

## Regulatory Announcement

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**Company** Mounview Estates.  
**TIDM** MTVV  
**Headline** Interim Results  
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 Mounview Estates PLC  
 27 November 2008

## CHAIRMAN'S STATEMENT

On the following pages are the unaudited Accounts for the six months ended on 30 September 2008. This statement is usually a simple case of comparing this year's figures with last year's but such momentous events have taken place in the last few weeks that it is hard to draw the line at 30 September. Nevertheless I believe that the time to reflect on these events and those which may take place in the next few weeks is in the Second Interim Management Statement which will be issued in February 2009.

Gross rental income is up by over 19% and property expenses have been sufficiently well contained for net rental income to be up by over 30%. However whilst gross sales of properties are up by over 16%, the cost of properties sold has risen so markedly that the net income from sales of properties is down by over a third.

Included in the cost of properties sold is a £3 million writedown of the value of the properties acquired most recently. This is in accordance with an International Accounting Standard which does not allow set-off against properties which have risen in value. The full effect of this will be detailed in the full year's accounts.

Administrative expenses have fallen by over 20% but net finance costs have more than doubled. This rise was predicted but the benefit of recent cuts in base rate will not be felt instantly because so many interest charges are set in relation to LIBOR.

The net effect of these various changes is that earnings per share are down by over 40%. Nevertheless the Company remains soundly based with tight control over its finances and will be well placed to take advantage of new opportunities when the recession has been weathered. Furthermore the interim dividend is maintained at 50 pence per share and will be payable on 30 March 2009 to shareholders on the register at 27 February 2009.

## GROUP INCOME STATEMENT (UNAUDITED)

	Half year ended 30.09.2008 £000	Half year ended 30.09.2007 £000	Year ended 31.03.2008 £000
<b>Revenue</b>	28,578	24,432	54,338
Cost of Sales	(15,910)	(7,673)	(18,347)
<b>Gross Profit</b>	12,668	16,759	35,991
Administrative expenses	(1,477)	(1,874)	(4,207)
<b>Operating profit before changes in fair value of investment properties</b>	11,191	14,885	31,784
Increase in fair value of investments	-	-	1,784
<b>Profit from operations</b>	11,191	14,885	33,568
Net finance costs	(3,444)	(1,458)	(4,039)

<b>Profit before taxation</b>	<b>7,747</b>	13,427	29,529
Taxation - current	(2,325)	(4,096)	(8,358)
Taxation - deferred	79	13	(503)
<b>Taxation</b>	<b>(2,246)</b>	(4,083)	(8,861)
<b>Profit attributable to equity shareholders</b>	<b>5,501</b>	9,344	20,668
<b>Basic and diluted earnings per share (pence)</b>	<b>141.1p</b>	239.7p	530.1p

All items within the consolidated income statement relate to continuing operations.

#### GROUP BALANCE SHEET (UNAUDITED)

	As at 30.09.2008 £000	As at 30.09.2007 £000	As at 31.03.2008 £000
<b>Assets</b>			
<b>Non-current assets</b>			
Property plant and equipment	2,652	2,701	2,719
Investment properties	36,386	34,092	36,203
	39,038	36,793	38,922
<b>Current assets</b>			
Inventories of trading properties	275,752	210,081	271,361
Trade and other receivables	1,412	1,196	1,118
Cash and cash equivalents	269	772	802
	277,433	212,049	273,281
<b>Total assets</b>	<b>316,471</b>	248,842	312,203
<b>Equity and liabilities</b>			
<b>Capital and reserves attributable to equity holders of the company</b>			
Share capital	195	195	195
Capital redemption reserve	55	55	55
Capital reserve	25	25	25
Other reserve	56	56	56
Retained earnings	188,834	178,051	187,426
	189,165	178,382	187,757
<b>Non-current liabilities</b>			
Long-term borrowings	95,000	45,828	95,000
Deferred tax	9,618	9,181	9,697
	104,618	55,009	104,697
<b>Current liabilities</b>			
Trade and other payables	1,075	1,202	3,081
Bank overdrafts and loans	19,288	10,157	12,685
Current tax payable	2,325	4,092	3,983
	22,688	15,451	19,749
<b>Total liabilities</b>	<b>127,306</b>	70,460	124,446
<b>Total equity and liabilities</b>	<b>316,471</b>	248,842	312,203

#### GROUP CASHFLOW STATEMENT (UNAUDITED)

	Half year ended 30.09.2008 £000	Half year ended 30.09.2007 £000	Year ended 31.03.2008 £000
<b>Cash flows from operating activities</b>			
Profit from operations	11,191	14,885	33,568
Adjustment for:			
Depreciation	100	81	190
Loss on disposal of property, plant and equipment	2	11	21
(Increase) in fair value of investment properties	-	-	(1,784)
<b>Cash flow from operations before movement in working capital</b>	<b>11,293</b>	<b>14,977</b>	<b>31,995</b>
(Increase) in inventories	(4,391)	(26,192)	(87,472)
(Increase) in receivables	(294)	(134)	(57)
(Decrease)/Increase in payables	(2,005)	(1,749)	128
<b>Cash generated from operations</b>	<b>4,603</b>	<b>(13,098)</b>	<b>(55,406)</b>
Interest paid	(3,446)	(1,461)	(4,043)
Income taxes paid	(3,985)	(6,530)	(10,901)
<b>Net cash (outflow) from operating activities</b>	<b>(2,828)</b>	<b>(21,089)</b>	<b>(70,350)</b>
<b>Investing activities</b>			
Interest received	2	3	4
Proceeds from disposal of investment properties	-	-	-
Proceeds from disposal of property, plant and equipment	15	34	60
Purchase of property, plant and equipment	(48)	(220)	(382)
Capital expenditure on investment properties	(183)	(12)	(339)
<b>Net cash (outflow) from investing activities</b>	<b>(214)</b>	<b>(195)</b>	<b>(657)</b>
<b>Cash flows from financing activities</b>			
Increase in borrowings	390	16,928	67,411
Repayment of borrowings	-	-	-
Equity dividend paid	(4,093)	(3,899)	(5,848)
<b>Net cash (outflow)/inflow from financing activities</b>	<b>(3,703)</b>	<b>13,029</b>	<b>61,563</b>
<b>Net (decrease) in cash and cash equivalents</b>	<b>(6,745)</b>	<b>(8,255)</b>	<b>(9,444)</b>
Opening cash and cash equivalents	(8,798)	646	646
<b>Closing cash and cash equivalents</b>	<b>(15,543)</b>	<b>(7,609)</b>	<b>(8,798)</b>

#### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Half year ended 30.09.2008 £000	Half year ended 30.09.2007 £000	Year ended 31.03.2008 £000
Shareholders' funds as at 1 April	187,757	172,937	172,937
Profit for the period	5,501	9,344	20,668
Dividends	(4,093)	(3,899)	(5,848)
Shareholders' funds at the end of the period	189,165	178,382	187,757

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