

# Group income statement

For the year ended 31 March 2008

	Notes	2008 £m	2007 £m
Rental income	2	44.4	46.9
Joint venture fee income	10	5.8	1.6
Rental and joint venture fee income		50.2	48.5
Service charge income		5.1	6.2
Service charge expenses		(6.0)	(7.9)
		(0.9)	(1.7)
Other property expenses		(4.8)	(2.3)
<b>Net rental and related income</b>		<b>44.5</b>	<b>44.5</b>
Administration expenses	3	(14.2)	(14.2)
Development management revenue		35.4	23.6
Development management costs		(28.3)	(18.3)
		7.1	5.3
<b>Operating profit before (deficit)/gains on investment property and results of joint ventures</b>		<b>37.4</b>	<b>35.6</b>
(Deficit)/gain from investment property	8	(8.7)	278.1
Share of results of joint ventures	10	(1.6)	45.2
<b>Operating profit before financing costs</b>		<b>27.1</b>	<b>358.9</b>
Finance income	4	0.6	0.3
Finance costs	5	(30.7)	(22.0)
Premium on redemption of interest-bearing loans and borrowings		–	(11.2)
<b>(Loss)/profit before tax</b>		<b>(3.0)</b>	<b>326.0</b>
Tax	6	(1.1)	56.8
<b>(Loss)/profit for the year</b>	<b>19</b>	<b>(4.1)</b>	<b>382.8</b>
<b>Basic (loss)/earnings per share</b>	<b>7</b>	<b>(2.2)p</b>	<b>235.7p</b>
<b>Diluted (loss)/earnings per share</b>	<b>7</b>	<b>(2.2)p</b>	<b>214.3p</b>
<b>Adjusted earnings per share</b>	<b>7</b>	<b>12.6p</b>	<b>10.2p</b>

All results are derived from continuing operations.

		2008 £m	2007 £m
<b>Total operating profit before (deficit)/gain on investment property</b>		<b>37.4</b>	<b>35.6</b>
Operating profit before gain on investment property and results of joint ventures		37.4	35.6
Share of results of joint ventures	10	16.1	3.1
<b>Total operating profit before (deficit)/gain on investment property</b>		<b>53.5</b>	<b>38.7</b>

# Group balance sheet

At 31 March 2008

	Notes	2008 £m	2007 £m
<b>Non-current assets</b>			
Investment property	8	1,073.3	1,314.3
Development property, plant and equipment	9	24.4	20.9
Investment in joint ventures	10	390.6	176.0
Deferred tax	16	–	0.8
Pension asset	24	2.2	–
		<b>1,490.5</b>	<b>1,512.0</b>
<b>Current assets</b>			
Trade and other receivables	11	22.2	22.2
Income tax receivable		0.4	–
Cash and cash equivalents		0.7	4.2
		<b>23.3</b>	<b>26.4</b>
<b>Total assets</b>		<b>1,513.8</b>	<b>1,538.4</b>
<b>Current liabilities</b>			
Trade and other payables	12	26.6	30.7
Income tax payable		–	28.2
Interest-bearing loans and borrowings	13	–	2.9
		<b>26.6</b>	<b>61.8</b>
<b>Non-current liabilities</b>			
Interest-bearing loans and borrowings	13	429.3	390.4
Obligations under finance leases	15	8.5	10.0
Pension liability	24	–	0.2
		<b>437.8</b>	<b>400.6</b>
<b>Total liabilities</b>		<b>464.4</b>	<b>462.4</b>
<b>Net assets</b>		<b>1,049.4</b>	<b>1,076.0</b>
<b>Equity</b>			
Share capital	17	22.6	22.6
Share premium account	18	68.2	68.2
Hedging reserve	19	(3.8)	0.5
Capital redemption reserve	19	16.4	16.4
Revaluation reserve	19	1.3	1.5
Retained earnings	19	944.9	967.7
Investment in own shares	20	(0.3)	(1.0)
<b>Shareholders' funds</b>		<b>1,049.3</b>	<b>1,075.9</b>
Minority interest		0.1	0.1
<b>Total equity</b>		<b>1,049.4</b>	<b>1,076.0</b>
<b>Net assets per share</b>	7	<b>580p</b>	<b>594p</b>
<b>Adjusted net assets per share</b>	7	<b>582p</b>	<b>594p</b>

Approved by the Board on 21 May 2008 and signed on its behalf by



**Toby Courtauld**  
Chief Executive



**Timon Drakesmith**  
Finance Director

# Group statement of cash flows

For the year ended 31 March 2008

	Notes	2008 £m	2007 £m
<b>Operating activities</b>			
Operating profit before financing costs		27.1	358.9
Adjustments for non-cash items	21	17.2	(319.4)
Increase in receivables		(1.0)	(16.8)
Increase in payables		(5.1)	5.6
<b>Cash generated from operations</b>		<b>38.2</b>	<b>28.3</b>
Interest received		0.6	0.3
Interest paid		(32.7)	(23.9)
Tax paid		(28.7)	(0.7)
<b>Cash flows from operating activities</b>		<b>(22.6)</b>	<b>4.0</b>
<b>Investing activities</b>			
Purchase of interests in joint ventures		(138.8)	(6.9)
Purchase and development of property		(74.4)	(216.3)
Purchase of fixed assets		(0.1)	(0.2)
Purchase of own shares		(0.9)	–
Sale of properties		132.6	132.1
<b>Cash flow from investing activities</b>		<b>(81.6)</b>	<b>(91.3)</b>
<b>Financing activities</b>			
Redemption of loans		(2.9)	(43.1)
Borrowings drawn		35.0	90.0
Loans from joint venture		89.2	–
Purchase of derivatives		–	(0.3)
Issue of debenture		–	52.5
Issue of minority interest		–	0.1
Equity dividends paid		(20.6)	(18.0)
<b>Cash flows generated from financing activities</b>		<b>100.7</b>	<b>81.2</b>
Net decrease in cash and cash equivalents		(3.5)	(6.1)
Cash and cash equivalents at 1 April		4.2	10.3
<b>Cash and cash equivalents at balance sheet date</b>		<b>0.7</b>	<b>4.2</b>

# Group statement of recognised income and expense

For the year ended 31 March 2008

	2008 £m	2007 £m
Revaluation of development properties	(0.2)	1.5
Deferred tax on development properties released directly in equity	–	0.1
Fair value movement on derivatives	(4.5)	0.5
Deferred tax on fair value movements on derivatives	0.2	–
Actuarial gains on defined benefit scheme	1.9	–
Net (loss)/gain recognised directly in equity	(2.6)	2.1
(Loss)/profit for the year	(4.1)	382.8
<b>Total recognised income and expense for the year</b>	<b>(6.7)</b>	<b>384.9</b>

# Group reconciliation of other movements in equity

For the year ended 31 March 2008

	2008 £m	2007 £m
Opening total equity	1,076.0	654.7
Total recognised income and expense for the year	(6.7)	384.9
Conversion of convertible bond	–	53.7
Minority interest	–	0.1
Deferred tax on convertible bonds	–	(0.6)
Employee Long-Term Incentive and Share Matching Plan charge	1.6	1.2
Purchase of shares in LTIP Employee Share Trust	(0.9)	–
Dividends	(20.6)	(18.0)
<b>Closing total equity</b>	<b>1,049.4</b>	<b>1,076.0</b>