THE CONYGAR INVESTMENT COMPANY PLC

INTERIM REPORT
Six Months ended 31 March 2008

The Conygar Investment Company PLC

Interim Results

for the six months ended 31 March 2008

Highlights

- Pro forma NAV increased by 2.9% to 175p per share from 170p at 30 September 2007
- Planning application approved for the £100 million Pembroke Dock Waterfront marina development
- Group has £41.16 million of cash at 31 March 2008 representing 99p per share
- Entered into a joint venture with Stena Line Ports in order to develop Holyhead Waterfront

The Conygar Investment Company PLC

Interim Results

for the six months ended 31 March 2008

Chairman's & Chief Executive's Statement

Progress and Results

We are pleased to report another excellent period for the Group notwithstanding turmoil in both financial and property markets. Net asset value per share on a pro forma basis is 175p as at 31 March 2008 compared with 167p at 31 March 2007 and 170p at 30 September 2007, an increase of 2.9% over the period and 4.8% over the past year. Net asset value per share increased 2.5% to 166p as at 31 March 2008 from 162p as at 30 September 2007. Profit before tax for the six months ended 31 March 2008 amounted to £0.58 million compared with £4.95 million in the previous period reflecting a reduction in property sales. As at 31 March 2008, the Group had cash of £41.16 million with no indebtedness, which represents 99p of our net asset value. As for the property market, the credit squeeze continues to bite with yields moving out rapidly whilst the deteriorating economic environment merely adds to the bad news. Here in the UK we have significant inflationary pressure, a sluggish economy and a government whose failings are eventually being recognised. The consensus, led by the Bank of England, seems to be that there is still more pain to come although to date the bargain buying opportunities are still not appearing. We will sit tight unless obvious opportunities arise.

In February 2008, we obtained approval for our planning application in respect of the Pembroke Dock Waterfront development which is the successful culmination of many years hard work by the team. Following this, the Group acquired the minority interests in Martello Quays Limited so that we now own 100% of the development. The project is now moving towards the detailed legal agreement and planning phase, which will take several months to complete. This waterfront development is expected to create a 260 berth marina, 146 houses, 304 apartments with associated leisure and retail facilities. The end value of the completed development will exceed £100 million.

In October 2007, we were pleased to announce the creation of a joint venture with Stena Line Ports Limited to develop some half a mile of water frontage at Holyhead, Anglesey. This exciting regeneration scheme is potentially larger than Pembroke Dock and continues our strategy of expansion into waterfront projects.

It is intended that the land will be redeveloped as a mixed use scheme incorporating residential, leisure, tourist and retail facilities together with an expanded marina development with associated commercial and marine engineering elements. Site accumulation is complete and work is progressing on our designs and planning application and it is anticipated that this will be submitted within the next twelve months. It is an ambitious project which will require considerable work and patience for which our experience on Pembroke Dock will prove invaluable. We have been extremely encouraged by the support offered by the local government bodies.

We have initially committed £7 million to the joint venture company although further funding will be made available as the scheme dictates.

Turning to property trading, we are pleased to announce that the last Bedford Square property was sold at 43% over cost and more importantly some 13% over the September 2007 valuation. In the light of the general downturn in the property market and the associated gloom of valuers, this represents a significant achievement. The profit after finance to the Group from the Bedford Square portfolio now exceeds £9 million with an internal rate of return exceeding 61% making it a very satisfactory transaction for us albeit a difficult one to replicate, at least in the short term.

Despite the understandable caution of our valuers, our remaining portfolio at Buckingham Street, London WC2 still continues to attract good interest. Whilst there is no doubt we are currently selling into a very difficult market, smaller lot sizes in London's Greater West End still seem to attract good interest and indeed we have just completed the disposal of a property for £2 million being 11% ahead of the September 2007 valuation. That said, we anticipate the rest of 2008 to be extremely quiet on the property trading front.

Financing

As at 31 March 2008, the Group had cash of £41.16 million or 99p per share and no indebtedness which puts us in a good position to fund our existing commitments and to take advantage of the opportunities which will undoubtedly arise.

In March 2008, we issued 1,500,000 ordinary shares at 171.5p per share as part of the consideration to acquire the minority interests in Martello Quays Limited, the developer of Pembroke Dock Waterfront.

Pro forma Net Asset Value

As a trading Group, properties are carried at the lower of cost and net realisable value. In order to show a clearer position of our value we have calculated a pro forma net asset value using a Knight Frank LLP valuation of the portfolio. Knight Frank LLP have valued the remaining trading properties at £25.4 million and the land held for development at £11.1 million.

	NAV £'000	*Pence Per Share*
Net asset value at 31 March 2008	68,450	164.3
Group share of increase after tax in property valuation	4,436	10.7
Pro forma net asset value as at 31 March 2008	72,886	175.0

Strategy and The Future

Notwithstanding general market turmoil, our strategy for the next year remains clear and on course:

1. Having successfully obtained planning permission at Pembroke Dock, we move towards the commencement of development;
2. To submit a planning application for the Holyhead Waterfront development;
3. To complete the realisation of the Buckingham Street trading assets;
4. To seek further opportunities in the port and marina sectors together with general property opportunities; and
5. To raise additional finance as necessary.

Prospects

The Board remains confident about the future prospects of the Group. Whilst no-one is immune from the impact of the various financial and economic crises, the Group is well equipped to weather the storm, emerge with an exciting pipeline of profitable future opportunities and even collect the odd bargain en route. As ever, we shall keep shareholders informed of progress and in particular through our website www.conygar.com.

N J Hamway
Chairman

R T E Ware
Chief Executive

2 June 2008

The Conygar Investment Company PLC
Consolidated Income Statement
For the six months ended 31 March 2008

	Six months ended		*Year ended*
	31 March 2008 £'000	*31 March 2007 £'000*	*30 Sept 2007 £'000*
Sales of properties	6,150	42,203	70,603
Rental income	663	2,392	3,492
Revenue	6,813	44,595	74,095
Direct costs of:			
Sales of properties	4,289	35,313	60,747
Rental income	225	586	517
Direct Costs	4,514	35,899	61,264
Gross Profit	2,299	8,696	12,831
Income from trading investments	–	–	233
Share of results of joint ventures	(13)	4	12
Other gains and losses	(97)	–	137
Administrative expenses	(2,689)	(1,981)	(3,149)
Operating (loss)/profit	(500)	6,719	10,064
Finance costs	–	(2,513)	(3,613)
Finance income	1,076	746	1,722
Profit Before Taxation	576	4,952	8,173
Taxation	(208)	(1,541)	(2,557)
Profit for the Period	368	3,411	5,616
Attributable to:			
– equity shareholders	368	3,411	5,616
– minority interests	–	–	–
Basic earnings per share	0.92p	13.06p	16.94p
Diluted earnings per share	0.88p	12.28p	14.36p

The Conygar Investment Company PLC
Consolidated Balance Sheet
As at 31 March 2008

	Notes	*Six months ended 31 March 2008 £'000*	*Six months ended 31 March 2007 £'000*	*Year ended 30 Sept 2007 £'000*
Non-Current Assets				
Property, plant and equipment		10	8	11
Investment in joint ventures	3	7,444	285	91
Deferred tax assets		392	–	243
		7,846	293	345
Current Assets				
Development and trading properties		26,573	49,794	30,848
Trading investments		–	333	–
Trade and other receivables		361	2,870	2,850
Derivative financial instruments		40	–	137
Cash and cash equivalents		41,163	37,332	38,123
		68,137	90,329	71,958
Total Assets		75,983	90,622	72,303
Current Liabilities				
Trade payables and other payables		6,020	6,712	5,535
Tax liabilities		1,513	1,897	1,800
		7,533	8,609	7,335
Non-Current Liabilities				
Borrowings		–	19,693	–
		–	19,693	–
Total Liabilities		7,533	28,302	7,335
Net Assets		68,450	62,320	64,968

The Conygar Investment Company PLC
Consolidated Balance Sheet (Continued)
As at 31 March 2008

	Six months ended		*Year ended*
	31 March 2008 £'000	*31 March 2007 £'000*	*30 Sept 2007 £'000*
Equity			
Called up share capital	2,082	2,007	2,007
Share premium account	57,990	55,492	55,492
Retained earnings	8,373	4,816	7,464
Equity Attributable to Equity Holders	68,445	62,315	64,963
Minority interests	5	5	5
Total Equity	68,450	62,320	64,968
Net Assets Per Share	164p	155p	162p

The Conygar Investment Company PLC
Consolidated Statement of Changes in Equity
For the six months ended 31 March 2008

	Share Capital £'000	*Share Premium £'000*	*Retained Earnings £'000*	*Total £'000*	*Minority Interests £'000*	*Total Equity £'000*
At 1 October 2006	932	14,294	1,138	16,364	5	16,369
Profit for the period	–	–	3,411	3,411	–	3,411
Share based payment charge	–	–	267	267	–	267
Issue of share capital	1,075	41,322	–	42,397	–	42,397
Share issue costs	–	(124)	–	(124)	–	(124)
At 31 March 2007	2,007	55,492	4,816	62,315	5	62,320
At 1 October 2006	932	14,294	1,138	16,364	5	16,369
Profit for the period	–	–	5,616	5,616	–	5,616
Share based payment charge	–	–	710	710	–	710
Issue of share capital	1,075	41,322	–	42,397	–	42,397
Share issue costs	–	(124)	–	(124)	–	(124)
At 30 September 2007	2,007	55,492	7,464	64,963	5	64,968
At 1 October 2007	2,007	55,492	7,464	64,963	5	64,968
Profit for the period	–	–	368	368	–	368
Share based payment charge	–	–	533	533	–	533
Issue of share capital	75	2,498	–	2,573	–	2,573
Other movement	–	–	8	8	–	8
At 31 March 2008	2,082	57,990	8,373	68,445	5	68,450

The Conygar Investment Company PLC
Consolidated Cash Flow Statement
For the six months ended 31 March 2008

	Six months ended		*Year ended*
	31 March 2008 £'000	*31 March 2007 £'000*	*30 Sept 2007 £'000*
Cash Flows From Operating Activities			
Operating (loss)/profit	(500)	6,719	9,927
Depreciation	2	6	5
Share of results of joint ventures	13	(4)	(12)
Share based payment charge	533	267	710
Cash Flows From Operations Before Changes In Working Capital	48	6,988	10,630
Change in trade and other receivables	2,489	950	549
Change in land, developments and trading properties	6,848	194	19,140
Change in trading investments	–	(333)	–
Change in trade and other payables	485	4,445	3,398
Cash Used In/Generated From Operations	9,870	12,244	33,717
Finance costs	–	(2,537)	(2,897)
Finance income	1,076	667	1,709
Dividends from joint ventures	–	–	200
Tax paid	(644)	–	(1,352)
Cash Flows From Operating Activities	10,302	10,374	31,377
Cash Flows From Investing Activities			
Investment in joint venture	(7,261)	(160)	–
Purchase of plant and equipment	(1)	(7)	(9)
Cash Flows From Investing Activities	(7,262)	(167)	(9)
Cash Flows From Financing Activities			
Issue of shares	–	42,397	42,397
Issue costs of shares	–	(124)	(124)
Borrowings drawn down	–	29,000	29,000
Issue costs of borrowings	–	(205)	(205)
Borrowings repaid	–	(56,619)	(76,428)
Exit fees paid	–	(325)	(886)
Cash Flows From Financing Activities	–	14,124	(6,246)
Net increase in cash and cash equivalents	3,040	24,331	25,122
Cash and cash equivalents at 1 October 2007	38,123	13,001	13,001
Cash and Cash Equivalents at 31 March 2008	41,163	37,332	38,123

The Conygar Investment Company PLC
Notes to the Interim Results
For the six months ended 31 March 2008

1. Basis of Preparation

The interim results for the period ended 31 March 2008 have been prepared using the recognition and measurement principles of IFRS including IAS 34 'Interim Financial Reporting' as adopted by the European Union and are unaudited. The accounting policies adopted are consistent with those in the financial statements for the year ended 30 September 2007, as described in those financial statements. The condensed half-yearly financial statements should be read in conjunction with those annual financial statements. The condensed half-yearly financial statements do not comprise full financial statements within the meaning of the Companies Act 1985.

The comparative figures for the year ended 30 September 2007 are derived from the company's statutory accounts for that financial period. The accounts have been reported upon by the company's auditors and delivered to the Registrar of Companies. The report of the auditors was unqualified and did not contain a statement under Section 237(2) or (3) of the Companies Act 1985.

The board of directors approved the above results on 2 June 2008.

Copies of the interim report may be obtained from the Company Secretary, The Conygar Investment Company PLC, Fourth Floor, Bond House, 19-20 Woodstock Street, London W1C 2AN.

2. Earnings per Share

The calculation of earnings per ordinary share is based on the profit after tax of £368,000 (March 2007: £3,411,000; September 2007: £5,616,000) and on the number of shares in issue being the weighted average number of shares in issue during the period of 40,147,906 (March 2007: 26,118,700; September 2007: 33,152,521). The weighted average number of shares on a fully diluted basis was 41,793,515 (March 2007: 27,780,348; September 2007: 39,108,698). No adjustment has been made in respect of the exercise of options which were anti-dilutive throughout the period. The total number of ordinary shares in issue at the date of this report was 41,647,906.

3. Investment in Joint Ventures

The group has a 50% interest in a joint venture, Conygar Stena Line Limited, which is a property development company. It also has a 50% interest in a joint venture, CM Sheffield Limited, which is a property trading company.

The following amounts represent the group's 50% share of the assets and liabilities, and results of the joint ventures. They are included in the balance sheet and income statement:

	Six months ended		*Year ended*
	31 March 2008 £'000	*31 March 2007 £'000*	*30 Sept 2007 £'000*
Assets			
Current assets	7,465	317	117
	7,465	317	117
Liabilities			
Current liabilities	(21)	(32)	(26)
	(21)	(32)	(26)
Net assets	7,444	285	91
Operating loss	(15)	–	(1)
Finance income	3	6	15
(Loss)/profit before tax	(12)	6	14
Tax	(1)	(2)	(2)
(Loss)/profit after tax	(13)	4	12

REES POLLOCK
Chartered Accountants

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Independent Review Report to The Conygar Investment Company 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 31 March 2008 which comprises the consolidated income statement, the consolidated statement of changes in equity, the consolidated balance sheet, the consolidated cash flow statement and the related notes . We have read the other information 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.

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 AIM Rules for Companies issued by the London Stock Exchange.

As disclosed in note 1, the annual financial statements of the group are prepared in accordance with IFRS 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 31 March 2008 is not prepared, in all material aspects, in accordance with International Accounting Standard 34 as adopted by the European Union and AIM Rules for Companies issued by the London Stock Exchange.

Rees Pollock
Chartered Accountants and Registered Auditors
2 June 2008

Notes:

(a) The maintenance and integrity of The Conygar Investment Company PLC website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the interim report since it was initially presented on the website.

(b) Legislation in the United Kingdom governing the presentation and dissemination of financial information may differ from legislation in other jurisdictions.

Directors and Advisers

Directors	N J Hamway *(Chairman)* R T E Ware *(Chief Executive)* P A Batchelor *(Finance Director)* S M Vaughan *(Property Director)* M D Wigley *(Non-executive Director)*
Secretary	P A Batchelor
Registered Office	Fourth Floor Bond House 19-20 Woodstock Street London W1C 2AN
Registrar	Share Registrars Limited Craven House West Street Farnham Surrey GU9 7EN
Nominated Adviser & Stockbroker	Oriel Securities Limited 125 Wood Street London EC2V 7AN
Solicitors to the Company	Wragge & Co LLP 55 Colmore Row Birmingham B3 2AS
Auditors	Rees Pollock 35 New London Bridge Street London EC4V 6BW

Company Registration No 4907617

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