Property Investors to reflect a yield of 5.7% and construction starts shortly. We have also been appointed by English Partnerships as developers of a 110,000 sq ft Sainsbury's supermarket and 400 residential units in central Milton Keynes. All our Milton Keynes projects are carried out in joint venture with local developer Abbeygate.

RESIDENTIAL DEVELOPMENTS

Lime Tree Village, Dunchurch, Rugby

At Lime Tree Village we have completed the first phase of 50 homes and the refurbishment of the Victorian country house. Work on phase two has started. Of the 150 bungalows, cottages and apartments to be built a total of 44 have been sold or reserved.

Bramshott Place, Liphook

Planning negotiations continue for a retirement village development.

INVESTMENT AND TRADING PORTFOLIO

The interim valuation of the investment portfolio showed an uplift of 9.3% since 31 March 2004. Industrial property showed an increase in value of 12.6%, retail warehousing 12.4%, town centre retail 8.0% and London offices 4.1%.

Sales

During the first half of the year offices were sold at 5-10 Paris Gardens, London SE1 for £18.25m, a half share of 66 Prescot Street, London E1 for £14.35m, Westfields in High Wycombe for £5.5m and Southfields Road, Dunstable for £3.3m. We also contracted to sell the Interchange in Camden for £21.5m with completion deferred up to September 2005. The total of £62.9m of office sales was marginally above March 2004 valuation and 37% over historic cost, all having been acquired over the previous five years.

A Sainsbury's supermarket in Wednesfield was sold for £18.36m reflecting a net initial yield of 4.1%, in line with valuation but 58% over the purchase cost incurred in December 2001. An industrial estate in Avonmouth was sold for £8.025m, 25% above valuation and 87% above historic cost.

Since the half year end we have contracted to sell our industrial assets in Aycliffe & Peterlee for £67.6m with completion scheduled for 23 November 2004. The transaction reflects a net initial yield of 7.4%.

Out of Town Retail

Planning consent has been obtained for a 26,000 sq ft Wickes retail warehouse as an extension to our retail park in Weston-Super-Mare. Retail warehouses in Ashford, Middlesex and Crowborough, East Sussex have been acquired, the latter just after the half year end.

In-Town Retail

Our shopping centre in Letchworth continues to progress well with new lettings at £55 psf Zone A against £35 psf Zone A at the time of acquisition in 2003.

The purchase of the 235,000 sq ft Morgan Department Stores and Royal and Morgan Arcades in Cardiff is due to complete in March 2005. Vacant possession is being given of the department store which will be reconfigured to create large shop units and upper floor residential. The Arcades which are fully let are the two finest in Cardiff but have considerable scope for physical enhancement and improvement of the tenant mix.

Industrial

We have a number of industrial refurbishment and redevelopment projects designed for owner occupier sales at premium prices. Schemes in progress are 127,000 sq ft in Harlow (84% sold, 6% under offer), 135,000 sq ft in Slough (19% sold), 46,000 sq ft in Sawston, Cambridge (10% sold, 38% under offer) and 36,000 sq ft in Edenbridge (10% sold, 15% under offer). We have also recently acquired a 73,000 sq ft scheme at Watlington Road, Oxford. The projects are carried out in joint venture with either Dencora or Chancerygate.

We hold industrial assets in Fleet (5 acres), Dunstable (5 acres) and Great Alne, Warwickshire (20 acres) where we are hopeful of crystallising value by obtaining residential or retirement home consents.

Offices

Our 150,000 sq ft office scheme at Shepherds Building, London W11 is now progressing well with 70% of the accommodation let and 25% under offer. Over thirty tenants, primarily from the media sector, are in occupation and we believe there is significant scope for rental growth with the majority of the space let at rentals below £20 psf. Our remaining offices, all in Central London, are fully let with uplifts expected at reviews this year at 61 Southwark Street, SE1.

Valuation Uplifts Since 31 March 2004

Industrial	12.6%
Office	4.1%
Out of Town Retail	12.4%
In-Town Retail	8.0%
Total portfolio	**9.3%**

Portfolio split (by value)

Current

	Offices	Retail In-Town	Retail Out of Town	Industrial	Other	Total
Investment	26.5%	7.4%	13.4%	31.7%	0.2%	79.2%
Trading	0.5%	0%	0%	6.7%	1.0%	8.2%
Development	3.8%	6.3%	1.0%	0%	1.5%	12.6%
Total	**30.8%**	**13.7%**	**14.4%**	**38.4%**	**2.7%**	**100.0%**

Portfolio split (by value)

On Legal Completion of Contracted Purchases and Sales

	Offices	Retail In-Town	Retail Out of Town	Industrial	Other	Total
Investment	25.8%	17.9%	15.1%	15.2%	0.1%	74.1%
Trading	0.6%	0%	2.5%	7.5%	1.2%	11.8%
Development	4.3%	7.0%	1.1%	0%	1.7%	14.1%
Total	**30.7%**	**24.9%**	**18.7%**	**22.7%**	**3.0%**	**100.0%**

FINANCING

Sales of investment properties have contributed to reductions in net debt to £78m (31.03.2004: £130m) and net gearing to 28% (31.03.2004: 52%). On legal completion of contracted purchases and sales, gearing will fall to below 15% with net debt below £40m.

The Interim Statement includes, exceptionally, a revaluation of the investment portfolio to assist in the preparation of the return of cash to shareholders. This revaluation shows a surplus of £22.6m or 9.3%.

Recent sales of investment properties have reduced the Company's deferred tax provision to £1.65m or 6p per share (31.03.2004: 8p). Unprovided deferred tax on revaluation surpluses amounts to £22.0m or 76p per share (31.03.2004: 70p).

The Interim Statement adopts the provisions of UITF38 on the Accounting for Employee Trusts. The effect of the adoption of this standard is a reduction in the Company's net assets and shareholders' funds of £14.1m (31.03.2004: £10.1m). Corresponding balance sheet amounts have been restated. In calculating the adjusted net asset value per share the Company has increased net assets by this amount as it believes that it will be recoverable in full as share options are exercised.

OUTLOOK

With over 30 active projects spread across all the different property sectors your directors view the financial and trading prospects of the Group for the current financial year and thereafter with confidence.

John Southwell
Chairman
18 November 2004

Independent Review Report to Helical Bar plc

Introduction

We have been instructed by the Company to review the financial information for the six months ended 30 September 2004 which comprises the consolidated profit and loss account, summary consolidated balance sheet, summary cash flow statement, statement of total recognised gains and losses, and the related notes 1 to 18. We have read the other information contained in the interim report which comprises only the Chairman's statement and considered whether it contains any apparent misstatements or material inconsistencies with the financial information. Our responsibilities do not extend to any other information.

This report is made solely to the company, in accordance with guidance contained in APB Bulletin 1999/4 "Review of Interim Financial Information". Our review work has been undertaken so that we might state to the company those matters we are required to state to it in a 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 conclusion we have formed.

Directors' responsibilities

The interim report, including the financial information contained therein, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the interim report in accordance with the Listing Rules of the Financial Services Authority, which require that the accounting policies and presentation applied to the interim figures should be consistent with those applied in preparing the preceding annual accounts except where any changes, and the reasons for them, are disclosed.

Review work performed

We conducted our review in accordance with guidance contained in Bulletin 1999/4 'Review of Interim Financial Information' issued by the Auditing Practices Board for use in the United Kingdom. A review consists principally of making enquiries of management and applying analytical procedures to the financial information and underlying financial data and, based 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 2004.

Grant Thornton UK LLP
Chartered Accountants
London
18 November 2004

Consolidated Profit and Loss Account

For the half year to 30 September 2004

	Notes	Unaudited Half Year To 30 September 2004 £000	Unaudited Half Year To 30 September 2003 £000	Audited Year To 31 March 2004 £000
Turnover (including share of joint ventures' turnover)		31,143	30,979	55,984
Less: share of joint ventures' turnover		(350)	(744)	(1,418)
Turnover	1	30,793	30,235	54,566
Cost of sales		(18,318)	(18,892)	(29,916)
Gross profit	1	12,475	11,343	24,650
Administrative expenses				
- Administration		(4,055)	(2,839)	(8,037)
Operating profit		8,420	8,504	16,613
Share of operating profit of joint ventures		2,007	817	1,636
Profit on sale of investment properties	2	2,561	1,169	2,035
Loss on sale of subsidiary		-	(56)	(59)
Profit on ordinary activities before interest		12,988	10,434	20,225
Net interest payable and similar charges	3	(3,514)	(3,986)	(6,572)
Profit on ordinary activities before taxation		9,474	6,448	13,653
Taxation	4	(2,045)	(2,384)	(2,199)
Profit on ordinary activities after taxation		7,429	4,064	11,454
Minority interest		(116)	(117)	(232)
Profit for the period		7,313	3,947	11,222
Ordinary dividends - 6.6p (6.6p)	5	(1,702)	(1,795)	(4,263)
Retained profit for the period		5,611	2,152	6,959
Earnings per 5p share	6			
- basic		28.7p	14.0p	40.9p
- fully diluted		27.6p	13.6p	39.6p

Summary Consolidated Balance Sheet

At 30 September 2004

	Notes	Unaudited At 30 September 2004 £000	Restated Unaudited At 30 September 2003 £000	Restated Audited At 31 March 2004 £000
Fixed assets	7	306,789	287,288	337,027
Stock	9	67,994	60,498	70,254
Investments	10	263	13	263
Debtors		32,757	29,626	25,573
Cash	11	63,851	14,563	18,284
Creditors falling due within one year		(93,912)	(52,487)	(78,662)
Creditors falling due after one year	12	(115,115)	(114,297)	(131,779)
Provisions for liabilities and charges	13	(1,650)	(2,566)	(2,345)
Net assets		260,977	222,638	238,615
Capital & reserves				
Called up share capital	14	1,358	1,438	1,357
Share premium account		38,196	35,271	35,900
Revaluation reserve		89,897	69,386	89,323
Capital redemption and other reserves		7,564	7,450	7,537
Profit and loss account		133,112	116,333	110,906
		270,127	229,878	245,023
Less: Investment in own shares		(14,051)	(9,973)	(10,106)
Shareholders' funds		256,076	219,905	234,917
Minority interests		4,901	2,733	3,698
		260,977	222,638	238,615
Shareholders' funds				
Attributable to equity interests		256,076	219,905	234,917
Net assets per share				
basic	15	1,012p	806p	916p
diluted	15	974p	776p	876p
adjusted diluted	15	966p	779p	874p
triple net	15	886p	719p	797p

Summary Cash Flow Statement

For the half year to 30 September 2004

	Notes	Unaudited Half Year To 30 September 2004 £000	Unaudited Half Year To 30 September 2003 £000	Audited Year To 31 March 2004 £000
Net cash inflow/(outflow) from operating activities	16	13,862	(14,827)	(11,082)
Dividends from joint ventures		1,078	246	1,415
Returns on investment and servicing of finance		(4,188)	(3,485)	(6,828)
Taxation		(464)	(3,036)	(6,469)
Capital expenditure and financial investment	17	47,362	20,445	19,002
Acquisitions/(disposals)		(350)	37,719	40,415
Equity dividends paid		(2,532)	(2,570)	(4,309)
Cash flow before management of liquid resources and financing		54,768	34,492	32,144
Management of liquid resources		(29,053)	4,271	132
Financing				
- issue of shares		2,323	-	635
- decrease in debt		(7,009)	(27,903)	(9,060)
- refinancing costs		(48)	(8)	(57)
- purchase of shares		(4,467)	(8,155)	(21,515)
Increase in cash		16,514	2,697	2,279

Reconciliation of net cash flow to movement in net debt

	Notes	Unaudited Half Year To 30 September 2004 £000	Unaudited Half Year To 30 September 2003 £000	Audited Year To 31 March 2004 £000
Increase in cash in the period		16,514	2,697	2,279
Cash flow from management of liquid resources		29,053	(4,271)	(132)
Cash flow from change in net debt		7,057	27,911	9,117
Debt arrangement expenses		(381)	(79)	(170)
Movement in net debt in the period		52,243	26,258	11,094
Net debt at beginning of the period		(129,799)	(140,893)	(140,893)
Net debt at end of the period		(77,556)	(114,635)	(129,799)
Gearing	12	28%	49%	52%

Statement of Total Recognised Gains and Losses

For the half year to 30 September 2004

	Unaudited Half Year To 30 September 2004 £000	Unaudited Half Year To 30 September 2003 £000	Audited Year To 31 March 2004 £000
Profit for the period after taxation	7,429	4,064	11,454
Minority interest	(116)	(117)	(232)
Revaluation of investment properties			
- subsidiaries	22,646	-	23,912
- joint ventures	192	-	-
Minority interest in revaluation surplus	(1,203)	-	(849)
Total recognised gains and losses	28,948	3,947	34,285

Notes to the Interim Statement

1. Turnover and gross profit on ordinary activities before taxation

	Unaudited Half Year To 30 September 2004 £000	Unaudited Half Year To 30 September 2003 £000	Audited Year To 31 March 2004 £000
Turnover			
Trading property sales	9,608	2,075	5,264
Rental income	12,286	13,145	25,283
Developments	8,850	14,951	23,418
Other income	49	64	601
	30,793	30,235	54,566

	Unaudited Half Year To 30 September 2004 £000	Unaudited Half Year To 30 September 2003 £000	Audited Year To 31 March 2004 £000
Gross profit			
Trading property sales	1,264	284	1,031
Net rental income	10,924	11,681	22,980
Developments	239	(686)	38
Other net income	48	64	601
Gross profit	12,475	11,343	24,650
Central overheads	(4,055)	(2,839)	(8,037)
Interest payable less receivable	(3,514)	(3,986)	(6,572)
Share of profit of joint ventures	2,007	817	1,636
Profit before taxation, profit on sale of investment properties, loss on sale of subsidiary	6,913	5,335	11,677

2. Sale of investment properties

	Unaudited Half Year To 30 September 2004 £000	Unaudited Half Year To 30 September 2003 £000	Audited Year To 31 March 2004 £000
Net proceeds from the sale of investment properties	71,140	73,699	84,213
Book value	(68,579)	(72,530)	(82,178)
Profit on sale of investment properties	2,561	1,169	2,035

3. Net interest payable and similar charges

	Unaudited Half Year To 30 September 2004 £000	Unaudited Half Year To 30 September 2003 £000	Audited Year To 31 March 2004 £000
Interest payable on bank loans and overdrafts	4,260	4,011	7,548
Finance arrangement costs	381	79	170
Other interest payable and similar charges	1,119	1,097	1,741
Interest capitalised	(1,283)	(475)	(1,817)
Interest receivable and similar income	(963)	(726)	(1,070)
	3,514	3,986	6,572

4. Taxation on profit on ordinary activities

	Unaudited Half Year To 30 September 2004 £000	Unaudited Half Year To 30 September 2003 £000	Audited Year To 31 March 2004 £000
The tax charge is based on the profit for the year and represents:			
United Kingdom corporation tax at 30% (2003: 30%)			
- group corporation tax	2,667	2,446	2,084
- share of joint ventures	496	-	372
- adjustments in respect of prior periods	-	-	(67)
Current tax charge	3,163	2,446	2,389
Deferred tax - origination of timing differences	(695)	(62)	(361)
- share of joint ventures	(423)	-	171
Tax on profit on ordinary activities	2,045	2,384	2,199

5. Dividends

	Unaudited Half Year To 30 September 2004 £000	Unaudited Half Year To 30 September 2003 £000	Audited Year To 31 March 2004 £000
Attributable to equity share capital			
Ordinary - interim payable 6.60p (2003: 6.60p) per share	1,702	1,795	1,739
- final paid 10.00p per share	-	-	2,524
	1,702	1,795	4,263

The interim dividend of 6.60p is payable on 17 December 2004 to shareholders on the register on 26 November 2004.

6. Earnings per share

The calculation of the basic earnings per share is based on the earnings attributable to ordinary shareholders divided by the weighted average number of shares in issue during the year. Shares held by the ESOP, which has waived its entitlement to receive dividends, are treated as cancelled for the purposes of this calculation.

The calculation of diluted earnings per share is based on the basic earnings per share, adjusted to allow for the issue of shares and the post tax effect of dividends on the assumed exercise of all dilutive options.

Reconciliations of the earnings and weighted average number of shares used in the calculations are set out below.

	Earnings £	Unaudited Half Year To 30 September 2004 Weighted average no of shares	Per share amount pence	Earnings £	Unaudited Half Year To 30 September 2003 Weighted average no of shares	Per share amount pence
Basic earnings per share	7,313,000	25,523,166	28.7	3,947,000	28,159,875	14.0
Dilutive effect of share options		1,005,021			863,723	
Dilutive earnings per share	7,313,000	26,528,187	27.6	3,947,000	29,023,598	13.6

7. Fixed assets

	Unaudited At 30 September 2004 £000	Audited At 31 March 2004 £000
Intangible assets		
- goodwill	1,191	873
Tangible assets	509	503
Investment property	303,867	334,932
Investment in joint ventures		
- share of gross assets	5,032	17,684
- share of gross liabilities	(3,810)	(16,965)
	306,789	337,027

8. Investment property

	Unaudited At 30 September 2004 £000	Audited At 31 March 2004 £000
Cost or valuation at 1 April	334,932	342,484
Additions at cost	14,868	50,464
Disposals	(68,579)	(82,178)
Revaluation	22,646	24,162
Cost or valuation at 30 September/31 March	303,867	334,932

9. Stock

	Unaudited At 30 September 2004 £000	Audited At 31 March 2004 £000
Development sites	43,293	46,236
Properties held as trading stock	24,701	24,018
	67,994	70,254

Interest capitalised in respect of the development of sites is included in stock to the extent of £2,251,000 (31.03.2004: £1,666,000). Interest capitalised during the period in respect of development sites amounted to £1,283,000 (2003: £475,000).

10. Current asset investments

	Unaudited At 30 September 2004 £000	Audited At 31 March 2004 £000
UK listed investments at cost	263	263
	263	263

The market value of listed investments at 30 September 2004 was £315,000 (31.03.2004: £265,000).

11. Cash at bank and in hand

	Unaudited At 30 September 2004 £000	Audited At 31 March 2004 £000
Rent deposits and cash held at managing agents	6,211	2,575
Cash secured against debt and cash held at solicitors	8,784	1,121
Cash held to fund future development costs	360	1,517
Free cash	48,496	13,071
	63,851	18,284

12. Financing and financial instruments

	Unaudited At 30 September 2004 £000	Audited At 31 March 2004 £000
Bank overdraft and loans – maturity		
Due after more than one year	115,115	131,779
Due within one year	26,291	16,304
	141,406	148,083

Gearing

	Unaudited At 30 September 2004 £000	Audited At 31 March 2004 £000
Total borrowings	141,406	148,083
Cash	(63,851)	(18,284)
Net borrowings	77,555	129,799
Adjusted net assets	275,028	248,721
Gearing	28%	52%

Fair value of financial assets and financial liabilities:

		Unaudited At 30 September 2004		Audited At 31 March 2004
	£000	£000	£000	£000
	Book Value	Fair Value	Book Value	Fair Value
Borrowings	141,719	142,474	148,728	149,639
Interest rate swaps	-	57	-	123
Other financial instruments	-	961	-	1,848
	141,719	143,492	148,728	151,610

The fair value of financial assets and financial liabilities represents the mark to market valuations at 30 September 2004 and 31 March 2004. The adjustment to net assets from a recognition of these values, net of tax relief, would be to reduce diluted net asset value per share by 4p (31.03.2004: 7p).

13. Provision for liabilities and charges – deferred taxation

Deferred taxation provided for in the financial statements is set out below:

	Unaudited At 30 September 2004 £000	Audited At 31 March 2004 £000
Accelerated capital allowances	1,931	2,744
Less: - discount	(281)	(399)
Discounted provision for deferred tax	1,650	2,345

The Group has applied the provisions of FRS19 Deferred Tax, which requires that deferred tax be recognised as a liability or asset if the transactions or events that give the Group an obligation to pay more or less tax in the future have occurred by the balance sheet date. In accordance with FRS19, the Group makes full provision for timing differences other than revaluation gains and losses, which are primarily in respect of capital allowances on plant and machinery, industrial buildings' allowances and tax losses.

Amounts unprovided are:

	Unaudited At 30 September 2004 £000	Audited At 31 March 2004 £000
Unrealised capital gains	22,024	20,509
	22,024	20,509

No provision has been made for taxation which would accrue if the investment properties were sold at their revalued amounts. The adjustment to net assets resulting from a recognition of these amounts would be to reduce diluted net asset value per share by 76p (31.03.2004: 70p).

14. Share capital

	Unaudited At 30 September 2004 £000	Audited At 31 March 2004 £000
Authorised		
- 688,954,752 ordinary shares of 5p each	34,448	34,448
	34,448	34,448
Allotted, called up and fully paid		
Attributable to equity interests:		
- 27,156,525 ordinary shares of 5p each	1,358	1,357
	1,358	1,357

In the period to 30 September 2004 530,000 ordinary 5p shares were purchased for cancellation at an average cost of 843p per share.

Share options

At 30 September 2004 options over 1,874,323 (31 March 2004: 2,412,945) new ordinary shares in the Company and 1,361,939 (31 March 2004: 1,361,939) purchased shares held by the ESOP had been granted to directors and employees under the Company's share option schemes. During the period no new options were granted. Options over 538,622 shares were exercised.

15. Net assets per share

	£000	Number of Shares 000's	p.p.s.	Change since 31.03.2004 + %
Net asset value ("NAV")	256,076	25,302	1,012	10.5
Add: potential exercise of options	8,566	1,874	(38)	
Diluted NAV	264,642	27,176	974	11.2
Adjustment for:				
- capital allowances provided for but unlikely to be clawed back	1,650		6	
- ESOP investment in shares	14,051	1,855	(14)	
Adjusted diluted NAV	280,343	29,031	966	10.5
Adjustment for:				
- potential capital gains unprovided for	(22,024)		(76)	
- mark to market value of interest rate hedging agreements	(1,241)		(4)	
Triple net NAV	257,078	29,031	886	11.2

16. Reconciliation of operating profit to net cash flow from operating activities

	Unaudited Half Year To 30 September 2004 £000	Unaudited Half Year To 30 September 2003 £000	Audited Year To 31 March 2004 £000
Operating profit	8,420	8,504	16,613
Depreciation of fixed assets	98	109	213
Release of provision against investments	(442)	(75)	(133)
Profit on sale of fixed assets	(19)	6	(9)
Amortisation of goodwill	32	50	65
Decrease/(increase) in debtors	4,166	(4,633)	(580)
(Decrease)/increase in creditors	(1,936)	123	74
Decrease/(increase) in stocks	3,543	(18,911)	(27,325)
Net cash inflow/(outflow) from operating activities	13,862	(14,827)	(11,082)

17. Capital expenditure and financial investment

	Unaudited Half Year To 30 September 2004 £000	Unaudited Half Year To 30 September 2003 £000	Audited Year To 31 March 2004 £000
Purchase of property	(8,857)	(11,323)	(22,906)
Sale of property	59,807	32,699	43,213
Purchase of fixed assets	(109)	(48)	(141)
Sale of fixed assets	24	4	48
Sale of investments	-	(887)	-
Purchase of investments	(3,503)	-	(1,212)
	47,362	20,445	19,002

18. Notes to the Interim Statement

The interim statement was approved by the Board of Directors on 17 November 2004. The foregoing financial information does not represent full accounts within the meaning of S.240 of the Companies Act 1985, and has been reviewed but not audited by the auditors, nor filed with the Registrar of Companies.

The results for the 12 months to 31 March 2004 are an abridged version of the full accounts which received an unqualified auditor's report and have been filed with the Registrar of Companies.

This statement is being sent to shareholders and will be available from the Company's Registered Office at 11-15 Farm Street, London, W1J 5RS.