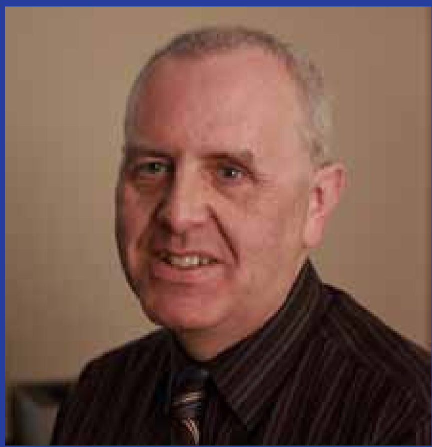
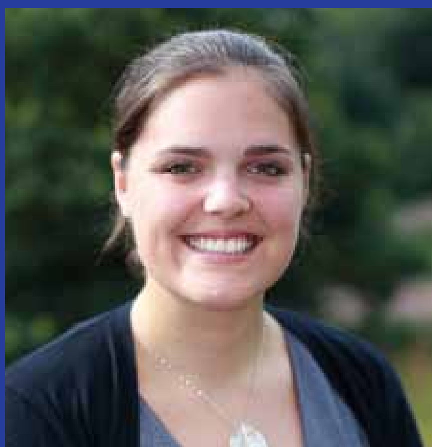
Henry Boot PLC
Half-yearly Report
for the half year ended 30 June 2013





Building long-term value

Henry Boot PLC is one of the UK's leading and long-standing property, land and construction companies

Our key objective is to maximise long-term shareholder value through the development of and investment in high quality property assets, the promotion of new land development opportunities, construction and plant hire activities.

www.henryboot.co.uk

Property

Henry Boot DEVELOPMENTS

Land

Hallam Land Management

Construction

Henry Boot CONSTRUCTION

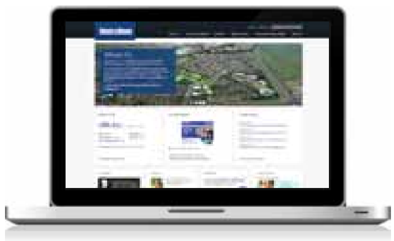
Plant

Banner

Visit www.henryboot.co.uk or scan this QR code with your smartphone to find out more about Henry Boot and its companies.

Key financial highlights

- Operating profit: increased 33% to £7.8m (2012: £5.9m)
- Property revaluation deficit: £0.5m (2012: surplus £1.8m)
- Investment property disposal profits: £0.2m (2012: £0.3m)
- Profit before tax: £7.4m (2012: £5.5m)
- Earnings per share: increased 64% to 3.6p (2012: 2.2p)
- Increased interim dividend: 1.95p (2012: 1.80p)
- Net asset value per share: 144p (31 December 2012: 139p)
- Net debt: £38.8m (31 December 2012: £21.9m)



Visit www.henryboot.co.uk

Profit before tax (£m)
30 June

£7.4m

13		7.4
12	(restated)	5.5
11		9.1
10		9.0
09		(20.3)

Net asset value per ordinary share (p)
31 December

144p

13	144p (30 June)
12	139
11	142
10	145
09	135

Earnings per ordinary share (p)
30 June

3.6p

13		3.6
12	(restated)	2.2
11		4.1
10		5.0
09		(11.8)

Dividends per ordinary share (p)
30 June

1.95p

13	1.95
12	1.80
11	1.65
10	1.35
09	1.25

Operating profit (£m)
30 June

£7.8m

13		7.8
12	(restated)	5.9
11		9.6
10		10.0
09		(19.8)

Net debt (£m)
31 December

£38.8m

13	38.8 (30 June)
12	21.9
11	2.3
10	11.4
09	32.1

Chairman's half-yearly review

A strong set of results

I am pleased to report a strong set of results for Henry Boot PLC for the half year ended 30 June 2013.

John Brown
Chairman

In summary

- We have invested more capital into the property portfolio and concluded the acquisition of the 270,000 sq ft former Terry's Chocolate Factory in York.
- Our construction business has achieved its forecast order book for this year and is now starting to take on commitments for 2014.
- With the growing stock of consented sites in our land portfolio, we are in a strong position to market these opportunities over the remainder of 2013, 2014 and beyond.
- Our balance sheet strength and ability to commit funding to land and property development, without recourse to specific external funding is resulting in a significant number of competitively priced opportunities arising.

Results

I am pleased to report a strong set of results for Henry Boot PLC for the half year ended 30 June 2013. The markets we operate in remained challenging during the period under review; however, there are more positive signs of an improvement in the trading environment. We continue to have an unprecedented number of strategic land sites working through the planning process which continues to evolve. We concluded several land sales in the period and continued to invest in land, adding more than 550 acres to our portfolio, which now totals 9,565 acres. We invested more capital into the property portfolio and concluded the acquisition of the 270,000 sq ft former Terry's Chocolate Factory in York, and the immediate onward sale of some 13 acres of land with a residential consent to a national house builder. We are also on site at developments in Manchester and Huddersfield and are expecting to begin working on several other projects in the near future. Our construction business has achieved its forecast order book for this year and is now starting to take on commitments for 2014, though margins on this work continue to be tight. Our plant hire business has performed well in the first half of the year and Road Link (A69) has performed in line with our expectations.

Trading review

Revenue for the period increased to £81.8m (2012: £43.3m) and operating profit increased to £7.8m (2012: £5.9m) reflecting both the higher land sales and operating profits within Hallam Land and the £15m back to back sale of land immediately following the acquisition of the former Terry's Chocolate Factory site in York.

Administration costs remained comparable to the prior year at £6.9m. Pension costs rose due to the introduction of the revised accounting standard, IAS 19 'Employee Benefits', which requires a higher proportion of the costs previously taken through reserves to be reflected in the Statement of Comprehensive Income. The valuation of property at the half year gave rise to a deficit of £0.5m, compared to a surplus of £1.8m in 2012 when we valued the foodstore at Warminster for the first time on completion of that development.

Net finance costs in the period were similar to the same period last year at £0.4m (2012: £0.4m). We anticipate debt levels in the second half to remain in line with those at the half year.

Profit before tax was 34% higher at £7.4m (2012: £5.5m). Retained profits were £5.6m (2012: £4.0m) and basic earnings per share increased 64% to 3.6p (2012: 2.2p), helped by a lower effective tax charge and lower non-controlling interests than in the same period last year.

Above Worsley Court, Manchester

Statement of financial position

Non-current assets increased to £191.3m (31 December 2012: £186.6m). Within this, investment properties increased in value to £142.5m (31 December 2012: £140.4m) due to further development investment offset by the small negative revaluation adjustment. Trade and other receivables increased from £11.5m to £15.4m as land sales in the period were completed, in part, on deferred payment arrangements. The deferred tax asset fell to £6.9m (31 December 2012: £8.9m) as a result of the reduced defined benefit pension deficit. Current assets increased to £137.2m (31 December 2012: £124.1m) following further investment in land and planning fees and trade receivables from the aforementioned land sales. Current liabilities increased to £99.9m (31 December 2012: £80.8m) largely resulting from a £17.5m increase in current borrowings supporting the investments in land, land sale receivables and investment properties noted above.

The above changes resulted in net current assets of £37.3m compared with £43.3m at 31 December 2012. Net debt at 30 June 2013 was £38.8m (31 December 2012: £21.9m) with gearing at 21% (31 December 2012: 12%). We continue to trade well within our banking covenants and have facilities of £50m, which were renewed in May 2012 for three years. Of the Group's debt, £2.9m relates to non-interest bearing infrastructure loans repayable as houses are completed at Exeter.

Within non-current liabilities, defined benefit pension liabilities under IAS 19 (revised) reduced to £22.3m (31 December 2012: £30.5m), reflecting a slight rise in the liabilities discount rate and a positive investment performance, particularly from equities, in the period. Overall, non-current liabilities reduced to £40.1m (31 December 2012: £48.0m). Net assets stood at £188.6m (31 December 2012: £181.9m), with almost all of this increase due to the after tax reduction in the pension deficit.

Cash flows

Operating cash inflows before movements in working capital were £9.5m (2012: £5.2m). Net increases in land inventories of £2.7m, receivables of £13.8m and payables of £1.7m produced an outflow of cash generated from operations of £5.3m (2012: £6.5m). Net interest and tax payments were £1.3m (2012: £2.8m) and resulted in net cash outflows from operating activities of £6.6m (2012: £9.3m). Cash outflows from investing activities were £5.4m (2012: £6.0m) derived from the investment in the development portfolio and plant assets. After dividend payments of £4.9m (2012: £4.5m), net debt at 30 June 2013 was £38.8m, increasing by £16.9m since 31 December 2012.

Dividend

The Directors have declared an 8% increase in the interim dividend to 1.95p (2012: 1.80p) which will be paid on 25 October 2013 to shareholders on the register at the close of business on 27 September 2013.

Review of activities

Land development

Hallam Land, our strategic land company has had a more productive first half year in terms of land disposals, helped by the significant number of planning permissions obtained in 2012 at Burdiehouse, Banbury, Evesham and Long Buckby. We have also submitted new applications where there is a demonstrable shortage of building land which continues to bring success in terms of new consents. We expect this pattern of increase in the number of permissions obtained and their subsequent disposal to continue in the second half of 2013 and into 2014.

In the first half of 2013, we acquired new sites at Beverley (110 acres), Edenthorpe (80 acres), Bradford (59 acres), Didcot (200 acres), Eckington (90 acres), Warton (45 acres), Buxton (100 acres), Frome (51 acres) and Hamble (58 acres). We have also agreed terms on a number of other sites which are in the acquisition process. At 30 June 2013, we held interests in 9,565 acres (31 December 2012: 9,011 acres) with 1,766 acres owned (31 December 2012: 1,765 acres), 3,505 acres under option (31 December 2012: 3,466 acres), and 4,294 acres in planning promotion agreements (31 December 2012: 3,780 acres). The inventory value of these assets was £76.6m (31 December 2012: £75.9m) reflecting a further increase in the Company's strategic land bank acreage offset by the disposals completed in the period.

Above East Leake, Nottinghamshire

In the first half of the year we achieved planning permissions (or minded to grant decisions) at Cam (71 plots) (although this is now subject to a High Court challenge by the council), Rolleston (21 plots), Retford (8 plots), Marston Moretaine (125 plots), Ripley (180 plots), Coventry (90 plots), Chellaston (54 plots) and East Leake (170 plots). We currently have 20 owned sites (3,274 plots), five sites (2,354 plots)

Thomas Thornewill

Planner

Thomas Thornewill is a planner and has worked for Hallam Land Management Limited for one year.

"Following graduation from University, I obtained a work placement at Hallam Land Management and subsequently took up the permanent position of Planner with the South Midlands Region in September 2012.

As a Planner at Hallam, part of my role is to assist in the project management of a variety of exciting projects, including residential, employment and large scale mixed use schemes of up to 2,000 homes, as well as the continuous search for new sites.

At Hallam I am privileged to work alongside a highly experienced and dedicated team, enabling me to develop an enviable array of experience. This experience has bolstered my knowledge of planning and development, and instilled in me the confidence to manage strategic land through the complexities of the planning system."

Chairman's half-yearly review continued

Review of activities continued

Land development continued

under planning promotion agreements and a further five sites (1,305 plots) under option with planning permission and we are working towards preparing applications on a number of other schemes.

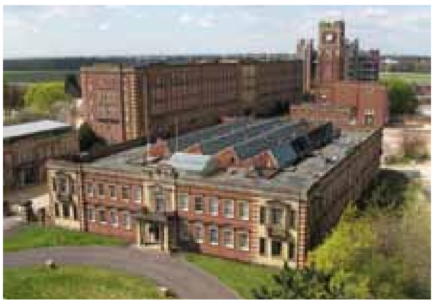
The full impact of the introduction of the Decentralisation and Localism Bill and the National Planning Policy Framework is now being felt. This policy is facilitating the grant of planning permissions where there is a demonstrable shortfall in the supply of new land for housing and where all site specific technical problems have been overcome. This has had the beneficial effect of bringing forward more land for new housing and making the decision-making process more predictable and efficient. The Government's "Help to Buy" scheme also seems to be having a real impact, with house builders reporting increased enquiries and more sales. If this trend continues, we expect to see a growing level of demand for new, consented land, maintaining an equilibrium with the increased supply of sites with permission.

The Government continues to extract value from building land for the benefit of the community by way of affordable housing, Section 106 and Community Infrastructure Levy contributions. Whilst we accept that communities need to realise value in this way, both the Government and Local Authorities must be careful not to set the demands too high, with the risk that sites will become unviable in what remains a fragile market, particularly in less prosperous parts of the country.

Property investment and development

Well-let investment properties with good quality tenants on long leases continue to be sought after by well-funded buyers, but this growing demand has not yet fed through to improved valuations, especially outside London. The small revaluation loss arising over the half year was due to the marginal decline in value of a small number of investment properties with reducing unexpired lease terms. However, the timing of redevelopment proposals for a number of our investment properties means that potential valuation uplifts are expected in the second half of 2013 or the first half of 2014 to compensate for this deficit.

With a view to enhancing long-term investment value and maximising rental income, good progress has been made to reduce voids and manage key investments. In Bromley we have let all but one of our vacant units, in Sheffield city centre, where targeted marketing of refurbished office suites has increased occupation levels and in Warminster, where we have let one of the newly completed retail units and are close to concluding a second letting. In May, the construction of the second phase of the lorry park at our multi-let motorway service station in Kent was completed in line with our expectations. This triggered a re-gear of the operator's lease resulting in an immediate uplift in rental income.



Above The Chocolate Works, York

Property development activities continue to gain momentum with schemes underway on the conversion of the listed County Courthouse in Manchester city centre, where only one 6,000 sq ft restaurant/retail unit remains vacant. Secondly, the conversion of the 56,000 sq ft listed former wire mill in Huddersfield is also well underway and on programme. This is the first project undertaken by the Pennine Property Partnership LLP, a joint venture with Calderdale & Huddersfield NHS Trust, who will take a long lease on this property, which is expected to complete in the second half of 2014.

Terms have been agreed with two parties for the design and build development of new production facilities at Markham Vale and, as we see growing interest in this very well located site, we are hopeful that further contracts will be agreed in the second half of the year. At Beeston, Nottingham, we expect to receive detailed planning permission and exchange lease agreements with a number of new tenants shortly. This will facilitate the redevelopment of our retail scheme, commencing late in 2013 and completing in the second half of 2014 to incorporate the Nottingham tram extension.

We have additional development opportunities that are expected to advance in the second half of the year. These include the development of budget hotels in Malvern and Richmond upon Thames, where we are awaiting the grant of planning consents. The extension of our production facility investment in Stoke where terms to re-gear the lease, including the new extension, are being finalised. The development at Thorne, Doncaster, in partnership with Royal Bank of Scotland, will see infrastructure work begin in the second half of 2013 following the signing of unconditional contracts with Tesco, and we anticipate that more occupier contracts will be exchanged on this site in the second half of the year. In Chesterfield, on a site held in a joint arrangement with Lloyds Bank, we are close to agreeing terms with several occupiers and are targeting a planning application late in 2013. Provided the consent comes through successfully on a timely basis, we forecast completion of this development late in 2014 or early in 2015. Moving into 2014 we hope to secure a mixed-use planning permission for 56 acres of land in Skipton, where we have already exchanged contracts with Sainsbury's for a large foodstore and agreed terms for the development of part of the employment space on the site.

Looking to the future we were very pleased to have completed the purchase of the former Terry's Chocolate Factory in York in the period, together with the immediate onward sale of some 13 acres of the site, with residential planning permission, to a national house builder. We have since secured a revised planning approval for a range of uses for the 270,000 sq ft listed factory, office buildings and adjacent development land and are now progressing the initial interest received from a wide range of prospective occupiers.

At our recently formed house building venture, we are actively selling from four small sites and are trading in line with the internal sales forecasts we set for the year. Furthermore, we have now acquired the sites we expect to sell from next year and are in the process of securing others for the future. At our serviced office property, the first floor is fully occupied and we are now refurbishing the second floor, which is already half let, and expect to complete refurbishing the final two floors in line with demand.

Construction

After carrying a solid order book into 2013, this division has now secured firm orders to achieve our turnover and profit targets for the year. Consequently, we are starting to build order levels for delivery in 2014. Although this is slightly ahead of our expectations, we remain ever cautious regarding the availability of traditional construction work, at acceptable margins, given the current level of austerity and ongoing spending constraints. However, we remain focused and proactive in sourcing work, securing and maintaining our presence on strategic frameworks, negotiating work and improving the level of repeat business, which continues to lead to a healthy level of enquiries. This is particularly true of the private sector where we are seeing a slight improvement in construction activity and pricing.

We have maintained a strong presence in the social housing sector with long-term frameworks in Doncaster for St Leger Homes, Scunthorpe for North Lincolnshire Homes and Manchester for Eastlands Homes. In addition, we are undertaking major select tender schemes for Wakefield District Housing, Hull City Council, Southway Housing Trust, ASRA Housing Group and projects under the EN Procure, YORbuild and Yorkshire Housing frameworks. This sector offers excellent opportunities in the short to medium term.

We are now into the second year of our six year framework with the Ministry of Justice Strategic Alliance Agreement for new-build and refurbishment schemes for HM Prison Service, HM Court and Tribunals Service, National Probation Service and Forensic Science Service in the north of England. We are pleased to report that we have recently secured four new projects to add to the four schemes commenced or completed earlier in the year.

An increase in activity in the commercial, education and leisure sectors has seen successes with Sheffield City Council for the refurbishment of the Moorfoot Building, Manor Development Company for provision of managed workspace in Sheffield, and with Sheffield Hallam University for the construction of a sports centre and playing fields, and the refurbishment of the Collegiate Learning Centre. We have also completed two projects funded by the Football Association at Barwell and Codnor and anticipate further future opportunities from this source.

In the health sector, work continues under a framework agreement with the Sheffield Teaching Hospitals at both the Northern General and Royal Hallamshire Hospitals where we are currently undertaking three schemes. We have also finished the University of Sheffield Medical School refurbishment and are currently refurbishing a five storey mill building to provide clinical and office space in Huddersfield for the Pennine Property Partnership LLP.

Civil engineering opportunities have increased and we, as a supply-chain partner on the 25 year Amey PFI Sheffield Highways scheme, are now delivering a significant number of small civil engineering projects throughout Sheffield. Associated with this work programme, we have recently completed an asphalt recycling/production plant for Aggregate Industries. In the industrial sector, we have secured major projects for Bifrangi UK Ltd in Lincoln to provide a state-of-the-art Screw Press House, works for Tata Steel in Rotherham, the extension and refurbishment of laboratory facility for Smithers Viscient in Harrogate and the completion of works for Lytag Ltd at Drax Power Station.

Within the renewable energy sector, we are working on ground source heat pump schemes for Yorkshire Housing and Berneslai Homes together with several photovoltaic schemes. We have also recently secured other large domestic ground source heat pump project for Berneslai Homes and a solar panel installation scheme for the South Yorkshire Passenger Transport Executive. In the period under review we achieved accreditation under PAS 2030, the BSI standard upon which the Green Deal is built. On the back of this, we have been selected by British Gas to deliver energy efficiency works (ECO schemes) in the North East, North West and Midlands over the next two years.

The Group continues to retain a 61% stake in Road Link (A69), the PFI project to maintain the A69 trunk road between Newcastle and Carlisle. Road Link (A69), which has now completed 17 years of the 30 year contract with the Highways Agency, continues to trade in line with the Board's expectations.

Banner Plant has traded strongly in the period helped by the introduction of access equipment into the Derby unit. This additional investment has helped stimulate demand for complementary items such as telehandlers and forklifts within the depot. It is anticipated that fleet capital expenditure will exceed the depreciation charge in the full year and we anticipate that Banner Plant will produce a higher contribution to Group trading profits this year than 2012.

Outlook

The Group continues to trade in line with the Board's expectations for the year ending 31 December 2013 and taking each business segment in turn we view the outlook as follows:

Land development

With the growing stock of consented sites in our land portfolio, we are in a strong position to market these opportunities over the remainder of 2013, 2014 and beyond. We remain cautiously optimistic regarding the new housing market and the Government initiatives intended to stimulate the growth in demand for new properties. We continue to replenish and expand our acreage and trust that the Government will continue planning reforms so that more land may be brought forward, ensuring a good supply of sites to match the improving demand for new homes.

Chairman's half-yearly review continued

Outlook continued

Property investment and development

The last five years have been a long haul typified by reworking planning permissions, scheme design and construction costs, obtaining new tenants and renegotiating lease terms. Much of this hard work is beginning to pay off as a number of schemes are heading into the development phase and achieving our hurdle rate of return. The property market across the UK is not what it is in London but, with care, profitable development is achievable nationally and we are looking to the future very positively.

Above Transportation for Banner Plant powered access equipment

Construction

Whilst still trading in a challenging marketplace, our construction division continues to trade in line with our expectations for the full year. Work is hard won but we are very happy with our success rate and pricing. Our long-term commitment to replacement investment in plant is having the desired result and provided market demand continues in line with the second half of last year, we are confident of a decent result at the year end.

Group risks and uncertainties

The Directors set out in the 2012 Annual Report and Financial Statements (and reproduced in note 12) the key risks that could have a material effect on our results. The Board does not consider that these risks, which were identified at the time, have changed materially since then. Economic recovery from the recession is muted and the slow pace of recovery seems set to continue. We have been opportunistically acquiring good development sites over several years and hope that the stable growth pattern will allow us to capitalise on these over the coming years. The new planning system has also been in place for two years and continues to evolve and we are interacting positively with it, embracing the change and working well within the new system. Our balance sheet strength and ability to commit funding to land and property development, without recourse to specific external funding, is resulting in a significant number of competitively priced opportunities arising, as evidenced by the further increase in the scale of land and development portfolios in the period. These sites will serve to increase our profit generation capability in future years with upside opportunity should markets improve faster than we currently anticipate.

John Brown
Chairman
22 August 2013

Ian Bayston

Chief Estimator

Ian Bayston is Chief Estimator and has worked for Henry Boot Construction Limited for 40 years.

"40 years man and boy where has it gone? I joined Henry Boot straight from school on 3 September 1973 as a Building Trainee initially doing six monthly periods on site, in planning and in the wages department before finally coming to rest in estimating. In the estimating department I have progressed from Trainee Estimator to Chief Estimator and I now have the responsibility running the department which consists of four other Estimators.

I have always enjoyed my time in estimating; every tender is different and a challenge, liaising with other departments, principally buying, tender planning, engineering services, quantity surveying and senior administration services all working together as a team to deliver a competitive bid by a deadline."

A diverse portfolio

It is its diversity, flexibility and strength of performance that have kept Henry Boot at the forefront of its markets. This is a selection of schemes undertaken recently.

Manchester

Henry Boot Developments Limited

Location Deansgate, Manchester

Type Mixed-use re-development

Size 35,000 sq ft

The former County Court building is situated in an unrivalled location fronting the city's busiest thoroughfare and has been redeveloped to provide modern and attractive retail, leisure and office spaces. Original fixtures such as windows and decorative covings have been retained to add further interest and character to the scheme.

Plant Hire

Banner Plant Limited

Location Chesterfield, Dronfield, Derby, Leeds, Rotherham and Wakefield

Type Plant, temporary accommodation, power tools, powered access, big air compressors and serviced toilets

Size Over 2,800 products

The range of products has constantly evolved to meet customer needs and to fulfil the requirements of modern health and safety legislation. The primary supply area stretches from Yorkshire to the East Midlands.

Sheffield

Henry Boot Construction Limited

Location Moorfoot, Sheffield, South Yorkshire

Type Refurbishment for Sheffield City Council

Size 11 floors of office space for 2,600 employees

The project will deliver vital services upgrades and a refurbishment to the majority of this iconic building previously known as Manpower Services Commission. The works include high specification new internal finishes, suspended ceilings, soft flooring, new partitioning and decoration.

Road Maintenance

Road Link (A69) Limited

Location Cumbria and Northumberland

Type Road operation and maintenance

Size 52 miles of trunk road from Carlisle to Newcastle

A 30 year contract with the Highways Agency to operate and maintain the A69, which is the major east–west all-weather route in the north of England. Works include road resurfacing, bridge repairs, winter preparation and routine maintenance.

Burton upon Trent

Hallam Land Management Limited

Location Beamhill Road, Burton upon Trent, Staffordshire

Type Land promotion

Size Planning for 950 new homes

Planning permission was received in August 2013 for 950 dwellings after promotion of the site began in 2007. The scheme includes a new primary school, sports pitches, dedicated public transport links to the town centre, new bridle paths and new cycle ways. The development will also be served by a local centre with a mix of shops and a healthcare facility.

Colton

Stonebridge Projects Limited

Location Colton, Leeds, West Yorkshire

Type Residential development

Size 11 new homes

Barrowby Gardens, Colton, is a small cul-de-sac development of eleven quality homes. The development consists of four, five and six bedroom detached houses all built with a very high specification. Close to the countryside of Yorkshire, the properties are also located close to the motorway network.

Consolidated statement of comprehensive income (unaudited)

for the half year ended 30 June 2013

	Half year ended 30 June 2013 Unaudited £'000	Half year ended 30 June 2012 Unaudited £'000 (restated*)	Year ended 31 December 2012 Audited £'000 (restated*)
Revenue	**81,830**	43,315	103,147
Cost of sales	**(64,962)**	(31,218)	(75,607)
Gross profit	**16,868**	12,097	27,540
Other income	**15**	14	28
Administrative expenses	**(6,935)**	(6,958)	(13,286)
Pension expenses	**(1,811)**	(1,291)	(2,502)
	8,137	3,862	11,780
(Decrease)/increase in fair value of investment properties	**(512)**	1,776	1,346
Profit on sale of investment properties	**179**	263	1,032
Loss on sale of assets held for sale	**–**	(23)	(11)
Operating profit	**7,804**	5,878	14,147
Finance income	**320**	329	633
Finance costs	**(736)**	(683)	(1,415)
Share of profit/(loss) of joint ventures	**7**	1	(8)
Profit before tax	**7,395**	5,525	13,357
Tax	**(1,817)**	(1,560)	(2,325)
Profit for the period from continuing operations	**5,578**	3,965	11,032
Other comprehensive income/(expense) not being reclassified to profit or loss in subsequent periods:			
Revaluation of Group occupied property	**–**	(35)	(35)
Deferred tax on property revaluations	**–**	38	102
Actuarial gain/(loss) on defined benefit pension scheme	**7,323**	(11,025)	(10,142)
Deferred tax on actuarial (gain)/loss	**(1,684)**	2,457	1,953
Movement in fair value of cash flow hedge	**82**	88	169
Deferred tax on cash flow hedge	**(19)**	(30)	(51)
Total other comprehensive income/(expense) not being reclassified to profit or loss in subsequent periods	**5,702**	(8,507)	(8,004)
Total comprehensive income/(expense) for the period	**11,280**	(4,542)	3,028
Profit for the period attributable to:			
Owners of the Parent Company	**4,723**	2,934	9,114
Non-controlling interests	**855**	1,031	1,918
	5,578	3,965	11,032
Total comprehensive income/(expense) attributable to:			
Owners of the Parent Company	**10,400**	(5,596)	1,064
Non-controlling interests	**880**	1,054	1,964
	11,280	(4,542)	3,028
Basic earnings per ordinary share for the profit attributable to owners of the Parent Company during the period	**3.6p**	2.2p	7.0p
Diluted earnings per ordinary share for the profit attributable to owners of the Parent Company during the period	**3.6p**	2.2p	6.9p

* See note 2.

Consolidated statement of financial position (unaudited)

at 30 June 2013

	30 June 2013 Unaudited £'000	30 June 2012 Unaudited £'000	31 December 2012 Audited £'000
ASSETS			
Non-current assets			
Intangible assets	**8,538**	9,778	9,152
Property, plant and equipment	**17,897**	16,368	16,562
Investment properties	**142,549**	144,994	140,375
Investment in joint ventures	**3**	30	22
Trade and other receivables	**15,364**	15,558	11,538
Deferred tax assets	**6,942**	9,325	8,904
	191,293	196,053	186,553
Current assets			
Inventories	**84,292**	72,413	81,560
Trade and other receivables	**49,653**	35,884	37,268
Cash and cash equivalents	**3,267**	3,140	3,418
Assets classified as held for sale	**—**	—	1,900
	137,212	111,437	124,146
LIABILITIES			
Current liabilities			
Trade and other payables	**55,655**	48,994	51,786
Current tax liabilities	**1,236**	778	438
Borrowings	**36,748**	19,505	19,223
Provisions	**6,243**	8,191	9,384
	99,882	77,468	80,831
NET CURRENT ASSETS	**37,330**	33,969	43,315
Non-current liabilities			
Trade and other payables	**2,297**	2,183	2,244
Borrowings	**5,346**	5,611	6,137
Retirement benefit obligations	**22,277**	32,653	30,533
Provisions	**10,148**	12,279	9,051
	40,068	52,726	47,965
NET ASSETS	**188,555**	177,296	181,903
EQUITY			
Share capital	**13,510**	13,510	13,510
Property revaluation reserve	**3,271**	3,357	3,271
Retained earnings	**167,260**	156,262	160,692
Other reserves	**3,535**	3,460	3,497
Cost of shares held by ESOP trust	**(211)**	(536)	(444)
Equity attributable to owners of the Parent Company	**187,365**	176,053	180,526
Non-controlling interests	**1,190**	1,243	1,377
Total equity	**188,555**	177,296	181,903

Consolidated statement of changes in equity (unaudited)

at 30 June 2013

	Attributable to owners of the Parent Company							
	Share capital £'000	Property revaluation reserve £'000	Retained earnings £'000	Other reserves £'000	Cost of shares held by ESOP trust £'000	Total £'000	Non-controlling interests £'000	Total equity £'000
At 1 January 2012	13,510	3,354	165,093	3,425	(601)	184,781	1,256	186,037
Profit for the period (restated)	—	—	2,934	—	—	2,934	1,031	3,965
Other comprehensive income/(expense) (restated)	—	3	(8,568)	35	—	(8,530)	23	(8,507)
Total comprehensive income/(expense)	—	3	(5,634)	35	—	(5,596)	1,054	(4,542)
Equity dividends	—	—	(3,398)	—	—	(3,398)	(1,067)	(4,465)
Share-based payments	—	—	201	—	65	266	—	266
	—	—	(3,197)	—	65	(3,132)	(1,067)	(4,199)
At 30 June 2012 (unaudited)	13,510	3,357	156,262	3,460	(536)	176,053	1,243	177,296
At 1 January 2012	13,510	3,354	165,093	3,425	(601)	184,781	1,256	186,037
Profit for the period (restated)	—	—	9,114	—	—	9,114	1,918	11,032
Other comprehensive income/(expense) (restated)	—	67	(8,189)	72	—	(8,050)	46	(8,004)
Total comprehensive income	—	67	925	72	—	1,064	1,964	3,028
Equity dividends	—	—	(5,760)	—	—	(5,760)	(1,843)	(7,603)
Proceeds on disposal of treasury shares	—	—	—	—	16	16	—	16
Purchase of treasury shares	—	—	—	—	(79)	(79)	—	(79)
Transfer to retained earnings	—	(150)	150	—	—	—	—	—
Share-based payments	—	—	284	—	220	504	—	504
	—	(150)	(5,326)	—	157	(5,319)	(1,843)	(7,162)
At 31 December 2012 (audited)	13,510	3,271	160,692	3,497	(444)	180,526	1,377	181,903
Profit for the period	—	—	4,723	—	—	4,723	855	5,578
Other comprehensive income	—	—	5,639	38	—	5,677	25	5,702
Total comprehensive income	—	—	10,362	38	—	10,400	880	11,280
Equity dividends	—	—	(3,797)	—	—	(3,797)	(1,067)	(4,864)
Proceeds on disposal of treasury shares	—	—	—	—	4	4	—	4
Share-based payments	—	—	3	—	229	232	—	232
	—	—	(3,794)	—	233	(3,561)	(1,067)	(4,628)
At 30 June 2013 (unaudited)	**13,510**	**3,271**	**167,260**	**3,535**	**(211)**	**187,365**	**1,190**	**188,555**

Consolidated statement of cash flows (unaudited)

for the half year ended 30 June 2013

	Half year ended 30 June 2013 Unaudited £'000	Half year ended 30 June 2012 Unaudited £'000 (restated)	Year ended 31 December 2012 Audited £'000 (restated)
Cash flows from operating activities			
Operating profit	7,804	5,878	14,147
Adjustments for non-cash items:			
Amortisation of PFI asset	567	566	1,131
Goodwill impairment	102	102	203
Depreciation of property, plant and equipment	1,522	1,511	2,996
Impairment losses on land and buildings	—	71	75
Revaluation decrease/(increase) in investment properties	512	(1,776)	(1,346)
Amortisation of capitalised letting fees	35	8	37
Share-based payment expense	232	251	504
Pension scheme credit	(933)	(1,021)	(2,257)
Loss on disposal of assets held for sale	—	23	11
Gain on disposal of property, plant and equipment	(185)	(145)	(333)
Gain on disposal of investment properties	(179)	(263)	(1,032)
Operating cash flows before movements in working capital	9,477	5,205	14,136
Increase in inventories	(2,671)	(10,294)	(19,376)
(Increase)/decrease in receivables	(13,816)	2,282	7,520
Increase/(decrease) in payables	1,742	(3,644)	(2,973)
Cash generated from operations	(5,268)	(6,451)	(693)
Interest paid	(567)	(595)	(1,135)
Tax paid	(760)	(2,235)	(3,381)
Net cash flows from operating activities	(6,595)	(9,281)	(5,209)
Cash flows from investing activities			
Purchase of intangible assets	(55)	(29)	(69)
Purchase of property, plant and equipment	(2,845)	(2,521)	(4,506)
Purchase of investment property	(3,939)	(6,025)	(10,429)
Proceeds on disposal of property, plant and equipment	299	303	620
Proceeds on disposal of investment properties	588	1,309	6,579
Proceeds on disposal of assets held for sale	450	964	964
Dividends received from joint ventures	25	—	—
Interest received	29	13	33
Net cash flows from investing activities	(5,448)	(5,986)	(6,808)
Cash flows from financing activities			
Purchase of treasury shares	—	—	(79)
Proceeds on disposal of treasury shares	4	15	16
Decrease in borrowings	(761)	(4,610)	(11,222)
Increase in borrowings	12,259	20,364	30,077
Dividends paid – ordinary shares	(3,787)	(3,388)	(5,739)
– non-controlling interests	(1,067)	(1,067)	(1,843)
– preference shares	(10)	(10)	(21)
Net cash flows from financing activities	6,638	11,304	11,189
Net decrease in cash and cash equivalents	(5,405)	(3,963)	(828)
Net cash and cash equivalents at beginning of period	3,418	4,246	4,246
Net cash and cash equivalents at end of period	(1,987)	283	3,418
Analysis of net debt:			
Cash and cash equivalents	3,267	3,140	3,418
Bank overdrafts	(5,254)	(2,857)	—
Net cash and cash equivalents	(1,987)	283	3,418
Bank loans	(33,720)	(19,943)	(22,331)
Related party loans	(200)	(200)	(200)
Government loans	(2,920)	(2,116)	(2,829)
Net debt	(38,827)	(21,976)	(21,942)

Notes to the condensed financial statements

for the half year ended 30 June 2013

1. General information

The Company is a public limited company which is listed on the London Stock Exchange and incorporated and domiciled in the United Kingdom. The address of its registered office is Banner Cross Hall, Ecclesall Road South, Sheffield, United Kingdom S11 9PD.

The financial information set out on pages 8 to 11 does not comprise statutory accounts within the meaning of Section 434 of the Companies Act 2006 and is neither audited nor reviewed. The Financial Statements for the year ended 31 December 2012, which were prepared under IFRS as adopted by the European Union, have been reported on by the Group's auditors and delivered to the Registrar of Companies. The Independent Auditors' Report was unqualified and did not contain any statement under Section 498 (2) or (3) of the Companies Act 2006.

2. Basis of preparation and accounting policies

The half-yearly financial information has been prepared in accordance with the Disclosure and Transparency Rules of the Financial Services Authority and with IAS 34 'Interim Financial Reporting' as adopted by the European Union.

The Company meets its day-to-day working capital requirements through a secured loan facility, which includes an overdraft facility, and was renewed on 7 May 2012 for a period of three years. The current economic conditions create uncertainty for all businesses over a number of risk areas. As part of their regular going concern review the Directors specifically address all the risk areas that they consider material to the assessment of going concern. The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and thus they continue to adopt the going concern basis of accounting in preparing the half-yearly financial information.

The preparation of half-yearly financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing these half-yearly Financial Statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated Financial Statements for the year ended 31 December 2012.

The half-yearly financial information has been prepared using the same accounting policies and methods of computation as compared with the annual Financial Statements for the year ended 31 December 2012, except for as described below:

The following standards and interpretations are mandatory for the first time for the financial year ending 31 December 2013:

		Effective from
IFRIC 20 (issued 2011)	'Stripping Costs in the Production Phase of a Surface Mine'	1 January 2013
IAS 12 (amended 2010)	'Deferred Tax: Recovery of Underlying Assets'	1 January 2013
IAS 19 (amended 2011)	'Employee Benefits'	1 January 2013
IAS 27 (issued 2011)	'Separate Financial Statements'	1 January 2013*
IAS 28 (issued 2011)	'Investments in Associates and Joint Ventures'	1 January 2013*
IFRS 1 (amended 2010)	'Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters'	1 January 2013
IFRS 1 (amended 2012)	'Government Loans'	1 January 2013
IFRS 7 (amended 2011)	'Disclosures – Offsetting Financial Assets and Financial Liabilities'	1 January 2013
IFRS 10 (issued 2012)	'Transition Guidance'	1 January 2013*
IFRS 11 (issued 2012)	'Transition Guidance'	1 January 2013*
IFRS 12 (issued 2012)	'Transition Guidance'	1 January 2013*
IFRS 13 (issued 2011)	'Fair Value Measurement'	1 January 2013

* Not yet endorsed by the EU.

With the exception of IAS 19 (amended 2011) the adoption of these standards and interpretations has not had a significant impact on the Group.

The adoption of IAS 19 (amended 2011) has resulted in an increase in the pension expense of approximately £792,000 in the period, £288,000 in the prior period and £546,000 in the year to 31 December 2012. The period to 30 June 2012 and the year to 31 December 2012 have been restated to reflect these changes. The changes have had no impact on the overall reserves or the Consolidated Statement of Financial Position for these periods.

The Group did not early adopt any new or amended standards and does not plan to early adopt any of the standards issued but not yet effective.

3. Segment information

For the purpose of the Board making strategic decisions, the Group is currently organised into three operating segments: Property investment and development; Land development; and Construction. Group overheads are not a reportable segment; however, information about them is considered by the Board in conjunction with the reportable segments.

Operations are carried out entirely within the United Kingdom.

Inter-segment sales are charged at prevailing market prices.

The accounting policies of the reportable segments are the same as the Group's accounting policies as detailed above.

Segment profit represents the profit earned by each segment before tax and is consistent with the measure reported to the Group's Board for the purpose of resource allocation and assessment of segment performance.

	Half year ended 30 June 2013 Unaudited					
Revenue	**Property investment and development £'000**	**Land development £'000**	**Construction £'000**	**Group overheads £'000**	**Eliminations £'000**	**Total £'000**
External sales	20,825	19,355	41,650	—	—	81,830
Inter-segment sales	151	—	1,714	319	(2,184)	—
Total revenue	20,976	19,355	43,364	319	(2,184)	81,830
Operating profit/(loss)	1,261	5,645	3,059	(2,167)	6	7,804
Finance income	709	440	683	4,075	(5,587)	320
Finance costs	(3,484)	(741)	(294)	(1,804)	5,587	(736)
Share of profits of joint ventures	7	—	—	—	—	7
Profit/(loss) before tax	(1,507)	5,344	3,448	104	6	7,395
Tax	303	(1,242)	(853)	(24)	(1)	(1,817)
Profit/(loss) for the period	(1,204)	4,102	2,595	80	5	5,578

	Half year ended 30 June 2012 Unaudited					
Revenue	Property investment and development £'000	Land development £'000	Construction £'000	Group overheads £'000 (restated)	Eliminations £'000	Total £'000 (restated)
External sales	6,573	882	35,860	—	—	43,315
Inter-segment sales	154	—	672	319	(1,145)	—
Total revenue	6,727	882	36,532	319	(1,145)	43,315
Operating profit/(loss)	4,024	166	3,513	(1,825)	—	5,878
Finance income	643	318	681	3,794	(5,107)	329
Finance costs	(3,228)	(511)	(324)	(1,727)	5,107	(683)
Share of profits of joint ventures	1	—	—	—	—	1
Profit/(loss) before tax	1,440	(27)	3,870	242	—	5,525
Tax	(50)	(8)	(975)	(484)	(43)	(1,560)
Profit/(loss) for the period	1,390	(35)	2,895	(242)	(43)	3,965

Notes to the condensed financial statements continued

for the half year ended 30 June 2013

3. Segment information continued

Revenue	Property investment and development £'000	Land development £'000	Construction £'000	Group overheads £'000 (restated)	Eliminations £'000	Total £'000 (restated)
	Year ended 31 December 2012 Audited					
External sales	15,361	8,750	79,036	—	—	103,147
Inter-segment sales	299	—	951	552	(1,802)	—
Total revenue	15,660	8,750	79,987	552	(1,802)	103,147
Operating profit/(loss)	7,355	2,329	7,888	(3,438)	13	14,147
Finance income	1,334	742	1,355	10,558	(13,356)	633
Finance costs	(6,769)	(1,080)	(634)	(3,533)	10,601	(1,415)
Share of profit of joint ventures	(8)	—	—	—	—	(8)
Profit/(loss) before tax	1,912	1,991	8,609	3,587	(2,742)	13,357
Tax	2,284	(466)	(2,102)	(1,933)	(108)	(2,325)
Profit/(loss) for the year	4,196	1,525	6,507	1,654	(2,850)	11,032

	30 June 2013 Unaudited £'000	30 June 2012 Unaudited £'000	31 December 2012 Audited £'000
Segment assets			
Property investment and development	**173,819**	165,972	167,760
Land development	**110,035**	97,869	101,445
Construction	**32,142**	28,560	26,497
Group overheads and other	**2,300**	2,624	2,675
	318,296	295,025	298,377
Unallocated assets			
Deferred tax assets	**6,942**	9,325	8,904
Cash and cash equivalents	**3,267**	3,140	3,418
Total assets	**328,505**	307,490	310,699
Segment liabilities			
Property investment and development	**4,903**	4,907	4,331
Land development	**21,289**	23,515	23,808
Construction	**46,062**	42,003	42,354
Group overheads and other	**2,089**	1,222	1,972
	74,343	71,647	72,465
Unallocated liabilities			
Current tax liabilities	**1,236**	778	438
Current borrowings	**36,748**	19,505	19,223
Non-current borrowings	**5,346**	5,611	6,137
Retirement benefit obligations	**22,277**	32,653	30,533
Total liabilities	**139,950**	130,194	128,796
Total net assets	**188,555**	177,296	181,903

4. Earnings per ordinary share

Earnings per ordinary share is calculated on the weighted average number of shares in issue. Diluted earnings per ordinary share is calculated on the weighted average number of shares in issue adjusted for the effects of any dilutive potential ordinary shares.

5. Dividends

	Half year ended 30 June 2013 Unaudited £'000	Half year ended 30 June 2012 Unaudited £'000	Year ended 31 December 2012 Audited £'000
Amounts recognised as distributions to equity holders in year:			
Preference dividend on cumulative preference shares	**10**	10	21
Interim dividend for the year ended 31 December 2012 of 1.80p per share (2011: 1.65p)	**—**	—	2,351
Final dividend for the year ended 31 December 2012 of 2.90p per share (2011: 2.60p)	**3,787**	3,388	3,388
	3,797	3,398	5,760

An interim dividend amounting to £2,551,000 (2012: £2,347,000) will be paid on 25 October 2013 to shareholders whose names are on the register at the close of business on 27 September 2013. The proposed interim dividend has not been approved at the date of the Consolidated Statement of Financial Position and so has not been included as a liability in these Financial Statements.

6. Tax

	Half year ended 30 June 2013 Unaudited £'000	Half year ended 30 June 2012 Unaudited £'000 (restated)	Year ended 31 December 2012 Audited £'000 (restated)
Current tax:			
UK corporation tax on profits for the year	**1,534**	1,065	2,079
Adjustment in respect of earlier years	**24**	(10)	(217)
Total current tax	**1,558**	1,055	1,862
Deferred tax:			
Origination and reversal of temporary differences	**259**	505	699
Adjustment in respect of earlier years	**—**	—	(236)
Total deferred tax	**259**	505	463
Total tax	**1,817**	1,560	2,325

Corporation tax is calculated at 23.25% (2012: 24.5%) of the estimated assessable profit, for the period, being management's estimate of the weighted average corporation tax rate for the period.

Deferred tax balances at the period end have been measured at 23% (June 2012: 24%), being the rate expected to be applicable at the date the actual tax will arise.

Further reductions to the UK tax rate were announced in the 2012 Autumn Statement and the March 2013 Budget and were substantively enacted as part of the Finance Bill 2013 on 2 July 2013. The changes propose to reduce the rate to 21% from 1 April 2014 and to 20% from 1 April 2015. These changes had not been substantively enacted at the Statement of Financial Position date and, therefore, are not recognised in these financial statements. The impact of this change on the deferred tax position of the Group is not expected to be material.

Notes to the condensed financial statements continued

for the half year ended 30 June 2013

7. Investment properties

At 30 June 2013, the Group had entered into contractual commitments for the acquisition and repair of investment property amounting to £3,558,000 (31 December 2012: £3,472,000).

8. Borrowings

	Half year ended 30 June 2013 Unaudited £'000	Half year ended 30 June 2012 Unaudited £'000	Year ended 31 December 2012 Audited £'000
Bank overdrafts	5,254	2,857	—
Bank loans	33,720	19,943	22,331
Government loans	2,920	2,116	2,829
Loans from related parties	200	200	200
	42,094	25,116	25,360

Movements in borrowings are analysed as follows:

	£'000
At 1 January 2013	25,360
Secured bank loans	12,000
Repayment of secured bank loans	(611)
Government loans	241
Repayment of Government loans	(150)
Movement in bank overdrafts	5,254
At 30 June 2013	42,094

9. Provisions for liabilities and charges

Since 31 December 2012 the following movements on provisions for liabilities and charges have occurred:

- the road maintenance provision represents management's best estimate of the Group's liability under a five year rolling programme for the maintenance of the Group's PFI asset. During the period £641,000 has been utilised and additional provisions of £622,000 have been made, all of which were due to normal operating procedures; and
- the Land development provision represents management's best estimate of the Group's liability to provide infrastructure and services to land which has been disposed of. During the period £1,837,000 has been utilised, additional provisions of £120,000 have been made and £55,000 has been reversed due to non-utilisation.

10. Defined benefit pension scheme

The assumptions that have been used in the calculations of the defined benefit pension scheme by its actuary were as follows:

	30 June 2013 %	30 June 2012 %	31 December 2012 %
Retail Prices Index (RPI)	2.75	2.75	2.75
Consumer Prices Index (CPI)	2.00	2.00	2.00
Pensionable salary increases	1.00	1.00	1.00
Rate in increase to pensions in payment liable for Limited Price Indexation (LPI)	2.75	2.75	2.75
Revaluation of deferred pensions	2.00	2.00	2.00
Liabilities discount rate	4.80	4.55	4.45
Expected rate of return on scheme assets (restated)	4.80	4.55	4.45

10. Defined benefit pension scheme continued

Amounts recognised in the Consolidated Statement of Comprehensive Income in respect of the scheme are as follows:

	Half year ended 30 June 2013 Unaudited £'000	Half year ended 30 June 2012 Unaudited £'000 (restated*)	Year ended 31 December 2012 Audited £'000 (restated*)
Current service cost	**(596)**	(407)	(784)
Ongoing scheme expenses	**(199)**	(158)	(273)
Net interest expense	**(654)**	(540)	(1,051)
Pension Protection Fund	**(103)**	(69)	(86)
Pension expenses	**(1,552)**	(1,174)	(2,194)

The amount included in the Statement of Financial Position arising from the Group's obligations in respect of the scheme is as follows:

	Half year ended 30 June 2013 Unaudited £'000	Half year ended 30 June 2012 Unaudited £'000	Year ended 31 December 2012 Audited £'000
Present value of scheme obligations	**153,628**	155,236	157,233
Fair value of scheme assets	**(131,351)**	(122,583)	(126,700)
	22,277	32,653	30,533

* See note 2.

11. Related party transactions

There have been no material transactions with related parties during the period.

There have been no material changes to the related party arrangements as reported in note 29 of the Annual Report and Financial Statements for the year ended 31 December 2012.

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

12. Key risks

In common with all organisations, the Group faces risks which may affect its performance. These are general in nature and include: obtaining business on competitive terms, retaining key personnel, successful integration of new business streams and market competition.

The Group operates a system of internal control and risk management in order to provide assurance that we are managing risk whilst achieving our business objectives. No system can fully eliminate risk and therefore the understanding of operational risk is central to the management process within Henry Boot. The long-term success of the Group depends on the continual review, assessment and control of the key business risks it faces.

The Directors do not consider that the principal risks and uncertainties have changed since the publication of the Annual Report for the year ended 31 December 2012. To enable shareholders to appreciate what the business considers are the main operational risks, they are briefly outlined below:

Development

- Not developing marketable assets for both tenants and the investment market on time and cost effectively.
- Rising market yields on completion making development uneconomic.
- Construction and tenant risk which is not matched by commensurate returns on development projects.

Notes to the condensed financial statements continued

for the half year ended 30 June 2013

12. Key risks continued

Land

- The inability to source, acquire and promote land would have a detrimental effect on the Group's strategic land bank and income stream.
- Prices may be affected by changes in Government policy, legislation, planning environment and taxation.
- A dramatic change in house builder funding sentiment and demand for housing can have a marked change on the demand and pricing profile for land.

Investments

- Identifying and retaining assets which have the best opportunity for long-term rental and capital growth or, conversely, selling those assets where capital values have been maximised.

Interest rates

- Significant upward changes in interest rates affect interest costs, yields and asset prices and reduce demand for commercial and residential property.

Treasury

- The lack of readily available funding to either the Group or third parties to undertake property transactions can have a significant impact on the marketplace in which the Group operates.

Planning

- Increased complexity, cost and delay in the planning process may slow down the project pipeline.
- The recent significant change in demand for housing and the attendant decline in land prices may have a detrimental effect on the supply of land being brought to market by landowners.
- Changes in Government or Government policy, as happened in 2010, towards planning policies could impact on the speed of the consent process or the value of sites.

Personnel

- Attraction and retention of the highest calibre people with the appropriate experience is crucial to our long-term growth in the highly competitive labour markets in which the Group works.

Pension

- The Group operates a defined benefit pension scheme which has been closed to new members for some time. Whilst the trustees have a prudent approach to the mix of both return seeking and fixed interest assets, times of economic instability can have an impact on those asset values with the result that the reported pension deficit increases. Furthermore, the relationship between implied inflation and long-term gilt yields has a major impact on the pension deficit and the business has little control over those variables.

Environmental

- The Group is inextricably linked to the property sector and environmental considerations are paramount to our success.
- Stricter environmental legislation will increase development and house building costs and therefore could impact on profitability if capital and land values do not increase to reflect this more efficient energy performance.

Economic

- The Group operates solely in the UK and is closely allied to the real estate, house building and construction sectors. A strong economy with strong tenant demand is vital to create long-term growth in rental and asset values, whilst at the same time creating a healthy market for the construction and plant hire divisions. The much publicised reductions in public spending, the more difficult planning regime and comparatively low levels of property lending could have an impact on the Group's business.

Counterparty

- Depends on the stability of customers, suppliers, funders and development partners to achieve success.

13. Approval

At the Board meeting on 22 August 2013 the Directors formally approved the issue of these statements.

Responsibility statements of the directors

We confirm that to the best of our knowledge:

a) the unaudited Condensed Consolidated Financial Statements have been prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the European Union;

b) the Half-yearly Report includes a fair review of the information required by Section DTR 4.2.7R (indication of important events during the first six months and description of principal risks and uncertainties for the remaining six months of the year); and

c) the Half-yearly Report includes a fair review of the information required by Section DTR 4.2.8R (disclosure of related parties transactions and changes therein).

The Directors of Henry Boot PLC are listed in the Henry Boot PLC Annual Report for the year ended 31 December 2012. A list of current Directors is maintained on the Henry Boot PLC Group website: www.henryboot.co.uk.

On behalf of the Board

E J Boot
Director
22 August 2013

J T Sutcliffe
Director
22 August 2013

Company information

Henry Boot PLC

Registered office:
Banner Cross Hall
Ecclesall Road South
Sheffield S11 9PD
United Kingdom

Registered in England and Wales
No. 160996

t: 0114 255 5444
f: 0114 258 5548
e: cosec@henryboot.co.uk
www.henryboot.co.uk

Non-Executive Chairman
John Brown

Executive Directors
Jamie Boot
John Sutcliffe

Non-Executive Directors
Michael Gunston
James Sykes

Company Secretary
Russell Deards

Financial calendar

London Stock Exchange announcements

Half-yearly Results 2013:
23 August 2013

Second 2013 Interim Management Statement:
15 November 2013

Financial year end:
31 December 2013

Pre-close Trading Update 2013:
24 January 2014

Preliminary statement of results 2013:
27 March 2014

Half-yearly Report and Annual Report and Financial Statements 2013

Half-yearly Report 2013:
6 September 2013

Annual Report and Financial Statements 2013:
17 April 2014

First 2014 Interim Management Statement:
16 May 2014

Dividend paid on ordinary shares

2013 interim:
25 October 2013

Annual General Meeting

22 May 2014

Advisers

Chartered Accountants and Statutory Auditors
PricewaterhouseCoopers LLP
1 East Parade
Sheffield S1 2ET

Corporate Finance
KPMG Corporate Finance
1 The Embankment
Neville Street
Leeds LS1 4DW

Financial PR
Tooleystreet Communications Limited
Regency Court
68 Caroline Street
Birmingham B3 1UG

Bankers
Barclays Bank PLC
1 St Paul's Place
121 Norfolk Street
Sheffield S1 2JW

Lloyds TSB Bank plc
14 Church Street
Sheffield S1 1HP

The Royal Bank of Scotland plc
2 Whitehall Quay
Leeds LS1 4HR

Registrars
Capita Registrars Limited
The Registry
34 Beckenham Road
Beckenham
Kent BR3 4TU

Solicitors
DLA Piper UK LLP
1 St Paul's Place
Sheffield S1 2JX

Stockbrokers
Investec Bank plc
2 Gresham Street
London EC2V 7QP

Front cover

Top (left to right)

Anna Rodman, Secretary, Henry Boot Developments Limited (5 years' service)
David Hogg, Project Buyer, Henry Boot Construction Limited (28 years' service)
Rachel White, Group HR Manager, Henry Boot PLC (11 years' service)

Bottom (left to right)

Will Moroney, Senior Management Surveyor, Henry Boot Developments Limited (8 years' service)
Sally Adlen, Senior Planner, Hallam Land Management Limited (3 years' service)
Jonathan Watkins, Assistant Site Manager, Henry Boot Construction Limited (6 years' service)

Inside front cover

Property

Vicky Chipp, Property Intern, Henry Boot Developments Limited (1 year's service)

Land

Anthony Greaves, Area Manager, Hallam Land Management Limited (9 years' service)
Paul Burton, Director, Hallam Land Management Limited (13 years' service)

Construction

Richard Shepherd, Assistant Site Manager, Henry Boot Construction Limited (5 years' service)
Geoff Rusby, Foreman, Henry Boot Construction Limited (32 years' service)
Mathew Clarke, Site Manager, Henry Boot Construction Limited (13 years' service)

Plant

Gary Crofts, Depot Manager, Banner Plant Limited (17 years' service)
Tom Harrott, Apprentice Fitter, Banner Plant Limited (1 year's service)

designed and produced by
the design portfolio marketing services.
www.design-portfolio.co.uk

MIX
Paper from responsible sources
FSC www.fsc.org
FSC® C022913

The commitment of the Henry Boot Group to environmental issues is reflected in this Half-yearly Report. The report has been printed on Splendorgel EW which is FSC® (Forest Stewardship Council) certified. It has been printed by a Carbon Neutral® certified printer using their environmental print technology which minimises the impact of the printing on the environment. Vegetable-based inks have been used and 99% of dry waste is diverted from landfill.

Henry Boot

Further copies of the 2013
Half-yearly Report may be obtained
from the Company Secretary.

Henry Boot PLC
Registered office:
Banner Cross Hall
Ecclesall Road South
Sheffield S11 9PD
United Kingdom

Registered in England and Wales No. 160996

t: 0114 255 5444
f: 0114 258 5548
e: cosec@henryboot.co.uk
www.henryboot.co.uk

INVESTORS IN PEOPLE

London Stock Exchange
LISTED
PREMIUM

South Yorkshire Community Foundation
the charitable heart of the region