

10 September 2007



Hansteen Holdings PLC

("Hansteen" or, "the Company")

Interim Results

Hansteen Holdings PLC (AIM: HSTN), the pan European property investment company, announces Interim Results for the six months to 30 June 2007.

Highlights

- Pre tax profit for the period of £13.6 million (HY '06: £2.8 million).
- Property assets of £229 million as at 30 June 2007 (FY '06: £145 million)
- Net asset value of 123 pence per share on an EPRA basis as at 30 June 2007 (FY '06: 114 pence).
- Property investment's valuation uplift of £9.2million.
- Annualised net rental income at 30 June 2007 of £17.1 million.

James Hambro, Chairman commented: "The Board remains confident of the prospects for the Company. Both the fundamentals of the properties acquired and the occupational markets remain strong in the Continental markets in which we operate. Hansteen will continue with its stated strategy to provide consistent and high returns to its investors through the creation of a high yielding property portfolio in Continental Europe. The Company has a strong balance sheet, increasing market expertise and is well placed to acquire more properties in Continental Europe or to take advantage of opportunities which may arise in the UK."

For further information:

Morgan Jones/Ian Watson
Hansteen Holdings plc
Tel: 020 7016 8820

Matt Goode
KBC Peel Hunt
Tel: 020 7418 8900

Jeremy Carey/Rachel Drysdale/Matt
Ridsdale
Tavistock Communications
Tel: 020 7920 3150

CHAIRMAN'S STATEMENT

I am pleased to report good results for the six months to 30 June 2007. This has been a very active time for Hansteen with very good progress in all areas.

During the period the Company achieved excellent profits, raised additional equity capital, added a substantial amount of well-priced properties to its portfolio and grew net assets. Additionally, on 1 May 2007, Hansteen Holdings paid its first dividend of three pence per share from distributable reserves generated during the first year's trading.

Results

Profit before tax for the period was £13.6 million (2006: £2.8 million) with net assets as at 30 June 2007 of £212 million.

Property

As at 30 June 2007, the core portfolio comprised industrial and office properties valued at approximately £199 million, of which £97 million is in the Netherlands, £87 million is in Germany and £15 million in France. These properties are currently generating a net annual rental income of £16.1 million and have shown both rental and value growth during the year.

The Company continues to focus on its four core continental markets: Germany, France, the Netherlands and Belgium. During this period, all properties acquired were in Germany and the Netherlands, but Hansteen expects to make further purchases in France and announced its first acquisitions in Belgium today.

The Company's business model for property investment in Europe continues to be robust. Firstly, all purchases made to date demonstrate a positive yield gap between the rental income yield and the Company's cost of finance. Secondly, in a number of cases, purchases presented active management opportunities which will, we believe, show good growth. Thirdly, given the superior yield and growth characteristics of Continental property combined with the difficulty of assembling such portfolios, we continue to believe that such portfolios warrant a premium price compared to the sum of the parts. Finally, a growing source of new business has come from owner occupiers seeking to sell and lease back properties, particularly where such deals require understanding of the property fundamentals and access to equity finance. The Board believes that Hansteen, with a strong balance sheet and a growing reputation as an investment company, is well positioned to act as the purchaser of choice to vendors.

Our non-core, opportunistic properties, representing approximately 11% of the total portfolio, continue to perform well. These include land in the UK, together with retail and residential property in Germany. Hansteen has started a programme of refurbishment of the residential apartments in Wiesbaden, Germany. The improved apartments are commanding materially increased rents over unrefurbished ones, demonstrating the value of this investment. In addition, Hansteen sold three flats and an entire house of apartments at a profit earlier in the year.

Finance

The strong profits for the period and property valuation uplift resulted in an 8% NAV per share uplift in the six month period. Gearing remains low at approximately 3%. This gives us capacity to add a further £300 million to the portfolio whilst still retaining prudent gearing of around 60% loan to value. We announced today acquisitions which utilises £76 million of that capacity.

Following the property revaluation, the Company's portfolio is yielding 7.5% which, despite the rise in interest rates during the period, compares favourably to average borrowing costs.

On 28 February, Hansteen announced a conditional placing of 53,435,115 shares at a price of £1.31 per share, raising approximately £68.5million of new cash, net of expenses. The placing was approved by shareholders at the Extraordinary General Meeting on 23 March 2007.

Outlook

During the period, the Hansteen team grew from seven employees to ten, all high calibre, experienced and committed to the business. We continue to strengthen our network, adding to our connections in continental Europe with new relationships.

The Board remains confident of the prospects for the Company. Both the fundamentals of the properties acquired and the occupational markets remain strong in the Continental markets in which we operate. Hansteen will continue with its stated strategy to provide consistent and high returns to its investors through the creation of a high yielding property portfolio in Continental Europe. The Company has a strong balance sheet, increasing market expertise and is well placed to acquire more properties in Continental Europe or to take advantage of opportunities which may arise in the UK

James Hambro
Chairman
Hansteen Holdings plc.

10 September 2007

HANSTEEN HOLDINGS PLC

Consolidated income statement for the six months to 30 June 2007

Period from 27 October 2005 to 31 December 2006 £'000 Audited	Note	Period from 1 January 2007 to 30 June 2007 £'000 Unaudited	Period from 27 October 2005 to 30 June 2006 £'000 Unaudited	
Continuing operations				
16,012	Revenue	2	6,648	4,410
(8,395)	Cost of sales		(668)	(1,714)
7,617	Gross profit		5,980	2,696
(2,847)	Administrative expenses	3	(1,768)	(1,496)
Operating profit before gains on investment properties				
4,770		4	4,212	1,200
14,789	Gains on investment properties		9,215	-
19,559			13,427	1,200
1,304	Gains on forward currency contracts		551	-
1,996	Finance income		1,115	1,713
(490)	Finance costs		(1,281)	(91)
13	Changes in fair value of interest rate swaps		260	-
(260)	Foreign exchange losses		(412)	-
22,122	Profit before tax		13,660	2,822
(6,792)	Tax	5	(4,386)	(903)
15,330	Profit for the period		9,274	1,919
Attributable to:				
15,330	Equity shareholders		9,274	1,919
-	Minority interests		-	-
15,330	Profit for the period		9,274	1,919
Earnings per share				
13.3p	Basic		6.0p	1.8p
13.3p	Diluted		6.0p	1.8p

HANSTEEN HOLDINGS PLC

Consolidated balance sheet as at 30 June 2007

31 December 2006 £'000 Audited		30 June 2007 £'000 Unaudited	30 June 2006 £'000 Unaudited
Non-current assets			
28	Property, plant and equipment	32	25
139,593	Investment property	223,783	95,668
1,434	Derivative financial instruments	2,261	-
141,055		226,076	95,693
Current assets			
5,151	Trading properties	5,223	5,355
2,485	Trade and other receivables	2,464	2,324
14,395	Cash and cash equivalents	47,191	26,864
22,031		54,878	34,543
163,086	Total assets	280,954	130,236
Current Liabilities			
-	Borrowings	(9,384)	-
(3,333)	Trade and other payables	(4,748)	(2,742)
(1,675)	Current tax liabilities	(2,772)	(763)
(5,008)		(16,904)	(3,505)
Non-current liabilities			
(15,689)	Borrowings	(44,640)	-
(4,517)	Deferred tax liabilities	(7,515)	(457)
(20,206)		(52,155)	(457)
(25,214)	Total liabilities	(69,059)	(3,962)
137,872	Net assets	211,895	126,274
Equity			
12,500	Share capital	17,844	12,500
111,133	Share premium account	174,312	111,133
(1,142)	Translation reserves	(1,210)	701
15,381	Retained earnings	20,932	1,940
137,872	Equity shareholders' funds	211,878	126,274
-	Equity minority interests	17	-
137,872	Total equity	211,895	126,274
110.3p	Diluted net asset value per share	118.7p	101.0p
114.6p	EPRa net asset value per share	123.3p	101.2p

HANSTEEN HOLDINGS PLC

Consolidated statement of changes in equity for the six months to 30 June 2007

	Share capital £'000	Share premium £'000	Translation reserves £'000	Retained earnings £'000	Minority interest £'000	Total £'000
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
Balance at 27 October 2005	-	-	-	-	-	-
Exchange differences arising on translation of overseas operations	-	-	1,018	-	-	1,018
Tax on items taken directly to equity	-	-	(317)	-	-	(317)
Net income recognised directly in equity	-	-	701	-	-	701
Share based payments	-	-	-	21	-	21
Profit for the period	-	-	-	1,919	-	1,919
Ordinary shares issued at a premium	12,500	112,500	-	-	-	125,000
Costs of issue of shares at a premium	-	(1,367)	-	-	-	(1,367)
Balance at 30 June 2006	12,500	111,133	701	1,940	-	126,274
Balance at 1 January 2007	12,500	111,133	(1,142)	15,381	-	137,872
Exchange differences arising on translation of overseas operations	-	-	152	-	-	152
Tax on items taken directly to equity	-	-	(220)	-	-	(220)
Net income recognised directly in equity	-	-	(68)	-	-	(68)
Share based payments	-	-	-	27	-	27
Profit for the period	-	-	-	9,274	-	9,274
Dividends	-	-	-	(3,750)	-	(3,750)
Ordinary shares issued at a premium	5,344	64,656	-	-	-	70,000
Costs of issue of shares at a premium	-	(1,477)	-	-	-	(1,477)
Capital invested by minority interests	-	-	-	-	17	17
Balance at 30 June 2007	17,844	174,312	(1,210)	20,932	17	211,895

HANSTEEN HOLDINGS PLC

Consolidated cash flow statement for the six months to 30 June 2007

Period from 27 October 2005 to 31 December 2006 £'000 Audited	Note	Period from 1 January 2007 to 30 June 2007 £'000 Unaudited	Period from 27 October 2005 to 30 June 2006 £'000 Unaudited
Net cash from/(used in) operating activities	6	3,811	(3,718)
292			
1,996 Interest received		1,114	1,711
(39) Additions to property, plant and equipment		(11)	(29)
(126,823) Additions to investment properties		(75,770)	(94,644)
118 Proceeds from sale of investment properties		453	-
Additions to derivative financial instruments		(15)	-
(117)			
(124,865) Net cash used in investing activities		(74,229)	(92,962)
- Dividends paid		(3,750)	-
125,000 Proceeds from issue of shares at a premium		70,000	125,000
(1,367) Costs of issue of shares at a premium		(1,477)	(1,367)
15,335 New bank loans raised (net of expenses)		38,428	(91)
Capital contribution from minority shareholders		17	-
-			
138,968 Net cash from financing activities		103,218	123,542
14,395 Net increase in cash and cash equivalents		32,800	26,862
Cash and cash equivalents at beginning of period		14,395	-
- Effect of foreign exchange rate changes		(4)	2
Cash and cash equivalents at end of period		47,191	26,864
14,395			

HANSTEEN HOLDINGS PLC

Notes to the Accounts for the six months ended 30 June 2007

1. General information

Hansteen Holdings plc was incorporated in the United Kingdom under the Companies Act 1985 on 27 October 2005. The address of the registered office is 1 Berkeley Street, London W1J 8DJ.

The Company was listed on AIM on 29 November 2005 and the comparative information covers the period from its date of incorporation on 27 October 2005 to 30 June 2006.

The Group's principal activities are those of a property group investing mainly in industrial properties in continental Europe.

Financial information

The financial information contained in this report does not constitute statutory accounts within the meaning of Section 240 of the Companies Act 1985 or complete financial statements under IAS 1 'Presentation of Financial Statements'.

The results for the period ending 31 December 2006 are based on the audited accounts for that period, which have been reported on, without qualification by the auditors and have been delivered to the Registrar of Companies.

The unaudited financial information presented in this document has been prepared on the basis of the accounting policies set out in the full accounts for the period ending 31 December 2006. This interim report has been prepared using accounting policies consistent with International Financial Reporting Standards ('IFRSs').

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates.

The interim report was approved by the Board on 4 September 2007.

2. Revenue includes the following:

Period from 27 October 2005 to 31 December 2006 £'000 Audited		Period from 1 January 2007 to 30 June 2007 £'000 Unaudited	Period from 27 October 2005 to 30 June 2006 £'000 Unaudited
7,760	Property rental income	6,648	2,857
8,252	Sales of trading properties	-	1,553
<hr/> 16,012		<hr/> 6,648	<hr/> 4,410
1,977	Interest receivable on bank deposits	1,076	1,708
19	Other interest receivable	39	5
<hr/> 1,996		<hr/> 1,115	<hr/> 1,713
<hr/> 18,008	Total revenue in the period	<hr/> 7,763	<hr/> 6,123

3. Administration:

The potential liability of the Group to payments which would fall due under the current four year long-term incentive plan which is due to end on 31 December 2009 has been reviewed. Projections for the Group were reviewed using the existing internal budgets and the proposed investment programme. Using assumptions of current interest rates, current exchange rates and current property yields no liability under the scheme would arise.

HANSTEEN HOLDINGS PLC

Notes to the Accounts for the six months ended 30 June 2007

4. Operating profit includes £nil from the sale of trading properties (Period from 27 October 2005 to 30 June 2006: £104,000. Period from 27 October 2005 to 31 December 2006: £672,000).

5. Tax on profit on ordinary activities

Period from 27 October 2005 to 31 December 2006 £'000 Audited		Period from 1 January 2007 to 30 June 2007 £'000 Unaudited	Period from 27 October 2005 to 30 June 2006 £'000 Unaudited
1,665	UK current tax	988	480
566	Foreign current tax	395	283
<hr/> 2,231	Total current tax	<hr/> 1,383	<hr/> 763
4,561	Deferred tax	3,003	140
<hr/> <hr/> 6,792		<hr/> <hr/> 4,386	<hr/> <hr/> 903

6. Notes to the cash flow statement

Period from 27 October 2005 to 31 December 2006 £'000 Audited	Period from 1 January 2007 to 30 June 2007 £'000 Unaudited	Period from 27 October 2005 to 30 June 2006 £'000 Unaudited
15,330 Profit for the period	9,274	1,919
6,792 Tax	4,386	903
22,122 Profit before tax	13,660	2,822
(1,304) Gains on forward currency contracts	(551)	-
(1,996) Finance income	(1,115)	(1,713)
490 Finance costs	1,281	91
(13) Changes in fair value of interest rate swaps	(260)	-
260 Foreign exchange losses	412	-
19,559 Operating profit	13,427	1,200
Adjustments for:		
(14,789) Gains on investment properties	(9,215)	-
51 Share-based employee remuneration	27	21
Depreciation of property, plant and		
10 equipment	7	4
Operating cash flows before movements		
4,831 in working capital	4,246	1,225
(5,151) Increase in trading properties	(72)	(5,355)
(2,255) (Increase)/decrease in receivables	16	(2,318)
3,334 Increase in payables	1,420	2,730
759 Cash generated by/(used in) operations	5,610	(3,718)
(330) Income taxes paid	(506)	-
(137) Interest paid	(1,293)	-
Net cash from/(used in) operating		
292 activities	3,811	(3,718)

7. Post Balance Sheet Events

On 31 August 2007 the Group acquired 14 properties in Belgium with an approximate value of €54,276,000 (£36,532,000) and a total rent roll of €4 million (£2.7 million) per annum. The properties together with related debt are owned by nine Belgian companies. Hansteen paid €17,870,000 (£12,027,000) to acquire the equity in the companies.

8. The Interim Report and Accounts will be posted to shareholders and will be available from the Company's Registered Office at 1 Berkeley Street, London W1J 8DJ.