

INTERIM RESULTS 2007

Oak Holdings plc (“Oak” or the “Company”), the AIM listed property development and consultancy group that is developing the £350million YES! Project, a 1.2million sq ft covered fully integrated mixed-use leisure and conference scheme on a 327-acre site in South Yorkshire, announces its unaudited interim results for the six months ended 30 April 2007.

Highlights

- Significant reduction in operating loss to £116,336 (2006: £261,555)
- Consultancy income increased to £350,500 (2006: £34,000)
- Historic Net Assets remained largely unchanged at£10.22 million
- Considerable progress achieved at YES! Project:
 - Outline Planning Consent granted January 2007
 - Strategic acquisition of key 27 acre freehold site providing access to the development site
 - Development Agreement being progressed to completion
 - Opinion of Value commissioned
- Directors confident in Oak’s “latent” shareholder value

Malcolm Savage, Chairman of Oak, said: “The Board remains confident in the YES! Project and its potential to generate shareholder value and of the inherent value in the Company.”

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CHAIRMAN'S STATEMENT

As I reported at the Annual General Meeting in May of this year, the Company continues to make significant progress in respect of the YES! Project in South Yorkshire. In January, we were able to announce that Outline Planning Consent had been granted and the associated Section 106 Agreement signed; a major hurdle successfully overcome. We continue to progress the project with vigour.

We remain confident in the prospects for our consultancy division; the six months to April were particularly pleasing. However, whilst the years ahead promise a profitable income stream from this division, our resources remain focused on the YES! Project.

Results

In six months to 30 April 2007, I am pleased to report that the Company reduced its operating loss to £116,336 (2006: £261,555) and consultancy income increased significantly to £350,500 (2006: £34,000).

Tight expenditure control remains in place in relation both to YES! costs and the more general running costs of the Company. As previously stated, YES! costs are not capitalised. The reduced loss is even more creditable as it includes a first time charge in respect of FRS20, Accounting for Share Options, of £33,000 (2006: nil).

Current Trading

The YES! Project

Following on from the Outline Planning permission and Section 106 Agreement achieved in January of this year, the Company acquired the strategically important freehold of 27 acres of land between the development site and the A57 which secured access to the development site. The total consideration for this acquisition was £1 million with £250,000 paid on acquisition and the balance payable in March 2008. This acquisition demonstrates our determination to ensure that this important regional project goes ahead for the benefit of Oak Holdings plc and its shareholders and gives the Company ownership of critical acreage.

The YES! Project team has concentrated on finalising the terms of a Development Agreement with Rotherham Metropolitan Borough Council, which will supersede the now extended Preferred Developer Agreement. We expect to conclude these intensive negotiations soon.

Discussions continue with national and international companies with leading brand names to become anchor tenants and partners. We expect to reach satisfactory conclusions to these discussions upon finalisation of the Development Agreement.

Bank lenders have indicated that, subject to normal lending criteria, the Company will be able to secure a Development Loan to progress the project to completion.

Consultancy Division

The consultancy division's potential remains encouraging but, given the currently limited resources of the Company and the need to prioritise the YES! Project, it is difficult to predict income.

Funding

The directors believe that the share consolidation determined at the Annual General Meeting earlier in the year will improve the market's overall perception of the Company and make it more attractive to long term investors. The directors are also confident that the current inherent value in the Company, and particularly its YES! Project, is not reflected in its market capitalisation. Accordingly, the Board has recently commissioned independent property advisors to express an "Opinion of Value" of the YES! Project.

The Board is confident that this "Opinion" will be substantially in excess of the Company's current market capitalisation.

The Directors continue to explore sources of funding for the Company and will only conclude such review when satisfied that a particular source is in the best interests of the Company and its shareholders as a whole. The Directors envisage that such funding will encompass the immediate requirements of the YES! Project as well as the Company's day-to-day working capital needs. The Directors are confident of being in a position to be able to make an announcement on this matter in the near future.

I also wish to demonstrate the Directors' confidence in the Company's future by referring to two matters. First, two directors, namely Stephen Lewis and Graham Axford, have provided guarantees in respect of the bank loan of £250,000 utilised by the Company to purchase the YES! Project access land, referred to above. Secondly, each of the Directors has contributed towards the short term working capital needs of the Company, by providing loans to the Company, pending resolution of the exploration of funding opportunities referred to in the preceding paragraph. These loans, totalling £25,000, have been provided on reasonable commercial terms and will be repayable out of the proceeds of any equity funding or bank finance.

Outlook

The Board remains confident in the YES! Project and its potential to generate shareholder value and of the inherent value in the Company.

Finally, as always, I would like to thank my colleagues and our shareholders for their continued support.

Malcolm Savage
Chairman

27 July 2007

Oak Holdings plc

Profit and loss account

For the six months ended 30 April 2007

	6 months ended 30 April 2007 (unaudited) £	6 months ended 30 April 2006 (unaudited) £	12 months ended 31 October 2006 (audited) £
Turnover	350,500	34,000	58,674
Cost of sales	-	-	-
Gross profit	350,500	34,000	58,674
Operating expenses	(466,836)	(295,555)	(641,012)
Operating loss	(116,336)	(261,555)	(582,338)
Interest (payable)/receivable	(1,159)	5,283	6,674
Profit on sale of investment	-	-	3,317
Loss on ordinary activities before taxation	(117,495)	(256,272)	(572,347)
Taxation	-	-	-
Retained loss for the period	(117,495)	(256,272)	(572,347)
Basic loss per share (in pence)	(0.02p)	(0.1p)	(0.1p)

Oak Holdings plc

Balance Sheet

As at 30 April 2007

	As at 30 April 2007 (unaudited) £	As at 30 April 2006 (unaudited) £	As at 31 October 2006 (audited) £
Fixed Assets			
Intangible assets	10,828,446	10,828,446	10,828,446
Tangible assets - land	250,000	-	-
Investments	-	2,759	-
	<u>11,078,446</u>	<u>10,831,205</u>	<u>10,828,446</u>
Current Assets			
Debtors	112,797	19,432	27,149
Cash at bank and in hand	15,613	176,302	45,069
	<u>128,410</u>	<u>195,734</u>	<u>72,218</u>
Current Liabilities			
Creditors falling due within one year	<u>(801,381)</u>	<u>(221,749)</u>	<u>(411,549)</u>
Net Current Liabilities	<u>(672,971)</u>	<u>(26,015)</u>	<u>(339,331)</u>
Total assets less current liabilities	10,405,475	10,805,190	10,489,115
Creditors falling due after more than one year	(180,695)	(180,695)	(180,695)
Net Assets	<u>10,224,780</u>	<u>10,624,495</u>	<u>10,308,420</u>
Capital and Reserves			
Called up share capital	7,481,245	7,480,886	7,480,886
Share premium account	2,987,642	2,987,146	2,987,146
Capital redemption reserve	164,667	164,667	164,667
Profit and loss account	(5,639,093)	(5,205,523)	(5,521,598)
Merger reserve	5,197,319	5,197,319	5,197,319
Other reserve	33,000	-	-
Equity: shareholders' funds	<u>10,224,780</u>	<u>10,624,495</u>	<u>10,308,420</u>

Oak Holdings plc

Cash Flow Statement

For the six months ended 30 April 2007

	6 months ended 30 April 2007 (unaudited) £	6 months ended 30 April 2006 (unaudited) £	12 months ended 31 October 2006 (audited) £
Net Cash Outflow from Operating Activities	(29,152)	(276,269)	(414,969)
Returns on Investments and Servicing of Finance			
Net interest (paid)/received	(1,159)	5,283	6,674
Capital Expenditure and Financial Investments			
Tangible fixed asset - land	(250,000)	-	-
Investments	-	(2,759)	(2,758)
Sale proceeds of investments	-	-	6,075
Cash Outflow before Financing	(280,311)	(273,745)	(404,978)
Financing			
Proceeds from issue of shares	855	245	245
Decrease in Cash	(279,456)	(273,500)	(404,733)

Notes to the Interim Results

- 1 The Group results have been prepared in accordance with the accounting policies stated in the 2006 annual report. In respect of FRS20, Accounting for Share Options, the application of which is obligatory for the six months ended 30 April 2007, a charge of £33,000 has been made to the profit and loss account and a corresponding credit to other reserves.
- 2 There is no provision for corporation tax for the half year, on the basis that no liability will arise for the 6 months to 30 April 2007.
- 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 (RMBC) 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 Company's interest in the YES! Project was independently assessed on 22 July 2003 by Lambert Smith Hampton in their "Opinion of Value" as being some £10.5 million.
- 5 The calculation of loss per share is based upon the weighted average number of shares in issue during the period of 748,116,775 (Year ended 31 October 2006 – 748,086,829 and 6 months ended 30 April 2006 – 748,085,110).
- 6 The results for the periods to 30 April 2007 and 30 April 2006 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 2006 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 2006, to the value of Goodwill in the Group Balance Sheet being dependent upon Oak finalising a Development Agreement with RMBC in respect of the YES! Project, obtaining planning permission, being able to raise development capital to realise the project and being able to secure commitments from tenants for the scheme. The auditors also drew attention to the Group's need to secure further funds to provide working capital to enable it to continue to pursue the project and continue as a going concern. The financial statements for the year ended 31 October 2006 have been filed with the Registrar of Companies.
- 7 No dividend is proposed for the period ended 30 April 2007.
- 8 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 and on the Company's website, www.oakholdings.co.uk.