Group Balance Sheet

at 31st December 2004

	At 31st December 2004 £m	At 31st December 2003 £m	At 30th June 2004 £m
Fixed assets			
Tangible assets	**11.8**	11.2	11.9
Current assets			
Properties held for sale	**7.9**	8.5	9.7
Stocks	**2,156.9**	1,824.1	1,977.0
Debtors due within one year	**40.7**	39.8	41.6
Debtors due after more than one year	**2.0**	1.2	1.3
Bank and cash	**161.6**	182.8	230.4
	2,369.1	2,056.4	2,260.0
Current liabilities			
Creditors due within one year	**(1,079.8)**	(968.0)	(1,066.0)
Net current assets	**1,289.3**	1,088.4	1,194.0
Total assets less current liabilities	**1,301.1**	1,099.6	1,205.9
Creditors due after more than one year	**(88.4)**	(105.5)	(89.8)
Net assets	**1,212.7**	994.1	1,116.1
Capital and reserves			
Share capital	**24.0**	23.9	24.0
Share premium	**192.0**	189.1	190.7
Profit retained	**996.7**	781.1	901.4
Equity shareholders' funds	**1,212.7**	994.1	1,116.1
Net assets per share	**505p**	416p	465p

David Pretty (centre), Group Chief Executive, Barratt Developments PLC, with top NHBC Regional Award winners Adrian Smith (left) and Adrian Healy, at Freemens Meadow, Leicester. Up to 1,000 new homes are being created here in one of the biggest projects of its type in Europe. The development will also include shops, restaurants and homes for key workers.

Group Cash Flow Statement

for the half year ended 31st December 2004

	Half year ended 31st December 2004 £m	Half year ended 31st December 2003 £m	Year ended 30th June 2004 £m
Net cash (outflow)/inflow from operating activities			
Operating profit	**172.6**	147.6	375.6
Increase in stocks	**(282.6)**	(100.6)	(254.4)
Increase in debtors	**(8.1)**	(2.8)	(6.8)
Increase/(decrease) in creditors	**82.7**	(26.6)	147.5
Other non cash movements	**2.6**	(0.4)	0.8
	(32.8)	17.2	262.7
Returns on investments and servicing of finance	**(1.4)**	(5.5)	(11.5)
Taxation	**(52.9)**	(43.8)	(98.7)
Capital expenditure and financial investment	**(4.2)**	0.2	(5.4)
Acquisitions and disposals	**84.5**	-	-
Equity dividends paid	**(34.4)**	(28.8)	(45.0)
Cash (outflow)/inflow before financing	**(41.2)**	(60.7)	102.1
Financing	**(7.6)**	2.9	(15.4)
(Decrease)/increase in cash	**(48.8)**	(57.8)	86.7
Reconciliation of net cash flow to movement in net funds			
(Decrease)/increase in net cash, including overdraft	**(48.8)**	(57.8)	86.7
Cash flow from decrease/(increase) in funds	**8.9**	(0.8)	19.1
Change in net funds resulting from cashflows	**(39.9)**	(58.6)	105.8
Exchange movements	**-**	2.0	2.3
Movement in net funds in the period	**(39.9)**	(56.6)	108.1
Net funds at 1st July	**189.7**	81.6	81.6
Net funds at 31st December/30th June	**149.8**	25.0	189.7

The financial information set out above does not constitute statutory accounts within the meaning of the Companies Act 1985. The figures for the year to 30th June 2004 are an extract from the full accounts for that year, which have been filed with the Registrar of Companies and on which the auditors gave an unqualified opinion.

The interim financial information has been prepared on the basis of accounting policies adopted for the year ended 30th June 2004. These policies are set out in the company's Annual Report and Accounts.

Work on the changes required for the implementation of International Financial Reporting Standards continues to ensure compliance for the interim results for the six months to 31st December 2005. The major areas of change relate to accounting for pension costs, share based payments, financial instruments and the timing of dividend payment recognition.

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NHBC Pride in the Job
TOP REGIONAL AWARD WINNERS

GREEN LEAF
RECORD AWARD WINNER

Barratt interim statement

to 31st December 2004

BARRATT

Charles Toner, Group Chairman,
Barratt Developments PLC.

Chairman's Statement

The half year was another period of significant progress, with further growth in completions, margins and profits producing another set of record results for the Group – for the 13th consecutive year. We are confident of another successful full year and are well placed for the future.

The main features of the results for the half year ended 31 December 2004, with comparisons to the same period last year, are as follows:-

- Pre-tax profit rose 20% to £171.1m against £142.6m.
- Basic earnings per share amounted to 51.1p against 43.6p, up 17%.
- An interim dividend of 8.99p per share will be paid, on 20 May 2005, to shareholders on the register on 29 April 2005, against 6.9p the previous year, an increase of 30%, 5.7 times covered. This rate of increase is not indicative of the total dividend for the year, containing as it does a significant element of re-balancing of the dividend between the interim and final payments. In the absence of unforeseen circumstances, we would expect to recommend an increase in the total dividend for the year in the region of 25%.
- UK completions rose to 6,866 homes, up 2%, at an overall average selling price of £165,600, up 2%.
- Turnover on continuing UK operations rose 5% to £1,148.2m against £1,092.1m last year.
- UK housebuild operating margin increased from 13.3% to 14.3%.
- Net cash in hand increased from £25.0m to £149.8m. This was achieved notwithstanding an £87.1m increased investment in land stocks and work in progress.
- UK land stocks, including plots agreed, increased by over 3,000 plots to 59,443 plots, equating to four years' supply.
- Return on average capital employed was 34%, once more amongst the highest in the industry.
- Record forward sales, which have now increased to £1 billion. With completions to date secures 90% of our full year projection.

We are well positioned in the market place, with a wide product range enabling us to provide homes from around £80,000 to £2.0m, but with an average selling price of £165,600. Together with our wide geographic spread throughout Britain, this provides us with a broad appeal and also ensures we are not over dependent on any one market sector or geographic area.

We also made further progress to consolidate our position as Britain's leading urban regenerator with over 80% of our homes now built on brownfield land. This allows us to benefit from the Government's increasing emphasis on regeneration.

Total completions rose 2%, although private completions were 8% lower at 5,610 homes. However, social housing completions more than doubled to 1,256 homes. This is another growing sector where we have considerable expertise.

In this regard, we are pleased to announce that we are one of the three winning consortia chosen to deliver the Government's London Wide Initiative, which will provide vitally needed key-worker housing on brownfield land across London. As part of the Key London Alliance Consortium, Barratt is working with English Partnerships, the national regeneration agency, to kick-start the initiative with an initial phase of 1,000 new homes.

After the previous over-heated markets, sales activity moderated in the period as it adjusted to more modest price rises and a normal level of activity. This adjustment was not unexpected and was welcome since it will provide a more stable and sustainable market for the future. We anticipated, and prepared for, these more competitive conditions. Whilst it is too early to predict the market throughout 2005, sales interest and activity in all our regions has been encouraging since 1 January and is currently sufficient for us to achieve our goals. Forward sales now stand at a record £1 billion and with completions to date this secures 90% of our full year projection.

The fundamentals of the housing market remain sound, with historically low interest rates, good employment levels and restricted supply due to planning delays. Furthermore, stable prices, or modest price rises, in the year ahead should continue to increase buyer confidence and improve affordability. This will benefit house buyers and housebuilders alike.

Our geographic spread and brownfield expertise consistently increase our landbuying opportunities. As a result, and despite our ongoing prudence in the land market, we continued to secure quality sites in good locations. During the half year we acquired 8,974 plots, increasing our land stocks to 51,443 plots. A further 8,000 plots are agreed subject to contract giving an overall land bank of 59,443 plots, which currently equates to four years' supply. Although the planning environment remains very difficult, we now have planning permissions in place for over 85% of our 2005/06 requirement and have been successful in winning sufficient approvals to continue our steady increase in selling outlets. Subject to planning progress, we expect these to increase to circa 455 by summer 2005.

On 30 August 2004, we successfully completed the disposal of our small Southern California operation in line with the Group's strategy to focus on our UK operations. An impairment provision of £7.5m was made in the accounts for the year to 30 June 2004. The gross disposal proceeds of £90m are being selectively invested in urban renewal projects in key UK growth areas.

We remain committed to further improvements in all aspects of the service provided to our customers. We also support the House Builders' Federation in its work to establish a national survey of the industry's future performance, in response to the issues raised in the Barker Report. We are building on the progress made on customer satisfaction since the introduction of our new Customer Care programme a year ago. We continue to seek further improvements and, accordingly, the programme will be regularly reviewed.

I am very pleased to confirm that our site construction staff won a record number of NHBC Pride in the Job Awards for quality workmanship, with two of our Site Managers achieving national recognition.

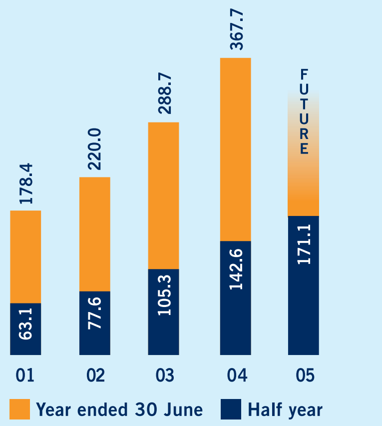
We continue to lead the industry in apprentice training with over 550 young people receiving instruction on our sites in a wide range of skills. Our Graduate Trainee Scheme is also running well, with 55 entrants embarked on fast-track careers. This training will help address the industry's shortage of skilled labour and is a valuable investment in our future success.

To summarise, our teams across the country have, once again, successfully adjusted to new market conditions and have achieved a record performance. Our core strengths and wide expertise continue to benefit us greatly. We have strong finances, a high quality land bank, record forward sales and we look to the future with great confidence.

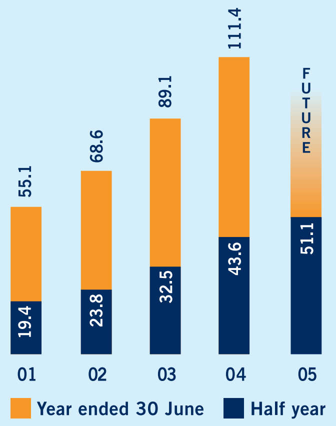
Charles Toner
Chairman

23rd March 2005

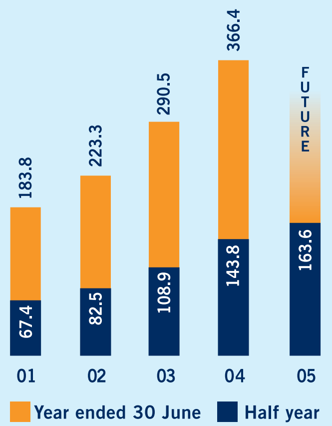
Pre-tax Profits £m



Basic Earnings Per Share pence



UK Housing Operating Profit £m



Barratt Interim Results 2004/2005

The following are the unaudited results of the Group for the half year ended 31st December 2004.

Group Profit and Loss Account		**Half year ended 31st December 2004 £m**	Half year ended 31st December 2003 £m	Year ended 30th June 2004 £m
Turnover	- Continuing operations	**1,148.2**	1,092.1	2,343.1
	- Discontinued operations	**28.0**	82.4	172.9
Group Turnover		**1,176.2**	1,174.5	2,516.0
Operating profit	- Before exceptional items	**165.8**	139.3	364.2
	- Exceptional items, profit on disposal of freehold ground rents	**6.4**	-	-
	- Continuing operations	**172.2**	139.3	364.2
	- Discontinued operations	**0.4**	8.3	11.4
Operating profit		**172.6**	147.6	375.6
Net interest payable		**(1.5)**	(5.0)	(7.9)
Profit on ordinary activities before taxation		**171.1**	142.6	367.7
Taxation		**(51.3)**	(40.7)	(107.2)
Profit on ordinary activities after taxation		**119.8**	101.9	260.5
Dividends		**(21.1)**	(16.1)	(51.4)
Retained profit		**98.7**	85.8	209.1
Earnings per share - basic		**51.1p**	43.6p	111.4p
Earnings per share - diluted		**50.5p**	43.3p	110.1p
Dividend per share		**8.99p**	6.90p	21.58p
Dividend cover		**5.7x**	6.3x	5.2x

Statement of Total Recognised Gains and Losses	**£m**	£m	£m
Profit on ordinary activities after taxation	**119.8**	101.9	260.5
Currency translation differences on foreign currency net investments	**-**	(3.4)	(3.9)
Total gains and losses recognised in period	**119.8**	98.5	256.6