



Preliminary Results Presentation

30th June 2006





ROGER LEWIS

CHAIRMAN





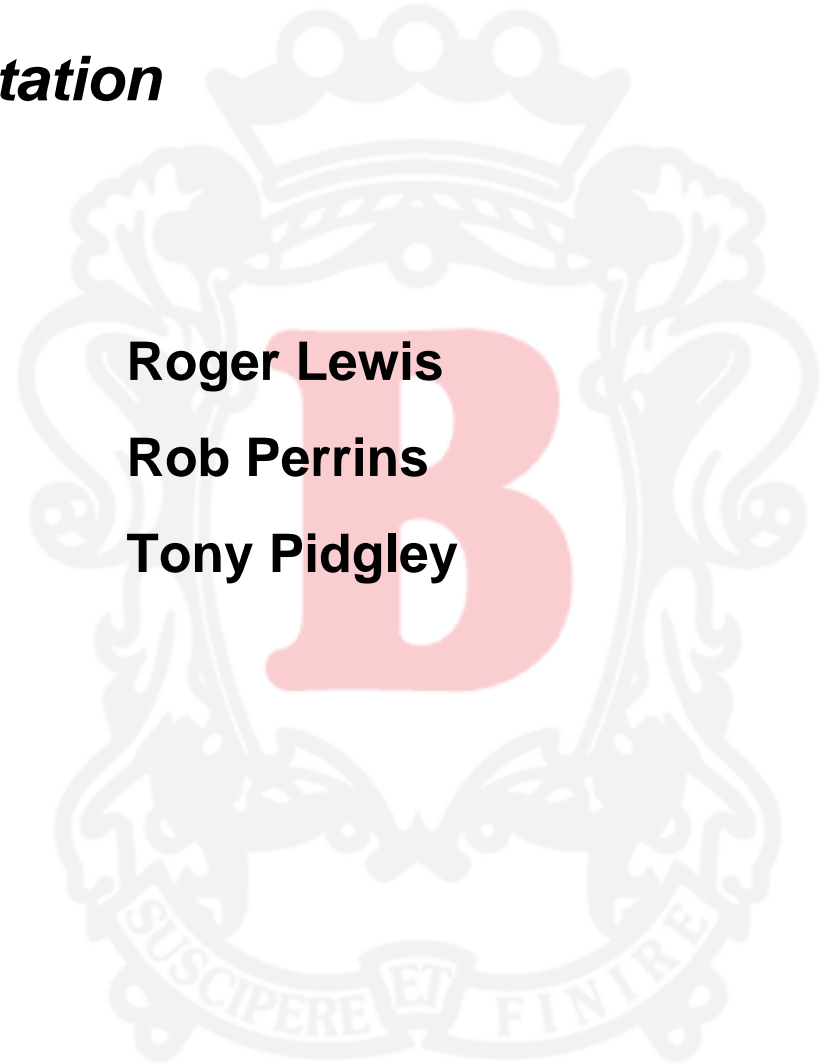
Format of Presentation

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

Roger Lewis

Rob Perrins

Tony Pidgley





Financial Highlights (1)
Year ended 30th April 2006

	<u>2006</u>	<u>2005</u>	<u>Change</u>	
	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>%</u>
<i>Continuing Group</i>				
Profit before tax	165.1	155.4	9.7	6.2%
Tax	(43.7)	(41.4)	(2.3)	(5.6%)
Profit after tax	<u>121.4</u>	<u>114.0</u>	<u>7.4</u>	<u>6.5%</u>
<i>Discontinued operations</i>				
Profit from discontinued operations	<u>80.8</u>	<u>24.9</u>	<u>55.9</u>	
Total profit after tax	<u>202.2</u>	<u>138.9</u>	<u>63.3</u>	<u>45.6%</u>
EPS – Basic	<u>168.4p</u>	<u>116.2p</u>	<u>52.2p</u>	<u>44.9%</u>
EPS – Continuing operations	<u>101.1p</u>	<u>95.3p</u>	<u>5.8p</u>	<u>6.1%</u>



Financial Highlights (2)
Year ended 30th April 2006

	<u>2006</u>	<u>2005</u>	<u>Change</u>
Net assets	£837.2m	£621.4m	34.7%
Net asset value per share	697p	518p	34.6%
Net cash / (debt)	£220.6m	(£255.1m)	£475.7m



The Return to Shareholders

		<u>Board Approval</u>	<u>Payment</u>
2004 B Share	£5	October 2004	3rd December 2004
2006 B Share	£2	December 2006	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

- **Cash flow**
- **Profit & loss account**
- **Balance sheet**
- **Sales analysis**
- **Land holdings**
- **Crosby**
- **IFRS**





Abridged Group Cash Flow

	<u>12 Months to</u> <u>Apr 2006</u> <u>£m</u>	<u>12 Months to</u> <u>Apr 2005</u> <u>£m</u>	<u>Change</u> <u>£m</u>
Continuing operations			
- Operating (net of interest and tax)	119.6	110.1	9.5
- Working capital movements	126.4	38.8	87.6
	<u>246.0</u>	<u>148.9</u>	97.1
Discontinued operations	229.7	92.5	137.2
Payments to Shareholders	-	(641.7)	641.7
	<u>475.7</u>	<u>(400.3)</u>	876.0
Decrease / (increase) in net debt			
Opening net (debt)/cash	<u>(255.1)</u>	<u>145.2</u>	<u>(400.3)</u>
Closing net cash/(debt)	<u>220.6</u>	<u>(255.1)</u>	<u>475.7</u>



Cash Due on Forward Sales

	<u>At 30 Apr</u> <u>2006</u> <u>£m</u>	<u>At 30 Apr</u> <u>2005</u> <u>£m</u>	<u>Change</u> <u>£m</u>
Debtors taken to sales and due on completion	17.0	37.3	(20.3)
Due on units not yet taken to sales			
- Exchanged contracts	470.1	572.8	(102.7)
- Reserved units	94.8	76.9	17.9
Total cash due (excluding Crosby)	<u>581.9</u>	<u>687.0</u>	<u>(105.1)</u>
Total cash due (including Crosby)	<u>581.9</u>	<u>948.0</u>	<u>(366.1)</u>



Abridged Group Income Statement – Continuing Group

	<u>12 Months to</u> <u>Apr 2006</u>		<u>12 Months to</u> <u>Apr 2005</u>		<u>Change</u>	
<i>Continuing Group</i>	<u>£m</u>		<u>£m</u>		<u>£m</u>	<u>%</u>
Revenue	<u>917.9</u>		<u>794.5</u>		<u>123.4</u>	15.5%
Gross Profit	231.8	25.2%	229.1	28.8%	2.7	1.2%
Overheads	<u>(70.9)</u>	7.7%	<u>(75.7)</u>	9.5%	<u>4.8</u>	6.3%
Operating Profit	160.9	17.5%	153.4	19.3%	7.5	4.9%
Joint ventures (after int. & tax)	11.6		10.3		1.3	12.6%
Net finance costs	(7.4)		(8.3)		0.9	10.8%
Profit before tax	<u>165.1</u>	18.0%	<u>155.4</u>	19.6%	<u>9.7</u>	6.2%



Abridged Group Income Statement – Including Discontinued

	<u>12 Months to</u> <u>Apr 2006</u>	<u>12 Months to</u> <u>Apr 2005</u>	<u>Change</u>	
<i>Continuing Group</i>	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>%</u>
Profit before tax	165.1	155.4	9.7	6.2%
Tax	(43.7)	(41.4)	(2.3)	(5.6%)
Profit after tax	<u>121.4</u>	<u>114.0</u>	<u>7.4</u>	6.5%
<i>Discontinued operations</i>				
Profit after tax	1.1	24.9	(23.8)	
Profit on disposal	79.7	–	79.7	
Profit from discontinued operations	<u>80.8</u>	<u>24.9</u>	<u>55.9</u>	
Total profit after tax	<u>202.2</u>	<u>138.9</u>	<u>63.3</u>	45.6%



Profit on Sale of Crosby

	<u>£m</u>	<u>£m</u>
Consideration		250.7
<i>Net assets disposed</i>		
Non-current assets	10.8	
Current assets	202.5	
Creditors (falling due within one year)	(36.6)	
Creditors (falling due after one year)	(7.8)	
Minority interest	(0.5)	
	<u>168.4</u>	
Expenses relating to the disposal	2.8	
Curtailment gain	(0.2)	
	<u>(171.0)</u>	
Profit on sale		<u>79.7</u>



Profit Distribution and ROCE

- **Group tax rate of 28.5% down from 28.6%**
- **No dividend**
- **Return on Capital Employed (excluding the profit on disposal of Crosby) was 24.0% for the year (2005: 22.0%)**
- **On target to make £2 per share repayment (£241.6m) in January 2007**



Abridged Group Balance Sheet

	<u>At 30 Apr</u> <u>2006</u>	<u>Change</u>	<u>At 30 Apr</u> <u>2005</u> <u>(ex Crosby)</u>	<u>Change</u>	<u>At 30 Apr</u> <u>2005</u>
	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>£'m</u>	<u>£m</u>
Non-current assets	89.5	2.1	87.4	(9.1)	96.5
Inventories	763.9	(154.6)	918.5	(184.5)	1,103.0
Debtors	23.7	(16.2)	39.9	(8.2)	48.1
Creditors < 1 year	(235.0)	44.7	(279.7)	46.3	(326.0)
Creditors > 1 year	(25.6)	11.9	(37.5)	7.6	(45.1)
Capital employed	616.5	(112.1)	728.6	(147.9)	876.5
Net cash / (debt)	220.6	480.9	(260.3)	(5.2)	(255.1)
Crosby	-	(153.1)	153.1	153.1	-
Net assets	837.1	215.7	621.4	-	621.4
Net asset value per share	697p				518p
Gearing	-				41.1%



Inventories

	<u>At 30 Apr</u> <u>2006</u>	<u>Change</u>	<u>At 30 Apr</u> <u>2005</u> <u>(ex Crosby)</u>	<u>Change</u>	<u>At 30 Apr</u> <u>2005</u>
	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>£m</u>
Land not under development	138.7	38.4	100.3	-	100.3
Work in progress: Land cost	<u>280.0</u>	<u>(73.2)</u>	<u>353.2</u>	<u>(119.3)</u>	<u>472.5</u>
	418.7	(34.8)	453.5	(119.3)	572.8
Build cost	289.9	(103.4)	393.3	(37.4)	430.7
Completed units	52.9	(13.3)	66.2	(26.7)	92.9
Part exchanges	<u>2.4</u>	<u>(3.1)</u>	<u>5.5</u>	<u>(1.1)</u>	<u>6.6</u>
	<u>763.9</u>	<u>(154.6)</u>	<u>918.5</u>	<u>(184.5)</u>	<u>1,103.0</u>



Analysis of Residential Units Sold

	<u>12 Months to</u> <u>Apr 2006</u>		<u>12 Months to</u> <u>Apr 2005</u>	
	<u>Units</u>	<u>ASP</u>	<u>Units</u>	<u>ASP</u>
<i>Continuing operations</i>				
Group	3,001	£293k	2,292	£309k
Joint ventures	816	£372k	799	£358k



Land Bank (excluding Crosby)

	<u>At 30 Apr</u> <u>2006</u>	<u>At 30 Apr</u> <u>2005</u>
Owned	19,860	20,091
Contracted	3,264	2,680
Agreed	695	352
	<hr/>	<hr/>
Plots	23,819	23,123
Sales value	£6,067m	£5,931m
Average selling price	£255k	£257k
Average plot cost	£31k	£32k
Land cost %	12.3%	12.4%
Gross margin	£1,672m	£1,671m
GM%	27.6%	28.2%

- Includes joint venture land holdings, of which 3,855 plots are in St James
- Current year and comparatives are stated on an IFRS basis



Largest London 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	-	146	5	10	2,639
Imperial Wharf, Chelsea	1,880	613	345	13	14	895
St George Wharf, Vauxhall	1,427	756	13	-	-	658
Woolwich Arsenal	1,257	866	179	42	68	102
Battersea Reach	1,134	200	74	12	37	811
Chelsea Bridge Wharf	1,078	706	44	37	15	276
Brookmill Road, Deptford	759	724	23	11	1	-
Grosvenor Waterside, W'minster	701	179	338	2	42	140
New River Village, Hornsey	628	260	204	9	101	54
Tabard Square, Long Lane	574	156	350	14	20	34
Bromyard Avenue, Acton	521	2	319	4	22	174
Royal Quarter, Kingston	447	435	7	3	-	2
Kew Riverside Park	192	86	4	5	-	97
Z Apartments, Aragon Tower	158	-	123	18	16	1
	<u>13,556</u>	<u>4,983</u>	<u>2,169</u>	<u>175</u>	<u>346</u>	<u>5,883</u>



Largest Non-London Sites Released to Market

	<u>Total</u>	<u>Complete</u>	<u>Exchanged</u>	<u>Resv'd</u>	<u>Available</u>	<u>Not Released</u>
Holborough Valley, Snodland	1,001	30	56	14	21	880
Gunwharf Resid'l, Portsmouth	899	582	142	2	27	146
Kennet Island, Reading	850	-	-	-	68	782
Royal Clarence Yard, Gosport	698	279	-	2	33	384
Knowle Village, Hampshire	543	358	2	3	17	163
The Waterways, Oxford	525	510	15	-	-	-
The Hamptons, Worcester Park	500	192	53	8	29	218
Oxford Waterfront	252	2	121	38	-	91
Go Ahead, Oxford	229	120	34	6	9	60
Lower Earley, Reading	150	81	20	6	22	21
Albion Place, Sandleford	115	84	11	10	10	-
	<u>5,762</u>	<u>2,238</u>	<u>454</u>	<u>89</u>	<u>236</u>	<u>2,745</u>



TONY PIDGLEY

MANAGING DIRECTOR





Managing Director's Review

- **People**
- **Our Strategy**
- **Scheme of Arrangement**
- **Optimising our Land Holdings**
- **Joint Ventures**
- **Market**
- **Costs**
- **Conclusion**





Questions

Roger Lewis

Tony Pidgley

Rob Perrins

Tony Carey

Greg Fry

Chairman

Managing Director

Finance Director

Executive Director

Executive Director

