

Sky High PLC

Interim Report for the Six Months to 30 September 2008

Sky High PLC ('Sky High' or the 'Group'), a holding company focusing on investments in the traffic survey data collection sector today announces its statement of results for the six months ended 30 September 2008.

Chairman's Statement

I am pleased to present the Interim Report for Sky High PLC for the six month period to 30 September 2008.

The results show a profit after tax of £310,000 (2007: £87,000) for the six month period. Turnover was £2.71m in the period which shows growth of 33% compared with £2.04m in the same period the previous year. Trading in the first two months of the second half has continued to be strong.

Sky High Australia Pty has shown good growth in the six months to 30 September 2008. Turnover in the period was £570,000 which shows growth of 33% compared with £430,000 in the same period the previous year. Sky High Australia Pty contributed £115,000 profit compared to £58,000 in the previous period.

On 1 September 2008, the company acquired 100% of the share capital of Halifax Computer Services Limited. I am pleased to report that Halifax Computer Services Limited has contributed £72,000 turnover and £15,000 profit since the acquisition.

The costs of maintaining the Plc have been well controlled. The costs in the six months to 30 September 2008 were £32,000 compared with £73,000 in the same period the previous year. The costs in the previous period included costs associated with an abortive acquisition attempt and there has also been a reduction in the fees paid to Plc directors.

On 26 September 2008, the company renewed its overdraft facility with its bankers at a rate of 2% over base which the directors feel is very competitive in the current market. Working capital continues to improve and the renewal of our banking facilities will allow the company to continue its plan to look for further acquisitions.

The Directors have approved the payment of an interim dividend of 0.5p per share. The interim dividend will be paid on 23 January 2008 to shareholders on the register on 5 January 2009. The ex-dividend date will be 31 December 2008. The directors feel that it is important to set a dividend policy that is maintainable in the future but this needs to be balanced against the need to fund the company's growth. The directors are hopeful of declaring a final dividend in due course.

Richard Jackson
Chairman
5 December 2008

For further information, please contact:

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UNAUDITED CONSOLIDATED INCOME STATEMENT (IFRS)

For the six month period to 30 September 2008

		6 months ended 30 September 2008	6 months ended 30 September 2007	12 months ended 31 March 2008
	Note	Unaudited £'000	Unaudited £'000	Audited £'000
Continuing operations				
Revenue		<u>2,712</u>	<u>2,039</u>	<u>4,227</u>
Cost of sales		<u>(1,576)</u>	<u>(1,325)</u>	<u>(2,675)</u>
Gross profit		<u>1,136</u>	<u>714</u>	<u>1,552</u>
Other administrative expenses		<u>(818)</u>	<u>(616)</u>	<u>(1,314)</u>
Results from operating activities		<u>318</u>	<u>98</u>	<u>237</u>
Finance income		<u>3</u>	<u>5</u>	<u>8</u>
Finance expenses		<u>(11)</u>	<u>(16)</u>	<u>(36)</u>
Net Finance Costs		<u>(8)</u>	<u>(11)</u>	<u>(28)</u>
Profit/(Loss) before taxation		<u>310</u>	<u>87</u>	<u>209</u>
Income tax expense		<u>-</u>	<u>-</u>	<u>(66)</u>
Profit/(Loss) from continuing operations		<u>310</u>	<u>87</u>	<u>143</u>
Minority interests		<u>-</u>	<u>-</u>	<u>-</u>
Profit/(Loss) for the financial period		<u>310</u>	<u>87</u>	<u>143</u>
Profit/(Loss) per ordinary share - Undiluted	4	<u>2.4p</u>	<u>0.7p</u>	<u>1.1p</u>
Profit/(Loss) per ordinary share - Diluted	4	<u>2.4p</u>	<u>0.7p</u>	<u>1.1p</u>

There were no recognised gains or losses other than the profit for the financial period.

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (IFRS)

For the six month period to 30 September 2008

For the six months ended

30 September 2008

Unaudited

	Called up Share Capital £'000	Share Premium Account £'000	Reverse Acquisition Reserve £'000	Minority Interest £'000	Foreign Exchange Reserve £'000	Profit & Loss Reserve £'000	Total Equity £'000
At start of period	1,275	1,657	(1,774)	-	14	381	1,553
Exchange gain	-	-	-	-	(16)	(18)	(34)
Profit for the period	-	-	-	-	-	310	310
At end of period	<u>1,275</u>	<u>1,657</u>	<u>(1,774)</u>	<u>-</u>	<u>(2)</u>	<u>673</u>	<u>1,829</u>

For the 12 months ended

31 March 2008

Audited

	Called up Share Capital £'000	Share Premium Account £'000	Reverse Acquisition Reserve £'000	Minority Interest £'000	Foreign Exchange Reserve £'000	Profit & Loss Reserve £'000	Total Equity £'000
At start of period	1,233	1,578	(1,774)	35	-	238	1,310
Acquisition of minority	42	79	-	(35)	-	-	86
Profit for the year	-	-	-	-	-	143	143
Exchange gain	-	-	-	-	14	-	14
At end of period	<u>1,275</u>	<u>1,657</u>	<u>(1,774)</u>	<u>-</u>	<u>14</u>	<u>381</u>	<u>1,553</u>

For the six months ended

30 September 2007

Unaudited

	Called up Share Capital £'000	Share Premium Account £'000	Reverse Acquisition Reserve £'000	Minority Interest £'000	Foreign Exchange Reserve £'000	Profit & Loss Reserve £'000	Total Equity £'000
At start of period	1,233	1,578	(1,774)	35	-	238	1,310
Acquisition of minority	42	79	-	(35)	-	-	86
Profit for the period	-	-	-	-	-	87	87
Exchange gain	-	-	-	-	-	-	-
At end of period	<u>1,275</u>	<u>1,657</u>	<u>(1,774)</u>	<u>-</u>	<u>-</u>	<u>325</u>	<u>1,483</u>

CONSOLIDATED BALANCE SHEET (IFRS)

At 30 September 2008

	At 30 September 2008	At 30 September 2007	At 31 March 2008
	Unaudited £'000	Unaudited £'000	Audited £'000
Non current assets			
Goodwill	760	631	631
Property, plant and equipment	716	386	574
Total non current assets	<u>1,476</u>	<u>1,017</u>	<u>1,205</u>
Current assets			
Trade and other receivables	1,434	1,190	1,411
Cash and cash equivalents	99	187	145
Total current assets	<u>1,533</u>	<u>1,377</u>	<u>1,556</u>
Total assets	<u>3,009</u>	<u>2,394</u>	<u>2,761</u>
Current liabilities			
Trade and other payables	(723)	(612)	(741)
Bank borrowings	(104)	(185)	(221)
Total current liabilities	<u>(827)</u>	<u>(797)</u>	<u>(962)</u>
Non current liabilities	(353)	(114)	(246)
Total liabilities	<u>(1,180)</u>	<u>(911)</u>	<u>(1,208)</u>
Net assets	<u>1,829</u>	<u>1,483</u>	<u>1,553</u>
Capital and reserves			
Called up share capital	1,275	1,275	1,275
Share premium account	1,657	1,657	1,657
Profit and loss account	673	325	381
Foreign Exchange reserve	(2)	-	14
Reverse acquisition reserve	(1,774)	(1,774)	(1,774)
Shareholders' funds	<u>1,829</u>	<u>1,483</u>	<u>1,553</u>

The financial statements were approved by the Board of Directors and authorised for issue on 5 December 2008. They were signed on its behalf by:

Mark Mattison
Director

UNAUDITED CONSOLIDATED CASHFLOW STATEMENT (IFRS)

For the six month period to 30 September 2008

	Note	6 months ended 30 September 2008	6 months ended 30 September 2007	12 months ended 31 March 2008
		Unaudited £'000	Unaudited £'000	Audited £'000
Cash used in operations	5	331	31	115
Interest paid		(11)	(16)	(36)
Income taxes paid		-	-	(46)
Net cash inflow/(outflow) from operating activities		<u>320</u>	<u>15</u>	<u>33</u>
Cashflow from investing activities				
Purchase of property, plant and equipment		(114)	(88)	(184)
Proceeds from disposal of property, plant and equipment		-	-	27
Interest received		3	5	10
Purchase of subsidiary undertaking		(119)	(45)	(45)
Net cash inflow/(outflow) from investing activities		<u>(230)</u>	<u>(128)</u>	<u>(192)</u>
Financing				
Hire purchase repayments		(19)	(17)	(43)
Repayment of bank loans		(17)	(17)	(34)
Net cash inflow from financing		<u>(36)</u>	<u>(34)</u>	<u>(77)</u>
(Decrease)/Increase in cash and cash equivalents		<u>54</u>	<u>(147)</u>	<u>(236)</u>
Cash and cash equivalents at beginning of period		(54)	182	182
Cash and cash equivalents at end of period		<u>-</u>	<u>35</u>	<u>(54)</u>

NOTES TO THE ACCOUNTS

For the six month period to 30 September 2008

1 BASIS OF PREPARATION OF INTERIM REPORT

Reverse acquisition accounting and IFRS

The Interim financial report has been prepared using accounting policies consistent with International Financial Reporting Standards (IFRS). The accounting for this is explained more fully in note 2.

The information for the period ended 30 September 2008 is not audited and does not constitute statutory accounts as defined in section 240 of the Companies Act 1985. The interim accounts for the six month period to 30 September 2007 were also unaudited.

The information for the year ended 31 March 2008 is audited, taken from the unqualified statutory accounts for the year then ended.

2 ACCOUNTING POLICIES

Basis of Accounting

The interim results have been prepared in accordance with International Financial Reporting Standards (IFRS) accounting rules. The accounting policies used in the preparation of these results were the accounting policies used in the preparation of the results for the year ended 31 March 2008 and detailed in the notes to those results (see Accounts for the year ended 31 March 2008 issued 22 September 2008).

3 DIVIDENDS

The Company will be declaring an interim dividend of 0.5p per share. The interim dividend will be paid on 23 January 2009 to shareholders on the register on 5 January 2009. The ex-dividend date will be 31 December 2008.

4 PROFIT PER SHARE

The calculation is based on the profit attributable to ordinary shareholders divided by the weighted average number of ordinary shares as defined by IAS 33 and IFRS 3 (in relation to the period up to the reverse acquisition) as follows:

	6 months ended 30 September 2007	6 months ended 30 September 2007	12 months ended 31 March 2008
	Unaudited £'000	Unaudited £'000	Audited £'000
Profit/(Loss) for the period	£310	£87	£143
	No. '000	No. '000	No. '000
Weighted average number of shares undiluted	12,745	12,425	12,588
Weighted average number of shares diluted	12,818	12,670	12,588

5 CASH USED IN OPERATIONS

	6 months ended 30 September 2008	6 months ended 30 September 2007	12 months ended 31 March 2008
	Unaudited £'000	Unaudited £'000	Audited £'000
Results from operating activities	318	98	237
Depreciation of property, plant and equipment	57	43	97
Loss on disposal of property, plant and equipment	-	-	1
Non cash exchange adjustment	-	-	36
Decrease/(Increase) in receivables	(23)	(244)	(504)
Increase/(Decrease) in payables	(21)	134	248
Cash used in operations	<u>331</u>	<u>31</u>	<u>115</u>

Copies of this report will be available from the Company's website at www.skyhighplc.co.uk and the Company's registered office at 32 Bedford Row, London WC1R 4HR.