



Interim Results Presentation

Half year ended 31st October 2010

3rd December 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 Interim Results



- **Summary of Performance**
- **Summary of Financial Position**
- **Homes Completed and ASP**
- **Group Income Statement**
- **Abridged Group Cash Flow**
- **Abridged Group Balance Sheet**
 - **Inventories**
 - **Creditors**
- **Land Holdings**



Summary of Performance



	<u>6 months to</u> <u>Oct 2010</u>	<u>6 months to</u> <u>Oct 2009</u>	<u>Change</u>	
Operating profit	£58.6m	£50.5m	+ £8.1m	+ 16.0%
Operating margin	17.4%	17.4%		
Profit before tax	£61.6m	£52.0m	+ £9.6m	+ 18.5%
EPS – Basic	33.5p	28.1p	+ 5.4p	+ 19.2%
Weighted ave. no. of shares	132.9m	131.4m	+1.5m	+1.1%
Cash (utilised)/generated	(£64.2m)	£59.9m		
Return on shareholders' equity *	14.4%	12.7%		

* Profit before tax attributable to shareholders divided by average shareholders' equity



Summary of Financial Position



	<u>At 31 Oct</u> <u>2010</u>	<u>At 30 Apr</u> <u>2010</u>	<u>Change</u>	
Shareholders' funds	£874.8m	£858.6m	+ £16.2m	+ 1.9%
Net Asset Value per share	667.6p	636.7p	+ 30.9p	+ 4.9%
Shares in issue	131.0m	134.9m	- 3.9m	- 2.9%
Closing net cash	£252.7m	£316.9m	- £64.2m	
Land creditors	£234.9m	£63.8m	+ £171.1m	
Land Bank - Plots	28,914	28,099	+ 815	
- Gross margin	£2,301m	£2,038m	+ £263m	+ 12.9%
Cash due on forward sales	£790.1m	£648.1m	+ £142.0m	+ 21.9%



Homes Completed and ASP



	<u>Units</u>	<u>ASP</u>	<u>Units</u>	<u>ASP</u>
2010/11 HY01	<u>1,249</u>	<u>£262,000</u>		
2009/10 HY02	1,287	£238,000	2,201	£263,000
2009/10 HY01	<u>914</u>	<u>£299,000</u>		
2008/09 HY02	533	£388,000	1,501	£395,000
2008/09 HY01	<u>968</u>	<u>£399,000</u>		
2007/08 HY02	1,537	£347,000	3,167	£295,000
2007/08 HY01	<u>1,630</u>	<u>£245,000</u>		
2006/07 HY02	1,556	£285,000	3,293	£291,000
2006/07 HY01	<u>1,737</u>	<u>£296,000</u>		



Group Income Statement



	<u>6 months to</u> <u>Oct 2010</u> <u>£m</u>		<u>6 months to</u> <u>Oct 2009</u> <u>£m</u>		<u>Change</u> <u>£m</u>	
Revenue	<u>336.2</u>		<u>290.1</u>		<u>+ 46.1</u>	+ 15.9%
Gross profit	93.3	27.8%	76.2	26.3%	+ 17.1	+ 22.4%
Overheads	<u>(34.7)</u>	10.3%	<u>(25.7)</u>	8.8%	<u>- 9.0</u>	+ 35.0%
Operating profit	58.6	17.4%	50.5	17.4%	+ 8.1	+ 16.0%
Net finance income	1.8		3.0		- 1.2	
Joint ventures	<u>1.2</u>		<u>(1.5)</u>		<u>+ 2.7</u>	
Profit before tax	61.6		52.0		+ 9.6	+ 18.5%
Tax	<u>(17.4)</u>		<u>(15.0)</u>		<u>- 2.4</u>	
Profit after tax	<u>44.2</u>		<u>37.0</u>		<u>+ 7.2</u>	+ 19.5%



Abridged Group Cash Flow



	<u>6 months to</u> <u>Oct 2010</u> <u>£m</u>	<u>6 months to</u> <u>Oct 2009</u> <u>£m</u>
Profit after tax	44.2	37.0
Increase in inventory – land	(211.8)	(14.7)
Increase in inventory – build WIP & stock	(104.4)	(24.4)
Increase in land creditors	171.1	10.1
Other working capital movements	64.7	62.7
Investing activities	(10.6)	(22.1)
Increase in tax creditor and other items	12.6	11.3
	<u>(34.2)</u>	<u>59.9</u>
Share purchases	(30.0)	-
(Decrease)/increase in net cash	<u>(64.2)</u>	<u>59.9</u>
Opening net cash	316.9	284.8
Closing net cash	<u>252.7</u>	<u>344.7</u>



Abridged Group Balance Sheet



	<u>At 31 Oct</u> <u>2010</u> <u>£m</u>	<u>Movements</u> <u>£m</u>	<u>At 30 Apr</u> <u>2010</u> <u>£m</u>
Non-current assets			
- Intangible assets	17.2	-	17.2
- Investment in JV's	37.4	11.4	26.0
- Deferred taxation	14.6	(0.2)	14.8
- PPE	9.6	(0.1)	9.7
Inventories	1,570.3	316.2	1,254.1
Debtors	68.3	10.6	57.7
Creditors	<u>(1,091.8)</u>	<u>(257.7)</u>	<u>(834.1)</u>
Capital employed	625.6	80.2	545.4
Net cash	<u>252.7</u>	<u>(64.2)</u>	<u>316.9</u>
Net assets	878.3	16.0	862.3
Non-controlling interest	<u>(3.5)</u>	0.2	<u>(3.7)</u>
Net assets attributable to shareholders	<u>874.8</u>	<u>16.2</u>	<u>858.6</u>
Net asset value per share	<u>668p</u>	<u>31p</u>	<u>637p</u>



Inventories



	<u>At 31 Oct</u> <u>2010</u> <u>£m</u>	<u>Movements</u> <u>£m</u>	<u>At 30 Apr</u> <u>2010</u> <u>£m</u>
Land not under development	395.6	153.5	242.1
Work in progress: Land cost	<u>557.3</u>	<u>58.3</u>	<u>499.0</u>
	952.9	211.8	741.1
Work in progress: Build cost	567.2	120.5	446.7
Completed units	<u>50.2</u>	<u>(16.1)</u>	<u>66.3</u>
	<u>1,570.3</u>	<u>316.2</u>	<u>1,254.1</u>



Creditors



	<u>At 31 Oct</u> <u>2010</u> <u>£m</u>	<u>Movements</u> <u>£m</u>	<u>At 30 Apr</u> <u>2010</u> <u>£m</u>
Trade creditors and accruals	283.4	57.6	225.8
Deposits and on account receipts	482.5	20.9	461.6
Land creditors	234.9	171.1	63.8
Current tax liability	91.0	8.1	82.9
Creditors	<u>1,091.8</u>	<u>257.7</u>	<u>834.1</u>
Land creditors due < 6 months	164.4	161.4	3.0
Land creditors due > 6 months	70.5	9.7	60.8
Total land creditors	<u>234.9</u>	<u>171.1</u>	<u>63.8</u>



Land Holdings



	<u>At 31 Oct</u> <u>2010</u>	<u>Movements</u>	<u>At 30 Apr</u> <u>2010</u>
Owned	28,647	+ 1,553	27,094
Contracted	226	- 709	935
Agreed	41	- 29	70
Plots *	<u>28,914</u>	<u>+ 815</u>	<u>28,099</u>
Sales value	£8,213m	+ £993m	£7,220m
Average selling price	£284k	+ £27k	£257k
Average plot cost	£41k	+ £5k	£36k
Land cost %	14.5%	+ 0.5%	14.0%
Gross margin	£2,301m	+ £263m	£2,038m
GM%	28.0%	- 0.2%	28.2%

* Includes 1,418 plots within joint ventures at 31 Oct 2010 (30 Apr 2010: 1,500)

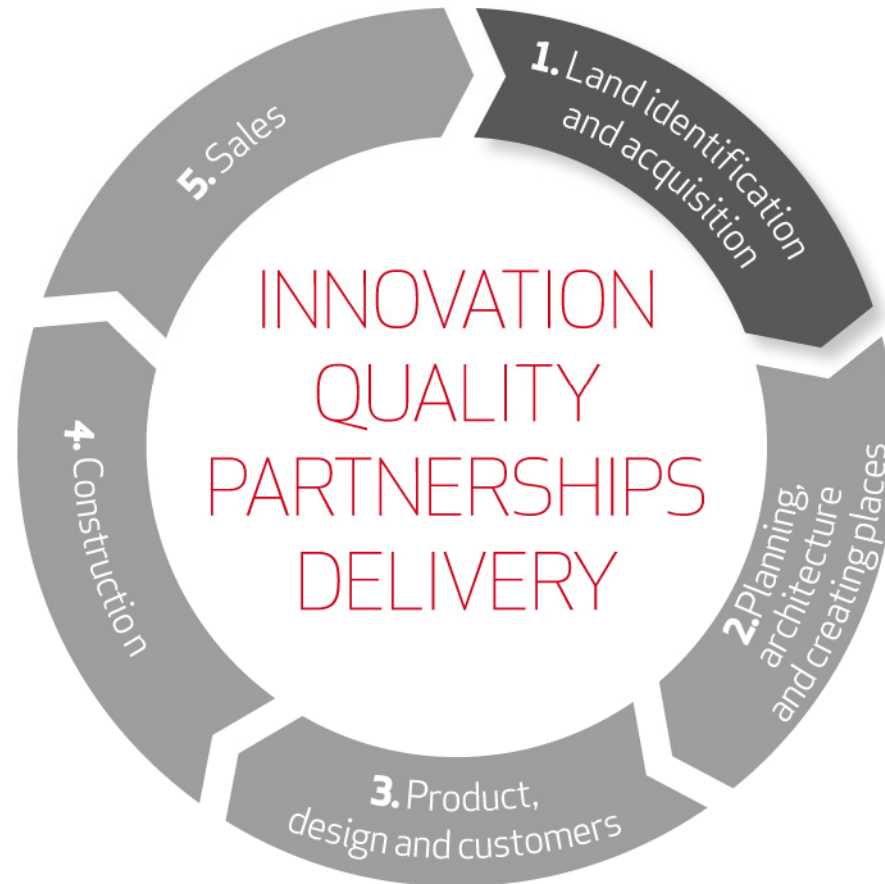


ROB PERRINS

MANAGING DIRECTOR



The Development Cycle





Sites Acquired – London since March 2009

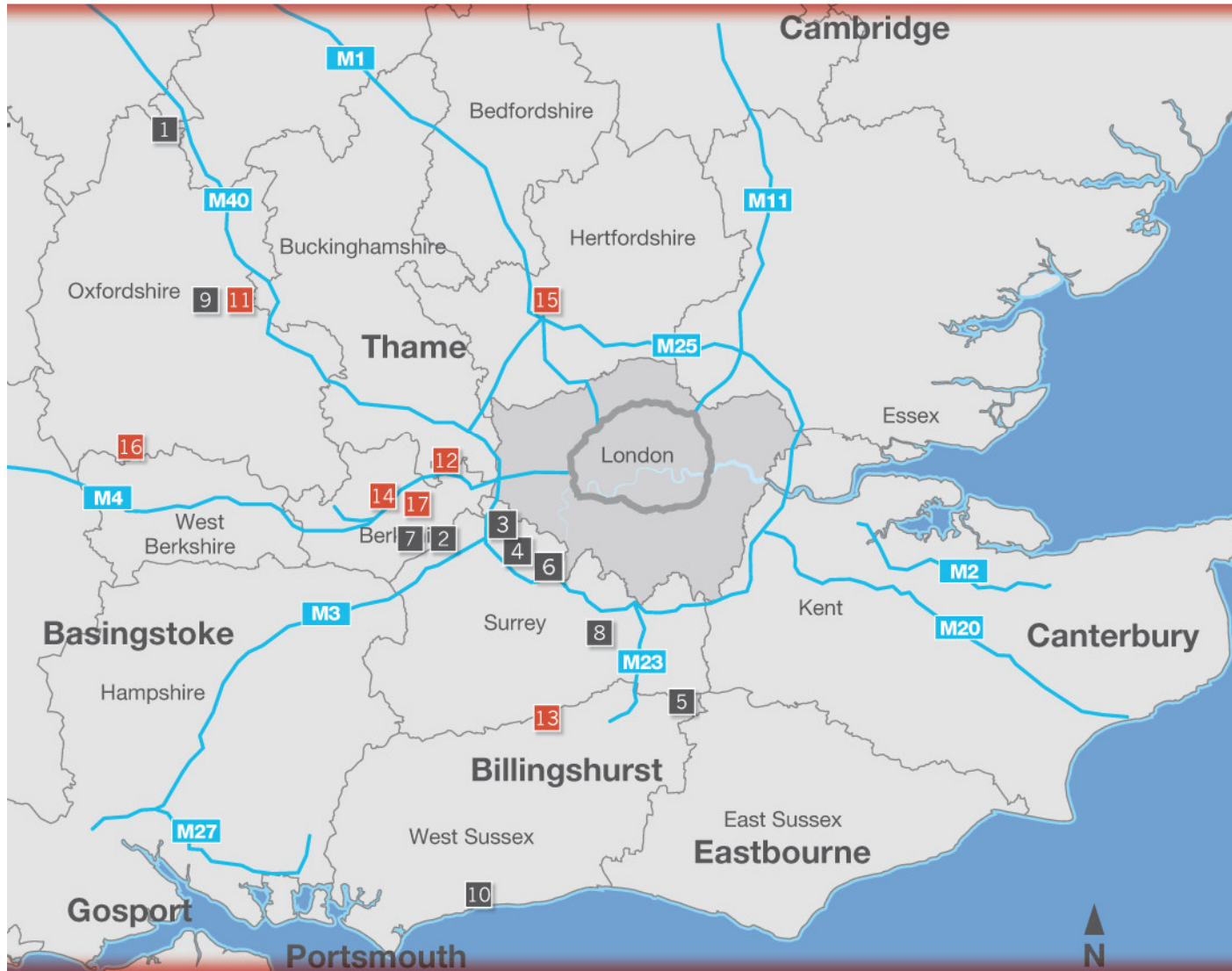


- 1 190 Strand
- 2 Acton
- 3 Carnwath Road, Fulham
- 4 Clapham
- 5 Hammersmith
- 6 Johnson House, Belgravia
- 7 Kew
- 8 Kew Bridge Road, Brentford
- 9 Putney
- 10 Richmond
- 11 Roehampton
- 12 Tideway Wharf, Battersea
- 13 Wimbledon
- 14 Abell and Cleland House
Westminster
- 15 Fulham Reach
- 16 Kingston
- 17 Roman House, City of London

- Acquired in 2009/10
- Acquired in 2010/11



Sites Acquired – South East since March 2009



- 1 Bloxham
- 2 Burleigh Road, Ascot
- 3 Cavendish Road, Weybridge
- 4 Cleves School, Weybridge
- 5 East Grinstead
- 6 Hare Lane, Claygate
- 7 Hurstleigh Park, Ascot
- 8 Reigate
- 9 TA Centre, Oxford
- 10 Yapton
- 11 Dorset House, Oxford
- 12 Farnham Common
- 13 Horsham
- 14 Pinkney's Green
- 15 St Albans
- 16 Wantage
- 17 Windsor

■ Acquired in 2009/10

■ Acquired in 2010/11



The Development Cycle





The Development Cycle

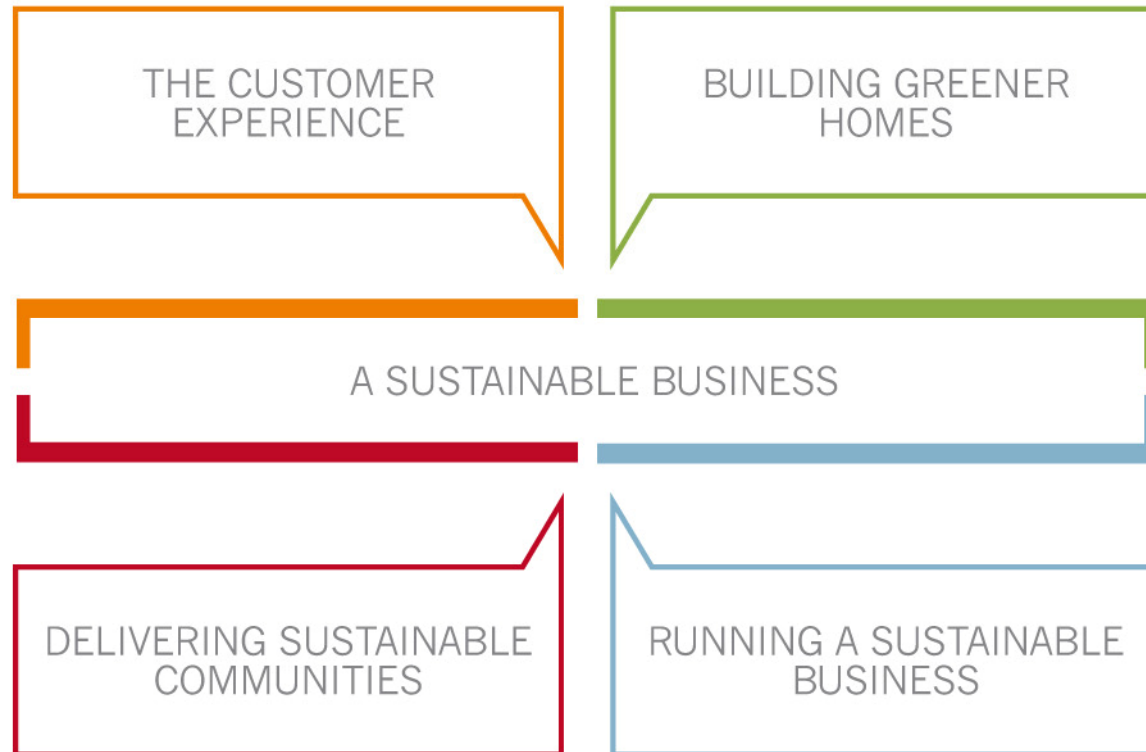




vision2020



Our vision for the future



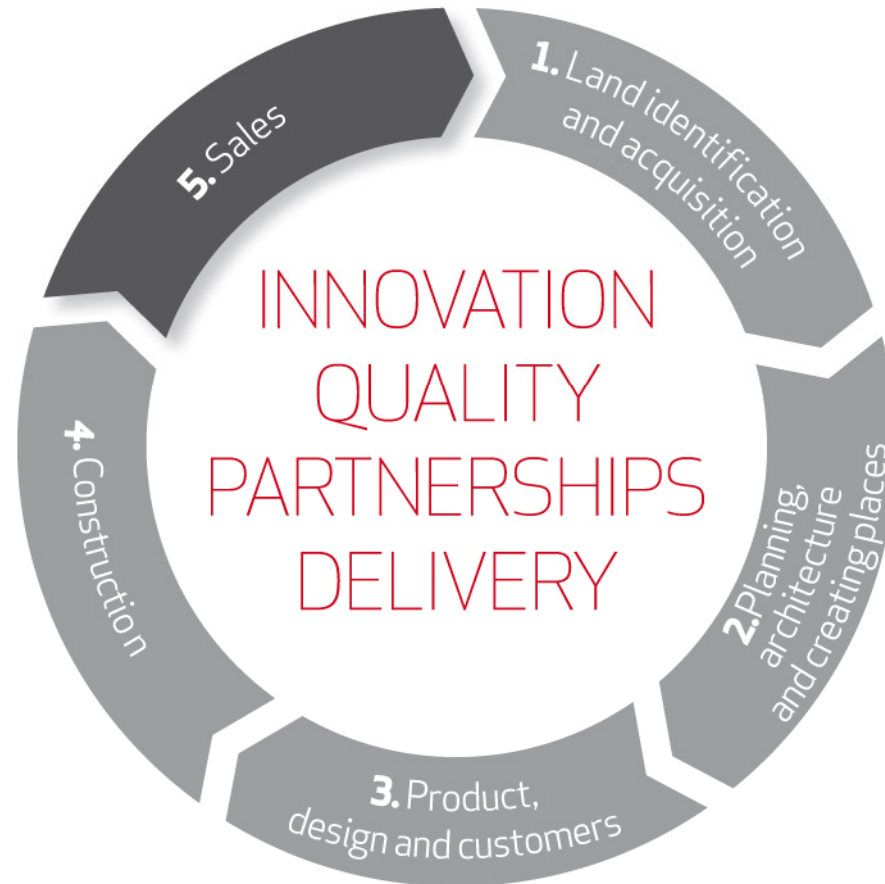


The Development Cycle





The Development Cycle





Evolution of our Brand



The Berkeley Group plc





Designed for life





Questions



Tony Pidgley

Chairman

Rob Perrins

Managing Director

Nick Simpkin

Finance Director