

C H Bailey Plc

INTERIM STATEMENT AND RESULTS
UNAUDITED CONSOLIDATED GROUP PROFIT AND LOSS ACCOUNT

For the six months ended 30th September 2003

	<i>6 months to 30th September 2003</i>	<i>6 months to 30th September 2002</i>
	£	£
Turnover - continuing operations	1,950,598	1,793,603
Operating (loss) - continuing operations	(697,818)	(1,077,855)
Net interest (payable) receivable	(5,754)	11,339
(Loss) on ordinary activities before tax	(703,572)	(1,066,516)
Taxation	(2,746)	(2,800)
(Loss) on ordinary taxation after tax	(706,318)	(1,069,316)
Minority interest	(998)	439
(Loss) for period	(707,316)	(1,068,877)
Dividend	Nil	Nil
Retained (loss) for period	(707,316)	(1,068,877)
Earnings per share	(1.18p)	(1.78p)

The results for the six month period ended 30th September 2003 show a loss of £707,316, (2002: loss £1,068,877).

Your ship-repairing division continues to obtain high dry dock occupancy and it is forecasted that this will continue to year-end. The engineering division has seen an increase in turnover and is maintaining its position in a diminishing and increasingly competitive market. Your electrical division has also seen an increase in turnover with better margins.

Your hotel in Malta has had a profitable half-year however, attempts to attract winter business are still problematic. As reported we are now in the process of planning the redevelopment of your hotel in Tanzania and discussions have taken place as to the future of the property.

The period in question has seen some encouraging signs. Turnover has increased and losses have been reduced. Equity markets have seen growth in the first half of the year and there are signs that this will continue. We remain cautious in the short term outlook due to currency fluctuations and global uncertainties particularly in the Middle East.

I would like to take this opportunity to thank all the staff and employees for their hard work and continued commitment.

Charles H Bailey
Chairman
19th December 2003

C.H. Bailey Plc
Unaudited Consolidated Cash Flow Statement
For the six months ended 30th September 2003

	6 months to 30th September 2003 £	6 months to 30th September 2002 £
Net cash (outflow) from operating activities	<u>(265,588)</u>	<u>(384,904)</u>
Return on investments and servicing of finance:		
Interest received	22,871	18,381
Interest paid	(28,625)	(7,052)
Net cash (outflow) inflow from returns on investments and servicing of finance	<u>(5,754)</u>	<u>11,329</u>
Capital expenditure and financial investment:		
Purchase of tangible fixed assets	(361,187)	(339,867)
Sale of tangible fixed assets	-	-
Net cash (outflow) from capital expenditure and financial investment	<u>(361,187)</u>	<u>(339,867)</u>
Cash (outflow) before use of liquid resources and financing	(632,529)	(713,442)
Management of liquid resources:		
Purchase of investments	(1,996,495)	(1,424,330)
Sale of investments	1,565,889	1,723,497
Net decrease in short term deposits	15,399	322,704
Net cash (outflow) inflow from management of liquid resources	<u>(415,207)</u>	<u>621,871</u>
Financing:		
(Decrease) in other loans due within the year	-	(35,753)
Increase in loans due after more than one year	175,825	-
Net cash inflow (outflow) from financing	<u>175,825</u>	<u>(35,753)</u>
(Decrease) in cash in the period	£(871,911)	£(127,324)

Unaudited Statement of Total Recognised
Gains and Losses
For the six months ended 30th September 2003

	6 months to 30th September 2003 £	6 months to 30th September 2002 £
Retained (loss) for the period	(707,316)	(1,068,877)
Currency translation differences	228,700	197,293
Total recognised (loss) for period	<u>£(478,616)</u>	<u>£(871,584)</u>

C.H. Bailey Plc

Unaudited Balance Sheet

	at 30th September 2003 £	at 30th September 2002 £
Fixed assets		
Tangible assets	8,826,488	9,381,588
Current assets		
Stocks and work in progress	162,611	108,907
Debtors	1,435,100	2,125,397
Current investments	4,393,001	4,463,965
Cash at bank and in hand	183,837	137,169
	6,174,549	6,835,438
Creditors		
Amounts falling due within one year	3,051,727	2,737,559
	3,122,822	4,097,879
Net Current Assets		
	11,949,310	13,479,467
Total assets less current liabilities		
Creditors		
Amounts falling due after more than one year	417,228	-
Provision for liabilities and charges	495,171	1,143,261
	£11,036,911	£12,336,206
Net assets		
Financed by:		
Capital and reserves		
Called up share capital	5,996,873	5,996,873
Reserves	5,007,095	6,309,493
Equity shareholders' funds	11,003,968	12,306,366
Minority interest - all equity	32,943	29,840
	£11,036,911	£12,336,206
Net assets		
Net asset per share	18.40p	20.57p