

5 June 2008

**HELICAL BAR PLC**  
**(“Helical”/“Company”/”Group”)**

**Preliminary Results**

**For the year to 31 March 2008**

**Financial Highlights**

- Profit before tax, revaluation and loss on sale of investment properties of £8.5m (2007: £19.5m).
- Valuation of investment properties down 11.3%/£32.8m (2007: up 14.4%/£40.6m).
- Loss after tax of £12.3m (2007: profit £52.1m).
- Diluted EPRA net asset value, including trading and development stock surplus, down 6% to 352p per share (2007: 374p).
- Diluted EPRA earnings per share of 11.6p (2007: 16.6p) – down 30%.
- Final dividend maintained at 2.75p per share (2007: 2.75p).
- Increasingly diversified activities deliver unleveraged return of 7% above IPD benchmark.
- Significant latent potential within Company’s development and trading portfolio.
- Ratio of net borrowings to value of property portfolio 38.6% (2007: 28.9%).

Giles Weaver, Chairman, commented:

“The next 12 months will be a difficult time for the sector and there may well be further setbacks to the economy during that time. However, I am confident that we have the skills, financial resources and diversity of projects to take advantage of whatever opportunities the future brings.”

Michael Slade, Chief Executive, added:

“Helical anticipated the rise in yields by greatly reducing the proportion of its assets held in the investment portfolio and by diversifying its exposure into a broader spread of activities including planning deals, mixed use developments, retirement villages and retail warehouse developments in Poland. This approach has delivered an unleveraged return of 7% above benchmark returns as measured by IPD despite our valuation yields rising 90 basis points, in line with the market. There remains significant latent potential to be unlocked within our development and trading portfolio which should continue to mitigate any underlying slide in market values.

With threats come opportunity and Helical has put together many of its best deals in difficult markets. We need to remain patient whilst the major adjustment in prices is unfolding. However, we expect to re-enter the market during 2009 and 2010 and rebuild our investment portfolio at prices that will serve us well during the next upswing in the property cycle.”

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**Financial Dynamics**

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Stephanie Highett/Dido Laurimore/Laurence Jones

## Financial Highlights

	Notes	Year To 31 March 2008 £m	Year To 31 March 2007 £m
Net rental income		16.4	14.8
Development profits		6.1	13.6
Trading profits		0.0	2.1
Share of results of joint ventures	1	(0.1)	6.2
Profit before (loss)/gains on investment properties		8.5	19.5
(Losses)/gains on investment properties		(32.8)	40.6
(Losses)/profit before tax		(24.3)	60.1
		<b>Pence</b>	<b>Pence</b>
Basic (loss)/earnings per share		(13.5)	58.0
Diluted (loss)/earnings per share		(13.5)	53.7
Diluted EPRA earnings per share	2	11.6	16.6
Dividends per share (paid in year)		4.50	4.05
Diluted EPRA net assets per share	3	352	374
Adjusted diluted net assets per share	4	306	334
		<b>£m</b>	<b>£m</b>
Value of investment portfolio		306.8	316.0
Trading and development stock at directors' value		225.5	147.2
Net borrowings		205.5	134.0
Ratio of net borrowings to value of property portfolio		38.6%	28.9%
Net assets		268.7	282.2
Net gearing		76%	47%

1. The Group's share of the results of entities controlled equally by the Group and its joint venture partners.
2. Calculated in accordance with IAS 33 and the best practice recommendations of the European Public Real Estate Association ("EPRA") (see note 9 of the Preliminary Announcement).
3. Calculated in accordance with the best practice recommendations of EPRA (see note 24).
4. As per 3, but excluding the adjustment for the fair value of development stock.

## Chairman's Statement

Helical has produced a creditable performance in the year to 31 March 2008 against a background of considerable turbulence in the financial markets. The Company is not immune to the impact of global events and these have undoubtedly had an adverse impact on the outlook for UK commercial property.

### Results

Profits before the loss on sale and revaluation of investment properties fell from £19.5m to £8.5m reflecting a reduction in development profits to £6.1m (2007: £13.6m), no trading profits (2007: £2.1m) and a decline in our share of the results of our 50:50 joint ventures which showed a loss of £0.1m (2007: profit £6.2m).

Administration costs reduced from £17.5m to £13.7m with performance related bonuses of nil (2007: £4.2m). Net finance costs increased from £0.4m to £1.7m as the consequence of increased borrowings and higher interest rates.

Diluted loss per share was (13.5p) (2007: earnings 53.7p) and diluted EPRA earnings per share were 11.6p (2007: 16.6p).

As referred to in the Chief Executive's Statement, valuation yields on our investment portfolio rose by 90 basis points, which was in line with the market and this caused a fall in values of 11.3% (2007: increase of 14.4%) reflected as a loss on revaluation of £32.6m (2007: gain £33.2m). A loss on sale of investment properties of £0.2m compares with a profit of £7.4m in the previous year.

The Group's diluted EPRA net asset value per share fell by 6% to 352p (2007: 374p). The directors' valuation of trading and development stock showed a surplus of £43m (2007: £36m) and excluding this surplus the adjusted diluted net asset value per share fell by 8% to 306p (2007: 334p).

In view of the uncertain economic outlook the Board is recommending to shareholders that the final dividend is maintained at the same level as last year at 2.75p per share. Under IFRS dividends are accounted for once approved and, as a consequence, this final dividend is not reflected in these accounts. However, taken with the interim dividend paid in December 2007 of 1.75p (2007: 1.60p) it represents a total dividend of 4.50p (2007: 4.35p), an increase of 3%.

### Financing

During the year we were happy to invest selectively in our development and trading portfolio with particular emphasis on retail warehousing in Poland and change of use. With expenditure of £90m net debt has increased to £205m at 31 March 2008 (2007: £134m). Gearing has increased, as a consequence, to 76% (2007: 47%). As at yesterday's date the Company had £14m of cash on deposit, over £65m of undrawn facilities and £170m of uncharged property.

### The Board

During the year we were delighted to welcome Matthew Bonning-Snook and Jack Pitman to the main board in recognition of their contribution to our business over many years. Both have considerable experience in unlocking value through the planning process, working on mixed use projects and managing joint venture partnerships. Michael Brown has moved up to deputy Chief Executive working closely with Chief Executive, Michael Slade, on formulating the company strategy in these challenging times. Helical has a strong culture of personal commitment to the business with the main board executives having a 19% shareholding and between them on average over 15 years of service.

I would like to extend my thanks to the tireless contribution of the rest of our staff and our many joint venture partners all of whom will be working hard to ensure Helical's success during this demanding time.

## **Outlook**

Whilst the property market is currently on a downward trend we take comfort in the latent potential of our development and trading portfolio. Profits released over the next couple of years from a diverse spread of activity including planning gain, retail warehouse development in Poland and retirement villages should drive our continued relative outperformance.

The next 12 months will be a relatively difficult time for the sector and there may well be further setbacks to the economy during that time. However, I am confident that we have the skills, financial resources and diversity of projects to take advantage of whatever opportunities the future brings.

**Giles Weaver**  
**Chairman**  
**5 June 2008**

## Chief Executive's Statement

### The Market

The market has suffered a sharp correction as sentiment has finally turned against an overheated investment market. Whilst the pace of decline has slowed in recent months it now seems likely that property is entering a "double dip" as occupational markets weaken in deteriorating economic conditions. At Helical we are braced for a second consecutive year of poor returns in the commercial property market. Whether the market can stabilise in 2009 is entirely dependent on the underlying strength of the economy and whether a recession can be avoided.

Helical anticipated the rise in yields by greatly reducing the proportion of its assets held in the investment portfolio and by diversifying its exposure into a broader spread of activities including retail warehouse developments in Poland, planning deals, mixed use developments and retirement villages. This approach has delivered an unleveraged return of 7% above benchmark returns as measured by IPD despite our valuation yields rising 90 basis points, in line with the market. There remains significant latent potential to be unlocked within our development and trading portfolio which should continue to mitigate any underlying slide in market values.

With threats come opportunity and Helical has put together many of its best deals in difficult markets. We need to remain patient whilst the major adjustment in prices is unfolding. However, we expect to re-enter the market during 2009 and 2010 and rebuild our investment portfolio at prices that will serve us well during the next upswing in the property cycle.

**Michael Slade**  
**Chief Executive**  
**5 June 2008**

### Total portfolio – unleveraged returns

	1 year	3 years	5 years	10 years	18 years
Helical	-1.6%	16.4%	18.4%	17.9%	17.5%
IPD	-8.5%	8.6%	11.0%	10.5%	8.6%
Helical's percentile rank	8	4	1	1	0

0 = top ranked fund

Note: excludes the surplus arising from the directors' valuation of trading and development stock.

### Our Portfolio – how we commit our capital

	London Offices	Provincial Offices	In Town Retail	Out of Town Retail	Industrial	Change Of Use	Retirement Village	Total
Investment	29.2%	2.5%	15.3%	4.4%	6.1%	3.8%	-	61.3%
Trading and Development	0.5%	4.7%	1.2%	4.4%	12.2%	12.9%	2.8%	38.7%
Total	29.7%	7.2%	16.5%	8.8%	18.3%	16.7%	2.8%	100%

Note: excludes the surplus arising from the directors' valuation of trading and development stock.

## Business Review

### Investment Portfolio

#### Valuation Movements

Sector	Valuation Decrease	Weighting	Yield increase over 12 months	
			Initial	Equivalent
Offices	-5.1%	54%	+100bp	+120bp
Retail	-20.8%	33%	+130bp	+80bp
Industrial	-9.8%	13%	-120bp	+40bp
Total	-11.3%		+90bp	+90bp

#### Valuation Yields

Sector	Initial	On Letting Voids	On Rack Rental Value	Equivalent	True
					Equivalent
Offices	7.2%	7.3%	8.2%	7.2%	7.5%
Retail	4.9%	5.4%	6.0%	5.8%	6.0%
Industrial	4.9%	7.9%	7.9%	7.8%	8.1%
All	6.1%	6.8%	7.4%	6.8%	7.1%

	Capital Value psf	Vacancy Rate (under offer)	Average Unexpired Lease Term
Offices	£330	1% (0%)	5.2
Retail	£348	11% (8%)	8.5
Industrial	£50	33% (10%)	5.2
Total	£190	9% (3.5%)	6.1

#### Lease expiries and tenant break options in:

	2008	2009	2010	2011
Percentage of rent roll	5.6%	10.8%	6.8%	19.2%
Number of leases	40	43	38	34
Average rent per lease	£25,500	£45,500	£32,500	£102,500

## Development and Trading Portfolio

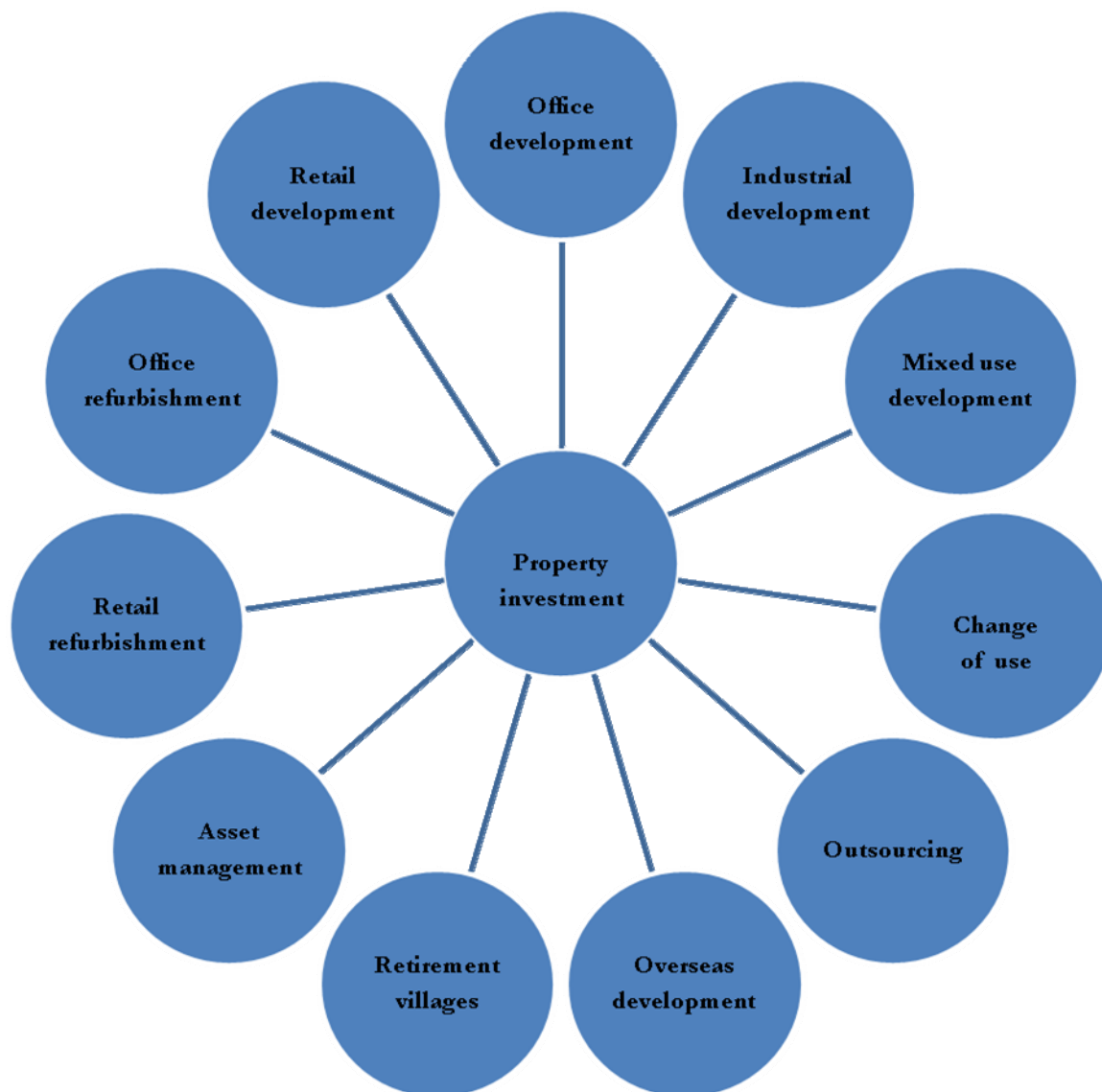
Project Type	Book Cost (rounded)	Directors' Valuation (Rounded)	Surplus Over Book Cost (Rounded)	Basis of Valuation
Change of Use	£57m	£80m	£23m	Current site value
Industrial Development – Freehold Sales	£59m	£61m	£2m	Current site value
Retirement Village	£13m	£22m	£9m	Current site value
Office Development	£20m	£20m	£0m	Current site value
Retail Development (Helical Poland)	£16m	£25m	£9m	Current site value
Others – Mainly Mixed Development	<u>£17m</u>	<u>£17m</u>	<u>£0m</u>	Current site value
	<u>£182m</u>	<u>£225m</u>	<u>£43m</u>	

Project Type	Potential Profit Over Directors' Valuation at Current Values	Basis of Potential Profit
Change of Use	£68m	Planning consents gained *
Industrial Development – Freehold Sales	£11m	Development
Retirement Village	£10m	Development & assignment fees
Office Development	£6m	Development
Retail Development (Helical Poland)	£15m	Development
Others – Mainly Mixed Development	<u>£5m</u>	Development
Total	<u>£115m</u>	

\* The change of use portfolio has the potential to provide significant further development profits not included in these figures once planning consent has been obtained.

## Our business

Helical Bar is a property development and investment company. We create shareholder value through a wide variety of high margin activities with property investment at our core. Whilst a profit centre in its own right, property investment provides a stable income stream to cover all our overheads and interest costs. Our spread of activities gives us the flexibility to deploy capital rapidly across our business and focus on whatever opportunities offer the best returns at different points of the property cycle.



## Our goals

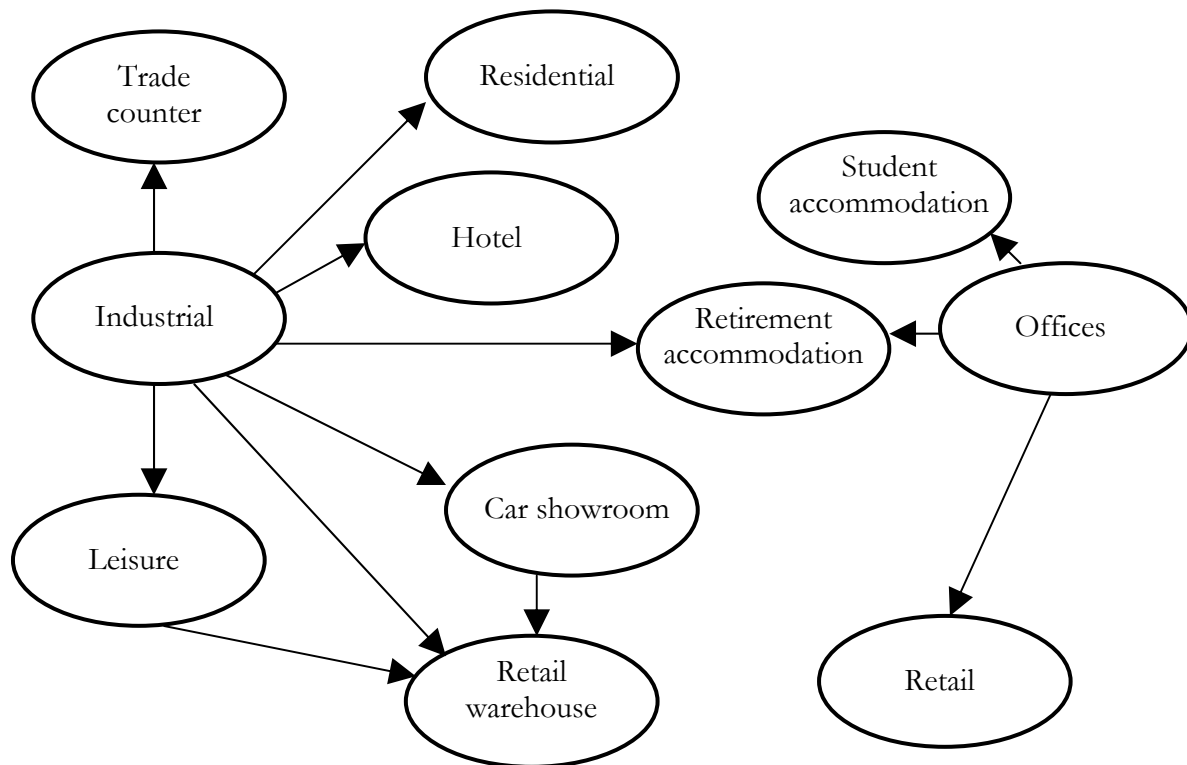
We seek to make excellent returns for our shareholders whilst avoiding the pitfalls of the commercial property cycle. We aim to achieve this through a broadly based, diversified property business, which has access to a very wide range of opportunities.

We do this with a small, long serving management team who have a significant proportion of their own wealth invested in a 19% stake in the Company and have no competing interests. We try to keep execution risk to a minimum, working with first rate joint venture partners when we move into new areas of property business.

## Our approach – how we create value

### Planning

We are specialists in unlocking value by obtaining planning consents for more valuable uses.



During the year we acquired an office building in Fieldgate Street, London E1 where we believe value will be released by redevelopment as student accommodation.

In Vauxhall, London, we are working with National Grid UK Pension Fund to secure a large residential allocation on an industrial estate fronting the Thames.

Our biggest project is at White City where on behalf of a consortium of landowners we are master planning 4.5million sq.ft. of residential and commercial space on 33 acres.

During the year we acquired a brown field site in Exeter to add to our holdings in Cambridge, Horsham and Great Alne (west of Stratford upon Avon) where we are seeking retirement village consents. Residential use is being sought on industrial sites in Fleet and Whitstable and on a green field site acquired during the year in Telford.

In Milton Keynes we have gained consent for a 305,000 sq.ft. retail warehouse and leisure scheme and a trade park on separate sites.

## **Mixed use development**

In recent years we have sought to create more sustainable developments with a variety of complementary uses. In particular, we have incorporated residential uses into a number of our schemes. These include 440 flats above a supermarket in Milton Keynes, 700 student units above retail in Nottingham and 56 flats above retail in Cardiff. In all these cases we have reduced our market exposure by forward sales. We are working up a variety of projects for future development.

In Wolverhampton we are converting a disused railway station into a casino pre-let to BIL and sold a site for student housing having previously disposed of land parcels for residential, hotel, car showroom and a public house.

During the year we were selected by the London Borough of Hammersmith in partnership with residential specialist Grainger to provide a scheme of 120,000 sq.ft. new civic offices, a food store, restaurants and 350+ flats.

We also signed a joint venture agreement with the National Grid Pension Scheme at High Wycombe to pursue a 100,000 sq.ft. retail and leisure scheme plus 125 residential units adjoining the new Eden Shopping Centre.

At Parkgate, Shirley we continue land assembly for an 80,000 sq.ft. Asda supermarket together with 120,000 sq.ft. of retail and 200 residential units.

In Bracknell we are planning a 300,000 sq.ft. office and residential scheme.

## **Retail development**

We are currently focusing on our retail development in Poland where we have over 1 million square feet of development planned in three projects. In Opole a 38,000 sq.m. scheme anchored by Carrefour with funding from Standard Life is due to commence in the Autumn. In Wroclaw a 9,600 sq.m. scheme is due to complete by the end of the year and is 60% preleased. Our largest scheme at Gliwice is 50,000 sq.m. and 60% preleased with commitments from Carrefour and Castorama and is likely to commence in Spring 2009.

## **Office development**

We have a 20 year track record of building Grade A Central London office buildings, often in partnership with institutions and other landowners.

We are managing the new 320,000 sq.ft. Man Group HQ at Riverside House in the City for Pace Investments. In the West End we are refurbishing Clareville House, SW1 which comprises 35,000 sq.ft of offices and 23,000 sq.ft. of leisure and restaurant space for National Grid Pension Fund.

At Mitre House, EC3 we continue to work with the land owners seeking a pre-let for a 350,000 sq.ft. office scheme.

## **Office refurbishment**

We like to breathe new life into unloved, empty office buildings in and around Central London introducing some design flair and creating new hubs or communities of occupiers.

In Battersea we recently converted an empty TV studio into offices with a communal bar and meeting space which is now fully let to over 20 different businesses. We are now in the process of doubling the floor space, building a second 50,000 sq.ft. on part of the car park which is due to complete in December. Investment properties Rex House, SW1, Shepherds Building, W12 and 61 Southwark Street, SE1 represent over £100m of buildings that we have refurbished in the past and retained for their growth potential. Our London holdings comprise circa 390,000 sq.ft. of offices fully let to 78 tenants generating a reversionary rent roll of £10.6 million, an average of just £27 per sq.ft.

## **Industrial development**

In partnership with Chancerygate and Quadrant we are building 140 units totalling over 580,000 sq.ft. for onward sale to owner occupiers at two sites in Oxford and at Southampton, Southall (West London) and Hailsham. In recent years we have completed successful schemes in Slough with Chancerygate and in Cambridge, Edenbridge and Harlow in partnership with Dencora. These schemes often include sales of parcels of land for hotels, car showrooms and self-storage and the development of trade counter schemes.

## **Retirement villages**

As part of our planning business we have obtained retirement village consents and in the past sold off the sites for development. At Cawston, Rugby we retained an interest in the development as a consortium member and following its success have elected to build out the first of three phases of our recently consented 147 unit scheme at Liphook. Construction is proceeding well and we have reservations on 24 units.

## **Outsourcing**

The Asset Factor, our outsourcing joint venture, has continued to make good progress. NB Entrust, the joint venture between NB Real Estate and the Asset Factor, is a property operator that integrates management and service delivery in multi-let buildings where there are common services delivered under a service charge. The Asset Factor has been a driving force behind an investment in new management and systems with the aim of creating a market leading property and facilities management business. Alongside this operation The Asset Factor has established a number of related ventures. Asset Oncall is a helpdesk and asset management systems business set up to help clients improve the performance of their facilities management. Asset Faculty is a training business focused on developing the skills and performance of people in property support businesses. Asset Space is focussed on managing and improving the performance of properties through non-lease income such as advertising, concessions and brand promotions.

## **Governetz**

Our Helical Governetz venture is seeking to assist Government in securing its long term occupational needs in Campus developments where shared facilities improve efficiency and reduce costs and where the new buildings meet all their environmental targets. Helical Governetz has secured agreements with owners of strategic sites in Rotherham, Keele and Newport. The campuses will be built to fit the needs of government organisations and private sector suppliers relocating as a result of the findings of the Lyons, Gershon and Varney reports, all of which call for fundamental changes in the way in which the Public Sector operates and is housed in the future.

## **Quotient**

In January 2007 we acquired a research facility near Newmarket in a joint venture with the majority shareholder of Quotient who occupy the buildings. As part of the transaction we acquired a stake in Quotient, a fast growing biosciences company.

## Helical Property Portfolio

### Ongoing Projects

I – Investment

D – Development

T – Trading

Mixed use Developments	Description	Helical share
Morgan Department Store, Cardiff	<ul style="list-style-type: none"> <li>➤ 160,000 sq ft retail – Borders, TK Maxx, Moss Bros., Rossiters</li> <li>➤ 56 flats, all forward sold</li> <li>➤ Completion 2008</li> </ul>	100% I
C4.1, Milton Keynes	<ul style="list-style-type: none"> <li>➤ 110,000 sq ft Sainsbury's (forward sold)</li> <li>➤ 440 residential units (forward sold)</li> <li>➤ 35,000 sq ft of retail and offices</li> <li>➤ Completion 2008</li> </ul>	50% D
Trinity Square, Nottingham	<ul style="list-style-type: none"> <li>➤ 180,000 sq ft retail – Borders, TK Maxx, Dixons</li> <li>➤ 700 student units</li> <li>➤ Forward sold to Morley for over £100m</li> <li>➤ Completion 2008</li> </ul>	65% D
King Street, Hammersmith	<ul style="list-style-type: none"> <li>➤ Selected as Development Partner to Hammersmith &amp; Fulham Borough Council</li> <li>➤ JV with Grainger plc</li> <li>➤ Scheme comprises new civic offices (11,000 sq.m.), foodstore, restaurants/retail, and 350+ flats with a bridge linking to the River Thames</li> <li>➤ Application to be submitted 2008/2009. Completion 2013/14</li> </ul>	50% D
Amen Corner, Bracknell	<ul style="list-style-type: none"> <li>➤ Land and options held for a gateway office/mixed use development off the A329M</li> </ul>	100% D
Bluebrick, Wolverhampton	<ul style="list-style-type: none"> <li>➤ 11 acre site. Individual land sales completed for 208 flats, 20,000 sq ft showroom, 88 bed hotel, 7,000 sq ft pub</li> <li>➤ Refurbishment ongoing of listed building pre-let for casino</li> <li>➤ Further 1.5 acres sold for student housing</li> </ul>	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 2008	80% D
Parkgate, Shirley, Birmingham	➤ 200,000 sq ft retail – Asda (80,000 sq ft supermarket) ➤ 200 residential units ➤ Site assembly underway	50% D
Hagley Road West, Quinton, Birmingham	➤ 16,000 sq ft retail plus 15 residential units ➤ Construction to commence 2008	75% D

**Projects with change of use potential**

**Description**

**Helical share**

White City, London W12	➤ Planning consent to be sought for 4.5 million sq ft of commercial and residential on 33 acres	Consortium landowner & development manager D
Vauxhall, London SW8	➤ In partnership with National Grid UK Pension Fund we are seeking to gain consent for a large residential led mixed-use development on a Thames-side industrial estate	Profit Share D
Fieldgate Street, London E1	➤ Planning consent sought 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 to be submitted for 225 units in 2008	90% D
Ely Road, Milton, Cambridge	➤ 32,000 sq ft of industrial on 20 acres ➤ Planning application to be submitted in 2008 for 120 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 207 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 green field 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 green field site with potential retirement village	40% D

<b>Office Developments</b>	<b>Description</b>	<b>Helical Share</b>
Riverbank House, London EC4	<ul style="list-style-type: none"> <li>➤ 320,000 sq ft pre-let to Man Group</li> <li>➤ Under construction</li> </ul>	Development management role D
Clareville House, London SW1	<ul style="list-style-type: none"> <li>➤ Refurbishment of 35,000 sq ft offices plus 23,000 sq ft of restaurant, nightclub and retail</li> <li>➤ Construction started</li> </ul>	Development management role D
Battersea Studios, London SW8 (Phase 2)	<ul style="list-style-type: none"> <li>➤ 50,000 sq ft new office development</li> <li>➤ Completion late 2008</li> </ul>	75% I
Downtown Glasgow	<ul style="list-style-type: none"> <li>➤ 50,000 sq ft new office development</li> <li>➤ 30% pre-let to Glasgow School of Art</li> <li>➤ Completion early 2009</li> </ul>	70% D
Mitre Square, London EC3	<ul style="list-style-type: none"> <li>➤ 350,000 sq ft</li> <li>➤ Site assembly ongoing</li> </ul>	50% D
Forestgate, Crawley	<ul style="list-style-type: none"> <li>➤ Refurbishment of 24,000 sq ft completed</li> <li>➤ Scheme for two new buildings of 21,000 sq ft and 18,000 sq ft</li> </ul>	75% D

<b>Industrial developments</b>	<b>Description</b>	<b>Helical share</b>
Scotts Road, Southall, West London	<ul style="list-style-type: none"> <li>➤ 250,000 sq ft of industrial units for freehold sales</li> <li>➤ Construction of Phase 1 of 166,000 sq ft commenced 2007</li> <li>➤ 45,000 sq ft presold</li> </ul>	80% D
Ropemaker Park, Hailsham	<ul style="list-style-type: none"> <li>➤ 70,000 sq ft light industrial, 12,000 sq ft supermarket and 1,500 sq ft restaurant all sold</li> <li>➤ 30,000 sq ft trade park, 12,000 sq ft industrial and 7,000 sq ft ancillary to let</li> </ul>	50% D
Millbrook Trading Estate, Southampton	<ul style="list-style-type: none"> <li>➤ Construction of 65,000 sq ft of industrial units, 64,000 sq ft of trade counters commenced in 2008</li> <li>➤ 1 acre sold for self-storage</li> <li>➤ Phase 2 comprises 4 acres of industrial land</li> </ul>	80% D
Watlington Road, Cowley, Oxford	<ul style="list-style-type: none"> <li>➤ 71,000 sq ft of industrials and offices of which 56,000 sq ft sold</li> </ul>	80% D
Langford Lane, Kidlington	<ul style="list-style-type: none"> <li>➤ Phase 1 of 72,000 sq ft industrial units completed</li> <li>➤ Phase 2, 15,000 sq ft completed and sold</li> <li>➤ 1 acre site for further sales</li> </ul>	80% D
Tiviot Way, Stockport	<ul style="list-style-type: none"> <li>➤ A planning application will be 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</li> </ul>	80% D

<b>Retail developments</b>	<b>Description</b>	<b>Helical share</b>
Opole, Poland	<ul style="list-style-type: none"> <li>➤ 38,000 sq m out of town retail</li> <li>➤ Part pre-let to Carrefour</li> <li>➤ 50% preleased</li> <li>➤ Construction to commence 2008</li> </ul>	50% D
Wroclaw, Poland	<ul style="list-style-type: none"> <li>➤ 9,800 sq m out of town retail</li> <li>➤ 60% preleased</li> <li>➤ Construction due to complete by end of 2008</li> </ul>	50% D
Gliwice, Poland	<ul style="list-style-type: none"> <li>➤ 50,000 sq m out of town retail</li> <li>➤ 60% preleased to Carrefour and Castorama</li> <li>➤ Construction to commence 2009</li> </ul>	50% D

<b>Retirement Village Developments</b>	<b>Description</b>	<b>Helical share</b>
Lime Tree Village, Rugby	<ul style="list-style-type: none"> <li>➤ 154 bungalows, cottages and apartments being constructed in phases</li> <li>➤ 128 sold to date</li> </ul>	33% D
Bramshott Place, Liphook	<ul style="list-style-type: none"> <li>➤ Construction commenced in 2008 of 45 unit Phase 1 of 144 unit scheme</li> </ul>	90% D

### **Income producing assets**

<b>Offices</b>	<b>Description</b>	<b>Helical share</b>
Rex House, Lower Regent Street, London SW1	<ul style="list-style-type: none"> <li>➤ 80,000 sq ft office building refurbished in 2001</li> <li>➤ Short leasehold expiring 2035</li> <li>➤ Acquired vacant in 2000</li> </ul>	100% I
Shepherds Building, Shepherds Bush, London W14	<ul style="list-style-type: none"> <li>➤ 150,000 sq ft of studio offices refurbished in 2001 and let to over 50 tenants</li> <li>➤ Acquired vacant in 2000</li> </ul>	90% I
61 Southwark Street, London SE1	<ul style="list-style-type: none"> <li>➤ 66,000 sq ft of offices that have been subject to a rolling refurbishment plus a penthouse floor addition</li> <li>➤ Acquired 1998</li> </ul>	100% I
200 Great Dover Street, London SE1	<ul style="list-style-type: none"> <li>➤ 36,000 sq ft of offices</li> <li>➤ Acquired 2008</li> </ul>	100% I
Battersea Studios, London SW8	<ul style="list-style-type: none"> <li>➤ 55,000 sq ft of media style offices refurbished in 2006</li> <li>➤ Acquired vacant in 2005</li> </ul>	75% I
Quotient HQ, Fordham, Newmarket	<ul style="list-style-type: none"> <li>➤ 70,000 sq ft of R&amp;D space and offices on a 32 acre landscaped site</li> <li>➤ Acquired 2007</li> </ul>	53% I
Amberley Court, Crawley	<ul style="list-style-type: none"> <li>➤ Partial refurbishment of 31,000 sq ft office campus</li> </ul>	90% I

<b>Retail – in town</b>	<b>Description</b>	<b>Helical share</b>
Morgan & Royal Arcades, Cardiff	<ul style="list-style-type: none"> <li>➤ 56 units to be subject to intensive management on completion of the adjoining development at the David Morgan Department Store</li> <li>➤ Acquired 2005</li> </ul>	100% I

1-5 Queens Walk, East Grinstead	<ul style="list-style-type: none"> <li>➤ 37,000 sq ft of retail opposite a proposed new retail scheme</li> <li>➤ Acquired 2005</li> </ul>	87% I
Glasgow Portfolio	<ul style="list-style-type: none"> <li>➤ Two unit shop investments and part of a multi-let office block, all in Glasgow City Centre</li> <li>➤ Acquired 2005</li> </ul>	100% I/T

<b>Retail – out of town</b>	<b>Description</b>	<b>Helical share</b>
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Oxford Road Retail Park, Sevenoaks	<ul style="list-style-type: none"> <li>➤ 43,000 sq ft with open A1 consent let to Wickes, Currys and Carpetright</li> <li>➤ Acquired 2003</li> </ul>	75% I
Stanwell Road, Ashford	<ul style="list-style-type: none"> <li>➤ 32,000 sq ft Focus DIY store</li> <li>➤ Acquired 2004</li> </ul>	75% I
215 Brixham Road, Paignton	<ul style="list-style-type: none"> <li>➤ 24,000 sq ft Focus store with open A1 consent (including food)</li> <li>➤ Acquired 2005</li> </ul>	67% I

<b>Industrial</b>	<b>Description</b>	<b>Helical share</b>
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Westgate, Aldridge	<ul style="list-style-type: none"> <li>➤ 208,000 sq ft</li> <li>➤ 184,000 sq ft let during year</li> <li>➤ Acquired 2006</li> </ul>	80% I
Dales Manor, Sawston, Cambridge	<ul style="list-style-type: none"> <li>➤ 70,000 sq ft multi-let estate</li> <li>➤ Acquired 2003</li> </ul>	67% I/D
Standard Industrial Estate, North Woolwich	<ul style="list-style-type: none"> <li>➤ 50,000 sq ft estate</li> <li>➤ Acquired 2002</li> </ul>	60% I
Hawtin Park, Blackwood	<ul style="list-style-type: none"> <li>➤ 251,000 sq ft estate, part vacant</li> <li>➤ Acquired 2003</li> </ul>	100% I
Golden Cross, Hailsham	<ul style="list-style-type: none"> <li>➤ 102,000 sq ft unit recently vacated</li> <li>➤ Acquired 2001</li> </ul>	100% I
Bushey Mill Lane, Watford	<ul style="list-style-type: none"> <li>➤ 24,000 sq ft income producing with development potential</li> <li>➤ Acquired 2006</li> </ul>	80% D

## Financial Review

### Consolidated Income Statement

#### Loss before tax

The loss before tax was £24.3m (2007: profit £60.1m) resulting principally from a loss on sale and revaluation of investment properties of £32.8m (2007: gain £40.6m), a reduction in development profits to £6.1m (2007: £13.6m) and a lower contribution from the Company's joint ventures.

Adjusted profit before tax, which excludes the loss on sale and revaluation of investment properties, was £8.5m (2007: £19.5m). Loss after tax was £12.3m (2007: profit £52.1m).

#### Rental income

Net rental income for the year rose to £16.4m (2007: £14.8m) reflecting constant gross rental income and reduced rental costs of £1.8m (2007: £3.1m)

#### Trading and other profits

There were no trading profits in the year (2007: £2.1m).

#### Development profits

The development programme generated profits at the office schemes at Riverbank House, London EC3 and Clareville House, London SW1 and the retail schemes at Wolverhampton, Luton and Nottingham.

	2008	2007	2006
Developments	£000	£ 000	£ 000
Profits	6,068	13,587	4,594

#### Share of results of joint ventures

During the year profits recognised on the mixed use scheme at C4.1 Milton Keynes were offset by our share of the costs of operating the joint venture with The Asset Factor resulting in a loss of £0.1m (2007: profit £6.2m).

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

During the year to 31 March 2008 the Group sold investment properties with book values of £6.3m (2007: £45.6m) on which it made a £0.2m loss (2007: £7.5m profit). The properties sold included an industrial unit near Cambridge and a small retail unit in Glasgow. The revaluation deficit for the year was £32.6m (2007: surplus £33.2m).

#### Administrative expenses

Administrative expenses decreased to £13.7m (2007: £17.5m) as no directors' bonuses were paid in respect of the year (2007: £4.2m). Administrative expenses, before impairment of goodwill, share based payments charge and executive bonuses, increased to £6.9m (2007: £6.1m) reflecting a small increase in the number of employees and a rise in accommodation costs.

## Finance costs, finance income and derivative financial instruments

Increases in borrowings and higher interest rates during the year led to an increase in interest costs. However, capitalised interest offset some of the higher interest costs with net finance costs being £3.0m (2007: £2.7m). Finance income earned on cash deposits increased to £2.6m (2007:£1.3m).

	2008	2007	2006
Net finance costs	£000	£ 000	£ 000
Interest payable on bank loans	11,901	8,437	7,638
Other interest payable	265	228	2,346
Finance arrangement costs	163	114	234
Interest capitalised	(9,296)	(6,069)	(2,797)
	3,033	2,710	7,421
Interest receivable	(2,579)	(1,335)	(1,295)

Derivative financial instruments have been valued on a mark to market basis and a deficit of £1.3m (2007: surplus £1.0m) recognised in the Income Statement.

## Foreign exchange gains

A foreign exchange gain of £1.9m (2007: nil) has been recognised based on the translation of balances with the Group's Polish subsidiaries.

## Taxation

The Group corporation tax charge for the year is less than the standard rate of 30% due to the use of capital allowances, tax relief on share awards and tax losses.

The deferred tax credit for the year reflects a reduction in the provision for tax on revaluation surpluses as a result of the decline in the value of the investment portfolio and a reduction in the provision for tax on temporary differences between the carrying amount of assets and liabilities in the financial statements and their corresponding tax bases in accordance with IFRS.

## Dividends

The Board is recommending to shareholders at the Annual General Meeting on 23 July 2008 a final dividend of 2.75p per share (2007: 2.75p) to be paid on 25 July 2008 to shareholders on the register on 27 June 2008. This final dividend, amounting to £2.4m (2007:£2.5m) has not been included as a liability at 31 March 2008, in accordance with IFRS.

	2008	2007	2006
Dividends	pence	pence	pence
Interim	1.75	1.60	1.45
Prior period final	2.75	2.45	2.20
Total	4.50	4.05	3.65

## **(Loss)/earnings per share**

Loss per share in the year to 31 March 2008 was (13.5p) (2007: earnings 58.0p) per share and on a diluted basis was (13.5p) (2007: 53.7p) per share.

	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>(Loss)/earnings per share</b>	<b>pence</b>	<b>pence</b>	<b>Pence</b>
(Loss)/earnings per share	(13.5)	58.0	54.7
Diluted (loss)/earnings per share	(13.5)	53.7	51.8
Diluted EPRA earnings per share	11.6	16.6	12.2

(Loss)/earnings per share calculations are based on the weighted average number of shares held in the year. This is a different basis to the net asset value per share calculations which are based on the number of shares at 31 March 2008.

In accordance with IAS 33 on Earnings per Share, no weighting adjustments has been made for share awards in existence during the year to 31 March 2008 as a loss was made during that year. Accordingly, the basic and diluted loss per share for the year are the same.

Diluted EPRA earnings per share excludes from earnings the IFRS effects of including the loss on sale and revaluation of investment properties (net of tax) and fair value movement on derivative financial instruments.

## **Consolidated balance sheet**

### **Investment portfolio**

During the year investment properties with a book value of £6.3m were sold and £12.2m of new properties were acquired. In addition, around £19.4m of capital expenditure was spent on refurbishing various office, industrial and retail buildings. At 31 March 2008 there was a revaluation deficit of £32.6m (2007: surplus of £33.2m) on the investment portfolio.

	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>Investment portfolio</b>	<b>£000</b>	<b>£ 000</b>	<b>£ 000</b>
Cost or valuation at 1 April	316,025	294,583	271,315
Additions at cost	31,603	28,965	40,230
Disposals	(6,250)	(45,638)	(57,564)
Joint venture share of revaluation	(2,044)	4,938	4,869
Revaluation	(32,554)	33,180	35,733
Amortisation of finance lease	(2)	(3)	-
Cost or valuation at 31 March	306,778	316,025	294,583

### **Net asset values**

The performance of the Company in the year to 31 March 2008 has decreased equity shareholders funds, on which the net asset value per share is calculated, by £13.7m. This has led to a 6% decrease in diluted net assets per share to 289p (2007: 307p). Taking into account the directors' valuation of trading and development stock of £43m (2007: £36m), the diluted EPRA net assets per share decreased by 6% to 352p (2007: 374p).

	2008	2007	2006
<b>Net asset values per ordinary share</b>	<b>pence</b>	<b>pence</b>	<b>pence</b>
Diluted – 1	289	307	253
Adjusted diluted – 2	306	334	278
Diluted EPRA – 3	352	374	309
Diluted EPRA triple NAV - 4	335	346	284

- 1 – net asset value diluted for share options.
- 2 – net asset value as per 1, but after adding back deferred tax on revaluation surpluses, capital allowances and the fair value of financial instruments.
- 3 – net asset value as per 2, but after adding fair value of financial instruments and trading stock.
- 4 – net asset value as per 3, less the deferred tax on revaluation surpluses and capital allowances and the fair value of financial instruments.

### **Borrowings and financial risk**

The Group's purchases of development sites have increased debt and, at 31 March 2008, net debt had increased from £134.0m to £205.5m. Taken with a decrease in net assets of £13.5m, the increase in net debt combined to increase the Group's net gearing from 47% to 76%.

The value of the Group's investment, trading and development portfolio at 31 March 2008 was £532.3m (2007: £463.2m). With net borrowings of £205.5m (2007: £134.0m) the ratio of net borrowings to the value of the property portfolio was 38.6% (2007: 28.9%).

At 31 March 2008 the Group had £87.7m (2007: £40.9m) of fixed rate borrowings with an average effective interest rate of 6.33% (2007: 6.19%) and an average length of 3.4 years (2007: 2.7 years), and £80m of interest rate caps at 7% (2007: £80m at 7%).

	2008	2007	2006
<b>Net debt and gearing</b>			
Net debt	£205.5m	£134.0m	£112.7m
Gearing	76%	47%	49%

The Group seeks to manage financial risk by ensuring that there is sufficient financial liquidity to meet foreseeable needs and to invest surplus cash safely and profitably. At the year end, Helical had £76m of undrawn bank facilities and cash of £17.1m (2007: £3.4m). In addition it had £179m (2007: £195m) of uncharged property on which the Group could borrow funds.

As at 5 June 2008, Helical's average interest rate was 6.54%.

### **Performance measures**

In order to evaluate its overall performance against other small to mid-size capital companies, both in the UK and abroad, Helical looks at equity value added.

<b>Equity value added</b>		2008	2007	2006
<b>Year ended 31 March</b>				
Capital employed	£m	427	411	336
Return on capital	%	1.3	21.6	19.7
Weighted average cost of capital	%	7.1	7.7	7.0
Spread	%	5.8	13.9	12.7
Equity value (lost)/added	£m	(24.8)	46.7	44.1

**Nigel McNair Scott**

**Helical Bar plc**  
**Unaudited Consolidated Income Statement**  
**For the year to 31 March 2008**

	Notes	Year To 31 March 2008 £000	Year To 31 March 2007 £000
<b>Revenue</b>	3	65,623	123,176
Net rental income	4	16,400	14,771
Trading (losses)/profits		(29)	2,094
Development profits		6,068	13,587
Share of results of joint ventures		(98)	6,196
Other operating (expense)/income		(315)	766
Gross profit before gain and sale on investment properties		22,026	37,414
(Loss)/gain on sale and revaluation of investment properties	5	(32,790)	40,637
Gross (loss)/profit		(10,764)	78,051
Administrative expenses	6	(13,659)	(17,544)
Operating (loss)/profit		(24,423)	60,507
Finance costs	7	(3,033)	(2,710)
Finance income		2,579	1,335
Change in fair value of derivative financial instruments		(1,270)	956
Foreign exchange gains		1,862	-
<b>(Loss)/profit before tax</b>		(24,285)	60,088
Tax	8	11,971	(8,000)
<b>(Loss)/profit after tax</b>		(12,314)	52,088
- attributable to minority interests		(7)	300
- attributable to equity shareholders		(12,307)	51,788
<b>(Loss)/profit for the year</b>		(12,314)	52,088
Basic (loss)/earnings per share	9	(13.5p)	58.0p
Diluted (loss)/earnings per share	9	(13.5p)	53.7p

**Helical Bar plc**  
**Unaudited Consolidated Balance Sheet**  
**At 31 March 2008**

		At 31 March 2008 £000	At 31 March 2007 £000
	Notes		
<b>Non-current assets</b>			
Investment properties	10	306,778	316,025
Owner occupied property, plant and equipment	11	2,007	351
Available-for-sale investments	12	12,000	-
Investment in joint ventures		6,078	6,188
Goodwill	13	30	30
		326,893	322,594
<b>Current assets</b>			
Land, developments and trading Properties	14	182,508	110,815
Available-for-sale investments	12	12	912
Derivative financial instruments		-	345
Trade and other receivables	15	44,083	70,526
Cash and cash equivalents	16	17,090	3,389
		243,693	185,987
<b>Total assets</b>		570,586	508,581
<b>Current liabilities</b>			
Trade payables and other payables	17	(66,374)	(64,203)
Tax liabilities		-	(3,909)
Borrowings	18	(50,238)	(31,560)
		(116,612)	(99,672)
<b>Non-current liabilities</b>			
Borrowings	18	(172,362)	(105,847)
Derivative financial instruments		(925)	-
Deferred tax provision	8	(11,851)	(20,697)
Obligations under finance leases	19	(177)	(179)
		(185,315)	(126,723)
<b>Total liabilities</b>		(301,927)	(226,395)
<b>Net assets</b>		268,659	282,186

Helical Bar plc  
 Unaudited Consolidated Balance Sheet  
 At 31 March 2008

		At 31 March 2008 £000	At 31 March 2007 £000
<b>Equity</b>	<b>Notes</b>		
Called-up share capital	20	1,222	1,222
Share premium account	23	42,520	42,520
Revaluation reserve	23	57,072	79,664
Capital redemption reserve	23	7,478	7,478
Other reserves	23	291	291
Retained earnings	23	163,911	157,006
Own shares held	22/23	(3,992)	(5,995)
Equity attributable to equity holders of the parent		268,502	282,186
Minority interests	23	157	-
<b>Total equity</b>		<b>268,659</b>	<b>282,186</b>

**Net assets per share**

Basic	24	293p	311p
Diluted	24	289p	307p
Adjusted Diluted	24	306p	334p
Diluted EPRA	24	352p	374p

**Helical Bar plc**  
**Unaudited Consolidated Cash Flow Statement**  
**For the year to 31 March 2008**

	<b>Year To 31 March 2008 £000</b>	<b>Year To 31 March 2007 £000</b>
<b>Cash flows from operating activities</b>		
(Loss)/profit before tax	(24,285)	60,088
Depreciation	270	180
Loss/(gain) on investment properties	32,554	(40,637)
Other non-cash items	3,440	(6,294)
<b>Cash flows from operations before changes in working capital</b>	11,979	13,337
Change in trade and other receivables	26,051	(36,317)
Change in land, developments and trading properties	(65,031)	(19,705)
Change in trade and other payables	2,563	14,828
<b>Cash outflow from operations</b>	(24,438)	(27,857)
Finance costs	(12,987)	(8,035)
Finance income	2,579	574
Minority interest dividends paid	-	(300)
Dividends from joint ventures	98	303
Tax paid	(3,100)	(2,602)
	(13,410)	(10,060)
<b>Cash flows from operating activities</b>	(37,848)	(37,917)
<b>Cash flows from investing activities</b>		
Purchase of investment property	(26,760)	(27,772)
Sale of investment property	6,014	53,446
Purchase of investments	(8,080)	(4,164)
Sale of investments	6,508	3,909
Purchase of shares by ESOP	(5,273)	(5,084)
Sale of plant and equipment	-	7
Purchase of plant and equipment	(1,972)	(48)
	(29,563)	20,294
<b>Cash flows from financing activities</b>		
Issue of shares	-	43
Borrowings drawn down	96,837	46,206
Borrowings repaid	(11,644)	(31,616)
Equity dividends paid	(4,081)	(3,615)
Refinancing costs	-	(141)
	81,112	10,877
Net increase/(decrease) in cash and cash equivalents	13,701	(6,746)
Cash and cash equivalents at 1 April	3,389	10,135
<b>Cash and cash equivalents at 31 March</b>	17,090	3,389

**Helical Bar plc**  
**Unaudited Consolidated Statement of Recognised Income and Expense**  
**For the year to 31 March 2008**

	<b>Year To 31 March 2008 £000</b>	<b>Year To 31 March 2007 £000</b>
(Loss)/profit for the year	(12,314)	52,088
Fair value movements on available for-sale-investments	9,974	(24)
Associated deferred tax on the fair value movements	(2,793)	-
<b>Total recognised income and expense for the year</b>	<b>(5,133)</b>	<b>52,064</b>

**Unaudited Notes to the Preliminary Announcement**

**1. Financial Information**

The financial information contained in this report 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 2007, 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.

Financial statements for the year ended 31 March 2008 will be presented to the Members at the Annual General Meeting on 23 July 2008. The auditors have indicated that their report on these Financial Statements will be unqualified.

**2. Principal Accounting Policies**

**Basis of preparation**

The preliminary announcement has been prepared in accordance with International Financial Reporting Standards (“IFRS”) but does not contain sufficient information to comply fully with IFRS. The Financial Statements to be presented to Members at the 2008 AGM are expected to fully comply with IFRS.

The preliminary announcement has been prepared under the historical cost convention as modified by the revaluation of investment properties, available for sale investments and derivative financial instruments. The measurement bases and principal accounting policies of the Group are set out below.

**Basis of consolidation**

The Group financial statements consolidate those of the Company and all of its subsidiary undertakings drawn up to 31 March 2008. Subsidiary undertakings are those entities over which the Group has the ability to govern the financial and operating policies through the exercise of voting rights. Subsidiaries are accounted for under the purchase method.

Unrealised gains on transactions between the Company and its subsidiaries and between subsidiaries are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

## **Revenue recognition**

Revenue consists of gross rental income, sales of trading and development properties, profits accrued on developments, sales of current asset investments and investment income.

Rental income receivable is recognised on an accruals basis in the period from lease commencement to expiry and is spread evenly over that period. Any incentive for lessees to enter into a lease agreement and any costs associated with entering into the lease are spread over the same period.

Trading properties and development sites are regarded as sold when the significant risks and returns have been transferred to the buyer. For unconditional contracts, sales are recognised on exchange. For conditional contracts, sales are recognised as the conditions are satisfied.

Development profits on pre-sold developments are recognised in accordance with the following milestones:

- on sale of land
- on sale of completed development
- on letting of developed building to tenants
- over the course of the construction in accordance with an agreed contract

Revenue in respect of investment and other income represents investment income, fees and commissions earned on an accruals basis and profits or losses recognised on investments held for the short-term. Dividends are recognised when the shareholders' right to receive payment has been established. Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate.

## **Taxation**

The taxation charge represents the sum of tax currently payable and deferred tax.

The charge for current taxation is based on the results for the year as adjusted for items which are non-assessable or disallowed. It is calculated using rates that have been enacted or substantively enacted by the balance sheet date. Tax payable upon realisation of revaluation gains recognised in prior periods is recorded as a current tax charge with a release of the associated deferred taxation.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. The measurement of deferred tax assets and liabilities reflects the tax consequences of the manner in which Helical expects, at the balance sheet date, to recover or settle the carrying amount of those assets and liabilities. Such assets and liabilities are not recognised if the temporary differences arise from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

The deferred tax asset relating to share based payment awards reflects the estimated value of tax relief available on the vesting of the awards at the balance sheet date.

Deferred tax is determined using tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. It is recognised in the Income Statement except when it relates to items credited or charged directly to equity, in which case the deferred tax is also dealt with in equity.

The Group recognises a deferred tax liability for all taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, except to the extent that both of the following conditions are satisfied:

- a) the Group is able to control the timing of the reversal of the temporary difference; and,
- b) it is probable that the temporary difference will not reverse in the foreseeable future.

### **Investments**

Investments are classified as available-for-sale investments or trading investments dependent upon the purpose for which they were acquired.

Available-for-sale investments are revalued to fair value at the balance sheet date. Gains or losses arising from changes in fair value are included in the revaluation reserve except to the extent that losses are attributable to impairment, in which case they are recognised in the income statement. Upon disposal, accumulated fair value adjustments are included in the income statement.

### **Cash and cash equivalents**

Cash and cash equivalents are carried in the balance sheet at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand, deposits with banks, other short term, highly liquid investments with original maturities of three months or less.

### **Investment in joint ventures**

Entities whose activities are jointly controlled by the Group and by other ventures independent of the Group are accounted for using the equity method of accounting. Under IFRS the Group's share of the results and of the net assets of the joint ventures are shown in the Consolidated Income Statement and Consolidated Balance Sheet respectively.

### **Goodwill**

Goodwill, representing the excess of the cost of acquisition over the fair value of the Group's share of identifiable net assets acquired, is capitalised and reviewed annually for impairment. Goodwill is carried at cost less accumulated impairment losses. Negative goodwill is recognised immediately after acquisition in the income statement.

### **Depreciation**

In accordance with IAS 40 Investment Property, depreciation is not provided for on freehold investment properties or on leasehold investment properties.

The Group do not own the freehold land and buildings which it occupies. Costs incurred in respect of leasehold improvements to the Group's head office at 11-15 Farm Street, London W1J 5RS are capitalised and held as short leasehold improvements. Leasehold improvements, plant and equipment are stated at cost less accumulated depreciation and any recognised impairment loss. Residual values are re-assessed annually.

Depreciation is charged so as to write off the cost of assets less residual value over their estimated useful lives, using the straight line method, on the following basis:

Short leasehold improvements - 10% or length of lease if shorter

Plant and equipment - 25%.

### **Investment properties**

Investment properties are properties owned or leased by the Group which are held for long-term rental income and for capital appreciation. Investment properties are initially recognised at cost and revalued at the balance sheet date to fair value as determined by professionally qualified external valuers. In accordance with IAS40, investment properties held under the leases are stated gross of the recognised finance lease liability.

An investment property is regarded as sold when the significant risks and rewards have been transferred to the buyer. For unconditional contracts, sales are recognised on exchange. For conditional contracts, sales are recognised as the conditions are satisfied.

Gains or losses arising from changes in the fair value of investment properties are included in other operating income in the Income Statement of the period in which they arise.

In accordance with IAS 40, as the Group uses the fair value model, no depreciation is provided in respect of investment properties including integral plant.

When the Group redevelops an existing investment property for continued future use as investment property, the property remains an investment property measured at fair value and is not reclassified. Interest is capitalised before tax relief until the date of practical completion.

### **Leases**

Leases are classified according to the substance of the transaction. A lease that transfers substantially all the risks and rewards of ownership to the lessee is classified as a finance lease. All other leases are classified as operating leases.

In accordance with IAS 40, finance leases of investment property are accounted for as finance leases and recognised as an asset and an obligation to pay future minimum lease payments. The investment property asset is included in the balance sheet at fair value, gross of the recognised finance lease liability. Lease payments are allocated between the liability and finance charges so as to achieve a constant financing rate.

### **Land, developments and trading properties**

Land, developments and trading properties held for sale are inventory and are included in the balance sheet at the lower of cost and net realisable value.

### **Derivative financial instruments**

Derivative financial assets and financial liabilities are recognised on the balance sheet when the Group becomes a party to the contractual provisions of the instrument. The Group enters into derivative transactions such as interest rate caps and floors in order to manage the risks arising from its activities. Derivatives are initially recorded at fair value and are subsequently remeasured to fair value based on market prices, estimated future cash flows and forward rates as appropriate. Any change in the fair value of such derivatives is recognised immediately in the income statement as a finance cost or income.

## **Share based payments**

The Group provides share-based payments in the form of share options, performance share plan awards and a share incentive plan. The fair value of share based payments related to employees' service and determined indirectly by reference to the fair value of the related instrument at the grant date.

All share-based payment arrangements granted after 7 November 2002 that had not vested prior to 1 January 2005 are recognised in the financial statements. The Company uses the Stochastic valuation model and the resulting value is amortised through the Income Statement over the vesting period of the share-based payments.

For the performance share plan and share incentive plan awards, where non-market conditions apply, the expense is allocated over the vesting period to the Income Statement based on the best available estimate of the number of awards that are expected to vest. Estimates are subsequently revised if there is any indication that the number of awards expected to vest differs from previous estimates.

## **Borrowing and borrowing costs**

Interest bearing loans and overdrafts are initially recorded at fair value, net of finance and other costs yet to be amortised.

Borrowing costs directly attributable to the acquisition and construction of new development and investment properties are added to the costs of such properties until the date of completion of the development or investment.

## **Trade receivables**

Trade receivables do not carry any interest and are stated initially at fair value and subsequently at amortised cost as reduced by appropriate allowances for estimated irrecoverable amounts.

## **Trade and other payables**

Trade and other payables are not interest bearing and are initially recognised at fair value and subsequently at amortised cost.

## **Net asset value per share**

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

## **(Loss)/earnings per share**

(Loss)/earnings per share have been calculated in accordance with IAS 33 and the best practice recommendations of EPRA.

## **Employee Share Ownership Plan Trust**

Shares held in the Helical Bar Employee Share Ownership Plan Trust ("ESOP") are shown as a deduction in arriving at equity funds. Assets, liabilities and reserves of the ESOP are included in the statutory headings to which they relate.

## Use of estimates and judgements

To be able to prepare accounts according to generally accepted accounting principles, management must make estimates and assumptions that effect the asset and liability items and revenue and expense amounts recorded in the financial accounts. These estimates are based on historical experience and various other assumptions that management and the Board of Directors believe are reasonable under the circumstances. The results of these considerations form the basis for making judgements about the carrying value of assets and liabilities that are not readily available from other sources.

Areas requiring the use of estimates and critical judgement that may significantly impact on the Group's earnings and financial position are:

- revenue and cost recognition on developments where profits, recognised only when developments are sold and let, are spread over the construction period using estimates of the final outcome;
- valuation of investment properties, where external valuers are used to provide third party valuations;
- valuation of recently acquired investment properties, where a directors' valuation is used based on the terms of the acquisition;
- calculation of deferred tax liabilities, where indexation is used to reduce the provision for deferred tax on revaluation surpluses;
- recognition of share-based payments which is dependent upon the estimated number of performance share plan awards that will vest at the end of the performance period;
- calculation and assessment of recoverability of deferred tax assets, where it has been assumed that the performance share plan award will be tax deductible on the vesting of the share awards; and,
- valuation of the investment in Quotient Bioresearch Limited, where recent investment in the company's shares by a third party is used as a base valuation under IFRS, as discounted to a current fair value (note 12).

## Dividends

Dividend distributions to the Company's shareholders are recognised as a liability in the financial statements in the period in which dividends are approved.

## Adoption of significant new or amended IFRS standards or interpretations

The Group has adopted IFRS 7 Financial Instruments: Disclosures in the year. There has been no change in the income statement and balance sheet as a result of adopting this standard but it has resulted in additional disclosure.

## 3. Revenue

	<b>Year To 31 March 2008 £000</b>	<b>Year To 31 March 2007 £000</b>
Rental income	18,284	18,044
Trading property sales	115	12,355
Developments	40,585	88,685
Other income	6,639	4,092

**4. Net rental income**

	<b>Year To 31 March 2008 £000</b>	<b>Year To 31 March 2007 £000</b>
Gross rental income	18,284	18,044
Rents payable	(42)	(137)
Other property outgoings	(1,842)	(3,136)
Net rental income	16,400	14,771

**5. (Loss)/gain on sale and revaluation of investment properties**

	<b>Year To 31 March 2008 £000</b>	<b>Year To 31 March 2007 £000</b>
Net proceeds from the sale of investment properties	6,014	53,446
Book value (note 10)	(6,250)	(45,638)
Lease incentive and letting costs adjustment	-	(351)
(Loss)/gain on sale of investment properties	(236)	7,457
(Loss)/gain on revaluation on investment properties	(32,554)	33,180
(Loss)/gain on sale and revaluation of investment properties	(32,790)	40,637

**6. Administrative expenses**

	<b>Year To 31 March 2008 £000</b>	<b>Year To 31 March 2007 £000</b>
Administrative expenses	13,659	17,544
Operating (loss)/profit is stated after:		
Staff costs	5,036	10,131
Share-based payments charge	4,208	4,578
Depreciation	270	180
Auditors' remuneration	246	225

Administrative expenses includes salaries in respect of the directors of £1,875,000 (2007: £1,456,000) and cash bonuses payable to directors of nil (2007: £4,203,000).

**7. Finance costs**

	<b>Year To 31 March 2008 £000</b>	<b>Year To 31 March 2007 £000</b>
Interest payable on bank loans and overdrafts	11,901	8,437
Other interest payable and similar charges	265	228
Finance arrangement costs	163	114
Interest capitalised	(9,296)	(6,069)

Finance costs	3,033	2,710
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## 8. Taxation

	Year To 31 March 2008 £000	Year To 31 March 2007 £000
The tax charge is based on the (loss)/profit for the period and represents:		
United Kingdom corporation tax at 30% (2007: 30%)	1,160	6,449
- Group corporation tax	(1,492)	(141)
- adjustments in respect of prior periods		
Current tax (credit)/charge	(332)	6,308
Deferred tax - capital allowances	560	(7)
- other temporary differences	(1,209)	(929)
- revaluation surpluses	(10,990)	2,628
Deferred tax	(11,639)	1,692
Tax on (loss)/profit	(11,971)	8,000

### Deferred tax

Capital gains	12,566	23,555
Capital allowances	2,728	2,168
Other temporary differences	(3,443)	(5,026)
Deferred tax provision	11,851	20,697

## 9. (Loss)/earnings per share

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

The calculation of diluted (loss)/earnings per share is based on the basic (loss)/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 (loss)/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 (loss)/earnings and weighted average number of shares used in the calculations are set out below.

	<b>Year To 31 March 2008 000's</b>	<b>Year To 31 March 2007 000's</b>
Ordinary shares in issue	95,732	94,372
Weighting adjustment	(4,289)	(5,028)
Weighted average ordinary shares in issue for calculation of basic earnings per share	91,443	89,344
Weighting adjustments – for diluted earnings per share	-	7,122
Weighted average ordinary shares in issue for calculation of diluted earnings per share	91,443	96,466
Weighting adjustments – for diluted EPRA earnings per share	6,309	-
Weighted average ordinary shares in issue for calculation of diluted EPRA earnings per share	97,752	96,466
<hr/>		
(Loss)/earnings used for calculation of basic and diluted earnings per share	(12,307)	51,788
<hr/>		
Basic (loss)/earnings per share	(13.5p)	58.0p
Diluted (loss)/earnings per share	(13.5p)	53.7p
<hr/>		
(Loss)/earnings used for calculation of basic and diluted earnings per share	(12,307)	51,788
Loss/(gain) on sale and revaluation of investment properties	32,790	(40,637)
Fair value movement on derivative financial instruments	1,270	(955)
Deferred tax in respect of investment properties	(10,430)	2,621
Tax on profit on disposal of investment properties	-	3,191
Earnings used for calculation of diluted EPRA earnings per share	11,323	16,008
<hr/>		
Diluted EPRA earnings per share	11.6p	16.6p

## 10. Investment properties

	<b>Freehold 31.03.08 £000</b>	<b>Leasehold 31.03.08 £000</b>	<b>Total 31.03.08 £000</b>	Freehold 31.03.07 £000	Leasehold 31.03.07 £000	Total 31.03.07 £000
Group						
Fair value at 1 April	253,696	62,329	316,025	211,451	83,132	294,583
Additions at cost	29,066	493	29,559	32,445	1,458	33,903
Disposals	(6,250)	-	(6,250)	(15,174)	(30,464)	(45,638)
Revaluation (deficit)/surplus	(30,211)	(2,343)	(32,554)	24,974	8,206	33,180
Amortisation	-	(2)	(2)	-	(3)	(3)
Fair value at 31 March	246,301	60,477	306,778	253,696	62,329	316,025

A disposal of the investment property portfolio at its stated fair value would crystallise a payment due to the Group's joint venture partners in respect of their share of the revaluation surplus of £6.0m (2007: £9.4m). This amount is included in accruals (note 17).

Interest capitalised during the year in respect of the refurbishment of investment properties amounted to £2,634,000 (2007: £1,192,000).

Interest capitalised in respect of the refurbishment of investment properties is included in investment properties to the extent of £5,140,000 (2007: £2,505,000).

## 11. Owner occupied property, plant and equipment

	Short leasehold improvements 31.03.08 £000	Vehicles and office equipment 31.03.08 £000	Total 31.03.08 £000	Short leasehold improvements 31.03.07 £000	Vehicles and office equipment 31.03.07 £000	Total 31.03.07 £000
Cost at 1 April	646	778	1,424	646	866	1,512
Additions at cost	1,733	239	1,972	-	49	49
Disposals	(346)	(430)	(776)	-	(137)	(137)
Cost at 31 March	2,033	587	2,620	646	778	1,424
Depreciation at 1 April	552	521	1,073	505	518	1,023
Provision for the year	123	147	270	47	133	180
Eliminated on disposals	(347)	(383)	(730)	-	(130)	(130)
Depreciation at 31 March	328	285	613	552	521	1,073
Net book amount at 31 March	1,705	302	2,007	94	257	351

## 12. Available for sale investments

	At 31 March 2008 £000	At 31 March 2007 £000
<b>Non-current investments</b>		
Investment in Quotient Bioresearch Ltd at directors' valuation	12,000	-
	12,000	-
<b>Current investments</b>		
Investment in Quotient Bioresearch Ltd	-	900
UK listed investments at fair value	12	12
	12	912

Helical Bar plc owns 29.67% of Quotient Bioresearch Limited a private biosciences company. The Group has accounted for its interest as an available-for-sale investment in accordance with IAS 39 as it does not have significant influence over the operating and financial policies of the company.

## 13. Goodwill

	At 31 March 2008 £000	At 31 March 2007 £000
Cost at 1 April	1,515	1,515
Additions	-	-
Cost at 31 March	1,515	1,515
Impairment at 1 April	1,485	1,447
Impairment for the year	-	38
Impairment at 31 March	1,485	1,485
Fair value at 31 March	30	30

#### 14. Land, developments and trading properties

Cost	At	At
	31 March	31 March
	2008	2007
	£000	£000
Development properties	181,118	109,165
Properties held as trading stock	1,390	1,650
	182,508	110,815

The directors' valuation of trading and development stock showed a surplus of £43m above book value at 31 March 2008 (2007: £36m).

Interest capitalised in respect of the development of sites is included in stock to the extent of £11,636,000 (2007: £4,523,000). Interest capitalised during the period in respect of development sites amounted to £6,661,000 (2007: £4,877,000). Capitalised interest previously provided for but reinstated during the year amounted to £452,000 (2007: nil).

#### 15. Trade and other receivables

	At	At
	31 March	31 March
	2008	2007
	£000	£000
Trade receivables	11,626	50,850
Other receivables	14,131	6,575
Prepayments and accrued income	18,326	13,101
	44,083	70,526

#### 16. Cash and cash equivalents

	At	At
	31 March	31 March
	2008	2007
	£000	£000
Rent deposits and cash held at managing agents	3,105	1,852
Cash secured against debt and cash held at solicitors	-	1,045
Cash deposits	13,985	492
	17,090	3,389

#### 17. Trade payables and other payables

	At	At
	31 March	31 March
	2008	2007
	£000	£000
Trade payables	13,035	9,841
Other payables	8,873	8,552
Accruals and deferred income	44,466	45,810
	66,374	64,203

## 18. Borrowings

	At 31 March 2008 £000	At 31 March 2007 £000	
<b>Bank overdraft and loans – maturity</b>			
Due within one year	50,238	31,560	
Due after more than one year	172,362	105,847	
	222,600	137,407	
	At 31 March 2008 £000	At 31 March 2007 £000	
<b>Undrawn committed bank facilities</b>			
Expiring in one year or less	62,427	44,200	
Expiring in more than one year but not more than two years	2,000	27,456	
Expiring in more than two years	11,730	2,000	
	76,157	73,656	
Interest Rates	%	Expiry	At 31 March 2008 £000
Fixed rate borrowings			
- fixed	9.050	Feb 09	6,188
- swap rate plus bank margin	5.939	Sep 09	14,324
- swap rate plus bank margin	7.273	Nov 09	8,000
- swap rate plus bank margin	5.661	Nov 10	5,200
- swap rate plus bank margin	6.052	Jan 11	4,200
- swap rate plus bank margin	5.341	Jun 11	4,536
- swap rate plus bank margin	6.405	Oct 12	35,190
- swap rate plus bank margin	4.990	Mar 09	10,120
Weighted average	6.332	Aug 11	87,668
Floating rate borrowings			135,237
Total borrowings			222,995
Deferred arrangement costs			(395)
			222,600

Floating rate borrowings bear interest at rates based on LIBOR.

## Hedging

In addition to the fixed rates, borrowings are also hedged by the following financial instruments:

Instrument	Value £000	Rate %	Start	Expiry
Current - cap	80,000	7.000	Jan 2006	Sept 2009
<b>Gearing</b>			<b>At</b>	<b>At</b>
			<b>31 March</b>	<b>31 March</b>
			<b>2008</b>	<b>2007</b>
			<b>£000</b>	<b>£000</b>
Total borrowings			222,600	137,407
Cash			(17,090)	(3,389)
Net borrowings			205,510	134,018
Net assets			268,659	282,186
Gearing			76%	47%

Net borrowings exclude the Group's share of borrowings in joint ventures of £19,990,000 (2007: £12,583,000).

## 19. Obligations under finance leases

	At 31 March 2008 £000	At 31 March 2007 £000
Lease payments under finance leases fall due:		
Not later than one year	14	14
Later than one year and not later than five years	46	46
Later than five years	117	119
Present value of finance lease obligations	177	179

## 20. Share capital

	At 31 March 2008 £000	At 31 March 2007 £000
Authorised	39,577	39,577
	39,577	39,577
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		
- 95,732,457 ordinary shares of 1p each	957	957
- 212,145,300 deferred shares of 1/8 p each	265	265

As at 1 April 2007, the Company had 95,719,432 ordinary 1p shares in issue. On 28 September 2007, options over 13,025 new ordinary 1p shares were exercised increasing the issued share capital of the Company to 95,732,457 ordinary 1p shares.

### Share options

At 31 March 2008 unexercised options over 1,939,965 (31 March 2007: 1,956,070) new ordinary 1p shares in the Company and 2,629,695 (31 March 2007: 3,964,695) 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.

### 21. Dividends

	Year To 31 March 2008 £000	Year To 31 March 2007 £000
Attributable to equity share capital		
Ordinary - interim paid of 1.75p (2007: 1.60p) per share	1,613	1,441
- prior period final paid 2.75p (2007: 2.45p) per share	2,468	2,174
<b>Total dividends paid 4.50p (2007 : 4.05p)</b>	<b>4,081</b>	<b>3,615</b>

The interim dividend of 1.75p was paid on 21 December 2007 to shareholders on the register on 7 December 2007.

The final dividend, if approved by shareholders at the AGM on 23 July 2008, amounting to £2,490,444 representing 2.75 pence per share, will be paid on 25 July 2008 and has not been included as a liability as at 31 March 2008.

### 22. 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 31 March 2008, the Trust held 4,170,868 (31 March 2007: 5,174,701) ordinary shares in Helical Bar plc.

At 31 March 2008, options over 2,629,695 (31 March 2007: 3,964,695) ordinary shares in Helical Bar plc had been granted through the Trust. At 31 March 2008, awards over 4,536,065 (31 March 2007: 5,960,675) ordinary shares in Helical Bar plc had been made under the terms of the Performance Share Plan.

## 23. Statement of Changes in Equity

	Share Capital £000	Share premium £000	Revaluation reserve £000	Capital redemption reserve £000	Other reserves £000	Retained earnings £000	Own shares held £000	Minority interest £000	Total £000
As at 31 March 2006	1,209	42,490	64,820	7,478	291	120,948	(7,139)	-	230,097
Issue of shares	13	30	-	-	-	-	-	-	43
Revaluation surplus	-	-	30,552	-	-	(30,552)	-	-	-
Realised on disposals	-	-	(15,708)	-	-	15,708	-	-	-
Total recognised income	-	-	-	-	-	52,064	-	-	52,064
Dividends paid	-	-	-	-	-	(3,615)	-	-	(3,615)
Minority interest	-	-	-	-	-	(300)	-	-	(300)
Purchase of shares	-	-	-	-	-	-	(5,155)	-	(5,155)
Share options exercised	-	-	-	-	-	-	71	-	71
Performance share plan	-	-	-	-	-	8,981	-	-	8,981
Own shares held	-	-	-	-	-	(6,228)	6,228	-	-
As at 31 March 2007	1,222	42,520	79,664	7,478	291	157,006	(5,995)	-	282,186
Revaluation deficit	-	-	(21,564)	-	-	21,564	-	-	-
Realised on disposals	-	-	(1,028)	-	-	1,028	-	-	-
Total recognised expense	-	-	-	-	-	(5,133)	-	-	(5,133)
Dividends paid	-	-	-	-	-	(4,081)	-	-	(4,081)
Minority interests	-	-	-	-	-	7	-	157	164
Purchase of shares	-	-	-	-	-	-	(9,132)	-	(9,132)
Performance share plan	-	-	-	-	-	4,655	-	-	4,655
Own shares held	-	-	-	-	-	(11,135)	11,135	-	-
As at 31 March 2008	1,222	42,520	57,072	7,478	291	163,911	(3,992)	157	268,659

The adjustment to retained earnings of £4,655,000 (2007: £8,981,000) adds back the share-based payments charge, in accordance with IFRS 2 Share-Based Payments.

Notes:

Share capital – represents the nominal value of issued share capital.

Share premium – represents the excess of value of shares issued over their nominal value.

Revaluation reserve – represents the surplus of fair value of investment properties over their historic cost.

Capital redemption reserve – represents amounts paid to purchase issued shares for cancellation at their nominal value.

Retained earnings – represents the accumulated retained earnings of the Group.

Own shares held – relates to the shares purchased by the Helical Bar Employees' Share Ownership Plan Trust.

## 24. Net assets per share

	At 31 March 2008	At 31 March 2007		At 31 March 2007	At 31 March 2007	
	£000	Number of Shares 000's	Pence per share	£000	Number of Shares 000's	Pence per share
Net asset value	268,502	95,732		282,186	95,719	
Own shares held by ESOP		(4,170)			(5,174)	
Less deferred shares	(265)			(265)		
Basic net asset value	268,237	91,562	293	281,921	90,545	311
Unexercised share options	1,988	1,940		2,002	1,956	
Diluted net asset value	270,225	93,502	289	283,923	92,501	307
- Fair value of financial instruments	925			(345)		
- Deferred tax on capital allowances	2,728			2,168		
- Deferred tax on chargeable gains	12,565			23,555		
Adjusted diluted net asset value	286,443	93,502	306	309,301	92,501	334
- Fair value of trading properties	42,970			36,480		
Diluted EPRA net asset value	329,413	93,502	352	345,781	92,501	374
- Fair value of financial statements	(925)			345		
- Deferred tax on capital allowances	(2,728)			(2,168)		
- Deferred tax on capital gains	(12,565)			(23,555)		
Diluted Triple NAV	313,195	93,502	335	320,403	92,501	346