For Immediate Release 10 September 2014

BELVOIR!

BELVOIR LETTINGS PLC
(the "Company" or "Belvoir")

Interim Results for the six months ended 30 June 2014

Belvoir Lettings PLC (AIM: BLV), one of the UK's largest lettings franchises, is pleased to announce interim results for the six months ended 30 June 2014.

Financial Highlights

- Improved performance for the Group, delivering stable growth and development
- Revenue increased 32% to £3.26m (H1 2013: £2.47m) driven by a 11% increase in Management Service Fees (MSF) to £1.54m (H1 2013: £1.39m)
- Revenue arising from the chain of Estate Agents acquired in 2013 at £0.42m (H1 2013: £0.14m) representing 13% of total revenue
- Profit after tax up 9% at £0.61m (H1 2013: £0.56m) following a review of the recoverability of certain assets giving rise to a £205,000 adjustment in the period
- Interim dividend for the enlarged shareholding of 3.4p (H1 2013: 3.4p)

Operational Highlights and Current Trading

- Continued growth of the Belvoir network to 157 outlets
- Acquisition by franchise owner of agency in Aldershot
- Market conditions continue to remain positive with strong demand for rented properties being seen across the UK and an increasing trend of properties managed by lettings agencies
- Robust pipeline of future franchisees

Post Period Highlights

- Two further acquisitions by franchise owners of agencies in Hereford and Nuneaton at the start of July
- Successful estate agency trial completed in August and a phased rollout of estate agency to the rest of the network has commenced
- Biggest ever marketing campaign successfully launched across the network

Mike Goddard, Chief Executive Officer of Belvoir Lettings, commenting on the results, said:

"The first half of 2014 saw a continued positive trend for Belvoir, our strategic goals to grow organically across the UK, complete bolt-on acquisitions to increase our geographical presence and to innovate continually our offering have resulted in an improved period for the Group.

We are delighted to announce that the estate agency trial was successful and we look forward to updating the market further as we roll this out across our network. These strategic developments plus the encouraging trend in the market for private rented properties and buoyancy in the sales market underpin the Board's confidence in the coming years as Belvoir strengthens its presence across the UK."

For further details:

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The interim results will be available on the Company's website: www.belvoirlettingsplc.com

About Belvoir Lettings PLC

Belvoir was founded in February 1995 by Mike and Stephanie Goddard. Its Central Office is in Grantham, Lincolnshire.

Belvoir is recognised as one of the largest specialist lettings agency franchises in the UK, with 157 offices nationwide and aims to have 200 franchises in the next three years. Belvoir was officially awarded the Best Lettings Agency Franchise Gold Award at the 2014, 2013, 2012 and 2010 Lettings Agency of the Year Awards in association with The Sunday Times & The Times. Belvoir also won the Silver Award in 2011.

Belvoir was voted Best Large Lettings Chain at the Estate & Letting Agent Awards (ESTAs) 2013, and won Silver in 2014. Belvoir has won Brand Builder of the Year at the bfa Franchisor of the Year Awards 2011 and Best Marketing Campaign of the Year at the Franchise Marketing Association (FMA) Awards 2011. Belvoir is a founder member of the SAFE Agent Kitemark scheme, which is fully supported by NALS. SAFE Agent promotes client money protection (CMP) and provides consumers with a clear message on those agents they should do business with.

Belvoir successfully listed on the AIM market of the London Stock Exchange on 21st February, 2012.

Chairman's Report

I am pleased to report on the Group's interim results for the six months ended 30 June 2014.

Overview

The first half of 2014 was an improved period for Belvoir with the Group delivering stable growth and development and achieving an increase both in revenue and profits compared with 2013. In particular, our headline revenue stream, the management service fee (MSF), grew by a healthy 11%. The Group has a sound financial footing and has been able to accelerate this growth through increased support to franchisees, a robust acquisitions programme and the ability to attract new franchise owners to the network, which are all now evident.

Our network of Belvoir franchisees continues to change and expand. The Group has now grown to 157 Belvoir offices having launched one new territory and introduced six new franchisees into existing territories in the year to date. With deposits taken from six new franchisees for four new and two existing territories and a strong pipeline of future applicants we are on course to achieve our targets in these areas.

Over the course of this this year, Belvoir made some major strategic developments. I am pleased to announce the success of our pilot project to assess extending our property services to include estate agency. Ten franchisees with a good geographical mix were selected to join the pilot scheme and of those nine are going to continue with the programme. Starting from 1 September, there will be a phased rollout of estate agency within the network. Additionally the implementation of a brand marketing refresh was actioned which has already seen the successful launch of the 'Be' campaign across the whole network. Furthermore, our marketing team is providing greater access to Belvoir marketing tools through our 'Brief Your Market' portal which enables them to order Belvoir marketing products at a competitive price and to manage their Belvoir mailings to both landlords and tenants in an efficient and cost-effective way.

Acquisitions

Following our successful fund raising in November 2013, our acquisitions programme has continued in line with our stated strategy with Belvoir supporting the purchase by franchise owners of three lettings agencies in Aldershot, Hereford and Nuneaton. These new businesses will accelerate the growth of the franchise owners, increase their share of the local market and add noticeably to our MSF revenue.

Staff

Belvoir is constantly looking to improve and develop its team of staff and directors to provide a better service to franchise owners and better exploit the strength and depth of the lettings and sales markets. To this end I am delighted to welcome Louise George to our team as Finance Director and Angela Parton as a non-board director responsible for our corporate outlets. These appointments together with the three non-board directors reported earlier this year demonstrate our increasing emphasis on supporting our network of franchise owners, ensuring compliance with the Belvoir brand, developing our corporate outlets and launching our new sales service. In addition our Head of Marketing and Head of Recruiting, who were both appointed within the last year, are already beginning to make a significant contribution to their respective areas of responsibility. I would also like to take this opportunity to thank Carl Chadwick for his significant contribution to Belvoir.

Once again I am indebted to my fellow Board Directors, Dorian Gonsalves, Louise George, Nick Leeming, and Andrew Borkowski for their hard work and valuable contributions. We have a strong and experienced team at Central Office and a loyal and dedicated network of franchise owners, and we are well placed to take advantage of the buoyant and vibrant lettings and sales market through the rest of this year and into 2015 and beyond.

Dividend
The Board has recommended an interim dividend of 3.4p per share.

Outlook
Looking to the future we see the demand for private rental sector ("PRS") housing continuing to rise, driven by major socio-economic factors. In addition housing supply is failing to keep pace with the UK's increasing population putting further pressure on the PRS and the property sales market. Belvoir, therefore, is positioning itself to exploit the continuing expansion of the lettings market and the buoyancy of the sales market by increasing the number of franchised territories and helping franchise owners to expand their portfolio of lettings and sales through organic and acquisition growth.

Mike Goddard
Chairman and Chief Executive Officer

Financial Review

Revenue
Group revenue increased 32% for the six months ended 30 June 2014 to £3,257,000 (H1 2013: £2,474,000) on the same period last year. This was underpinned by an increase in the management service fee (MSF) of £151,000 (11%) and a growing revenue stream arising from the successful estate agency business acquired in 2013 of £417,000 (H1 2013: £143,000) which now represents 13% (H1 2013: 6%) of total revenue.

During the period the Group was successful in converting a number of corporate-owned outlets into franchise operations. This resulted in a reduction of revenue from corporate-owned outlets of 11% to £614,000 (H1 2013: £693,000) reflecting this continual turnover of outlets being managed by Head Office. Meanwhile revenue from the sale of existing territories increased by 75% to £226,000 (H1 2013: £128,800) all of which were to new franchisees demonstrating an increasing confidence in those wishing to invest in a business within the Belvoir franchise network.

Operating profit
Operating profit for the period was £729,000 (H1 2013: £713,000) which included a one off £120,000 payment for loss of office to a departing director and a £205,000 write-off following a review of the recoverability of certain assets.

Taxation
The effective rate of corporation tax for the period was 22% (H1 2013: 24%).

Profit after taxation
In the six months ended 30 June 2014, profit after tax was £605,000 (H1 2013: £557,000). Since the period end, the Company has cancelled the balance of £11,741,716 on the share premium account and this was confirmed by the Court on 16 July 2014. As a result the Company has sufficient reserves to enable the payment of an interim dividend of £816,000.

Earnings per share
Earnings per share was 2.5p (H1 2013: 2.7p) based on an average number of shares in issue in the period of 24,010,417 (H1 2013: 20,666,667), an increase of 3,343,750 arising from the share issue in November 2013.

Dividends
The Board is proposing an interim dividend for 2014 of 3.4p per share, payable to shareholders on 15 October 2014 based upon the register on 19 September 2014. The ex-dividend date will be 17 September 2014.

Cash flow
The net cash inflow from operations was £739,000 (H1 2013: £298,000). Loans repaid to the bank in the period were £725,000 (H1 2013: £221,000).

Liquidity and capital resources
The Group had cash balances of £2,230,000 (H1 2013: £1,736,000).

Financial position
The Group continues to operate from a sound financial platform generating cash from operations. The issue of shares in November 2013 enabled the Group to roll out an acquisition programme to support

existing franchisees to acquire new business to accelerate their growth and in doing so, to increase the Groups' earnings through the management service fee.

Louise George
Finance Director

Condensed Group Statement of Comprehensive Income

For the six months ended 30 June 2014

	Notes	Unaudited six months ended 30 June 2014	Unaudited six months ended 30 June 2013	Audited Year Ended 31 December 2013
		£'000	£'000	£'000
Continuing operations				
Revenue	2	3,257	2,474	5,840
Operating expenses		(2,528)	(1,761)	(4,293)
Operating profit		729	713	1,547
Finance costs		(74)	(32)	(87)
Finance income		118	51	156
Profit before taxation		773	732	1,616
Taxation	4	(168)	(175)	(377)
Profit and total comprehensive income for the financial period		605	557	1,239
Profit for the period attributable to the equity holders of the parent company		605	557	1,239
Earnings per share (basic and diluted) from continuing operations	5	**2.5p**	**2.7p**	**5.9p**

Consolidated Statement of Financial Position

As at 30 June 2014

	Unaudited At 30 June 2014 £'000	Unaudited At 30 June 2013 £'000	Audited At 31 December 2013 £'000
Assets			
Non-current assets			
Intangible assets	2,887	2,380	2,884
Property, plant and equipment	730	649	674
Trade and other receivables	3,524	806	1,875
	7,141	3,835	5,433
Current assets			
Trade and other receivables	1,629	1,585	1,577
Cash and cash equivalents	2,230	1,736	5,047
	3,859	3,321	6,624
Total assets	**11,000**	**7,156**	**12,057**
Equity			
Shareholders' equity			
Share capital	240	207	240
Share premium	11,742	6,772	11,742
Other components of equity	162	162	162
Merger reserve	(5,774)	(5,774)	(5,774)
Retained earnings	669	901	880
Total equity	7,039	2,268	7,250
Liabilities			
Non current liabilities			
Interest bearing loans and borrowings	-	2,007	330
Deferred tax	313	118	316
	313	2,125	646
Current liabilities			
Trade and other payables	2,040	1,002	2,045
Interest bearing loans and borrowings	1,502	1,452	1,897
Tax payable	106	309	219
	3,648	2,763	4,161
Total liabilities	3,969	4,888	4,807
Total equity and liabilities	**11,000**	**7,156**	**12,057**

Consolidated Statement of Changes in Shareholders' Equity

For the six months ended 30 June 2014

	Share capital	Share premium	Merger reserve	Other components of equity	Retained earnings	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 January 2013	207	6,772	(5,774)	162	943	2,310
Changes in equity						
Dividends	-	-	-	-	(599)	(599)
Transactions with owners	-	-	-	-	(599)	(599)
Profit and total comprehensive income for the six month period	-	-	-	-	557	557
Balance at 30 June 2013	207	6,772	(5,774)	162	901	2,268
Changes in equity						
Issue of equity share capital	33	4,970	-	-	-	5,003
Dividends	-	-	-	-	(703)	(703)
Transactions with owners	33	4,970	-	-	(703)	4,300
Profit and total comprehensive income for the six month period	-	-	-	-	682	682
Balance at 31 December 2013 (Audited)	240	11,742	(5,774)	162	880	7,250
Changes in equity						
Dividends	-	-	-	-	(816)	(816)
Transactions with owners	-	-	-	-	(816)	(816)
Profit and total comprehensive income for the six month period	-	-	-	-	605	605
Balance at 30 June 2014 (Unaudited)	240	11,742	(5,774)	162	669	7,039

Consolidated Statement of Cash Flows
For the six months ended 30 June 2014

	Notes	Unaudited 30 June 2014 £'000	Unaudited 30 June 2013 £'000	Audited 31 December 2013 £'000
Operating activities				
Cash generated from operating activities	**6**	739	298	984
Tax paid		(284)	(44)	(294)
		455	**254**	**690**
Investing activities				
Capital expenditure on property, plant and equipment		(109)	(61)	(120)
Acquisitions		-	(1,525)	(1,878)
Loans granted		(1,803)	(619)	(852)
Loans repaid by Directors		-	-	199
Loans repaid		137	145	349
Finance income		118	51	156
Net cash used in investing activities		**(1,657)**	**(2,009)**	**(2,146)**
Financing activities				
Finance costs		(74)	(32)	(87)
New loans in the period		-	2,500	2,500
Loan repayments in the period		(725)	(221)	(1,455)
Proceeds from share issue		-	-	5,004
Equity dividends paid		(816)	(599)	(1,302)
Net cash from financing activities		**(1,615)**	**1,648**	**4,660**
Net change in cash and cash equivalents		**(2,817)**	**(107)**	**3,204**
Cash and cash equivalents at the beginning of the financial period		5,047	1,843	1,843
Cash and cash equivalents at the end of the period		**2,230**	**1,736**	**5,047**

Notes to the Financial Statements

1 General information and basis of preparation

The financial information set out in these condensed consolidated financial statements for the six months ended 30 June 2014 and the comparative figures are unaudited.

They have been prepared taking into account the requirements of relevant accounting standards and the AIM rules. They do not constitute statutory accounts within the meaning of Section 434(3) of the Companies Act and do not contain all the information required for full annual financial statements.

The statutory audited accounts for the year ended 31 December 2013 have been delivered to the Registrar of Companies in England and Wales. The Auditor's report on these accounts was unqualified and did not contain statements under Section 498 of the Companies Act 2006.

The condensed consolidated interim financial statements are presented in sterling, which is also the functional currency of the parent company.

Belvoir Lettings PLC is the group's ultimate parent company. The company is a Public Limited Company incorporated and domiciled in the United Kingdom.

Its registered office and principal place of business is The Old Courthouse, 60a London Road, Grantham, Lincolnshire, NG31 6HR. Its shares are listed on the AIM market of the London Stock Exchange.

The condensed interim financial statements for Belvoir Lettings PLC have been approved for issue by the Board of Directors on 9 September 2014.

Significant accounting policies

The condensed consolidated interim financial statements have been prepared under the historical cost convention. Being listed on the AIM of the London Stock Exchange, the company is required to present its consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS's") as adopted by the European Union and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The accounting policies have been applied consistently throughout the group for the purposes of preparation of these condensed consolidated interim financial statements.

Revenue recognition

Revenue representsincome from the sale of franchise licences,provision of trainingand ongoing supportof the franchisees. Servicefees are invoicedto individual franchisees on a monthly basis in relation to a percentage of their turnover for any given month, and are recognised at the point of invoice.

Revenue also includes fees generated by franchises operated within the Group. These internal franchises invoice landlords on a monthly basis and so recognise the income during the period in whichthe work is carried out.

Estate agency fees, a new revenue stream in the prior period, are recognised when the property sale has completed.

Initial franchise fees are recognised upon signing of the contract as it is at this point that the new franchisee has a legal obligation to make good the terms of the contract. The initial fees are for the use of the brand along with initial training, support and promotion during the opening phase of the new office. As such the Group regard this as a separate initial transaction for which they have fulfilled their obligations.

National Promotional Fund recharge is invoiced to franchise owners on a monthly basis and is calculated based on a percentage of the turnover of individual franchises. The fund is held internally (as agent for the franchise) for the purposes of promoting the brand to the benefit of all franchises.

An element of the National Promotional Fund is recognised as income each month in respect of management fees for promoting the brand. No other element of receipt is recognised as revenue.

2 Segmental information

The Executive Board, as the chief operating decision maker, reviews financial information for and makes decisions about the Group's overall franchising business and has identified the operating segments to be, that of property lettings franchising and owned operated lettings and estate agency outlets. Management do not report on a geographical basis and no customers represent greater than 10% of total revenue in either of the periods reported.

The segmental information is, therefore, the same as that set out in the consolidated statement of comprehensive income. The directors do not consider the presentation of gross profit within the Group statement of comprehensive income to reflect a true position of the Group's activities and core operations, which is that of a property letting franchisor. Therefore, the directors disclose operating profit as the key performance measure. The reported segment is consistent with the Group's internal reporting for performance measurement and resources allocation.

The directors believe there to be four material income streams which are split as follows:

	Unaudited Six months ended 30 June 2014	**Unaudited Six months ended 30 June 2013**	**Audited Year Ended 31 December 2013**
	£'000	£'000	£'000
Management service fee	1,541	1,390	3,104
Own operated franchises - Lettings income	614	693	1,488
Own operated franchises - estate agency fees	417	143	604
Initial fees and other income	685	248	644
	3,257	2,474	**5,840**

3 Dividends

The company will pay an interim dividend of 3.4 pence per share (£816,354) on 15 October 2014 to the shareholders on the register on 19 September 2014.

4 Taxation

Taxation has been calculated by applying the forecast full year effective rate of tax to the results for the period.

5 Earnings per share

Earnings per ordinary share have been calculated by dividing the profit after tax for the financial period, by the weighted average number of shares deemed to be in issue in the period under the pooling of interests method of accounting.

	Unaudited six months ended 30 June 2013	**Unaudited six months ended 30 June 2013**	**Audited Year Ended 31 December 2013**
Profit for the financial period (£'000)	605	557	1,239
Weighted average number of ordinary shares	24,010,417	20,666,667	21,023,944
Earnings per share	**2.5p**	**2.7p**	**5.9p**

The value identified for earnings per share is very sensitive to the average number of shares in issue. Until there are comparable periods with the same shares in issue, this statistic cannot be expected to be meaningful when compared to the prior year or period.

6 Reconciliation of profit before taxation to cash generated from operations

	Unaudited 30 June 2014	**Unaudited 30 June 2013**	**Audited 31 December 2013**
	£'000	£'000	£'000
Profit before taxation	773	732	1,616
Depreciation and amortisation charges	53	42	100
Finance costs	74	32	87
Finance income	(118)	(51)	(156)
	782	755	1,647
Increase in trade and other receivables	(38)	(503)	(467)
Cash outflow from deferred consideration paid during the year	-	-	(169)
Increase/(decrease) in trade and other payables	(5)	46	(27)
Cash generated from operations	**739**	**298**	**984**

7 Related party disclosures

The related party transactions that have occurred in the six months to 30 June 2014 are not materially different in size or nature to those reported in the Company's Annual Report for the year ended 31 December 2013.

8 Post period end capital reduction

At the Annual General Meeting of the Company held on 17 April 2014, shareholders approved the cancellation of the amount of £11,741,716 standing to the credit of the share premium account. This was confirmed by the Court on 16 July 2014.