

**Mountview Estates P.L.C.
Interim Results
24 November 2016**

MOUNTVIEW ESTATES P.L.C.

(“Mountview” or “the Group” or “the Company”)

**UNAUDITED INTERIM RESULTS FOR THE HALF YEAR ENDED 30 SEPTEMBER
2016**

Mountview is pleased to announce its unaudited interim results for the six months ended 30 September 2016.

OUR PERFORMANCE

Turnover at £34.0 million down by 20.6% (2015 - £42.8m)

Gross profit at £24.1 million down by 14.8% (2015- £28.3m)

Profit before tax at £21.7 million down by 16.2% (2015 - £25.9m)

Earnings per share at 446.9 pence down by 15.8% (2015 – 531.0p)

Net assets per share at £83.4 up by 7.9% (2015 - £77.3)

DIVIDEND INFORMATION

Mountview Estates P.L.C. advises its shareholders that, following the issue of the interim results, the relevant dates in respect of the interim dividend payment of 200p per share are as follows:

| | |
|-------------------------|-------------------------|
| Ex-dividend date | 16 February 2017 |
| Record date | 17 February 2017 |
| Payment date | 27 March 2017 |

Chief Executive Officer's Statement

One must admit to a degree of disappointment when profits go down, but the Company remains financially sound. With these interim results comparing favourably with those of two years ago we may consider that we have survived quite well the fiscal measures enacted by the then Chancellor of the Exchequer before 1 April 2016.

TRADING

The legislation which was to be effective from 1 April caused an acceleration of transactions in March this year. These transactions would normally have completed in our new financial year, but their early completion resulted in a drop of over 20% in the number of transactions in the six months ended 30 September 2016. Turnover is down by £2.9 million compared with the half year ended 30 September 2014, but Gross Profit at £24.1 million is exactly the same. Profit before tax and earnings per share both compare favourably with those of two years ago and net assets per share have risen by 17.5%.

INTERIM DIVIDEND

The interim dividend is maintained at 200p per share in respect of the year ending 31 March 2017 and is payable on 27 March 2017 to shareholders on the Register of Members as at 17 February 2017.

CURRENT TRADING

Whilst fewer acquisitions have been made during the first six months they have been of higher average value with the exception of one outstanding life tenancy acquired during the six months ended 30 September 2015. Gearing remains at a comfortably modest level.

OUTLOOK

The reduction in base rate has helped but it was more about undoing the effects of legislation which came into effect on 1 April 2016 than any perceived effects of "Brexit". With the possibility of a more balanced attitude towards property taxation we can view the Company's prospects with equanimity.

D.M. SINCLAIR
Chief Executive Officer
24 November 2016

GROUP STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
for the half year ended 30 September 2016

| | Half year ended 30.09.2016 £000 | Half year ended 30.09.2015 £000 | Year ended 31.03.2016 £000 |
|---|--|--|-------------------------------------|
| Revenue | 34,047 | 42,769 | 79,765 |
| Cost of Sales | (9,908) | (14,448) | (26,751) |
| Gross Profit | 24,139 | 28,321 | 53,014 |
| Administrative expenses | (1,930) | (2,010) | (5,148) |
| Gain on sale of investment properties | - | 197 | 197 |
| Operating profit before changes in fair value of investment properties | 22,209 | 26,508 | 48,063 |
| Increase in fair value of investment properties | - | - | 1,504 |
| Profit from operations | 22,209 | 26,508 | 49,567 |
| Net finance costs | (482) | (606) | (1,179) |
| Profit before taxation | 21,727 | 25,902 | 48,388 |
| Taxation – current | (4,356) | (5,400) | (9,593) |
| Taxation – deferred | 54 | 202 | (83) |
| Taxation | (4,302) | (5,198) | (9,676) |
| Profit attributable to equity Shareholders | 17,425 | 20,704 | 38,712 |
| Basic and diluted earnings per share (pence) | 446.9p | 531.0p | 992.9 p |

All items within the consolidated income statement relate to continuing operations.

GROUP STATEMENT OF FINANCIAL POSITION (UNAUDITED)
for the half year ended 30 September 2016

| | Half year ended 30.09.2016 £000 | Half year ended 30.09.2015 £000 | Year ended 31.03.2016 £000 |
|---|--|--|-------------------------------------|
| Assets | | | |
| Non-current assets | | | |
| Property, plant and equipment | 1,878 | 1,954 | 1,911 |
| Investment properties | 29,698 | 27,896 | 29,448 |
| | 31,576 | 29,850 | 31,359 |
| Current assets | | | |
| Inventories of trading properties | 338,921 | 330,867 | 334,108 |
| Trade and other receivables | 1,559 | 1,760 | 1,720 |
| Cash and cash equivalents | 675 | 682 | 1,706 |
| | 341,155 | 333,309 | 337,534 |
| Total assets | 372,731 | 363,159 | 368,893 |
| Equity and liabilities | | | |
| Capital and reserves attributable to equity holders of the Company | | | |
| Share capital | 195 | 195 | 195 |
| Capital redemption reserve | 55 | 55 | 55 |
| Capital reserve | 25 | 25 | 25 |
| Other reserves | 56 | 56 | 56 |
| Retained earnings | 324,947 | 301,211 | 311,421 |
| | 325,278 | 301,542 | 311,752 |
| Non-current liabilities | | | |
| Long-term borrowings | 35,600 | 49,600 | 39,700 |
| Deferred tax | 5,287 | 5,055 | 5,342 |
| | 40,887 | 54,655 | 45,042 |
| Current liabilities | | | |
| Bank overdrafts and loans | 1,467 | 991 | 3,625 |
| Trade and other payables | 415 | 628 | 3,000 |
| Current tax payable | 4,684 | 5,343 | 5,474 |
| | 6,566 | 6,962 | 12,099 |
| Total liabilities | 47,453 | 61,617 | 57,141 |
| Total equity and liabilities | 372,731 | 363,159 | 368,893 |

GROUP CASHFLOW STATEMENT (UNAUDITED)
for the half year ended 30 September 2016

| | Half year ended 30.09.2016 £000 | Half year ended 30.09.2015 £000 | Year ended 31.03.2016 £000 |
|--|--|--|-------------------------------------|
| Cash flows from operating activities | | | |
| Profit from operations | 22,209 | 26,508 | 49,567 |
| Adjustment for: | | | |
| Depreciation | 34 | 55 | 113 |
| (Gain) on disposal of investment properties | - | (197) | (197) |
| (Increase) in fair value of investment properties | - | - | (1,504) |
| Operating cash flows before movement in working capital | 22,243 | 26,366 | 47,979 |
| (Increase) in inventories | (4,813) | (7,847) | (11,088) |
| Decrease in receivables | 161 | 188 | 228 |
| (Decrease)/Increase in payables | (1,999) | (1,715) | 657 |
| Cash generated from operations | 15,592 | 16,992 | 37,776 |
| Interest paid | (482) | (606) | (1,179) |
| Income taxes paid | (5,147) | (1,633) | (5,693) |
| Net cash inflow from operating activities | 9,963 | 14,753 | 30,904 |
| Investing activities | | | |
| Proceeds from disposal of investment properties | - | 1,700 | 1,700 |
| Capital expenditure on investment properties | (250) | - | (48) |
| Purchase of property, plant and equipment | (2) | (1) | (16) |
| Net cash inflow from investing activities | (252) | 1,699 | 1,636 |
| Cash flows from financing activities | | | |
| Repayment of borrowings | (4,100) | (10,649) | (20,725) |
| Equity dividend paid | (3,899) | (6,823) | (14,621) |

| | | | |
|---|----------------|----------|----------|
| Net cash (outflow) from financing activities | (7,999) | (17,472) | (35,346) |
| Net increase/(decrease) in cash and cash equivalents | 1,712 | (1,020) | (2,806) |
| Opening cash and cash equivalents | (1,919) | 887 | 887 |
| Cash and cash equivalents at end of period | (207) | (133) | (1,919) |

**GROUP CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(UNAUDITED)
for the half year ended 30 September 2016**

| | Half year ended 30.09.2016 £000 | Half year ended 30.09.2015 £000 | Year ended 31.03.2016 £000 |
|---|--|--|-------------------------------------|
| Shareholders' funds as at the beginning of the period | 311,752 | 287,661 | 287,661 |
| Profit for the period | 17,425 | 20,704 | 38,712 |
| Dividends | (3,899) | (6,823) | (14,621) |
| Shareholders' funds at the end of the period | 325,278 | 301,542 | 311,752 |

Notes to the Half Year Report

Basis of preparation

These condensed interim financial statements are unaudited and do not comprise statutory accounts within the meaning of Section 434 of the Companies Act 2006. This condensed consolidated interim financial information has been prepared in accordance with the Disclosure and Transparency Rules of the Financial Conduct Authority and International Accounting Standard 34 (IAS 34) "Interim Financial Reporting" as adopted by the European Union. The interim condensed financial statements should be read in conjunction with the annual statements for the year ended 31 March 2016 which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union.

The accounting policies used are consistent with those contained in the Group's last annual report and accounts for the year ended 31 March 2016.

The Group's published financial statements for the year ended 31 March 2016 have been reported on by the Group's auditors and filed with the Registrar of

Companies. The report of the auditors was unqualified and did not contain any statement under Section 498 of the Companies Act 2006.

Basis of consolidation

The Group's financial statements incorporate the results of Mountview Estates P.L.C. and all of its subsidiary undertakings. Control is achieved where the Company has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities. The Group exercises control through voting rights.

On acquisition, the identifiable assets, liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition. The purchase method has been used in consolidating the subsidiary financial statements.

All significant intercompany transactions and balances between Group enterprises are eliminated on consolidation within the consolidated accounts. Consistent accounting policies have been used across the Group.

Availability of the Half Year Report

Copies of this statement are being sent to Shareholders. Copies may be obtained from the Company's registered office or from the Company's website – www.mountviewplc.co.uk.

This announcement contains information which, prior to its disclosure, was inside information for the purposes of the Market Abuse Regulation.

~ Ends ~

For further information on the Company, visit: www.mountviewplc.co.uk

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