



THE CONYGAR INVESTMENT  
COMPANY PLC

**INTERIM REPORT**  
**Six Months Ended 31 March 2016**

# The Conygar Investment Company PLC

## Interim Results

for the six months ended 31 March 2016

### Highlights

- **Net asset value per share 201.0p** at 31 March 2016 decreased from 203.3p at 30 September 2015. EPRA NAV per share decreased 1.1% to 201.0p from 203.2p.
- The **development pipeline** is advancing. **The Haverfordwest infrastructure works have completed** and we are making significant progress on the approvals for the other projects.
- **Acquired a 9.96 acre site from Sainsbury's at Cross Hands**, west of Swansea, for **£2.25 million** plus an overage provision, and the **203 acre freehold** of the former gas storage facility site near **Rhosgoch**, Anglesey, for **£3 million**.
- In April 2016, **completed the refinancing** of the TAPP, TOPP and Lamont portfolios with a new **£48.1 million facility with Lloyds Bank**, Jersey, **releasing £21 million** after repayment of the two existing RBS loans and transaction costs.
- Total **cash** available for acquisitions and development funding of **£60 million** after the refinancing in April 2016. **Net debt** of **£26.1 million** as at March 2016, representing gearing of 16.8% against net asset value and 20.6% on loan to value basis. Post refinancing, net debt of £27.2 million, representing gearing of 17.5% against net asset value and 21.4% on loan to value basis.
- **Investment property portfolio valuation of £126.7 million** at 31 March 2016. Due to a fall in the value of our asset in Aberdeen, there is a reduction of £2.4 million on a like for like basis.
- **Disposed of three investment properties** in the period for a total consideration of **£5.4 million after costs**, a deficit of £0.1 million to the September 2015 valuation.
- **Bought back 5.3 million shares** (6.4% of ordinary share capital) at an **average price of 167 pence per share**, enhancing NAV per share by 2.5p.

## Summary Group Net Assets as at 31 March 2016

	£'m	Per Share p
Investment Properties	126.7	164.1
Investment Properties Under Construction	9.0	11.6
Development Projects	46.2	59.8
Cash	41.6	53.9
Other Net Liabilities	(1.0)	(1.3)
	<hr/>	<hr/>
	222.5	288.1
ZDP Liability	(33.4)	(43.2)
Bank Loans	(33.9)	(43.9)
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Net Assets	<u>155.2</u>	<u>201.0</u>

# **The Conygar Investment Company PLC**

## **Interim Results**

**for the six months ended 31 March 2016**

### **Chairman's and Chief Executive's Statement**

#### **Progress and Results Summary**

We present the Group's results for the six months ended 31 March 2016. The net asset value per share decreased to 201.0p from 203.3p at 30 September 2015 (199.2p at 31 March 2015). On an EPRA basis, net asset value per share decreased to 201.0p from 203.2p at 30 September 2015 (198.8p at 31 March 2015).

The loss before taxation of £2.1 million compares with a profit before taxation of £4.1 million in the six months ended 31 March 2015. The main reason for this was a fall in valuation of the investment properties of £2.4 million on a like for like basis in the six months ended 31 March 2016, compared with a £1.2 million uplift for the six months ended 31 March 2015. The fall in valuation is solely due to our asset in Aberdeen and this market has been hit hard by the crisis in the oil industry and this is reflected in the valuation.

The Group also disposed of three investment properties in the current period and these sales, along with the disposals of nine assets during the year ended 30 September 2015, have reduced net property income to £3.6 million, before financing and overheads, compared with £5.0 million for the same period last year.

The three disposals in the period were at Hinckley, Horsham and Runcorn for a consideration of £5.4 million after costs, a deficit of £0.1 million to the September 2015 valuation. These disposals have resulted in a reduction in the contracted rent roll to £9.2 million at 31 March 2016, compared with £9.8 million at 30 September 2015.

The development pipeline continues to make good progress and we have acquired two sites during the period. The first is a 9.96 acre site which was acquired in October 2015 from Sainsbury's for £2.25 million plus an overage provision and is situated at Cross Hands, west of Swansea. In April 2016, a planning application was submitted to Carmarthenshire Council for a 106,000 square foot retail development, which, along with a 562 space car park, will include a family pub/restaurant, food stores, a drive-through restaurant and other retail stores.

We acquired a second site in October 2015 for a consideration of £3 million and this is the freehold of a former gas storage facility site near Rhosgoch, Anglesey. This 203 acre brownfield site is situated 6.5 miles from the existing and proposed Wylfa Nuclear Power Station. Horizon Nuclear Power has identified this site as a potential location to house approximately 4,000 temporary workers and discussions are ongoing to make our land available for this facility.

On the financing side, the Group has used £8.9 million surplus cash to buy back 6.4% of its shares at a discount to net asset value and this has enhanced net asset value per share by 2.5 pence.

In April 2016, we refinanced part of our investment property portfolio with a new £48.1 million loan with Lloyds Bank, Jersey. This has released £21 million to pursue other opportunities and the funding rates have been reduced to 1.9% margin plus Bank of England base rate, thus currently 2.4% per annum.

Although we continue to increase investment in the development programme, the balance sheet remains strong and we have £60 million available after the refinancing for further investment and development funding. Our total pre-refinancing debt was £67.7 million, resulting in net gearing of 16.8% and post refinancing is £89.9 million, resulting in net gearing of 17.5%.

### **Property Portfolio**

As at 31 March 2016, the Group's investment properties were independently valued at £126.7 million compared to £133.2 million at 30 September 2015. The fall in valuation is a result of disposals in the period and a decrease in value on a like for like basis of £2.4 million. As referred to above, this fall on a like for like basis is due to the difficult Aberdeen market which has been adversely affected by the volatility in global oil prices. Our exposure to Aberdeen was significantly greater not very long ago, but we recognised the risks and disposed of our two other buildings there in the year ended 30 September 2014 for a consideration of £15.5 million, which was a significant surplus to our book cost and £1.24 million over the previous valuation in September 2013. Nevertheless, the building we still hold is exposed to the oil industry and we will continue to mitigate the risks as best we can.

The contracted annual rent roll is £9.2 million as at 31 March 2016, which is £0.6 million lower than at 30 September 2015, mainly owing to the disposals already discussed. We continue to work hard at letting vacant space, retaining tenants and pushing down irrecoverable property costs and so the cash yield on the portfolio remains strong. We continue to recycle assets and realise value where opportunities arise and when assets are mature and we cannot add further value through asset management initiatives. The vacancy rate has increased to 17.0% as at 31 March 2016 from 14.1% as at September 2015 but it should be noted that the vacancy rate is skewed by the refurbishment projects which are taking place at both Brennan House, Farnborough and the Links, Warrington. If these projects are excluded and the new letting at Mochdre to Conwy County Council, which is described below, is taken into account, the vacancy rate reduces to 8.6%. The refurbishments of Farnborough and Warrington are progressing well and will be completed during the summer and the total expenditure on these projects is over £3 million.

Progress is being made with asset management initiatives across the portfolio. In May 2016, we announced the letting of 60,000 square feet of industrial space and 3.2 acres of "open storage" land at Mochdre Commerce Park in Colwyn Bay, North Wales. The

new tenant is Conwy County Council and they have taken a 35 year lease with a first break clause in year 15, at an initial rent of £240,000 per annum.

Also in May 2016, we announced that a planning application has been submitted for the development site at Nottingham Road, Ashby-de-la-Zouch for a Marks and Spencer's "Food Hall" measuring approximately 11,000 square feet, with associated parking, services and landscaping. The construction of the spine road and utility services has been completed and this will enhance the marketability of the remaining 2 acre plot at this site.

## **Development Projects**

Continued progress has been made on our development projects since we last reported.

At **Haverfordwest**, the substantial infrastructure works to service the 729 residential units and 9.6 acre retail site were completed on budget at a cost of £3.7 million and ahead of schedule at the beginning of the calendar year. Marketing of the housing land is being undertaken now that these infrastructure works have been completed. A new planning application will be submitted shortly for a 100,000 square foot retail development, together with a multiplex cinema and hotel on the 9.6 acre retail site.

In April 2016, we submitted a planning application for our 9.96 acre development site at **Cross Hands**, South West Wales, for a 106,000 square foot retail development and a 562 space car park. We are in detailed negotiations with various potential tenants and are planning to commence construction later this year.

At **Fishguard Waterfront**, the detailed planning and marine consent licenses, to bring about the development platforms, marina basin and new port facilities, were submitted in January 2016. We hope to have a positive determination of these by the end of the calendar year.

The Harbour Revision Order and marine license applications for the **Pembroke Dock** development are still progressing. The proposed 60,000 square feet of leisure and retail development has attracted significant interest from potential tenants and we expect to make further announcements this year.

At **Holyhead Waterfront**, Ynys Mon council has decided to hold an inquiry to consider the Village Green application. Whilst we do not believe that there is any merit in the claim, we will be pushing for a positive decision which will put the matter beyond any further doubt. The application only covers a small part of our land and does not prevent us starting construction on the vast majority of the site. We are in discussions with parties involved in the proposed Wylfa Newydd project in respect of providing substantial residential accommodation and also the use of our marine facilities at Soldiers Quay and adjoining land.

At **Parc Cybi**, the truckstop is attracting increased usage month on month and our restaurant has been voted the second best eatery in Holyhead. The truckstop is a joint venture with Fred Done, the founder and owner of Betfred and the construction was completed last year. At our 6.9 acre **logistics** centre, which is not part of the joint

venture but is located next to the lorry park, we are at an advanced stage of negotiations with Horizon Nuclear to provide facilities to handle all inward road-borne material for the construction of Wylfa Newydd.

Our 203 acre site at **Rhosgoch**, which we purchased in October 2015, has been identified by Horizon Nuclear, through public consultation, as a potential location to house approximately 4,000 temporary workers. We are in discussions with Horizon Nuclear to make our land available for this facility.

At **Llandudno Junction**, Conwy Borough Council has approved our 90,000 square foot retail application and in partnership with them, we are now moving forward to progress the development.

The planning and development progress is always difficult to predict but we anticipate significant progress on the projects throughout the year.

### **Financing and Cash Management**

At 31 March 2016, the Group had cash of £41.6 million available to pursue investment opportunities and bank debt of £34.3 million, with total debt of £67.7 million, including the zero dividend preference liability of £33.4 million. Net debt amounted to £26.1 million, resulting in gearing of 16.8% against net asset value and 20.6% on a loan to value basis. After the recent refinancing in April 2016, total debt increased to £89.9 million and net debt to £27.2 million, resulting in gearing of 17.5% against net asset value and 21.4% on a loan to value basis.

As at 31 March 2016, all of the Group debt was hedged or fixed and the weighted average cost of all debt, including margin, was 3.9% with an average debt maturity of 1.1 years. Post refinancing, the weighted average cost of debt decreased to 2.4% and average debt maturity increased to 4.3 years.

During the period, the Group acquired 5,299,819 ordinary shares, representing 6.4% of its ordinary share capital, at an average price of 167 pence per share. This cost approximately £8.9 million and, as a result of the buy backs, net asset value per share has been enhanced by 2.5 pence per share.

### **Dividend Policy**

As referred to in the Strategic Report within the Report and Accounts for the year ended 30 September 2015, we have continued our policy of selling down our investment property portfolio where appropriate, and, as expected, the rental income we receive has decreased. We anticipate that the portfolio will become smaller in the medium term but remain sufficient to fund the operations of the business.

The funds created by investment property sales will be, in the main, redeployed within the development portfolio, where we believe there is substantial inherent future value. This further investment will be of significant benefit to our ultimate return.

As discussed within this statement, the rental income has decreased in the six month period ended 31 March 2016. The Board will review our dividend policy annually and our primary focus continues to be growth in net asset value per share.

### Summary Group Net Assets

The Group net assets as at 31 March 2016 may be summarised as follows:

	<i>£'m</i>	<i>Per Share</i> <i>p</i>
Investment Properties	126.7	164.1
Investment Properties Under Construction	9.0	11.6
Development Projects	46.2	59.8
Cash	41.6	53.9
Other Net Liabilities	(1.0)	(1.3)
	<u>222.5</u>	<u>288.1</u>
ZDP Liability	(33.4)	(43.2)
Bank Loans	(33.9)	(43.9)
	<u>(67.3)</u>	<u>(87.1)</u>
Net Assets	<u><u>155.2</u></u>	<u><u>201.0</u></u>

### Outlook

We envisage that the markets we trade in will be volatile over the summer months, and potentially the rest of this year, due to the EU referendum, continuing economic problems in the Eurozone and the US presidential election and we are cautious about the growth prospects of the UK economy over the medium term.

Historically, we have performed strongly in difficult markets and following the recent refinancing of a large portion of the investment property portfolio, we hold cash of more than £60 million and are therefore well positioned to take advantage of opportunities, should they arise.

**N J Hamway**  
**Chairman**

23 May 2016

**RT E Ware**  
**Chief Executive**



## Financial review

### Net Asset Value

The net asset value at 31 March 2016 was £155.2 million (31 March 2015: £165.0 million; 30 September 2015: £167.8 million). The primary movements in the six month period were £8.9 million used to buy back shares, £3.6 million net rental income, £2.4 million property revaluation deficit, £1.9 million spent on finance costs and £1.4 million of dividends paid. Excluding the amounts incurred paying dividends and buying back shares, net asset value decreased in the period by 1.4%.

On an EPRA basis, the net asset value is:

	<i>31 Mar 2016 £'m</i>	<i>30 Sept 2015 £'m</i>	<i>31 Mar 2015 £'m</i>
Net asset value	155.2	167.8	165.0
Exercisable share options	4.1	4.1	6.8
Diluted net asset value	159.3	171.9	171.8
Fair value of hedging instruments	–	–	(0.1)
EPRA net asset value	159.3	171.9	171.7
EPRA NAV per share	201.0p	203.2p	198.8p
Basic NAV per share	201.0p	203.3p	199.2p
Diluted NAV per share	201.0p	203.3p	198.9p

The EPRA net asset value is calculated on a fully diluted basis and excludes the impact of hedging instruments, as these are held for long term benefit and not expected to crystallise at the balance sheet date.

The NNNAV or “triple net asset value” is the net asset value taking into account asset revaluations, the mark to market costs of debt and hedging instruments and any associated tax effect. Our investment properties are carried on our balance sheet at independent valuation with any associated tax effect provided for at the period end. Our development and trading assets are carried at the lower of cost and net realisable value. We have not sought to value these assets as, in our opinion, they are still at too early a stage in their development to provide a meaningful figure, so cost is equated to fair value for these purposes. On this basis, there is no material difference between our stated net asset value and NNNAV.

## Revaluation

The Group's investment properties were independently valued by Jones Lang LaSalle at 31 March 2016. In their opinion, the open market value of the investment property portfolio was £126.7 million. The total portfolio decreased in value by £6.5 million during the period as a result of three disposals and a decrease in the underlying portfolio valuation on a like for like basis.

## Cash Flow

The Group generated £0.4 million cash from operating activities (31 March 2015: used £13.8 million; 30 September 2015: used £12.9 million).

The primary cash outflows in the period were £7.3 million incurred on investment properties under construction and development and trading properties, £3.9 million to repay RBS debt and £8.9 million to buy back shares. These were partly offset by cash inflows of £5.4 million from the sales of investment properties, resulting in a net cash outflow during the period of £15.8 million (31 March 2015: £25.7 million outflow; 30 September 2015: £13.4 million outflow).

## Net Income From Property Activities

	31 Mar 2016 £'m	30 Sept 2015 £'m	31 Mar 2015 £'m
Rental income	4.8	11.4	6.1
Direct property costs	<u>(1.2)</u>	<u>(2.9)</u>	<u>(1.2)</u>
Rental surplus	<u>3.6</u>	<u>8.5</u>	<u>4.9</u>
Proceeds from sale of investment properties	5.5	31.3	5.8
Cost of investment properties sold	<u>(5.6)</u>	<u>(28.9)</u>	<u>(5.6)</u>
(Loss)/gain on sale of investment properties	<u>(0.1)</u>	<u>2.4</u>	<u>0.2</u>
Total net income arising from property activities	<u><u>3.5</u></u>	<u><u>10.9</u></u>	<u><u>5.1</u></u>

## Administrative Expenses

The administrative expenses for the six month period ended 31 March 2016 were £1.3 million. The major items were salary costs of £0.6 million and various costs arising as a result of the Group being quoted on AIM. The credit for the six months ended 31 March 2015 of £0.2 million included £1.75 million for the reversal of 20% of the 2014 profit share, as previously reported in the annual report for the year ended 30 September 2015. If this credit is ignored, administrative expenses for the six months to 31 March 2015 amounted to £1.6 million.

## Financing

At 31 March 2016, the Group had cash of £41.6 million (31 March 2015: £45.0 million; 30 September 2015: £57.4 million). The decrease has resulted mainly from the cash used in buying back shares, repaying bank debt, administrative costs and investing in the investment properties and developments projects.

The bank debt at 31 March 2016 was £34.3 million. Taking into account the ZDP liability, total debt was £67.7 million, with net debt 20.6% by loan to value and 16.8% against net asset value.

The interest rate risk on the facilities continues to be managed by way of interest rate swaps and caps, with 100% of debt protected by hedging at 31 March 2016. The weighted average cost of all debt, including margin, was 3.9%. The fair value of these derivative financial instruments is provided for in full on the balance sheet.

Post the refinancing in April 2016, the Group's cash increased to £62.7 million and total debt, including the ZDP liability, increased to £89.9 million, resulting in gearing of 21.4% by loan to value and 17.5% against net asset value. Furthermore, the weighted average cost of debt, including margin, reduced to 2.4%.

## Property Information

### Summary of Investment property portfolio

	<i>31 March 2016</i>	<i>30 September 2015</i>	<i>31 March 2015</i>
Valuation	£126.7 million	£133.2 million	£154.4 million
Number of properties	33	36	42
Contracted rent (pa)	£9.2 million	£9.8 million	£11.8 million
Current ERV (pa)	£11.5 million	£11.9 million	£14.3 million
Net initial yield	6.66%	7.16%	7.25%
Equivalent yield	8.16%	8.02%	8.16%
Reversionary yield	8.58%	8.35%	8.46%
Vacancy rate	17.0%	14.1%	14.3%
Average unexpired lease lengths	4.7 years	4.8 years	4.3 years

## Summary of Development Projects

	<i>31 March 2016</i>	<i>30 September 2015</i>	<i>31 March 2015</i>
	<i>£'m</i>	<i>£'m</i>	<i>£'m</i>
Haverfordwest	23.11	23.91	24.17
Holyhead Waterfront	10.25	10.19	9.52
Pembroke Dock Waterfront	4.71	4.68	4.65
Parc Cybi, Holyhead	4.60	4.59	4.34
Fishguard Waterfront	1.46	1.36	1.26
Fishguard Lorry Stop	0.54	0.54	0.54
King's Lynn	0.87	0.85	0.85
Llandudno Junction	0.54	0.43	0.25
Other	0.08	0.07	0.18
Total investment to date	<u>46.16</u>	<u>46.62</u>	<u>45.76</u>

The reduction in total investment to date arises due to the reimbursement of retention funds from Pembrokeshire County Council following completion of the infrastructure works at Haverfordwest.

## Summary of Investment Properties Under Construction

	<i>31 March 2016</i>	<i>30 September 2015</i>	<i>31 March 2015</i>
	<i>£'m</i>	<i>£'m</i>	<i>£'m</i>
Haverfordwest Retail	3.18	3.16	–
Cross Hands	2.55	–	–
Rhosgoch	3.23	–	–
Total investment to date	<u>8.96</u>	<u>3.16</u>	<u>–</u>

**The Conygar Investment Company PLC**  
**Consolidated Statement of Comprehensive Income**  
**For the six months ended 31 March 2016**

	Note	<i>Six months ended</i>		<i>Year ended</i>
		<i>31 March</i>	<i>31 March</i>	<i>30 Sept</i>
		<i>2016</i>	<i>2015</i>	<i>2015</i>
		<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Rental income		4,555	5,908	10,957
Other property income		242	209	484
Sale of trading investments		–	160	300
<b>Revenue</b>		<b>4,797</b>	<b>6,277</b>	<b>11,741</b>
Direct costs of:				
Rental income		1,237	1,192	2,932
Sale of trading investments		–	60	211
<b>Direct Costs</b>		<b>1,237</b>	<b>1,252</b>	<b>3,143</b>
<b>Gross Profit</b>		<b>3,560</b>	<b>5,025</b>	<b>8,598</b>
Share of results of joint ventures		(2)	(2)	(19)
(Loss)/gain on sale of investment properties		(126)	157	2,436
Movement on revaluation of investment properties	6	(2,423)	1,217	2,742
Other gains and losses		(10)	(262)	(309)
Administrative expenses		(1,259)	153	(1,541)
<b>Operating (Loss)/Profit</b>		<b>(260)</b>	<b>6,288</b>	<b>11,907</b>
Finance costs	3	(1,920)	(2,332)	(4,379)
Finance income	3	126	142	226
<b>(Loss)/Profit Before Taxation</b>		<b>(2,054)</b>	<b>4,098</b>	<b>7,754</b>
Taxation		(229)	(992)	(1,316)
<b>(Loss)/Profit and Total Comprehensive (Charge)/Income for the Period</b>		<b>(2,283)</b>	<b>3,106</b>	<b>6,438</b>
Attributable to:				
– equity shareholders		(2,283)	3,106	6,438
– minority interests		–	–	–
		<b>(2,283)</b>	<b>3,106</b>	<b>6,438</b>
Basic (loss)/earnings per share	5	(2.83)p	3.70p	7.72p
Diluted (loss)/earnings per share	5	(2.83)p	3.69p	7.72p

All of the activities of the Group are classed as continuing.

**The Conygar Investment Company PLC**  
**Consolidated Statement of Changes in Equity**  
**For the six months ended 31 March 2016**

	Share Capital £'000	Share Premium £'000	Capital Redemption Reserve £'000	Treasury Shares £'000	Retained Earnings £'000	Total £'000	Non- controlling Interests £'000	Total Equity £'000
At 1 October 2014	4,932	124,128	1,568	(15,384)	54,185	169,429	20	169,449
Profit for the period	-	-	-	-	3,106	3,106	-	3,106
Total recognised income and expense for the period	-	-	-	-	3,106	3,106	-	3,106
Dividend paid	-	-	-	-	(1,450)	(1,450)	-	(1,450)
Purchase of own shares	-	-	-	(7,423)	(7,423)	(7,423)	-	(7,423)
Issue of share capital	53	1,243	-	-	-	1,296	-	1,296
<b>At 31 March 2015</b>	<b>4,985</b>	<b>125,371</b>	<b>1,568</b>	<b>(22,807)</b>	<b>55,841</b>	<b>164,958</b>	<b>20</b>	<b>164,978</b>
At 1 October 2014	4,932	124,128	1,568	(15,384)	54,185	169,429	20	169,449
Profit for the year	-	-	-	-	6,438	6,438	-	6,438
Total comprehensive income for the year	-	-	-	-	6,438	6,438	-	6,438
Dividend paid	-	-	-	-	(1,450)	(1,450)	-	(1,450)
Purchase of own shares	-	-	-	(7,937)	-	(7,937)	-	(7,937)
Issue of share capital	53	1,243	-	-	-	1,296	-	1,296
<b>At 30 September 2015</b>	<b>4,985</b>	<b>125,371</b>	<b>1,568</b>	<b>(23,321)</b>	<b>59,173</b>	<b>167,776</b>	<b>20</b>	<b>167,796</b>
<b>Changes in equity for six months ended 31 March 2016</b>								
At 1 October 2015	4,985	125,371	1,568	(23,321)	59,173	167,776	20	167,796
Loss for the period	-	-	-	-	(2,283)	(2,283)	-	(2,283)
Total recognised income and expense for the period	-	-	-	-	(2,283)	(2,283)	-	(2,283)
Dividend paid	-	-	-	-	(1,415)	(1,415)	-	(1,415)
Purchase of own shares	-	-	-	(8,873)	-	(8,873)	-	(8,873)
<b>At 31 March 2016</b>	<b>4,985</b>	<b>125,371</b>	<b>1,568</b>	<b>(32,194)</b>	<b>55,475</b>	<b>155,205</b>	<b>20</b>	<b>155,225</b>

**The Conygar Investment Company PLC**  
**Consolidated Balance Sheet**  
**As at 31 March 2016**

		<i>31 March</i>	<i>31 March</i>	<i>30 Sept</i>
		<i>2016</i>	<i>2015</i>	<i>2015</i>
	Note	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
<b>Non-Current Assets</b>				
Property, plant and equipment		15	43	28
Investment properties	6	126,710	154,430	133,190
Investment properties under construction	7	8,957	–	3,156
Investment in joint ventures	8	6,742	6,114	6,660
Loan to joint venture		3,410	3,110	3,410
Goodwill		3,173	3,173	3,173
		<u>149,007</u>	<u>166,870</u>	<u>149,617</u>
<b>Current Assets</b>				
Development and trading properties	9	32,912	33,358	33,373
Trade and other receivables		3,922	4,198	4,969
Derivatives		8	96	37
Cash and cash equivalents		41,621	45,029	57,386
		<u>78,463</u>	<u>82,681</u>	<u>95,765</u>
<b>Total Assets</b>		<u>227,470</u>	<u>249,551</u>	<u>245,382</u>
<b>Current Liabilities</b>				
Trade and other payables		2,990	4,632	5,370
Bank loans	10	33,857	300	17,768
Tax liabilities		516	2,319	2,254
		<u>37,363</u>	<u>7,251</u>	<u>25,392</u>
<b>Non-Current Liabilities</b>				
Bank loans	10	–	45,811	19,723
Zero dividend preference shares	11	33,427	31,511	32,471
Deferred tax		1,455	–	–
		<u>34,882</u>	<u>77,322</u>	<u>52,194</u>
<b>Total Liabilities</b>		<u>72,245</u>	<u>84,573</u>	<u>77,586</u>
<b>Net Assets</b>	12	<u>155,225</u>	<u>164,978</u>	<u>167,796</u>
<b>Equity</b>				
Called up share capital		4,985	4,985	4,985
Share premium account		125,371	125,371	125,371
Capital redemption reserve		1,568	1,568	1,568
Treasury shares		(32,194)	(22,807)	(23,321)
Retained earnings		55,475	55,841	59,173
		<u>155,205</u>	<u>164,958</u>	<u>167,776</u>
<b>Equity Attributable to Equity Holders</b>		<u>155,205</u>	<u>164,958</u>	<u>167,776</u>
Minority interests		20	20	20
<b>Total Equity</b>		<u>155,225</u>	<u>164,978</u>	<u>167,796</u>
<b>Net Assets Per Share</b>		201.0p	199.2p	203.3p

**The Conygar Investment Company PLC**  
**Consolidated Cash Flow Statement**  
**For the six months ended 31 March 2016**

	<i>Six months ended</i>		<i>Year ended</i>
	<i>31 March</i>	<i>31 March</i>	<i>30 Sept</i>
	<i>2016</i>	<i>2015</i>	<i>2015</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
<b>Cash Flows From Operating Activities</b>			
Operating (loss)/profit	(260)	6,288	11,907
Depreciation and amortisation	14	18	34
Amortisation of reverse lease premium	51	87	180
Share of results of joint ventures	2	2	19
Other gains and losses	17	280	340
Loss/(gain) on sale of investment properties	126	(157)	(2,436)
Movement on revaluation of investment properties	2,423	(1,217)	(2,742)
<b>Cash Flows From Operations Before Changes In Working Capital</b>	<b>2,373</b>	<b>5,301</b>	<b>7,302</b>
Change in trade and other receivables	1,047	(420)	(1,191)
Change in land, developments and trading properties	(325)	(7,873)	(7,102)
Change in trade and other payables	(1,595)	(9,333)	(9,248)
<b>Cash Generated From/(Used In ) Operations</b>	<b>1,500</b>	<b>(12,325)</b>	<b>(10,239)</b>
Finance costs	(713)	(1,178)	(2,020)
Finance income	81	142	207
Tax paid	(512)	(470)	(859)
<b>Cash Flows Generated From/(Used In ) Operating Activities</b>	<b>356</b>	<b>(13,831)</b>	<b>(12,911)</b>
<b>Cash Flows From Investing Activities</b>			
Acquisition of and additions to investment properties	(7,290)	(580)	(3,979)
Disposal of trading investments	-	160	-
Sale proceeds of investment properties	5,424	5,760	30,971
Investment in joint ventures	(81)	(38)	(573)
Loans to joint venture	-	(906)	(1,206)
Purchase of plant and equipment	(1)	-	-
<b>Cash Flows (Used In)/Generated From Investing Activities</b>	<b>(1,948)</b>	<b>4,396</b>	<b>25,213</b>
<b>Cash Flows From Financing Activities</b>			
Bank loans repaid	(3,885)	(8,712)	(17,578)
Dividend paid	(1,415)	(1,450)	(1,450)
Purchase of own shares	(8,873)	(7,423)	(7,937)
Issue of shares	-	1,296	1,296
<b>Cash Flows Used In Financing Activities</b>	<b>(14,173)</b>	<b>(16,289)</b>	<b>(25,669)</b>
Net decrease in cash and cash equivalents	(15,765)	(25,724)	(13,367)
Cash and cash equivalents at 1 October	57,386	70,753	70,753
<b>Cash and Cash Equivalents at 31 March</b>	<b>41,621</b>	<b>45,029</b>	<b>57,386</b>



**The Conygar Investment Company PLC**  
**Notes to the Interim Results**  
**For the six months ended 31 March 2016**

**1. Basis of Preparation**

The accounting policies used in preparing the condensed financial information are consistent with those of the annual financial statements for the year ended 30 September 2015 other than the mandatory adoption of new standards, revisions and interpretations that are applicable to accounting periods commencing on or after 1 October 2015, as detailed in the annual financial statements.

The condensed financial information for the six month period ended 31 March 2016 and the six month period ended 31 March 2015 has been reviewed but not audited and does not constitute full financial statements within the meaning of section 435 of the Companies Act 2006.

The financial information for the year ended 30 September 2015 does not constitute the Group's statutory accounts for that period but it is derived from those accounts. Statutory accounts for the year ended 30 September 2015 have been delivered to the Registrar of Companies. The auditors have reported on these accounts; their report was unqualified and did not contain statements under section 498(2) or (3) of the Companies Act 2006.

The board of directors approved the above results on 23 May 2016.

Copies of the interim report may be obtained from the Company Secretary, The Conygar Investment Company PLC, Fourth Floor, 110 Wigmore Street, London, W1U 3RW.

**The Conygar Investment Company PLC**  
**Notes to the Interim Results (continued)**  
**For the six months ended 31 March 2016**

**2. Segmental Information**

IFRS 8 requires the identification of the Group's operating segments which are defined as being discrete components of the Group's operations whose results are regularly reviewed by the board of directors. The Group divides its business into the following segments:

- Investment properties, which are owned or leased by the Group for long-term income and for capital appreciation, and trading properties, which are owned or leased with the intention to sell; and,
- Development properties, which include sites, developments in the course of construction and sites available for sale.

The only item of revenue or profit/loss relating to the development properties is the part disposal in the period ended 31 March 2015 and therefore only the segmented balance sheet is reported.

**Balance Sheet**

	31 March 2016			31 March 2015				Group Total £'000
	Invest- ment Properties £'000	Develop- ment Properties £'000	Other £'000	Group Total £'000	Invest- ment Properties £'000	Develop- ment Properties £'000	Other £'000	
Investment properties	135,667	–	–	135,667	154,430	–	–	154,430
Investment in joint ventures	–	10,152	–	10,152	–	9,224	–	9,224
Goodwill	–	3,173	–	3,173	–	3,173	–	3,173
Development & trading properties	–	<u>32,912</u>	–	<u>32,912</u>	–	<u>33,358</u>	–	<u>33,358</u>
	<u>135,667</u>	<u>46,237</u>	<u>–</u>	<u>181,904</u>	<u>154,430</u>	<u>45,755</u>	<u>–</u>	<u>200,185</u>
Other assets	<u>25,055</u>	<u>–</u>	<u>20,511</u>	<u>45,566</u>	<u>36,463</u>	<u>–</u>	<u>12,903</u>	<u>49,366</u>
Total assets	<u>160,722</u>	<u>46,237</u>	<u>20,511</u>	<u>227,470</u>	<u>190,893</u>	<u>45,755</u>	<u>12,903</u>	<u>249,551</u>
Liabilities	<u>(38,618)</u>	<u>–</u>	<u>(33,627)</u>	<u>(72,245)</u>	<u>(52,509)</u>	<u>–</u>	<u>(32,064)</u>	<u>(84,573)</u>
Net assets	<u><u>122,104</u></u>	<u><u>46,237</u></u>	<u><u>(13,116)</u></u>	<u><u>155,225</u></u>	<u><u>138,384</u></u>	<u><u>45,755</u></u>	<u><u>(19,161)</u></u>	<u><u>164,978</u></u>

### 3. Finance Income/Costs

	<i>Six months ended</i>		<i>Year ended</i>
	<i>31 March</i>	<i>31 March</i>	<i>30 Sept</i>
	<i>2016</i>	<i>2015</i>	<i>2015</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
<b>Finance income</b>			
Bank interest	126	142	226
	<u>126</u>	<u>142</u>	<u>226</u>
<b>Finance costs</b>			
Bank loans	(713)	(1,159)	(2,021)
Loan repayment costs	–	(19)	–
Amortisation of arrangement fees	(251)	(264)	(508)
ZDP interest	(889)	(823)	(1,716)
Amortisation of ZDP costs	(67)	(67)	(134)
	<u>(1,920)</u>	<u>(2,332)</u>	<u>(4,379)</u>

### 4. Dividend

The final dividend of 1.75 pence per ordinary share in respect of the year ended 30 September 2015 (year ended 30 September 2014: 1.75 pence) was approved at the AGM and paid in February 2016. This final dividend amounted to £1,415,000 (30 September 2014: £1,450,000).

### 5. Earnings per Share

The calculation of earnings per ordinary share is based on the loss after tax of £2,283,000 (31 March 2015: profit of £3,106,000; 30 September 2015: profit of £6,438,000) and on the number of shares in issue being the weighted average number of shares in issue during the period of 80,618,599 (net of 22,482,688 shares purchased by the Company and held as treasury shares) (31 March 2015: 84,053,739; 30 September 2015: 83,429,315). The weighted average number of shares on a fully diluted basis was 80,618,599 (31 March 2015: 84,157,452; 30 September 2015: 83,429,315) and loss after tax of £2,283,000 (31 March 2015: profit of £3,106,000; 30 September 2015: profit of £6,438,000). No adjustment has been made for anti-dilutive potential ordinary shares. The total number of ordinary shares in issue (net of 22,482,688 shares purchased by the Company and held as treasury shares) at the date of this report was 77,231,435.

**The Conygar Investment Company PLC**  
**Notes to the Interim Results (continued)**  
**For the six months ended 31 March 2016**

**6. Investment Properties**

	<i>Freehold</i>	<i>Long- Leasehold</i>	<i>Reverse Lease Premiums</i>	<i>Total</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Valuation at 30 September 2015	112,552	20,146	492	133,190
Additions	267	1,270	7	1,544
Reverse lease premium amortisation	–	–	(51)	(51)
Disposals	(5,550)	–	–	(5,550)
Revaluation movement	(2,386)	(37)	–	(2,423)
Valuation at 31 March 2016	<u>104,883</u>	<u>21,379</u>	<u>448</u>	<u>126,710</u>

The historical cost of properties held at 31 March 2016 is £160,744,000 (31 March 2015: £183,496,000; 30 September 2015: £164,890,000).

The properties were valued by Jones Lang LaSalle, independent valuers not connected with the Group, at 31 March 2016 at market value in accordance with the Practice Statements contained in the RICS Appraisal and Valuation Standards published by the Royal Institution of Chartered Surveyors which conform to international valuation standards.

As at 31 March 2016, the Group had pledged £88,460,000 (31 March 2015: £101,170,000; 30 September 2015: £95,530,000) of investment property to secure Royal Bank of Scotland debt facilities and £32,920,000 (31 March 2015: £49,020,000; 30 September 2015: £32,870,000) to secure Barclays debt facilities. Further details of these facilities are provided in note 10.

The property rental income earned from investment property, all of which is leased out under operating leases, amounted to £4,797,000 (March 2015: £6,117,000; September 2015: £11,441,000).

**7. Investment properties under construction**

Investment properties under construction are freehold land and buildings representing investment properties under development or construction and they amount to £8,957,000 as at 31 March 2016 (31 March 2015: £nil; 30 September 2015: £3,156,000). These properties comprise landholdings for current or future development as investment properties. This methodology has been adopted because the value of these properties is dependent on a detailed knowledge of the planning status, the competitive position of the assets and a range of complex development appraisals. The fair value of these properties rests in the planned developments, and is difficult to estimate pending confirmation of designs and planning permission, and hence has been estimated by the directors at cost as an approximation to fair value.

## 8. 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, and another 50% interest in a joint venture, Roadking Holyhead Limited, which is a property development company and truck-stop operator.

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:

	<i>31 March</i> 2016 £'000	<i>31 March</i> 2015 £'000	<i>30 Sept</i> 2015 £'000
<b>Assets</b>			
Current assets	10,222	9,237	10,158
<b>Liabilities</b>			
Current liabilities	<u>(70)</u>	<u>(13)</u>	<u>(88)</u>
<b>Net assets</b>	<u>10,152</u>	<u>9,224</u>	<u>10,070</u>
	<i>Six months ended</i> <i>31 March</i> 2016 £'000	<i>31 March</i> 2015 £'000	<i>Year ended</i> <i>30 Sept</i> 2015 £'000
Operating loss	(2)	(2)	(19)
Finance income	<u>–</u>	<u>–</u>	<u>–</u>
Loss before tax	(2)	(2)	(19)
Tax	<u>–</u>	<u>–</u>	<u>–</u>
<b>Loss after tax</b>	<u>(2)</u>	<u>(2)</u>	<u>(19)</u>

## 9. Property Inventories

	<i>31 March</i> 2016 £'000	<i>31 March</i> 2015 £'000	<i>30 Sept</i> 2015 £'000
Properties held for resale or development	<u>32,912</u>	<u>33,358</u>	<u>33,373</u>

The above amounts relate to development properties, which include sites, developments in the course of construction and sites available for sale.

**The Conygar Investment Company PLC**  
**Notes to the Interim Results (continued)**  
**For the six months ended 31 March 2016**

**10. Bank Loans**

	<i>31 March</i> 2016 £'000	<i>31 March</i> 2015 £'000	<i>30 Sept</i> 2015 £'000
Bank loans	34,266	47,051	38,151
Debt issue costs	(409)	(940)	(660)
	<u>33,857</u>	<u>46,111</u>	<u>37,491</u>

The interest rate profile of the Group bank borrowings at 31 March 2016 was as follows:

	<i>Interest</i> <i>Rate</i>	<i>Maturity</i>	<i>31 March</i> 2016 £'000	<i>31 March</i> 2015 £'000	<i>30 Sept</i> 2015 £'000
Royal Bank of Scotland (TAPP) (1)	LIBOR + 3%	Feb 2018	19,019	24,171	20,174
Barclays (2)	LIBOR + 3.5%	Aug 2016	8,335	13,088	8,335
Royal Bank of Scotland (TOPP) (3)	LIBOR + 3.5%	Apr 2016	6,912	9,792	9,642
			<u>34,266</u>	<u>47,051</u>	<u>38,151</u>

- (1) As at 31 March 2016, TAPP Property Limited maintained a facility with the Royal Bank of Scotland PLC of up to £22,191,000 (31 March 2015: £37,195,000; 30 September 2015: £23,346,000) under which £19,019,000 (31 March 2015: £24,171,000; 30 September 2015: £20,174,000) had been drawn down. As at 31 March 2016, this facility was repayable on or before 5 February 2018 and was secured by fixed and floating charges over the assets of the TAPP Property Limited group and the Lamont companies. The facility was subject to a maximum loan to value covenant of 60%, an interest cover ratio covenant of 225% maximum and a debt to rent cover ratio of 8:1. As set out in the Chairman's and Chief Executive's statement, the loan was repaid in full on 28 April 2016.

## 10. Bank Loans (continued)

- (2) As at 31 March 2016, Conygar Dundee Limited, Conygar Hanover Street Limited, Conygar Stafford Limited and Conygar St Helens Limited jointly maintained a facility with Barclays Bank PLC of up to £8,335,000 (31 March 2015: £13,088,000; 30 September 2015: £8,335,000) of which £8,335,000 (31 March 2015: £13,088,000; 30 September 2015: £8,335,000) had been drawn down. This facility is repayable on or before 20 August 2016 and is secured by fixed and floating charges over the assets of Conygar Dundee Limited, Conygar Hanover Street Limited, Conygar Stafford Limited and Conygar St Helens Limited. The facility is subject to a maximum loan to value covenant of 52% and an interest cover ratio covenant of 225%.
- (3) As at 31 March 2016, TOPP Property Limited and TOPP Bletchley Limited maintained a facility with the Royal Bank of Scotland PLC of up to £6,912,000 (31 March 2015: £9,792,000; 30 September 2015: £9,642,000) of which £6,912,000 (31 March 2015: £9,792,000; 30 September 2015: £9,642,000) had been drawn down. This facility was repayable on or before 3 April 2016 and was secured by fixed and floating charges over the assets of the TOPP Property Limited group. The facility was subject to a maximum loan to value covenant of 55%, interest cover ratio covenant of 225% and a debt to rent cover ratio covenant of 7:1. As set out in the Chairman's and Chief Executive's statement, the loan was repaid in full on 28 April 2016.

At 31 March 2016, the group had the following derivative financial instruments:

An interest rate cap was in place relating to the TAPP Property Limited loan with the Royal Bank of Scotland. The cap has a notional amount of £37,000,000 (31 March 2015 and 30 September 2015: £37,000,000), a strike rate of 2% and a termination date of 5 February 2018.

An interest rate cap was in place relating to the TOPP Property Limited loan with the Royal Bank of Scotland. The cap has a notional amount of £10,175,000 (31 March 2015: £10,475,000; 30 September 2015: £10,325,000), a strike rate of 0.75% and a termination date of 3 April 2016.

An interest rate swap and cap were in place relating to the Barclays Bank PLC facility. The swap has a notional amount of £4,334,606 (31 March 2015: £9,087,642; 30 September 2015: £4,334,606) and a fixed rate of 1.055%. The cap has a notional amount of £4,000,000 (31 March 2015 and 30 September 2015: £4,000,000) and a strike rate of 1%. Both the swap and the cap expire on 20 August 2016.

At 31 March 2016, the fair value of the hedging instruments was £8,050 (31 March 2015: £96,000; 30 September 2015: £37,000). The valuation of the hedging instruments was provided by JC Rathbone Associates and represents the change in fair value since execution.

**The Conygar Investment Company PLC**  
**Notes to the Interim Results (continued)**  
**For the six months ended 31 March 2016**

**11. Zero Dividend Preference Shares**

The Group issued 30,000,000 zero dividend preference shares ('ZDP Shares') at 100 pence per share. The ZDP shares have an entitlement to receive a fixed cash amount on 9 January 2019, being the maturity date, but do not receive any dividends or income distributions. Additional capital accrues to the ZDP shares on a daily basis at a rate equivalent to 5.5% per annum, resulting in a final capital entitlement of 130.7 pence per share. The ZDP shares were listed on the London Stock Exchange on 10 January 2014.

During the period, the Group has accrued for £889,000 (31 March 2015: £823,000; 30 September 2015: £1,716,000) of additional capital. The total amount repayable at maturity is £39,210,000.

The movement on the zero dividend preference share liability during the period was as follows:

	<i>Six months ended 31 March 2016 £'000</i>
Balance at start of period	32,471
Amortisation of share issue costs	67
Accrued capital	889
	<hr/>
Balance at end of period	<u>33,427</u>



## 12. Net Asset Value per share

Net asset value per share is calculated as the net assets of the Group divided by the number of shares in issue.

The European Public Real Estate Association (“EPRA”) guidelines provide for a measure of net asset value excluding the effects of fluctuations in derivative financial instruments, deferred tax and taking into account the fair value of development properties. EPRA net asset value per share is calculated as the EPRA net asset value divided by the number of shares in issue on a fully diluted basis.

	<i>31 March 2016 £'000</i>	<i>31 March 2015 £'000</i>	<i>30 Sept 2015 £'000</i>
Diluted net asset value	159,275	171,759	171,846
Adjustments:			
Fair value of hedging instruments	<u>(8)</u>	<u>(96)</u>	<u>(37)</u>
EPRA net asset value	<u>159,267</u>	<u>171,663</u>	<u>171,809</u>
	No.	No.	No.
Shares in issue	<u>79,256,435</u>	<u>86,356,254</u>	<u>84,556,254</u>
EPRA net asset value per share	<u>201.0p</u>	<u>198.9p</u>	<u>203.2p</u>

The above calculations exclude the fair value of the Group’s development properties. We have not sought to value these assets as, in our opinion, they are at too early a stage in their development to provide a meaningful figure.

**The Conygar Investment Company PLC**  
**Notes to the Interim Results (continued)**  
**For the six months ended 31 March 2016**

**13. Related Party Transactions**

The Group has made advances to the following joint ventures in order to provide both long term and additional working capital funding. All amounts are repayable upon demand and will be repaid from the trading activities of those subsidiaries. No provisions have been made against the outstanding amounts.

	<i>31 March</i> 2016 £'000	<i>31 March</i> 2015 £'000	<i>30 Sept</i> 2015 £'000
<b>Joint Ventures</b>			
Conygar Stena Line Limited	7,554	6,788	7,406
CM Sheffield	2	2	2
Roadking Holyhead Limited	3,410	3,110	3,410
	<u>10,966</u>	<u>9,900</u>	<u>10,818</u>

The loans to Conygar Stena Line Limited may be analysed as follows:

	<i>31 March</i> 2016 £'000	<i>31 March</i> 2015 £'000	<i>30 Sept</i> 2015 £'000
Secured interest bearing loan	4,534	3,768	4,386
Unsecured non-interest bearing shareholder loan	3,020	3,020	3,020
	<u>7,554</u>	<u>6,788</u>	<u>7,406</u>

**Key Management Compensation**

Key management personnel have the authority and responsibility for planning, directing and controlling the activities of the Group and are considered to be the directors of the Company. Amounts paid in respect of key management compensation were as follows:

	<i>Six months ended</i>		<i>Year ended</i>
	<i>31 March</i> 2016 £'000	<i>31 March</i> 2015 £'000	<i>30 Sept</i> 2015 £'000
Short term employee benefits	417	(905)	140
	<u>417</u>	<u>(905)</u>	<u>140</u>

The credit for the six months ended 31 March 2015 of £0.9 million includes £1.75 million for the reversal of 20% of the 2014 profit share. If this credit is ignored, amounts paid in respect of key management compensation for the six months to 31 March 2015 was £0.8 million.



REESPOLLOCK

*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 2016 which comprises the consolidated statement of comprehensive income, 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.

This report is made solely to the company in accordance with the terms of our engagement to assist the company in meeting the requirements of the AIM Rules for Companies issued by the London Stock Exchange. Our review has been undertaken so that we might state to the Company those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company for our review work, for this report, or for the conclusions we have reached.

### **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 2016 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  
London  
23 May 2016**

### *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 (*Non-executive Chairman*)  
R T E Ware (*Chief Executive*)  
R H McCaskill (*Finance Director*)  
P M C Rabl (*Director*)  
M D Wigley (*Non-executive Director*)

### **Secretary**

R H McCaskill

### **Registered Office**

Fourth Floor  
110 Wigmore Street  
London W1U 3RW

### **Registrar**

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### **Nominated Adviser & Stockbroker**

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