

RNS Number : 2722S
Mountview Estates PLC
29 November 2012

MOUNTVIEW ESTATES P.L.C.

UNAUDITED INTERIM RESULTS FOR THE HALF YEAR ENDED 30 SEPTEMBER 2012

Our Performance

Turnover up 22% to £25.9m (Half year ended 30.09.2011 - £21.2m)

Gross profit up 18% to £15.4m (Half year ended 30.09.2011 - £13.0m)

Profit before tax up 22% to £11.9m (Half year ended 30.09.2011 - £9.7m)

Earnings per share (pence) up 25% to 245.4p (Half year ended 30.09.2011 - 196.3p)

Net assets per share up 7% to £59.71 (Half year ended 30.09.2011 - £55.93)

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 50p per share are as follows:

Ex-dividend date	20 February 2013
Record date	22 February 2013
Payment date	25 March 2013

Chairman's Statement

Introduction

Whilst the economic climate continues to be difficult and uncertain, I am pleased to report that Mountview continues to make good progress and has recorded increased earnings per share over the comparable period last year.

Results

Turnover, at £25.9 million (2011: £21.2 million), is up by 22% compared with the first six months of the previous year. Profit before tax is up by a similar percentage and, aided by a further reduction in the rate of corporation tax, earnings per share are up by 25% to 245.4 pence per share (2011: 196.3 pence per share).

The interim dividend of 50 pence per share in respect of the year ended 31 March 2013 is payable on 25 March 2013 to shareholders on the Register of Members as at 22 February 2013. Despite the significant trading improvement in the first half of the year, the Board has decided to hold the interim dividend at last year's level. We shall, however, review the level of final dividend at the end of the year in the light of the full year's results.

Further Progress

During the period under review further purchases have been made totalling nearly £21 million, all of which are situated in London and the South East. Borrowings increased, but the Board believes that gearing remains at a modest level and all our banking covenants are being met comfortably.

Net assets per share have risen further to £59.71 per share (2011: £55.93 per share) and so we go forward from a position of strength. The economic climate is not expected to be easy for the next few years, but we are confident of being in a good position to take full advantage when opportunities occur.

D.M. Sinclair

Chairman

29 November 2012

Group Statement of Comprehensive Income (unaudited)

for the half year ended 30 September 2012

	Half Year ended 30.09.2012 £000	Half Year ended 30.09.2011 £000
Revenue	25,901	21,249
Cost of sales	(10,530)	(8,239)
Gross profit	15,371	13,010
Administrative expenses	(1,488)	(1,588)
(Loss)/Gain on sale of investment properties	(11)	211
Operating profit before changes in fair value of investment properties	13,872	11,633
Increase in fair value of investment properties	-	-
Profit from operations	13,872	11,633
Change in fair value of derivatives	210	-
Net finance costs	(2,190)	(1,885)
Profit before taxation	11,892	9,748
Taxation - current	(2,804)	(3,332)
Taxation - deferred	482	1,239
Taxation	(2,322)	(2,093)
Profit attributable to equity Shareholders	9,570	7,655
Basic and diluted earnings per share (pence)	245.4p	196.3p

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

Group Statement of Financial Position (unaudited)

for the half year ended 30 September 2012

	As at 30.09.2012 £000	As at 30.09.2011 £000	As at 31.03.2012 £000
Assets			
Non-current assets			
Property, plant and equipment	2,375	2,388	2,441
Investment properties	26,517	27,196	26,537
	28,892	29,584	28,978
Current assets			

Inventories of trading properties	316,431	295,976	301,072
Trade and other receivables	1,160	1,368	1,371
Cash and cash equivalents	1,691	175	987
	319,282	297,519	303,430
Total assets	348,174	327,103	332,408
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
Cash flow hedge reserve	(520)	(2,340)	(1,040)
Retained earnings	233,015	220,077	227,928
	232,826	218,068	227,219
Non-current liabilities			
Long-term borrowings	92,700	80,000	90,000
Deferred tax	5,541	6,082	6,023
	98,241	86,082	96,023
Current liabilities			
Bank overdrafts and loans	12,454	16,233	3,364
Trade and other payables	980	743	1,385
Current tax payable	2,801	3,345	2,814
Derivative financial instruments	872	2,632	1,603
	17,107	22,953	9,166
Total liabilities	115,348	109,035	105,189
Total equity and liabilities	348,174	327,103	332,408

Group Cash Flow Statement (unaudited)

for the half year ended 30 September 2012

	Half Year ended 30.09.2012 £000	Half Year ended 30.09.2011 £000	Year ended 31.03.2012 £000
Cash flows from operating activities			
Profit from operations	13,872	11,633	27,109
Adjustment for:			
Depreciation	86	70	166
Loss on disposal of property, plant and equipment	-	3	10
Loss/(Gain) on disposal of investment properties	11	(211)	(484)
(Increase) in fair value of investment properties	-	-	(3,208)
Operating cash flows before movement in working capital	13,969	11,495	23,593
(Increase) in inventories	(15,359)	(36,514)	(41,610)
Decrease/(increase) in receivables	211	(176)	(179)
(Decrease) in payables	(405)	(740)	(100)
Cash generated from operations	(1,584)	(25,935)	(18,296)
Interest paid	(2,190)	(1,885)	(4,033)
Income taxes paid	(2,782)	(3,261)	(7,106)
Net cash (outflow) from operating activities	(6,556)	(31,081)	(29,435)
Investing activities			
Proceeds from disposal of investment properties	59	4,029	8,895

Capital expenditure on investment properties	(50)	(700)	(1,426)
Purchase of property, plant and equipment	(55)	(3)	(160)
Proceeds from disposal of property, plant and equipment	-	4	4
Net cash inflow from investing activities	(46)	3,330	7,313
Cash flows from financing activities			
Increase in borrowings	2,750	29,800	40,000
Repayment of borrowings	-	-	(200)
Equity dividend paid	(4,483)	(4,483)	(6,432)
Net cash (outflow)/inflow from financing activities	(1,733)	25,317	33,368
Net (decrease)/increase in cash and cash equivalents	(8,335)	(2,434)	11,246
Opening cash and cash equivalents	(2,103)	(13,349)	(13,349)
Cash and cash equivalents at end of period	(10,438)	(15,783)	(2,103)

Consolidated Statement of Changes in Equity

for the half year ended 30 September 2012

	Half Year ended 30.09.2012 £000	Half Year ended 30.09.2011 £000	Year ended 31.03.2012 £000
Shareholders' funds as at the beginning of the period	227,219	214,896	214,896
Reduction in reserve	520	-	1,300
Profit for the period	9,570	7,655	17,455
Dividends	(4,483)	(4,483)	(6,432)
Shareholders' funds at the end of the period	232,826	218,068	227,219

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