

**HML HOLDINGS Plc  
("HML or "the Group")**

**HALF YEAR RESULTS**

HML Holdings plc (AIM: HMLH.L), the property management services group, today announces its interim results for the six months to 30 September 2013.

**Highlights for the six month period:**

- Revenue up 16% to £7.2 million (2012: £6.2 million)
- 25% increase in operating profit before interest, amortisation and share based payment charges to £691,000 (2012: £551,000)
- Successful integration of acquisitions
- Earnings per share 1.2p (2012: 0.9p)

**Commenting on the results, Robert Plumb, Chief Executive of HML Holdings Plc, said:**

"We are pleased to be reporting improvements in revenues and earnings as HML succeeds both in assimilating our acquisitions and achieving further organic growth in our properties under management".

**For further information:**

**HML Holdings Plc**

Robert Plumb, Chief Executive  
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## **CHAIRMAN'S AND CHIEF EXECUTIVE'S REPORT**

In the first half of the year revenues increased by 16% to 7.2 million (2012: £6.2 million), of which 11% was generated from organic growth (2012: 10%). We are also pleased to report the effect of the first full period of trading for the Guthrie Partnership, which we acquired in February 2013 and contributed the remaining 5% of revenue growth.

This growth, combined with an improvement in our operating margins, has led to a 25% increase in operating profit before interest, share based payment charges, amortisation and taxation.

HML continues to enjoy organic revenue and earnings growth through both a steadily increasing share of the existing block management market, as well as an increasing flow of new build instructions. The growing contribution of client referrals to the Group's new business volume is noticeable and a tribute to improving customer satisfaction levels.

During the course of the first half of the year, we have commenced a number of process and systems development projects which will add significantly to the Group's operating efficiency. These include the centralisation of our Contractor Accreditation Process, as well as the development of Client Access and Payment portals. We have similarly evolved our business acquisition procedures to minimise the impact to operations during the integration of businesses into our Group.

Following the period end, we announced the portfolio acquisition of PR Gibbs in Bolton and LHH Property Management in Kensington. We are confident that both of these businesses will assimilate well into our existing business structure.

While the Residential Block Management market place remains a competitive one, HML continues to believe it is well placed to take advantage both of the growth opportunities in the market and the trend towards a minimum requirement for service quality and transparency.

**Richard Smith**

**Chairman**

**Robert Plumb**

**Chief Executive**

**11<sup>th</sup> November 2013**

**HML HOLDINGS PLC**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**Six months ended 30 September 2013**

<b>Continuing operations</b>	Notes	Unaudited 6 months to 30 September 2013 £'000	Unaudited 6 months to 30 September 2012 £'000	Audited Year ended 31 March 2013 £'000
<b>Revenue</b>		7,180	6,186	12,809
Direct operating expenses		(6,011)	(5,212)	(10,862)
Central operating overheads		(478)	(423)	(884)
Share based payment charge		(8)	(6)	(12)
Amortisation of intangible assets		(137)	(123)	(256)
Total central operating overheads		(623)	(552)	(1,152)
Operating expenses		(6,634)	(5,764)	(12,014)
<b>Profit from operations</b>		546	422	795
Finance costs		(8)	(19)	(33)
<b>Profit before taxation</b>	4	538	403	762
Corporation tax charge		(88)	(85)	(125)
<b>Profit for the period attributable to equity holders of the parent</b>		450	318	637
Other comprehensive income		-	-	-
<b>Total comprehensive income for the period attributable to equity holders of the parent</b>		450	318	637
<b>Earnings per share</b>				
Basic	5	1.2p	0.9p	1.8p
Diluted	5	1.2p	0.9p	1.7p

**HML HOLDINGS PLC**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**COMPANY NUMBER: 5728008**  
**30 September 2013**

	Unaudited 30 September 2013 £'000	Unaudited 30 September 2012 £'000	Audited 31 March 2013 £'000
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Goodwill	4,837	4,356	4,832
Other intangible assets	3,640	3,391	3,706
Property, plant and equipment	315	283	298
	8,792	8,030	8,836
<b>Current Assets</b>			
Trade and other receivables	1,477	1,519	1,687
Cash and cash equivalent	475	472	266
	1,952	1,991	1,953
<b>TOTAL ASSETS</b>	<b>10,744</b>	<b>10,021</b>	<b>10,789</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	2,253	1,858	2,580
Borrowings	345	345	345
Current tax liabilities	255	207	167
	2,853	2,410	3,092
<b>Non-Current Liabilities</b>			
Deferred tax	433	357	433
Borrowings	-	431	259
Current tax liabilities	74	174	74
	507	962	766
<b>NET ASSETS</b>	<b>7,384</b>	<b>6,649</b>	<b>6,931</b>
<b>EQUITY</b>			
Share capital	543	543	543
Share premium	6,743	6,743	6,743
Other reserves	(99)	(51)	(94)
Merger reserve	(15)	(15)	(15)
Retained earnings	212	(571)	(246)
<b>TOTAL EQUITY</b>	<b>7,384</b>	<b>6,649</b>	<b>6,931</b>

**HML HOLDINGS PLC**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**Six months ended 30 September 2013**

	Share capital £'000	Share premium £'000	Other reserve £'000	Merger reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 1 April 2012	543	6,743	(16)	(15)	(895)	6,360
Total comprehensive income for the period	-	-	-	-	318	318
Share based payment charge	-	-	-	-	6	6
HML shares purchased by the EBT	-	-	(35)	-	-	(35)
Balance at 30 September 2012	543	6,743	(51)	(15)	(571)	6,649
Total comprehensive income for the period	-	-	-	-	319	319
Share based payment charge	-	-	-	-	6	6
HML shares purchased by the EBT	-	-	(43)	-	-	(43)
Balance at 31 March 2013	543	6,743	(94)	(15)	(246)	6,931
Total comprehensive income for the period	-	-	-	-	450	450
Share based payment charge	-	-	-	-	8	8
HML shares purchased by the EBT	-	-	(5)	-	-	(5)
Balance at 30 September 2013	543	6,743	(99)	(15)	212	7,384

**HML HOLDINGS PLC**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**Six months ended 30 September 2013**

	Notes	Unaudited 6 months to 30 September 2013 £'000	Unaudited 6 months to 30 September 2012 £'000	Audited Year ended 31 March 2013 £'000
<b>Operating activities</b>				
Cash generated from operations	6	630	362	1,436
Income taxes paid		-	-	(80)
Interest paid		(8)	(19)	(33)
<b>Net cash from operating activities</b>		<b>622</b>	<b>343</b>	<b>1,323</b>
<b>Investing activities</b>				
Purchases of property, plant and equipment		(78)	(73)	(162)
Shares purchased by the EBT		(5)	(35)	(78)
Purchase of software		(71)	(39)	(98)
Acquisition of businesses		-	(53)	(676)
Payment of deferred/contingent consideration		-	-	(200)
<b>Net cash used in investing activities</b>		<b>(154)</b>	<b>(200)</b>	<b>(1,214)</b>
<b>Financing activities</b>				
(Decrease) in long term loan		(259)	(173)	(345)
<b>Net cash used in financing activities</b>		<b>(259)</b>	<b>(173)</b>	<b>(345)</b>
<b>Increase/(decrease) in cash and cash equivalents</b>		<b>209</b>	<b>(30)</b>	<b>(236)</b>
Cash and cash equivalents at the start of period		266	502	502
<b>Cash and cash equivalents at the end of the period</b>		<b>475</b>	<b>472</b>	<b>266</b>

**1. General Information**

The interim unaudited financial information was approved by the board on 11 November 2013.

The results for the year ended 31 March 2013 have been audited whilst the results for the six months ended 30 September 2012 and 30 September 2013 are unaudited. The financial information contained in this interim report does not constitute statutory accounts for that period. The statutory accounts for the previous year, which were prepared under International Financial Reporting Standards ('IFRS'), have been delivered to the Registrar of Companies. The auditors' opinion on those accounts was unqualified, did not draw attention to any matters by way of emphasis and did not contain a statement under section 498 (2) or 498 (3) of the Companies Act 2006.

Copies of the interim report are available from [www.hmlholdings.com](http://www.hmlholdings.com) or from the Company Secretary at HML Holdings plc, 9-11 The Quadrant, Richmond, Surrey, TW9 1BP.

**2. International Financial Reporting Standards**

The consolidated financial information has been prepared using accounting policies consistent with IFRS as adopted by the European Union applied in accordance with the provisions of the Companies Act 2006.

The accounting policies applied are consistent with those of the audited annual financial statements for the year ended 31 March 2013.

Whilst the financial figures included in this interim report have been computed in accordance with IFRS, this interim report does not contain sufficient information to constitute an interim financial report as that term is defined in IAS 34.

**3. Taxation**

Taxation for the six months to 30 September 2013 is based on the effective rate of taxation which is estimated to apply for the year ending 31 March 2014.

<b>4. Profit before interest, exceptional items, share based payments charges, amortisation and taxation reconciliation</b>	Unaudited 6 months to 30 September 2013 £'000	Unaudited 6 months to 30 September 2012 £'000	Audited Year ended 31 March 2013 £'000
Operating profit before interest, exceptional items, share based payment charges, amortisation and taxation	691	551	1,063
Finance costs	(8)	(19)	(33)
Operating profit before exceptional item, share based payment charges, amortisation and taxation	683	532	1,030
Share based payment charge	(8)	(6)	(12)
Amortisation of intangible assets	(137)	(123)	(256)
Profit before taxation	538	403	762

**HML HOLDINGS Plc**  
**NOTES TO THE ACCOUNTS**

5.	<b>Earnings per share</b>	Unaudited 6 months to 30 September 2013	Unaudited 6 months to 30 September 2012	Audited Year ended 31 March 2013
<b>Profits for basic and diluted earnings per share (£'000)</b>				
	Profit for the period	450	318	637
<b>Weighted average number of shares (000s)</b>				
	For basic earnings per share	36,220	36,220	36,220
	Effect of dilutive potential ordinary shares: - share options	759	931	784
	<b>Fully diluted</b>	<b>36,979</b>	<b>37,151</b>	<b>37,004</b>
	Basic	1.2p	0.9p	1.8p
	Diluted	1.2p	0.9p	1.7p
6.	<b>Notes to the cash flow statement</b>	Unaudited 6 months to 30 September 2013 £'000	Unaudited 6 months to 30 September 2012 £'000	Audited 12 months to 31 March 2013 £'000
<b>Cash generated from operations</b>				
	Profit from operations	546	422	795
	Share-based payment charge	8	6	12
	Depreciation of plant and equipment	61	63	137
	Amortisation of intangible assets	137	123	256
	Decrease/(increase) in trade and other receivables	210	(106)	(274)
	(Decrease)/increase in trade and other payables	(332)	(146)	510
	<b>Cash generated from operations</b>	<b>630</b>	<b>362</b>	<b>1,436</b>