



Interim Results Presentation

7th December 2007



ROB PERRINS

FINANCE DIRECTOR

Format of Presentation

Interim Results for the six months ended 31st October 2007



- Review of Results Rob Perrins
- Managing Director's Review Tony Pidgley
- Questions
Tony Pidgley (Managing Director)
Rob Perrins (Finance Director)
Tony Carey (Executive Director)
Greg Fry (Executive Director)

Review of Interim Results



- Financial Highlights
- B Share Payments
- Cash Flow
- Forward Sales
- Income Statement
- Balance Sheet
- Land Holdings
- Largest Sites

Financial Highlights (Income Statement)



	<u>6 Months to</u> <u>Oct 2007</u>	<u>6 Months to</u> <u>Oct 2006</u>	<u>Change</u>	
	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>%</u>
Profit before tax	90.6	81.5	+ 9.1	+ 11.2%
Tax	<u>(27.2)</u> 30.0%	<u>(21.6)</u> 26.5%	<u>- 5.6</u>	
Profit after tax	<u>63.4</u>	<u>59.9</u>	<u>+ 3.5</u>	+ 5.8%
EPS – Basic	<u>52.6p</u>	<u>49.8p</u>	<u>+ 2.8p</u>	+ 5.6%
Weighted average shares	<u>120.6m</u>	<u>120.2m</u>		

Financial Highlights (Balance Sheet)



	<u>Oct 2007</u>	<u>Apr 2007</u>	<u>Change</u>	
Shareholders' Funds	£850.9m	£781.6m	+ £69.3m	+ 8.9%
Net asset value per share	705p	649p	+ 56p	+ 8.6%
Net cash	£112.7m	£81.0m	+ £31.7m	

B Share Payments – Original Schedule



		<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
	<u>£12</u>		

B Share Payments – Revised Schedule



		<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 2007	4 th January 2008
2010 B Share ¹	£3	TBC	TBC
	<u>£12</u>		

¹ At a date to be determined, but no later than January 2011

Abridged Group Cash Flow



	<u>6 Months to</u> <u>Oct 2007</u> <u>£m</u>	<u>6 Months to</u> <u>Oct 2006</u> <u>£m</u>	<u>Change</u> <u>£m</u>
Profit after tax	63.4	59.9	+ 3.5
Working capital movements	(32.4)	29.9	- 62.3
Other movements	0.7	11.6	-10.9
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Increase in net cash	31.7	101.4	- 69.7
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Opening net cash	81.0	220.6	(139.6)
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Closing net cash	112.7	322.0	(209.3)
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Second Half Cash Flows



- ***4th January 2008***
 - **£242 million shareholder payment**

- ***Second half working capital***
 - **Forecasting an outflow similar to the first half – subject to land opportunities**

Cash Due on Forward Sales



	<u>At 31 Oct</u> <u>2007</u>	<u>At 30 Apr</u> <u>2007</u>	<u>At 31 Oct</u> <u>2006</u> (inc St James)
	<u>£m</u>	<u>£m</u>	<u>£m</u>
Debtors taken to sales, due on completion	45.2	22.2	23.1
Due on units not yet taken to sales			
- Exchanged contracts	1,323.0	800.6	625.8
- Reserved units	84.7	113.5	131.0
Total cash due	<u><u>1,452.9</u></u>	<u><u>936.3</u></u>	<u><u>779.9</u></u>

Residential Units Sold and Average Selling Price



	<u>6 months to</u> <u>Oct 2007</u>		<u>6 months to</u> <u>Oct 2006</u>	
	<u>Units</u>	<u>ASP</u>	<u>Units</u>	<u>ASP</u>
Berkeley (exc. St James)	1,173	£246k	1,296	£284k
St James (2006: as a JV)	457	£242k	441	£329k
Total	<u>1,630</u>	<u>£245k</u>	<u>1,737</u>	<u>£296k</u>

Abridged Group Income Statement



	<u>6 Months to</u> <u>Oct 2007</u>		<u>6 Months to</u> <u>Oct 2006</u>		<u>Change</u>	
Units	1,630		1,296		+ 334	+ 25.8%
	<u>£m</u>		<u>£m</u>		<u>£m</u>	
Revenue	<u>441.4</u>		<u>381.2</u>		<u>+ 60.2</u>	+ 15.8%
Gross margin	141.4	32.0%	109.8	28.8%	+ 31.6	+ 28.7%
Overheads	<u>(46.7)</u>	10.6%	<u>(39.4)</u>	10.3%	<u>- 7.3</u>	- 18.5%
Operating profit	94.7	21.5%	70.4	18.5%	+ 24.3	+ 34.5%
Joint ventures	(1.5)		6.1		- 7.6	
- Bank interest	2.5		5.5		- 3.0	
- Facility refinancing fees	(1.8)		-		- 1.8	
- Other	(3.3)		(0.5)		- 2.8	
Net finance costs	<u>(2.6)</u>		<u>5.0</u>		<u>- 7.6</u>	
Profit before tax	<u>90.6</u>	20.5%	<u>81.5</u>	21.4%	<u>+ 9.1</u>	+ 11.2%

Profit Distribution and ROCE



- Tax rate of 29.5% (on Group profit excluding joint ventures) up from 29.0% for the full year
- No dividend
- Return on Capital Employed was 25.8% for the period (2006: 26.3%)

Abridged Group Balance Sheet



	<u>At 31 Oct</u> <u>2007</u> <u>£m</u>	<u>Underlying</u> <u>Movements</u> <u>£m</u>	<u>At 30 Apr</u> <u>2007</u> <u>£m</u>
Non-current assets			
- Goodwill	17.2	-	17.2
- Other intangibles	1.4	(1.2)	2.6
- Deferred taxation	43.5	8.9	34.6
- Other	6.1	2.0	4.1
Inventories	1,099.2	41.2	1,058.0
Debtors	50.5	22.9	27.6
Creditors < 1 year	(393.6)	(13.0)	(380.6)
Creditors > 1 year	(86.1)	(23.2)	(62.9)
Capital employed	<u>738.2</u>	<u>37.6</u>	<u>700.6</u>
Net cash / (debt)	112.7	31.7	81.0
Net assets	<u>850.9</u>	<u>69.3</u>	<u>781.6</u>
Net asset value per share	<u>705p</u>	<u>56p</u>	<u>649p</u>



Inventories

	<u>At 31 Oct</u> <u>2007</u> <u>£m</u>	<u>Underlying</u> <u>Movements</u> <u>£m</u>	<u>At 30 Apr</u> <u>2007</u> <u>£m</u>
Land not under development	141.1	34.7	106.4
Work in progress: Land cost	<u>641.6</u>	<u>65.5</u>	<u>576.1</u>
	782.7	100.2	682.5
Work in progress: Build cost	418.1	4.9	413.2
Completed units	36.5	5.1	31.4
Part exchanges	-	(2.3)	2.3
Less: progress payments	<u>(138.1)</u>	<u>(66.7)</u>	<u>(71.4)</u>
	<u>1,099.2</u>	<u>41.2</u>	<u>1,058.0</u>

Land Bank



	<u>At 31 Oct</u> <u>2007</u>	<u>At 30 Apr</u> <u>2007</u>	<u>Variance</u>
Owned	22,463	21,209	1,254
Contracted	8,785	8,848	(63)
Agreed	59	71	(12)
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Plots *	31,307	30,128	1,179
Sales value	£8,779m	£7,709m	£1,070m
Average selling price	£280k	£256k	£24k
Average plot cost	£38k	£33k	£5k
Land cost %	13.7%	13.1%	0.6%
Gross margin	£2,661m	£2,234m	£427m
GM%	30.3%	29.0%	1.3%

* Includes 2,588 plots within joint ventures at 31 Oct 2007 (30 Apr 2007: 2,530; 31 Oct 2006: 2,868)



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>
Royal Arsenal, Woolwich	3,769	1,173	124	19	46	2,407
Beaufort Park, Hendon	2,800	70	454	21	23	2,232
Imperial Wharf, Chelsea	1,832	861	361	8	6	596
St George Wharf, Vauxhall	1,410	772	132	3	-	503
Holborough Valley, Snodland	1,261	166	53	5	22	1,015
Kennet Island, Reading	1,150	152	169	3	90	736
Battersea Reach	1,084	326	99	4	-	655
Chelsea Bridge Wharf	1,075	838	224	3	10	-
Grosvenor Waterside, W'minster	907	294	613	-	-	-
Gunwharf Resid'l, Portsmouth	899	755	47	5	20	72
Royal Clarence Yard, Gosport	698	286	59	1	32	320
New River Village, Hornsey	623	612	6	5	-	-
Parkwest, West Drayton	574	44	93	21	15	401
Knowle Village, Hampshire	522	404	1	2	24	91
The Hamptons, Worcester Park	498	335	123	1	2	37
Bromyard Avenue, Acton	496	387	30	5	30	44
Silkworks, Lewisham	484	-	92	13	7	372
Queen Mary's, Roehampton	449	-	101	19	29	300
	<u>20,531</u>	<u>7,475</u>	<u>2,781</u>	<u>138</u>	<u>356</u>	<u>9,781</u>



TONY PIDGLEY

MANAGING DIRECTOR

Managing Director's Review



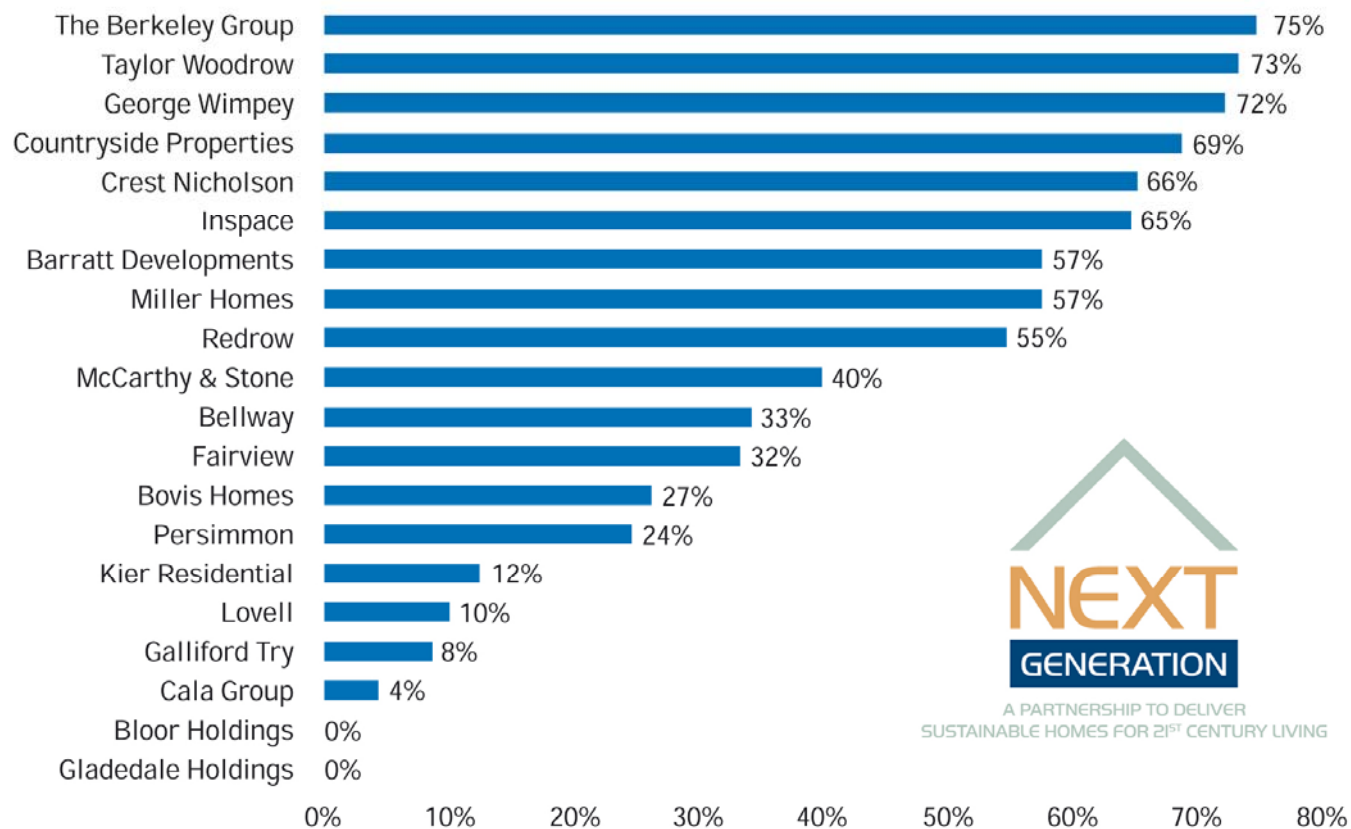
- Introduction
- People and Strategy
- Results
- The Market
 - Sales
 - Land
 - Costs
- Land Opportunities
- Planning
- Scheme of Arrangement
- Sustainability
- Conclusion

Board of Berkeley



- **Chairman** Victoria Mitchell (Nominations Comm. Chairman)
- **Executive Directors**
 - Tony Pidgley (Managing Director)
 - Rob Perrins (Finance Director)
 - Tony Carey (Executive Director)
 - Greg Fry (Executive Director)
- **Non-Executive Directors**
 - David Howell (SID and Audit Comm. Chairman)
 - Alan Coppin (Remuneration Comm. Chairman)
 - John Armitt
 - Mike Tanner

Sustainability – NextGeneration Housing Benchmark



Questions



Tony Pidgley

Managing Director

Rob Perrins

Finance Director

Tony Carey

Executive Director

Greg Fry

Executive Director