

THE CARDIFF PROPERTY PUBLIC LIMITED COMPANY AND ITS SUBSIDIARIES

FOR RELEASE

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25 November 2010

THE CARDIFF PROPERTY PLC

(The group, including Campmoss, specialises in property investment and development in the Thames Valley. The total portfolio under management, valued in excess of £29m, is primarily located to the west of London, close to Heathrow Airport and in Surrey and Berkshire.)

PRELIMINARY RESULTS FOR THE YEAR ENDED 30 SEPTEMBER 2010

Highlights:

		2010	2009
Rental income	£'000	595	561
Property sales	£'000	198	592
Profit/(loss) before tax	£'000	500	(656)
Earnings/(loss) per share	pence	20.9	(57.7)
Dividend per share –			
paid and proposed	pence	12.3	12.3
Net assets per share	pence	1,129	1,065
Gearing	%	nil	nil

Richard Wollenberg, Chairman, commented:

“For the first time in over three years the level of tenant enquiries for commercial property in the Thames Valley has marginally improved. This does not necessarily herald any material increase in rental levels. The majority of new commercial development schemes in the Thames Valley remain on hold. Residential values in Surrey and Berkshire have remained unchanged over the year. I do not foresee a recovery in residential property values in the short term.”

For further information:

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PRELIMINARY RESULTS FOR THE YEAR ENDED 30 SEPTEMBER 2010

Chairman's Statement and Property Review

Dear shareholder

For the first time in over three years the level of tenant enquiries for commercial property in the Thames Valley has marginally improved. This does not necessarily herald any material increase in rental levels. Shareholders should remember that rents have fallen by as much as 50% in certain locations and any recovery will be from these very low levels.

Recent lettings of new grade A office space in key Thames Valley locations have seen a reduction in tenant incentives, but new lettings still tend to be for shorter periods usually up to 10 years and, more often, with a break at the fifth year. This will restrict any future increases in investment values. Tenant demand and new lettings have primarily been focused towards the west of London rather than the Western Corridor where availability of second hand office space remains high. It is encouraging to note the increased activity in the City and West End property market but it will be some time before these are mirrored in the Thames Valley.

Commercial property investment values have marginally improved over the year. Private and institutional investors remain keen to invest in commercial property but, as always, location, strength of covenant and length of lease are critical factors. Any further improvement in values will be highly dependent on the general economic climate, continuing low level of interest rates and the availability of finance.

The majority of new commercial development schemes in the Thames Valley remain on hold. Planning permission is granted for commencement of a development within a three year period otherwise that permission requires renewal. The cost of preparing a planning application continues to rise with higher infrastructure contributions and additional bureaucracy despite central government's wish to streamline the process. The renewal of a planning permission is not an automatic process as changes in policy by the local authority and central government issues can occur.

In the current uncertain environment businesses are still reluctant to commit to future expansion. Until sustained confidence returns to the business community rental levels are unlikely to see any major recovery.

Residential values in Surrey and Berkshire have remained unchanged over the year. The lack of good quality new and existing housing stock has led to selective increases in some locations. Mortgage finance remains difficult to obtain as many first time buyers are unable to satisfy the increasingly strict criteria set by regulators and lenders. I do not foresee a recovery in residential property values in the short term.

Residential rental levels have also remained static throughout the year. Enquiries have increased over the last few months but not sufficient to generate any material uplift in the short term.

Chairman's Statement and Property Review (continued)

Financial

For the year to 30 September 2010 the group profit before tax was £0.5m (2009: loss £0.7m). This figure includes a small revaluation deficit of £0.03m (2009: £0.6m) in respect of the group and a loss of £0.64m (2009: £1.02m) in respect of our after tax share of Campmass Property Company Limited, our 47.62% jointly controlled entity.

Revenue totalled £0.79m (2009: £1.15m) including gross rental income of £0.59m (2009: £0.56m). Profit on sales of investments during the year amounted to £0.52m (2009: £0.06m). The group's share of the revenue of Campmass amounted to £1.29m (2009: £1.08m) including gross rental income of £0.97m (2009: £0.80m). These latter figures are not included in group revenue.

The profit after tax attributable to shareholders for the financial year, amounted to £0.31m (2009: loss £0.92m) and the earnings per share was 20.9p (2009: loss 57.7p).

At the year end, the company's commercial and residential investment portfolio was valued by Cushman & Wakefield LLP and Nevin & Wright respectively and totalled £4m (2009: £4m). This value excludes own use freehold property, which is included under property, plant and equipment in the balance sheet and which is held at valuation, together with property under development or refurbishment and held for re-sale which is held as stock at the lower of cost or market value. At the year end, stock represented commercial property at The Windsor Business Centre. The group's property portfolio under management at the year end, including the Campmass investment and development portfolio, was valued at £29.46m (2009: £31.1m). The company's share of the net assets of Campmass amounted to £5.8m (2009: £6.5m).

Net assets at 30 September 2010 were £15.1m (2009: £16.8m) equivalent to 1,129p per share (2009: 1,065p) an increase of 6% over the year (2009: decrease 3.6%).

The group, including Campmass, has adequate financial facilities and operating resources to complete the current refurbishment and building programme. Cash balances held by the company are placed on short term deposit. At the year end the company had nil gearing (2009: nil).

During the year the company purchased and cancelled 236,000 ordinary shares for a total consideration of £1.8m. Your directors are proposing the annual renewal of their authority to acquire shares and of the approval of the Rule 9 waiver. Both will be included in the resolutions to be placed before shareholders at the Annual General Meeting and General Meeting respectively to be held on 13 January 2011. Full details of the Rule 9 waiver are set out in the document accompanying the Annual Report and are also on the company's website. In addition, as special business at the Annual General Meeting, a resolution will be proposed to adopt new Articles of Association. Details are given in the Report of the Directors in the Annual Report.

Dividend

The directors are recommending a final dividend of 9p per share (2009: 9p) making an unchanged total dividend for the year of 12.3p (2009: 12.3p). The final dividend will be paid on 10 February 2011 to shareholders on the register at 21 January 2011.

Investment and development portfolio

The group's investment portfolio continues to be primarily located to the west of London, close to Heathrow Airport and in Surrey and Berkshire.

The Maidenhead Enterprise Centre, comprises six business units totalling 14,000 sq ft with industrial or storage use on the ground floor and offices on the first floor. During the year, two further lettings were completed but two units remain vacant. Given that these are ideal for new and small businesses the level of take up has been very disappointing.

Chairman's Statement and Property Review (continued)

At Heritage Court, Egham, one retail unit was vacated following a lease surrender and has now been re-let at a slightly higher rent. The remaining three retail units are all let on a medium term basis.

During the first half of the year the freehold of one of our two houses in Egham was sold. The remaining freehold house is let on an Assured Shorthold Tenancy Agreement.

At The White House, Egham, the investment comprises five ground floor retail units with offices above. Negotiations to grant new leases are currently in hand with all tenants, as previously agreed long term leases now only have between two and three years until expiry. During the year, specific interim dilapidation works were agreed and have now been completed.

At The Windsor Business Centre, which consists of four business units totalling 9,500 sq ft, all units are let.

Campmoss Property Company Limited

The company retains freehold office, industrial and residential property in Maidenhead, Bracknell, Woking, Worplesdon and Slough.

At Tangle Place, Worplesdon, planning permission for a 92 bed care home was granted last year and discussions with a prospective tenant are currently in hand. The proposed new care home totals approximately 42,000 sq ft and it is the company's intention to secure a tenant before commencing construction. Discussions are also currently in hand with a view to securing appropriate finance.

At The Priory, Burnham, the office building totalling 26,000 sq ft is fully let on short and medium term leases.

At Bracknell, the various freehold properties in Market Street are included as part of the Bracknell Town Centre Redevelopment Scheme. The outline planning consent for this major scheme was recently renewed. Detailed discussions with the Local Authority have taken place over the last few years for various office, retail and residential schemes, as well as an agreement for a land swap and re-housing of the local primary care trust. The recent surrender of a lease at one of these freehold properties was effected in expectation of completing an agreement with the local authority, but, as a result of recent government cuts, plans have now been curtailed. The cost of the surrender has been written off in the Campmoss accounts. It is unlikely that any major development of these properties will take place over the next few years and, therefore, a refurbishment programme is now in hand which will allow all of our properties to be let on a short term basis. A number of pre-lettings have already been agreed for the retail units.

At the Brickfields Estate, Kiln Lane, Bracknell, four storage units were created on the lower ground floor level. The development now comprises sixteen business units and one office unit totalling 35,000 sq ft. Two units are vacant.

At Clivemont House and Highway House, Maidenhead, both development sites retain planning permission for Grade A office schemes totalling just under 100,000 sq ft. Works to improve the access at Highway House are continuing but the Campmoss board's policy is to seek either a full or partial pre-letting before commencing any development scheme.

At Datchet Meadows, Slough, the development comprises 37, one, two and three bedroom apartments. All units are available for sale but in the meantime the decision to let the apartments on Assured Shorthold Tenancy Agreements has proved successful. At the year end 30 apartments were let, 5 sold and 2 vacant. Since the year end a further 3 apartments have been sold.

Quoted investments

At the year end the company's small equity portfolio includes holdings in ImmuPharma, Tribal Group and General Industries. During the year part of the portfolio was sold realising a profit of £0.52m. I remain a director of General Industries quoted on the PLUS market.

Chairman's Statement and Property Review (continued)

Management and staff

I would like to take this opportunity of thanking our small management team, joint venture partner and fellow board members for their effort and support during the year.

Shareholders telephone dealing service

The company continues to offer its free share sale service to those shareholders who wish to dispose of holdings of 1,000 shares or less. This facility is provided by our Registrars, Computershare Investor Services Plc, who can be contacted on 0870 703 0084. Shareholders should be aware that this service should not be construed as an encouragement to buy or sell the company's shares. If in any doubt shareholders should contact their own financial advisors.

Outlook

During the year a number of new commercial property and investment projects were considered but the eventual asking prices were higher than your directors' valuation and therefore no transactions were completed. Recent government measures will herald a further difficult period in the property market and it will be important for the group to professionally manage its existing tenant base and where possible create value by new lettings.

The group, including Campmoss, has a number of existing projects to negotiate and complete. These will take some time to come through but should enhance the value of the investment portfolio. I look forward to reporting to you further at the half year.

J Richard Wollenberg

Chairman

24 November 2010

Consolidated Income Statement

FOR THE YEAR ENDED 30 SEPTEMBER 2010

	2010 £'000	2009 £'000
Revenue	793	1,153
Cost of sales	(120)	(296)
	<hr/>	<hr/>
Gross profit	673	857
Administrative expenses	(420)	(406)
Other operating income	265	257
	<hr/>	<hr/>
Operating profit before gains/(losses) on investment properties and other investments	518	708
Profit on sale of property, plant and equipment	-	1
Profit on sale of other investments	516	55
Deficit on revaluation of investment properties	(30)	(575)
	<hr/>	<hr/>
Operating profit	1,004	189
Financial income	139	177
Share of results of jointly controlled entity	(643)	(1,022)
	<hr/>	<hr/>
Profit/(loss) before taxation	500	(656)
Taxation	(190)	(267)
	<hr/>	<hr/>
Profit/(loss) for the financial year attributable to equity holders	310	(923)
	<hr/>	<hr/>
Earnings/(loss) per share on profit/(loss) for the financial year - pence		
Basic	20.9	(57.7)
Diluted	20.9	(57.7)
	<hr/>	<hr/>
Dividends		
Final 2009 paid 9.0p (2008: 9.0p)	142	150
Reduction in final dividend following purchase of own shares	-	(9)
Interim 2010 paid 3.3p (2009: 3.3p)	44	52
	<hr/>	<hr/>
	186	193
	<hr/>	<hr/>
Final 2010 proposed 9.0p (2009: 9.0p)	121	142
	<hr/>	<hr/>

The above results relate entirely to continuing activities. There were no acquisitions or disposals of businesses during either year.

Consolidated Balance Sheet

AT 30 SEPTEMBER 2010

	2010 £'000	2009 £'000
Non-current assets		
Freehold investment properties	3,995	4,025
Investment in jointly controlled entity	5,804	6,447
Property, plant and equipment	195	197
Other financial assets	220	293
Deferred tax asset	23	23
	<hr/>	<hr/>
	10,237	10,985
	<hr/>	<hr/>
Current assets		
Stock and work in progress	668	807
Trade and other receivables	2,802	2,334
Cash and cash equivalents	2,088	3,482
	<hr/>	<hr/>
	5,558	6,623
	<hr/>	<hr/>
Total assets	15,795	17,608
	<hr/>	<hr/>
Current liabilities		
Corporation tax	(194)	(261)
Trade and other payables	(415)	(445)
	<hr/>	<hr/>
	(609)	(706)
	<hr/>	<hr/>
Non-current liabilities		
Provisions	-	(65)
Deferred tax liability	(73)	(69)
	<hr/>	<hr/>
	(73)	(134)
	<hr/>	<hr/>
Total liabilities	(682)	(840)
	<hr/>	<hr/>
Net assets	15,113	16,768
	<hr/>	<hr/>
Equity		
Called up share capital	268	315
Share premium account	5,076	5,076
Other reserves	2,385	2,338
Investment property revaluation reserve	(740)	1,404
Retained earnings	8,124	7,635
	<hr/>	<hr/>
Shareholders' funds attributable to equity holders	15,113	16,768
	<hr/>	<hr/>
Net assets per share	1,129p	1,065p
	<hr/>	<hr/>

Consolidated Cash Flow Statement
FOR THE YEAR ENDED 30 SEPTEMBER 2010

	2010	2009
	£'000	£'000
Cash flows from operating activities		
Profit/(loss) for the year	310	(923)
<i>Adjustments for:</i>		
Depreciation	3	3
Financial income	(139)	(177)
Share of loss of jointly controlled entity	643	1,022
Profit on sale of other investments	(516)	(55)
Profit on sale of property, plant and equipment	-	(1)
Deficit on revaluation of investment properties	30	575
Taxation	190	267
	<hr/>	<hr/>
Cash flows from operations before changes in working capital	521	711
Decrease in stock	139	185
(Increase)/decrease in trade and other receivables	(468)	34
Decrease in trade and other payables	(30)	(39)
Decrease in provisions	(65)	-
	<hr/>	<hr/>
Cash generated from operations	97	891
Tax paid	(253)	(202)
	<hr/>	<hr/>
Net cash flows from operating activities	(156)	689
	<hr/>	<hr/>
Cash flows from investing activities		
Interest received	139	177
Acquisition of, investments, property, plant and equipment	(1)	(8)
Proceeds on disposal of, investments, property, plant and equipment	589	83
	<hr/>	<hr/>
Net cash flows from investing activities	727	252
	<hr/>	<hr/>
Cash flows from financing activities		
Exercise of options	-	136
Purchase of own shares	(1,779)	(657)
Dividends paid	(186)	(193)
	<hr/>	<hr/>
Net cash flows from financing activities	(1,965)	(714)
	<hr/>	<hr/>
Net (decrease)/increase in cash and cash equivalents	(1,394)	227
Cash and cash equivalents at beginning of year	3,482	3,255
	<hr/>	<hr/>
Cash and cash equivalents at end of year	2,088	3,482
	<hr/>	<hr/>

Other Primary Statements
FOR THE YEAR ENDED 30 SEPTEMBER 2010

Consolidated statement of comprehensive income and expense

	2010 £'000	2009 £'000
Profit/(loss) for the financial year	310	(923)
Other items recognised directly in equity		
Net change in fair value of available for sale financial assets	-	(2)
Expense recognised directly in equity	-	(2)
Total comprehensive income and expense for the year attributable to the equity holders of the parent company	310	(925)

Other Primary Statements (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2010

Consolidated statement of changes in equity

	Share capital	Share premium account	Other reserves	Investment property revaluation reserve	Retained earnings	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000
At 1 October 2008	333	4,946	2,314	3,194	7,620	18,407
Loss for the year	-	-	-	-	(923)	(923)
Other comprehensive income	-	-	-	-	(2)	(2)
<i>Transactions with equity holders</i>						
Dividends	-	-	-	-	(193)	(193)
Purchase of own shares	(24)	-	24	-	(657)	(657)
New shares issued	6	130	-	-	-	136
Total transactions with equity holders	(18)	130	24	-	(850)	(714)
Transfer on revaluation of investment properties	-	-	-	(1,790)	1,790	-
At 30 September 2009	315	5,076	2,338	1,404	7,635	16,768
Profit for the year	-	-	-	-	310	310
<i>Transactions with equity holders</i>						
Dividends	-	-	-	-	(186)	(186)
Purchase of own shares	(47)	-	47	-	(1,779)	(1,779)
Total transactions with equity holders	(47)	-	47	-	(1,965)	(1,965)
Transfer on revaluation of investment properties	-	-	-	(912)	912	-
Transfer from investment property revaluation reserve	-	-	-	(1,232)	1,232	-
At 30 September 2010	268	5,076	2,385	(740)	8,124	15,113

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

1. Basis of preparation

The consolidated results for the year ended 30 September 2010 and 2009 are prepared by the group under applicable International Financial Reporting Standards adopted by the EU (“adopted IFRS”) and applicable law.

The financial information set out above does not constitute the company’s statutory financial statements for the years ended 30 September 2010 or 30 September 2009 but is derived from those financial statements. Statutory financial statements for 2009 have been delivered to the Registrar of Companies and those for 2010 will be delivered in due course. The auditors have reported on those financial statements; their reports were (i) unqualified, (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006 in respect of the financial statements for 2009 nor 2010.

Going concern

The group has sufficient financial resources to enable it to continue to trade and to complete the current maintenance and development programme. As a consequence, the directors believe that the group is well placed to manage its business risks successfully despite the current uncertain economic outlook.

After making enquiries, the directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

New, revised or changes to existing financial reporting standards

Subject to the adoption of the IFRS’s available for application noted below, this announcement is prepared on the basis of the accounting policies as set out in the most recently published set of annual financial statements.

The following adopted IFRSs were available for application by the group and have been applied in these financial statements:

IFRS 8 - Operating Segments, was effective for periods beginning on or after 1 January 2009. This IFRS introduces a management approach to segmental reporting under which the information reported would be that which management uses internally for evaluating the performance of operating segments. The group applied the amendment from 1 October 2009.

IAS 1 (Amendment) - Presentation of Financial Statements. A revised presentation was effective for periods beginning on or after 1 January 2009. The revised standard has impacted on the presentation of the group financial statements requiring that all items of income and expense (including those previously recognised through equity) are presented either in a single statement (a ‘statement of comprehensive income and expense’) or in two statements (a separate ‘income statement’ and ‘statement of comprehensive income and expense’). The group has adopted the latter option. The statement of changes in equity has been presented as a separate financial statement showing changes in equity for the period analysed between the total amounts attributable to owners of the parent and to non-controlling interests.

IAS 23 – Borrowing Costs, was effective for periods beginning on or after 1 January 2009. It requires the capitalisation of borrowing costs directly attributable to the construction or production of qualifying assets. The amendment has not had a significant effect on the financial statements.

Amendment to IFRS 1 and IAS 27 - Cost of an Investment in a Subsidiary, Jointly-controlled Entity or Associate, was effective for periods beginning on or after 1 July 2009. The amendment addresses issues that have arisen in practice related to the accounting for the above in separate financial statements at cost in accordance with IAS 27 to allow first-time adopters relief from certain requirements of IAS 27. The amendment has not had a significant effect on the financial statements.

Amendment to IAS 40 – Investment Property was effective for periods beginning on or after 1 January 2009. This requires properties that are being constructed for use as investment property to be accounted for under IAS 40 which requires an investment property to be measured initially at cost, including transaction costs, and thereafter under a policy of either the fair value model or the cost model, but applying that policy to all of its investment properties. The amendment has not had a significant effect on the financial statements.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010 (continued)

2. Segmental analysis

The group manages its operations in two segments, being property and other investment and property development. The results of these segments are regularly reviewed by the board as a basis for the allocation of resources, in conjunction with individual site investment appraisals, and to assess their performance. Information regarding the results and net operating assets for each reportable segment are set out below:

	2010 £'000	2009 £'000
Revenue (wholly in the United Kingdom):		
Property and other investment being gross rents receivable	595	561
Property development being sales of development properties	198	592
	<hr/> 793 <hr/>	<hr/> 1,153 <hr/>
Profit/(loss) before taxation:		
Property and other investment	130	(1,206)
Property development	370	550
	<hr/> 500 <hr/>	<hr/> (656) <hr/>
Net operating assets:		
Assets		
Property and other investment	14,988	16,632
Property development	3,564	3,534
Eliminations	(2,757)	(2,558)
	<hr/> 15,795 <hr/>	<hr/> 17,608 <hr/>
Total assets		
Liabilities		
Property and other investment	3,178	2,962
Property development	261	436
Eliminations	(2,757)	(2,558)
	<hr/> 682 <hr/>	<hr/> 840 <hr/>
Total liabilities		
Net operating assets	<hr/> 15,113 <hr/>	<hr/> 16,768 <hr/>

Of the group's share of the loss in its jointly controlled entity of £643,000, a profit of £87,000 relates to property development and a loss of £730,000 relates to property investment. The interest income of £139,000 (2009: £177,000) relates entirely to property investment. Of the income tax expense of £190,000, £135,000 relates to property investment and £55,000 to property development. Due to the reportable segments being accounted for in separate legal entities it is possible to directly allocate the group results and net assets to the reportable segments. In 2010 the revenue in respect of the property development segment relates entirely to a single transaction.

Notes to the Financial Statements
FOR THE YEAR ENDED 30 SEPTEMBER 2010 (continued)

3. Earnings/(loss) per share

Earnings/(loss) per share has been calculated in accordance with IAS 33 - Earnings Per Share using the profit after tax for the financial year of £310,000 (2009: loss £923,000) and the weighted average number of shares as follows:

	Weighted average number of shares	
	2010	2009
Basic	1,480,826	1,599,949
Adjustment to basic for bonus element of shares to be issued on exercise of options	-	4,410
Diluted	1,480,826	1,604,359

Under IAS 33.41, diluted earnings per share where a loss is recorded cannot be less than the basic earnings per share.

Financial Calendar

2010	25 November	Final results for 2010 announced
2011	13 January	Annual General Meeting
	19 January	Ex dividend date for final dividend
	21 January	Record date for final dividend
	10 February	Final dividend to be paid
	February	Interim management statement to be announced
	May	Interim results for 2011 to be announced
	July	Interim dividend for 2011 to be paid
	July	Interim management statement to be announced
	30 September	Year end

Directors and Advisers

Directors

J Richard Wollenberg
Chairman and chief executive

David A Whitaker FCA
Finance director

Nigel D Jamieson BSc, MRICS, FCSI
Independent non-executive director

Secretary

David A Whitaker FCA

Non-executive director of wholly owned subsidiary

First Choice Estates plc

Derek M Joseph BCom, FCIS, MSII

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KPMG Audit Plc

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Arbuthnot Securities Ltd

Bankers

HSBC Bank Plc

Solicitors

Morgan Cole

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