



Embargoed until 07.00, Friday 31 August 2007

2007 INTERIM RESULTS

Rightmove plc, the UK's no. 1 property website, announces Interim Results for the six months ended 30 June 2007.

Financial Highlights for the six months ended 30 June 2007

Highlights

- Revenue up 68% to £25.4m (2006: £15.1m)
- Underlying operating profit * up 60% to £13.2m (2006: £8.3m)
- Net cash of £17.5m (2006: £5.2m)
- Underlying earnings per share up 70% to 8.2p (2006: 4.9p)
- Interim dividend of 2.0p per ordinary share (2006: 1.5p)
- Share buy back programme initiated with 1.7m shares (at a cost of £10.5m) transferred into treasury by 26 July 2007
- Number of advertisers up 26% to 18,514 (2006: 14,680)
- Visits to Rightmove.co.uk up 58% to 24.3m per month
- Successful launch of Rightmove Choice products contributing to an increase in average revenue per advertiser per month of 29% to £234.

* from continuing operations and excludes share-based payments expense, National Insurance on share options under issue and flotation costs

Ed Williams, Group Managing Director, said:

“Rightmove continued to grow rapidly in the first half of the year as we increased our membership of agents and new homes developers. We introduced a suite of new products under the Rightmove Choice name, giving our members the opportunity to stand out from their competitors and further enhance the value for money of their online marketing spend. Rightmove has become an essential tool for all homebuyers with around nine out of ten properties available in the UK now presented on the website.

Rightmove will continue to expand its advertising services both to property advertisers on Rightmove.co.uk and to a wider group of advertisers on our new mapping site, Aboutmyplace.co.uk. We also offer a service to holiday home owners who wish to advertise their properties for holiday letting, through our acquisition of a two-third stake in holidaylettings.co.uk.

We are confident about the Company's prospects for the second half of the year.”

Chairman and Group Managing Director's statement

Overview

The Interim Results reflect continued rapid and profitable growth in the Rightmove business.

Revenue increased 68% to £25.4m compared to the same period last year, driven by strong growth in revenue per advertiser and in sales to new members. Underlying operating profit* grew by 60% to £13.2m.

The number of advertisers grew 26% to 18,514 members compared with the first six months of 2006. Rightmove Choice was launched, allowing agents and developers to differentiate themselves by increasing their online profile. 2,900 Rightmove Choice products were in use at the mid-year. As at June 2007, the average revenue per advertiser per month, including Rightmove Choice products, increased by 29% to £234 (2006: £181).

The operating margin for the first half of 2007 was 51.9% compared to 54.7% for the first half of 2006 and 52.1% for the whole of 2006. Operating margin is typically lower in the first half of the year than in the second half, making the 2007 first half number consistent with a further strengthening of margin in the full year. In the first half of 2006, operating margin reflected the estate agency sales force working on the sale of Home Information Packs (HIPs) rather than on the core business alone.

Costs of continuing operations excluding share-based payment and National Insurance expenses for the first six months were up 79% compared to the same period twelve months ago at £12.2m (2006: £6.8m) due primarily to higher personnel costs associated with sales and technology, together with the planned increase in marketing spend in line with revenue growth.

Membership growth

The first six months have seen continued growth on all key metrics compared with the same period a year ago:

- Overall membership up 26% to 18,514
- Estate agency membership up 19% to 12,295
- New homes developments up 47% to 3,478
- Letting agents up 47% to 2,234
- Overseas homes agents up 18% to 507
- Retention rate among members unchanged at 93%

The percentage of estate agents who are members has increased from 74% a year ago to around 88%. The growth rates have been highest in Northern England, Scotland and in Wales, which started from a lower base. Evidence from the South East and East Anglia suggests there is no inherent reason why Rightmove cannot achieve close to 100% adoption among estate agents.

Though Rightmove had already established a very strong position among the largest estate agency groups and new homes developers, there have nonetheless been some key customer gains of note. Kinleigh Folkard & Hayward, a major London estate agent, joined during 2007 which means that all 15 of the largest UK estate agents list on Rightmove. Among house builders, McCarthy and Stone joined resulting in 19 of the largest 20 house builders now also listing on Rightmove.

Rightmove Choice

Prior to February 2007, estate agents and developers could not invest more than the basic membership fee in their marketing with Rightmove. Furthermore, estate agents and developers primarily used traditional classified advertising media such as newspapers to promote their brand and attract new home listings. With the launch of Rightmove Choice, we now offer a selection of ways in which agents and developers can increase their marketing effectiveness and their online prominence on Rightmove. The initial three products BrandPlus, Premium Display and Showcase cost from £50 to £275 per month depending on the product type and number of properties listed.

Adoption has exceeded expectations with over 2,900 products in use at the end of June 2007. This means that more than one in six estate agent offices and new homes developers have chosen to differentiate the way they present themselves and their properties on Rightmove. Based on the mix of sales achieved to date the average price per product per month is approximately £95.

Revenue per advertiser

The 12-month period from June 2006 to June 2007 has seen a substantial increase in the average revenue per advertiser which now stands at £234, up 29% on a year ago. Among the major contributors to this increase have been:

- An increase on 1 January in our base membership price among estate agents from £195 to £250 per office per month, with similar percentage increases for new homes developers and letting agents
- The significantly higher rates paid by new joiners than by our longer standing members who benefit from a loyalty discount (new joiners in the last 12 months comprising 26% of our total customers)
- Adoption of Rightmove Choice products.

Growth prospects

The property industry's marketing spend is directed predominantly towards newspapers. Indeed, even with the strong revenue growth year-to-date, Rightmove accounts for a mere 10% of the total spend. Were Rightmove to achieve full penetration in its markets (implying a further increase of around a third over current membership levels) this spend would still only represent around 13% of the total.

Rightmove continues to appear cost effective and demonstrable value for money. This can be seen by the sales growth and the retention rate despite increases in the basic membership charge on 1 January. It is further reinforced by the initial adoption of Rightmove Choice products.

Holiday Lettings Limited

In March 2007 we completed our acquisition of a 66.7% interest in Holiday Lettings Limited (www.holidaylettings.co.uk), one of the leading three holiday homes rental advertising websites. Immediately following the acquisition, Rightmove's embryonic holiday lettings business was folded into the Holiday Lettings proposition. The acquisition gives Rightmove a level of know-how in the travel and tourism business which is as important in the holiday rentals sector as knowledge of the property market.

The business has traded well ahead of both expectations and the projections used to make the investment case. Whilst currently driven by higher sales and higher retention rates than anticipated, we also believe there will be early opportunities to increase prices.

Holiday Lettings is earlier in its development than Rightmove. It is achieving a doubling on most of its key metrics, just as Rightmove did two or three years ago. Already profitable, we see the prospect of the business generating 50% margins in two to three years' time.

Expanding our advertising services

During the first half of 2007 we have phased in our own mapping service based on Microsoft Virtual Earth™ technology. In terms of maps served, simply by people looking to identify the precise location of a property, Rightmove is already the UK's fifth largest mapping site. We have named this service "Aboutmyplace" with its own URL www.aboutmyplace.co.uk. This gives us the flexibility to develop the service as a fully fledged mapping site and to widen the range of information and services we can provide without distracting or deflecting users of the Rightmove.co.uk website from their main objective of finding their right home.

The first step in the commercialisation of Aboutmyplace has been the introduction of banner advertising around the maps, currently limited to two banners per page. This allows non-property advertisers to reach the Rightmove audience. With more than 20m pages of maps being served this provides an inventory of 40m banner adverts per month.

Initial adoption by advertisers has been encouraging based on the demographics of our users generally and the interest of many advertisers to reach an audience which is specifically considering moving home.

Dividend and shareholdings

The Board intends to pay an interim dividend of 2.0p (2006:1.5p) in line with the declared progressive dividend policy. The interim dividend will be paid on 12 October 2007 to members on the register on 14 September 2007.

In June 2007, Rightmove initiated a share buy back programme in addition to returning cash to shareholders by way of dividend. As at the end of June 2007, Rightmove had bought back into treasury 1.18m shares at an average price of 606p per share. The Board of Rightmove anticipates that, subject to market conditions, the share buy back programme will continue. The ability to buy back shares has been made possible by the significant increase in the proportion of shares in public hands which now approximates 60% of the total share capital, as compared to around 25% at the start of the year. This significant change has arisen as a result of Countrywide plc's distribution of Rightmove shares to its shareholders coincident with its acquisition by a private equity firm (returning their approximate 22% Rightmove interest to Countrywide's former investors) and the subsequent sell-down of approximately six million shares each by founding shareholders Connells Ltd and Halifax Estate Agencies Ltd (leaving each with around 21.3m shares).

Board changes

At the Annual General Meeting in May 2007, Jane Pridgeon stepped down from the Board as the Halifax Estate Agencies Ltd nominee and was replaced by Colin Kemp. We thank Jane for her support and guidance over the years and wish her well in retirement.

Prospects for the second half of 2007

Whilst equity and debt markets have been turbulent in recent weeks, the outlook continues to be positive in terms of our 2007 performance. The Board also believes that Rightmove will continue to benefit from wider structural changes in the property advertising industry in which it operates.

Scott Forbes
Chairman

31 August 2007

Ed Williams
Group Managing Director

For further information please contact:

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RIGHTMOVE PLC INTERIM REPORT 2007

CONSOLIDATED INCOME STATEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2007

Note	6 months ended 30 June 2007	6 months ended 30 June 2006			12 months ended 31 December 2006		
	Continuing operations	Continuing operations	Discontinued operations	Total	Continuing operations	Discontinued operations	Total
	£000	£000	£000	£000	£000	£000	£000
Revenue	25,425	15,099	-	15,099	33,626	-	33,626
Administrative expenses	(13,780)	(9,020)	(4,650)	(13,670)	(19,869)	(6,668)	(26,537)
Operating profit before share-based payments, NI on share options under issue and flotation costs	13,184	8,256	(4,650)	3,606	17,530	(6,668)	10,862
Share-based payments	(1,210)	(794)	-	(794)	(2,168)	-	(2,168)
NI on share options under issue	(329)	-	-	-	-	-	-
Flotation costs	-	(1,383)	-	(1,383)	(1,605)	-	(1,605)
Operating profit	11,645	6,079	(4,650)	1,429	13,757	(6,668)	7,089
Financial income	488	78	-	78	322	-	322
Financial expenses	-	-	-	-	(66)	-	(66)
Net financial income	488	78	-	78	256	-	256
Share of associate profit / (loss)	-	129	-	129	(77)	-	(77)
Profit before tax	12,133	6,286	(4,650)	1,636	13,936	(6,668)	7,268
Income tax expense	(3,447)	(2,532)	1,395	(1,137)	(4,917)	1,993	(2,924)
Profit for the period	8,686	3,754	(3,255)	499	9,019	(4,675)	4,344
Attributable to:							
Equity holders of the Parent	8,686	3,754	(3,255)	499	9,019	(4,675)	4,344
Earnings per ordinary share (pence)							
Basic	7.00	3.11	(2.70)	0.41	7.37	(3.82)	3.55
Diluted	7.00	3.03	(2.63)	0.40	7.27	(3.77)	3.50

CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENSE
FOR THE SIX MONTHS ENDED 30 JUNE 2007

Note	6 months ended 30 June 2007	6 months ended 30 June 2006	12 months ended 31 December 2006
	£000	£000	£000
Tax in respect of share options recognised directly in equity	857	3,305	4,681
Net income recognised directly in equity	857	3,305	4,681
Profit for the period	8,686	499	4,344
Total recognised income and expense for the period	9,543	3,804	9,025

RIGHTMOVE PLC INTERIM REPORT 2007

CONSOLIDATED BALANCE SHEET

AS AT 30 JUNE 2007

	<i>Note</i>	30 June 2007 £000	30 June 2006 £000	31 December 2006 £000
Non-current assets				
Property, plant and equipment		1,511	998	1,375
Intangible assets		6,876	4,737	1,471
Investments		-	185	-
Deferred tax asset		2,262	3,012	1,241
Total non-current assets		10,649	8,932	4,087
Current assets				
Trade and other receivables		4,912	2,282	2,921
Income tax receivable		163	1,585	163
Cash and cash equivalents		17,464	5,206	14,881
Total current assets		22,539	9,073	17,965
Total assets		33,188	18,005	22,052
Current liabilities				
Trade and other payables	7	(10,169)	(5,371)	(5,835)
Income tax payable		(3,692)	-	-
Provisions		(96)	-	(96)
Total current liabilities		(13,957)	(5,371)	(5,931)
Non-current liabilities				
Deferred tax liabilities		(126)	-	-
Deferred consideration		(2,202)	-	-
Provisions		(64)	-	(112)
Total non-current liabilities		(2,392)	-	(112)
Net assets		16,839	12,634	16,009
Equity				
Share capital		1,327	1,327	1,327
Share premium		105	18,711	-
EBT own shares reserve		(17,149)	(17,707)	(17,663)
Retained earnings		32,556	10,303	32,345
Total equity attributable to equity holders of the Parent	9	16,839	12,634	16,009

RIGHTMOVE PLC INTERIM REPORT 2007

CONSOLIDATED STATEMENT OF CASH FLOW

FOR THE SIX MONTHS ENDED 30 JUNE 2007

<i>Note</i>	6 months ended 30 June 2007 £000	6 months ended 30 June 2006 £000	12 months ended 30 December 2006 £000
Cash flows from operating activities			
Profit for the period	8,686	499	4,344
<i>Adjustments for:</i>			
Depreciation charges	218	368	385
Amortisation charges	185	-	304
Impairment of tangible and intangible assets	-	971	1,011
Loss on sale of investment in associate	-	-	206
Investment income	-	(129)	(129)
Interest income	(488)	(78)	(322)
Interest expense	-	-	1
Share options charge	1,210	794	2,168
Income tax expense	3,447	1,137	2,924
Operating profit before changes in working capital	13,258	3,562	10,892
(Increase) / decrease in trade and other receivables	(1,728)	172	(471)
Increase / (decrease) in trade and other payables	1,117	(1,305)	(839)
(Decrease) / increase in provisions	(48)	-	208
Cash generated from operations	12,599	2,429	9,790
Income taxes (paid) / received	-	(164)	1,259
Net cash from operating activities	12,599	2,265	11,049
Cash flows from investing activities			
Interest received	488	78	322
Acquisition of property, plant and equipment	(341)	(307)	(938)
Acquisition of intangible assets	(157)	(222)	(249)
Acquisition of investment in associate	-	(3,243)	(3,319)
Acquisition of subsidiary (net of cash acquired)	10 (3,177)	-	-
Proceeds from sale of investment in associate	-	-	3,243
Net cash from investing activities	(3,187)	(3,694)	(941)
Cash flows from financing activities			
Interest paid	-	-	(1)
Dividends paid	(3,729)	-	(1,861)
Purchase of treasury shares	(4,043)	-	-
Share issue	105	1,055	1,055
Proceeds on exercise of share options	838	-	-
Net cash from financing activities	(6,829)	1,055	(807)
Net increase / (decrease) in cash and cash equivalents	2,583	(374)	9,301
Cash and cash equivalents at 1 January	14,881	5,580	5,580
Cash and cash equivalents at period end	17,464	5,206	14,881

RIGHTMOVE PLC INTERIM REPORT 2007

Notes

1 General information

Rightmove plc is a Company incorporated in England and Wales No. 03997679, under the Companies Act 1985.

2 Basis of preparation

This interim financial information has been prepared applying the accounting policies and presentation that were applied in the preparation of the Group's financial statements for the year ended 31 December 2006.

The financial statements are prepared on the historical cost basis.

The financial statements for the half year ended 30 June 2007 have not been audited, although the auditor, KPMG Audit Plc, has carried out an independent review.

The comparative figures for the financial year ended 31 December 2006 are extracted from the Group's statutory accounts for that financial year. Those accounts have been reported on by the Company's auditors and delivered to the registrar of companies. The report of the auditors:

- (i) was unqualified,
- (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report, and
- (iii) did not contain a statement under section 237(2) or (3) of the Companies Act 1985.

3 Segmental reporting

Due to the discontinuance of the Home Information Packs (HIPs) business in 2006 all activities in the current year relate to the property advertising segment. There are no other separately identifiable business segment income statement or balance sheet items.

For the six months ended 30 June 2006

	Property advertising £000	HIPs £000	Total £000
Income statement information			
Segmental revenue	15,099	-	15,099
Depreciation and amortisation	262	106	368
Segmental operating profit / (loss)	6,079	(4,650)	1,429
Financial income	78	-	78
Financial expenses	-	-	-
Income tax expense	(2,532)	1,395	(1,137)
Share of associate profit	129	-	129
Profit for the period	3,754	(3,255)	499

Balance sheet information

Capital expenditure	3,565	207	3,772
Property, plant and equipment	998	-	998
Intangible assets	4,737	-	4,737
Total assets	17,591	414	18,005
Total liabilities	(5,144)	(227)	(5,371)

For the year ended 31 December 2006

	Property advertising £000	HIPs £000	Total £000
Income statement information			
Segmental revenue	33,626	-	33,626
Depreciation and amortisation	550	139	689
Segmental operating profit / (loss)	13,757	(6,668)	7,089
Financial income	322	-	322
Financial expenses	(66)	-	(66)
Income tax expense	(4,917)	1,993	(2,924)
Share of associate loss	(77)	-	(77)
Profit for the year	9,019	(4,675)	4,344

Balance sheet information

Capital expenditure	901	286	1,187
Property, plant and equipment	1,375	-	1,375
Intangible assets	1,471	-	1,471
Total assets	22,052	-	22,052
Total liabilities	(5,612)	(431)	(6,043)

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Notes (continued)

4 Share-based payments

In accordance with IFRS 2 a charge of £1,210,491 (30 June 2006: £794,000) is included in the income statement, being the amortisation of the value of the share options granted in 2006. Employer's National Insurance is being accrued at a rate of 12.8% on the difference between the share price at the balance sheet date and the average exercise price of the share options.

5 Earnings per share

Earnings per ordinary share is based upon profit after taxation and on a weighted average of 124,136,849 shares in issue during the period (30 June 2006: 120,860,606). Underlying earnings per ordinary share which is calculated before the charge for HIPs costs, flotation costs, share-based payments and National Insurance on share options under issue was 8.24p for the six months to 30 June 2007 (six months to 30 June 2006: 4.85p).

6 Taxation

The Group's consolidated effective tax rate for the six months ended 30 June 2007 is 28% (30 June 2006: 69%). The difference between the standard rate and the effective rate at 30 June 2006 was due to the high level of expenditure on which no tax relief was available. This consisted of mainly flotation costs and share-based payments.

The deferred tax asset of £2,262,000 at 30 June 2007 is in respect of tax losses brought forward, share options and accelerated capital allowances.

The deferred tax asset relating to share options at 30 June 2007 is £1,682,000 (1 January 2007: £320,000). This increase is mainly due to the Company's share price rising from £3.95 at 1 January 2007 to £6.28 at 30 June 2007. The deferred tax movement on this asset has been recognised in equity (£857,000) to the extent that it exceeds the related IFRS 2 charge reflected in the income statement.

As at 1 January 2007, the Company had a deferred tax asset in respect of tax losses carried forward of £689,000. These losses crystallised as a result of the corporation tax deduction available under Schedule 23 in respect of share options exercised by employees. The large deduction resulted from options exercised when the Company listed on the London Stock Exchange. The deferred tax asset in respect of these losses was released directly to equity in accordance with the requirements of IFRS 2 and a notional charge of £345,000 was applied in the period ended 30 June 2007.

7 Trade and other payables

	30 June 2007 £000	30 June 2006 £000	31 December 2006 £000
Trade payables	989	862	925
Amounts owed to related parties	-	-	4
Amounts accrued in relation to purchase of treasury shares	3,094	-	-
Trade accruals	2,060	949	1,472
Other creditors	373	-	339
Other taxation and social security	2,201	1,032	1,320
Deferred income from government contract	1,452	2,528	1,775
	10,169	5,371	5,835

8 Share buy back

In June 2007, the Company commenced a share buy back programme to purchase its own shares. Treasury shares represent the aggregate cost of £7,136,921 of the Company's ordinary shares purchased as at 30 June 2007. These shares were acquired on the open market using funds provided by the Company. The maximum and minimum prices paid in respect of shares purchased were 612p and 600p per share respectively. The total number of shares bought back at 30 June 2007 was 1,176,966, representing 1% of the issued share capital.

9 Reconciliation of movements in shareholders' funds

	6 months ended 30 June 2007 £000	6 months ended 30 June 2006 £000	12 months ended 31 December 2006 £000
At 1 January	16,009	5,622	5,622
Profit for the period	8,686	499	4,344
Dividends to shareholders	(3,729)	-	(1,861)
New shares issued	105	20,037	20,037
EBT own shares held	514	(17,707)	(17,707)
Bonus issue	-	(1,275)	(1,275)
Notional corporation tax charge recognised in reserves	-	1,359	-
Equity settled share options charge	1,210	794	2,168
Tax in respect of share options recognised directly in equity	857	3,305	4,681
Purchase of treasury shares	(7,137)	-	-
Gain on exercise of share options	324	-	-
Closing shareholders' funds	16,839	12,634	16,009

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Notes (continued)

10 Acquisitions

On 21 March 2007, the Company acquired 66.67% of the ordinary share capital of Holiday Lettings Limited (HLL), a provider of online advertising services to owners of holiday rental properties, for consideration of £3,216,208, including acquisition costs of £72,977. From the date of acquisition to 30 June 2007, the acquisition contributed £483,149 to Group revenue and £92,620 to Group profit. If the acquisition had been completed on the first day of the financial year, the acquisition would have contributed £952,217 to Group revenue and £258,179 to Group profit.

In terms of the shareholders' agreement a put and call option exists to acquire the remaining 33.33%. The earliest opportunity HLL management has to exercise the put option is 30 June 2009 based on the audited accounts for the 12 months ending 31 December 2008. The deferred consideration element has been recognised based on management's best estimate of likely EBIT for the year then ending at a multiple of six times the agreed formula and discounted at a risk-free rate of 5.72%.

All intangible assets were recognised at their respective values. The residual excess over the net assets acquired is recognised as goodwill in the financial statements. The adjustments applied to the book values of the assets and liabilities of HLL in order to present the net assets at fair values in accordance with Group accounting principles are as follows:

	Carrying values pre-acquisition £000	Fair value adjustments £000	Fair values £000
Net assets acquired			
Non-current assets			
Property, plant and equipment	12	1	13
Intangible assets – customer relationships	-	514	514
	12	515	527
Current assets			
Trade and other receivables	279	(16)	263
Cash and other cash equivalents	36	-	36
	315	(16)	299
Current liabilities	(207)	5	(202)
Non-current liabilities			
Deferred tax liabilities	(2)	(124)	(126)
Fair value of net assets acquired	118	380	498
Purchase consideration – cash			3,213
Purchase consideration – accrued expenses			3
Purchase consideration – deferred			2,202
Total consideration			5,418
Goodwill			4,920
Included in the £4,920,003 of goodwill recognised are certain intangible assets that cannot be individually separated and reliably measured due to their nature. These items include an assembled workforce and operating synergies.			
Net cash flow on acquisition			6 months ended 30 June 2007 £000
Cash paid for subsidiary			(3,213)
Cash acquired			36
Net cash outflow			(3,177)

Independent review report to Rightmove plc

Introduction

We have been instructed by the company to review the financial information for the six months ended 30 June 2007 which comprises the primary financial statements and the related notes 1 to 10. We have read the other information contained in the interim report and considered whether it contains any apparent misstatements or material inconsistencies with the financial information.

This report is made solely to the company in accordance with the terms of our engagement to assist the company in meeting the requirements of the Listing Rules of the Financial Services Authority. Our review has been undertaken so that we might state to the company those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for our review work, for this report, or for the conclusions we have reached.

Directors' responsibilities

The interim report, including the financial information contained therein, is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the interim report in accordance with the Listing Rules of the Financial Services Authority which require that the accounting policies and presentation applied to the interim figures should be consistent with those applied in preparing the preceding annual accounts except where any changes, and the reasons for them, are disclosed.

Review work performed

We conducted our review in accordance with guidance contained in Bulletin 1999/4 issued by the Auditing Practices Board for use in the UK. A review consists principally of making enquiries of management and applying analytical procedures to the financial information and underlying financial data and, based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit performed in accordance with International Statements on Auditing (UK and Ireland) and therefore provides a lower level of assurance than an audit. Accordingly, we do not express an audit opinion on the financial information.

Review conclusion

On the basis of our review we are not aware of any material modifications that should be made to the financial information as presented for the six months ended 30 June 2007.

KPMG Audit Plc
Chartered Accountants
Milton Keynes
31 August 2007