17 February 2014

MJ GLEESON GROUP PLC

Interim results for the half-year ended 31 December 2013

Gleeson (GLE.L), the urban regeneration and strategic land specialist, announces a 32% increase in revenue, 112% increase in operating profit and 120% increase in interim dividend for the six months to 31 December 2013.

	H1 2013	H1 2012
	£m	£m
Continuing operations		
Revenue	34.4	26.1
Operating profit	2.6	1.2
Profit attributable to equity holders	3.6	1.3
Cash utilised in operating activities	1.5	3.7
Cash and cash equivalents	7.7	10.2
Net assets	114.7	102.1
Basic earnings per share (p)	6.7p	2.5p
Interim dividend per share (p)	1.1p	0.5p
Net assets per share (p)	216p	193p

Key Points – Financial

- Significant increase in revenue and profits driven by strong trading performance in Gleeson Homes

- Gleeson Homes:
    - Sales increased 56% to 258 units (2012: 165)
    - Gross margin improved to 25.9% (2012: 24.2%)

    - Land pipeline, including owned sites and sites in the process of being acquired is in excess of 6,000 plots

- Gleeson Strategic Land:
    - Two sites (four acres combined) sold
    - Planning permission was secured on three sites with a combined total of 380 plots
    - Twelve planning applications were submitted in the period with the potential to deliver 1,737 plots

- Interim dividend increased 120% to 1.1 pence per share (2012: 0.5 pence)

Dermot Gleeson, Chairman of MJ Gleeson Group, commented:

"As anticipated, revenues and profits for the first half of the year showed a strong increase over last year, driven by increasing demand for affordable homes amongst our core customer base in the North of England.

Gleeson Homes has commenced 2014 with a very encouraging level of visitors, and the number of reservations secured in January and early February has been well ahead of the level secured in the same period in 2013. Strategic Land continues to enjoy a considerable level of success in securing residential planning permissions and is currently progressing the sale of a number of sites. Against this background, the Board anticipates further substantial improvements in the Group's trading performance and is therefore confident of delivering a result for the full year in line with expectations."

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Notes to Editors

MJ Gleeson Group plc operates in the house building sector through the following business units: Gleeson Homes, which focuses on estate regeneration and housing development on brownfield land in the North of England; and Gleeson Strategic Land, which purchases options over land in the South of England with the objective of enhancing the value of the site concerned by securing residential planning permission.

CHAIRMAN'S STATEMENT

Results Overview

I am delighted to report a strong first half performance, with, as anticipated, a significantly improved profit performance over the first half of last year. Revenue increased by 32% to £34.4m (2012: £26.1m). This reflected a rise in the number of units sold by Gleeson Homes and a decrease in revenue for Gleeson Strategic Land, which sold two sites in the period.

The Group's operating profit increased by 112% to £2.6m (2012: £1.2m). Net interest income of £0.1m (2012: £0.1m) resulted in a profit before tax of £2.7m (2012: £1.3m). The tax credit of £1.0m (2012: £nil) includes an exceptional deferred tax credit of £1.1m, resulting in a profit from continuing operations of £3.7m (2012: £1.3m). Discontinued operations recorded a post-tax loss of £144k (2012: profit £34k).

Profit for the period attributable to equity holders totalled £3.6m, being an improvement of £2.2m (2012: £1.3m).

Business Review

Gleeson Homes

Increasing demand in the six months under review from our core customer base - families wanting good quality, affordable homes in their existing local communities - resulted in further strong growth in Gleeson Homes' revenue and profits.

Revenue increased 73% to £33.0m (2012: £19.1m), reflecting a 56% rise in the total number of units sold from 165 to 258 and the sale of legacy commercial leases which generated revenue of £1.9m.

Gross margin for the period was 25.9%, compared to 24.2% in the prior period, reflecting the continued reduction in the number of units sold from historic low margin sites.

Operating profit increased by £3.2m to £3.5m (2012: £0.3m). This strong improvement is due to the increase in overall volume of sales, along with the improvement in the proportion of units sold from the newer higher margin sites to 85% (2012: 66%).

The average selling price ("ASP") for the units sold in the period increased to £120,000 (2012: £115,000) due to price increases on a number of high volume sites. The ASP is unchanged compared with the average for the second half of the year ended 30 June 2013 and our commitment to ensuring that our homes remain affordable for our core customers means that it is not expected to increase significantly in the near future.

The Government's Help to Buy initiative has continued to be attractive to our customers, with 44% of completions in the period benefitting from the scheme.

At 31 December 2013, Gleeson Homes was selling from 33 sites, an increase of six sites on the corresponding period, and a further six sites are due to open in the period to June 2014.

The business unit is continuing to increase the scale of its operations very cost effectively by taking advantage of the low land prices that still prevail in many parts of the North of England. Gleeson Homes is in active discussions regarding the acquisition of further sites which, if purchased, will add 1,940 plots to the land pipeline, taking the total number of owned plots to in excess of 6,000.

Gleeson Strategic Land

During the period, Gleeson Strategic Land continued to benefit from the high demand for good quality, green field sites from housebuilders operating in Southern England.

The business unit recorded revenue of £1.5m (2012: £7.0m) as a result of two land sales in the period, with a combined acreage of four acres (2012: three land sales, with combined acreage of 13 acres).

An operating profit of £0.1m (2012: £1.7m) was generated in the period.

The division achieved planning permission on three sites which will deliver a combined total of 380 plots when the sites are sold in due course. In addition, twelve planning applications with the potential to deliver a total of 1,737 plots were submitted during the period, and more will be submitted during the second half of the financial year.

The strategic land portfolio continues to be replenished, with a further four agreements, involving a total of 81 acres with the potential to deliver 545 plots, being secured in the period.

At 31 December 2013 the strategic land portfolio totalled 3,772 acres (2012: 3,608 acres), of which 155 acres (2012: 158 acres) were owned, 2,354 acres (2012: 2,161 acres) were controlled under option, and 1,263 acres (2012: 1,289 acres) were subject to planning promotion agreements. The portfolio, in which the Group has an overall 67% beneficial interest, has the potential for 21,600 plots.

Dividend

As a mark of our confidence in the future, an interim dividend of 1.1 pence per share is declared by the Board. The dividend, which marks an increase of 120% over the prior year (2012: 0.5 pence per share), follows on from 2.0 pence per share final dividend for the year ended 30 June 2013 and reflects the Board's intention to maintain a progressive dividend policy, with the final dividend normally representing roughly two thirds of the total dividend. The dividend will be paid on 4 April 2014 to shareholders on the register at close of business on 7 March 2014.

Outlook

Gleeson Homes has commenced 2014 with a very encouraging level of visitors, and the number of reservations secured in January and early February has been well ahead of the level secured in the same period in 2013. Strategic Land continues to enjoy a considerable level of success in securing residential planning permissions and is currently progressing the sale of a number of sites. Against this background, the Board anticipates further substantial improvements in the Group's trading performance in both the current year and beyond.

Financial Overview

Balance Sheet and Cash Flow

Total shareholders' equity stood at £114.7m at 31 December 2013 compared to £102.1m at 31 December 2012. This equates to net assets per share of 216p (2012: 193p).

The Group's net cash balance at 31 December 2013 was £7.7m, reflecting a net cash outflow of £2.3m in the period.

Group Overheads

Group overheads totalled £1.0m (2012: £0.8m) for the period.

Risks and Uncertainties

The principal risks and uncertainties that have been identified as being capable of affecting the Group's performance in the second half are set out below. The principal risks of our business are set out in full on pages 14 and 15 of the Report and Accounts for the year ended 30 June 2013.

Housing Demand

Security of employment, interest rates and mortgage availability are the key determinants of house buyers' confidence. Though the general economy is now in growth, employment prospects remain uncertain in some geographic areas and, although interest rates remain low, mortgage finance remains, by historic standards, relatively restricted for high loan-to-value mortgages. To minimise cash outflows, the Group continues to build to demand in a strictly controlled manner.

Planning consents

The Group derives profit from the sale of land to other developers, which it acquires through the exercise of option or promotion agreements when it succeeds in obtaining appropriate planning consents. Although the demand for consented land has recently increased, it is always difficult to predict with any precision the date by which planning consents can be obtained.

Potential Group Restructuring

Following the completion in 2013 of the Group's strategy of withdrawal from contracting, commercial property development and PFI investment, the Group carried out an initial review of the most appropriate structure for the Group. The Board is considering its options, one of which includes the insertion of a new group holding company. This review, which is at an early stage, is focused principally on managing the exposure of the Group's ongoing businesses to potential costs, should they become apparent, related to the Group's discontinued activities. Further announcements will be made if and when appropriate.

Dermot Gleeson
Chairman

Condensed Consolidated Statement of Comprehensive Income
for the six months to 31 December 2013

	Note	**Unaudited Six months to 31 December 2013 £000**	Unaudited Six months to 31 December 2012 £000	Audited Year to 30 June 2013 £000
Continuing operations				
Revenue		**34,448**	26,098	60,656
Cost of sales before reinstatement of inventories and contract provisions		**(25,066)**	(19,097)	(43,641)
Reinstatement of inventories and contract provisions	7	**-**	-	1,028
Cost of sales		**(25,066)**	(19,097)	(42,613)
Gross profit		**9,382**	7,001	18,043
Administrative expenses		**(7,133)**	(5,797)	(12,034)
Profit on sale of investment properties		**314**	7	-
Operating profit		**2,563**	1,211	6,009
Financial income		**211**	186	417
Financial expenses		**(119)**	(65)	(647)
Profit before tax		**2,655**	1,332	5,779
Tax for the period before recognition of additional deferred tax asset on losses brought forward		**(58)**	(25)	82
Recognition of additional deferred tax asset on losses brought forward	7	**1,103**	-	4,238
Tax	8	**1,045**	(25)	4,320
Profit for the period from continuing operations		**3,700**	1,307	10,099
Discontinued operations				
(Loss)/profit for the period from discontinued operations (net of tax)	9	**(144)**	34	1,344
Profit for the period attributable to equity holders of the parent company		**3,556**	1,341	11,443
Other comprehensive income				
Share of joint ventures cashflow hedges		**-**	107	118
Total comprehensive income for the period attributable to equity shareholders of parent company		**3,556**	1,448	11,561
Earnings per share attributable to equity holders of parent company				
Basic	*11*	**6.73 p**	2.54 p	21.69 p
Diluted	*11*	**6.63 p**	2.53 p	21.46 p
Earnings per share from continuing operations				
Basic	*11*	**7.00 p**	2.48 p	19.14 p
Diluted	*11*	**6.90 p**	2.47 p	18.94 p

Condensed Consolidated Statement of Financial Position
as at 31 December 2013

	Unaudited 31 December 2013 £000	Unaudited 31 December 2012 £000	Audited 30 June 2013 £000
Non-current assets			
Plant and equipment	**1,452**	1,219	1,467
Investment properties	**583**	748	748
Investments in joint ventures	**15**	15	15
Loans and other investments	**4,896**	4,896	4,896
Trade and other receivables	**8,070**	6,400	7,797
Deferred tax assets	**6,069**	694	5,032
	21,085	13,972	19,955
Current assets			
Inventories	**96,213**	86,907	96,820
Trade and other receivables	**9,203**	10,209	13,401
UK corporation tax	**-**	15	-
Cash and cash equivalents	**7,651**	10,247	9,936
Assets classified as held for sale	**-**	1,982	-
	113,067	109,360	120,157
Total assets	**134,152**	123,332	140,112
Non-current liabilities			
Loans and borrowings	**(2,047)**	-	(1,885)
Provisions	**(77)**	(116)	(85)
	(2,124)	(116)	(1,970)
Current liabilities			
Loans and borrowings	**(179)**	-	(308)
Trade and other payables	**(16,903)**	(20,733)	(25,509)
Provisions	**(234)**	(350)	(236)
	(17,316)	(21,083)	(26,053)
Total liabilities	**(19,440)**	(21,199)	(28,023)
Net assets	**114,712**	102,133	112,089
Equity			
Share capital	**1,062**	1,058	1,058
Share premium account	**6,396**	6,328	6,343
Capital redemption reserve	**120**	120	120
Retained earnings	**107,134**	94,627	104,568
Total equity	**114,712**	102,133	112,089

Condensed Consolidated Statement of Changes in Equity
for the six months to 31 December 2013

	Share capital £000	Share premium account £000	Capital redemption reserve £000	Retained earnings £000	Total £000
At 1 July 2012 (audited)	1,055	6,114	120	93,105	100,394
Total comprehensive income for the period					
Profit for the period	-	-	-	1,341	1,341
Other comprehensive income					
Cashflow hedges	-	-	-	107	107
Total comprehensive income for the period	-	-	-	1,448	1,448
Transactions with owners, recorded directly in equity					
Contributions and distributions to owners					
Share issue	3	214	-	-	217
Purchase of own shares	-	-	-	(10)	(10)
Share-based payments	-	-	-	84	84
Transactions with owners, recorded directly in equity	3	214	-	74	291
At 31 December 2012 (unaudited)	1,058	6,328	120	94,627	102,133
Total comprehensive income for the period					
Profit for the period	-	-	-	10,102	10,102
Other comprehensive income					
Cashflow hedges	-	-	-	11	11
Total comprehensive income for the period	**-**	**-**	**-**	10,113	10,113
Transactions with owners, recorded directly in equity					
Contributions and distributions to owners					
Share issue	-	15	-	-	15
Purchase of own shares	-	-	-	(5)	(5)
Share-based payments	-	-	-	97	97
Dividends	-	-	-	(264)	(264)
Transactions with owners, recorded directly in equity	-	15	-	(172)	(157)
At 30 June 2013 (audited)	**1,058**	**6,343**	**120**	**104,568**	**112,089**
Total comprehensive income for the period					
Profit for the period	**-**	**-**	**-**	**3,556**	**3,556**
Total comprehensive income for the period	**-**	**-**	**-**	**3,556**	**3,556**
Transactions with owners, recorded directly in equity					
Contributions and distributions to owners					
Share issue	**4**	**53**	**-**	**-**	**57**
Purchase of own shares	**-**	**-**	**-**	**(32)**	**(32)**
Share-based payments	**-**	**-**	**-**	**98**	**98**
Dividends	**-**	**-**	**-**	**(1,056)**	**(1,056)**
Transactions with owners, recorded directly in equity	**4**	**53**	**-**	**(990)**	**(933)**
At 31 December 2013 (unaudited)	**1,062**	**6,396**	**120**	**107,134**	**114,712**

Condensed Consolidated Statement of Cash Flow
for the six months to 31 December 2013

	Unaudited Six months to 31 December 2013 £000	Unaudited Six months to 31 December 2012 £000	Audited Year to 30 June 2013 £000
Operating activities			
Profit before tax from continuing operations	**2,655**	1,332	5,779
(Loss)/profit before tax from discontinued operations	**(136)**	28	1,354
	2,519	1,360	7,133
Depreciation of plant and equipment	**414**	252	597
Share-based payments	**98**	84	181
Profit on sale of investment properties	**(314)**	(7)	-
Profit from the sale of assets held for sale	**-**	-	(1,372)
Share of profit of joint ventures (net of tax)	**-**	107	107
Capitalisation of available for sale assets	**(239)**	-	(2,443)
Financial income	**(211)**	(303)	(570)
Financial expenses	**119**	65	647
Dividends received	**-**	(117)	(117)
Operating cash flows before movements in working capital	**2,386**	1,441	4,163
Decrease/(increase) in inventories	**607**	(10,412)	(20,325)
Decrease/(increase) in receivables	**4,194**	(52)	(2,075)
(Decrease)/increase in payables	**(8,637)**	5,329	9,490
Cash utilised by operating activities	**(1,450)**	(3,694)	(8,747)
Tax received	**-**	12	19
Interest paid	**(98)**	(21)	(133)
Net cash flows from operating activities	**(1,548)**	(3,703)	(8,861)
Investing activities			
Net proceeds from disposal of assets held for sale	**-**	-	3,314
Proceeds from disposal of available for sale assets	**25**	-	157
Proceeds from disposal of investment properties	**479**	62	-
Interest received	**156**	243	345
Dividend received	**-**	117	117
Purchase of plant and equipment	**(399)**	(549)	(1,144)
Repayment of loans to joint ventures and other investments	**-**	8	-
Net cash flows from investing activities	**261**	(119)	2,789
Financing activities			
Increase in loans and borrowings	**33**	-	2,193
Proceeds from issue of shares	**57**	217	232
Purchase of own shares	**(32)**	(10)	(15)
Dividends paid	**(1,056)**	-	(264)
Net cash flows from financing activities	**(998)**	207	2,146
Net decrease in cash and cash equivalents	**(2,285)**	(3,615)	(3,926)
Cash and cash equivalents at beginning of period	**9,936**	13,862	13,862
Cash and cash equivalents at end of period	**7,651**	10,247	9,936

NOTES TO THE FINANCIAL STATEMENTS

1. Basis of preparation

The Interim Report of the Group for the six months ended 31 December 2013 has been prepared in accordance with IAS 34 "Interim Financial Reporting" and International Financial Reporting Standards ("IFRS") as adopted for use in the European Union ("EU") and in accordance with the Disclosure and Transparency Rules of the Financial Conduct Authority.

The Interim Report does not constitute financial statements as defined in Section 434 of the Companies Act 2006 and does not include all of the information and disclosures required for full annual statements. It should be read in conjunction with the Report and Accounts for the year ended 30 June 2013, which is available either on request from the Group's registered office, Sentinel House, Harvest Crescent, Ancells Business Park, Fleet, Hampshire, GU51 2UZ or can be downloaded from the corporate website www.mjgleeson.com.

The comparative figures for the financial year ended 30 June 2013 are not the Company's statutory accounts for that financial year. Those accounts have been reported on by the Company's auditor and delivered to the Registrar of Companies. The report of the auditor was (i) unqualified, (ii) did not include a reference to any matters which the auditor drew attention to by way of emphasis without qualifying their report and (iii) did not contain statements under Section 498 (2) or (3) of the Companies Act 2006.

Going concern

In determining the appropriate basis of preparation of the Interim Report, the Directors are required to consider whether the Group can continue in operational existence for the foreseeable future.

The Group's business activities, together with factors that are likely to affect its future development, financial performance and financial position are set out in the Chairman's Statement along with the principal risks and uncertainties that have been identified as being capable of affecting the Group's performance in the second half of the financial year.

In December 2013, the Group entered into a 3 year £20 million revolving credit facility with Lloyds Bank, secured by a charge over the Group's assets. The Group meets its day-to-day working capital requirements through its cash resources and its bank facility.

The Group's forecasts and projections show that the Group is able to operate within the limits of the revolving credit facility, for the foreseeable future.

After making enquiries, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Interim Report.

This Interim Report was approved for issue by the Board of Directors on 14 February 2014.

2. Accounting policies

The accounting policies adopted are consistent with those of the Report and Accounts for the year ended 30 June 2013, as described in those financial statements.

3. Responsibility statement

The Directors confirm that this Interim Report has been prepared in accordance with IAS 34 and that the Chairman's Statement and the notes to the financial statements herein includes a fair review of the information required by DTR 4.2.7R (indication of important events during the first six months and description of principal risks and uncertainties for the remaining six months of the year) and DTR 4.2.8R (disclosure of related party transactions and changes therein).

4. Cautionary statement

This Interim Report contains certain forward looking statements with respect to the financial condition, results, operations and business of MJ Gleeson Group plc. These statements and forecasts involve risk and uncertainty because they relate to events and depend upon circumstances that will occur in the future. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward looking statements and forecasts. Nothing in this Interim Report should be construed as a profit forecast.

5. Directors' liability

Neither the Company nor the Directors accept any liability to any person in relation to this Interim Report except to the extent that such liability could arise under English law. Accordingly, any liability to a person who has demonstrated reliance on any untrue or misleading statement or omission shall be determined in accordance with Section 90A of the Financial Services and Marketing Act 2000.

6. Segmental analysis

For management purposes, the Group is organised into the following two operating divisions:

- Gleeson Homes focuses on estate regeneration and housing development on brownfield land in the North of England.
- Gleeson Strategic Land focuses on the purchase of options over land in the South of England.

In addition the following divisions are considered as discontinued:

- Gleeson Capital Solutions managed the Group's Private Financing Initiative investments in social housing.
- Gleeson Commercial Property Developments was engaged in commercial property development in the UK.
- Gleeson Construction Services was engaged in Building contracting and Engineering contracting in the UK.

	Note	**Unaudited Six months to 31 December 2013 £000**	Unaudited Six months to 31 December 2012 £000	Audited Year to 30 June 2013 £000
Revenue				
Continuing activities:				
Gleeson Homes		**32,963**	19,074	47,940
Gleeson Strategic Land		**1,485**	7,024	12,716
		34,448	26,098	60,656
Discontinued activities:	9	**100**	984	1,146
Total revenue		**34,548**	27,082	61,802

	Note	**Unaudited Six months to 31 December 2013 £000**	Unaudited Six months to 31 December 2012 £000	Audited Year to 30 June 2013 £000
Profit on activities				
Gleeson Homes		**3,480**	306	4,007
Gleeson Strategic Land		**75**	1,666	3,450
		3,555	1,972	7,457
Group Activities		**(992)**	(761)	(1,448)
Financial income		**211**	186	417
Financial expenses		**(119)**	(65)	(647)
Profit before tax		**2,655**	1,332	5,779
Tax		**1,045**	(25)	4,320
Profit for the period from continuing operations		**3,700**	1,307	10,099
(Loss)/profit for the period from discontinued operations (net of tax)	9	**(144)**	34	1,344
Profit for the period attributable to equity holders of the parent company		**3,556**	1,341	11,443

7. Exceptional items

Re-instatement of inventories and contract provisions

Every 6 months, at the balance sheet date, the Group conduct a review of the net realisable value of the land and work-in-progress against the carrying values of its sites in the light of the condition of the UK housing market. Where the estimated net present realisable value is greater than the carrying value within the Balance Sheet, the Group has partially reversed the impairment previously made.

Deferred tax on tax losses

During the period, the Group recognised £1,103,000 (six months ended 31 December 2012: £Nil, year ended 30 June 2013: £4,238,000) of previously unrecognised deferred tax asset in relation to tax losses available to offset against future profits.

Exceptional income may be summarised as follows:

	Unaudited Six months to 31 December 2013 £000	Unaudited Six months to 31 December 2012 £000	Audited Year to 30 June 2013 £000
Re-instatement of inventories and contract provisions	**-**	-	1,028
Deferred tax on tax losses	**1,103**	-	4,238
	1,103	-	5,266

In the six months ended 31 December 2013, £Nil (six months ended 31 December 2012: £Nil, year ended 30 June 2013: £1,028,000) of exceptional income was reported in the Gleeson Homes division and £1,103,000 (six months ended 31 December 2012: £Nil, year ended 30 June 2013: £4,238,000) was reported as tax.

8. Tax

The accounts for the six months to 31 December 2013 include a tax credit of 39.1% of profit before tax (31 December 2012 1.5% charge; 30 June 2013 60.4% credit). The Group's effective tax rate continues at a lower level than the underlying UK tax rate of 23.00% (31 December 2012 24.00%; 30 June 2013 23.75%) as the Group has utilised unrecognised tax losses against profits and recognised a deferred tax asset on previously unrecognised tax losses.

9. Discontinued operations

The trading of Gleeson Construction Services now only relates to remedial works and the division is classified as discontinued.
The activities of the Gleeson Commercial Property Development division ceased and have been classified as discontinued.
The Gleeson Capital Solutions division sold its final PFI in February 2013 and the division is considered to be discontinued.

	Unaudited Six months to 31 December 2013			
	Gleeson Capital Solutions	**Gleeson Commercial Property Developments**	**Gleeson Construction Services**	**Total**
	£000	**£000**	**£000**	**£000**
Revenue	**-**	**-**	**100**	**100**
Cost of sales	**-**	**-**	**(72)**	**(72)**
Gross profit	**-**	**-**	**28**	**28**
Administrative expenses	**-**	**-**	**(164)**	**(164)**
Operating loss	**-**	**-**	**(136)**	**(136)**
Financial income	**-**	**-**	**-**	**-**
Loss before tax	**-**	**-**	**(136)**	**(136)**
Tax	-	-	(8)	(8)
Loss for the period from discontinued operations	**-**	**-**	**(144)**	**(144)**

	Unaudited Six months to 31 December 2012			
	Gleeson Capital Solutions	Gleeson Commercial Property Developments	Gleeson Construction Services	Total
	£000	£000	£000	£000
Revenue	-	-	984	984
Cost of sales	-	-	(956)	(956)
Gross profit	-	-	28	28
Administrative expenses	75	1	(86)	(10)
Share of loss of joint ventures (net of tax)	(107)	-	-	(107)
Operating (loss)/profit	(32)	1	(58)	(89)
Financial income	117	-	-	117
Profit/(loss) before tax	85	1	(58)	28
Tax	-	6	-	6
Profit/(loss) for the period from discontinued operations	85	7	(58)	34

	Audited Year ended 30 June 2013			
	Gleeson Capital Solutions	Gleeson Commercial Property Developments	Gleeson Construction Services	Total
	£000	£000	£000	£000
Revenue	-	2	1,144	1,146
Cost of sales	-	-	(1,106)	(1,106)
Gross profit	-	2	38	40
Administrative expenses	52	-	(156)	(104)
Profit on sale of assets held for sale	1,372	-	-	1,372
Share of loss of joint ventures (net of tax)	(107)	-	-	(107)
Operating profit/(loss)	1,317	2	(118)	1,201
Financial income	153	-	-	153
Profit/(loss) before tax	1,470	2	(118)	1,354
Tax	-	5	(15)	(10)
Profit/(loss) for the period from discontinued operations	1,470	7	(133)	1,344

10. Dividends

On 13 December 2013, the shareholders approved a final dividend for the year ended 30 June 2013 of 2p per share at a cost of £1,056,000. The dividend was paid on 20 December 2013.

On 14 February 2014, the Group declared an interim dividend of 1.1 pence per share at a total cost of £584,000. The dividend has not been provided for and there are no tax consequences for the Group.

11. Earnings per share

From continuing and discontinued operations

The calculation of the basic and diluted earnings per share is based on the following data:

Earnings	**Unaudited Six months to 31 December 2013 £000**	Unaudited Six months to 31 December 2012 £000	Audited Year to 30 June 2013 £000
Earnings for the purposes of basic earnings per share, being net profit/(loss) attributable to equity holders of the parent company			
Profit from continuing operations	**3,700**	1,307	10,099
(Loss)/profit from discontinued operations	**(144)**	34	1,344
Earnings for the purposes of basic and diluted earnings per share	**3,556**	1,341	11,443

Number of shares	**31 December 2013 No. 000**	31 December 2012 No. 000	30 June 2013 No. 000
Weighted average number of ordinary shares for the purposes of basic earnings per share	**52,821**	52,707	52,758
Effect of dilutive potential ordinary shares:			
Share options	**805**	219	564
Weighted average number of ordinary shares for the purposes of diluted earnings per share	**53,626**	52,926	53,322

From continuing operations	**31 December 2013 p**	31 December 2012 p	30 June 2013 p
Basic	**7.00**	2.48	19.14
Diluted	**6.90**	2.47	18.94

From discontinued operations	**31 December 2013 p**	31 December 2012 p	30 June 2013 p
Basic	**(0.27)**	0.06	2.55
Diluted	**(0.27)**	0.06	2.52

From continuing and discontinued operations	**31 December 2013 p**	31 December 2012 p	30 June 2013 P
Basic	**6.73**	2.54	21.69
Diluted	**6.63**	2.53	21.46

12. Related party transactions

Identity of related parties
The Group has a related party relationship with its joint ventures and key management personnel.

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

Transactions with key management personnel
Transactions in the period between the Group and with key management personnel were limited to those relating to remuneration as disclosed in the Audited accounts for the year to 30 June 2013. There has been no material change in these arrangements since the year end.

Provision of goods and services to joint ventures

	Unaudited Six months to 31 December 2013 £000	Unaudited Six months to 31 December 2012 £000	Audited Year to 30 June 2013 £000
Leeds Independent Living Accommodation Company Limited	**-**	123	163
	-	123	163

Sales to related parties were made at market rates.

Amounts owed by and owed to joint ventures are analysed below:
The amounts owed by joint ventures are shown below:

	Unaudited Six months to 31 December 2013 £000	Unaudited Six months to 31 December 2012 £000	Audited Year to 30 June 2013 £000
Amounts classified as held for sale	**-**	1,982	-
Prepayments and accrued income	**31**	98	31
	31	2,080	31

The amounts owed to joint ventures at 31 December 2013 totalled £Nil (31 December 2012: £Nil; 30 June 2013: £Nil).

13. Group pension scheme

The Group operates a defined contribution pension plan. The assets of the pension plan are held separately from those of the Group in funds under the control of the trustees.

The total pension cost charged to the income statement in the six months to 31 December 2013 of £204,000 (six months to 31 December 2012: £187,000; year to 30 June 2013: £371,000) represents contributions payable to the defined contribution pension plan by the Group at rates specified in the plan rules. At 31 December 2013, contributions of £50,000 (31 December 2012: £46,000; 30 June 2013: £47,000) due in respect of the current reporting period had not been paid over to the pension plan. Since the period end, this amount has been paid.