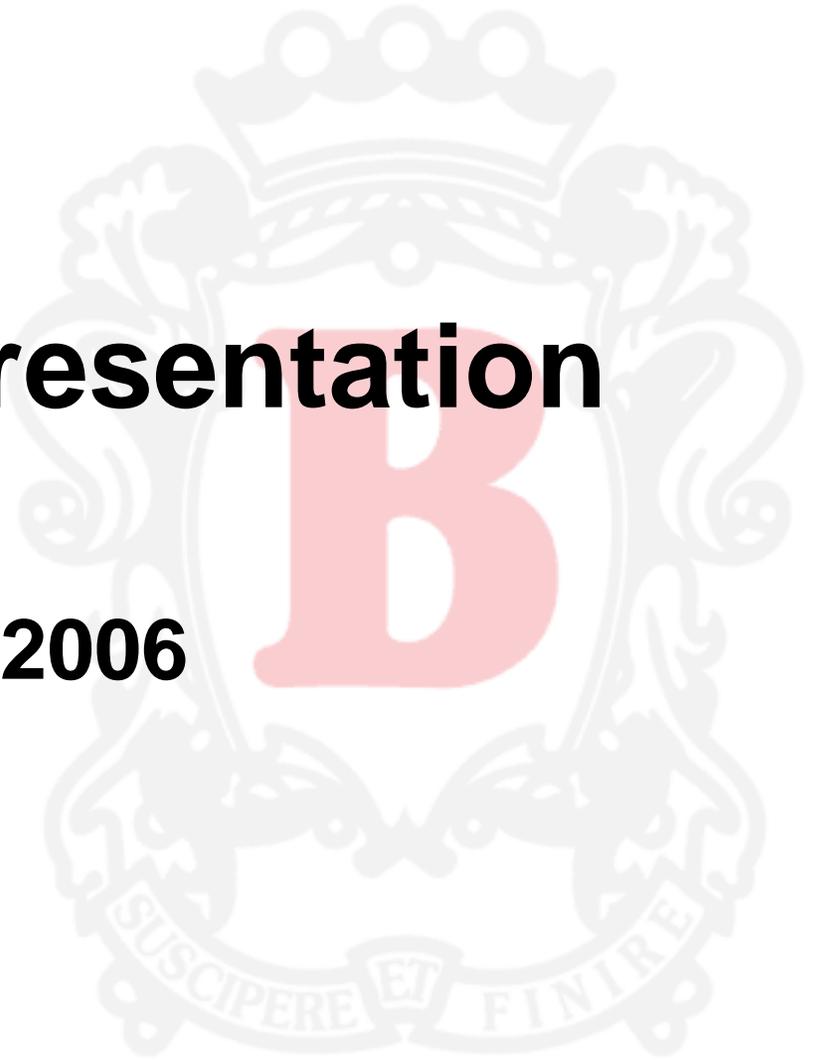




Interim Results Presentation

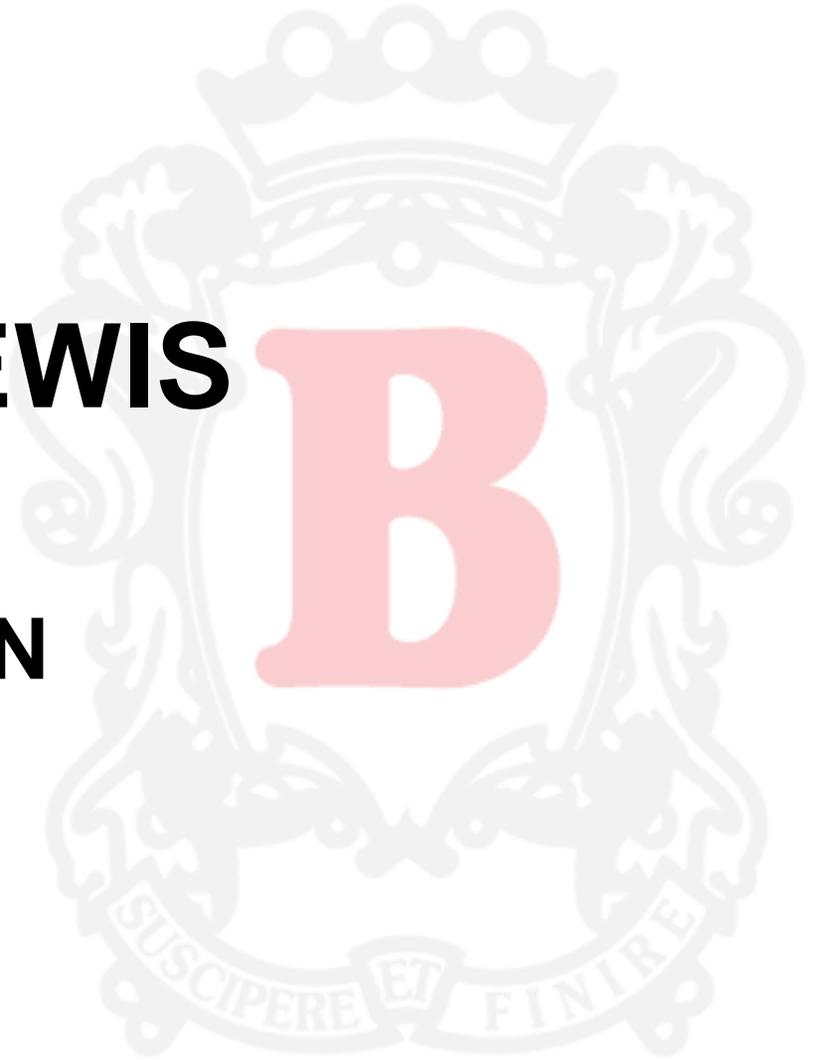
8th December 2006





ROGER LEWIS

CHAIRMAN





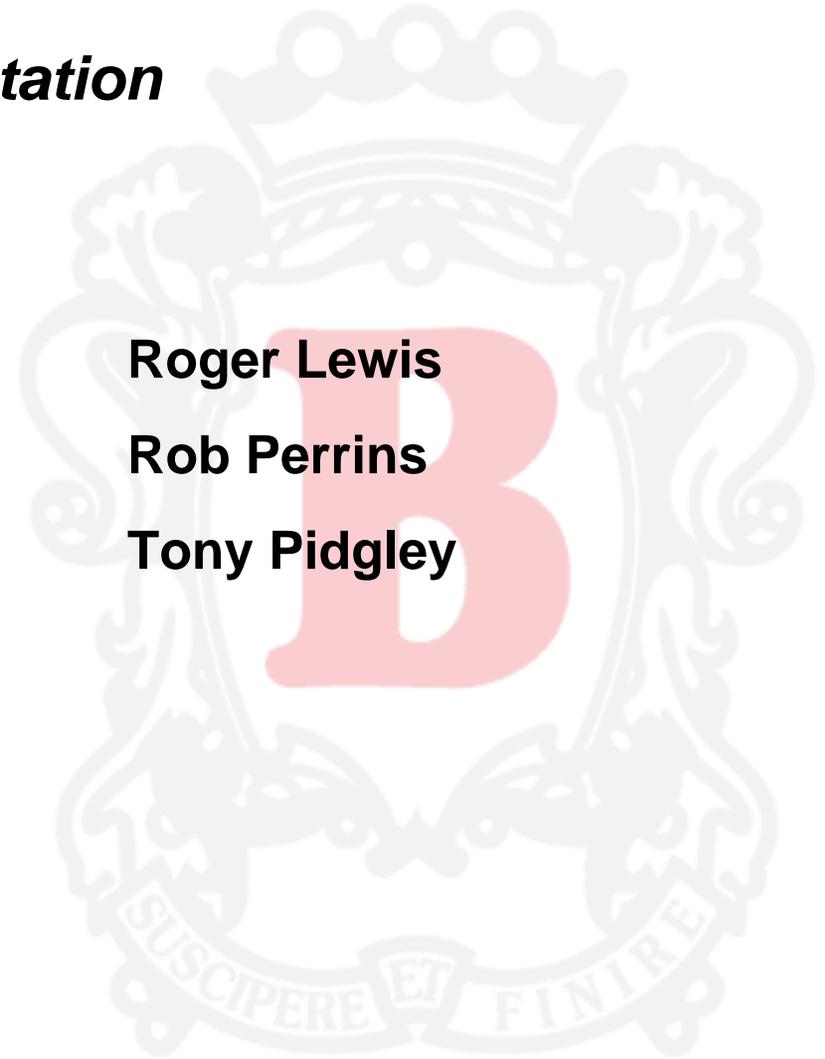
Format of Presentation

- Introduction
- Review of Results
- Managing Director's Review
- Questions

Roger Lewis

Rob Perrins

Tony Pidgley





Financial Highlights (1)
Six months to 31st October 2006

	<u>6 Months to</u> <u>Oct 2006</u>	<u>6 Months to</u> <u>Oct 2005</u>	<u>Change</u>	
	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>%</u>
<i>Continuing Group</i>				
Profit before tax	81.5	86.0	(4.5)	- 5.2%
Tax	(21.6)	(24.4)		
Profit after tax	<u>59.9</u>	<u>61.6</u>	<u>(1.7)</u>	- 2.8%
<i>Discontinued operations</i>				
Profit from discontinued operations	-	80.8		
Total profit after tax	<u>59.9</u>	<u>142.4</u>	<u>(82.5)</u>	- 57.9%
EPS – Basic	<u>49.8p</u>	<u>118.7p</u>	<u>(68.9p)</u>	- 58.0%
EPS – Continuing operations	<u>49.8p</u>	<u>51.4p</u>	<u>(1.6p)</u>	- 3.1%



Financial Highlights (2)

Six months to 31st October 2006

	<u>Oct 2006</u>	<u>Apr 2006</u>	<u>Change</u>
Net assets	£907.2m	£837.2m	+ 8.4%
Net asset value per share	753p	697p	+ 8.0%
Net cash	£322.0m	£220.6m	+ £101.4m



The Return to Shareholders

		<u>Board Approval</u>	<u>Payment</u>
2004 B Share	£5	October 2004	3 rd December 2004
2006 B Share	£2	December 2006	8 th January 2007
2008 B Share	£2	December 2008	January 2009
2010 B Share	£3	December 2010	January 2011
	<hr/> £12 <hr/>		



ROB PERRINS

FINANCE DIRECTOR





Review of Results
Six months ended 31st October 2006

- **Cash Flow**
- **Income Statement**
- **Pensions – Defined Benefit Scheme**
- **Balance Sheet**
- **Pro-forma Enlarged Group Balance Sheet**
- **Sales Analysis**
- **Land Holdings**



Abridged Group Cash Flow

	<u>6 Months to</u> <u>Oct 2006</u> <u>£m</u>	<u>6 Months to</u> <u>Oct 2005</u> <u>£m</u>	<u>Change</u> <u>£m</u>
Continuing operations			
- Operating (net of interest and tax)	71.5	54.5	17.0
- Working capital movements	<u>29.9</u>	<u>42.2</u>	<u>(12.3)</u>
	101.4	96.7	4.7
Discontinued operations	-	229.7	(229.7)
Decrease / (increase) in net debt	101.4	326.4	(225.0)
Opening net (debt)/cash	<u>220.6</u>	<u>(255.1)</u>	<u>475.7</u>
Closing net cash/(debt)	<u>322.0</u>	<u>71.3</u>	<u>250.7</u>



Second Half Cash Flows

- ***7th November 2006: St James - £193 million***
 - £68.6m acquisition of 50% of share capital
 - £28.9m settlement of shareholder loans
 - £2.0m fees

 - £93.5m land payments by St James
- ***8th January 2007***
 - £242 million shareholder payment
- ***Second half working capital***
 - Forecasting an outflow but subject to land opportunities



Cash Due on Forward Sales

	<u>At 31 Oct</u> <u>2006</u> <u>£m</u>	<u>At 31 Oct</u> <u>2005</u> <u>£m</u>	<u>At 30 Apr</u> <u>2006</u> <u>£m</u>
Debtors taken to sales and due on completion	16.3	33.4	17.0
Due on units not yet taken to sales			
- Exchanged contracts	453.2	478.5	470.1
- Reserved units	99.0	110.7	94.8
Total cash due	<u>568.5</u>	<u>622.6</u>	<u>581.9</u>



Abridged Group Income Statement – Continuing Group

<i>Continuing Group</i>	<u>6 Months to</u> <u>Oct 2006</u>		<u>6 Months to</u> <u>Oct 2005</u>		<u>Change</u>	
	<u>£m</u>		<u>£m</u>		<u>£m</u>	<u>%</u>
Revenue	<u>381.2</u>		<u>503.1</u>		<u>(121.9)</u>	-24.2%
Gross margin	109.8	28.8%	123.9	24.6%	(14.1)	-11.4%
Overheads	<u>(39.4)</u>	10.3%	<u>(34.7)</u>	6.9%	<u>(4.7)</u>	-13.5%
Operating profit	70.4	18.5%	89.2	17.7%	(18.8)	-21.1%
Joint ventures (after int. & tax)	6.1		2.6		3.5	+134.6%
Net finance costs - Treasury	5.5		(5.0)		10.5	
- Other	(0.5)		(0.8)		0.3	
	<u>81.5</u>	21.4%	<u>86.0</u>	17.1%	<u>(4.5)</u>	-5.2%
Profit before tax	<u>81.5</u>	21.4%	<u>86.0</u>	17.1%	<u>(4.5)</u>	-5.2%
EPS (Continuing Group)	<u>49.8p</u>		<u>51.4p</u>		<u>(1.6p)</u>	-3.1%



Pensions – Defined Benefit Scheme

	<u>2006</u>	
	<u>£m</u>	
Enhancement payments to deferred members	3.7	
Enhancement payments to active members	5.9	
Cash cost of enhancement payments	<u>9.6</u>	
Deficit eliminated	<u>(9.1)</u>	
	0.5	
Expenses (fees and national insurance costs)	<u>1.0</u>	
Net cost to Berkeley	<u>1.5</u>	
	<u>At 31 Oct</u>	<u>At 30 Apr</u>
	<u>2006</u>	<u>2006</u>
	<u>£m</u>	<u>£m</u>
Retirement benefit obligation	<u>1.8</u>	<u>10.3</u>



Profit Distribution and ROCE

- **Tax rate of 28.7% down from 29.2% (on profit before JV tax)**
- **No dividend**
- **Return on Capital Employed was 26.3% for the period (2005: 24.0%)**



Abridged Group Balance Sheet

	<u>At 31 Oct</u> <u>2006</u>	<u>Change</u>	<u>At 30 Apr</u> <u>2006</u>	<u>Change</u>	<u>At 31 Oct</u> <u>2005</u>
	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>£'m</u>	<u>£m</u>
Non-current assets	89.1	(0.4)	89.5	11.0	78.5
Inventories	754.8	(9.1)	763.9	(115.2)	879.1
Debtors	26.3	2.6	23.7	(20.0)	43.7
Creditors < 1 year	(263.5)	(28.5)	(235.0)	39.3	(274.3)
Creditors > 1 year	(21.5)	4.1	(25.6)	4.3	(29.9)
Capital employed	585.2	(31.3)	616.5	(80.6)	697.1
Net cash / (debt)	322.0	101.4	220.6	149.3	71.3
Net assets	<u>907.2</u>	<u>70.1</u>	<u>837.1</u>	<u>68.7</u>	<u>768.4</u>
Net asset value per share	753p		697p		640p
Gearing	-		-		-



Inventories

	<u>At 31 Oct</u> <u>2006</u>	<u>Change</u>	<u>At 30 Apr</u> <u>2006</u>	<u>Change</u>	<u>At 31 Oct</u> <u>2005</u>
	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>£m</u>
Land not under development	119.5	(19.2)	138.7	3.7	135.0
Work in progress: Land cost	<u>344.6</u>	<u>52.3</u>	<u>292.3</u>	<u>(27.0)</u>	<u>319.3</u>
	464.1	33.1	431.0	(23.3)	454.3
Build cost	308.9	(30.4)	339.3	(55.7)	395.0
Completed units	41.2	(11.7)	52.9	(27.0)	79.9
Part exchanges	1.9	(0.5)	2.4	(2.6)	5.0
Less: progress payments	<u>(61.3)</u>	<u>0.4</u>	<u>(61.7)</u>	<u>(6.6)</u>	<u>(55.1)</u>
	<u>754.8</u>	<u>(9.1)</u>	<u>763.9</u>	<u>(115.2)</u>	<u>879.1</u>



Abridged Balance Sheet – Pro-forma Enlarged Group

At 31 October 2006	<u>Group exc. St James</u>	<u>St James at Fair Value</u>	<u>Enlarged Group</u>
	<u>£m</u>	<u>£m</u>	<u>£m</u>
Non-current assets	89.1	(56.1)	33.0
Inventories	754.8	321.8	1,076.6
Debtors	26.3	9.1	35.4
Creditors < 1 year	(263.5)	(72.5)	(336.0)
Creditors > 1 year	(21.5)	(44.1)	(65.6)
Capital employed	<u>585.2</u>	<u>158.2</u>	<u>743.4</u>
Net cash	322.0	(158.2)	163.8
Net assets	<u>907.2</u>	<u>-</u>	<u>907.2</u>
Net asset value per share	753p		753p
Gearing	-		-
Forward sales	<u>568.5</u>	<u>211.4</u>	<u>779.9</u>

Note: this balance sheet is draft and assumes fair value adjustments account for all of the acquisition premium of approximately £38.7 million



Inventories – Pro-forma Enlarged Group

	<u>Group exc. St James</u>	<u>St James at Fair Value</u>	<u>Enlarged Group</u>
	<u>£m</u>	<u>£m</u>	<u>£m</u>
Land not under development	119.5	113.8	233.3
Work in progress: Land cost	344.6	135.0	479.6
	<u>464.1</u>	<u>248.8</u>	<u>712.9</u>
Build cost	308.9	76.7	385.6
Completed units	41.2	8.6	49.8
Part exchanges	1.9	-	1.9
Less: progress payments	(61.3)	(12.3)	(73.6)
	<u>754.8</u>	<u>321.8</u>	<u>1,076.6</u>

Note: this balance sheet is draft and assumes fair value adjustments account for all of the acquisition premium of approximately £38.7 million



Analysis of Residential Units Sold

<i>Continuing operations</i>	<u>6 Months to Oct 2006</u>		<u>6 Months to Oct 2005</u>		<u>12 Months to Apr 2006</u>	
	<u>Units</u>	<u>ASP</u>	<u>Units</u>	<u>ASP</u>	<u>Units</u>	<u>ASP</u>
Group	1,296	£284k	1,656	£292k	3,001	£293k
Joint ventures	441	£329k	254	£520k	816	£372k



Land Bank

	<u>At 31 Oct</u> <u>2006</u>	<u>At 31 Oct</u> <u>2005</u>	<u>At 30 Apr</u> <u>2006</u>
Owned	19,837	19,222	19,860
Contracted	6,713	3,024	3,264
Agreed	83	1,951	695
Plots	26,633	24,197	23,819
Sales value	£6,700m	£6,119m	£6,067m
Average selling price	£252k	£253k	£255k
Average plot cost	£33k	£30k	£31k
Land cost %	13.0%	12.0%	12.3%
Gross margin	£1,878m	£1,683m	£1,672m
GM%	28.0%	27.5%	27.6%

• Includes 7,876 plots within our joint ventures, of which 5,008 plots are in St James.



Largest Sites Released to Market

	<u>Total</u>	<u>Complete</u>	<u>Exchanged</u>	<u>Resv'd</u>	<u>Available</u>	<u>Not Released</u>
Beaufort Park, Hendon	2,800	-	196	24	27	2,553
Imperial Wharf, Chelsea	1,879	673	342	40	7	817
St George Wharf, Vauxhall	1,403	772	-	36	-	595
Woolwich Arsenal	1,252	907	240	27	29	49
Battersea Reach	1,134	284	26	3	10	811
Chelsea Bridge Wharf	1,075	778	48	2	6	241
Holborough Valley, Snodland	1,001	100	26	11	19	845
Gunwharf Resid'l, Portsmouth	897	616	123	4	14	140
Kennet Island, Reading	850	14	202	33	154	447
Grosvenor Waterside, W'minster	846	275	252	5	46	268
Brookmill Road, Deptford	759	745	14	-	-	-
Royal Clarence Yard, Gosport	698	279	-	-	31	388
New River Village, Hornsey	623	481	72	19	26	25
Tabard Square, Long Lane	574	404	139	4	16	11
Parkwest, West Drayton	574	-	-	11	-	563
Knowle Village, Hampshire	523	367	-	1	22	133
Bromyard Avenue, Acton	521	165	174	5	29	148
The Hamptons, Worcester Park	498	237	78	8	42	133
	<u>17,907</u>	<u>7,097</u>	<u>1,932</u>	<u>233</u>	<u>478</u>	<u>8,167</u>



TONY PIDGLEY

MANAGING DIRECTOR





Managing Director's Review

- Introduction
- Our Results
- The Market
- Planning
- St James
- St Edward
- Scheme of Arrangement
- Awards
- Conclusion





Questions

Roger Lewis

Tony Pidgley

Rob Perrins

Tony Carey

Greg Fry

Chairman

Managing Director

Finance Director

Executive Director

Executive Director

