

FLETCHER KING PLC

Interim Results for the 6 months ended 31 October 2013

Financial Highlights

| | | |
|-------------------|------------------------|--------------------------------|
| Turnover : | £1.342m | (2012: £1.427m) |
| PBT : | £147,000 | (2012: £143,000) |
| EPS : | 1.21p per share | (2012: 1.15p per share) |
| Dividend : | 0.75p per share | (2012: 0.75p per share) |

Operational Highlights

- The Market – the investment market has steadily improved and some prices in Central London are back to their 2006/07 peak.
- Fund Management and Investment – A SHIPS investment, managed and in part owned by Fletcher King, was realised and yielded in excess of 11% p.a. to investors.
- Valuation and Rating – The volume of bank valuations remains steady.

Commenting on the results David Fletcher, Chairman of Fletcher King said:

“We are pleased with the results and have a satisfactory pipeline of work for the second half”

ENQUIRIES:

Fletcher King Plc
David Fletcher
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Cairn Financial Advisers LLP (Nomad)
James Caithie
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The interim results are available on the Company's website: www.fletcherking.co.uk

CHAIRMANS STATEMENT

Results

Turnover for the period was £1.34m (2012: £1.43m) with profit before tax of £147,000 (2012: £143,000). Your Directors have declared an interim dividend of 0.75p per share (2012: 0.75p) to be paid on the 21 February 2014 to shareholders on the register at the close of business on 24 January 2014.

Commercial Property Market

During the course of the calendar year we have seen a steady improvement in most parts of the market but occupiers and investors remain generally risk averse. London and the South East continue to be the geographical areas most in demand from investors, although well let property in the regions, particularly multi-let industrial, is seeing stronger demand and prices are rising.

Office and retail investments in Central London are achieving prices not seen since the top of the last cycle in 2006/07.

Business Overview

We experienced an active first half in all departments and the volume of valuation work continued to pick up. The Chancellor's Autumn Statement confirmed that 95% of rating appeals will be settled by July 2015. This will be helpful in clearing a significant backlog.

The SHIPS investment funds, which we manage and partly own, continue to perform well with the sale of a property in Basinghall Street, London producing a return in excess of 11% per annum for our investors.

Fund and Asset Management maintained progress and we continue to collect 95% of rents receivable within three days of the quarter day.

Outlook

We generally have a satisfactory volume of work in the pipeline for the remainder of the year. Current indications are that the market will remain active which will hopefully provide further opportunities for us to transact profitable business.

DAVID FLETCHER

16 December 2013

Consolidated Interim Statement of Comprehensive Income
for the 6 months ended 31 October 2013

| | 6 months ended 31 October 2013 (Unaudited) £000 | 6 months ended 31 October 2012 (Unaudited) £000 | Year ended 30 April 2013 (Audited) £000 |
|--|--|--|---|
| Revenue | 1,342 | 1,427 | 3,031 |
| Employee benefits expense | (736) | (726) | (1,641) |
| Depreciation expense | (17) | (17) | (43) |
| Other operating expenses | (490) | (548) | (1,085) |
| Operating profit | 99 | 136 | 262 |
| Profit on sale of available for sale investments | 39 | - | - |
| Income from investments | 3 | 3 | 11 |
| Finance income | 6 | 4 | 19 |
| Profit before taxation | 147 | 143 | 292 |
| Taxation | (36) | (37) | (65) |
| Profit for the period | 111 | 106 | 227 |
| Total comprehensive income for the period | 111 | 106 | 227 |
| Basic and diluted earnings per share (note 4) | | | |
| Continuing operations | 1.21p | 1.15p | 2.46p |
| Dividends per share | | | |
| Interim dividend proposed | 0.75p | 0.75p | - |
| Dividends paid | 0.75p | 0.75p | 1.50p |

Consolidated Interim Statement of Financial Position
as at 31 October 2013

| | 31 October 2013 (Unaudited) £000 | 31 October 2012 (Unaudited) £000 | 30 April 2013 (Audited) £000 |
|-------------------------------------|---|---|---------------------------------------|
| Assets | | | |
| Non-current assets | | | |
| Property, plant and equipment | 124 | 163 | 141 |
| Available for sale investments | 250 | 500 | 500 |
| Deferred tax assets | 63 | 63 | 63 |
| | 437 | 726 | 704 |
| Current Assets | | | |
| Trade and other receivables | 925 | 988 | 1,462 |
| Cash and cash equivalents | 2,798 | 2,321 | 2,571 |
| | 3,723 | 3,309 | 4,033 |
| Total assets | 4,160 | 4,035 | 4,737 |
| Liabilities | | | |
| Current liabilities | | | |
| Trade and other payables | 448 | 402 | 810 |
| Current taxation liabilities | 96 | 103 | 53 |
| Other creditors | 249 | 257 | 549 |
| Total liabilities | 793 | 762 | 1,412 |
| Shareholders' equity | | | |
| Share capital | 921 | 921 | 921 |
| Share premium | 140 | 140 | 140 |
| Reserves | 2,306 | 2,212 | 2,264 |
| Total shareholders' equity | 3,367 | 3,273 | 3,325 |
| Total equity and liabilities | 4,160 | 4,035 | 4,737 |

Consolidated Interim Statement of Changes in Equity
for the 6 months ended 31 October 2013

| | Share capital £000 | Share premium £000 | Profit and loss £000 | TOTAL EQUITY £000 |
|---|--------------------------|--------------------------|-------------------------------|-------------------------|
| Balance at 1 May 2013 | 921 | 140 | 2,264 | 3,325 |
| Total comprehensive income for the period | - | - | 111 | 111 |
| Equity dividends paid | - | - | (69) | (69) |
| Balance at 31 October 2013 (Unaudited) | 921 | 140 | 2,306 | 3,367 |
| Balance at 1 May 2012 | 921 | 140 | 2,175 | 3,236 |
| Total comprehensive income for the period | - | - | 106 | 106 |
| Equity dividends paid | - | - | (69) | (69) |
| Balance at 31 October 2012 (Unaudited) | 921 | 140 | 2,212 | 3,273 |
| Balance at 1 May 2012 | 921 | 140 | 2,175 | 3,236 |
| Total comprehensive income for the period | - | - | 227 | 227 |
| Equity dividends paid | - | - | (138) | (138) |
| Balance at 30 April 2013 (Audited) | 921 | 140 | 2,264 | 3,325 |

Consolidated Interim Statement of Cash Flows
for the 6 months ended 31 October 2013

| | 6 months ended 31 October 2013 (Unaudited) £000 | 6 months ended 31 October 2012 (Unaudited) £000 | Year ended 30 April 2013 (Audited) £000 |
|--|--|--|---|
| Cash flows from operating activities | | | |
| Profit before taxation from continuing operations | 147 | 143 | 292 |
| Adjustments for: | | | |
| Depreciation expense | 17 | 17 | 43 |
| Profit on sale of investments | (39) | - | - |
| Income from investments | (3) | (3) | (11) |
| Finance income | (6) | (4) | (19) |
| Cash flows from operating activities before movement in working capital | 116 | 153 | 305 |
| Decrease/(increase) in trade and other receivables | 537 | (96) | (570) |
| (Decrease)/increase in trade and other payables | (662) | (493) | 207 |
| Cash (absorbed)/generated from operations | (9) | (436) | (58) |
| Taxation received/(paid) | 7 | 7 | (71) |
| Net cash flows from operating activities | (2) | (429) | (129) |
| Cash flows from investing activities | | | |
| Purchase of fixed assets | - | - | (4) |
| Sale of investments | 289 | - | - |
| Finance income | 6 | 3 | 19 |
| Income from investments | 3 | 4 | 11 |
| Net cash flows from investing activities | 298 | 7 | 26 |
| Cash flows from financing activities | | | |
| Dividends paid to shareholders | (69) | (69) | (138) |
| Net cash flows from financing activities | (69) | (69) | (138) |
| Net increase/(decrease) in cash and cash equivalents | 227 | (491) | (241) |
| Cash and cash equivalents at start of period | 2,571 | 2,812 | 2,812 |
| Cash and cash equivalents at end of period | 2,798 | 2,321 | 2,571 |

1. General information

The Company is a public limited company incorporated and domiciled in England and Wales. The address of its registered office is 61 Conduit Street, London W1S 2GB.

These interim financial statements were approved by the Board of Directors on 13 December 2013.

2. Basis of preparation

The interim financial information in this report has been prepared using accounting policies consistent with IFRS as adopted by the European Union. IFRS is subject to amendment and interpretation by the International Accounting Standards Board (IASB) and the International Financial Reporting Standards Interpretations Committee and there is an ongoing process of review and endorsement by the European Commission. The financial information has been prepared on the basis of IFRS that the Directors expect to be adopted by the European Union and applicable as at 30 April 2014.

The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 April 2013.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

3 Non Statutory Accounts

The financial information for the period ended 30 April 2013 set out in this interim report does not constitute the Group's statutory accounts for that period. The statutory accounts for the year ended 30 April 2013 have been delivered to the Registrar of Companies. The auditors reported on those accounts; their report was unqualified, did not contain a statement under either Section 498(2) or Section 498(3) of the Companies Act 2006 and did not include references to any matters to which the auditor drew attention by way of emphasis.

The financial information for the 6 months ended 31 October 2013 and 31 October 2012 is unaudited.

4 Earnings per share

| | Six Months to 31st October 2013 Number | Six months to 31st October 2012 Number | Year ended 30th April 2013 Number |
|---|--|--|---|
| Weighted average number of shares for basic and diluted earnings per share. | 9,209,779 | 9,209,779 | 9,209,779 |
| | £'000 | £'000 | £'000 |
| Earnings for basic and diluted earnings per share: | 111 | 106 | 227 |
| Continuing Operations | | | |