# HELICAL BAR PLC

## Half Year Statement

## For the Six Months to 30 September 2009

**H E L I C A L  B A R  P L C**
**("Helical"/"Company"/"Group")**

**H a l f  Y e a r  R e s u l t s**

**For the Six Months to 30 September 2009**

**Celebrating the 25th Anniversary with a resilient performance**

**Financial Highlights:**

- Profit before property writedowns, loss on sale of investment properties, investment gains and tax for the half year of £1.8m (2008: £23.9m).

- Diluted EPRA net assets per share of 271p (31 March 2009: 286p).

- Investment portfolio showed a revaluation surplus of £0.1m at the half year.

- Net rental income increased to £8.5m (2008 £8.2m)

- Diluted EPRA loss per share of 5.2p (2008: earnings of 8.5p)

***Prudent cash and debt management***

- Reduction in net gearing to 83% (31 March 2009: 95%) with the repayment of £63.0m of debt during the period.

- Cash and unused bank facilities of over £60m ensure the Company is well positioned to capitalise on market opportunities.

- Reduced administration costs to £4.0m (2008: £5.7m)

- Interim dividend maintained at 1.75p per share (2008: 1.75p)

**Operational Highlights:**

***Active portfolio management to maximise income and preserve and enhance capital value growth potential:***

- Disposals programme, with over £103m of sales completed or under offer in the year to date

- Successful lettings programme, with over 60 new or renewed leases increasing net annualised income, after lease expiries, by £1,278,000.

***Building a substantial platform for future surpluses, with timing of delivery dependent on market recovery and the securing of appropriate funding structures:***

- 1.2m sq ft portfolio of out of town retail development assets in Poland

- Over 1m sq ft of development opportunities in Central London

- Engaged in the promotion of up to 5,000 residential units in London in existing joint venture partnerships and consortia.

- 750 retirement units with planning consent, with over 200 units already built or under construction.

Commenting on the results, Giles Weaver, Chairman, said:

"Since reporting our full year results to shareholders in June 2009, Helical has seen an improvement in the investment market. This is reflected in the valuation of our investment portfolio, externally valued at the half year end for the first time in line with industry practice, where a small surplus in value of £0.1m was achieved. It is to be hoped that this signals a sustained recovery in capital values, although the impact of a continued decline in rental values cannot be discounted.

"The Company already owns an investment portfolio and a development pipeline that should enable it to increase shareholder value substantially in the future. Furthermore, there exist a number of interesting opportunities in which the Company is involved and we are confident that the current portfolio and these opportunities will, together, provide outperformance to shareholders in the future."

**25 years a property company**

On the 21st August 1984, Michael Slade joined the Board of Helical Bar plc, quickly transforming the Company from a manufacturer of steel reinforcement bars to the commercial property company it remains today. During this period, Helical has increased its market capitalisation from circa £840,000 to today's value of £360m, having returned £199m to shareholders, net of new share capital raised.


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## FINANCIAL HIGHLIGHTS

| | Notes | Half Year To 30 September 2009 £m | Half Year To 30 September 2008 £m | Year To 31 March 2009 £m |
|---|---|---|---|---|
| Net rental income | | 8.5 | 8.2 | 17.7 |
| Development (losses)/profits | | (3.7) | 7.9 | (7.7) |
| Trading losses | | - | - | (0.5) |
| Share of results of joint ventures | 1 | - | 0.1 | 1.8 |
| Profits before property writedowns, investment gains and tax | | 1.8 | 23.9 | 16.2 |
| Provisions against trading and development stock | | (6.2) | (13.1) | (23.3) |
| Losses on investment properties | 2 | (4.4) | - | (66.7) |
| Gain on sale of investment | | - | 1.9 | 1.9 |
| (Loss)/profit before tax | | (8.8) | 12.7 | (71.9) |

| | | pence | pence | pence |
|---|---|---|---|---|
| Basic (loss)/earnings per share | | (7.5) | 9.2 | (56.6) |
| Diluted (loss)/earnings per share | | (7.5) | 8.8 | (56.6) |
| Diluted EPRA (loss)/earnings per share | 3 | (5.2) | 8.5 | 12.8 |
| Dividends per share (paid in period) | | 2.75 | 2.75 | 4.50 |
| Diluted EPRA net assets per share | 2/4 | 271 | 333 | 286 |
| Interim dividend declared | | 1.75 | 1.75 | 1.75 |
| | | **£m** | **£m** | **£m** |
| Value of investment portfolio | 2 | 205.3 | 309.4 | 241.3 |
| Trading and development stock at directors' value | 5 | 245.0 | 221.6 | 255.9 |
| Net borrowings | | 191.0 | 211.0 | 224.7 |
| Net assets | 2 | 229.5 | 270.0 | 237.1 |
| Ratio of net borrowings to property portfolio | 5 | 42% | 40% | 45% |
| Net gearing | 2/6 | 83% | 78% | 95% |

**Notes**

1. The Group's share of the results of entities controlled equally by the Group and its joint venture partners.

2. There was no interim revaluation of the investment portfolio as at 30 September 2008

3. Calculated in accordance with IAS 33 and 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. See note 20 of Half Year Statement.

5. Includes the trading and development stock surplus of £45m (2008: £45m). 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.

## Introduction

The Company has made good progress during the first half, both in terms of the management of its portfolio and in ensuring that its financial position is sufficiently reinforced to enable it to take advantage of the market recovery. In addition, the Group has made substantial progress in securing a number of interesting opportunities that should ensure the creation of significant shareholder value going forward.

## Basis of Preparation

In line with industry practice, Helical has moved to valuing its investment portfolio on a six monthly basis. In addition, as part of the wider valuation process the directors have also considered the current values of trading and development stock. This half year statement accounts for valuation movements in the investment portfolio to 30 September 2009 and includes, in the diluted EPRA net asset value per share, unrealised surpluses on trading and development stock.

## Results

In the six months to 30 September 2009, Helical generated profits before property writedowns, net loss on the sale and revaluation of investment properties and tax of £1.8m (2008: £23.9m). A writedown in the carrying value of its development sites of £6.2m (2008: £13.1m) and a net loss on the sale and revaluation of investment properties of £4.4m (2008: £nil) turned this profit into a loss before tax of £8.8m (2008: profit £12.7m). Net rental income for the period increased to £8.5m (2008: £8.2m) and trading profits were £nil (2008: £nil). Administration costs reduced to £4.0m (2008: £5.7m) and the net financing charge was £4.1m (2008: £2.8m).

A corporation tax charge of £0.7m (2008: £0.1m) has been combined with a deferred tax credit of £1.6m (2008: charge of £4.2m) for a net tax credit of £0.9m (2008: charge £4.3m).

We are declaring an Interim Dividend maintained at 1.75p per share (2008:1.75p), payable on the 23 December 2009 to shareholders on the register on 4 December 2009.

Diluted loss per share was 7.5p (2008: earnings of 8.8p) and diluted EPRA loss per share was 5.2p (2008: earnings of 8.5p).

Basic net assets per share fell to 217p per share (31 March 2009: 226p) and the fully diluted net assets per share, adjusted for the adding back of the deferred tax provision, fell to 228p per share (31 March 2009: 242p). The diluted EPRA net asset value per share, which includes the surplus on fair value of trading and development properties as at 30 September 2009, was 271p (31 March 2009: 286p).

## Financing

Since the year end, Helical has sought to further strengthen its financial position by renegotiating the terms on £183m of secured loans, repaying £28m and removing loan to value covenants for between two and three years. Whilst property values appear to have bottomed out, the Group will continue to monitor loan to value covenants on the remaining secured loans, together with all income covenants to ensure that any potential breaches are remedied. Helical has repaid £63.0m of debt during the period, partly as a result of its renegotiation of loans and partly arising from the sale of Rex House and industrial units at Southampton, Southall and Kidlington.

At 30 September 2009 the Group had net borrowings of £191.0m (31 March 2009: £224.7m) and gross property values of £450.3m (31 March 2009: £497.2m). The ratio of net borrowings to the value of the property portfolio (including the directors' valuation of stock) was 42.4% (31 March 2009: 45.2%). Net debt to equity gearing at 30 September 2009 was 83% (31 March 2009: 95%).

At 30 September 2009, the Group had £101.1m (31 March 2009: £147.9m) of fixed rate borrowings with an average effective interest rate of 5.91% (31 March 2009: 6.31%) and an average length of 2.4 years (31 March 2009: 3.2 years) and £34m of interest rate caps at 6% (31 March 2009: £110m at 6.7%). In addition, the Company has a £30m floor at 4.5% until 2013. At 25 November 2009, Helical's average interest rate on its borrowings was 4.35%.

At 25 November 2009, the Group had over £60m of cash and agreed, unutilised, bank facilities, as well as £63m of uncharged property on which it could borrow funds.

**25 years a property company**

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**Outlook**

Since reporting our full year results to shareholders in June 2009, Helical has seen an improvement in the investment market. This is reflected in the valuation of our investment portfolio, externally valued at the half year end for the first time in line with industry practice, where a small surplus in value of £0.1m was achieved. It is to be hoped that this signals a sustained recovery in capital values, although the impact of a continued decline in rental values cannot be discounted.

The Company already owns an investment portfolio and a development pipeline that should enable it to increase shareholder value substantially in the future. Furthermore, there exist a number of interesting opportunities in which the Company is involved and we are confident that the current portfolio and these opportunities will, together, provide outperformance to shareholders in the future.

**Giles Weaver**
**Chairman**
**26 November 2009**

## PROPERTY PORTFOLIO

A complete list of the Group's ongoing projects is noted below but a summary of the more significant matters that have progressed since 31 March 2009 is as follows:

### Poland

We have made significant progress with our retail development programme in Poland where we have three out of town retail schemes totalling over 1.2m sq ft (114,700 sq m)

- At Opole, Poland we have completed the sale of the site and the forward funding of the development to Standard Life of our 36,000 sq m out of town retail scheme which is 65% pre-let with a further 7% under offer. Construction has commenced.
- At Europa Centralna (Gliwice), Poland we have pre-let 40% of our 69,000 sq m out of town retail scheme with approximately 29% under offer. Construction is due to commence in 2010.
- At Wroclaw, Poland we have received an offer to buy our completed 9,700 sq m out of town retail scheme which is fully let.

### Retirement Villages

Our retirement village programme has made great progress in the half year with one village completed with all the units sold or under offer, one village in the course of construction, three other villages having now received planning permission and the remaining village in the planning process.

- At Lime Tree Village, Cawston we have now sold 148 of the cottages and apartments with reservations on the remaining six.
- At Bramshott Place, Liphook we have sold 23 cottages and apartments in phases one and two with reservations on a further 39 at this 147 unit retirement village.
- At Cherry Tree Yard, Faygate, Horsham we have obtained planning permission for a 148 unit retirement village, eight affordable housing units and a 50 bed care home.
- At St Loye's College, Exeter we have obtained planning permission for a 206 unit retirement village, a 50 bed residential care home and an affordable 'extra-care' block of 50 units. Commencement of building works is scheduled for Spring 2010.
- At Ely Road, Milton, Cambridge we have planning permission for a 101 unit retirement village with sufficient additional land for an expansion of the village.

### Development Programme

We continue to make good progress with regard to our development programme where we have a number of major schemes being worked up with a view to construction commencing when economic circumstances permit.

- At White City work is in progress with the production of an Opportunity Area Planning Framework which will set out a blueprint for what is possible in development terms.
- Pre-planning work continues at Mitre Square, London EC3 for a major office development of circa 320,000 sq ft. The planning application will be made early next year.
- At Fulham Wharf we are preparing a planning application for a 100,000 sq ft foodstore and over 500 new homes in conjunction with Sainsbury's and aim to submit it in the Spring of 2010.
- At King Street, Hammersmith we are preparing a planning application for new council offices, a foodstore and restaurants around a new public square together with over 300 new homes in our joint venture with Grainger plc. We aim to submit this in the Summer of 2010.
- Helical Governetz is in preliminary negotiations with a number of government bodies in connection with our government campus projects at Keele, in partnership with the University, and at Waverley/Rotherham in partnership with UK Coal, where together schemes are planned totalling in excess of 1m sq ft.
- At Whitstable, Kent we have sold a 6 acre site to a residential developer for £5m with completion due in May 2010.
- At The Hub, Glasgow we have now let 50% of this 60,000 sq ft office development to Glasgow School of Art and other media tenants.
- At Hagley Road West, Quinton, Birmingham we have accepted an offer for this 1 acre site with planning permission for three retail units and 15 residential apartments.

- At our industrial warehouse developments at Southall, Hailsham, Southampton, Oxford and Kidlington we continue to target the owner-occupier market for small industrial units with circa £5m of sales in this period.

**Investment Portfolio**

Helical reduced its investment portfolio in 2005 and 2006 in anticipation of declines in value and has since held those remaining properties, with the exception of Rex House, which have the potential for future capital growth. The Company is now looking to increase its exposure in selective areas and anticipates a substantial expansion of its investment portfolio in the foreseeable future.

- During the half year we sold our short leasehold interest in Rex House, 4 – 12 Regent Street, London SW1 to the freeholders, The Crown Estate, for £34m using the net proceeds to reduce bank loans and gearing.
- At Morgans Department Store, Cardiff we sold the remaining 11 apartments, developed in 2008. The retail store, let to Borders, White Stuff, Molton Brown and Shoon is benefitting from increased footfall following the opening of the St Davids 2 Shopping Centre, opposite our store.
- During the half year we completed or agreed terms on 60 new lettings or lease renewals, increasing our annualised income by £1,403,000. Rent reviews increased our annualised income by a further £47,000. Against this, 10 tenants either vacated their properties at the end of their leases or went into administration, reducing our passing rent by £172,000. The sale of Rex House reduces annual net rental income by £4,200,000.

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

**Ongoing Projects**

**I** – Investment
**D** – Development
**T** – Trading

| **Mixed use Developments** | **Description** | **Helical Share** |
|---|---|---|
| C4.1, Milton Keynes | ➢ 110,000 sq ft Sainsbury's completed and sold<br>➢ 440 residential units completed and sold<br>➢ 35,000 sq ft of retail and offices | 50%<br>D |
| Trinity Square, Nottingham | ➢ 180,000 sq ft retail – Borders, TK Maxx, Dixons<br>➢ 700 student units<br>➢ Forward funded and sold to Morley for over £100m<br>➢ Completed | 65%<br>D |
| King Street, Hammersmith | ➢ Selected as Development Partner to Hammersmith & Fulham Borough Council<br>➢ JV with Grainger plc<br>➢ Scheme comprises new civic offices (120,000 sq ft), foodstore, restaurants/retail, and 300+ flats with a bridge linking to the River Thames<br>➢ Planning application to be submitted Summer 2010. | 50%<br>D |
| Fulham Wharf, Townmead Road, Fulham | ➢ 100,000 sq ft Sainsbury's foodstore<br>➢ 500+ residential units<br>➢ Planning application to be submitted 2010 | Profit Share<br>D |
| Amen Corner, Bracknell | ➢ Land and options held for a gateway residential led/mixed use development off the A329M | 100%<br>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<br>➢ Refurbishment completed of listed building for casino use<br>➢ Further 1.5 acres sold for student housing | 75%<br>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%<br>D |

| | | |
|---|---|---|
| Parkgate, Shirley, Birmingham | ➢ 70,000 sq ft retail plus 80,000 sq ft Asda supermarket<br>➢ 100 residential units<br>➢ Site assembly underway | 50%<br>D |
| Hagley Road West, Quinton, Birmingham | ➢ 16,000 sq ft retail plus 15 residential units<br>➢ Site under offer | 75%<br>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<br>D |
| Vauxhall, London SW8 | ➢ Site sold and profit share received in our joint venture with National Grid UK Pension Fund | Profit Share<br>D |
| Fieldgate Street, London E1 | ➢ Planning consent obtained for 12,000 sq ft of retail and 349 student residential units and 9 residential flats | 67%<br>D |
| Cherry Tree Yard, Faygate, Horsham | ➢ Former saw mill on 15 acres. Planning consent granted for 148 retirement home units | 90%<br>D |
| St Loye's College, Exeter | ➢ 18 acre site currently used as a college<br>➢ Resolution to grant planning consent for a retirement village of 206 units received October 2009 | 90%<br>D |
| Ely Road, Milton, Cambridge | ➢ 32,000 sq ft of industrial on 20 acres<br>➢ Planning consent granted for 101 unit retirement village | 90%<br>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%<br>D |
| Thanet Way, Whitstable | ➢ 6 acre site with planning consent for 236 residential units | 90%<br>D |
| Arleston, Telford | ➢ 19 acre greenfield site with residential potential | 90%<br>D |
| Winterhill, Milton Keynes | ➢ 28,000 sq ft of warehouses and offices with trade counter consent and retail warehouse potential | 50%<br>I |
| Cawston, Rugby | ➢ 32 acre greenfield site with | 30% |

| | | |
|---|---|---|
| | residential potential | D |

| Office Developments | Description | Helical Share |
|---|---|---|
| Riverbank House, London EC4 | ➢ 320,000 sq ft pre-let to Man Group<br>➢ Under construction | Development management role<br>D |
| Clareville House, London SW1 | ➢ Refurbishment of 35,000 sq ft offices plus 23,000 sq ft of restaurant, nightclub and retail<br>➢ Completed Feb 2009<br>➢ Restaurant let and remainder being marketed | Development management role<br>D |
| Battersea Studios, London SW8 (Phase 2) | ➢ 52,000 sq ft new office development<br>➢ Completed December 2008 | 75%<br>I |
| The Hub at Pacific Quay, Glasgow | ➢ 60,000 sq ft new office development<br>➢ 50% pre-let to Glasgow School of Art and other media tenants<br>➢ Completed early 2009 | 70%<br>D |
| Mitre Square, London EC3 | ➢ 320,000 sq ft<br>➢ Planning application to be made | 100%<br>D |
| Forestgate, Crawley | ➢ Refurbishment of 24,000 sq ft completed<br>➢ Scheme for two new buildings of 21,000 sq ft and 18,000 sq ft | 75%<br>D |

| Industrial Developments | Description | Helical Share |
|---|---|---|
| Scotts Road, Southall, West London | ➢ 166,000 sq ft of industrial units for freehold sales<br>➢ 26,500 sq ft sold since the year end | 100%<br>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%<br>D |
| Millbrook Trading Estate, Southampton | ➢ Construction of industrial units (66,000 sq ft), trade counters (64,000 sq ft) completed December 2008. 8,400 sq ft let or sold since the year end<br>➢ 1 acre sold for self-storage<br>➢ Phase 2 sold for £2m | 100%<br>D |
| Watlington Road, Cowley, Oxford | ➢ 71,000 sq ft of industrials and offices of which 65,000 sq ft sold and 3,000 sq ft let | 100%<br>D |

| | | |
|---|---|---|
| Langford Lane, Kidlington | ➢ Phase 1 of 73,000 sq ft industrial units completed. 9,700 sq ft let since the year end<br>➢ Phase 2, 15,000 sq ft completed and sold<br>➢ 1 acre site for further sales | 100%<br>D |
| Tiviot Way, Stockport | ➢ Planning application consented subject to S.106 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<br>➢ 1 acre sold during year for self storage | 100%<br>D |

| **Retail Developments** | **Description** | **Helical Share** |
|---|---|---|
| Opole, Poland | ➢ 36,000 sq m out of town retail<br>➢ Part pre-let to Carrefour and Praktiker<br>➢ Forward funded with Standard Life<br>➢ Construction commenced | 50%<br>D |
| Wroclaw, Poland | ➢ 9,700 sq m out of town retail<br>➢ Fully pre-let<br>➢ Construction completed December 2008 | 50%<br>D |
| Europa Centralna (Gliwice), Poland | ➢ 69,000 sq m out of town retail<br>➢ 40% preleased to Carrefour and Castorama, Media Expert and others<br>➢ Construction to commence in 2010 | 50%<br>D |

| **Retirement Village Developments** | **Description** | **Helical Share** |
|---|---|---|
| Lime Tree Village, Rugby | ➢ 154 bungalows, cottages and apartments<br>➢ 148 sold to date, reservations on the remaining 6 | 33%<br>D |
| Bramshott Place, Liphook | ➢ Construction completed October 2009 of 51 unit phase 1 of 147 unit scheme. 21 sold with reservations on a further 12 units<br>➢ Phase 2 of 13 units started July 2009, 2 sold with 6 reserved. 21 units in future phases reserved. | 90%<br>D |

**Income producing assets**

| Offices | Description | Helical Share |
|---|---|---|
| Shepherds Building, Shepherds Bush, London W14 | ➢ 150,000 sq ft of studio offices refurbished in 2001 and let to circa 40 tenants<br>➢ Acquired vacant in 2000 | 90%<br>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<br>➢ Acquired 1998 | 100%<br>I |
| 200 Great Dover Street, London SE1 | ➢ 36,000 sq ft of offices<br>➢ Acquired 2008 | 100%<br>I |
| Battersea Studios, London SW8 | ➢ 55,000 sq ft of media style offices refurbished in 2006<br>➢ Acquired vacant in 2005 | 75%<br>I |
| Quotient HQ, Fordham, Newmarket | ➢ 70,000 sq ft of fully let R&D space and offices on a 32 acre landscaped site<br>➢ Acquired 2007 | 53%<br>I |
| Amberley Court, Crawley | ➢ Partial refurbishment of 31,000 sq ft office campus | 95%<br>I |
| 166, Buchanan Street, Glasgow | ➢ Part of a multi-let office block in Glasgow City Centre<br>➢ Acquired 2005 | 100%<br>I/T |

| Retail – in town | Description | Helical Share |
|---|---|---|
| Morgan Department Store, Cardiff | ➢ 160,000 sq ft retail – Borders, White Stuff, Molton Brown, Shoon<br>➢ 56 flats, the remaining 11 of which were sold since the year end<br>➢ Completed 2008 | 100%<br>I |
| Morgan & Royal Arcades, Cardiff | ➢ 56 units opposite new St David's 2 Shopping Centre<br>➢ Acquired 2005 | 100%<br>I |
| 1-5 Queens Walk, East Grinstead | ➢ 37,000 sq ft of retail opposite a proposed new retail scheme<br>➢ Acquired 2005 | 87%<br>I |

| Retail – out of town | Description | Helical Share |
|---|---|---|
| Otford Road Retail Park, Sevenoaks | ➢ 43,000 sq ft with open A1 consent let to Wickes, Currys and Carpetright<br>➢ Acquired 2003 | 75%<br>I |
| Stanwell Road, Ashford | ➢ 32,000 sq ft Focus DIY store<br>➢ Acquired 2004 | 75%<br>I |
| 215 Brixham Road, Paignton | ➢ 24,000 sq ft Focus store with open A1 consent (including food)<br>➢ Acquired 2005 | 67%<br>I |

| Industrial | Description | Helical Share |
|---|---|---|
| Waterside, Fleet | ➢ 54,000 sq ft of industrial property with redevelopment potential. Acquired 2000 | 100%<br>I |
| Westgate, Aldridge | ➢ 208,000 sq ft<br>➢ Let to Greenstar Environmental Ltd<br>➢ Acquired 2006 | 80%<br>I |
| Dales Manor, Sawston, Cambridge | ➢ 70,000 sq ft of industrial property<br>➢ Acquired 2003 | 67%<br>I/D |
| Standard Industrial Estate, North Woolwich | ➢ 50,000 sq ft estate 95% let<br>➢ Acquired 2002 | 60%<br>I |
| Hawtin Park, Blackwood | ➢ 249,000 sq ft estate, 78% let<br>➢ Acquired 2003 | 100%<br>I |
| Golden Cross, Hailsham | ➢ 102,000 sq ft unit recently vacated<br>➢ Acquired 2001 | 100%<br>I |
| Bushey Mill Lane, Watford | ➢ 24,000 sq ft fully let with development potential<br>➢ Acquired 2006 | 80%<br>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 2009 which comprises the consolidated income statement, the consolidated statement of comprehensive income, the consolidated balance sheet, the consolidated cash flow statement, the consolidated statement of changes in equity, 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 and 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 2009 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**
**26 November 2009**

**Consolidated Income Statement**
**For the Half Year to 30 September 2009**

| | Notes | Unaudited Half Year To 30 September 2009 £000 | Unaudited Half Year To 30 September 2008 £000 | Audited Year To 31 March 2009 £000 |
|---|---|---|---|---|
| **Revenue** | 3 | 22,753 | 55,174 | 81,770 |
| Net rental income | 4 | 8,516 | 8,238 | 17,682 |
| Development (losses)/profits | | (3,700) | 7,853 | (7,704) |
| Trading losses | | (10) | - | (514) |
| Share of results of joint ventures | | (13) | 59 | 1,846 |
| Other operating income | | 161 | 2,547 | 6,752 |
| Gross profit before loss on sale and revaluation of investment properties | | 4,954 | 18,697 | 18,062 |
| Net loss on sale and revaluation of investment properties | 5 | (4,397) | (32) | (66,670) |
| Gain on sale of investments | 11 | - | 1,892 | 1,892 |
| **Gross profit/(loss)** | | 557 | 20,557 | (46,716) |
| Administrative expenses | | (3,988) | (5,735) | (8,090) |
| Operating (loss)/profit | | (3,431) | 14,822 | (54,806) |
| Finance costs | 6 | (6,537) | (3,329) | (9,718) |
| Finance income | | 835 | 787 | 2,082 |
| Change in fair value of derivative financial instruments | 16 | 1,576 | (210) | (13,412) |
| Foreign exchange (losses)/gains | | (1,275) | 628 | 3,999 |
| **(Loss)/profit before tax** | | (8,832) | 12,698 | (71,855) |
| Tax on (loss)/profit on ordinary activities | 7 | 878 | (4,311) | 18,359 |
| **(Loss)/profit after tax** | | (7,954) | 8,387 | (53,496) |
| - attributable to minority interests | | (33) | - | 143 |
| - attributable to equity shareholders | | (7,921) | 8,387 | (53,639) |
| **(Loss)/profit for the period** | | (7,954) | 8,387 | (53,496) |
| | | | | |
| **(Loss)/earnings per 1p share** | 8 | | | |
| Basic | | (7.5p) | 9.2p | (56.6p) |
| Diluted | | (7.5p) | 8.8p | (56.6p) |

**Consolidated Statement of Comprehensive Income**
**For the Half Year to 30 September 2009**

| | Unaudited Half Year To 30 September 2009 £000 | Unaudited Half Year To 30 September 2008 £000 | Audited Year To 31 March 2009 £000 |
|---|---|---|---|
| (Loss)/profit for the period | (7,954) | 8,387 | (53,496) |
| Reclassification of prior year fair value adjustment realised in the year on disposal of available-for-sale investments | - | - | (1,028) |
| Fair value movements on available-for-sale investments | 4,333 | (1,892) | 5,170 |
| Associated deferred tax on fair value movements | (1,291) | 530 | (1,159) |
| Exchange difference on retranslation of net investments in foreign operations | (141) | - | (309) |
| Total comprehensive income and expense for the period | (5,053) | 7,025 | (50,822) |
| - attributable to equity shareholders | (5,020) | 7,025 | (50,965) |
| - attributable to minority interests | (33) | - | 143 |
| | (5,053) | 7,025 | (50,822) |

**Consolidated Balance Sheet**
**At 30 September 2009**

| | Notes | Unaudited At 30 September 2009 £000 | Unaudited At 30 September 2008 £000 | Audited At 31 March 2009 £000 |
|---|---|---|---|---|
| **Non-current assets** | | | | |
| Investment properties | 9 | 205,328 | 309,361 | 241,287 |
| Owner occupied property, plant and equipment | | 1,678 | 1,870 | 1,745 |
| Available-for-sale investments | 11 | 15,900 | 9,899 | 13,310 |
| Investment in joint ventures | | 3,985 | 6,136 | 7,924 |
| Goodwill | | 30 | 30 | 30 |
| Deferred tax asset | 7 | 3,792 | - | 3,440 |
| | | 230,713 | 327,296 | 267,736 |
| **Current assets** | | | | |
| Land, developments and trading properties | 10 | 199,790 | 188,282 | 210,415 |
| Available-for-sale investments | 11 | 9,705 | 12 | 7,684 |
| Trade receivables and other receivables | 12 | 34,017 | 54,253 | 40,591 |
| Corporation tax receivable | | 54 | - | 868 |
| Cash and cash equivalents | 13 | 51,068 | 78,920 | 72,776 |
| | | 294,634 | 321,467 | 332,334 |
| **Total assets** | | 525,347 | 648,763 | 600,070 |
| **Current liabilities** | | | | |
| Trade payables and other payables | 14 | (44,219) | (72,116) | (51,215) |
| Borrowings | 15 | (35,682) | (51,166) | (48,155) |
| | | (79,901) | (123,282) | (99,370) |
| **Non-current liabilities** | | | | |
| Borrowings | 15 | (206,373) | (238,908) | (249,297) |
| Derivative financial instruments | 16 | (9,558) | (1,135) | (14,337) |
| Deferred tax provision | | - | (15,471) | - |
| | | (215,931) | (255,514) | (263,634) |
| **Total liabilities** | | (295,832) | (378,796) | (363,004) |
| **Net assets** | | 229,515 | 269,967 | 237,066 |

**Consolidated Balance Sheet (continued)**
**At 30 September 2009**

| | Notes | Unaudited At 30 September 2009 £000 | Unaudited At 30 September 2008 £000 | Audited At 31 March 2009 £000 |
|---|---|---|---|---|
| **Equity** | | | | |
| Called-up share capital | 17 | 1,336 | 1,239 | 1,336 |
| Share premium account | | 70,378 | 44,038 | 70,378 |
| Revaluation reserve | | - | 56,933 | 529 |
| Capital redemption reserve | | 7,478 | 7,478 | 7,478 |
| Other reserves | | 291 | 291 | 291 |
| Retained earnings | | 149,908 | 161,427 | 158,494 |
| Own shares held | | - | (1,596) | (1,597) |
| **Equity attributable to equity holders of the parent** | | 229,391 | 269,810 | 236,909 |
| Minority interests | | 124 | 157 | 157 |
| **Total equity** | | 229,515 | 269,967 | 237,066 |

**Consolidated Cash Flow Statement**
**For the Half Year to 30 September 2009**

| | Unaudited Half Year To 30 September 2009 £000 | Unaudited Half Year To 30 September 2008 £000 | Audited Year To 31 March 2009 £000 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| (Loss)/profit before tax | (8,832) | 12,698 | (71,855) |
| Depreciation | 164 | 149 | 321 |
| Revaluation (surplus)/deficit on investment properties | (102) | - | 68,005 |
| Net interest payable | 5,702 | 2,542 | 6,999 |
| Gain on sale of investments | - | (1,892) | (1,892) |
| Loss/(gain) on sales of investment properties | 4,499 | 32 | (1,335) |
| (Gain)/loss on valuation of derivative financial instruments | (1,576) | 210 | 13,412 |
| Share based payment charge/(credit) | 392 | (1,654) | (1,363) |
| Share of results of joint ventures | 13 | (59) | (1,846) |
| Other non-cash items | (830) | 18 | (448) |
| **Cash flows from operations before changes in working capital** | (570) | 12,044 | 9,998 |
| | | | |
| Change in trade and other receivables | 6,461 | (10,355) | 3,503 |
| Change in land, developments and trading properties | 11,209 | (1,767) | (23,632) |
| Change in trade and other payables | (8,962) | 5,358 | (8,688) |
| **Cash flows from changes in working capital** | 8,708 | (6,764) | (28,817) |
| **Cash inflow/(outflow) generated from operations** | 8,138 | 5,280 | (18,819) |
| | | | |
| Finance costs | (7,287) | (7,875) | (16,992) |
| Finance income | 948 | 972 | 2,497 |
| Dividend received from joint ventures | 3,926 | - | - |
| Tax received | 810 | 85 | 1,439 |
| Tax paid | - | (250) | (331) |
| **Cash flows from financing** | (1,603) | (7,068) | (13,387) |
| | | | |
| **Cash flows from operating activities** | 6,535 | (1,788) | (32,206) |
| | | | |
| **Cash flows from investing activities** | | | |
| Purchase of investment property | (2,850) | (9,750) | (15,024) |
| Sale of investment property | 35,868 | 8,061 | 10,340 |
| Purchase of shares by ESOP | - | (3,107) | (3,107) |
| Sale of shares by ESOP | 6 | - | - |
| Cost of cancelling interest rate swap | (3,203) | - | - |
| Purchase of investments | - | - | (5,048) |
| Sale of investments | - | 2,100 | 2,100 |
| Sale of plant and equipment | 28 | - | 14 |
| Purchase of leasehold improvements, plant and equipment | (107) | (29) | (77) |
| | 29,742 | (2,725) | (10,802) |
| **Cash flows from financing activities** | | | |
| Issue of shares | - | 1,535 | 27,972 |
| Borrowings drawn down | 7,895 | 85,891 | 93,250 |
| Borrowings repaid | (62,984) | (18,593) | (18,398) |
| Equity dividends paid | (2,896) | (2,490) | (4,130) |
| | (57,985) | 66,343 | 98,694 |
| Net (decrease)/increase in cash and cash equivalents | (21,708) | 61,830 | 55,686 |
| Cash and cash equivalents at start of period | 72,776 | 17,090 | 17,090 |
| **Cash and cash equivalents at period end** | 51,068 | 78,920 | 72,776 |

## Consolidated statement of changes in equity
## At 30 September 2009

| | 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 |
|---|---|---|---|---|---|---|---|---|---|
| At 31 March 2008 | 1,222 | 42,520 | 57,072 | 7,478 | 291 | 163,911 | (3,992) | 157 | 268,659 |
| Total comprehensive expense | - | - | - | - | - | (50,965) | - | 143 | (50,822) |
| Dividends paid | - | - | - | - | - | (4,130) | - | - | (4,130) |
| Revaluation deficit | - | - | (56,360) | - | - | 56,360 | - | - | - |
| Realised on disposals | - | - | (183) | - | - | 183 | - | - | - |
| Issue of shares | 114 | 27,858 | - | - | - | - | - | - | 27,972 |
| Minority interest | - | - | - | - | - | - | - | (143) | (143) |
| Purchase of shares | - | - | - | - | - | - | (3,107) | - | (3,107) |
| Performance share plan | - | - | - | - | - | (1,363) | - | - | (1,363) |
| Own shares held | - | - | - | - | - | (5,502) | 5,502 | - | - |
| At 31 March 2009 | 1,336 | 70,378 | 529 | 7,478 | 291 | 158,494 | (1,597) | 157 | 237,066 |
| Total comprehensive expense | - | - | - | - | - | (5,020) | - | (33) | (5,053) |
| Dividends paid | - | - | - | - | - | (2,896) | - | - | (2,896) |
| Revaluation surplus | - | - | 102 | - | - | (102) | - | - | - |
| Realised on disposals | - | - | (631) | - | - | 631 | - | - | - |
| Purchase of shares | - | - | - | - | - | - | 6 | - | 6 |
| Performance share plan | - | - | - | - | - | 392 | - | - | 392 |
| Own shares held | - | - | - | - | - | (1,591) | 1,591 | - | - |
| At 30 September 2009 | 1,336 | 70,378 | - | 7,478 | 291 | 149,908 | - | 124 | 229,515 |

The charge against retained earnings of £392,000 (2009: credit of £1,363,000) adds back the share based payments charge/(credit), in accordance with IFRS 2 Share Based Payments.

| | 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 |
|---|---|---|---|---|---|---|---|---|---|
| At 31 March 2008 | 1,222 | 42,520 | 57,072 | 7,478 | 291 | 163,911 | (3,992) | 157 | 268,659 |
| Total comprehensive income | - | - | - | - | - | 7,025 | - | - | 7,025 |
| Dividends paid | - | - | - | - | - | (2,490) | - | - | (2,490) |
| 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 | - | - | - | - | - | (1,655) | - | - | (1,655) |
| Own shares held | - | - | - | - | - | (5,503) | 5,503 | - | - |
| **At 30 September 2008** | **1,239** | **44,038** | **56,933** | **7,478** | **291** | **161,427** | **(1,596)** | **157** | **269,967** |

**Unaudited notes to the Half Year Statement**

## 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 2009, 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.

These interim condensed consolidated financial statements have 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 2009, except for the adoption of IAS 1 (revised 2007) and IFRS 8 as described below.

They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group for the year end 31 March 2009.

In line with industry practice, Helical has moved to valuing its investment portfolio on a six monthly basis and this half year statement accounts for valuation movements in the investment portfolio to 30 September 2009.

The adoption of IAS 1 (revised 2007) does not affect the financial position or profits of the Group but gives rise to additional disclosures. The measurement and recognition of the Group's assets, liabilities, income and expenses is unchanged.

IFRS 8 has been adopted and segments are identified based on the internal management reports used by the Board.

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 26 November 2009 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.

## 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 4.2.7R and DTR 4.2.8R.

Balances with related parties at 30 September 2009 and 31 March 2009 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.

On behalf of the Board

Nigel McNair Scott
Finance Director
26 November 2009

## 3. Segmental information

The Group divides its business into the following segments for internal management purposes:

- investment properties, which are owned or leased by the Group for long-term income and for capital appreciation, and trading properties, which are owned or leased with the intention to sell; and,
- development properties, which include sites, developments in the course of construction, completed developments available for sale, and pre-sold developments.

| | Investment and trading Half year to 30.9.09 | Develop-ments Half year to 30.9.09 | Total Half year to 30.9.09 | Investment and trading Half year to 30.9.08 | Develop-ments Half year to 30.9.08 | Total Half year to 30.9.08 |
|---|---|---|---|---|---|---|
| **Revenue** | £000 | £000 | £000 | £000 | £000 | £000 |
| Rental income | 9,441 | 963 | 10,404 | 9,682 | 183 | 9,865 |
| Trading property sales | 525 | – | 525 | – | – | – |
| Developments | – | 11,663 | 11,663 | – | 42,763 | 42,763 |
| | 9,966 | 12,626 | 22,592 | 9,682 | 42,946 | 52,628 |
| Other | | | 161 | | | 2,546 |
| Revenue | | | 22,753 | | | 55,174 |

| | Investment and trading Year to 31.3.09 | Develop-ments Year to 31.3.09 | Total Year to 31.3.09 |
|---|---|---|---|
| **Revenue** | £000 | £000 | £000 |
| Rental income | 19,989 | 792 | 20,781 |
| Trading property sales | – | – | – |
| Developments | – | 54,097 | 54,097 |
| | 19,989 | 54,889 | 74,878 |
| Other | | | 6,892 |
| Revenue | | | 81,770 |

All sales were external sales. All revenue is attributable to continuing operations. There were no inter-segmental sales.

| | Investment and trading Half year to 30.9.09 | Develop-ments Half year to 30.9.09 | Total Half year to 30.9.09 | Investment and trading Half year to 30.9.08 | Develop-ments Half year to 30.9.08 | Total Half year to 30.9.08 |
|---|---|---|---|---|---|---|
| **Profit before tax** | £000 | £000 | £000 | £000 | £000 | £000 |
| Net rental income | 7,926 | 590 | 8,516 | 8,155 | 83 | 8,238 |
| Development (losses)/profits | – | (3,700) | (3,700) | – | 7,853 | 7,853 |
| Trading losses | (10) | – | (10) | – | – | – |
| Share of results of joint venture | 12 | (25) | (13) | 96 | (37) | 59 |
| Loss on sale and revaluation of investment properties | (4,397) | – | (4,397) | (32) | – | (32) |
| | 3,531 | (3,135) | 396 | 8,219 | 7,899 | 16,118 |
| Other operating income | | | 161 | | | 4,439 |
| Gross profit | | | 557 | | | 20,557 |
| Administrative expenses | | | (3,988) | | | (5,735) |
| Net finance costs | | | (4,126) | | | (2,752) |
| Foreign exchange (losses)/gains | | | (1,275) | | | 628 |
| (Loss)/profit before tax | | | (8,832) | | | 12,698 |

| Profit before tax | Investment and trading Year to 31.3.09 £000 | Develop-ments Year to 31.3.09 £000 | Total Year to 31.3.09 £000 |
|---|---|---|---|
| Net rental income | 17,008 | 674 | 17,682 |
| Development losses | – | (7,704) | (7,704) |
| Trading losses | (514) | - | (514) |
| Share of results of joint venture | (332) | 2,178 | 1,846 |
| Loss on sale and revaluation of investment properties | (66,670) | - | (66,670) |
| | (50,508) | (4,852) | (55,360) |
| Gain on sale of investments | | | 1,892 |
| Other operating income | | | 6,752 |
| Gross loss | | | (46,716) |
| Administrative expenses | | | (8,090) |
| Net finance costs | | | (21,048) |
| Foreign exchange gains | | | 3,999 |
| Loss before tax | | | (71,855) |

| Balance sheet | Investment and trading At 30.9.09 £000 | Develop-ments At 30.9.09 £000 | Total At 30.9.09 £000 | Investment and trading At 31.3.09 £000 | Develop-ments At 31.3.09 £000 | Total At 31.3.09 £000 |
|---|---|---|---|---|---|---|
| Investment properties | 205,328 | – | 205,328 | 241,287 | – | 241,287 |
| Land, development and trading properties | 179 | 199,611 | 199,790 | 878 | 209,537 | 210,415 |
| | 205,507 | 199,611 | 405,118 | 242,165 | 209,537 | 451,702 |
| Other assets | | | 120,229 | | | 148,368 |
| Total assets | | | 525,347 | | | 600,070 |
| Liabilities | | | (295,832) | | | (363,004) |
| Net assets | | | 229,515 | | | 237,066 |

The segmental information has been provided in respect of the two main divisions of the Group, the investment and trading department and the development department. Details of capital expenditure are included in note 9.

## 4. Net rental income

| | Half Year To 30 September 2009 £000 | Half Year To 30 September 2008 £000 | Year To 31 March 2009 £000 |
|---|---|---|---|
| Gross rental income | 10,404 | 9,865 | 20,781 |
| Rents payable | (9) | (8) | (12) |
| Property overheads | (1,565) | (1,451) | (2,394) |
| Net rental income | 8,830 | 8,406 | 18,375 |
| Third party share of net rental income | (314) | (168) | (693) |
| Group share of net rental income | 8,516 | 8,238 | 17,682 |

## 5. Net loss on sale and revaluation of investment properties

| | Half Year To 30 September 2009 £000 | Half Year To 30 September 2008 £000 | Year To 31 March 2009 £000 |
|---|---|---|---|
| Net proceeds from the sale of investment properties | 35,868 | 8,061 | 10,340 |
| Book value (note 9) | (38,911) | (8,093) | (9,005) |
| Other costs | (1,456) | - | - |
| (Loss)/profit on sale of investment properties | (4,499) | (32) | 1,335 |
| Revaluation profit/(loss) on investment properties | 102 | - | (68,005) |
| Net loss on sale and revaluation of investment properties | (4,397) | (32) | (66,670) |

## 6. Finance costs

| | Half Year To 30 September 2009 £000 | Half Year To 30 September 2008 £000 | Year To 31 March 2009 £000 |
|---|---|---|---|
| Interest payable on bank loans and overdrafts | (6,228) | (8,075) | (15,890) |
| Other interest payable and similar charges | (463) | (113) | (362) |
| Finance arrangement costs | (708) | (75) | (321) |
| Interest capitalised | 862 | 4,934 | 6,855 |
| Finance costs | (6,537) | (3,329) | (9,718) |

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

| | Half Year To 30 September 2009 £000 | Half Year To 30 September 2008 £000 | Year To 31 March 2009 £000 |
|---|---|---|---|
| The tax charge is based on the profit for the period and represents: | | | |
| United Kingdom corporation tax at 28%. | | | |
| - Group corporation tax | (762) | (158) | - |
| - adjustment in respect of prior periods | (6) | - | 1,915 |
| Current tax (charge)/credit | (768) | (158) | 1,915 |
| Deferred tax - revaluation deficits | - | 781 | 12,566 |
| - capital allowances | 341 | (251) | (480) |
| - tax losses | 2,889 | - | 5,285 |
| - other temporary differences | (1,584) | (4,683) | (927) |
| Deferred tax credit/(charge) | 1,646 | (4,153) | 16,444 |
| Total tax credit/(charge) for period | 878 | (4,311) | 18,359 |

| Deferred tax provision | At 30 September 2009 £000 | At 31 March 2009 £000 |
|---|---|---|
| Capital allowances | (2,868) | (3,205) |
| Available-for-sale assets | (5,244) | (3,218) |
| Tax losses | 8,472 | 5,579 |
| Other temporary differences | 3,432 | 4,284 |
| Deferred tax provision | 3,792 | 3,440 |

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 £2.9m would be released and further capital allowances of £14.1m would be available to reduce future tax liabilities.

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 mark-to-market valuation of financial instruments and the future vesting of share awards, calculated at the 30 September 2009 share price of 375.1p (31 March 2009: 287.5p) per share.

## 8. (Loss)/earnings per 1p 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 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 (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.

| | **Half Year to 30 September 2009 000s** | **Half Year to 30 September 2008 000s** |
|---|---|---|
| Ordinary shares in issue | 107,087 | 95,732 |
| Weighting adjustment | (1,821) | (4,352) |
| Weighted average ordinary shares in issue for calculation of basic (loss)/earnings per share | 105,266 | 91,380 |
| Dilutive effect of share options | - | 3,801 |
| Weighted average ordinary shares in issue for calculation of diluted (loss)/earnings per share | 105,266 | 95,181 |
| | | |
| (Loss)/earnings used for calculation of basic and diluted (loss)/earnings per share | (7,921) | 8,387 |
| Net loss on sale and revaluation of investment properties | 4,397 | 32 |
| Fair value movement on derivative financial instruments | (1,576) | 151 |
| Deferred tax in respect of investment properties | - | (529) |
| Deferred tax in respect of capital allowances | (341) | - |
| (Loss)/earnings used for calculation diluted EPRA earnings per share | (5,441) | 8,041 |
| | | |
| Basic (loss)/earnings per share | (7.5p) | 9.2p |
| Diluted (loss)/earnings per share | (7.5p) | 8.8p |
| Diluted EPRA (loss)/earnings per share | (5.2p) | 8.5p |

## 9. Investment properties

| | Valuation £000 | Cost £000 |
|---|---|---|
| Fair value at 1 April 2009 | 241,287 | 240,583 |
| Additions at cost | 2,850 | 2,850 |
| Disposals | (38,911) | (23,880) |
| Revaluation | 102 | - |
| As at 30 September 2009 | 205,328 | 219,553 |

All properties are stated at market value as at 30 September 2009 and are valued by professionally qualified external valuers except for investment properties valued by directors – representing £4.0m (1.9%) of the portfolio. The following external valuers valued the investment properties: Cushman & Wakefield LLP (£196.4m) and Drivers Jonas LLP (£4.9m).

Interest capitalised in respect of the refurbishment of investment properties at 30 September 2009 amounted to £5,767,000 (31 March 2009: £6,205,000). Interest capitalised during the period in respect of the refurbishment of investment properties was £ nil.

## 10. Land, developments and trading properties

| | At 30 September 2009 £000 | At 31 March 2009 £000 |
|---|---|---|
| Development properties | 199,611 | 209,537 |
| Properties held as trading stock | 179 | 878 |
| | 199,790 | 210,415 |

The directors' valuation of trading and development stock shows a surplus of £45m (31 March 2009: £45m) above book value.

Total interest capitalised to date in respect of the development of sites is included in stock to the extent of £9,196,000 (31 March 2009: £8,749,000). Interest capitalised during the period in respect of development sites amounted to £862,000 (30 September 2008: £4,007,000).

## 11. Available-for-sale investments

| | Non-current £000 | Current £000 |
|---|---|---|
| Fair value at 1 April 2009 | 13,310 | 7,684 |
| Revaluation to fair value | 2,590 | 2,021 |
| As at 30 September 2009 | 15,900 | 9,705 |

During the half year to 30 September 2008 the Group sold part of its interest in Quotient Bioscience Group Ltd at a profit of £1,892,000.

## 12. Trade receivables and other receivables

| | At 30 September 2009 £000 | At 31 March 2009 £000 |
|---|---|---|
| Trade receivables | 11,642 | 19,001 |
| Other receivables | 15,654 | 16,049 |
| Prepayments and accrued income | 6,721 | 5,541 |
| | 34,017 | 40,591 |

## 13. Cash and cash equivalents

| | At 30 September 2009 £000 | At 31 March 2009 £000 |
|---|---|---|
| Rent deposits and cash held at managing agents | 3,150 | 1,215 |
| Cash secured against debt and cash held at solicitors | - | 15 |
| Cash deposits | 47,918 | 71,546 |
| | 51,068 | 72,776 |

## 14. Trade payables and other payables

| | At 30 September 2009 £000 | At 31 March 2009 £000 |
|---|---|---|
| Trade payables | 3,449 | 3,611 |
| Other payables | 16,251 | 15,702 |
| Accruals and deferred income | 24,519 | 31,902 |
| | 44,219 | 51,215 |

## 15. Borrowings

| | | At 30 September 2009 £000 | At 31 March 2009 £000 |
|---|---|---|---|
| **Bank overdraft and loans – maturity** | | | |
| Due within one year | | 35,682 | 48,155 |
| Due after more than one year | | 206,373 | 249,297 |
| | | 242,055 | 297,452 |
| Current borrowings :- less than one year | | 35,682 | 48,155 |
| Bank loans repayable with :- | one to two years | 69,378 | 69,642 |
| | two to three years | 14,030 | 54,150 |
| | three to four years | 113,941 | 65,075 |
| | four to five years | 10,120 | 61,890 |
| | after five years | - | - |
| | | 207,469 | 250,757 |
| Deferred arrangement costs | | (1,096) | (1,460) |
| | | 206,373 | 249,297 |

| **Net Gearing** | At 30 September 2009 £000 | At 31 March 2009 £000 |
|---|---|---|
| Total borrowings | 242,055 | 297,452 |
| Cash | (51,068) | (72,776) |
| Net borrowings | 190,987 | 224,676 |

Net borrowings exclude the Group's share of borrowings in joint ventures of £3,353,000 (31 March 2009: £5,644,000).

| | £000 | £000 |
|---|---|---|
| Net assets | 229,515 | 237,066 |
| Gearing | 83% | 95% |

## 16. Derivative financial instruments

| | At 30 September 2009 £000 | At 31 March 2009 £000 |
|---|---|---|
| At 1 April | (14,337) | (925) |
| Change in fair value in the period | 1,576 | (13,412) |
| Interest rate swap cancelled in the period | 3,203 | - |
| At 30 September / 31 March | (9,558) | (14,337) |

## 17. Share capital

| | At 30 September 2009 £000 | At 31 March 2009 £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 | | |
| - 107,087,012 ordinary shares of 1p each | 1,071 | 1,071 |
| - 214,145,300 deferred shares of 1/8 p each | 265 | 265 |
| | 1,336 | 1,336 |

### Share options

At 30 September 2009 unexercised options over 320,510 (31 March 2009: 320,510) new ordinary 1p shares in the Company and nil (31 March 2009: 1,057,095) 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.

## 18. Dividends

| | Half Year To 30 September 2009 £000 | Half Year To 30 September 2008 £000 | Year To 31 March 2009 £000 |
|---|---|---|---|
| Attributable to equity share capital | | | |
| Ordinary | | | |
| - interim paid 1.75p per share | - | - | 1,640 |
| - prior period final paid 2.75p (2008: 2.75p) per share | 2,896 | 2,490 | 2,490 |
| | 2,896 | 2,490 | 4,130 |

The interim dividend of 1.75p (30 September 2008: 1.75p) per share was approved by the board on 25 November 2009 and will be paid on 23 December 2009 to shareholders on the register on 4 December 2009. This interim dividend, amounting to £1,851,000, has not been included as a liability at 30 September 2009.

## 19. 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 2009 the Trust held 1,291,844 (31 March 2009: 2,338,814) ordinary shares in Helical Bar plc.

At 30 September 2009 options over nil (31 March 2009: 1,057,095) ordinary shares in Helical Bar plc had been granted through the Trust. At 30 September 2009 awards over 4,870,283 (31 March 2009: 4,738,900) ordinary shares in Helical Bar plc, made under the terms of the Performance Share Plan, were outstanding.

## 20. Net assets per share

| | **30 September 2009 £000** | **Number of shares 000's** | **30 September 2009 pence per share** |
|---|---|---|---|
| Net asset value | 229,515 | 107,087 | |
| Less: own shares held by ESOP | - | (1,292) | |
| deferred shares | (265) | - | |
| Basic net asset value | 229,250 | 105,795 | 217 |
| Add: unexercised share options | 454 | 321 | |
| Diluted net asset value | 229,704 | 106,116 | 216 |
| Adjustment for | | | |
| - fair value of financial instruments | 9,558 | | |
| - deferred tax on capital allowances | 2,868 | | |
| Adjusted diluted net asset value | 242,130 | 106,116 | 228 |
| Adjustment for | | | |
| - fair value of trading and development properties | 45,246 | | |
| Diluted EPRA net asset value | 287,376 | 106,116 | 271 |
| Adjustment for | | | |
| - fair value of financial instruments | (9,558) | | |
| - deferred tax on capital allowances | (2,868) | | |
| Diluted EPRA triple NAV | 274,950 | 106,116 | 259 |

The adjustment for the fair value of trading and development properties represents the surplus as at 30 September 2009.

| | 31 March 2009 £000 | Number of shares 000's | 31 March 2009 pence per share |
|---|---|---|---|
| Net asset value | 237,066 | 107,087 | |
| Less: own shares held by ESOP | - | (2,339) | |
| deferred shares | (265) | - | |
| Basic net asset value | 236,801 | 104,748 | 226 |
| Add: unexercised share options | 454 | 321 | |
| Diluted net asset value | 237,255 | 105,069 | 226 |
| Adjustment for | | | |
| - fair value of financial instruments | 14,337 | | |
| - deferred tax on capital allowances | 3,205 | | |
| Adjusted diluted net asset value | 254,797 | 105,069 | 242 |
| Adjustment for | | | |
| - fair value of trading and development properties | 45,455 | | |
| Diluted EPRA net asset value | 300,252 | 105,069 | 286 |
| Adjustment for | (14,337) | | |
| - fair value of financial instruments | (3,205) | | |
| - deferred tax on capital allowances | | | |
| Diluted EPRA triple net asset value | 282,710 | 105,069 | 269 |

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 2009 and 31 March 2009 the following amounts were due from and to the Group's joint ventures.

| | At 30 September 2009 £000 | At 31 March 2009 £000 |
|---|---|---|
| Abbeygate Helical (Leisure Plaza) Ltd | 2,173 | 1,516 |
| Abbeygate Helical (Winterhill) Ltd | (162) | (162) |
| Abbeygate Helical (C4.1) LLP | (598) | (636) |
| King Street Developments (Hammersmith) Ltd | 1,109 | 1,109 |
| Shirley Advance LLP | 4,383 | 4,320 |
| The Asset Factor Ltd | 3,690 | 4,270 |