WYNNSTAY PROPERTIES PLC

INTERIM REPORT

SIX MONTHS ENDED
29TH SEPTEMBER 2007

Wynnstay Properties PLC

Interim Results for the six months ended 29th September 2007

Chairman's Statement

I am pleased to present your Company's interim results which show a substantial increase in profits, earnings per share and net asset value per share, compared with the interim results last year. Whilst we do not revalue the portfolio at the interim stage, net asset value per share reflects the property valuation conducted in March 2007 which produced a substantial increase over book value and is thus well above the figure at this time last year. All the comparative figures for 2006 have been restated to reflect the adoption for the first time in these financial statements of International Financial Reporting Standards in accordance with the requirements of the London Stock Exchange, as explained further below.

The results for the six months to 29th September 2007 may be summarised as follows:-

		2007	2006+
Profit on Ordinary Activities before Taxation	+18%	£334,000	£283,000
Earnings per share	+95%	12.3p	6.3p
Interim Dividend per share	+6%	2.6p	2.45p
Net Asset value per share	+28%	534p	418p
Adjusted net asset value per share++	+28%	567p	442p

\+ 2006 figures have been restated in accordance with International Financial Reporting Standards
++ Adjusted net asset value per share is net asset value per share determined in accordance with International Financial Reporting Standards and adjusted to exclude the liability for capital gains tax on unrealised gains arising on the revaluation of the investment portfolio.

Property income was only marginally higher than for the same period last year. However both property and finance costs were significantly lower than last year, reflecting the fact that we did not incur charges, such as insurance and business rates on vacant properties, and lower interest paid on substantially reduced borrowings following the disposal of the Epsom and Diss properties towards the end of the last financial year. Administration and other costs rose principally as a result of one-off items involved in the arrangements for recruiting a new Finance Director and Company Secretary to replace Peter Kirkland. The results also reflect a tax credit, rather than a charge to tax since, as I mentioned in my statement in June, following the changes to the industrial buildings allowance regime introduced in the 2007

Budget, we can release the remaining deferred tax provision of £155,000 previously made in respect of this liability.

The two vacant industrial units referred to in my statement in last year's annual report are now let and income producing so that the portfolio is now fully let except for two small office suites in Colchester which represent less than 1% of total rental income. We have concluded very satisfactory rent reviews at our retail premises in Gosport and at our industrial unit in Alton. Furthermore we were successful in our planning appeal in relation to one of the retail units at Dorking where we obtained a change of use from retail to restaurant. This flexibility of use will improve the unit's marketability should the present tenants decide not to renew their lease. We are also continuing to explore other redevelopment and change of planning use opportunities within the existing portfolio.

The first half of the year has been one of stability in the portfolio, with no acquisitions or disposals. We have examined a number of potential acquisitions, especially in the spring and early summer but, as I commented in my statement in June, market conditions earlier in the year were not conducive to purchases at an attractive level.

During the last four months, financial markets have witnessed a period of significant dislocation and uncertainty as a result of the so-called "credit crunch" originating from the problems in the US sub-prime lending market but which rapidly spread to banks and markets elsewhere, including the UK. Despite the UK's apparent sound economy this uncertainty has led to a tightening in lending terms for many businesses and has begun to have an effect on the commercial property market as businesses and buyers of commercial property find it more difficult to obtain funding. One positive effect, however, could be that interest rates in the present cycle, which many appeared to think were continuing on an upward trend in the second half of 2007, may in fact have peaked.

So far as Wynnstay is concerned, we remain in a strong financial position, with low gearing and substantial unused borrowing facilities. It remains to be seen what impact the conditions in the financial markets, and the changes to business rates on vacant commercial property will have on valuations in the commercial property sector when we revalue our portfolio in March 2008.

We have undertaken a review of our fixed overheads and have taken certain decisions that will significantly reduce our running costs in the present year and in future years. We have taken the opportunity offered by our landlord's desire to refurbish our present premises to offer a surrender of our lease for a capital payment and to move to smaller and more cost effective premises in Southampton Row, Holborn, London WC1. Subject to completing the legal formalities, we expect that this move will make a further contribution to the full year's profit, net of related expenses, of in excess of £100,000 and have an ongoing beneficial impact on running costs in future years.

From 1st January 2008, our new registered office and address will be 16-19, Southampton Place, London WC1A 2AJ and the telephone number will be 020 7745 7160

In the light of these excellent results for your Company, the Directors have decided to declare an interim dividend of 2.6p per share, representing an increase of 6% over last year. This will be paid on 18th December 2007 to those Shareholders on the register on 30th November 2007. Whilst we will, as always, have to take a decision on the appropriate amount to recommend as a final dividend having regard to the results for the full year, the Board is hopeful that this will reflect a similar percentage increase.

As foreshadowed in my statement in the Annual Report and Financial Statements, the financial statements included in this report have been prepared in accordance with International Financial Reporting Standards (IFRS) rather than, as previously, under UK Generally Accepted Accounting Principles (GAAP). The main impact of this change is a requirement to provide for capital gains tax on unrealised gains which could potentially arise from the annual revaluation of investment properties in the portfolio to their market value. Previously, this liability was quantified and reflected in the notes, rather than actually being provided for in the financial statements. The amount involved is £1,021,000.

As Wynnstay is an investment company and this tax liability would only arise in the event of a disposal of properties in the portfolio we have, in common with many other property companies, shown our net asset value per share in the summary above and in the financial statements both in accordance with IFRS as well as adjusted to exclude this tax liability.

We recorded an excellent attendance at the Annual General Meeting in July and received positive feedback on the event from a significant number of shareholders who welcomed the slightly different format adopted for the event. This gave those Shareholders who attended a first sight of their Company's new website, www.wynnstayproperties.co.uk, which went live on 15th August 2007 and has attracted a a good level of activity . It also gave Shareholders an opportunity to meet our new Finance Director and Company Secretary, Toby Parker, who joined us at the beginning of August and who, I am pleased to report, is working closely and effectively with Paul Williams in your interest.

Our Annual General Meeting next year will again be held at the Royal Automobile Club, 89 Pall Mall, London SW1 on **Wednesday 16th July 2008** and I look forward to seeing and talking to as many shareholders as possible at that time. **Please note that in response to some shareholders' comments, we have moved the meeting forward by just over a week in order to avoid the beginning of the main holiday season.**

Finally, on behalf of the Board, I would like to thank all Shareholders for their continued interest in, and support for, Wynnstay, and to convey our best wishes for Christmas and for 2008.

Philip G.H. Collins
Chairman

22nd November 2007

Wynnstay Properties PLC
Unaudited Consolidated Profit & Loss Account
Six months ended 29th September 2007

	Six months ended 29th Sept 2007	Six months ended 29th Sept 2006	Year ended 25th March 2007
	£'000	**£'000**	**£'000**
Property Income	**786**	778	1,536
Property Costs	**(16)**	(30)	(48)
Increase in fair value of investment properties and investments	-	-	2,596
Profit on Disposal of Investment Properties	-	-	1,046
Administrative Costs	**(334)**	(278)	(587)
Operating Income	**436**	470	4,543
Investment Income	**13**	4	16
Finance Costs	**(115)**	(191)	(350)
Net Income before Taxation	**334**	283	4,209
Taxation	**55**	(85)	(464)
Net Income after Taxation	**389**	198	3,745
Dividends paid – (note 2)	**(204)**	(189)	(266)
Profit Retained	**185**	9	3,479
Basic Earnings per share – (note 3)	**12.3p**	6.3p	118.7p
Normalised Earnings per Share – (note 3)	**12.3p**	6.3p	85.5p

Wynnstay Properties PLC
Unaudited Consolidated Balance Sheet
at 29th September 2007

	29th September 2007 £'000	29th September 2006 £'000	25th March 2007 £'000
Non Current Assets			
Investment Properties	**21,530**	20,360	21,530
Investments	**2**	3	4
	21,532	20,363	21,534
Current Assets			
Accounts Receivable	**61**	98	422
Cash at Bank and in Hand	**478**	180	637
	539	278	1,059
Accounts Payable	**(594)**	(679)	(946)
Net Current (Liabilities)/Assets	**(55)**	(401)	113
Total Assets Less Current Liabilities	**21,477**	19,962	21,647
Loans Payable	**(3,600)**	(6,000)	(3,800)
	17,877	13,962	17,847
Deferred Tax	**(1,021)**	(761)	(1,176)
Net Assets	**16,856**	13,201	16,671
Capital and Reserves			
Share Capital	**789**	789	789
Capital Redemption Reserve	**205**	205	205
Share Premium Account	**1,135**	1,135	1,135
Retained Reserves	**14,727**	11,072	14,542
Equity Shareholders' Funds – (note 4)	**16,856**	13,201	16,671

WYNNSTAY PROPERTIES PLC
Unaudited Consolidated Statement of Cashflows
Six months ended 29th September 2007

	Six months ended 29 September 2007 £'000	Six months ended 29 September (Restated) 2006 £'000	Year ended 25 March (Restated) 2007 £'000
Cash flow from operating activities			
Profit from Operations	**436**	470	4,543
Depreciation	**2**	2	4
Profit on disposal of investment properties	**-**	-	(1,046)
Increase in fair value of investment properties	**-**	-	(2,595)
Decrease in fair value of investment	**(2)**	-	(1)
(Increase)/Decrease in accounts receivables	**361**	(63)	(56)
(Decrease)/Increase in accounts payables	**(352)**	(11)	360
Income tax paid	**(40)**	(86)	(131)
Net cash from operating activities	**405**	312	1,078
Cash flow from investing activities			
Interest received	**13**	4	15
Interest payable	**(171)**	(258)	(361)
Sale of property, plant and equipment	**-**	-	2,062
Purchase of property, plant and equipment	**(2)**	(5)	(7)
Net cash from investing activities	**(160)**	(259)	1,709
Cash flow from financing activities			
Dividends paid	**(204)**	(189)	(266)
Repayment on bank loans	**(200)**	-	(2,200)
Net cash from financing activities	**(404)**	(189)	(2,466)
Net (decrease)/increase in cash and cash equivalents	**(159)**	(136)	321
Cash and cash equivalents at beginning of period	**637**	316	316
Cash and cash equivalents at end of period	**478**	180	637

NOTES TO THE INTERIM FINANCIAL STATEMENTS

1. Accounting Policies

The interim financial information has been prepared using the recognition and measurement principles of International Financial Reporting Standards (IFRS). The detailed accounting policies which the group expects to be applicable for the year ending 25th March 2008 are set out in note 6.
The comparative figures represent the Group's results and cash flows for the 6 months ended 29th September 2006 and for the year ended 25th March 2007, previously reported under UK GAAP, under the recognition and measurement principles of IFRS.
The consolidated financial statements are presented in pounds sterling and all values are rounded to the nearest thousand (£'000) except where otherwise indicated.
This financial information does not constitute statutory accounts as defined in section 240 of the Companies Act 1985.
The comparative financial information for the year ended 25th March 2007 was derived from information extracted from the annual report and accounts for that period, which has been filed with the UK Registrar of Companies as adjusted for the transition to IFRS. The auditors have reported on those UK GAAP accounts, their report was unqualified and did not contain statements under sections 237(2) or (3) of the Companies Act 1985.

2. Dividends Paid

Period	Payment date	Per Share (pence)	Amount Absorbed £'000
6 months to 29th September 2007	18th December 2007	2.60	82
6 months to 29th September 2006	14th December 2006	2.45	77
Year ended 25th March 2007	2nd August 2007	6.45	204

3. Earnings per share

The calculation of basic earnings per share is based on earnings of £389,000 (September 2006: £198,000; March 2007: £3,745,000) and 3,155,267 ordinary shares.

The calculation of normalised earnings per share is based on earnings of £389,000 (September 2006: £198,000; March 2007: £2,699,000) and 3,155,267 ordinary shares.

4. Reconciliation of changes in equity

	Six months ended 29th September 2007				
	Share Capital	**Capital Redemption Reserve**	**Share Premium Account**	**Retained Earnings**	**Total £ 000**
	£'000	£'000	£'000	£'000	£'000
Balance at 26 March 2007	789	205	1,135	14,542	16,671
Net Income for the year	-	-	-	389	389
Dividends	-	-	-	(204)	(204)
Balance at 29 September 2007	**789**	**205**	**1,135**	**14,727**	**16,856**

	Six months ended 29th September 2006				
		Capital	Share		
	Share	Redemption	Premium	Retained	Total
	Capital	Reserve	Account	Earnings	£ 000
	£'000	£'000	£'000	£'000	£'000
Balance at 26 March 2006	789	205	1,135	11,063	13,192
Net Income for the year	-	-	-	198	198
Dividends	-	-	-	(189)	(189)
Balance at 29 September 2006	789	205	1,135	11,072	13,201

	Year ended 25th March 2007				
		Capital	Share		
	Share	Redemption	Premium	Retained	Total
	Capital	Reserve	Account	Earnings	£ 000
	£'000	£'000	£'000	£'000	£'000
Balance at 26 March 2006	789	205	1,135	11,063	13,192
Net Income for the year	-	-	-	3,745	3,745
Dividends	-	-	-	(266)	(266)
Balance at 25 March 2007	789	205	1,135	14,542	16,671

5. Transition to International Financial Reporting Standards ('IFRS')

Explanation of the transition to IFRS

This is the first period that the group has adopted its financial statements under IFRS. The last financial statements presented under UK GAAP were for the year ended 25 March 2007. As IFRS comparative figures must be presented for the year ended 25 March 2008, the date of transition to IFRS was 26 March 2006. The reconciliations below are presented to enable a comparison of the 2007 published interim figures with those published in the corresponding period of the previous financial year, the latest period presented being for the year ended 25 March 2007, and as at the date of transition to IFRS being 26 March 2006.

Reconciliation of equity reporting under UK GAAP to equity under IFRS

	Notes	Six months ended 29th September 2007	Six months ended 29th September 2006	Year ended 25th March 2007	Year ended 26th March 2006
Equity shareholders' funds under UK GAAP		17,874	13,646	17,689	13,637
IFRS adjustments :					
Fair value of investments	(a)	3	2	3	2
Deferred tax on property revaluation	(c)	(1,021)	(447)	(1,021)	(447)
Net IFRS adjustments		(1,018)	(445)	(1,018)	(445)
Equity shareholders' funds under IFRS		16,856	13,201	16,671	13,192

Reconciliation of profit reported under UK GAAP to profit under IFRS

	Notes	Six months ended 29th September 2007	Six months ended 29th September 2006	Year ended 25th March 2007
Profit for the period under UK GAAP		187	9	1,457
IFRS adjustments :				
Fair value of investments	(a)	(2)	-	1
Fair value of investment properties	(b)	-	-	2,595
Deferred tax on property revaluation	(c)	-	-	(574)
Net IFRS adjustments		(2)	-	2,022
Net Income for the period under IFRS		185	9	3,479

Notes to the reconciliation :

(a) Investments are designated as held at fair value under IFRS and are carried at bid price. Previously under UK GAAP they were carried at cost. The aggregate difference increases retained earnings through the income statement.

(b) Movements in the fair value of investment properties are required to be shown through the income statement under IFRS and are now included as retained earnings. Under UK GAAP these movements were reflected through the revaluation reserve.

(c) Under IFRS, provision is made for the potential capital gains tax arising in the event that the investment properties were sold at the relevant period end, with movement being reflected through the income statement.

Restatement of Cash flow Statement

Whilst the format of the cash flow statement is different from UK GAAP, there are no material differences to Group cash flow under previous GAAP and International Financial Reporting Standards (IFRS).

The principal reasons for the adjustments shown in the reconciliations between UK GAAP and IFRS are set out below:

(a) Under UK GAAP the group's accounting policy was to carry fixed asset investments in the balance sheet at cost less any provision required for permanent diminution in value. Under IFRS investments are carried at fair value and movements in fair value are accounted for in the income statement.

(b) Under UK GAAP valuation changes of investment properties are recognised directly in reserves. Under IFRS fair value changes are included in the income statement.

(c) Under UK GAAP no deferred tax was recognised on revaluation gains unless a binding commitment to sell the property existed at the balance sheet date. Under IFRS the deferred tax on revaluation gains is required to be recognised in the income statement and as a liability on the balance sheet.

6. ACCOUNTING POLICIES

Basis of Preparation and Consolidation

The Group Accounts have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union. This is the first interim period in which the financial statements have been prepared under IFRS.

The disclosures required by IFRS 1 concerning the transition from UK GAAP (United Kingdom Generally Accepted Accounting Practice) to IFRS (International Financial Reporting Standards) are given in note 5.

Investment Properties

All the Group's investment properties are re-valued annually at 25th March. The aggregate of any revaluation gain or loss is taken through the income statement.

Depreciation

In accordance with IAS 40, freehold and leasehold investment properties are included in the balance sheet at fair value, and are not depreciated.

Depreciation of other plant and equipment is on a straight line basis calculated at annual rates estimated to write off each asset over its useful life of 5 years.

Disposal of Investments
The gains and losses on the disposal of investment properties and other investments are included in the income statement below operating profit.

Gross Rental Income
Gross Rental Income represents the accrued charges under operating leases for rental of the Group's properties and is stated net of Value Added Tax. All income is derived in the United Kingdom.

Repairs and Renewals
Repairs and renewals are charged to the income statement as incurred.

Deferred Taxation
The tax expense represents the sum of the tax currently payable and deferred tax. Current tax is the expected tax payable on the taxable income for the year based on the tax rate entered or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of prior years. Taxable profit differs from profit before tax as reported in the income statement because it excludes items of income or expense that are deductible in other years, and it further excludes items that are never taxable or deductible.

Deferred taxation is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements, and the corresponding tax bases used in the computation of taxable profits, and is accounted for using the balance sheet liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the rates that are expected to apply in the period when the liability is settled, or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Investments
Investments in subsidiaries are stated at cost less provision for impairment. Quoted investments are recognised as held at fair value, and are measured at subsequent reporting dates at fair value, which is either at the bid price, or the latest traded price, depending on the convention of the exchange on which the investment is quoted.

Pensions
Pension contribution towards employees' pension plans are charged to the income statement as incurred.