



Pinewood Shepperton plc

The leading European provider of studio and film related services
to the worldwide film industry

4th September 2007

Interim Results Presentation

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Summary

- Headline figures show broadly steady year-on-year revenues
- Improved PBT due to reduced financial gearing
- Shepperton Studios Property Partnership now evident in numbers
- Development plans now underway:
 - Continued investment in facilities
 - Development at Shepperton has commenced, preparatory work underway at Pinewood
 - Marketing for Pre-lets at both Pinewood and Shepperton
- Film Production in UK has recovered as new tax regime comes into force
- Expect further timing delays by major film productions in H207 to benefit H108

Section 2

Financial Overview

Financial Overview: Income statement

6 months to 30 June	2007 £m	2006 £m	% change
Revenue	18.3	18.7	
Film	10.8	9.9	9%
Television	4.7	5.5	(14%)
Media park	2.8	3.3	(16%)
Gross profit	7.1	7.1	
Margin %	38.7%	38.0%	
EBITDA	5.1	5.3	(4%)
Operating profit	3.6	3.6	
Interest	(0.7)	(1.5)	51%
Profit before tax	2.9	2.1	39%
Tax	(0.2)	(0.1)	
Profit after tax	2.7	2.0	38%
Earnings per share (p) basic	5.9	4.3	
Earnings per share (p) adjusted for effect of indexation on deferred tax provision	4.9	3.1	
Dividend per share (p)	1.0	0.9	11%

Underlying growth in first half
Timing differences
SSPP joint venture

Benefit of SSPP joint venture

Effective tax rate 32% (2006: 33%)

Financial Overview: Cash flow

	6 months to 30 June	2007 £m	2006 £m
EBITDA		5.1	5.3
Movement in working capital		(1.4)	(0.6)
Cash generated from operations		3.7	4.7
Capex		(7.0)	(1.8)
007 Stage fire insurance proceeds		2.0	-
Costs of joint venture transaction		(0.2)	-
Taxation		(0.4)	(0.6)
Interest		(0.8)	(1.9)
Dividends		(1.0)	-
Finance leases		-	(0.1)
Proceeds/(repayments) of bank borrowings		2.0	(1.0)
		(5.4)	(5.4)
Net decrease in cash		(1.7)	(0.7)
Net debt		21.5	41.4

Debt significantly reduced at 30 June 2007

PSP £11.5m, JV £10.0m at 30 June 2007

Financial Overview: Balance sheet

	At 30 June	2007 £m	2006 £m	
<i>Assets</i>				
Property, plant and equipment		91.5	105.0	
Intangibles		5.6	5.6	IFRS adjustments
Current assets		4.6	6.0	
Total assets		101.7	116.6	
Equity		64.4	58.2	
Loans		20.8	41.8	PSP £10.8m, JV £10.0m at 30 June 2007
Deferred tax		4.8	5.5	IFRS adjustments
Current liabilities		11.7	11.1	Includes £0.6m overdraft at 30 June 2007
Total equity and liabilities		101.7	116.6	

Section 3

Operating Review

Operating Review

Film

During the period we have experienced a return to improved demand levels, due to the successful introduction of the new fiscal regime:

- Turnover £10.8m (2006: £9.9m) up 9%.
- *Bourne Ultimatum, Sweeney Todd, Dark Materials* and *Mamma Mia*.
- Refurbishment of C & D stages at Shepperton. 007 Stage now renting normally
- Audio Post Production improving.

Operating Review

Television

H1 saw development in our television business, with new customers and volume agreements.

- Turnover £4.7m (2006: £5.5m), timing differences account for change.
- New customers added.
- Commencement of BBC volume agreement.
- Channel Hosting – Quiz Call, Virtual Content, Jewels Direct, Racing UK, Smart TV.
- Teddington
 - Invested in HD cameras
 - Margins now normalised

Operating Review

Media Park

Stable revenues with the prospect of a step change as development is completed

- Turnover £2.8m (2006: £3.3m) – robust underlying level.
- High occupancy rates and stable rental values, capacity constrained
- Renewals progressing satisfactorily
- JV with Morley making good progress

Site Enhancement Plans

- Gainsborough Building (formerly I Building) frame now erected at Shepperton.
- Paddock Lot, 007 Stage, amenity areas improved at Pinewood.
- Refurbishment of C and D Stage at Shepperton, new entrance to Pinewood (S278 obligation)

Section 4

Current Trading and Outlook

Current Trading and Outlook

- Expect further timing delays by major film productions in H207 to benefit H108
- Major film productions working in the UK.
- American guilds renegotiating. Potential for disruption in filming schedules in H2 2008
- Television strategy delivering. Anticipated benefits of volume arrangement with the BBC
- Media Park developments now commenced to impact in 12 to 18 months.



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