



**Helical Bar plc**

Half year report for the six  
months to 30 September 2008

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**£12.7m**

Profit before tax for  
the half year of £12.7m  
(2007: £7.3m)

**8.5p**

Diluted EPRA earnings  
per share of 8.5p  
(2007: 9.7p)

**1.75p**

Interim dividend maintained  
at 1.75p per share  
(2007: 1.75p)

**333p**

Diluted EPRA net assets  
per share of 333p  
(31 March 2008: 352p).

“We do not underestimate the challenge of preserving the value of our existing assets in the light of prevailing market conditions but are genuinely excited about the scale of opportunities ahead.

Your executive directors have much of their wealth invested in Helical shares and remain committed to protecting the value of the business and sustaining its long term track record of outperformance”.

Giles Weaver, Chairman

## Financial highlights

|   | Notes | Half year to<br>30.9.08<br>£m | Half year to<br>30.9.07<br>£m | Year to<br>31.3.08<br>£m |
|---|-------|-------------------------------|-------------------------------|--------------------------|
| Net rental income   |       | 8.2                           | 7.9                           | 16.4                     |
| Development profits   |       | 7.9                           | 4.3                           | 6.1                      |
| Trading profits   |       | –                             | –                             | –                        |
| Share of results of joint ventures  | 1     | 0.1                           | 0.4                           | (0.1)                    |
| Profits before loss on investment properties,<br>profit on sale of fixed asset investments and taxation |       | 10.8                          | 7.3                           | 8.5                      |
| Loss on investment properties   |       | –                             | –                             | (32.8)                   |
| Profits/(loss) before tax   |       | 12.7                          | 7.3                           | (24.3)                   |
|   |       | pence                         | pence                         | pence                    |
| Basic earnings/(loss) per share   |       | 9.2                           | 14.3                          | (13.5)                   |
| Diluted earnings/(loss) per share   |       | 8.8                           | 13.4                          | (13.5)                   |
| Diluted EPRA earnings per share   | 3     | 8.5                           | 9.7                           | 11.6                     |
| Adjusted diluted net assets per share   | 2     | 299                           | 342                           | 306                      |
| Diluted EPRA net assets per share   | 2/4   | 333                           | 382                           | 352                      |
| Dividends per share (paid in period)  |       | 2.75                          | 2.75                          | 4.50                     |
| Interim dividend declared   |       | 1.75                          | 1.75                          | 1.75                     |
|   |       | £m                            | £m                            | £m                       |
| Book value of investment portfolio  | 2     | 309.4                         | 323.2                         | 306.8                    |
| Trading and development stock   | 5     | 221.6                         | 200.3                         | 225.5                    |
| Net borrowings  |       | 211.0                         | 179.0                         | 205.5                    |
| Net assets  | 2     | 270.0                         | 293.0                         | 268.7                    |
| Ratio of net borrowings to property portfolio   |       | 39.7%                         | 34.2%                         | 38.6%                    |
| Net gearing   | 2/6   | 78%                           | 61%                           | 76%                      |

### Notes

1. The Group's share of the results of entities controlled equally by the Group and its joint venture partners.
2. There has been no interim revaluation of the investment portfolio as at 30 September 2008 and 30 September 2007. Investment properties are included at 31 March values as adjusted for purchases and sales during the period
3. Calculated in accordance with the best practice recommendations of the European Public Real Estate Association (“EPRA”). See note 8 of Half Year Statement.
4. Calculated in accordance with the best practice recommendations of EPRA. Includes the surplus on fair value of trading and development properties as at 31 March 2008, less any surplus realised in the half year to 30 September 2008. See note 20 of Half Year Statement.
5. Includes the surplus on fair value of trading and development properties at 31 March less any surplus realised in the period. See note 10 of Half Year Statement.
6. Net gearing is the ratio of net borrowings to net assets excluding the surplus on fair value of trading and development properties.

## Chairman's statement

**In the Chief Executive's statement for the 31 March 2008 year end accounts, Michael Slade noted that "whether the market can stabilise in 2009 is entirely dependent on the underlying strength of the economy and whether a recession can be avoided." Since then, volcanic eruptions in the banking sector and the subsequent monetary and fiscal attempts to support that sector and, by proxy, the wider economy at large, are having ongoing repercussions, particularly in real estate. The economy has been severely weakened and the UK is undoubtedly in the midst of a recession.**

### **Basis of Preparation**

The half year statement has been prepared in accordance with IAS 34 Interim Financial Reporting. The principal accounting policies have remained unchanged from the prior financial period to 31 March 2008.

In line with Helical's long-held practice, there has been no interim revaluation of the investment portfolio as at 30 September 2008. Investment properties, in this half year statement, are shown at 31 March 2008 values as adjusted for property additions and disposals. Where investment properties are considered to have suffered a permanent diminution in value, or the net realisable value of a trading or development property is considered to have fallen below cost, the Company has made an impairment charge. This treatment is in accordance with the Group's previous reporting practice. Unrealised surpluses on trading and development stock, included in diluted EPRA net asset value per share, are shown at 31 March 2008 valuations, as adjusted for disposals.

Since March 2008, property valuations in the sector have continued to fall. As foreseen in last year's accounts, shareholders should be aware that we anticipate further write downs in our investment and trading stock valuations at the year end, 31 March 2009, as the economy continues to deteriorate.

### **Financing**

In these difficult times the primary task of your directors is to ensure that strong financing is in place; first and foremost to ensure the business can continue its activities and secondly to enable the company to take advantage of opportunities that become available as a result of the economic turmoil.

During the interim period, Helical has agreed and drawn down £50m of new secured facilities and since the half year end has negotiated an extension on £38m of short-term facilities leaving secured borrowings of just £5m to renegotiate in 2009. Although recent negotiations have been more complex and the terms are less favourable, it seems that for sound companies, with good track records, banking finance remains available.

At 27 November 2008, the date these results are published, Helical has cash and undrawn bank facilities of £95m.

On a pro-forma basis, using the March 2008 external and directors' valuations, as adjusted for purchases and sales during the period, the value of the Group's investment, trading and development portfolio at 30 September 2008 was £531.0m (31 March 2008: £532.3m). With net borrowings of £211.0m (31 March 2008: £205.5m) the ratio of net borrowings to the book value of the property portfolio was 39.7% (31 March 2008: 38.6%). Net debt to equity gearing at 30 September 2008 was 78% (31 March 2008: 76%).

At 30 September 2008, the Group had £128.9m (31 March 2008 £87.7m) of fixed rate borrowings with an average effective interest rate of 6.38% (31 March 2008: 6.33%) and an average length of 3.7 years (31 March 2008: 3.4 years) and £110m of interest rate caps at an average 6.7% (31 March 2008: 7%). In addition the Company has a £30m floor at 4.5% until 2013.

### **Banking Covenants**

At 30 September 2008 there were no Group-wide banking covenants (31 March 2008: none). Each bank loan is secured on individual properties in separate companies, although in almost every case the parent company, Helical Bar plc, is the guarantor of the loans. Loan to value covenants range from 70% to 85% and income covenants range from 1.08 to 1.75 of rent as a proportion of interest. At 30 September 2008 each bank loan was within its loan to value and interest covenants.

The Directors regularly stress test the portfolio with scenario planning to ensure that the Company can stay within its banking covenants allowing for recent and future potential falls in values. Covenants are monitored continuously and where potential breaches are anticipated, the Company has recourse to cure rights to avert such breaches by the placing of deposits with lenders or partial loan repayment. The Company's significant cash balances put it in a position to remedy any foreseeable potential breach.

## Results

Despite the gloomy predictions for the future, Helical had a good six months. Profits before tax, including investment gains, were £12.7m (2007: £7.3m). Net rental income for the period was £8.2m (2007: £7.9m) and trading profits were £nil (2007: nil). Development profits of £7.9m (2007: £4.3m), after write downs of trading and development stock of £13.1m (2007: nil), came from Trinity Square, Nottingham and The Tideway Industrial Estate, London SW8 adding to the share of results of joint ventures of £0.1m (2007: £0.4m). Administration costs reduced to £5.7m (2007: £6.1m) and net financing charge was £2.8m (2007: income of £0.6m).

The corporation tax charge of £0.1m (2007: £1.3m) has been combined with a deferred tax charge of £4.2m (2007: credit of £7.0m).

We are declaring an Interim Dividend maintained at 1.75p per share (2007: 1.75p), payable on 23 December 2008 to shareholders on the register on 5 December 2008.

Diluted earnings per share, after a tax charge of £4.3m (2007: credit £5.7m) were 8.8p (2007: 13.4p) and diluted EPRA earnings per share were 8.5p (2007: 9.7p).

Basic net assets per share fell to 284p per share (31 March 2008: 293p) and the fully diluted net assets per share adjusted for the adding back of the deferred tax provision rose to 299p per share (31 March 2008: 306p). The diluted EPRA net asset value per share, which includes the surplus on fair value of trading and development properties as at 31 March 2008, less any surplus realised in the half year, was 333p (31 March 2008: 352p).

## Outlook

The Bank of England recently reported that we have witnessed the most serious disruption in the global banking industry for a century. Debt is a fundamental source of liquidity to property companies and without it the market has ground to a halt. With few transactions there is little evidence on which to base valuations and so pricing has become opaque. In addition, the rapid deterioration in the general economy has dramatically increased the risk of tenant defaults. Inevitably, vacancy rates will rise next year and rental values will fall. There is an increased risk that trade and other debtors could default.

Whilst we had scaled down our investment portfolio over recent years, the Company is not immune from the impact of rising capitalisation rates which reduce the value of our remaining investment assets. Our development and trading stock has the benefit of being diversified across a wide range of sectors and activities but properties are taking longer to sell and are achieving lower prices.

However, in such torrid market conditions we expect to see buying opportunities that arise only once or twice in a property career. We have built up our own cash resources and agreed joint venture arrangements with well capitalised partners who are eager to invest alongside us where and when we find compelling value.

In summary, we do not underestimate the challenge of preserving the value of our existing assets in the light of prevailing market conditions but are genuinely excited about the scale of opportunities ahead. Your executive directors have much of their wealth invested in Helical shares and remain committed to protecting the value of the business and sustaining its long term track record of outperformance. To quote John F Kennedy "The Chinese use two brush strokes to write the word 'crisis'. One brush stroke stands for danger, the other for opportunity. In a crisis, be aware of the danger – but recognise the opportunity".

Giles Weaver  
Chairman

27 November 2008

## Property portfolio

### Highlights during the half year to 30 September 2008 are as follows:

- The Tideway Industrial Estate, London SW8, a 4.5 acre site located on the banks of the River Thames near Battersea Power Station, was sold during the period by the National Grid UK Pension Fund, to Investate Realty, a Bahrain based real estate company, for residential development. Helical benefitted from a share in the net profits generated by the sale, partly receivable on final payment due at the end of 2008.
- Our Polish out-of-town retail projects continue to make encouraging progress. Our 100,000 sq ft project at Wroclaw will be completed next month and fully pre-let. Our 388,000 sq ft project at Opole is forward funded with Standard Life and 60% pre-let. Phase I (500,000 sq ft) of our biggest project at Gliwice, located at the junction of the arterial A1 and A4 motorways, has now been acquired from IKEA. This project is 50% pre-let with construction due to start in 2009 with completion in 2010.
- At Trinity Square, Nottingham a £100m mixed use retail and student housing development, pre-sold to Aviva, was completed releasing final profit retentions.
- At our retirement village scheme at Liphook, Hampshire, we have reservations on 37% of phase I (38 units) with practical completion scheduled for April 2009. Phase II also has 47% reservations on 51 units.
- In Milton Keynes, in partnership with local developer Abbeygate Developments, we have completed an 110,000 sq ft Sainsbury's store and handed over seven of the thirteen residential blocks, pre-sold to Barratt and Genesis Housing. The final six blocks will be completed by March 2009.
- We continue to target the owner-occupier market for the smaller industrial units on our industrial developments. 167,000 sq ft of new development at Southall, West London has been built and we have sold 45,000 sq ft. The project at Millbrook, Southampton is due to be completed in December 2008.
- At our retail refurbishment of the Morgans Department Store in Cardiff we have secured new lettings to White Stuff, Molton Brown and Shoon on the Hayes. The final unit is currently under offer.
- At White City, London W12, just north of the recently opened Westfield London Shopping Centre, we continue to lead a consortium of landowners (Aviva, Marks & Spencer, BBC and Land Securities PLC) on this 33 acre site. We have agreed with the London Borough of Hammersmith and Fulham and the Greater London Authority to proceed with an Opportunity Area Planning Framework. This will be a policy document produced and endorsed by the two Authorities which will set a blueprint of what is possible for our landholdings.
- Helical Governetz, our Government office campus initiative, is in a number of ongoing discussions with various Government departments looking to re-locate to our office park schemes at Newport, Keele and Waverley.
- We await the outcome of planning negotiations at Milton, Cambridge and St Loye's College, Exeter and the result of appeals in Whitstable, Kent and Fleet, Hampshire. All of these are for retirement village/residential consents and should be known by Spring 2009.
- We have completed 30,000 sq ft of pre-let research and development space at Fordham, Newmarket.
- We have secured lettings of 80,000 sq ft of warehouse space in Blackwood and let our remaining vacant industrial space at Sawston and Aldridge.

**A complete list of the Group's ongoing projects is noted below.**

I = Investment D = Development T=Trading

**Ongoing projects**

| Mixed use developments                | Description  | Helical share                                |
|---------------------------------------|--|--|
| C4.1, Milton Keynes                   | 110,000 sq.ft. Sainsbury's completed and sold. 440 residential units (forward sold). 35,000 sq.ft. of retail and offices. Completion March 2009.   | 50%/D  |
| Trinity Square, Nottingham            | 180,000 sq.ft. retail – Borders, TK Maxx, Dixons. 700 student units. Forward sold to Aviva for over £100m. Completed.  | 65%/D  |
| King Street, Hammersmith              | Selected as Development Partner to Hammersmith & Fulham Borough Council. Joint venture with Grainger plc. Scheme comprises new civic offices (118,000 sq.ft.), foodstore, restaurant/retail, and 350+ flats with a bridge linking to the River Thames. Application to be submitted 2009. Completion 2013/14. | 50%/D  |
| Amen Corner, Bracknell                | Land and options held for a gateway residential led/mixed use development off A329M.   | 100%/D                                       |
| Bluebrick, Wolverhampton              | 11 acre site. Individual land sales completed for 208 flats, 20,000 sq.ft. showroom, 88 bed hotel, 7,000 sq.ft. pub. Refurbishment completed of listed building for casino use. Further 1.5 acres sold for student housing.  | 75%/D  |
| Leisure Plaza, Milton Keynes          | Planning consent gained for 165,000 sq. ft. retail store, 65,000 sq. ft. casino, 50,000 sq. ft. ice rink, plus a further 25,000 sq. ft. of leisure.  | 50%/D  |
| Lily's Walk, High Wycombe             | 100,000 sq ft of retail/leisure, 125 residential units. Planning application to be submitted 2009.   | 80%/D  |
| Parkgate, Shirley, Birmingham         | 200,000 sq.ft. retail – Asda (80,000 sq.ft.supermarket) and 200 residential units. Site assembly underway.   | 50%/D  |
| Hagley Road West, Quinton, Birmingham | 16,000 sq.ft. retail plus 15 residential units.  | 75%/D  |
| Projects with change of use potential | Description  | Helical share                                |
| White City, London W12                | Opportunity Area Planning Framework being progressed for 4.5 million sq ft of commercial and residential on 33 acres.  | Consortium landowner & development manager/D |
| Vauxhall, London SW8                  | Site sold and profit share in our joint venture with National Grid UK Pension Fund partly paid with final payment due at the end of 2008.  | Profit Share/D                               |
| Fieldgate Street, London E1           | Planning consent obtained for 14,000 sq ft of retail and 350 student residential units.  | 67%/D  |
| St Loye's College, Exeter             | 18 acre site currently used as a college. Potential for retirement village use, planning application submitted for 240 units.  | 90%/D  |
| Ely Road, Milton, Cambridge           | 32,000 sq ft of industrial on 20 acres<br>Planning application submitted for 100 unit retirement village.  | 90%/D  |
| Maudslay Park, Great Alne             | 314,000 sq ft industrial estate on a 20 acre site with potential for up to 175 retirement home units.  | 90%/D  |
| Cherry Tree Yard, Faygate, Horsham    | Former saw mill on 15 acres with potential for 175 retirement home units.  | 90%/D  |
| Waterside, Fleet                      | 54,000 sq ft of industrial property on 5 acres with potential for 202 residential units.   | 75%/I  |
| Thanet Way, Whitstable                | 80,000 sq ft of industrial on 6 acres with potential for 236 residential units.  | 90%/D  |
| Arleston, Telford                     | 19 acre greenfield site with residential potential.  | 90%/D  |
| Winterhill, Milton Keynes             | 28,000 sq ft of warehouses and offices with trade counter consent and retail warehouse potential.  | 50%/I  |
| Cardiff Royal Infirmary               | Vacant hospital on a peppercorn lease with residential potential.  | 75%/I  |
| Cawston, Rugby                        | 32 acre greenfield site with residential potential.  | 40%/D  |

## Ongoing projects continued

| Office developments                     | Description  | Helical share                 |
|---|--|-------------------------------|
| Riverbank House, London EC4             | 320,000 sq ft pre-let to Man Group. Under construction.  | Development management role/D |
| Clareville House, London SW1            | Refurbishment of 35,000 sq ft offices plus 23,000 sq ft of restaurant, nightclub and retail. Construction due for completion Feb 2009.   | Development management role/D |
| Battersea Studios, London SW8 (Phase 2) | 50,000 sq ft new office development. Completion late 2008.   | 75%/I                         |
| Downtown Glasgow,                       | 50,000 sq ft new office development. 30% pre-let to Glasgow School of Art. Completion early 2009.  | 50%/D                         |
| Mitre Square, London EC3                | 250,000 sq ft. Site assembly ongoing   | 50%/D                         |
| Forestgate, Crawley                     | Refurbishment of 24,000 sq ft completed. Scheme for two new buildings of 21,000 sq ft and 18,000 sq ft.  | 75%/D                         |
| <b>Industrial developments</b>          | <b>Description</b>   | <b>Helical share</b>          |
| Scotts Road, Southall, West London      | 250,000 sq ft of industrial units for freehold sales. Construction of Phase 1 of 167,000 sq ft completed, 45,000 sq ft sold.   | 80%/D                         |
| Ropemaker Park, Hailsham                | 70,000 sq ft light industrial, 12,000 sq ft supermarket 12,000 sq ft industrial and 1,500 sq ft restaurant all let/sold. 30,000 sq ft industrial remaining.                                    | 50%/D                         |
| Millbrook Trading Estate, Southampton   | Construction of 65,000 sq ft of industrial units, 64,000 sq ft of trade counters due to complete in December 2008. 1 acre sold for self-storage. Phase 2 comprises 4 acres of industrial land. | 80%/D                         |
| Watlington Road, Cowley, Oxford         | 71,000 sq ft of industrials and offices of which 56,000 sq ft sold.  | 80%/D                         |
| Langford Lane, Kidlington               | Phase 1 of 72,000 sq ft industrial units completed. Phase 2, 15,000 sq ft completed and sold. 1 acre site for further sales.   | 80%/D                         |
| Tiviot Way, Stockport                   | Planning application submitted in 2008 for 100,000 sq ft industrial, 49,000 sq ft trade counter, 20,000 sq ft self storage, 20,000 sq ft builders merchant and car showroom                    | 80%/D                         |
| <b>Retail developments</b>              | <b>Description</b>   | <b>Helical share</b>          |
| Opole, Poland                           | 38,000 sq m out of town retail. Part pre-let to Carrefour. Forward funded with Standard Life. Construction to commence 2009.   | 50%/D                         |
| Wroclaw, Poland                         | 9,800 sq m out of town retail. Fully pre-let. Construction due to complete by end of 2008.   | 50%/D                         |
| Gliwice, Poland                         | 50,000 sq m out of town retail. 50% preleased to Carrefour and Castorama. Construction to commence 2009.   | 50%/D                         |
| <b>Retirement village developments</b>  | <b>Description</b>   | <b>Helical share</b>          |
| Lime Tree Village, Rugby                | 154 bungalows, cottages and apartments being constructed in phases. 136 sold to date.  | 33%/D                         |
| Bramshott Place, Liphook                | Construction commenced in 2008 of 38 unit Phase 1 of 144 unit scheme.  | 90%/D                         |

## Income producing assets

| Offices  | Description   | Helical share |
|--|---|---------------|
| Rex House, Lower Regent Street, London SW1     | 80,000 sq ft fully-let office building refurbished in 2001. Short leasehold expiring 2035. Acquired vacant in 2000.                         | 100%/I        |
| Shepherds Building, Shepherds Bush, London W14 | 150,000 sq ft of studio offices refurbished in 2001 and fully-let to over 50 tenants. Acquired vacant in 2000.                              | 90%/I         |
| 61 Southwark Street, London SE1                | 66,000 sq ft of offices that have been subject to a rolling refurbishment plus a penthouse floor addition. Acquired 1998.                   | 100%/I        |
| 200 Great Dover Street, London SE1             | 36,000 sq ft of fully-let offices. Acquired 2008.   | 100%/I        |
| Battersea Studios, London SW8                  | 55,000 sq ft of fully-let media style offices refurbished in 2006. Acquired vacant in 2005.   | 75%/I         |
| Quotient HQ, Fordham, Newmarket                | 70,000 sq ft of fully-let R&D space and offices on a 32 acre landscaped site. Acquired 2007.  | 53%/I         |
| Amberley Court, Crawley                        | Partial refurbishment of 31,000 sq ft office campus.  | 90%/I         |
| Retail – in town                               | Description   | Helical share |
| Morgan Department Store, Cardiff               | 160,000 sq ft retail – Borders, TK Maxx, Moss Bros., Rossiters. 45 completed apartment sales, 11 re-released and available. Completed 2008. | 100%/I        |
| Morgan & Royal Arcades, Cardiff                | 56 units opposite new St David's 2 Shopping Centre. Acquired 2005.  | 100%/I        |
| 1-5 Queens Walk, East Grinstead                | 37,000 sq ft of retail opposite a proposed new retail scheme. Acquired 2005.  | 87%/I         |
| Glasgow Portfolio                              | Two unit shop investments and part of a multi-let office block, all in Glasgow City Centre. Acquired 2005.                                  | 100%/I/T      |
| Retail – out of town                           | Description   | Helical share |
| Oxford Road Retail Park, Sevenoaks             | 43,000 sq ft with open A1 consent let to Wickes, Currys and Carpetright. Acquired 2003.   | 75%/I         |
| Stanwell Road, Ashford                         | 32,000 sq ft Focus DIY store. Acquired 2004.  | 75%/I         |
| 215 Brixham Road, Paignton                     | 24,000 sq ft Focus store with open A1 consent (including food). Acquired 2005.  | 67%/I         |
| Industrial                                     | Description   | Helical share |
| Westgate, Aldridge                             | 208,000 sq ft. Let to Greenstar Environmental Ltd. Acquired 2006.   | 80%/I         |
| Dales Manor, Sawston, Cambridge                | 70,000 sq ft fully-let estate. Acquired 2003.   | 67%/I/D       |
| Standard Industrial Estate, North Woolwich     | 50,000 sq ft estate, 85% let. Acquired 2002.  | 60%/I         |
| Hawtin Park, Blackwood                         | 251,000 sq ft estate, part vacant, 78% let. Acquired 2003.  | 100%/I        |
| Golden Cross, Hailsham                         | 102,000 sq ft unit recently vacated. Acquired 2001.   | 100%/I        |
| Bushey Mill Lane, Watford                      | 24,000 sq ft fully-let with development potential. Acquired 2006.   | 80%/D         |

# Independent review report to the members of Helical Bar plc

## Introduction

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2008 which comprises the condensed consolidated income statement, the condensed consolidated balance sheet, the condensed consolidated cash flow statement, the condensed consolidated statement of recognised income and expense, and the related notes. We have read the Chairman's Statement, Financial Highlights and Property Portfolio contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the company in accordance with guidance contained in ISRE (UK & Ireland) 2410 "Review of Interim Financial Information performed by the Independent Auditor of the Entity". Our review work has been undertaken so that we might state to the company those matters we are required to state to them in a review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for our review work, for this report, or for the conclusion we have formed.

## Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

As disclosed in note 1, the annual financial statements of the group are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting," as adopted by the European Union.

## Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

## Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2008 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

Grant Thornton UK LLP  
Chartered accountants

London  
27 November 2008

# Unaudited condensed consolidated income statement

for the half year to 30 September 2008

|  | Notes | Half year to<br>30.9.08<br>£000 | Half year to<br>30.9.07<br>£000 | Year to<br>31.3.08<br>£000 |
|--|-------|---------------------------------|---------------------------------|----------------------------|
| <b>Revenue</b>   | 3     | <b>55,174</b>                   | <b>32,326</b>                   | <b>65,623</b>              |
| Net rental income  | 4     | 8,238                           | 7,917                           | 16,400                     |
| Development profits                                      |       | 7,853                           | 4,339                           | 6,068                      |
| Trading profits/(losses)                                 |       | -                               | 3                               | (29)                       |
| Share of results of joint ventures                       |       | 59                              | 388                             | (98)                       |
| Other operating income/(expenses)                        |       | 2,547                           | 164                             | (315)                      |
| Gross profit before loss on investment properties        |       | 18,697                          | 12,811                          | 22,026                     |
| Loss on sale and revaluation of investment properties    | 5     | (32)                            | (28)                            | (32,790)                   |
| Profit on sale of fixed asset investments                | 11    | 1,892                           | -                               | -                          |
| <b>Gross profit/(loss)</b>                               |       | <b>20,557</b>                   | <b>12,783</b>                   | <b>(10,764)</b>            |
| Administrative expenses                                  |       | (5,735)                         | (6,067)                         | (13,659)                   |
| Operating profit/(loss)                                  |       | 14,822                          | 6,716                           | (24,423)                   |
| Finance costs  | 6     | (3,329)                         | (1,141)                         | (3,033)                    |
| Finance income   |       | 787                             | 1,814                           | 2,579                      |
| Change in fair value of derivative financial instruments |       | (210)                           | (78)                            | (1,270)                    |
| Foreign exchange gains                                   |       | 628                             | -                               | 1,862                      |
| <b>Profit/(loss) before tax</b>                          |       | <b>12,698</b>                   | <b>7,311</b>                    | <b>(24,285)</b>            |
| Tax on profit/(loss) on ordinary activities              | 7     | (4,311)                         | 5,692                           | 11,971                     |
| <b>Profit/(loss) after tax</b>                           |       | <b>8,387</b>                    | <b>13,003</b>                   | <b>(12,314)</b>            |
| - attributable to minority interests                     |       | -                               | -                               | (7)                        |
| - attributable to equity shareholders                    |       | 8,387                           | 13,003                          | (12,307)                   |
| <b>Profit/(loss) for the period</b>                      |       | <b>8,387</b>                    | <b>13,003</b>                   | <b>(12,314)</b>            |
| <b>Earnings/(loss) per 1p share</b>                      | 8     |                                 |                                 |                            |
| Basic  |       | 9.2p                            | 14.3p                           | (13.5p)                    |
| Diluted  |       | 8.8p                            | 13.4p                           | (13.5p)                    |
| Diluted EPRA   |       | 8.5p                            | 9.7p                            | 11.6p                      |

# Unaudited condensed consolidated balance sheet

at 30 September 2008

|  | Notes | At<br>30.9.08<br>£000 | At<br>30.9.07<br>£000 | At<br>31.3.08<br>£000 |
|--|-------|-----------------------|-----------------------|-----------------------|
| <b>Non-current assets</b>                    |       |                       |                       |                       |
| Investment properties                        | 9     | 309,361               | 323,175               | 306,778               |
| Owner occupied property, plant and equipment |       | 1,870                 | 1,546                 | 2,007                 |
| Available-for-sale investments               | 11    | 9,899                 | -                     | 12,000                |
| Investment in joint ventures                 |       | 6,136                 | 6,577                 | 6,078                 |
| Goodwill                                     |       | 30                    | 30                    | 30                    |
|  |       | <b>327,296</b>        | <b>331,328</b>        | <b>326,893</b>        |
| <b>Current assets</b>                        |       |                       |                       |                       |
| Land, developments and trading properties    | 10    | 188,282               | 163,857               | 182,508               |
| Available-for-sale investments               | 11    | 12                    | 6,816                 | 12                    |
| Derivative financial instruments             |       | -                     | 267                   | -                     |
| Trade receivables and other receivables      | 12    | 54,253                | 40,485                | 44,083                |
| Cash and cash equivalents                    | 13    | 78,920                | 6,019                 | 17,090                |
|  |       | <b>321,467</b>        | <b>217,444</b>        | <b>243,693</b>        |
| <b>Total assets</b>                          |       | <b>648,763</b>        | <b>548,772</b>        | <b>570,586</b>        |
| <b>Current liabilities</b>                   |       |                       |                       |                       |
| Trade payables and other payables            | 14    | (72,116)              | (50,570)              | (66,374)              |
| Current tax liabilities                      |       | -                     | (5,811)               | -                     |
| Borrowings                                   | 15    | (51,166)              | (47,497)              | (50,238)              |
|  |       | <b>(123,282)</b>      | <b>(103,878)</b>      | <b>(116,612)</b>      |
| <b>Non-current liabilities</b>               |       |                       |                       |                       |
| Borrowings                                   | 15    | (238,732)             | (137,507)             | (172,362)             |
| Derivative financial instruments             |       | (1,135)               | -                     | (925)                 |
| Deferred tax provision                       | 7     | (15,471)              | (14,212)              | (11,851)              |
| Obligations under finance leases             |       | (176)                 | (178)                 | (177)                 |
|  |       | <b>(255,514)</b>      | <b>(151,897)</b>      | <b>(185,315)</b>      |
| <b>Total liabilities</b>                     |       | <b>(378,796)</b>      | <b>(255,775)</b>      | <b>(301,927)</b>      |
| <b>Net assets</b>                            |       | <b>269,967</b>        | <b>292,997</b>        | <b>268,659</b>        |

|  | Notes | At<br>30.9.08<br>£000 | At<br>30.9.07<br>£000 | At<br>31.3.08<br>£000 |
|--|-------|-----------------------|-----------------------|-----------------------|
| <b>Equity</b>  |       |                       |                       |                       |
| Called-up share capital                                    | 16/19 | 1,239                 | 1,222                 | 1,222                 |
| Share premium account                                      | 19    | 44,038                | 42,520                | 42,520                |
| Revaluation reserve  | 19    | 56,933                | 82,089                | 57,072                |
| Capital redemption reserve                                 | 19    | 7,478                 | 7,478                 | 7,478                 |
| Other reserves   | 19    | 291                   | 291                   | 291                   |
| Retained earnings  | 19    | 161,427               | 163,389               | 163,911               |
| Own shares held  | 19    | (1,596)               | (3,992)               | (3,992)               |
| <b>Equity attributable to equity holders of the parent</b> |       | <b>269,810</b>        | <b>292,997</b>        | <b>268,502</b>        |
| Minority interests   |       | 157                   | –                     | 157                   |
| <b>Total equity</b>  |       | <b>269,967</b>        | <b>292,997</b>        | <b>268,659</b>        |
| <b>Net assets per share</b>                                |       |                       |                       |                       |
| Basic  | 20    | 284p                  | 323p                  | 293p                  |
| Diluted  | 20    | 283p                  | 318p                  | 289p                  |
| Adjusted diluted   | 20    | 299p                  | 342p                  | 306p                  |
| Diluted EPRA   | 20    | 333p                  | 382p                  | 352p                  |

# Unaudited condensed consolidated cash flow statement

for the half year to 30 September 2008

|   | Half year to<br>30.9.08<br>£000 | Half year to<br>30.9.07<br>£000 | Year to<br>31.3.08<br>£000 |
|---|---------------------------------|---------------------------------|----------------------------|
| <b>Cash flows from operating activities</b>                         |                                 |                                 |                            |
| Profit/(loss) before tax  | 12,698                          | 7,311                           | (24,285)                   |
| Depreciation  | 149                             | 100                             | 270                        |
| Loss on investment properties                                       | 32                              | 28                              | 32,554                     |
| Other non-cash items  | (1,459)                         | (186)                           | 3,441                      |
| <b>Cash flows from operations before changes in working capital</b> | <b>11,420</b>                   | <b>7,253</b>                    | <b>11,980</b>              |
| Change in trade and other receivables                               | (10,170)                        | 31,477                          | 26,051                     |
| Change in land, developments and trading properties                 | (1,767)                         | (50,453)                        | (65,031)                   |
| Change in trade and other payables                                  | 5,742                           | (11,348)                        | 2,563                      |
| <b>Cash flows from changes in working capital</b>                   | <b>(6,195)</b>                  | <b>(30,324)</b>                 | <b>(36,417)</b>            |
| <b>Cash outflow generated from operations</b>                       | <b>5,225</b>                    | <b>(23,071)</b>                 | <b>(24,437)</b>            |
| Finance costs   | (7,964)                         | (4,708)                         | (12,987)                   |
| Finance income  | 972                             | 503                             | 2,579                      |
| Dividends from joint ventures                                       | -                               | -                               | 98                         |
| Tax paid  | 32                              | (85)                            | (3,100)                    |
| <b>Cash flows from financing</b>                                    | <b>(6,960)</b>                  | <b>(4,290)</b>                  | <b>(13,410)</b>            |
| <b>Cash flows from operating activities</b>                         | <b>(1,735)</b>                  | <b>(27,361)</b>                 | <b>(37,847)</b>            |
| <b>Cash flows from investing activities</b>                         |                                 |                                 |                            |
| Purchase of investment property                                     | (9,750)                         | (9,262)                         | (26,760)                   |
| Sale of investment property   | 8,061                           | 2,972                           | 6,014                      |
| Purchase of shares by ESOP  | (3,107)                         | (3,424)                         | (5,273)                    |
| Purchase of investments   | -                               | (8,064)                         | (8,080)                    |
| Sale of investments   | 2,100                           | 3,986                           | 6,508                      |
| Sale of plant and equipment   | 14                              | 40                              | -                          |
| Purchase of leasehold improvements, plant and equipment             | (30)                            | (1,336)                         | (1,973)                    |
|   | (2,712)                         | (15,088)                        | (29,564)                   |
| <b>Cash flows from financing activities</b>                         |                                 |                                 |                            |
| Issue of shares   | 1,535                           | -                               | -                          |
| Borrowings drawn down   | 85,891                          | 52,541                          | 96,837                     |
| Borrowings repaid   | (18,593)                        | (4,926)                         | (11,644)                   |
| Equity dividends paid   | (2,491)                         | (2,468)                         | (4,081)                    |
| Refinancing costs   | (65)                            | (68)                            | -                          |
|   | 66,277                          | 45,079                          | 81,112                     |
| Net increase in cash and cash equivalents                           | 61,830                          | 2,630                           | 13,701                     |
| Cash and cash equivalents at start of period                        | 17,090                          | 3,389                           | 3,389                      |
| <b>Cash and cash equivalents at period end</b>                      | <b>78,920</b>                   | <b>6,019</b>                    | <b>17,090</b>              |

# Unaudited condensed consolidated statement of recognised income and expense

for the half year to 30 September 2008

|   | Half year to<br>30.9.08<br>£000 | Half year to<br>30.9.07<br>£000 | Year to<br>31.3.08<br>£000 |
|---|---------------------------------|---------------------------------|----------------------------|
| Profit/(loss) for the period                              | <b>8,387</b>                    | 13,003                          | <b>(12,314)</b>            |
| Fair value movements                                      |                                 |                                 |                            |
| - available-for-sale investments                          | <b>(1,892)</b>                  | 1,772                           | <b>9,974</b>               |
| - associated deferred tax                                 | <b>530</b>                      | (557)                           | <b>(2,793)</b>             |
| <b>Total recognised income and expense for the period</b> | <b>7,025</b>                    | 14,218                          | <b>(5,133)</b>             |
| - attributable to equity shareholders                     | <b>7,025</b>                    | 14,218                          | <b>(5,126)</b>             |
| - attributable to minority interests                      | -                               | -                               | <b>(7)</b>                 |
|   | <b>7,025</b>                    | 14,218                          | <b>(5,133)</b>             |

# Unaudited notes to the half year report

## 1. Financial Information

The financial information contained in this statement does not constitute statutory accounts within the meaning of section 240 of the Companies Act 1985. The full accounts for the year ended 31 March 2008, which were prepared under International Financial Reporting Standards and which received an unqualified report from the Auditors, and did not contain a statement under s237(2) or (3) of the Companies Act 1985, have been filed with the Registrar of Companies.

The half year statement has been prepared in accordance with IAS 34 Interim Financial Reporting. The principal accounting policies have remained unchanged from the prior financial period to 31 March 2008.

In line with Helical's long-held practice, there has been no interim revaluation of the investment portfolio as at 30 September 2008. Investment properties, in this half year statement, are shown at 31 March 2008 values as adjusted for property additions and disposals. Where investment properties are considered to have suffered a permanent diminution in value or the net realisable value of a trading or development property is considered to have fallen below cost, the Company has made an impairment charge. This treatment is in accordance with the Group's previous reporting practice. Unrealised surpluses on trading and development stock, included in diluted EPRA net asset value per share, are shown at 31 March 2008 valuations, as adjusted for property additions and disposals.

Directors have a reasonable expectation that the company will continue in operational existence for the foreseeable future and have, therefore, used the going concern basis in preparing the financial statements.

The half year statement was approved by the Board on 27 November 2008 and is being sent to shareholders and will be available from the Company's registered office at 11-15 Farm Street, London W1J 5RS and on the Company's website at [www.helical.co.uk](http://www.helical.co.uk).

## 2. Statement of directors' responsibilities

The directors confirm that, to the best of their knowledge, this condensed set of financial statements has been prepared in accordance with IAS 34 as adopted by the European Union, and that the interim management report herein includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8.

Balances with related parties at 30 September 2008 and 31 March 2008 are disclosed in note 21.

A list of current directors is maintained at 11-15 Farm Street, London W1J 5RS and at [www.helical.co.uk](http://www.helical.co.uk).

On behalf of the Board

**Nigel McNair Scott**

Finance Director

27 November 2008

## 3. Revenue

|                        | Half year to<br>30.9.08<br>£000 | Half year to<br>30.9.07<br>£000 | Year to<br>31.3.08<br>£000 |
|------------------------|---------------------------------|---------------------------------|----------------------------|
| Rental income          | 9,865                           | 9,434                           | 18,284                     |
| Trading property sales | –                               | –                               | 115                        |
| Developments           | 42,763                          | 18,793                          | 40,585                     |
| Other income           | 2,546                           | 4,099                           | 6,639                      |
|                        | <b>55,174</b>                   | <b>32,326</b>                   | <b>65,623</b>              |

## 4. Net rental income

|                          | Half year to<br>30.9.08<br>£000 | Half year to<br>30.9.07<br>£000 | Year to<br>31.3.08<br>£000 |
|--------------------------|---------------------------------|---------------------------------|----------------------------|
| Gross rental income      | 9,865                           | 9,434                           | 18,284                     |
| Rents payable            | (8)                             | (21)                            | (42)                       |
| Other property outgoings | (1,619)                         | (1,496)                         | (1,842)                    |
| Net rental income        | <b>8,238</b>                    | <b>7,917</b>                    | <b>16,400</b>              |

## 5. Loss on sale and revaluation of investment properties

|   | Half year to<br>30.9.08<br>£000 | Half year to<br>30.9.07<br>£000 | Year to<br>31.3.08<br>£000 |
|---|---------------------------------|---------------------------------|----------------------------|
| Net proceeds from the sale of investment properties   | 8,061                           | 3,302                           | 6,014                      |
| Book value (note 9)                                   | (8,093)                         | (3,330)                         | (6,250)                    |
| Loss on sale of investment properties                 | (32)                            | (28)                            | (236)                      |
| Revaluation loss on investment properties             | -                               | -                               | (32,554)                   |
| Loss on sale and revaluation of investment properties | (32)                            | (28)                            | (32,790)                   |

## 6. Finance costs

|   | Half year to<br>30.9.08<br>£000 | Half year to<br>30.9.07<br>£000 | Year to<br>31.3.08<br>£000 |
|---|---------------------------------|---------------------------------|----------------------------|
| Interest payable on bank loans and overdrafts | (8,075)                         | (4,953)                         | (11,901)                   |
| Other interest payable and similar charges    | (113)                           | 55                              | (265)                      |
| Finance arrangement costs                     | (75)                            | (51)                            | (163)                      |
| Interest capitalised                          | 4,934                           | 3,808                           | 9,296                      |
| Finance costs                                 | (3,329)                         | (1,141)                         | (3,033)                    |

## 7. Taxation on profit/(loss) on ordinary activities

|   | Half year to<br>30.9.08<br>£000 | Half year to<br>30.9.07<br>£000 | Year to<br>31.3.08<br>£000 |
|---|---------------------------------|---------------------------------|----------------------------|
| The tax charge is based on the profit for the period and represents:<br>United Kingdom corporation tax at 28% (2007: 30%) |                                 |                                 |                            |
| - group corporation tax   | (158)                           | (1,985)                         | (1,160)                    |
| - adjustment in respect of prior periods  | -                               | 635                             | 1,492                      |
| Current tax charge  | (158)                           | (1,350)                         | 332                        |
| Deferred tax - revaluation surpluses  | 781                             | 2,947                           | 10,990                     |
| - capital allowances  | (251)                           | 89                              | (560)                      |
| - other temporary differences   | (4,683)                         | 4,006                           | 1,209                      |
| Deferred tax  | (4,153)                         | 7,042                           | 11,639                     |
| Total tax (charge)/credit for period  | (4,311)                         | 5,692                           | 11,971                     |

|                               | At 30.9.08<br>£000 | At 31.3.08<br>£000 |
|-------------------------------|--------------------|--------------------|
| <b>Deferred tax provision</b> |                    |                    |
| Capital gains                 | 11,784             | 12,566             |
| Capital allowances            | 1,510              | 2,728              |
| Other temporary differences   |                    |                    |
| - income statement            | (86)               | (6,236)            |
| - equity reserves             | 2,263              | 2,793              |
| Deferred tax provision        | 15,471             | 11,851             |

## 7. Taxation on profit/(loss) on ordinary activities continued

Under IAS 12, deferred tax provisions are made for the tax that would potentially be payable on the realisation of investment properties and other assets at book value.

If upon sale of the investment properties the Group retained all the capital allowances, the deferred tax provision in respect of capital allowances of £1,510,000 would be released and further capital allowances of £11,400,000 would be available to reduce future tax liabilities. The provision in respect of capital gains has been reduced by indexation.

The deferred tax asset in respect of other temporary differences (income statement) arises from the recognition of tax relief available to the Company on the future vesting of share awards, calculated at the 30 September 2008 share price of 300.0p (31 March 2008: 376.0p) per share.

## 8. Earnings per 1p share

The calculation of the basic earnings per share is based on the earnings attributable to ordinary shareholders divided by the weighted average number of shares in issue during the period. Shares held by the ESOP, which has waived its entitlement to receive dividends, are treated as cancelled for the purpose of this calculation.

The calculation of diluted earnings per share is based on the basic earnings per share, adjusted to allow for the issue of shares and the post tax effect of dividends on the assumed exercise of all dilutive options.

The earnings per share are calculated in accordance with IAS 33 and the best practice recommendations of the European Public Real Estate Association ("EPRA").

Reconciliations of the earnings and weighted average number of shares used in the calculations are set out below.

|   | Half year to<br>30.9.08<br>000s | Half year to<br>30.9.07<br>000s |
|---|---------------------------------|---------------------------------|
| Ordinary shares in issue  | 95,732                          | 95,719                          |
| Weighting adjustment  | (4,352)                         | (5,094)                         |
| Weighted average ordinary shares in issue for calculation of basic earnings per share   | 91,380                          | 90,625                          |
| Dilutive effect of share options  | 3,801                           | 6,608                           |
| Weighted average ordinary shares in issue for calculation of diluted earnings per share | 95,181                          | 97,233                          |
| <b>Earnings used for calculation of basic and diluted earnings per share</b>            | <b>8,387</b>                    | <b>13,003</b>                   |
| <b>Basic earnings per share</b>   | <b>9.2p</b>                     | <b>14.3p</b>                    |
| <b>Diluted earnings per share</b>   | <b>8.8p</b>                     | <b>13.4p</b>                    |
| Earnings used for calculation of basic and diluted earnings per share                   | 8,387                           | 13,003                          |
| Loss on sale of investment properties   | 32                              | 28                              |
| Fair value movement on derivative financial instruments                                 | 151                             | 78                              |
| Deferred tax in respect of investment properties  | (529)                           | (3,037)                         |
| Tax on profit on disposal of investment properties                                      | -                               | (635)                           |
| Earnings used for calculation of diluted EPRA earnings per share                        | 8,041                           | 9,437                           |
| <b>Diluted EPRA earnings per share</b>  | <b>8.5p</b>                     | <b>9.7p</b>                     |

## 9. Investment properties

|                               | Valuation<br>£000 | Cost<br>£000 |
|-------------------------------|-------------------|--------------|
| Fair value at 1 April 2008    | 306,778           | 237,883      |
| Additions at cost             | 10,677            | 10,677       |
| Disposals                     | (8,093)           | (8,093)      |
| Amortisation of finance lease | (1)               | –            |
| As at 30 September 2008       | 309,361           | 240,467      |

All properties are stated at market value as at 31 March 2008, as adjusted for additions and disposals in the half year to 30 September 2008. Interest capitalised in respect of the refurbishment of investment properties at 30 September 2008 amounted to £6,067,000 (31 March 2008: £5,140,000). Interest capitalised during the period in respect of the refurbishment of investment properties was £927,264.

## 10. Land, developments and trading properties

|                                  | At 30.9.08<br>£000 | At 31.3.08<br>£000 |
|----------------------------------|--------------------|--------------------|
| Development properties           | 187,254            | 181,118            |
| Properties held as trading stock | 1,028              | 1,390              |
|                                  | 188,282            | 182,508            |

The surplus on directors' valuation of trading and development stock of £33m used in the calculation of the diluted EPRA net asset value per share, is based on the surplus as at 31 March 2008 of £43m, less any surplus realised in the period to 30 September 2008.

Interest capitalised in respect of the development of sites is included in stock to the extent of £11,108,000 (31 March 2008: £11,636,000). Interest capitalised during the period in respect of development sites amounted to £4,007,000.

## 11. Available-for-sale investments

|   | At 30.9.08<br>£000 | At 31.3.08<br>£000 |
|---|--------------------|--------------------|
| <b>Non-current investments</b>                                      |                    |                    |
| Investment in Quotient Bioscience Group Ltd at directors' valuation | 9,899              | 12,000             |

During the period the company sold part of its interest in Quotient Bioscience Group Ltd at a profit of £1,892,000.

### Current investments

|                                     |    |    |
|-------------------------------------|----|----|
| UK listed investments at fair value | 12 | 12 |
|-------------------------------------|----|----|

## 12. Trade receivables and other receivables

|                                | At 30.9.08<br>£000 | At 31.3.08<br>£000 |
|--------------------------------|--------------------|--------------------|
| Trade receivables              | 21,752             | 11,626             |
| Other receivables              | 24,473             | 14,131             |
| Prepayments and accrued income | 8,028              | 18,326             |
|                                | 54,253             | 44,083             |



## 16. Share capital

|            | At 30.9.08<br>£000 | At 31.3.08<br>£000 |
|------------|--------------------|--------------------|
| Authorised | 39,577             | 39,577             |
|            | <b>39,577</b>      | <b>39,577</b>      |

The authorised share capital of the Company is £39,576,626.60 divided into ordinary shares of 1p each and deferred shares of 1/8p each.

Allotted, called up and fully paid

|   |              |              |
|---|--------------|--------------|
| - 97,351,912 ordinary shares of 1p each     | 974          | 957          |
| - 212,145,300 deferred shares of 1/8 p each | 265          | 265          |
|   | <b>1,239</b> | <b>1,222</b> |

As at 1 April 2008 the Company had 95,732,457 ordinary 1p shares in issue. During the period options over 1,619,455 new ordinary 1p shares were exercised increasing the issued share capital of the Company to 97,351,912 ordinary 1p shares.

### Share options

At 30 September 2008 unexercised options over 320,510 (31 March 2008: 1,939,965) new ordinary 1p shares in the Company and 1,057,095 (31 March 2008: 2,629,695) purchased ordinary 1p shares held by the ESOP had been granted to directors and employees under the Company's share option schemes. During the period no new options were granted.

## 17. Dividends

|   | Half year to<br>30.9.08<br>£000 | Half year to<br>30.9.07<br>£000 | Year to<br>31.3.08<br>£000 |
|---|---------------------------------|---------------------------------|----------------------------|
| Attributable to equity share capital                    |                                 |                                 |                            |
| Ordinary  |                                 |                                 |                            |
| - interim paid 1.75p per share                          | -                               | -                               | 1,613                      |
| - prior period final paid 2.75p (2007: 2.75p) per share | 2,491                           | 2,468                           | 2,468                      |
|   | <b>2,491</b>                    | <b>2,468</b>                    | <b>4,081</b>               |

The interim dividend of 1.75p (30 September 2007: 1.75 pence per share) was approved by the Board on 27 November 2008 and will be paid on 23 December 2008 to shareholders on the register on 5 December 2008. This interim dividend, amounting to £1,663,000, has not been included as a liability as at 30 September 2008.

## 18. Own shares held

Following approval at the 1997 Annual General Meeting the Company established the Helical Bar Employees' Share Ownership Plan Trust (the "Trust") to be used as part of the remuneration arrangements for employees. The purpose of the Trust is to facilitate and encourage the ownership of shares by or for the benefit of employees by the acquisition and distribution of shares in the Company.

The Trust purchases shares in the Company to satisfy the Company's obligations under its Share Option Schemes and Performance Share Plan.

At 30 September 2008 the Trust held 2,338,814 (31 March 2008: 4,170,868) ordinary shares in Helical Bar plc.

At 30 September 2008 options over 1,057,095 (31 March 2008: 2,629,695) ordinary shares in Helical Bar plc had been granted through the Trust. At 30 September 2008 awards over 4,738,900 (31 March 2008: 4,536,065) ordinary shares in Helical Bar plc had been made under the terms of the Performance Share Plan.

## 19. Statement of changes in equity

|                             | Share capital<br>£000 | Share premium<br>£000 | Revaluation reserve<br>£000 | Capital redemption reserve<br>£000 | Other reserves<br>£000 | Retained earnings<br>£000 | Own shares held<br>£000 | Minority interests | Total<br>£000  |
|-----------------------------|-----------------------|-----------------------|-----------------------------|------------------------------------|------------------------|---------------------------|-------------------------|--------------------|----------------|
| At 31 March 2007            | 1,222                 | 42,520                | 79,664                      | 7,478                              | 291                    | 157,006                   | (5,995)                 | –                  | 282,186        |
| Total recognised income     | –                     | –                     | –                           | –                                  | –                      | (5,133)                   | –                       | –                  | (5,133)        |
| Dividends paid              | –                     | –                     | –                           | –                                  | –                      | (4,081)                   | –                       | –                  | (4,081)        |
| Revaluation deficit         | –                     | –                     | (21,564)                    | –                                  | –                      | 21,564                    | –                       | –                  | –              |
| Realised on disposals       | –                     | –                     | (1,028)                     | –                                  | –                      | 1,028                     | –                       | –                  | –              |
| Minority interest           | –                     | –                     | –                           | –                                  | –                      | 7                         | –                       | 157                | 164            |
| Purchase of shares          | –                     | –                     | –                           | –                                  | –                      | –                         | (9,132)                 | –                  | (9,132)        |
| Performance share plan      | –                     | –                     | –                           | –                                  | –                      | 4,655                     | –                       | –                  | 4,655          |
| Own shares held             | –                     | –                     | –                           | –                                  | –                      | (11,135)                  | 11,135                  | –                  | –              |
| At 31 March 2008            | 1,222                 | 42,520                | 57,072                      | 7,478                              | 291                    | 163,911                   | (3,992)                 | 157                | 268,659        |
| Total recognised income     | –                     | –                     | –                           | –                                  | –                      | 7,025                     | –                       | –                  | 7,025          |
| Dividends paid              | –                     | –                     | –                           | –                                  | –                      | (2,491)                   | –                       | –                  | (2,491)        |
| Revaluation deficit         | –                     | –                     | (93)                        | –                                  | –                      | 93                        | –                       | –                  | –              |
| Realised on disposals       | –                     | –                     | (46)                        | –                                  | –                      | 46                        | –                       | –                  | –              |
| Issue of shares             | 17                    | 1,518                 | –                           | –                                  | –                      | –                         | –                       | –                  | 1,535          |
| Purchase of shares          | –                     | –                     | –                           | –                                  | –                      | –                         | (3,107)                 | –                  | (3,107)        |
| Performance share plan      | –                     | –                     | –                           | –                                  | –                      | (1,654)                   | –                       | –                  | (1,654)        |
| Own shares held             | –                     | –                     | –                           | –                                  | –                      | (5,503)                   | 5,503                   | –                  | –              |
| <b>At 30 September 2008</b> | <b>1,239</b>          | <b>44,038</b>         | <b>56,933</b>               | <b>7,478</b>                       | <b>291</b>             | <b>161,427</b>            | <b>(1,596)</b>          | <b>157</b>         | <b>269,967</b> |

The adjustment to retained earnings of £1,654,000 (2008: £4,655,000) adds back the share based payments charge, in accordance with IFRS 2 Share Based Payments.

|                         | Share capital<br>£000 | Share premium<br>£000 | Revaluation reserve<br>£000 | Capital redemption reserve<br>£000 | Other reserves<br>£000 | Retained earnings<br>£000 | Own shares held<br>£000 | Minority interests | Total<br>£000 |
|-------------------------|-----------------------|-----------------------|-----------------------------|------------------------------------|------------------------|---------------------------|-------------------------|--------------------|---------------|
| At 31 March 2007        | 1,222                 | 42,520                | 79,664                      | 7,478                              | 291                    | 157,006                   | (5,995)                 | –                  | 282,186       |
| Total recognised income | –                     | –                     | –                           | –                                  | –                      | 14,218                    | –                       | –                  | 14,218        |
| Dividends paid          | –                     | –                     | –                           | –                                  | –                      | (2,468)                   | –                       | –                  | (2,468)       |
| Revaluation surplus     | –                     | –                     | 2,947                       | –                                  | –                      | (2,947)                   | –                       | –                  | –             |
| Realised on disposals   | –                     | –                     | (522)                       | –                                  | –                      | 522                       | –                       | –                  | –             |
| Purchase of shares      | –                     | –                     | –                           | –                                  | –                      | –                         | (3,423)                 | –                  | (3,423)       |
| Performance share plan  | –                     | –                     | –                           | –                                  | –                      | 2,484                     | –                       | –                  | 2,484         |
| Own shares held         | –                     | –                     | –                           | –                                  | –                      | (5,426)                   | 5,426                   | –                  | –             |
| At 30 September 2007    | 1,222                 | 42,520                | 82,089                      | 7,478                              | 291                    | 163,389                   | (3,992)                 | –                  | 292,997       |

## 20. Net assets per share

|  | 30.9.08<br>£000 | Number<br>of shares<br>000's | 30.9.08<br>pence<br>per share | 31.3.08<br>£000 | Number<br>of shares<br>000's | 31.3.08<br>pence<br>per share |
|--|-----------------|------------------------------|-------------------------------|-----------------|------------------------------|-------------------------------|
| Net asset value                                    | 269,967         | 97,352                       |                               | 268,502         | 95,732                       |                               |
| Less: own shares held by ESOP                      | –               | (2,339)                      |                               | –               | (4,170)                      |                               |
| deferred shares                                    | (265)           |                              |                               | (265)           |                              |                               |
| Basic net asset value                              | 269,702         | 95,013                       | 284                           | 268,237         | 91,562                       | 293                           |
| Add: unexercised share options                     | 454             | 321                          |                               | 1,988           | 1,940                        |                               |
| Diluted net asset value                            | 270,156         | 95,334                       | 283                           | 270,225         | 93,502                       | 289                           |
| Adjustment for                                     |                 |                              |                               |                 |                              |                               |
| - fair value of financial instruments              | 1,135           |                              |                               | 925             |                              |                               |
| - deferred tax on capital allowances               | 1,510           |                              |                               | 2,728           |                              |                               |
| - deferred tax on capital gains                    | 11,784          |                              |                               | 12,566          |                              |                               |
| Adjusted diluted net asset value                   | 284,585         | 95,334                       | 299                           | 286,444         | 93,502                       | 306                           |
| Adjustment for                                     |                 |                              |                               |                 |                              |                               |
| - fair value of trading and development properties | 33,270          |                              |                               | 42,970          |                              |                               |
| Diluted EPRA net asset value                       | 317,855         | 95,334                       | 333                           | 329,414         | 93,502                       | 352                           |
| Adjustment for                                     |                 |                              |                               |                 |                              |                               |
| - fair value of financial instruments              | (1,135)         |                              |                               | (925)           |                              |                               |
| - deferred tax on capital allowances               | (1,510)         |                              |                               | (2,728)         |                              |                               |
| - deferred tax on capital gains                    | (11,784)        |                              |                               | (12,566)        |                              |                               |
| Diluted EPRA triple NAV                            | 303,426         | 95,334                       | 318                           | 313,195         | 93,502                       | 335                           |


The adjustment for the fair value of trading and development properties represents the surplus as at 31 March 2008, less any surplus realised in the half year to 30 September 2008.

The net asset values per share have been calculated in accordance with the best practice recommendations of the European Public Real Estate Association (“EPRA”).

## 21. Related party transactions

At 30 September 2008 and 31 March 2008 the following amounts were due from the Group’s joint ventures.

|  | At 30.9.08<br>£000's | At 31.3.08<br>£000's |
|--|----------------------|----------------------|
| Abbeygate Helical (Leisure Plaza) Ltd      | 1,400                | 1,318                |
| Abbeygate Helical (Winterhill) Ltd         | (162)                | (152)                |
| Abbeygate Helical (C4.1) LLP               | (636)                | (636)                |
| King Street Developments (Hammersmith) Ltd | 1,110                | 530                  |
| Shirley Advance LLP                        | 8,237                | 5,352                |
| The Asset Factor Ltd                       | 4,087                | 4,116                |



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