



Preliminary Results Presentation

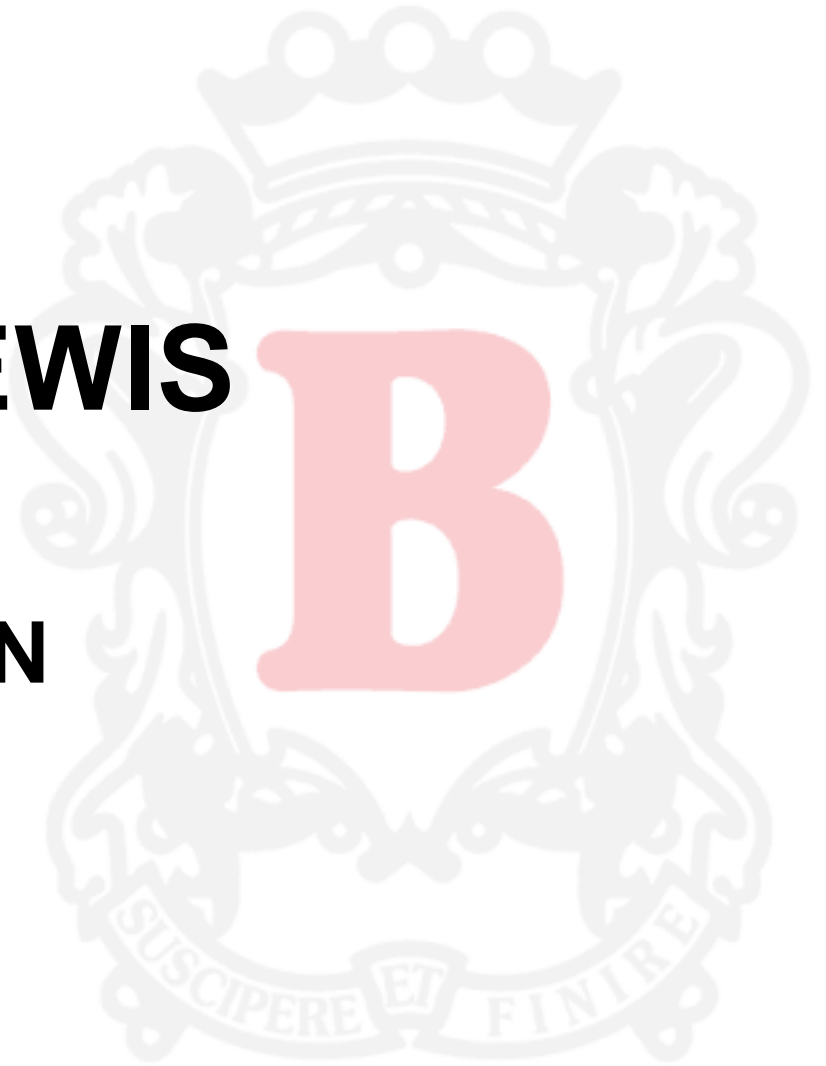
29th June 2007





ROGER LEWIS

CHAIRMAN





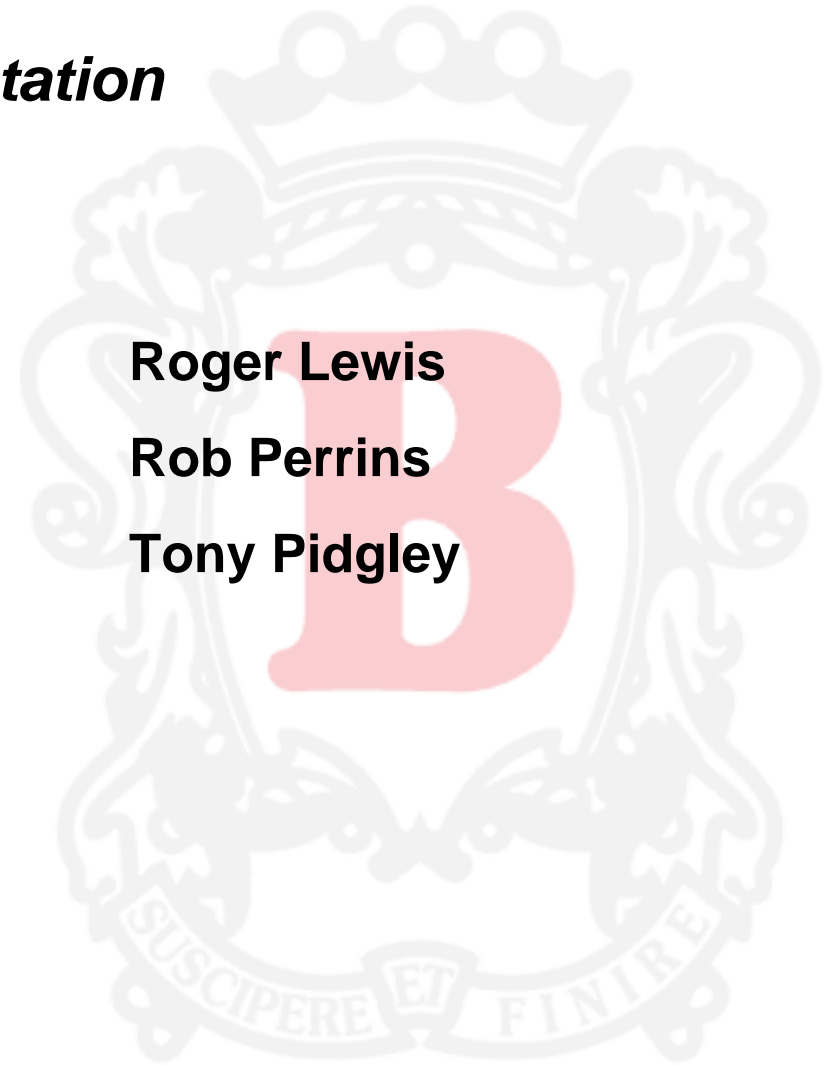
Format of Presentation

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

Roger Lewis

Rob Perrins

Tony Pidgley





Financial Highlights (1)
Year ended 30th April 2007

	<u>2007</u>	<u>2006</u>	<u>Change</u>	
	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>%</u>
<i>Continuing Group</i>				
Profit before tax	188.1	165.1	23.0	+13.9%
Tax	(52.6)	(43.7)		
Profit after tax	<u>135.5</u>	<u>121.4</u>	<u>14.1</u>	+11.6%
<i>Discontinued operations</i>				
Profit from discontinued operations	-	80.8	(80.8)	-100%
Total profit after tax	<u>135.5</u>	<u>202.2</u>	<u>(66.7)</u>	-33.0%
EPS – Basic	<u>112.6p</u>	<u>168.4p</u>	<u>(55.8p)</u>	-33.1%
EPS – Continuing operations	<u>112.6p</u>	<u>101.1p</u>	<u>11.5p</u>	+11.4%



Financial Highlights (2)

Year ended 30th April 2007

	<u>Apr 2007</u>	<u>Apr 2006</u>	<u>Change</u>
Net assets	£781.6m	£837.2m	- 6.6%
Net asset value per share	649p	697p	- 6.9%
Net asset value per share before repayment of 2006 B share	849p	697p	+21.8%
Net cash	£81.0m	£220.6m	- £139.6m



The Return to Shareholders – 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>		



The Return to Shareholders – Proposed 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 ¹	£2	December 2007	3 rd January 2008
2010 B Share ²	£3	TBC	TBC
	<u>£12</u>		

¹ Subject to shareholder approval.

² At a date to be determined, but no later than January 2011, subject to shareholder approval.



ROB PERRINS

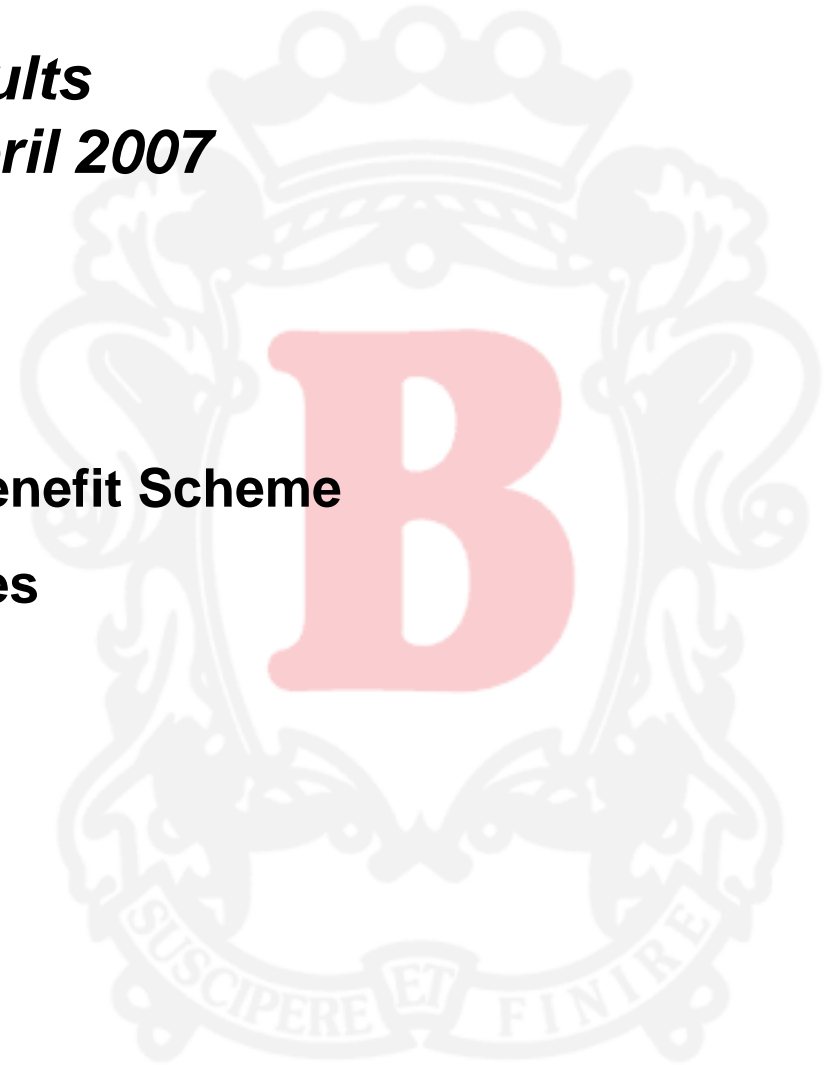
FINANCE DIRECTOR





Review of Results
Year ended 30th April 2007

- **Cash Flow**
- **Income Statement**
- **Pensions – Defined Benefit Scheme**
- **Acquisition of St James**
- **Balance Sheet**
- **Sales Analysis**
- **Land Holdings**





Abridged Group Cash Flow

	<u>12 Months to</u> <u>Apr 2007</u> <u>£m</u>	<u>12 Months to</u> <u>Apr 2006</u> <u>£m</u>	<u>Change</u> <u>£m</u>
Profit after tax	135.5	121.4	14.1
Non cash items and other movements	16.8	(1.8)	18.6
	<u>152.3</u>	<u>119.6</u>	<u>32.7</u>
Underlying working capital movements	107.8		
Land payments by St James at acquisition	(93.5)		
	<u>14.3</u>	<u>126.4</u>	<u>(112.1)</u>
Acquisition of St James	(99.3)		
Cash acquired in St James	34.7		
	<u>(64.6)</u>	<u>-</u>	<u>(64.6)</u>
	102.0	246.0	(144.0)
Shareholder payment (2006 B share)	(241.6)	-	(241.6)
Discontinued operations (Crosby)	-	229.7	(229.7)
	<u>(139.6)</u>	<u>475.7</u>	<u>(615.3)</u>
(Decrease) / increase in net cash	220.6	(255.1)	475.7
Opening net cash / (debt)	<u>81.0</u>	<u>220.6</u>	<u>(139.6)</u>
Closing net cash			



Cash Due on Forward Sales

	<u>At 30 Apr</u> <u>2007</u> <u>£m</u>	<u>Underlying</u> <u>Movements</u> <u>£m</u>	<u>Adjusted</u> <u>Opening</u> <u>£m</u>	<u>St James at</u> <u>Acquisition</u> <u>£m</u>	<u>At 30 Apr</u> <u>2006</u> <u>£m</u>
Debtors taken to sales, due on completion	22.2	(1.6)	23.8	6.8	17.0
Due on units not yet taken to sales					
- Exchanged contracts	800.6	157.9	642.7	172.6	470.1
- Reserved units	113.5	(13.3)	126.8	32.0	94.8
Total cash due	<u>936.3</u>	<u>143.0</u>	<u>793.3</u>	<u>211.4</u>	<u>581.9</u>



Abridged Group Income Statement – Continuing Group

	<u>12 Months to</u> <u>Apr 2007</u>		<u>12 Months to</u> <u>Apr 2006</u>		<u>Change</u>	
<i>Continuing Group</i>	<u>£m</u>		<u>£m</u>		<u>£m</u>	<u>%</u>
Revenue	<u>918.4</u>		<u>917.9</u>		<u>0.5</u>	+0.1%
Gross margin	268.9	29.3%	231.8	25.2%	37.1	+16.0%
Overheads	<u>(91.8)</u>	10.0%	<u>(70.9)</u>	7.7%	<u>(20.9)</u>	- 29.5%
Operating profit	177.1	19.3%	160.9	17.5%	16.2	+10.1%
Joint ventures (after int. & tax)	6.8		11.6		(4.8)	- 41.4%
Net finance costs - Treasury	7.2		(6.2)		13.4	
- Other	(3.0)		(1.2)		(1.8)	
	<u>188.1</u>	20.5%	<u>165.1</u>	18.0%	<u>23.0</u>	+13.9%
Profit before tax						
EPS (Continuing Group)	<u>112.6p</u>		<u>101.1p</u>		<u>11.5p</u>	+11.4%



Pensions – Defined Benefit Scheme

	<u>2007</u>	
	<u>£m</u>	
Enhancement payments as pension	3.5	
Enhancement payments as cash	6.0	
Cash cost of enhancement payments	<u>9.5</u>	
Deficit eliminated	<u>(9.3)</u>	
	0.2	
Expenses (fees and national insurance costs)	<u>1.4</u>	
Net cost to Berkeley	<u>1.6</u>	
	<u>At 30 Apr</u>	<u>At 30 Apr</u>
	<u>2007</u>	<u>2006</u>
	<u>£m</u>	<u>£m</u>
Retirement benefit obligation	<u>-</u>	<u>10.3</u>



Profit Distribution and ROCE

- **Tax rate of 29.0% up from 28.6% (on profit before joint ventures)**
- **No dividend**
- **Return on Capital Employed was 28.1% for the period (2006: 24.0%)**



Acquisition of St James (1) – Income Statement

	<u>Berkeley</u>		<u>St James</u>		<u>Enlarged</u> <u>Group</u>	
	£m		£m		£m	
Revenue	788.9		129.5		918.4	
Cost of sales	<u>(553.4)</u>		<u>(96.1)</u>		<u>(649.5)</u>	
Gross margin	235.5	29.8%	33.4	25.8%	268.9	29.3%
Overheads	<u>(82.1)</u>		<u>(9.7)</u>		<u>(91.8)</u>	
Operating profit	153.4	19.4%	23.7	18.3%	177.1	19.3%
Interest	7.9		(3.7)		4.2	
Joint ventures	6.8		-		6.8	
Profit before tax	<u>168.1</u>		<u>20.0</u>		<u>188.1</u>	



Acquisition of St James (2) - Consideration

	<u>£m</u>
<i>Consideration satisfied by:</i>	
Cash – purchase of ordinary share capital	68.6
Settlement of shareholder loans owed to RWE Thames Water plc	28.9
	<hr/>
	97.5
Transaction costs	1.8
	<hr/>
Total consideration	99.3
	<hr/> <hr/>
Land payment (by St James post completion)	<u>93.5</u>



Acquisition of St James (3) – Fair Value Adjustments

	<u>Carrying values</u>		<u>Fair value</u>		<u>Fair values</u>
	<u>100%</u>	<u>£m</u>	<u>100%</u>	<u>£m</u>	<u>£m</u>
Intangible assets		-		3.3	3.3
Deferred tax assets/(liabilities)		4.1		(17.4)	(13.3)
Inventories		257.8		54.7	312.5
Cash and cash equivalents		34.7		-	34.7
Shareholder loans		(57.7)		-	(57.7)
Other net assets		<u>(173.1)</u>		<u>-</u>	<u>(173.1)</u>
Net assets acquired at 100%		65.8		40.6	106.4
Add back shareholder loans		<u>57.7</u>		<u>-</u>	<u>57.7</u>
Shareholder funds		<u>123.5</u>		<u>40.6</u>	164.1
50% of assets already owned					(61.7)
Fair value adjustments on assets owned					<u>(20.3)</u>
Fair value of net assets acquired					82.1
Consideration					<u>(99.3)</u>
Goodwill					<u>17.2</u>



Abridged Group Balance Sheet

	<u>At 30 Apr</u> <u>2007</u> <u>£m</u>	<u>Underlying</u> <u>Movements</u> <u>£m</u>	<u>Adjusted</u> <u>Opening</u> <u>£m</u>	<u>St James at</u> <u>Acquisition</u> <u>£m</u>	<u>At 30 Apr</u> <u>2006</u> <u>£m</u>
Non-current assets					
- Goodwill	17.2	-	17.2	17.2	-
- Intangibles	2.5	(0.8)	3.3	3.3	-
- Investments	1.7	(5.5)	7.2	(61.8)	69.0
- Deferred taxation	34.6	29.6	5.0	(13.3)	18.3
- Other	2.4	(0.3)	2.7	0.5	2.2
Inventories	1,058.0	(18.4)	1,076.4	312.5	763.9
Debtors	27.6	(5.4)	33.0	9.3	23.7
Creditors < 1 year	(380.6)	(6.9)	(373.7)	(138.8)	(234.9)
Creditors > 1 year	(62.8)	6.8	(69.6)	(44.0)	(25.6)
Capital employed	<u>700.6</u>	<u>(0.9)</u>	<u>701.5</u>	<u>84.9</u>	<u>616.6</u>
Net cash / (debt)	81.0	(75.0)	156.0	(64.6)	220.6
Net assets	<u>781.6</u>	<u>(75.9)</u>	<u>857.5</u>	<u>20.3</u>	<u>837.2</u>
Net asset value per share	<u>649p</u>				<u>697p</u>



Inventories

	<u>At 30 Apr</u> <u>2007</u> <u>£m</u>	<u>Underlying</u> <u>Movements</u> <u>£m</u>	<u>Adjusted</u> <u>Opening</u> <u>£m</u>	<u>St James at</u> <u>Acquisition</u> <u>£m</u>	<u>At 30 Apr</u> <u>2006</u> <u>£m</u>
Land not under development	106.4	(103.5)	209.9	71.2	138.7
Work in progress: Land cost	<u>576.1</u>	<u>115.2</u>	<u>460.9</u>	<u>168.6</u>	<u>292.3</u>
	682.5	11.7	670.8	239.8	431.0
Build cost	413.2	(2.5)	415.7	76.4	339.3
Completed units	31.4	(30.1)	61.5	8.6	52.9
Part exchanges	2.3	(0.1)	2.4	-	2.4
Less: progress payments	<u>(71.4)</u>	<u>2.6</u>	<u>(74.0)</u>	<u>(12.3)</u>	<u>(61.7)</u>
	<u>1,058.0</u>	<u>(18.4)</u>	<u>1,076.4</u>	<u>312.5</u>	<u>763.9</u>



Analysis of Residential Units Sold

	<u>12 Months to Apr 2007</u>		<u>12 Months to Apr 2006</u>	
	<u>Units</u>	<u>ASP</u>	<u>Units</u>	<u>ASP</u>
Group	2,852	£285k	3,001	£293k
Joint ventures	441	£329k	816	£372k
	<u>3,293</u>	<u>£291k</u>	<u>3,817</u>	<u>£310k</u>



Land Bank

	<u>At 30 Apr</u> <u>2007</u>	<u>At 30 Apr</u> <u>2006</u>	<u>Variance</u>
Owned	21,209	19,860	1,349
Contracted	8,848	3,264	5,584
Agreed	<u>71</u>	<u>695</u>	<u>(624)</u>
Plots	30,128	23,819	6,309
Sales value	£7,709m	£6,067m	£1,642m
Average selling price	£256k	£255k	£1k
Average plot cost	£33k	£31k	£2k
Land cost %	13.1%	12.3%	0.8%
Gross margin	£2,234m	£1,672m	£562m
GM%	29.0%	27.6%	1.4%

• Includes 2,530 plots within joint ventures.



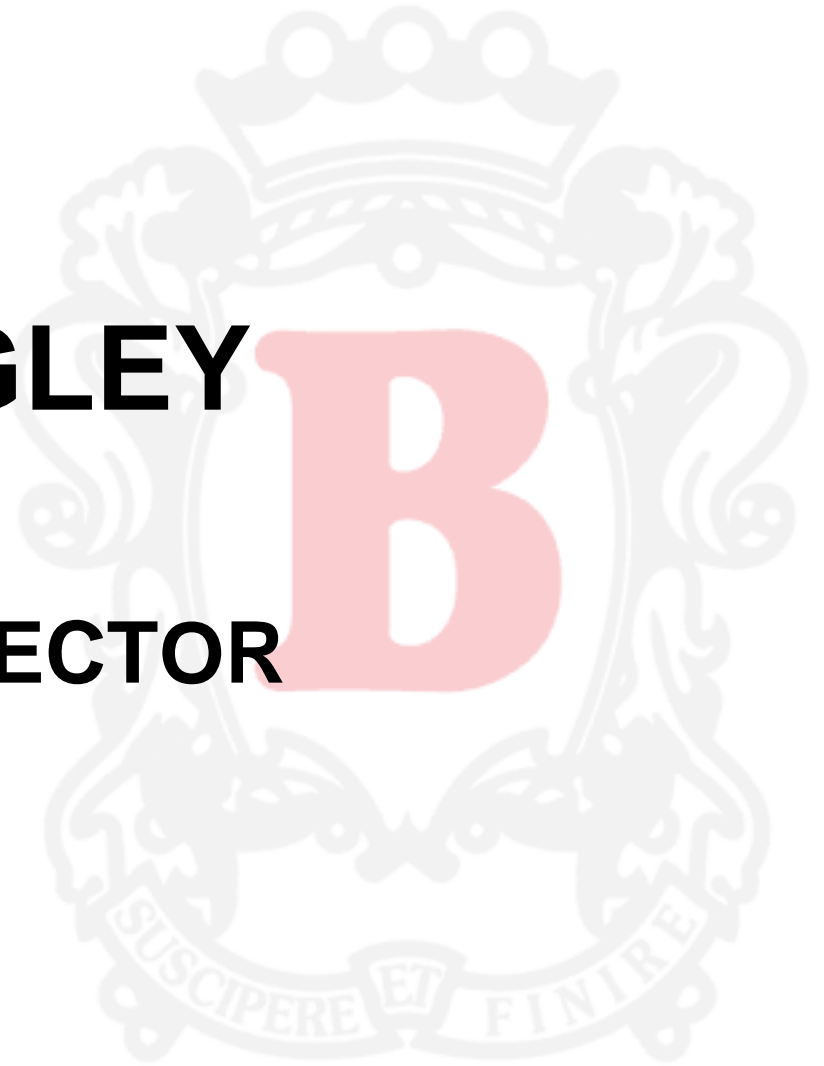
Largest Sites Released to Market

	<u>Total</u>	<u>Complete</u>	<u>Exchanged</u>	<u>Resv'd</u>	<u>Available</u>	<u>Not Released</u>
Royal Arsenal (inc The Warren)	3,769	996	211	18	24	2,520
Beaufort Park, Hendon	2,800	-	406	41	11	2,342
Imperial Wharf, Chelsea	1,879	826	276	5	11	761
St George Wharf, Vauxhall	1,403	772	85	28	-	518
Kennet Island, Reading	1,150	56	228	2	-	864
Battersea Reach	1,082	323	52	5	-	702
Chelsea Bridge Wharf	1,076	836	182	4	49	5
Holborough Valley, Snodland	1,003	137	58	8	19	781
Grosvenor Waterside, W'minster	924	293	249	-	95	287
Gunwharf Resid'l, Portsmouth	897	687	61	10	6	133
Royal Clarence Yard, Gosport	698	282	48	5	29	334
New River Village, Hornsey	623	566	30	4	23	-
Parkwest, West Drayton	574	-	107	16	-	451
Tabard Square, Long Lane	571	540	26	3	-	2
Knowle Village, Hampshire	523	393	5	2	12	111
The Hamptons, Worcester	498	275	173	5	8	37
Bromyard Avenue, Acton Park	493	285	93	13	20	82
Silkworks, Lewisham	484	-	32	20	2	430
	<u>20,447</u>	<u>7,267</u>	<u>2,322</u>	<u>189</u>	<u>309</u>	<u>10,360</u>



TONY PIDGLEY

MANAGING DIRECTOR





Managing Director's Review

- Introduction
- People
- Our strategy
- Results
- The market
- Land bank
- Planning
- St James
- Scheme of Arrangement
- Conclusion





Questions

Roger Lewis

Tony Pidgley

Rob Perrins

Tony Carey

Greg Fry

Chairman

Managing Director

Finance Director

Executive Director

Executive Director

