

THE CONYGAR INVESTMENT COMPANY PLC

INTERIM REPORT

Period ended 31 March 2004

The Conygar Investment Company PLC

Interim Results

for the period ended 31 March 2004

Chairman's Statement

It has been an interesting period for the company spent identifying and evaluating suitable investment opportunities, following the successful admission of the company's shares to the Alternative Investment Market (AIM) of the London Stock Exchange in October 2003. As stated in our Admission Document, the company strategy remains to invest in property assets and companies with property assets where we can add significant value. We have a continuous pipeline of opportunities which are being evaluated and are at various stages of negotiations.

During the period from incorporation to 31 March 2004, the company recorded a small loss of £2,000. The company works hard to minimise administrative overhead and we are careful to ensure that we do not incur excessive costs in evaluating potential transactions. Much of this work is undertaken in-house.

We have been particularly pleased by the response from our shareholders and when approached by further potential investors in February of this year were more than happy to place a further 522,000 shares with them at a price of 90 pence per share thereby increasing funds for investment. We had a cash balance of £4.9 million at 31 March 2004.

The directors do not propose to consider a dividend payment at this early stage of the company's development but will review the dividend position at an appropriate time.

I am also pleased to welcome Steven Vaughan onto our board. Steven has been involved with the company from the outset and has been employed in sourcing and evaluating various transactions and opportunities. Steven is a chartered surveyor and was previously a senior executive at MEPC Limited. His experience with property development and investment will be invaluable and he strengthens the team yet further. He will be appointed upon the same terms as the existing directors.

The board is confident about the future prospects of the company and will continue to keep shareholders informed of the company's progress.

R T E Ware
Chairman

8 June 2004

Consolidated Profit and Loss Account

Period to 31 March 2004

	Period to 31 March 2004
	£'000
Administrative expenses	<u>74</u>
Operating profit / (loss)	<u>(74)</u>
Profit / (loss) on ordinary activities before interest	(74)
Interest receivable	<u>72</u>
Profit / (loss) on ordinary activities before taxation	(2)
Taxation on profit / (loss) on ordinary activities	<u>-</u>
Profit / (loss) on ordinary activities after taxation	<u>(2)</u>
Profit / (loss) for the financial period	(2)
Dividends	<u>-</u>
Retained Profit / (Loss)	<u><u>(2)</u></u>
Loss per share (pence)	
Basic	(0.03)p
Fully diluted	(0.02)p

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.

Consolidated Balance Sheet

As at 31 March 2004

	31 March 2004
	£'000
Fixed assets	
Investments	33
	<u>33</u>
Current assets	
Debtors	31
Cash at bank	4,903
	<u>4,934</u>
Current liabilities	
Creditors:	
Amounts falling due within one year	
Other creditors, accruals and deferred income	36
	<u>36</u>
Net current assets	<u>4,898</u>
Total assets less current liabilities	4,931
Creditors:	
Amounts falling due after more than one year	<u>-</u>
Net Assets	<u>4,931</u>
Represented by:	
Capital and Reserves	
Called up share capital	486
Share Premium account	4,447
Profit and loss account	(2)
Equity Shareholders' Funds	<u>4,931</u>

Consolidated Cash Flow Statement

Period to 31 March 2004

	Period to 31 March 2004
	£'000
Cash flow statement	
Net cash inflow / (outflow) from operating Activities	(69)
Returns on investment & servicing of finance	72
Acquisitions	<u>(33)</u> (30)
Financing	<u>4,933</u>
Increase / (decrease) in cash in period	<u>4,903</u>
Reconciliation of net cash flow to movement in Net debt	
Increase / (decrease) in cash in period	4,903
Net cash at start of period	<u>-</u>
Net cash at end of period	<u>4,903</u>

Notes to the Interim Results

1. Basis of Preparation

The interim results for the period ended 31 March 2004 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 8 June 2004.

Copies of the interim report may be obtained from the Company Secretary, The Conygar Investment Company PLC, 4th Floor, 25 Green Street, London W1K 7AX.

2. Reconciliation of Movement in Equity Shareholders' Funds

	£'000
Loss for period	(2)
New Share capital issued net of costs	4,933
	<u>4,931</u>

3. Reconciliation of operating profit to net cash inflow / (outflow) from operating activities

	£'000
Operating loss	(74)
(Increase) / decrease in debtors	(31)
(Decrease) / increase in creditors	36
Net cash outflow from operating activities	<u>(69)</u>

4. Analysis of changes in net debt

	At 22 September 2003 £'000	Cash Flows £'000	Other Changes £'000	At 31 March 2004 £'000
Cash at bank and in hand	-	4,903	-	4,903
	-	<u>4,903</u>	-	<u>4,903</u>

Directors and Advisors

Directors	R T E Ware (<i>Executive Chairman</i>) P A Batchelor (<i>Finance Director</i>) G A Davidson (<i>Property 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	4 th Floor 25 Green Street London W1K 7AX
Registrar	Share Registrars Limited Craven House West Street Farnham Surrey GU9 7EN
Nominated Advisor	Deloitte & Touche Corporate Finance Stonecutter Court 1 Stonecutter Street London EC4A 4BJ
Broker and Placing Agent	Bridgewell Securities Limited Old Change House 128 Queen Victoria Street London EC4V 4BJ
Solicitors to the Company	Macfarlanes 10 Norwich Street London EC4A 1BD
Auditors and Reporting Accountants	Rees Pollock 7 Pilgrim Street London EC4V 6DR