



Full Year Results Presentation

Year ended 30th April 2010

25th June 2010



Format of Presentation



Chairman's Introduction

Tony Pidgley

Review of Results

Nick Simpkin

Managing Director's Review

Rob Perrins

Questions



TONY PIDGLEY

CHAIRMAN



NICK SIMPKIN

FINANCE DIRECTOR



Review of Full Year Results



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- **Summary of Financial Position**
- **Group Income Statement**
- **Abridged Group Cash Flow**
- **Shares in Issue and Future Dilution**
- **Abridged Group Balance Sheet**
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Summary of Performance



	<u>12 months to</u> <u>Apr 2010</u>	<u>12 months to</u> <u>Apr 2009</u>	<u>Change</u>	
Operating profit	£106.2m	£124.8m	- £18.6m	- 14.9%
Operating margin	17.3%	17.8%		
Profit before tax	£110.3m	£120.4m	- £10.1m	-8.4%
EPS – Basic	60.0p	71.3p	- 11.3p	- 15.8%
Weighted ave. no. of shares	132.8m	120.7m	+ 12.1m	+10.0%
Cash generated before financing	£57.5m	£269.5m		
Return on Capital Employed	20.1%	20.6%		



Summary of Financial Position



	<u>At 30 Apr</u> <u>2010</u>	<u>At 30 Apr</u> <u>2009</u>	<u>Change</u>	
Shareholders' Funds	£858.6m	£801.3m	+ £57.3m	+ 7.2%
Net Asset Value per Share	636.7p	615.4p	+ 21.3p	+ 3.5%
Shares in issue	134.9m	130.2m	+ 4.7m	+ 3.6%
Closing Net Cash	£316.9m	£284.8m	+ £32.1m	
Land Bank - Plots	28,099	30,044	- 1,945	
- Gross margin	£2,038m	£2,014m	+ £24m	
Cash due on Forward Sales	£648.1m	£619.8m	+ £28.3m	



Group Income Statement (1)



	<u>12 Months to</u> <u>Apr 2010</u>	<u>12 Months to</u> <u>Apr 2009</u>	<u>Change</u>	
<u>Volume/ASP:</u>				
Homes completed	2,201	1,501	+ 700	+ 31.8%
Average selling price	£263k	£395k	- £132k	- 33.4%
	<u>£m</u>	<u>£m</u>	<u>£m</u>	
<u>Revenue:</u>				
House-building	595.7	625.6	- 29.9	- 4.8%
Land sales	-	46.1	- 46.1	-100.0%
Commercial	19.6	30.5	- 10.9	-35.7%
	<u>615.3</u>	<u>702.2</u>	<u>- 86.9</u>	<u>- 12.4%</u>



Group Income Statement (2)



	<u>12 Months to</u> <u>Apr 2010</u> <u>£m</u>		<u>12 Months to</u> <u>Apr 2009</u> <u>£m</u>		<u>Change</u> <u>£m</u>	
Revenue	<u>615.3</u>		<u>702.2</u>		<u>- 86.9</u>	- 12.4%
Gross profit	166.4	27.0%	199.8	28.5%	- 33.4	- 16.7%
Overheads	<u>(60.2)</u>	9.8%	<u>(75.0)</u>	10.7%	<u>+ 14.8</u>	+ 19.7%
Operating profit	106.2	17.3%	124.8	17.8%	- 18.6	- 14.9%
Net finance income/(costs)	4.4		(3.5)		+ 7.9	
Joint ventures	<u>(0.3)</u>		<u>(0.9)</u>		<u>+ 0.6</u>	
Profit before tax	110.3		120.4		- 10.1	- 8.4%
Tax	<u>(30.8)</u>		<u>(34.3)</u>		<u>+ 3.5</u>	
Profit after tax	<u>79.5</u>		<u>86.1</u>		<u>- 6.6</u>	- 7.7%



Abridged Group Cash Flow



	<u>12 Months to</u> <u>Apr 2010</u> <u>£m</u>	<u>12 Months to</u> <u>Apr 2009</u> <u>£m</u>	<u>Change</u> <u>£m</u>
Profit before tax	110.3	120.4	(10.1)
Increase in deposits and on account receipts	126.8	164.0	(37.2)
Other working capital movements	(145.7)	(15.0)	(130.7)
Acquisition of Saad Berkeley joint ventures	(17.7)	-	(17.7)
Tax	(12.4)	8.7	(21.1)
Investing activities	(8.5)	(21.8)	13.3
Non-cash items and other movements	4.7	13.2	(8.5)
	<u>57.5</u>	<u>269.5</u>	<u>(212.0)</u>
Net financing cash flows	(25.4)	19.8	(45.2)
Increase in net cash	32.1	289.3	(257.2)
Opening net cash / (debt)	284.8	(4.5)	289.3
Closing net cash	<u>316.9</u>	<u>284.8</u>	<u>32.1</u>



Shares in Issue and Future Dilution

	Total Shares <u>m</u>	EBT Shares <u>m</u>	Net Shares <u>m</u>	Cash Cost <u>£m</u>
At 1 May 2009	130.9	(0.7)	130.2	-
2004(b) LTIP - Sep 09 awards	4.0	-	4.0	-
Shares acquired	-	(1.7)	(1.7)	12.8
2004(b) LTIP – Mar 10 awards	-	2.4	2.4	12.6
At 30 April 2010	<u>134.9</u>	<u>-</u>	<u>134.9</u>	<u>25.4</u>

Outstanding Share Schemes:

	<u>Options</u>	<u>Price</u>	<u>Vesting Date</u>
2009 LTIP Part A	5.3 million	£3.00	Jan 14
2009 LTIP Part B	7.1 million	£8.40	Apr 15/Apr 16



Abridged Group Balance Sheet



	<u>At 30 Apr</u> <u>2010</u> <u>£m</u>	<u>Movements</u> <u>£m</u>	<u>At 30 Apr</u> <u>2009</u> <u>£m</u>
Non-current assets			
- Intangible assets	17.2	(0.1)	17.3
- Investment in JV's	26.0	3.5	22.5
- Deferred taxation	14.8	(23.1)	37.9
- PPE	9.7	6.0	3.7
Inventories	1,254.1	139.3	1,114.8
Debtors	57.7	6.7	51.0
Creditors	<u>(834.1)</u>	<u>(103.4)</u>	<u>(730.7)</u>
Capital employed	545.4	28.9	516.5
Net cash	<u>316.9</u>	<u>32.1</u>	<u>284.8</u>
Net assets	862.3	61.0	801.3
Minority interest	<u>(3.7)</u>	<u>(3.7)</u>	<u>-</u>
Net assets attributable to shareholders	<u>858.6</u>	<u>57.3</u>	<u>801.3</u>
Net asset value per share	<u>637p</u>	<u>22p</u>	<u>615p</u>



Inventories



	<u>At 30 Apr</u> <u>2010</u> <u>£m</u>	<u>Underlying</u> <u>Movements</u> <u>£m</u>	<u>JV Assets</u> <u>Acquired</u> <u>£m</u>	<u>At 30 Apr</u> <u>2009</u> <u>£m</u>
Land not under development	242.1	107.0	10.5	124.6
Work in progress: Land cost	<u>499.0</u>	<u>(21.8)</u>	<u>14.7</u>	<u>506.1</u>
	741.1	85.2	25.2	630.7
Work in progress: Build cost	446.7	31.3	3.0	412.4
Completed units	66.3	(5.4)	-	71.7
Part Exchange units	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>1,254.1</u>	<u>111.1</u>	<u>28.2</u>	<u>1,114.8</u>



Creditors



	<u>At 30 Apr</u> <u>2010</u> <u>£m</u>	<u>Movements</u> <u>£m</u>	<u>At 30 Apr</u> <u>2009</u> <u>£m</u>
Trade creditors and accruals	225.8	(7.6)	233.4
Deposits and on account receipts	461.6	126.8	334.8
Short-term land creditors	12.0	(6.6)	18.6
Short-term creditors	<u>699.4</u>	<u>112.6</u>	<u>586.8</u>
Current tax liability	82.9	(3.4)	86.3
Long-term land creditors	51.8	(5.8)	57.6
Creditors	<u>834.1</u>	<u>103.4</u>	<u>730.7</u>
Total Land Creditors	<u>63.8</u>	<u>(12.4)</u>	<u>76.2</u>



Land Holdings



	<u>At 30 Apr</u> <u>2010</u>	<u>Variance</u>	<u>At 30 Apr</u> <u>2009</u>
Owned	27,094	+ 3,522	23,572
Contracted	935	- 5,472	6,407
Agreed	<u>70</u>	<u>+ 5</u>	<u>65</u>
Plots *	28,099	- 1,945	30,044
Sales value	£7,220m	+ £39m	£7,181m
Average selling price	£257k	+ £18k	£239k
Average plot cost	£36k	+ £3k	£33k
Land cost %	14.0%	+ 0.1%	13.9%
Gross margin	£2,038m	+ £24m	£2,014m
GM%	28.2%	+0.2%	28.0%

* Includes 1,500 plots within joint ventures at 30 Apr 2010 (30 Apr 2009: 2,809)



ROB PERRINS

MANAGING DIRECTOR

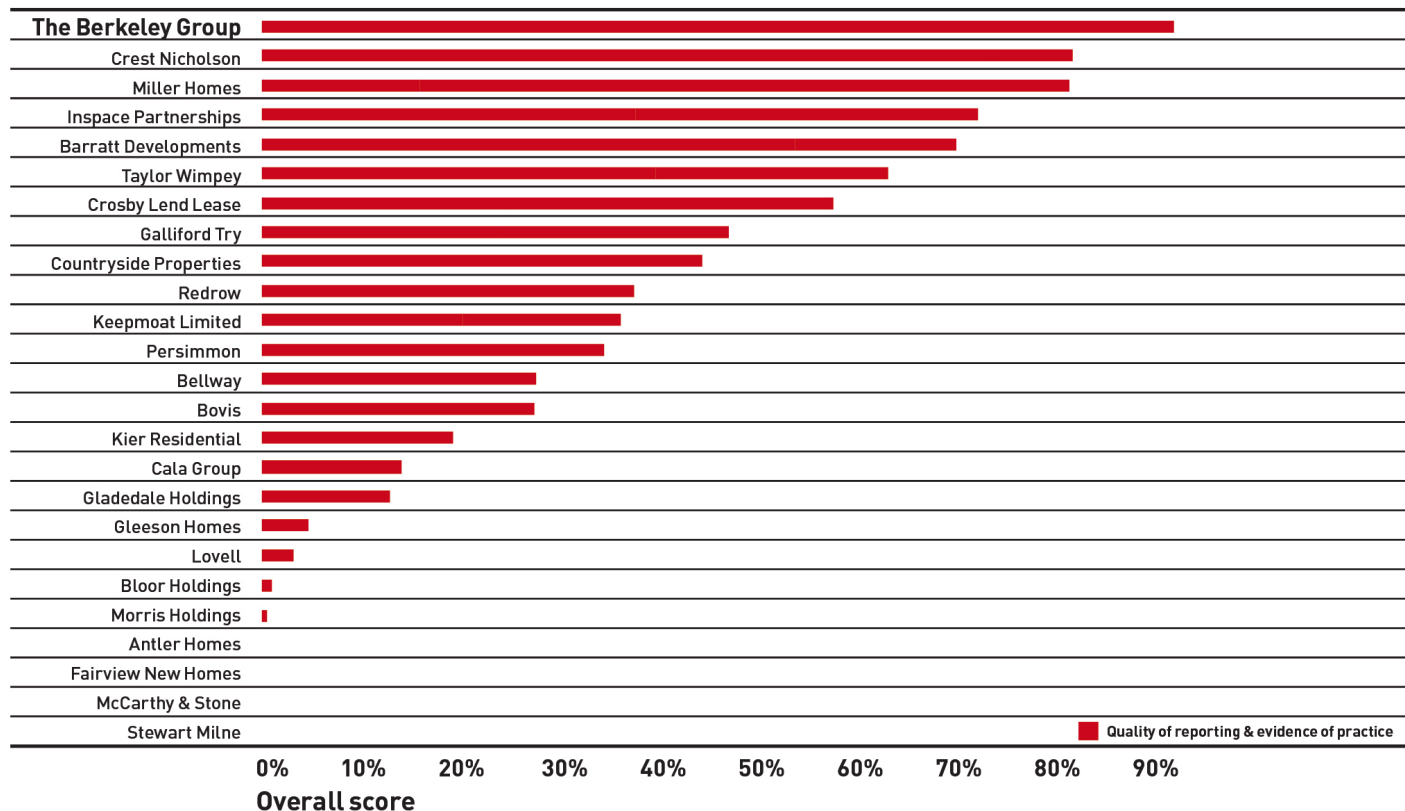


Next Generation



A PARTNERSHIP TO DELIVER SUSTAINABLE HOMES FOR 21ST CENTURY LIVING

NEXTGENERATION BENCHMARK 2009





New Land Acquired (1)



BBC Store, Acton

- Former BBC costume storage
- 1.03 acres
- Acquired: July 2009
- Planning granted: March 2010
- 700 room student accommodation
- Nomination agreement with University of Arts for 18 years



New Land Acquired (2)



Wimbledon

- Former Atkinson Morley neurological hospital
- 2.3 acres
- Acquired: March 2010
- Circa 100 new homes



New Land Acquired (3)



Johnson House, SW1

- Former Metropolitan Police Residence
- 0.91 acres
- Acquired: August 2009
- Circa 70 luxury apartments



Planning Consents (1)



Charles House, Kensington

- High Street Kensington
- Former HMRC offices
- Developed by St Edward
- 3.4 acres
- Planning granted: July 2009
- 525 high quality apartments

Planning Consents (2)



Butlers Court, Beaconsfield

- Former offices and warehouses
- Acquired: December 2007
- Planning granted: November 2009
- 49 new homes



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Our vision for the future



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CUSTOMERS



BUILDING GREENER
HOMES



A SUSTAINABLE BUSINESS



DELIVERING SUSTAINABLE
COMMUNITIES



RUNNING A SUSTAINABLE
BUSINESS





Questions



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