



## **Blackrock reports strong asset growth in first half of 2007**

Blackrock International Land plc has released its interim results for the six months to 30 June 2007.

### **Highlights**

- **Net assets increased to €230.4 million – up by 4.3% in first half 2007 and by 11.2% since commencement in May 2006.**
- **Profit before tax for the period was €12.2 million.**
- **Total investment expenditure was €56.6 million in the period and €209.5 million since commencement.**
- **Property sales in the period amounted to €27.5 million.**
- **Net assets per share at 30 June 2007 were €39.49 cent compared to €35.53 cent on commencement.**

### **Blackrock International Land plc chairman, Carl McCann, commented:**

*“Following admission to the Stock Exchange in May 2006, Blackrock has been in operation for just over twelve months. In that period, the company has more than doubled its gross property assets to €410.0 million and increased its net assets by 11.2% to €230.4 million.*

*During the first six months of 2007, the Group achieved a satisfactory result, reporting a profit before tax of €12.2 million, including valuation gains, and increasing its net assets by 4.3%.*

*The Group’s existing portfolio has significant potential for growth. In addition, we remain on target to achieve our previously stated medium term investment goal of gross property assets of €1 billion by 2011.”*

**Blackrock International Land plc  
28 August 2007**

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# **Blackrock International Land plc**

## **Interim results to 30 June 2007**

### **Operations review**

Blackrock commenced operations just over 12 months ago in May 2006. Since that date, the Group has invested almost €10 million in property acquisitions, and has more than doubled its property assets from €197.3 million to €410.0 million. In the same period, net assets have increased by 11.2% to €230.4 million. This performance is consistent with management's strategic objective of building a substantial international property business with a clear focus on development opportunities, supported by a strong investment portfolio.

### **Investments in the period**

During the first six months of 2007, Blackrock's activity continued to focus on acquiring further attractive properties to increase the size and geographic spread of its portfolio and to maintain an appropriate balance between investment and development assets. Aggregate investment in the first half of the year, either directly or through joint ventures and associates, amounted to €6.6 million. The main transactions undertaken were:

- Investment of €5.7 million in a 50:50 joint venture with EuroCapital Property that acquired the newly-constructed Olympiades office building (total area 14,400 m<sup>2</sup>) in the Evere district of Brussels. Total outlay on the property, including costs, amounted to €41.7 million.
- Investment of €10.6 million in a development project with Cornerstone Capital Management Limited to construct three new office buildings (total area 15,300m<sup>2</sup>) close to the Bank of England in London. Blackrock has committed a total of €25 million for a 37.5% stake in the venture. Taking into account the €8.4 million invested prior to commencement of the period, total outlay to 30 June 2007 amounted to €19 million.
- Purchase of 120 acres of agricultural land in Corrstown in north County Dublin for €13.3 million.
- Investment of €12.2 million in a 50:50 joint venture to acquire agricultural lands near Dublin with development potential in the medium to long term. A deposit of €1.2 million had been paid in respect of this purchase prior to commencement of the period, bringing total investment to date in the joint venture to €13.5 million.
- Purchase of an office and warehouse investment in Milton Keynes (total area 8,300 m<sup>2</sup>) for €2.3 million.
- Other smaller investments involving a total outlay of €2.5 million.

During the first six months, Blackrock also formed a new 50:50 joint venture with Applecross Properties to develop its 8.82 acre site at Chesser Avenue, Edinburgh, formerly the Edinburgh Fruit Market. Under the terms of the agreement, Blackrock disposed of its site to the joint venture for €27.5 million, thereby realising a profit of €2.2 million. Assuming that 70% of the purchase consideration is funded by bank borrowings, Blackrock will release equity of €23.4 million, resulting in a net investment in the joint venture of €4.1 million. Completion will take place not later than mid December 2007.

### **Ongoing activities**

Since the period end, the Group has agreed to sell two office buildings in Nijmegen in the Netherlands for a total consideration, net of costs, of €4.8 million, thereby realising a net profit after tax of approximately €380,000 within 6 months of acquisition.

Future activity will focus on the opportunities existing in the current portfolio and will also seek to leverage the company's extensive links with industry professionals and operators to identify further acquisition possibilities. Developments will continue to be undertaken both on a stand-alone basis and in joint ventures and alliances with established operators in the relevant property sectors.

The company has an extensive pipeline of potential transactions, principally commercial and industrial investment properties with potential to add value. Areas of particular interest continue to include Ireland, Scotland, and the greater London area. Attractive opportunities are also being pursued in Continental Europe where prospects in several major cities are being evaluated.

## **Financial Results**

### **International Financial Reporting Standards**

As explained in note 1 to the accompanying accounts, the Group's interim financial information has been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

### **Period of operation**

The accompanying accounts relate to the 6 month period (26 weeks) up to 30 June 2007. The company was incorporated on 3 March 2006. It commenced operations on 11 May 2006 with the acquisition of the property undertaking of Fyffes plc. The comparative figures relate to the period to 30 June 2006 (7 weeks).

### **Net rental income**

Gross rental income was €7,643,000 (2006: €861,000) and property outgoings were €98,000 (2006: €157,000), resulting in a net rental income for the period of €6,645,000 (2006: €704,000).

### **Administration expenses**

Administration expenses for the period were €2,558,000 (2006: €300,000).

### **Financial income**

Financial income for the period was €731,000 (2006: €62,000) representing interest earned on cash balances amounting to €421,000 (2006: €62,000) and foreign exchange gains amounting to €310,000 (2006: €Nil)

### **Financial expense**

Financial expense was €5,068,000 (2006: €Nil) representing interest incurred on bank borrowings in the period.

### **Taxation**

The tax charge of €2,632,000 (2006: €Nil) includes an amount of €1,850,000 (2006: €Nil) relating to deferred tax, which principally relates to the revaluation uplift in investment properties during the period. This has been accounted for in accordance with IAS 12 and includes full provision for tax which might become payable in the event that the Group disposes of a property for the amount recorded in the balance sheet. Also included is an income tax charge of €782,000 (2006: €Nil) which includes an amount of €344,000 (2006: €Nil) for capital gains tax on the disposal of investment property during the period.

### **Earnings per share**

Basic and diluted earnings per share for the period were €1.62 cent (2006: (€0.02) cent).

### **Dividend**

No dividend has been declared for the period. It is the stated objective of the company to achieve capital growth in net asset value and accordingly, it is not anticipated that dividends will be paid in the medium term.

### **Shareholders' funds**

Shareholders' funds at 30 June 2007 amounted to €30.4m, resulting in basic and diluted net asset values per share of €39.49 cent (2006: €35.45 cent).

### **Net bank borrowings**

Net bank borrowings of the Group amounted to €174,160,000 at 30 June 2007. Undrawn loan facilities of €23 million are currently available to the company to fund further expansion.

## **Conclusion**

The company's stated objective is to build a substantial international property business with a clear focus on development opportunities, supported by a strong investment portfolio. The company more than doubled its property assets in just over twelve months of operations since its commencement in May 2006. The directors maintain ambitious targets for growth. A further €200 million in investments is envisaged over the next one to two years with the aim of achieving total gross property assets of €1 billion by 2011.

28 August 2007

**For further information, please contact:**

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# Blackrock International Land plc

## Consolidated income statement

for the period ended 30 June 2007

		<b>26 Weeks (Unaudited) Period to 30 June 2007</b>	<b>7 Weeks (Unaudited) Period to 30 June 2006</b>
	<i>Notes</i>	<b>€000</b>	<b>€000</b>
<b>Gross rental and related income</b>		7,643	861
Property outgoings		<u>(998)</u>	<u>(157)</u>
<b>Net rental and related income</b>		<b>6,645</b>	<b>704</b>
Net property valuation gains/(loss)		<u>9,463</u>	<u>(609)</u>
<b>Net property and related income</b>		<b>16,108</b>	<b>95</b>
Administrative expenses		<u>(2,558)</u>	<u>(300)</u>
<b>Operating profit/(loss)</b>		13,550	(205)
Share of profit of joint ventures and associate		2,945	-
Financial income		731	62
Financial expense		<u>(5,068)</u>	<u>-</u>
<b>Profit/(loss) before tax</b>		<b>12,158</b>	<b>(143)</b>
Income tax expense	3	<u>(2,632)</u>	<u>-</u>
<b>Profit/(loss) for the period</b>		<b><u>9,526</u></b>	<b><u>(143)</u></b>
<b>Attributable to:</b>			
Shareholders of the company		9,433	(143)
Minority interest		<u>93</u>	<u>-</u>
<b>Profit/(loss) for the period</b>		<b><u>9,526</u></b>	<b><u>(143)</u></b>
<b>Basic earnings per share (euro)</b>		<b>1.62</b>	<b>(0.02)</b>
<b>Diluted earnings per share (euro)</b>		<b><u>1.62</u></b>	<b><u>(0.02)</u></b>

# Blackrock International Land plc

Consolidated statement of recognised income and expense  
*for the period ended 30 June 2007*

	<b>26 Weeks (Unaudited) Period to 30 June 2007 €000</b>	<b>7 Weeks (Unaudited) Period to 30 June 2006 €000</b>
<b>Profit/(loss) for the period</b>	<b><u>9,526</u></b>	<b><u>(143)</u></b>
<b>Total recognised income and expense for the period</b>	<b><u>9,526</u></b>	<b><u>(143)</u></b>
<b>Attributable to:</b>		
Shareholders of the company	9,433	(143)
Minority interest	<u>93</u>	<u>-</u>
	<b><u>9,526</u></b>	<b><u>(143)</u></b>

# Blackrock International Land plc

## Consolidated interim balance sheet

at 30 June 2007

		(Unaudited) 30 June 2007 €000	(Unaudited) 30 June 2006 €000	(Audited) 31 Dec 2006 €000
	<i>Notes</i>			
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment		115	2	2
Investment property	4	365,368	200,522	355,984
Investments in joint ventures	5	25,578	2,405	4,194
Investment in associate		19,034	-	8,448
Deferred tax assets		<u>209</u>	<u>-</u>	<u>209</u>
<b>Total non-current assets</b>		<b>410,304</b>	<b>202,929</b>	<b>368,837</b>
<b>Current assets</b>				
Trade and other receivables		30,664	3,743	2,349
Cash and cash equivalents		15,402	11,687	37,502
Income tax receivable		<u>12</u>	<u>-</u>	<u>12</u>
<b>Total current assets</b>		<b>46,078</b>	<b>15,430</b>	<b>39,863</b>
<b>Total assets</b>		<b><u>456,382</u></b>	<b><u>218,359</u></b>	<b><u>408,700</u></b>
<b>Equity</b>				
Issued share capital	7	5,833	5,833	5,833
Share premium	7	201,085	201,085	201,085
Retained earnings		<u>23,436</u>	<u>(143)</u>	<u>14,003</u>
<b>Total equity attributable to:</b>				
Shareholders of the company		230,354	206,775	220,921
Minority interest		<u>135</u>	<u>-</u>	<u>42</u>
<b>Total equity</b>		<b>230,489</b>	<b>206,775</b>	<b>220,963</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Deferred tax liabilities		18,860	9,479	17,010
Interest bearing loans and borrowings	6	<u>189,537</u>	<u>-</u>	<u>119,963</u>
<b>Total non-current liabilities</b>		<b>208,397</b>	<b>9,479</b>	<b>136,973</b>
<b>Current liabilities</b>				
Trade and other payables		16,433	2,098	50,595
Employee benefits		244	7	94
Income tax payable		794	-	-
Interest bearing loans and liabilities		<u>25</u>	<u>-</u>	<u>75</u>
<b>Total current liabilities</b>		<b>17,496</b>	<b>2,105</b>	<b>50,764</b>
<b>Total liabilities</b>		<b>225,893</b>	<b>11,584</b>	<b>187,737</b>
<b>Total liabilities and equity</b>		<b>456,382</b>	<b>218,359</b>	<b>408,700</b>
<b>Net asset value per share (cent):</b>	9	<b><u>39.49</u></b>	<b><u>35.45</u></b>	<b><u>37.88</u></b>

# Blackrock International Land plc

## Consolidated interim statement of cash flows

for the period ended 30 June 2007

	(Unaudited) 30 June 2007 €000	(Unaudited) 30 June 2006 €000
<i>Notes</i>	€000	€000
<b>Profit / (loss) before tax</b>	<b>12,158</b>	<b>(143)</b>
<i>Adjustments for:</i>		
Net property valuation (gain)/loss	(9,463)	609
Profit on disposal of plant and equipment	-	(2)
Financial income	(731)	(62)
Financial expense	5,068	-
Share of profit of joint ventures and associate	<u>(2,945)</u>	-
Operating profit before changes in working capital	4,087	402
Increase in trade and other receivables	(140)	(3,657)
Increase in trade and other payables	<u>510</u>	<u>879</u>
Cash generated from operations	4,457	(2,376)
Interest paid	(5,200)	-
Income tax paid	-	-
<b>Net cash (outflow) from operating activities</b>	<b>(743)</b>	<b>(2,376)</b>
<b>Cash flows from investing activities</b>		
Acquisition of the Fyffes Property Undertaking	-	(18)
Acquisition of investment property	(62,582)	(6,161)
Proceeds from disposal of property, plant & equipment	-	29
Acquisition of property, plant & equipment	(113)	-
Interest received	529	62
Net cash outflow on acquisition of joint ventures and associate	<u>(29,024)</u>	-
<b>Net cash outflow from investing activities</b>	<b>(91,190)</b>	<b>(6,088)</b>
<b>Cash flows from financing activities</b>		
Proceeds from the issue of share capital	-	82,741
Repayment of borrowings	(50)	(62,590)
Proceeds from the drawdown of borrowings	<u>69,884</u>	-
<b>Net cash inflow from financing activities</b>	<b>69,834</b>	<b>20,151</b>
Net (decrease)/increase in cash and cash equivalents	(22,099)	11,687
Cash and cash equivalents at beginning of period	<u>37,502</u>	-
<b>Cash and cash equivalents at 30 June 2007</b>	<b><u>15,403</u></b>	<b><u>11,687</u></b>

# Blackrock International Land plc

## Notes to the condensed consolidated interim financial statements

### 1. Basis of preparation

Blackrock International Land plc is a company incorporated in Ireland.

The condensed consolidated interim financial statements of the company for the period ended 30 June 2007 consolidate the company and its subsidiaries (together referred to as the "Group") and the Group's interest in joint ventures.

The condensed consolidated interim financial statements have been prepared in accordance with the Group's accounting policies, under International Financial Reporting Standards as adopted by the EU, as set out in the Group's financial statements for the period ended 31 December 2006. These accounting policies have been applied consistently throughout the Group for the purposes of these condensed consolidated interim financial statements.

The condensed consolidated interim financial statements do not include all of the information required for the full annual financial statements. The summary financial statements of the Group for the period ended 31 December, presented herein, represent an abbreviated version of the Group's full accounts for that period on which the auditors have expressed an unqualified opinion.

The condensed consolidated interim financial statements were authorised for issue on 28 August 2007.

### 2. Segment reporting

Segment information is presented in the consolidated interim financial information in respect of the Group's geographical segments. The geographical segment reporting format reflects the location of the Group's investment properties.

#### (a) Geographical segments

	<b>Ireland</b>	<b>UK</b>	<b>Continental Europe</b>	<b>Unallocated</b>	<b>Consolidated</b>
	<b>€000</b>	<b>€000</b>	<b>€000</b>	<b>€000</b>	<b>€0000</b>
<i>For the period ended 30 June 2007</i>					
Gross rental profit and related income	2,312	2,991	2,340	-	<b>7,643</b>
Operating profit/(loss)	5,180	7,868	3,122	(2,620)	<b>13,550</b>
Investment property	170,976	128,917	65,475	-	<b>365,368</b>
<i>For the period ended 30 June 2006</i>					
Gross rental income	458	403	-	-	<b>861</b>
Operating profit / (loss)	327	(232)	-	(300)	<b>(205)</b>
Investment property	120,982	79,540	-	-	<b>200,522</b>

# Blackrock International Land plc

## Notes to the condensed consolidated interim financial statements *(continued)*

### *(b) Business segments*

The group manages its business on the basis of geographical segments only. For the purposes of shareholder information only, the directors have presented a categorisation of the group's properties as follows:

- Investments properties are properties which are held either to earn rental income or for capital appreciation or for both.
- Investment development opportunities represent property held with some current investment return but with medium/long term possibility of development for other use.
- Development properties represent properties held with no current investment return but with a view to rezoning and/or development for an alternative use.

	<b>Investment Properties</b>	<b>Investment with development opportunities</b>	<b>Development properties</b>	<b>Consolidated</b>
	<b>€000</b>	<b>€000</b>	<b>€000</b>	<b>€0000</b>
<i>At 30 June 2007</i>				
Investment property	183,124	102,628	79,616	<b>365,368</b>
Investment in joint ventures & associate	5,773	-	38,839	<b>44,612</b>
<i>At 30 June 2006</i>				
Investment property	51,815	76,387	72,320	<b>200,522</b>
Investment in joint ventures & associate	-	-	2,405	<b>2,405</b>

### **3. Tax**

#### *Current tax*

Current tax expense for the interim period presented is the expected tax payable on the taxable income for the period, calculated at the estimated average annual effective income tax rate applied to the pre-tax income of the interim period.

# Blackrock International Land plc

Notes to the condensed consolidated interim financial statements (*continued*)

## 3. Tax (*continued*)

	Period to June 2007 €000	Period to June 2006 €000
Current Tax	782	-
Deferred Tax	<u>1,850</u>	-
Total Tax	<u>2,632</u>	-

## 4. Investment property

	Period to June 2007 €000	Period to June 2006 €000	Period to December 2006 €000
Balance at the beginning of the period	355,984	-	-
Acquisition of the Fyffes property undertaking	-	194,969	194,969
Acquisition of subsidiary property undertaking	-	-	20,892
Property acquisitions in the period	27,377	6,162	122,072
Disposal of property in the period	(27,456)	-	-
Net property valuation gain / (loss)	<u>9,463</u>	<u>(609)</u>	<u>18,051</u>
<b>Total investment property</b>	<b><u>365,368</u></b>	<b><u>200,522</u></b>	<b><u>355,984</u></b>

## 5. Investment in joint ventures & associate

The following represents a summary of the group share of the assets and liabilities of its joint ventures and associate.

	June 2007 €000	June 2006 €000	December 2006 €000
<i>Share of joint ventures</i>			
Share of gross assets	65,150	12,125	26,172
Share of gross liabilities	<u>(39,572)</u>	<u>(9,720)</u>	<u>(21,978)</u>
Net investment	<u>25,578</u>	<u>2,405</u>	<u>4,194</u>

# Blackrock International Land plc

Notes to the condensed consolidated interim financial statements (*continued*)

	June 2007	June 2006	December 2006
	€000	€000	€000
<i>Share of associate</i>			
Share of gross assets	34,328	-	16,099
Share of gross liabilities	<u>(15,294)</u>	-	<u>(7,651)</u>
Net Investment	<u>19,034</u>	-	<u>8,448</u>

## 6. Interest-bearing loans and borrowings

	June 2007	June 2006	December 2006
	€000	€000	€000
<b>Non-current liabilities</b>			
Bank loans	189,142	-	119,568
Other payables	<u>395</u>	-	<u>395</u>
	<u>189,537</u>	-	<u>119,963</u>
<b>Current liabilities</b>			
Bank loans	<u>25</u>	-	<u>75</u>
	<u>25</u>	-	<u>75</u>

### *Terms and debt repayment schedule*

- (a) Certain nominated subsidiaries have provided cross guarantees in respect of bank loans amounting to €77,417,000.
- (b) A loan of €1,750,000 is secured by property in Belgium.
- (c) At period end, undrawn loan facilities of €22,583,000 were available to the company.

# Blackrock International Land plc

Notes to the condensed consolidated interim financial statements (*continued*)

## 7. Capital and reserves

*Reconciliation of movement in capital and reserve*

	<b>30 June 2007</b>					
	<b>Attributable to equity holders of the parent</b>					
	<b>Share capital €000</b>	<b>Share premium €000</b>	<b>Retained earnings €000</b>	<b>Total €000</b>	<b>Minority Interest €000</b>	<b>Total equity €000</b>
Balance as at 1 <sup>st</sup> January 2007	<u>5,833</u>	<u>201,085</u>	<u>14,003</u>	<u>220,921</u>	<u>42</u>	<u>220,963</u>
Total recognised income and expenses	-	-	9,433	9,433	93	9,526
Shares issued	-	-	-	-	-	-
Own shares acquired	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance at 30 June 2007	<u>5,833</u>	<u>201,085</u>	<u>23,436</u>	<u>230,354</u>	<u>135</u>	<u>230,489</u>

	<b>30 June 2006</b>					
	<b>Attributable to equity holders of the parent</b>					
	<b>Share capital €000</b>	<b>Share premium €000</b>	<b>Retained earnings €000</b>	<b>Total €000</b>	<b>Minority Interest €000</b>	<b>Total equity €000</b>
Balance following incorporation on 3 March 2006	<u>-</u>	<u>38</u>	<u>-</u>	<u>38</u>	<u>-</u>	<u>38</u>
Total recognised income and expenses	-	-	(143)	(143)	-	(143)
Shares issued	5,833	201,433	-	207,266	-	207,266
Own shares acquired	-	-	-	-	-	-
Issue cost of listing	<u>-</u>	<u>(386)</u>	<u>-</u>	<u>(386)</u>	<u>-</u>	<u>(386)</u>
Balance at 30 June 2006	<u>5,833</u>	<u>201,085</u>	<u>(143)</u>	<u>206,775</u>	<u>-</u>	<u>206,775</u>

# Blackrock International Land plc

## Notes to the condensed consolidated interim financial statements (*continued*)

### 8. Earnings per share

#### *Basic earnings per share*

The calculation of basic earnings per share for the period ended 30 June 2007 was based on the profit/loss attributable to ordinary shareholders in the period.

	<b>June 2007 €000</b>	<b>June 2006 €000</b>
Profit/(loss) for the period	9,433	(143)
	<b>2007 <i>In thousands of shares</i></b>	<b>2006 <i>In thousands of shares</i></b>
Weighted average number of ordinary shares at 30 June 2007	583,265	578,690
Basic earnings per share (euro cent)	1.62	(0.02)

#### *Diluted earnings per share*

The calculation of diluted earnings per share for the period ended 30 June 2007 was based on the profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding during the period ended 30 June 2007 as calculated for basic earnings per share above as there were no potentially dilutive instruments in issue.

### 9. Net asset value per share

The calculation of net asset value per share for the period ended 30 June 2007 was based upon the total equity attributable to the shareholders of the company at 30 June 2007 and the number of ordinary shares outstanding at the 30 June 2007 as follows:

	<b>June 2007 €000</b>	<b>June 2006 €000</b>	<b>December 2006 €000</b>
Total equity attributable to shareholders of the company	230,354	206,775	220,921
	<b>2007 <i>In thousands of shares</i></b>	<b>2006 <i>In thousands of shares</i></b>	<b>2006 <i>In thousands of shares</i></b>
Total number of ordinary shares outstanding at 30 June 2007	<u>583,265</u>	<u>583,265</u>	<u>583,265</u>
Net asset value per share (euro cent)	<u>39.49</u>	<u>35.45</u>	<u>37.88</u>

# Blackrock International Land plc

Notes to the condensed consolidated interim financial statements *(continued)*

## **10. Contingencies and guarantees**

- (a) The company, together with its partner, Lagan Developments (Holdings) Limited, have each provided guarantees of €2,100,000 in respect of the bank borrowings of its joint venture companies involved in developing a property in Navan, Ireland.
  
- (b) The company, together with its joint venture partner, Applecross Properties, have each provided guarantees of £10,750,000 in respect of the prospective maximum purchase price for property at Queen Margaret Drive, Glasgow.