COMPANIES IN FOCUS

Reaching the Investment and Business to Business markets

AVON RUBBER p.l.c.

Extracts from the Preliminary Results for the full year ended 30 September 2004 (02/12/04)

"Group operating profit before goodwill amortisation of £10.8 million increased by £0.7 million."

We have achieved continued progress with profit before tax and amortisation of goodwill increasing from £8.1 million in 2003 to £9.4 million in 2004. Profit before tax improved from £7.4 million in 2003 to £8.7 million in 2004 and profit after tax was up from £5.5 million to £7.0 million.

This was achieved despite the adverse impact of exchange rates on translation of operating profits of £0.9 million. Part of the improvement is the result of the finance credit of £0.8 million (2003: £0.1 million charge) resulting from the adoption of FRS17. Prior to this credit, profit before tax and amortisation of goodwill increased by £0.4 million to £8.6 million (2003: £8.2 million).

The market in North American Automotive remained relatively flat year on year. However, we continued to record encouraging growth at our water hose facility in Orizaba, Mexico. As predicted at the time of the interim announcement in May, we ended the year with sales of water hose in North America at a rate in excess of $20 million per annum, an increase of more than $15 million in annualised sales since launching this project and we expect further increases in the future. This growth enabled us to record an overall increase in sales of 6.7% in local currency over the previous year for our North American Automotive division.

In European Automotive, sales for the second half of the year were at a similar level to the first half and overall were £1.7 million lower than 2003 at £102.2 million (2003: £103.9 million). We recorded a significant improvement in operating profit in the second half with recoveries in both France and Spain. However, these businesses are still not operating at our target levels. In Technical Products, we saw a decline in demand for military related products in the second half of the year compared to the first half and compared to the second half of 2003. The programme for the new US military respirator continued on plan with the delivery of 4,000 test units in the second half of the year. We expect the programme to move into the production phase during the last quarter of 2005.

We have maintained our focus on cash management. As a result net borrowings at £29.7 million (2003: £38.0 million) were £8.3 million lower than last year and £5.0 million lower than at the half year. This has resulted in a further reduction in net annual interest charges of £0.6 million from £2.8 million in 2003 to £2.2 million this year.

Results

Sales at £239.2 million (2003: £248.5 million) were down by £9.3 million, but increased by £1.5 million when translating 2003 results at 2004 exchange rates ("constant exchange rates"). Sales in Technical Products at constant exchange rates reduced by £1.3 million to £63.9 million (2003: £65.2 million) with European Automotive down £1.7 million at £102.2 million (2003: £103.9 million) and North American Automotive up from £68.5 million in 2003 to £73.1 million this year. Group operating profit before goodwill amortisation was £10.8 million (2003: £11.0 million). At constant exchange rates, Group operating profit before goodwill amortisation of £10.8 million increased by £0.7 million (2003: £10.1 million). On this basis, North American operating profit increased by £0.7 million to £8.2 million (2003: £7.5 million) while European operating profit before goodwill amortisation remained constant at £2.6 million. In the second half of the year we saw reduced demand for our military related products, but this was offset by encouraging performance improvements in both France and Spain.

Interest charges were reduced by £0.6 million to £2.2 million (2003: £2.8 million). We also recorded a finance credit under FRS17 of £0.8 million (2003: £0.1 million charge). This resulted in a Group profit before tax and goodwill amortisation of £9.4 million (2003: £8.1 million) an increase of £1.3 million.

Basic earnings per share were 25.1p (2003: 20.0p) based on an effective tax rate of 19.1% (2003: 26.6%). Earnings per share before goodwill amortisation were 27.6p (2003: 22.5p). The effective tax rate of 19.1% reflects the benefit of recognising the deferred tax asset on taxation losses, principally in respect of our business in Orizaba. Following the operational progress in Orizaba during the year, we have reasonable expectations that these taxation losses will be recovered from future profitability.

domnick hunter group plc

Extracts from the Interim Results for the half year ended 30 June 2004 (25/08/04)

"The Board expects good results for the period which will contribute to a satisfactory outcome for the year as a whole. Looking to 2005"

The Board is very pleased with the performance and achievements of the domnick hunter group in the first half of 2004.

Underlying business grew well and good progress was made by management in integrating into the Group the two significant and strategically important businesses which were acquired together in April.

Turnover in the half year, up 13.7%, produced an increased overall operating profit despite the impact of a small loss from the acquired businesses, associated reorganisation costs and adverse foreign currency exchange rate movements.

Process Operations won its first QUEEN'S AWARD FOR ENTERPRISE: International Trade, all UK Industrial sites became ISO14001 approved for their environmental standards and the Company was included in the FTSE4Good index because it meets the required high corporate responsibility standards.

Acquisition

In April domnick hunter acquired PTI Advanced Filtration Inc, based in Oxnard, California, and PTI Technologies Ltd, based in Sheffield, for a total consideration of £9.8 million, financed through an extension to existing borrowings. The companies design and manufacture filtration products, largely complementary to those of domnick hunter, which are sold to a broad and well established customer base.

The acquired businesses bring additional membrane technology, enhanced research and development capability and an established United States manufacturing base making the enlarged Process Operations an undoubtedly more potent force in the market and increasing the opportunities to develop future organic growth.

The combined unaudited results for the acquired businesses for the year ended 30 September 2003 show turnover of £18.4 million, gross profit of £3.6m, operating loss of £4. million and net assets as at 30 September 2003 of £14.3 million. The full integration of the businesses will probably not be complete until the first half of 2005 but already major inroads have been made into moving them towards profitability.

Trading Review

Process Operations overcame disruption associated with the expansion and refurbishment of its manufacturing facilities at Birtley, which are now substantially complete, to produce a creditable performance. Turnover and operating profit from its existing operations increased by 1.4% and 10.6% respectively helped by buoyant trading in Europe. Benefits from the new facilities and the broader product portfolio, which derives from the acquired businesses and which presents many cross-selling opportunities, will start to be felt in the second half.

Industrial Operations, with turnover and operating profit growth of 8.7% and 7.8% respectively, has again proved its inherent strength in what continues to be a difficult business environment. Most parts of Industrial contributed to the growth with, in particular, the Italian operations seeing strong sales fuelled by recent new product introductions. Good results were also achieved from investments made to expand our sales and service capability in North America, Germany and Eastern Europe.

Progress on acceptance and proving of our Nuclear Biological and Chemical (NBC) protection systems within the US military moves steadily and successfully ahead. Production of NBC units for the UK Engineer Tank Systems is still expected to commence this year but elsewhere our UK military business has suffered from spending constraints and delays. This is seen as a timing issue, so often associated with military projects, and our overall expectations remain undiminished.

Dividend

The Board proposes to increase the interim dividend by 5% to 4.2 pence per Ordinary share which will be paid on 14 October 2004 to shareholders on the register of members at 3 September 2004.

Outlook

Trading has started well in the second half of 2004 and, allowing for the impact of the acquired businesses and adverse exchange rate movements, the Board expects good results for the period which will contribute to a satisfactory outcome for the year as a whole. Looking to 2005 and beyond, we expect the longer term opportunities provided by the acquired businesses and the new Process production facilities to enhance the already existing growth prospects for the Group.

Johnston Press plc
www.johnstonpress.co.uk

JOHNSTON PRESS PLC

Extracts from the Interim Results for the half year ended 30 June 2004 (25/08/04)

"Advertising revenue for the Group increased on an actual and a like-forlike basis by 6%."

The six months to 30 June 2004 have been a good trading period for Johnston Press. The rate of underlying advertising revenue growth was above our expectations and this, when combined with the Group's ongoing focus on managing an efficient business, has produced an excellent result.

Operating profit before operating exceptionals increased by 9.5% to £92.0 million. Strong cash generation resulted in borrowings falling to £378 million at 30 June 2004 and a reduced interest charge of £13.8 million, down by 17.5%. Headline earnings per share rose from 16.82p to 19.45p, an increase of 15.6%. The interim ordinary dividend payable on 5 November 2004 will be 2.4p, an increase of 20%.

Trading review

For the period under review, advertising revenue for the Group increased on an actual and a like-forlike basis by 6.0%. Volume growth was the principal driver behind this strongly improved performance with an increase of 4.6%. Part of this improvement came from new revenue initiatives, primarily re-publishing classified advertisements in the form of complementary specialist advertisingonly publications. Employment advertising revenues grew strongest, up by 13.3%, partly reflecting improved trading conditions in the South of the country. Being the highest yielding category, this more than offset the lower yields of the newly launched publications such that overall yields increased by 1.4%. Increasing volumes of colour advertising, which carries a price premium, also continued to assist yield growth.

All categories of advertising grew revenue over the six months. Whilst employment advertising was strongest, property advertising also continued to perform well, especially when bearing in mind the strong comparatives from the previous period. Growth in motors advertising revenue was modest but other classifieds were comfortably ahead. Display advertising recovered, demonstrating good growth against weak comparatives which were affected by depressed national advertising at the time of the Iraq war and as a result of the Competition Commission inquiry into the acquisition of Safeway. In overall terms, consumer sentiment in the markets where we operate has remained positive, underpinning the Group's improved performance.

Increased emphasis has been placed throughout the business on driving top-line growth. This has included a number of notable successes, such as the launch of stand-alone recruitment publications which complement and extend our internet search engine branding, further development of our lifestyle and exclusive homes magazines and a greater use of the Group's scale to share ideas and best practice.

The operating profit margin in the period, before operating exceptionals, increased from 33.8% to 35.2% with every publishing division increasing its operating profit. We continue to invest heavily in new IT systems in order to improve customer service and operating efficiency and the continuing improvements in performance owe much to these initiatives.

Profitability of the Printing division improved despite internal Group-work replacing some external contract printing. Costs were well controlled and assisted by increased volumes, printing efficiencies have seen a further improvement.

The two ongoing large projects to increase colour availability on our presses in Leeds and Sunderland are progressing to plan with the former already in production and the latter due for completion before the year-end. Progress has also been made in identifying and securing a suitable site for our planned new print works in Sheffield, which remains on schedule for completion by the end of 2006.

Newspaper sales revenues increased again by 1.7% underlining the strength of our paid-for weekly titles where circulation grew by 0.3% and which comprise half of our total newspapers. Changes in the Audit Bureau of Circulation's rules contributed to a fall of 4.9% in the average circulations of our daily titles. This masked a number of improved underlying performances in which the Scarborough Evening News stood out with a marginal increase in its full-price base sale. A number of initiatives are in place, underpinned by a substantial market research programme, aimed at securing a further improvement in performance.

Our electronic media activities continued to develop making a contribution of £2.1 million to Group profitability, reflecting the growing success and importance of the 167 websites which we operate. All three of our key classified sites have been redesigned, upgraded and relaunched in recent months and work continues on further enhancements to their functionality.

PILLAR

PILLAR PROPERTY PLC

Extracts from the Chairman's Statement on the Interim Results for the half year ended 30 September 2004

"We are confident in the continuing opportunities for growth in our UK retail park investments."

I am pleased to report profit before tax for the six months to 30 September 2004 was £4.8 million (2003 – £2.8 million).

We have formally revalued the group's investment portfolio at the interim for the first time. As a result, net assets per share as at 30 September 2004 were 678p (2003 – 522p), compared with 603p as at 31 March 2004, an increase of 12.4% for the half year.

The increase in net assets per share derives primarily from valuation uplifts in HUT, but also reflects a small valuation uplift in CLOUT and the profits generated in the six months to 30 September 2004.

Dividends

The board is intending to pay an increased interim dividend of 2.6p per share (2003 – 2.4p) and this will be paid on 7 January 2005 to shareholders on the register at 10 December 2004.

HUT

HUT now comprises 23 UK retail parks and brings £2.4 billion of funds under Pillar's management. The growth in valuation and performance of the HUT retail park portfolio has continued during the period. This growth is driven by increased demand from high street retailers for accommodation, the supply of which is constrained under the ongoing and increasingly restrictive planning regime, and by institutional demand for the sector which remains strong.

Although the differential between prime and secondary retail park yields is unsustainably small, we are starting to experience a hardening in prime yields which will restore a more traditional yield gap, to the benefit of HUT which is focused on prime retail parks.

The total return on our investment in HUT in the period was 14.94%, including a 13% increase in the HUT unit value from £800 at 31 March 2004, to £904 at 29 September 2004.

Pillar's holding in HUT has, as planned, reduced to 34.4% from 35.2% at the year end and is now at a level at which we would not expect to make further material sales. Over the period, £72.5 million of HUT units have been traded in the secondary market, bringing the total of units traded to over £400 million.

During the period, HUT has completed the acquisition of Pillar's and Capital and Regional's 380,000 sq ft Glasgow Fort Shopping Park for £194.7 million and has acquired the 118,000 sq ft, Open A1 Great Malvern Shopping Park for £37.1 million.

HUT has also completed a property swap during the period, acquiring a 50% interest in the 168,500 sq ft Banbury Cross Retail Park for £25 million in exchange for the sale of a 50% stake in Springvale Retail Park, Orpington, for £28 million and the sale of the Oxford Retail Park and two retail parks in Torquay, Riviera Way and Wren, for £67.3 million in total. This transaction is in line with HUT's strategy of focusing on larger retail parks and represents an innovative way to reconfigure and strengthen the portfolio in a competitive investment market.

During the period we announced our intention to invite offers for the sale of Fosse Park. Having received several expressions of interest and a number of firm proposals, we entered into exclusive negotiation with a preferred bidder. However, these negotiations have recently terminated and we are reassessing the options available which may include our retaining a holding in the asset.

Active management of the parks has continued with a number of new tenants entering the market, all looking for representation on the Open A1 retail parks. Over the last three months George, Asda Living and Marks & Spencer have all announced plans to open a handful of stores in the out-of-town market. HUT is currently working with all three retailers and Asda Living has opened its first out-of-town store at HUT's Crown Wharf Retail Park, Walsall. Occupier demand for the Open A1 parks from the established players also remains good and HUT has completed deals over the period with TK Maxx, Sports World, HMV, Next and Boots who are all looking at expanding their out-of-town floorspace, either by taking new units or in the case of the latter two, extending existing stores.

Mothercare, Borders and Arcadia have also recently announced plans to open more out-of-town stores over the next 12 months and HUT is again working with all three.

PILLAR

For the full Chairman's Statement please visit pillarproperty.com

CLOUT

CLOUT's City of London office portfolio now comprises £624 million of funds under management. A restructuring of CLOUT has been undertaken during the period to create separate vehicles containing the investment properties and the development assets. The restructuring will facilitate the proposed raising of new equity in CLOUT.

Through its investment in CityPoint, and as a result of continued strength in the City investment market, which has driven yields downwards slightly, the CLOUT valuation has increased by £5 million during the period, the first upward revaluation in CLOUT for two years.

Terms have been agreed for a pre-let of the majority of Austral House. It is intended that the development will be sold on the funding market and developed over the next two years. Terms have also been agreed for a conditional turn-key sale of 35 Basinghall Street to an owner-occupier. This is due to be concluded in the second half of this financial year.

PREF

Following the successful establishment of the European retail park fund, PREF, in March this year, I am pleased to report that since the year end we have successfully raised additional equity of 1133.4 million from a range of investors, the largest of which is Morley Fund Management who have committed 1100 million. We have agreed with Morley that they will assist us in raising further equity, as required, and that they will input to the strategic direction of the Fund.

We have contracted to acquire the 33,800 sq m (363,800 sq ft) Parc de l'Hydrion retail park at Arlon in Belgium for a consideration of 137 million. Completion is expected in December. We intend to exchange contracts before the end of December on forward funding commitments for two new retail park developments in Spain and Italy, which, when complete, will add a further 91,000 sq m (980,000 sq ft) of space to the portfolio.

These acquisitions will take PREF to a total in excess of 200,000 sq m (2.2 million sq ft) of retail space.

HIF

During the period we have formed a new Fund. The Hercules Income Fund (HIF) is a Jersey unit trust which will focus on retail parks considered too small for HUT. HIF will also place a greater emphasis on distributable yield than HUT.

Currently Pillar owns 100% of the units in HIF, having contributed two retail parks; the Kingsteignton Retail Park, Newton Abbot, and the Barnstaple Retail Park, Barnstaple, to the fund, together contributing a total value of £18.75 million.

It is intended that the HIF portfolio will now be expanded and the base of unit holders enlarged. Discussions are continuing with a small number of major UK institutions about injecting their existing property into the fund in exchange for units.

Development programme

We have continued to work on the development programme during the period and acquired the 212,000 sq ft Crown Point North Shopping Retail Park at Denton which, together with the schemes at Manchester Fort and Solarton Road, Farnborough, have commenced trading. Manchester Fort, Phase I, is over 95% pre-let.

We are reviewing in detail the planning status of all properties in the HUT portfolio to identify added value opportunities. Major planning applications for retail extensions have already been submitted in Edinburgh and Chester for over 300,000 sq ft, which will include a new anchor store in each location. similar basis.

Outlook

We are confident in the continuing opportunities for growth in our UK retail park investments. The trend in valuation uplift in HUT in the period has continued in October, when the HUT unit price rose a further 3% over the period end unit value to £932, equivalent to 15.4p on Pillar's net asset value per share.

Elsewhere, we will build upon the momentum given to CLOUT through planned new equity investment and to PREF through the new equity announced today.

We await with interest further information from Government on their proposals to introduce a REIT structure in the UK and consider that Pillar is well placed to respond to these proposals, whatever their outcome.

H R Mould, *Chairman*

SPECTRIS PLC

Extracts from the Chief Executive's Review of the Interim Results for the half year ended 30 June 2004 (14/09/04)

> "Growth in demand was the result of recovery in North America, continued growth in Asia, some improvement in Europe, and a significant contribution from new product introductions and sales initiatives."

Demand improved substantially in the first half of 2004 compared with the prior year. This growth in demand was the result of recovery in North America, continued growth in Asia, some improvement in Europe, and a significant contribution from new product introductions and sales initiatives.

Orders exceeded sales by £22 million. This was due to an expected growth-related increase (£8 million), typical recovery-driven longer customer and supplier leadtimes (£7 million) and two specific supplier issues in the period affecting the Brüel & Kjær Sound & Vibration and Brüel & Kjær Vibro businesses (£7 million). These factors resulted in sales being £7 millionm lower than anticipated at the time of the AGM statement in May. Given the group's high contribution margins, a significant proportion of these sales would have translated into profits. The supplier issues have improved since the end of June and actions are in place to mitigate further effects; the situation will be largely resolved by the year end.

Bolt-on acquisitions contributed £9.7m in sales but recorded a loss of £0.3m after re-organisation costs of £0.8m. These acquisitions will start contributing to profits in the second half.

Gross margins were maintained. Overhead costs remained under tight control with a modest increase in headcount, excluding acquisitions, of 1%, mostly in Asia, reflecting the increased sales coverage and HBM's output growth in the region.

Sector Performance

Electronic controls generated sales growth of 8% from £62.2 million to £67.2 million and operating profit growth of 12% from £6.9 million to £7.7 million. Orders exceeded sales. Performance improved particularly at HBM and Microscan, and Arcom and Red Lion also delivered a year-on-year improvement. Currency effects in this sector were less of a factor than elsewhere but nevertheless had an adverse impact on sales and operating profits of approximately £4.4 million and £0.3 million respectively. Sales growth was achieved by the introduction of innovative products, resulting in higher orders from original equipment manufacturers for Microscan, HBM and Arcom. The continued drive towards improving geographic coverage was also a positive factor for HBM, Microscan and Red Lion.

In-line instrumentation achieved sales growth of 8% from £86.8 million to £93.9 million with operating profits down by 10% from £8.7 million to £7.8 million. Currency impacted sales and profits by £5.7 million and £1.6m respectively. In this sector, too, orders exceeded sales. The growth in sales was helped in particular by a complementary acquisition for Loma in the first half. Loma's first half performance reflected the acquisition-related one-off restructuring costs. BTG achieved another solid performance in the pulp and paper market and Beta LaserMike improved year-on-year, despite no material improvement in their largest telecommunications-related market. Significant new products introduced included a remote wind turbine monitoring solution from Brüel & Kjær Vibro, a portable gas analyser from Servomex and a new high performance paper coating blade from BTG.

Process technology achieved sales growth of 5% from £115.7 million to £121.7 million with operating profits down 14% to £5.5 million (£6.4 million) due to the significant currency impact, which affected sales and profits by £7.5 million and £2.1 million respectively. Demand in this sector saw significant growth with orders exceeding sales by £15 million as a result of both natural growth and shipment delays due to supplier issues.

The strong growth in demand was a result of significant improvements at all five companies. PANalytical introduced a number of new products which resulted in market share gains. Particle Measuring Systems continued its penetration into pharmaceutical applications and saw improved demand from its semiconductor customers. Demand for Fusion's products improved, particularly for coatings for the flat panel display market. Brüel & Kjær Sound & Vibration saw broadly-based improvements in demand, despite being significantly impacted by the supplier issues mentioned above. The company also acquired its distributor in Japan, its second-largest market, and introduced a number of significant new products, including a proprietary coin-sized flat microphone. Malvern Instruments improved performance in its laboratory markets and increased its sales and geographic coverage by establishing a direct sales presence in China.

Hans Nilsson, Chief Executive

UCM GROUP PLC

Extracts from the Chairman's Statement on the Interim Results for the six months ended 30 June 2004 (22/09/04)

www.ucm-group.com

"The challenge for UCM in the remainder of 2004 is to continue to grow sales in a number of different markets, most of which, especially in Asia, remain very competitive."

The first six months of 2004 have seen an improvement in both sales and profits from the comparative period in 2003, reversing the downward trend of previous years. Profit before taxation for the six months ended 30th June 2004 amounted to £1,309,000 (2003: £806,000) on turnover of £17,052,000 (2003: £16,446,000). Fully diluted earnings per share for the period were 3.9p (2003: 2.3p).

Organisational Changes

In February 2004 Bob Hughes stepped down as Chief Executive of the Group and Jamie Brundell was appointed in his place.

Jamie Brundell has put in place a new organisational structure and redefined management responsibilities. Bob Hughes heads the zirconia division which consists of our plants in Greeneville, Tennessee in the US and Stafford in the UK. Graham Dughan is now responsible for the magnesia division, consisting of the operations at Hull in the UK and Muscle Shoals Minerals Inc., Alabama in the US. Walter Johnson is now in charge of our operations in China.

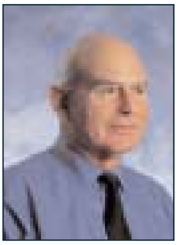
This new structure gives renewed energy and focus to the company's strengths.

The Board is delighted to welcome Jamie Brundell to the UCM team and also wishes to record its appreciation of Bob Hughes' outstanding contribution to the Group over many years, not least his effective handling of the succession to his own post and his active commitment to the success of the new structure.

Dividend

The Directors have decided to pay a maintained interim dividend of 2.0p per share (2003: 2.0p).

John Gordon,
Chairman



Trading

Sales of magnesia products, principally for the domestic and industrial appliance sector, have improved in the period. Both the Group's European and North American plants have performed well, with a particularly notable improvement being achieved at Muscle Shoals. Prospects for growth in the Asian market remain good. However sales of magnesia products from our venture in China continue to be below expectations, with trading conditions difficult.

Production of standard zirconia products has increased over the period as the problems involved in commissioning the new furnace at Greeneville have been progressively overcome. Demand from the steel industry for zirconia products has continued at an improved level.

Sales of advanced ceramic materials have also improved compared to the first half of 2003, with further penetration into the automotive market.

Outlook

The Group's priorities for 2004 are to optimise manufacturing and to increase sales. In the second quarter there was clear evidence of progress within manufacturing and the second half of 2004 should benefit from this. The challenge for UCM in the remainder of 2004 is to continue to grow sales in a number of different markets, most of which, especially in Asia, remain very competitive.

About UCM Group Plc

UCM takes the natural forms of magnesite and zircon and melts them at very high temperatures in electric arc furnaces, and by controlling the rate of cooling, they form crystals with enhanced properties.

These crystals are crushed and graded, sometimes mixed with additional materials, into the sizes and qualities demanded by manufacturers who use them in their own products.

Magnesia has exceptional properties of electrical resistance and heat conductivity which makes it the preferred insulation material used in the manufacture of domestic and industrial heating elements.

Standard Zirconia exhibits unique properties in the manufacture of high integrity refractories vital to the continuous casting of steel.

Advanced Ceramic Materials, comprising various grades of standard zirconia in micronised form, are used for either their physical or functional properties in the manufacture of ceramic components where exceptional strength, or resistance to abrasion and corrosion, is essential.