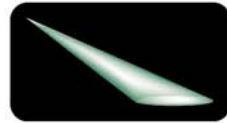


P I N E W O O D



S H E P P E R T O N

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

www.pinewoodshepperton.com

2004 Final Results Presentation

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Presenters:

Ivan Dunleavy	CEO
Patrick Garner	FD
Nigel Wolfin	Head of Finance / Co. Sec.

Section 1

Highlights



Highlights

- Strong revenue and profit performance
- Turnover from continuing operations up 3% at £38.5m (2003 : £37.4m)
- Television and Sound especially strong performance
- Operating profit (continuing), pre exceptional IPO related costs, up 13% at £12.9m (2003 : £11.4m)
- Margin improvement due to revenue growth and cost control
- EPS for the period up 10%, EPS 13.1p (2003 : 11.9p)
- Studio enhancement planning applications submitted and progressing well



Section 2

Financial Performance



Profit and Loss Account

Results to 31 December £000s	2004	2003	
Turnover - continuing operations	38,535	37,438	3% up
Film stage services	21,545	21,511	-
Television and sound services	10,678	9,694	10% up
Media park income	6,312	6,233	1% up
Gross profit - continuing operations	18,912	17,367	9% up
Operating profit - continuing operations *	12,935	11,393	13% up
Gross profit margin - continuing operations	49%	46%	
Operating profit margin - continuing operations*	34%	30%	
Profit after tax	4,485	1,747	
Earnings per share - diluted	13.1p	11.9p	
* Pre exceptional IPO related costs			

- Margin improvement – reduced overheads and operational gearing
- 2004 effective tax rate of 30%
- Adjusted results on basis of post IPO capital structure and continuing operations



Balance Sheet

- Negative working capital
- Exceptional asset backing
- Net assets rise to £51m (2003: -£1m)
- Net debt reduction
- Capex of £4m cash outflow
- IFRS versus UK GAAP

Cashflow

£ 000s	2004	2003
Operating profit (post exceptionals)	11,302	10,935
Depreciation	3,821	3,619
(Increase) in stock	(30)	(36)
Decrease / (Increase) in debtors	(333)	72
(Decrease) / Increase in creditors	(2,550)	1,594
Net cashflow from operating activities	12,210	16,184

- Creditors movement at 31 December
- High level of conversion of earnings to cash flow
- Final dividend of 2.7p

Section 3

Operating Review



Operating Review

Film Stage Services

- Turnover £21.5m : 56% (2003: £21.5m : 57%)
- *Charlie and the Chocolate Factory, Batman Begins, Harry Potter*, plus 18 other features
- 54 commercials and pop promos, and 26 TV dramas or specials
- Reversion of 007 stage April 2004
- Improved quality of ancillary sales – 32 location pictures
- US dollar decline has limited price rises

Fiscal Regime

- S48 and S42 extended
- Supportive fiscal policy, review expected to improve benefit
- Customers can now begin to commit to their productions

Operating Review

Television and Sound Services

- Turnover £10.7m : 28% (2003; £9.7m : 26%)

Television

- New programmes: *Strictly Ice Dancing, World According to Bex, Deadringers*
- Key growth area
- Market for television remains strong
- Technical reputation – *Test the Nation*

Sound

- Market leading in film Audio Post Production
- *Troy, Thunderbirds, Phantom of the Opera, Bridget Jones*
- Optical transfer, foreign versioning for Disney have long-term contracts
- Continuing investment for growth – Theatre Two, Pinewood

Operating Review

Media Park Income

- Turnover £6.3m : 16% (2003: £6.2m : 17%)
- Sustained demand eg *Captain Scarlet*
- Recurring income
- Over 200 media related businesses



Operating Review

Studio Enhancement Progress

- Application submitted (Outline May 2004), Supplemental application (Feb 2005)
- First phase projects nearing completion
- Increasing capacity and appeal
- Positive reaction overall
- I Block project commences H2 2005
- Strong demand for new "U" Stage



Section 4

Current Trading and Outlook



Current Trading and Outlook

- Delay on committing to film production whilst tax policy was awaited will reduce revenues in H1 2005
- Film stage services revenues expected to grow second half 2005 against H2 2004
- TV and Sound Services and Media Park in line with expectations
- We do not expect to achieve year on year revenue growth for the Company as a whole in 2005
- Continued rise in demand for audio-visual media and improvement in the advertising cycle
- Outline planning applications awaiting determination for Pinewood Studios and Shepperton Studios
- Now working with several productions
- The Directors view the Company's prospects and strategy with confidence



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