

RNS Number : 9398I  
 Mountview Estates PLC  
 23 June 2011

**MOUNTVIEW ESTATES P.L.C.**

**CHAIRMAN'S STATEMENT**

The year ended 31 March 2011 has been a difficult one but the results are satisfactory and there has been good progress towards the changes that must be made for the future prosperity of the Company. The year ended 31 March 2010 saw a strong recovery from the disappointing results of the previous year but, as the realities of the country's economic situation became apparent under the new government, it has not been possible to maintain that recovery in its fullest form this year.

My suggestion at the interim stage that the second half of the Company's financial year might be as good as the first half happily proved to be accurate almost to the penny and the gross profit as a percentage of turnover has at least matched last year's performance. In the second half of this financial year the Company has made significant purchases and this trend has continued since 1 April 2011.

In a company as small as this each staff departure is a significant inconvenience but also a significant opportunity to make the changes that will enable the Company to progress towards a sound future. New recruitments have been made and further changes of personnel will be made as and when appropriate.

Following the acquisition of the Magdalen Park Estate portfolio at the end of January 2008 there was necessarily an emphasis on the repayment of debt and that has been achieved very successfully. Arguably that emphasis was overdone and the necessity for new purchases was overlooked. That necessity is being addressed but the level of indebtedness is being carefully monitored.

Economic conditions are not expected to be easy during the coming year although interest rates presently remain at historic lows. The Company is well placed to take advantage of good purchasing opportunities and I expect the Company's portfolio of properties to be significantly larger by the end of the year. The coming year is about building for and preparing for the future so that we are well placed to take advantage when the housing market improves.

My staff and colleagues have continued to work hard but unfortunately in the prevailing market conditions their efforts have not brought the same results and rewards as last year. Nevertheless it is possible to maintain the final dividend at last year's increased level.

The final dividend of 115 pence per share in respect of the year ended 31 March 2011 recommended by your Board is payable on 15 August 2011 to shareholders on the Register of Members as at 15 July 2011. This will make a total dividend for the year ended 31 March 2011 of 165 pence per share which is 2.6 times covered by the earnings per share.

**MOUNTVIEW ESTATES P.L.C.**

**FINANCIAL HIGHLIGHTS**

	2011	2010	(Decrease) /Increase %
	£	£	
<b>Turnover (millions)</b>	47.6	56.7	<b>(16.05)</b>

<b>Gross Profit (millions)</b>	29.1	34.5	<b>(15.7)</b>
<b>Profit Before Tax (millions)</b>	23.6	29.3	<b>(19.4)</b>
<b>Profit Before Tax excluding investment properties revaluation (millions)</b>	21.1	27.1	<b>(22.1)</b>
<b>Equity Holders' Funds (millions)</b>	214.9	203.1	<b>5.8</b>
<b>Earnings per share (pence)</b>	435.3	554.8	<b>(21.5)</b>
<b>Net assets per share</b>	55.1	52.1	<b>5.7</b>
<b>Dividend per share (pence)</b>	165	165	-

Mountview Estates P.L.C. advises its shareholders that, following the issue of the final results, the relevant dates in respect of the proposed final dividend payment of 115 pence per share are as follows:

Ex-dividend date	13 July 2011
Record date	15 July 2011
Payment date	15 August 2011

**MOUNTVIEW ESTATES P.L.C.**  
**CONSOLIDATED INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2011**

	<b>Year ended 31.03.2011 £000</b>	Year ended 31.03.2010 £000
<b>REVENUE</b>	<b>47,655</b>	56,697
Cost of sales	<b>(18,548)</b>	(22,191)
<b>GROSS PROFIT</b>	<b>29,107</b>	34,506
Administrative Expenses	<b>(4,305)</b>	(4,046)
<b>Operating profit before changes in fair value of investment properties</b>	<b>24,802</b>	30,460
Increase in fair value of investment properties	<b>2,454</b>	2,142
<b>PROFIT FROM OPERATIONS</b>	<b>27,256</b>	32,602
Change in fair value of derivatives	<b>(292)</b>	-
Finance Costs	<b>(3,404)</b>	(3,347)
<b>PROFIT BEFORE TAXATION</b>	<b>23,560</b>	29,255
Taxation - current	<b>(7,425)</b>	(7,969)
Taxation - deferred	<b>836</b>	349
Total Taxation	<b>(6,589)</b>	(7,620)
<b>PROFIT ATTRIBUTABLE TO EQUITY SHAREHOLDERS</b>	<b>16,971</b>	21,635
Basic and diluted earnings per share (pence)	<b>435.3p</b>	554.8p

MOUNTVIEW ESTATES P.L.C.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

**FOR THE YEAR ENDED 31 MARCH 2011**

	As at 31.03.2011 £000	As at 31.03.2010 £000
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	2,461	2,422
Investment properties	30,314	32,872
	32,775	35,294
<b>CURRENT ASSETS</b>		
Inventories of trading properties	259,462	256,964
Trade and other receivables	1,192	1,197
Cash and cash equivalents	116	443
	260,770	258,604
<b>TOTAL ASSETS</b>	<b>293,545</b>	<b>293,898</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves attributable to equity holders of the company</b>		
Share Capital	195	195
Capital redemption reserve	55	55
Capital reserve	25	25
Other reserve	56	56
Cash flow hedge reserve	(2,340)	(3,640)
Retained earnings	216,905	206,366
	214,896	203,057
<b>NON-CURRENT LIABILITIES</b>		
Long-term borrowings	50,000	65,000
Deferred Tax	7,321	8,157
	57,321	73,157
<b>CURRENT LIABILITIES</b>		
Bank overdrafts and loans	13,940	8,876
Trade and other payables	1,485	1,355
Current tax payable	3,271	3,813
Derivative financial instruments	2,632	3,640
	21,328	17,684
<b>TOTAL LIABILITIES</b>	<b>78,649</b>	<b>90,841</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>293,545</b>	<b>293,898</b>

**MOUNTVIEW ESTATES P.L.C.**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

**FOR THE YEAR ENDED 31 MARCH 2011**

	Share Capital £000	Capital Reserve £000	Capital Redemption Reserve £000	Cash Flow Hedge Reserve £000	Other Reserves £000	Retained Earnings £000	Total £000
Changes in Equity for year ended 31 March 2010							
Balance as at 1 April 2009	195	25	55	(3,614)	56	190,773	187,490
Profit for the year						21,635	21,635
Movements in cash flow hedge				(26)			(26)
Dividends						(6,042)	(6,042)
Balance as at 31 March 2010	195	25	55	(3,640)	56	206,366	203,057

**Changes in equity for  
year ended 31 March 2011**

Balance as at 1 April 2010	195	25	55	(3,640)	56	206,366	203,057
Reduction in reserve				1,300			1,300
Profit for the year						16,971	16,971
Dividends						(6,432)	(6,432)
<b>Balance as at 31 March 2011</b>	<b>195</b>	<b>25</b>	<b>55</b>	<b>(2,340)</b>	<b>56</b>	<b>216,905</b>	<b>214,896</b>

**MOUNTVIEW ESTATES P.L.C.  
GROUP CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2011**

	<b>Year ended 31.03.2011 £000</b>	Year ended 31.03.2010 £000
<b>Cash flow from operating activities</b>		
Profit from operations	<b>27,256</b>	32,602
Adjustment for:		
Depreciation	<b>174</b>	156
Loss on disposal of property, plant & equipment	<b>11</b>	5
(Increase) in fair value of investment properties	<b>(2,454)</b>	(2,142)
<b>Operating cash flow before movement in working capital</b>	<b>24,987</b>	30,621
(Increase)/Decrease in inventories	<b>(2,498)</b>	11,841
Decrease/(Increase) in receivables	<b>5</b>	(538)
Increase/(Decrease) in payables	<b>125</b>	(822)
<b>Cash generated from operations</b>	<b>22,619</b>	41,102
Interest paid	<b>(3,404)</b>	(3,347)
Income taxes paid	<b>(8,027)</b>	(6,410)
<b>Net cash inflow from operating activities</b>	<b>11,188</b>	31,345
<b>Investing activities</b>		
Proceeds from disposal of investment properties	<b>6,600</b>	1,895
Purchase of property, plant and equipment	<b>(309)</b>	(11)
Capital expenditure on investment properties	<b>(1,438)</b>	(434)
<b>Net cash inflow from investing activities</b>	<b>4,853</b>	1,450
<b>Cash flow from financing activities</b>		
Repayment of borrowings	<b>(14,700)</b>	(23,800)
Equity dividend paid	<b>(6,432)</b>	(6,042)
<b>Net cash (outflow) from financing activities</b>	<b>(21,132)</b>	(29,842)
<b>Net increase/(decrease) in cash and cash equivalent</b>	<b>(5,091)</b>	2,953
Cash and cash equivalent at beginning of the period	<b>(8,258)</b>	(11,211)
<b>Closing cash and cash equivalent at end of year</b>	<b>(13,349)</b>	(8,258)

**MOUNTVIEW ESTATES P.L.C.  
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2011**

	<b>Year ended 31.03.2011 £000</b>	Year ended 31.03.2010 £000
Profit for the year	<b>16,971</b>	21,635
Net (expense) recognised directly in equity	-	(26)
Total recognised income	<b>16,971</b>	21,609
The total recognised income in the year is attributable to: Equity shareholders of the parent	<b>16,971</b>	21,609

## Notes to the Preliminary Announcement

### 1. Financial Information

The financial information contained in this report does not constitute statutory accounts for the years ended 31 March 2011 or 31 March 2010 within the meaning of section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 March 2010 which were prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS") and which received an unqualified audit report and did not contain a statement under s498(2) or (3) of the Companies Act 2006, have been filed with the Registrar of Companies.

Financial statements for the year ended 31 March 2011 will be presented to the Members at the Annual General Meeting on 10 August 2011. The auditors have indicated that their report on these Financial Statements will be unqualified.

### 2. Basis of Preparation

The preliminary announcement has been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS") but does not contain sufficient information to comply fully with IFRS. The Financial Statements to be presented to Members at the 2011 AGM are expected to comply fully with IFRS.

The preliminary announcement has been prepared under the historical cost convention as modified by the revaluation of investment properties.

This information is provided by RNS  
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