



# Pochin's PLC

Half year report for the six months to 30 November 2011

**Pochin's PLC  
(the "Group")**

**Half year report for the six months to 30 November 2011**

**Headlines**

- Revenue from continuing operations £30.7m (2010: £37.0m)
- Profit after tax from continuing operations £0.49m (2010: £0.03m)
- Net loss (including discontinued operations) £0.33m (2010: £0.49m loss)

**Chairman's Statement**

The results for the 6 months ended 30 November 2011 show a profit after tax from continuing activities of £0.485m (2010: £0.027m) and a loss from discontinued activities of £0.817m (2010: £0.516m loss), which combine in an overall loss for the period of £0.332m (2010: £0.489m loss). Revenue for the period from continuing activities was £30.722m; the comparable figure for 2010 was £37.035m, which included a c£11m property disposal. No interim dividend is proposed.

**Concrete Pumping**

The decision to dispose of the loss making concrete pumping business was announced with the results for the year ending 31 May 2011. This division, whose activities are now classified as discontinued, have benefited from improved cost control and operational efficiencies, and a reasonably mild winter, with the result that the level of ongoing losses has been contained, albeit with additional provision made for costs of disposal. Meanwhile the disposal process is at an advanced stage, with completion expected shortly.

**Construction**

This division has performed well in testing market conditions with improved results compared to the corresponding period last year. While it remains particularly difficult to win new work in a fiercely competitive market, highly valued established clients continue to provide good opportunities which should enable this division to maintain its improved performance in the second half of the year.

**Property**

Rental income from the core investment portfolio has remained strong. The regional commercial property market shows signs of renewed weakness which may have a further impact on values during 2012. These conditions are adversely affecting development land values in particular, and they inhibit the Group's planned disposals of non-core assets.

**Group**

During this period, the Group put into effect the agreement to reduce substantially its guarantee commitments to joint venture companies. While this did not affect the profit, it did give rise to a £5m increase in net indebtedness. Other than in this respect, the Group is maintaining a stable cash position and is entering discussions with its principal banker, The Royal Bank of Scotland, over suitable facilities to take effect following its withdrawal from the concrete pumping activity.

In summary, the Group's property rental income and ongoing construction activities have performed creditably in difficult market conditions. Prospects for commercial property values remain a concern, as do those for an early return to profitable development activity. The second half of the year should see the disposal of the concrete pumping business, leaving the remaining divisions seeking to benefit from their established position in the challenging regional market.

Richard Fildes  
Chairman

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## Consolidated income statement

	<b>6 months ended 30 November 2011</b>	6 months ended 30 November 2010 (re-presented)	12 months ended 31 May 2011
	<b>£'000</b>	£'000	£'000
Revenue	<b>30,722</b>	37,035	59,283
Cost of sales	<b>(29,066)</b>	(33,489)	(52,580)
<b>Gross profit</b>	<b>1,656</b>	3,546	6,703
Operating expenses	<b>(2,444)</b>	(4,000)	(8,501)
Other operating income	<b>1,641</b>	1,341	2,891
Gains on revaluation of investment properties	-	-	(135)
<b>Operating profit</b>	<b>853</b>	887	958
Share of profit/(loss) after taxation in joint ventures	<b>206</b>	(315)	587
Share of profit after taxation in associates	-	32	87
Finance income	<b>655</b>	682	1,115
Finance cost	<b>(1,203)</b>	(1,239)	(2,103)
<b>Profit before taxation</b>	<b>511</b>	47	644
Taxation	<b>(26)</b>	(20)	289
<b>Profit for the period from continuing operations</b>	<b>485</b>	27	933
<b>Discontinued operations</b>			
Loss for the period from discontinued operations	<b>(817)</b>	(516)	(4,372)
<b>Loss for the period</b>	<b>(332)</b>	(489)	(3,439)
<b>Attributable to:</b>			
Equity holders of the company	<b>(351)</b>	(508)	(3,477)
Minority interest	<b>19</b>	19	38
	<b>(332)</b>	(489)	(3,439)
<b>Basic and diluted earnings/(loss) per share</b>			
from continuing operations	<b>2.4p</b>	0.1p	4.6p
from discontinued operations	<b>(4.0p)</b>	(2.5p)	(21.5p)
<b>Total</b>	<b>(1.6p)</b>	(2.4p)	(16.9p)

## Consolidated statement of comprehensive income

	6 months ended 30 November 2011 £'000	6 months ended 30 November 2010 £'000	12 months ended 31 May 2011 £'000
<b>Loss for the period</b>	<b>(332)</b>	<b>(489)</b>	<b>(3,439)</b>
Actuarial (losses) /gains	<b>(1,003)</b>	206	1,521
Deferred tax on actuarial gains and losses	<b>261</b>	(58)	(449)
Cash flow hedging:			
Current period fair value movement	<b>(223)</b>	282	1,662
Reclassification to profit or loss	-	-	(1,013)
Deferred taxation on cash flow hedging	<b>58</b>	(236)	(350)
<b>Total comprehensive income for the period</b>	<b>(1,239)</b>	<b>(295)</b>	<b>(2,068)</b>
Attributable to non controlling interests	<b>19</b>	19	38
Attributable to owners of the parent	<b>(1,258)</b>	(314)	(2,106)
	<b>(1,239)</b>	<b>(295)</b>	<b>(2,068)</b>

## Consolidated statement of changes in equity

	Share capital	Own shares	Revaluation reserve	Hedge reserve	Retained earnings	Total attributable to owners of the parent	Non-controlling Interest
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 1 June 2011	5,200	(745)	2,265	(580)	17,428	23,568	216
Equity dividend	-	-	-	-	-	-	(38)
Transactions with owners	-	-	-	-	-	-	(38)
Loss for the period	-	-	-	-	(351)	(351)	19
<b>Other comprehensive income</b>							
Actuarial losses	-	-	-	-	(1,003)	(1,003)	-
Deferred tax on pension scheme deficit	-	-	-	-	261	261	-
Cash flow hedging:							
current period fair value movements	-	-	-	(223)	-	(223)	-
Deferred tax on cash flow hedging	-	-	-	-	58	58	-
Total comprehensive income for the period	-	-	-	(223)	(1,035)	(1,258)	19
At 30 November 2011	5,200	(745)	2,265	(803)	16,393	22,310	197

  

	Share capital	Own shares	Revaluation reserve	Hedge reserve	Retained earnings	Total attributable to owners of the parent	Non-controlling Interest
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 1 June 2010	5,200	(745)	2,265	(1,229)	20,202	25,693	219
Equity dividend	-	-	-	-	-	-	(41)
Transactions with owners	-	-	-	-	-	-	(41)
Loss for the period	-	-	-	-	(508)	(508)	19
<b>Other comprehensive income</b>							
Actuarial gains	-	-	-	-	206	206	-
Deferred tax on pension scheme deficit	-	-	-	-	(58)	(58)	-
Cash flow hedging:							
current period fair value movements	-	-	-	282	-	282	-
Deferred tax on cash flow hedging	-	-	-	-	(236)	(236)	-
Total comprehensive income for the period	-	-	-	282	(596)	(314)	19
At 30 November 2010	5,200	(745)	2,265	(947)	19,606	25,379	197

  

	Share capital	Own shares	Revaluation reserve	Hedge reserve	Retained earnings	Total attributable to owners of the parent	Non-controlling Interest
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 1 June 2010	5,200	(745)	2,265	(1,229)	20,202	25,693	219
Cost of share based payments	-	-	-	-	(19)	(19)	-
Equity dividend	-	-	-	-	-	-	(41)
Transactions with owners	-	-	-	-	(19)	(19)	(41)
Loss for the period	-	-	-	-	(3,477)	(3,477)	38
<b>Other comprehensive income</b>							
Actuarial gains	-	-	-	-	1,521	1,521	-
Deferred tax on pension scheme deficit	-	-	-	-	(449)	(449)	-
Cash flow hedging:							
current period fair value movements	-	-	-	1,662	-	1,662	-
reclassification adjustment–disposal of cash flow hedge	-	-	-	(1,013)	-	(1,013)	-
Deferred tax on cash flow hedging	-	-	-	-	(350)	(350)	-
Total comprehensive income for the period	-	-	-	649	(2,755)	(2,106)	38
At 31 May 2011	5,200	(745)	2,265	(580)	17,428	23,568	216

## Consolidated balance sheet

	As at 30 November 2011 £'000	As at 30 November 2010 £'000	As at 31 May 2011 £'000
<b>Non current assets</b>			
Property, plant and equipment	3,749	5,039	3,808
Investment properties	32,980	29,116	32,980
Investments			
Joint ventures	4,653	4,505	4,544
Associates	-	1,426	500
Available for sale	960	2,567	1,244
Deferred tax assets	2,174	1,618	1,939
<b>Total non current assets</b>	<b>44,516</b>	<b>44,271</b>	<b>45,015</b>
<b>Current assets</b>			
Inventories	23,138	18,392	17,825
Trade and other receivables	12,877	13,832	12,107
Cash and cash equivalents	1,216	8,810	6,320
Corporation tax recoverable	319	381	319
<b>Total current assets</b>	<b>37,550</b>	<b>41,415</b>	<b>36,571</b>
<b>Assets classified as held-for-sale</b>	<b>4,205</b>	<b>-</b>	<b>4,554</b>
<b>Total assets</b>	<b>86,271</b>	<b>85,686</b>	<b>86,140</b>
<b>Current liabilities</b>			
Trade and other payables	27,420	27,901	28,960
Bank loans	8,805	11,234	9,277
Bank overdrafts	20,666	16,982	18,499
Financial derivatives	-	315	-
<b>Total current liabilities</b>	<b>56,891</b>	<b>56,432</b>	<b>56,736</b>
<b>Liabilities classified as held-for-sale</b>	<b>2,451</b>	<b>-</b>	<b>2,071</b>
<b>Net current liabilities</b>	<b>(17,587)</b>	<b>(15,017)</b>	<b>(17,682)</b>
<b>Non current liabilities</b>			
Bank loans	1,535	-	1,565
Retirement benefit obligation	1,944	2,430	1,041
Other payables	943	1,248	943
<b>Total non current liabilities</b>	<b>4,422</b>	<b>3,678</b>	<b>3,549</b>
<b>Total liabilities</b>	<b>63,764</b>	<b>60,110</b>	<b>62,356</b>
<b>Net assets</b>	<b>22,507</b>	<b>25,576</b>	<b>23,784</b>
<b>Shareholders' equity</b>			
Share capital	5,200	5,200	5,200
Own shares	(745)	(745)	(745)
Revaluation reserve	2,265	2,265	2,265
Hedge reserve	(803)	(947)	(580)
Retained earnings	16,393	19,606	17,428
<b>Equity shareholders' funds</b>	<b>22,310</b>	<b>25,379</b>	<b>23,568</b>
Minority interest	197	197	216
<b>Total equity</b>	<b>22,507</b>	<b>25,576</b>	<b>23,784</b>

## Consolidated cash flow statement

	6 months ended 30 November 2011		6 months ended 30 November 2010 (re-presented)		12 months ended 31 May 2011	
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Net cash from operating activities</b>						
Loss for the period		(332)		(489)		(3,439)
Loss for the period from discontinued operations		817		516		4,372
Income tax		26		20		(289)
Finance income		(655)		(682)		(1,115)
Finance cost		1,203		1,239		2,103
Share of results of joint ventures and associates		(206)		283		(674)
Cash flow hedge movement in joint ventures		165		10		(15)
Depreciation charge		59		70		289
Release of gain on bargain purchase		-		-		(1,175)
Credit in respect of share based payments		-		-		(19)
Profit on sale of property, plant and equipment		-		-		(12)
Profit on sale of investment properties		-		-		(57)
Gains on revaluation of investment properties		-		-		135
Provision against investments in joint ventures		10		-		1,537
Provision against investment in available for sale investments		284		-		1,478
Net movement on disposal of joint ventures		500		4,106		-
Income from joint ventures and associates		17		270		298
<b>Operating profit before changes in working capital</b>		<b>1,888</b>		<b>5,343</b>		<b>3,417</b>
(Increase)/decrease in inventories		(5,313)		2,461		3,796
Increase in receivables		(770)		(1,214)		(1,997)
(Decrease)/increase in payables		(1,884)		1,897		11,543
Cash flows (used in)/from operating activities (discontinued)		(275)		304		(5,437)
		<b>(6,354)</b>		<b>8,791</b>		<b>11,322</b>
Interest paid		(596)		(605)		(1,036)
Income taxes paid		-		(75)		(123)
<b>Net cash (used in)/from operating activities</b>		<b>(6,950)</b>		<b>8,111</b>		<b>10,163</b>
<b>Investing activities</b>						
Interest received	1		37		26	
Purchase of investment properties	-		-		(3,896)	
Purchase of property, plant and equipment	-		(19)		(26)	
Proceeds from sale of investment properties	-		-		264	
Proceeds from sale of property, plant and equipment	-		-		144	
Purchase of subsidiary undertakings	-		-		(50)	
(Increase)/decrease in interest in joint ventures and associates	(95)		288		10	
Increase in interest in available for sale investments	-		(377)		(532)	
Cash flows used in investing activities (discontinued)	-		(500)		(1,005)	
<b>Net cash used in investing activities</b>		<b>(94)</b>		<b>(571)</b>		<b>(5,065)</b>
<b>Financing activities</b>						
Repayment of loans	(502)		(1,670)		(3,915)	
Cash flows from financing activities (discontinued)	-		-		858	
<b>Net cash used in financing activities</b>		<b>(502)</b>		<b>(1,670)</b>		<b>(3,057)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(7,546)</b>		<b>5,870</b>		<b>2,041</b>
<b>Cash and cash equivalents at beginning of period</b>		<b>(12,001)</b>		<b>(14,042)</b>		<b>(14,042)</b>
<b>Cash and cash equivalents at end of period</b>		<b>(19,547)</b>		<b>(8,172)</b>		<b>(12,001)</b>
<b>Cash and cash equivalents at end of period (continuing)</b>		<b>(19,450)</b>		<b>(8,128)</b>		<b>(12,179)</b>
<b>Cash and cash equivalents at end of period (discontinued)</b>		<b>(97)</b>		<b>(44)</b>		<b>178</b>
<b>Total</b>		<b>(19,547)</b>		<b>(8,172)</b>		<b>(12,001)</b>

1. The interim report was approved by the board on 27 January 2012.

**2. General information and basis of preparation**

The interim financial information has been prepared applying the accounting policies and presentation that were applied in the preparation of the Group's published consolidated financial statements for the year ended 31 May 2011. They do not include all of the information required in annual financial statements in accordance with IFRS, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 May 2011.

**3. Significant accounting policies**

The interim financial statements have been prepared in accordance with the accounting policies adopted in the Group's last annual financial statements for the year ended 31 May 2011.

**4. Estimates**

When preparing the interim financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the Group's last annual financial statements for the year ended 31 May 2011.

**5. Going concern**

After making enquiries, which include a detailed review of the Group's working capital requirements and an assessment of the likelihood of obtaining continuing support from the Group's bankers and renewal of facilities in the forthcoming year, the directors have a reasonable expectation that the Group has adequate resources to continue in operation for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

**6. Business combination**

On 9 June 2011 the Group acquired 100% of the issued share capital and voting rights of UKLP (BrynCegin) Limited, a company based in the United Kingdom that operates within the property segment, for a non-cash consideration. There is no material effect on the balance sheet.

**7. Segmental information**

During the period, the Group was organised into three operating business segments based on the different services provided by each division: Construction, Property and Residential. The residential segment has been transferred to the construction division during the period for operational purposes. The Concrete Pumping segment has been classified as discontinued during the period and comparatives re-presented.

As operations are carried out entirely within the UK, there is no further consideration of information on geographical areas in determining the Group's operating segments. The measurement policies used for segment reporting reflect those used for internal reporting and for the Group's financial statements. Inter-segmental pricing is done on an arms length open market basis.

**Segmental information**  
**6 months ended 30 November 2011**

	Construction	Property	Residential	Group Management	Total continuing operations	Discontinued Operations
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Revenue</b>						
External Sales	29,325	371	1,026	-	30,722	4,907
Inter-segment sales	155	-	-	-	155	27
Eliminations	(155)	-	-	-	(155)	(27)
<b>Total revenue</b>	<b>29,325</b>	<b>371</b>	<b>1,026</b>	<b>-</b>	<b>30,722</b>	<b>4,907</b>
<b>Segment result</b>						
Operating profit/(loss)	(58)	1,709	(58)	(740)	853	(287)
Loss on remeasurement and cost of disposal	-	-	-	-	-	(490)
Share of results of joint ventures and associates	-	206	-	-	206	-
Net finance cost	38	(575)	(16)	5	(548)	(40)
Profit/(loss) before taxation	(20)	1,340	(74)	(735)	511	(817)
Taxation					(26)	-
<b>Profit/(loss) for the period</b>					<b>485</b>	<b>(817)</b>

Within the Construction segment, external sales of £18,631,000 arise from five customers that individually account for more than 10 per cent of the entity's revenues. These are also considered to be major customers.

	Construction	Property	Residential	Elimination of inter-company balances	Total continuing operations	Discontinued Operations
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Assets and liabilities</b>						
Segment assets	27,631	81,045	3,067	(34,330)	77,413	4,205
Investment in equity accounted joint ventures and associates	-	4,653	-	-	4,653	-
Total assets	27,631	85,698	3,067	(34,330)	82,066	4,205
Segment liabilities	22,177	72,425	1,041	(34,330)	61,313	2,451
<b>Net assets</b>	<b>5,454</b>	<b>13,273</b>	<b>2,026</b>	<b>-</b>	<b>20,753</b>	<b>1,754</b>
<b>Other information</b>						
Depreciation	27	32	-	-	59	149
Provision against investment in joint ventures, associates and other investments	-	294	-	-	294	-

**Segmental information**  
**6 months ended 30 November 2010**

	Construction	Property	Residential	Group Management	Total continuing operations	Discontinued Operations
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Revenue</b>						
External Sales	21,626	13,560	1,849	-	37,035	4,759
Inter-segment sales	678	-	-	-	678	712
Eliminations	(678)	-	-	-	(678)	(712)
<b>Total revenue</b>	<b>21,626</b>	<b>13,560</b>	<b>1,849</b>	<b>-</b>	<b>37,035</b>	<b>4,759</b>
<b>Segment result</b>						
Operating profit/(loss)	(86)	1,678	36	(741)	887	(499)
Share of results of joint ventures and associates	-	(283)	-	-	(283)	-
Net finance income	8	(552)	(14)	1	(557)	(17)
Profit/(loss) before taxation	(78)	843	22	(740)	47	(516)
Taxation					(20)	-
<b>Profit/(loss) for the period</b>					<b>27</b>	<b>(516)</b>

Within the Construction segment, external sales of £11,973,000 arise from three customers that individually account for more than 10 per cent of the entity's revenues. These are also considered to be major customers.

	Construction	Property	Residential	Elimination of inter-company balances	Total continuing operations	Discontinued Operations
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Assets and liabilities</b>						
Segment assets	20,961	60,815	5,078	(11,068)	75,786	3,969
Investment in equity accounted joint ventures and associates	-	5,931	-	-	5,931	-
<b>Total assets</b>	<b>20,961</b>	<b>66,746</b>	<b>5,078</b>	<b>(11,068)</b>	<b>81,717</b>	<b>3,969</b>
Segment liabilities	15,441	49,334	2,576	(11,068)	56,283	3,827
<b>Net assets</b>	<b>5,520</b>	<b>17,412</b>	<b>2,502</b>	<b>-</b>	<b>25,434</b>	<b>142</b>
<b>Other information</b>						
Capital expenditure	19	-	-	-	19	561
Depreciation	34	36	-	-	70	58
Impairment of inventories	-	498	-	-	498	-

**Segmental information**  
**12 months ended 31 May 2011**

	Construction	Property	Residential	Group Management	Total continuing operations	Discontinued Operations
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Revenue</b>						
External Sales	41,569	14,679	3,035	-	59,283	8,821
Inter-segment sales	1,006	310	-	-	1,316	67
Eliminations	(1,006)	(310)	-	-	(1,316)	(67)
<b>Total revenue</b>	<b>41,569</b>	<b>14,679</b>	<b>3,035</b>	<b>-</b>	<b>59,283</b>	<b>8,821</b>
<b>Segment result</b>						
Operating profit/(loss)	12	3,129	(403)	(1,780)	958	(1,170)
Loss on remeasurement and cost of disposal	-	-	-	-	-	(3,569)
Share of results of joint ventures and associates	-	674	-	-	674	-
Net finance income	18	(1,008)	-	2	(988)	(26)
<b>Profit/(loss) before taxation</b>	<b>30</b>	<b>2,795</b>	<b>(403)</b>	<b>(1,778)</b>	<b>644</b>	<b>(4,765)</b>
Taxation					289	393
<b>Profit/(loss) for the year</b>					<b>933</b>	<b>(4,372)</b>

Within the Construction segment, external sales of £18,250,000 arise from three customers that individually account for more than 10 per cent of the entity's revenues. These are also considered to be major customers.

	Construction	Property	Residential	Elimination of inter-company balances	Total continuing operations	Discontinued Operations
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Assets and liabilities</b>						
Segment assets	20,932	83,455	2,998	(30,843)	76,542	4,554
Investment in equity accounted joint ventures and associates	-	5,044	-	-	5,044	-
<b>Total assets</b>	<b>20,932</b>	<b>88,499</b>	<b>2,998</b>	<b>(30,843)</b>	<b>81,586</b>	<b>4,554</b>
Segment liabilities	14,781	75,074	1,273	(30,843)	60,285	2,071
<b>Net assets</b>	<b>6,151</b>	<b>13,425</b>	<b>1,725</b>	<b>-</b>	<b>21,301</b>	<b>2,483</b>
<b>Other information</b>						
Capital expenditure	26	-	-	-	26	1,149
Depreciation	67	63	-	-	130	158
Provision against investment in joint ventures, associates and other investments	-	3,015	-	-	3,015	-
Impairment of inventories	-	393	400	-	793	-

**8. Taxation**

The taxation charge is calculated by applying the estimated effective annual tax rate to the profit for the period.

**9. Dividends**

The directors are not proposing an interim dividend in respect of the 6 months ended 30 November 2011.

## 10. Earnings per share

The calculation of earnings per share (basic and diluted) is based on Group loss after taxation and minority interests of £332,000 (2010: £489,000) and the 20,800,000 ordinary shares of 25p in issue at 30 November 2011 and 30 November 2010. The number of shares in the calculation has been reduced at 30 November 2011 for the 440,500 (2010: 440,500) shares held in the Employee Share Trust. The assumed conversion of dilutive options has no impact on the number of shares and so diluted earnings per share is equal to basic earnings per share.

	6 months ended 30 November 2011			6 months ended 30 November 2010 (re-presented)			12 months ended 31 May 2011		
	Earnings £'000	Weighted average no. of shares '000	Per share p	Earnings £'000	Weighted average no. of shares '000	Per share p	Earnings £'000	Weighted average no. of shares '000	Per share p
<b>Continuing operations</b>									
Basic EPS	485	20,360	2.4	27	20,360	0.1	933	20,360	4.6
Effect of share options	-	-	-	-	-	-	-	-	-
Diluted EPS	485	20,360	2.4	27	20,360	0.1	933	20,360	4.6

	6 months ended 30 November 2011			6 months ended 30 November 2010 (re-presented)			12 months ended 31 May 2011		
	Earnings £'000	Weighted average no. of shares '000	Per share p	Earnings £'000	Weighted average no. of shares '000	Per share p	Earnings £'000	Weighted average no. of shares '000	Per share p
<b>Discontinued operations</b>									
Basic EPS	(817)	20,360	(4.0)	(516)	20,360	(2.5)	(4,372)	20,360	(21.5)
Effect of share options	-	-	-	-	-	-	-	-	-
Diluted EPS	(817)	20,360	(4.0)	(516)	20,360	(2.5)	(4,372)	20,360	(21.5)

	6 months ended 30 November 2011			6 months ended 30 November 2010 (re-presented)			12 months ended 31 May 2011		
	Earnings £'000	Weighted average no. of shares '000	Per share p	Earnings £'000	Weighted average no. of shares '000	Per share p	Earnings £'000	Weighted average no. of shares '000	Per share p
<b>Total operations</b>									
Basic EPS	(332)	20,360	(1.6)	(489)	20,360	(2.4)	(3,439)	20,360	(16.9)
Effect of share options	-	-	-	-	-	-	-	-	-
Diluted EPS	(332)	20,360	(1.6)	(489)	20,360	(2.4)	(3,439)	20,360	(16.9)

## 11. Disposal group classified as held for sale

Pochin Concrete Pumping Limited has been treated as a discontinued operation as the business is being sold as a going concern expected to complete 29 February 2012. The results of the operation are summarised below:  
All below amounts are attributable to owners of the parent.

	6 months ended 30 November 2011 £'000	6 months ended 30 November 2010 £'000	12 months ended 31 May 2011 £'000
Revenue	4,907	4,759	8,821
Cost of sales	(4,172)	(4,258)	(8,007)
<b>Gross profit</b>	<b>735</b>	<b>501</b>	<b>814</b>
Operating expenses	(1,022)	(1,000)	(1,996)
Other operating income	-	-	12
<b>Operating loss</b>	<b>(287)</b>	<b>(499)</b>	<b>(1,170)</b>
Finance income	-	-	192
Finance cost	(40)	(17)	(218)
<b>Loss from discontinued operations before taxation</b>	<b>(327)</b>	<b>(516)</b>	<b>(1,196)</b>
Tax credit	-	-	393
<b>Net operating result from discontinued operations</b>	<b>(327)</b>	<b>(516)</b>	<b>(803)</b>
<b>Remeasurement and disposal of assets held for sale</b>			
Loss on remeasurement and cost of disposal	(490)	-	(3,569)
<b>Loss for the period from discontinued operations</b>	<b>(817)</b>	<b>(516)</b>	<b>(4,372)</b>
<b>Net cash flows from discontinued operations</b>			
Net cash flow from operating activities	(275)	304	(5,437)
Net cash flow from investing activities	-	(500)	(1,005)
Net cash flow from financing activities	-	-	858
	<b>(275)</b>	<b>(196)</b>	<b>(5,584)</b>
<b>Net cash flow from discontinued operating activities</b>			
Loss for the period	(817)	(516)	(4,372)
Income tax	-	-	(393)
Finance Income	-	-	(192)
Finance cost	40	17	218
Depreciation charge	149	58	158
Profit on sale of property, plant and equipment	-	-	(12)
<b>Operating cash flow before movement in working capital</b>	<b>(628)</b>	<b>(441)</b>	<b>(4,593)</b>
(Increase)/decrease in inventories	(5)	-	52
Decrease/(increase) in receivables	27	1,038	(55)
Increase/(decrease) in payables	361	(274)	(811)
Interest paid	(30)	(19)	(30)
	<b>(275)</b>	<b>304</b>	<b>(5,437)</b>
<b>Assets of disposal group classified as held for sale</b>			
Property, plant and equipment	1,445	1,178	1,594
Inventories	223	270	218
Trade and other receivables	2,537	2,557	2,564
Deferred tax liabilities	-	(36)	-
Cash and cash equivalents	-	-	178
	<b>4,205</b>	<b>3,969</b>	<b>4,554</b>
<b>Liabilities of disposal group classified as held for sale</b>			
Trade and other payables	2,149	3,384	904
Bank overdrafts	97	44	-
Obligations under hire purchase agreements	-	-	962
Retirement benefit obligation	-	399	-
Deferred tax liabilities	205	-	205
	<b>2,451</b>	<b>3,827</b>	<b>2,071</b>

**12. Provisions**

A restructuring provision was recognised by the Group in its annual financial statements as at 31 May 2011 in relation to the disposal of Pochin Concrete Pumping Limited amounting to £950,000. The estimate of the restructuring provision was increased by £490,000 in the 6 months ended 30 November 2011.

- 13.** The comparative figures for the year ended 31 May 2011 do not constitute statutory accounts for the purposes prescribed by the Companies Act 2006. A copy of the statutory accounts for the year ended 31 May 2011, which were prepared under International Financial Reporting Standards and which the auditors gave an unqualified report in accordance with the Companies Act 2006, have been filed with the Registrar of Companies.
- 14.** This interim report is available on the Group's website ([www.pochins.plc.uk](http://www.pochins.plc.uk)).