

THE CONYGAR INVESTMENT COMPANY PLC

INTERIM REPORT

Six Months ended 31 March 2005

Company Registration No 4907617

The Conygar Investment Company PLC

Interim Results

for the six months ended 31 March 2005

Chairman's Statement

Our strategy remains to invest in property assets and companies with property assets where we can add significant value using our property management, development and transaction structuring skills. In spite of a very aggressive market, the prolonged election activity and general nervousness in the economy I am pleased to report a period of progress.

In December, we were pleased to announce our 50:50 joint venture, C M Sheffield Limited, which exchanged contracts to acquire 175,000 sq ft of office and warehouse properties on Sheffield Business Park for £22.5 million. We have completed in respect of £15.7 million of properties and anticipate completing on the final building shortly. At 31 March 2005, the portfolio yielded 7.73% on cost and actual occupancy levels stood at 98%. The Sheffield joint venture is expected to make a strong positive contribution in the second half.

The removal of commercial disadvantaged area relief for stamp duty land tax had an unwelcome adverse impact on the Sheffield portfolio valuation. However this has been more than offset by increases in valuation owing to other factors and indications are that the portfolio is currently valued substantially in excess of cost.

During the period, the company recorded a small loss of £22,000. Cash balances at 31 March 2005 amounted to £2.3 million and the joint venture financing is non-recourse to the rest of the group. Our current asset investment is a holding in James Beattie PLC which is the subject of a takeover from House of Fraser plc. Assuming the proposed acquisition by House of Fraser proceeds at the recommended takeover price our profit before taxation from this holding will exceed £114,000.

Prospects

The board is confident about the future prospects of the company despite a difficult market in which to identify value. We continue to work upon a pipeline of other opportunities all of which are at various stages of negotiation and targeted for completion in the second half. The company continues to minimise administrative overhead and to utilise our in-house team to explore and execute opportunities without recourse to external advisers. In addition, the joint venture will also seek further opportunities as they arise. We will continue to keep shareholders informed of the company's progress.

R T E Ware
Chairman

29 June 2005

The Conygar Investment Company PLC
Consolidated Profit and Loss Account
For the six months ended 31 March 2005

	Notes	Unaudited Six months ended		Audited
		31 March 2005 £'000	31 March 2004 £'000	Period Ended 30 Sept 2004 £'000
Turnover				
Group and share of joint venture's turnover		80	-	-
Less share of joint venture's turnover		(80)	-	-
		-	-	-
Cost of Sales		-	-	-
Gross Profit		-	-	-
Administrative expenses		(127)	(74)	(208)
Operating Loss		(127)	(74)	(208)
Share of operating profit of joint venture		72	-	-
		(55)	(74)	(208)
Income from current asset investments		24	-	10
Interest receivable and similar income				
Group		71	72	161
Joint Venture		5	-	-
Interest payable and similar charges				
Group		-	-	-
Joint Venture		(67)	-	-
Loss on Ordinary Activities before Taxation		(22)	(2)	(37)
Taxation on loss on ordinary activities		-	-	-
Loss on Ordinary Activities after Taxation		(22)	(2)	(37)
Dividends		-	-	-
Loss for the Period		(22)	(2)	(37)
Earnings per share (pence)	2			
Basic		(0.23)p	(0.03)p	(0.42)p
Fully diluted		(0.21)p	(0.02)p	(0.40)p

Turnover and operating profit in all periods relate wholly to continuing activities.

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the profit and loss account.

The Conygar Investment Company PLC
Consolidated Balance Sheet
As at 31 March 2005

	Unaudited		Audited
	Six months ended		Period Ended
	31 March 2005	31 March 2004	30 Sept 2004
	£'000	£'000	£'000
Investments in joint venture			
Share of gross assets	7186	-	-
Share of gross liabilities	(5076)	-	-
	<u>2110</u>	<u>-</u>	<u>-</u>
Current Assets			
Debtors	90	11	55
Investments	364	33	397
Cash at bank	2334	4903	4452
	<u>2788</u>	<u>4947</u>	<u>4904</u>
Current liabilities			
Creditors: amounts falling within one year	44	36	28
Net Current Assets	<u>2744</u>	<u>4911</u>	<u>4876</u>
Total assets less current liabilities	<u>4854</u>	<u>4911</u>	<u>4876</u>
Capital and reserves			
Called-up equity share capital	486	486	486
Share premium account	4427	4427	4427
Profit and loss account	(59)	(2)	(37)
Shareholders' Funds	<u>4854</u>	<u>4911</u>	<u>4876</u>

The comparative figures for the financial period ended 30 September 2004 are an extract of the company's statutory accounts for that financial period. Those 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 Conygar Investment Company PLC
Consolidated Reconciliation of Movements in Shareholders' funds
For the six months ended 31 March 2005

	Unaudited		Audited
	Six months ended		Period Ended
	31 March 2005	31 March 2004	30 Sept 2004
	£'000	£'000	£'000
Loss for the period attributable to shareholders	(22)	(2)	(37)
Dividends	-	-	-
	<hr/>	<hr/>	<hr/>
Issue of share capital (net of expenses)	(22)	(2)	(37)
	-	4913	4913
	<hr/>	<hr/>	<hr/>
Net movement in shareholders' funds	(22)	4911	4876
Opening shareholders' funds	4876	-	-
	<hr/>	<hr/>	<hr/>
Closing shareholders' funds	4854	4911	4876
	<hr/>	<hr/>	<hr/>

The Conygar Investment Company PLC
Consolidated Cash Flow Statement
For the six months ended 31 March 2005

	Notes	Unaudited Six months ended		Audited
		31 March 2005 £'000	31 March 2004 £'000	Period Ended 30 Sept 2004 £'000
Net cash outflow from operating activities	a	(106)	(82)	(615)
Returns on the investments and servicing of finance				
Dividends received		10	-	-
Interest received		78	72	154
Net cash flow from returns on investments and servicing of finance		88	72	154
Cash outflow before management of liquid resources and financing		(18)	(10)	(461)
Management of liquid resources				
Decrease/(increase) in funds placed on short term deposit		2355	(4798)	(4400)
Acquisitions and disposals				
Investment in joint venture		(2100)	-	-
Financing				
Issue of equity share capital		-	486	486
Share premium on issue of equity share capital		-	4427	4427
Net cash inflow from financing		-	4913	4913
Increase in cash	b	237	105	52

The Conygar Investment Company PLC
Notes to the Consolidated Cash Flow Statement
For the six months ended 31 March 2005

a) Reconciliation of operating loss to net cash outflow from operating activities

	Unaudited Six months ended		Audited Period Ended
	31 March 2005 £'000	31 March 2004 £'000	30 Sept 2004 £'000
Operating loss	(127)	(74)	(208)
Increase in debtors	(28)	(11)	(38)
Decrease in current asset investments	33	(33)	(397)
Increase in creditors	16	36	28
Net cash outflow from operating activities	(106)	(82)	(615)

b) Reconciliation of net cash flow to movement in net funds

	Unaudited Six months ended		Audited Period Ended
	31 March 2005 £'000	31 March 2004 £'000	30 Sept 2004 £'000
Increase in cash in the period	237	105	52
Cash (inflow)/outflow from short term deposits	(2355)	4798	4400
Movement in net funds	(2118)	4903	4452
Opening net funds	4452	-	-
Closing net funds	2334	4903	4452

c) Analysis of changes in net funds

	At 1 October 2004 £'000	Cashflows £'000	At 31 March 2005 £'000
Net cash:			
Cash in hand and at bank	52	237	289
Short term deposits*	4400	(2355)	2045
Net funds	4452	(2118)	2334

* Short term deposits are included within cash at bank in the balance sheet.

The Conygar Investment Company PLC
Notes to the Interim Results
For the six months ended 31 March 2005

1. Basis of Preparation

The interim results for the period ended 31 March 2005 have been prepared in accordance with applicable United Kingdom accounting standards and are unaudited. They do not comprise full financial statements within the meaning of the Companies Act 1985 and have neither been reported upon by the auditors under Section 235 of the Companies Act 1985 nor reviewed in accordance with Accounting Practice Board Bulletin 1999/4.

The board of directors approved the above results on 29 June 2005.

Copies of the interim report may be obtained from the Company Secretary, The Conygar Investment Company PLC, First Floor, 122 Wigmore Street, London W1U 3RX.

2. Earnings per Share

The calculation of earnings per ordinary share is based on the loss after tax of £22,000 and on the number of shares in issue being the weighted average number of shares in issue during the period of 9,722,001. The weighted average number of shares on a fully diluted basis was 10,301,376 which assumes the exercise of options which were anti-dilutive throughout the period.

Directors and Advisors

Directors	R T E Ware (<i>Executive Chairman</i>) P A Batchelor (<i>Finance Director</i>) S M Vaughan (<i>Property Director</i>) N J Hamway (<i>Non-executive Director</i>) M D Wigley (<i>Non-executive Director</i>)
Secretary	P A Batchelor
Registered Office	First Floor 122 Wigmore Street London W1U 3RX
Registrar	Share Registrars Limited Craven House West Street Farnham Surrey GU9 7EN
Nominated Advisor	Deloitte & Touche LLP Stonecutter Court 1 Stonecutter Street London EC4A 4BJ
Stock Brokers	Bridgewell Securities Limited Old Change House 128 Queen Victoria Street London EC4V 4BJ
Solicitors to the Company	Wragge & Co 55 Colmore Row Birmingham B3 2AS
Auditors	Rees Pollock 35 New London Bridge Street London EC4V 6BW