

28 July 2005

Oak Holdings plc ('Oak' or 'the Company')
Interim Results

Oak Holdings plc, the AIM-listed property development company, announces its results for the six months ended 30 April 2005.

Overview:

- Significantly progressed YES! Project in South Yorkshire
- Support of major leisure operators including Sony and Venue Solutions, Baydrive Group and Venture Xtreme UK Ltd
- Appointed internationally renowned architects CZWG and Holder Mathias
- Strong political and local support
- Outline planning application submitted in January - consent expected by the end of 2005
- Consultancy division looks promising with a number of opportunities being progressed
- Loss before exceptional items of £642,030 (2004: £353,610) on a turnover of £5,526 (2004: £1,267) in line with the Board's expectations
- As at 30 April 2005, the Group had net assets of £11,279,241 (including goodwill of £10,828,446) and cash of £744,310
- Sufficient working capital to take the YES! Project through to planning consent if management's expectations of timetable are realised

Chairman's Statement

This has been a busy period for the Company during which we have significantly progressed our major development, the YES! Project, in South Yorkshire. We are encouraged by the support of major leisure operators and in particular Sony, who are now keen to be associated with the project. We are also optimistic about our consultancy division's prospects and anticipate it making a growing contribution to revenues in the year ahead.

Results

I am pleased to report the results for the six months to 30 April 2005. In line with the Board's expectations we made a loss before exceptional items of £642,030 (2004: £353,610), on a turnover of £5,526 (2004: £1,267). The major part of this loss stems from expenditure on professional fees in relation to the YES! Project, which are not capitalised. These expenditures are within planned forecast levels and have significantly moved the project forward. As at 30 April 2005, the Group had net assets of £11,279,241 (including goodwill of £10,828,446) and cash of £744,310.

The Directors do not propose the payment of a dividend (2004: £Nil).

Trading

I am pleased to report a period of high activity in which significant progress has been made on the YES! Project, our £270 million covered, mixed-use leisure scheme located on a 327 acre ex-coalfield site adjoining the Rother Valley Country Park in Rotherham.

We are now working with a number of key anchor tenants including Baydrive Group, which owns the TopGolf courses, and Venture Xtreme UK Ltd, the specialist sports activity company. We have also signed a Memorandum of Understanding with Sony United Kingdom Ltd and Venue Solutions to provide state of the art, innovative entertainment facilities at the scheme.

Furthermore, the Company has appointed internationally renowned architects CZWG and Holder Mathias to design the project. The innovative and striking design has been well received by the architectural press and will be a landmark for the region.

During the period efforts have been focussed on harnessing political and local support for the project such that we are now in a strong position to secure planning approval. The outline planning application was submitted in January and the Directors anticipate that outline consent will be obtained by the end of 2005. This should enable the development to be completed early 2009.

The Company is also actively promoting its consultancy division which capitalises on the extensive skills and expertise of the management team to offer project consultancy on every aspect of property investment management and development for discerning clients. As part of our expansion in this area we recently appointed a new development executive who has valuable international experience.

Now that firm foundations are in place, this division of the business looks promising. A considerable number of consultancy opportunities are being progressed which we hope will come to fruition soon and boost revenue in 2005/2006. As announced on 1 July, further progress was made when we signed consultancy agreements to advise on two major themed leisure parks in the UK - Shakespeare's World near Banbury, Oxon and Outlaw's Kingdom near Mansfield.

In April at the time of the preliminary results announcement, we successfully raised £1.1 million, net of expenses, through a share placing. The Directors believe that the Company now has sufficient working capital, together with anticipated consultancy income, to take the YES! Project through to planning consent on the revised programme.

With a rapidly growing international reputation in the leisure, retail and hotel sectors, a number of opportunities are now being offered to the Company. Each of these will be carefully analysed and your Board views the future with optimism and is looking forward to fully maximising the Oak brand.

Malcolm Savage
28 July 2005

Oak Holdings plc

Profit and loss account

For the six months ended 30 April 2005

	6 months ended 30 April 2005 (unaudited) £	6 months ended 30 April 2004 (unaudited) £	12 months ended 31 October 2004 (audited) £
Turnover- continuing activities	5,526	-	-
- discontinued activities	-	70,629	102,611
Cost of sales	-	(69,362)	(98,269)
Gross profit (loss)	5,526	1,267	4,342
Operating expenses	(649,487)	(371,933)	(729,984)
Operating loss - continuing	(639,170)	(371,933)	(729,984)
- discontinued	(4,791)	1,267	4,342
	(643,961)	(370,666)	(725,642)
Interest receivable	1,931	17,056	23,882
Loss on ordinary activities before taxation	(642,030)	(353,610)	(701,760)
Taxation	-	-	-
Retained (loss)/profit for the period	(642,030)	(353,610)	(701,760)
Basic loss per share (in pence)	(0.1p)	(0.1p)	(0.1p)

Oak Holdings plc

Balance Sheet

As at 30 April 2005

	As at 30 April 2005 (unaudited) £	As at 30 April 2004 (unaudited) £	As at 31 October 2004 (audited) £
Intangible fixed assets	10,828,446	10,828,446	10,828,446
Tangible fixed assets	2,519	129,245	4,150
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	10,830,965	10,957,691	10,832,596
Stock	121,917	25,116	126,708
Debtors	107,928	35,387	21,011
Cash at bank and in hand	744,310	475,782	194,247
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Current assets	974,155	536,285	341,966
Creditors falling due within one year	(345,184)	(179,222)	(207,960)
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Net current assets	628,971	357,063	134,006
Total assets less current liabilities	11,459,936	11,314,754	10,966,602
Creditors falling due after more than one year	(180,695)	(180,695)	(180,695)
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Net assets	11,279,241	11,134,059	10,785,907
Capital and reserves			
Called up share capital	7,480,782	6,539,483	6,539,483
Share premium account	2,987,004	2,792,939	2,792,939
Capital redemption reserve	164,667	164,667	164,667
Profit and loss account	(4,550,531)	(3,560,349)	(3,908,501)
Merger reserve	5,197,319	5,197,319	5,197,319
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Equity shareholders' funds	11,279,241	11,134,059	10,785,907

Oak Holdings plc

Cash Flow Statement

For the six months ended 30 April 2005

	6 months ended 30 April 2005 (unaudited) £	6 months ended 30 April 2004 (unaudited) £	12 months ended 31 October 2004 (audited) £
Net Cash Outflow from Operating Activities	(587,232)	(421,566)	(706,371)
Returns on Investments and Servicing of Finance			
Net interest received	1,931	17,056	23,882
Capital Expenditure	-	(1,064)	(4,620)
Acquisitions			
Bank overdraft acquired with subsidiary	-	(20,478)	(20,478)
Costs of acquisition	-	(310,509)	(310,509)
Cash Outflow before Financing	<u>(585,301)</u>	<u>(736,561)</u>	<u>(1,018,096)</u>
Financing			
Repayment of Loans	-	(25,624)	(25,624)
Proceeds from issue of shares	1,135,364	3,566	3,566
Increase/(Decrease) in Cash	<u>550,063</u>	<u>(758,619)</u>	<u>(1,040,154)</u>

Notes to the Interim Results

- 1 The Group results have been prepared in accordance with the accounting policies stated in the 2004 annual report.
- 2 Discontinued operations relate to the realisation of the Group's former narrow boat and timeshare operations.
- 3 Goodwill arose on the acquisition of Oak Holdings Limited on 1 December 2003 and was attributable primarily to the selection of Oak Holdings Limited by Rotherham Metropolitan Borough Council as preferred developer on the YES! Project, a planned major entertainment and leisure complex. No amortisation of goodwill has arisen as the directors consider that the useful life of the acquired goodwill relates to the realisation of the YES! Project.

- 4 The calculation of loss per share is based upon the weighted average number of shares in issue during the period of 669,696,179 (Year ended 31 October 2004 - 612,837,889 and 6 months ended 30 April 2004 - 571,877,331).
- 5 The results for the periods to 30 April 2005 and 30 April 2004 are unaudited and do not constitute statutory accounts in accordance with section 240 of the Companies Act 1985. The comparative figures for the year ended 31 October 2004 are an abbreviated version of the full accounts which have been reported on without qualification by the auditors. The auditors however drew attention, in their report on the financial statements for the year ended 31 October 2004, to the inherent uncertainties with regards to the planning application for the YES! Project and the impact that any failure to obtain planning consent within the anticipated timescale would have on the carrying value of goodwill and the ability of the Group to continue as a going concern. The financial statements for the year ended 31 October 2004 have been filed with the Registrar of Companies.
- 6 No dividend is proposed for the period ended 30 April 2005.
- 7 Copies of the interim results will be available to members of the public from the Company's registered office, at 15 Half Moon Street, London W1J 7AT.

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