

SKY HIGH PLC

INTERIM REPORT

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2009

COMPANY NUMBER: 3896384

Sky High PLC

Interim Report for the Six Months to 30 September 2009

Sky High Plc ('Sky High' or the 'Group'), the traffic survey data company today announces its results for the six months ended 30 September 2009.

Chairman's Statement

I am pleased to present the Interim Report for Sky High Plc for the six month period to 30 September 2009.

The results show a profit of £113,000 (2008: £310,000) for the six month period. Turnover was £2.58m in the period compared with £2.71m in the same period the previous year. Trading in the first two months of the second half has been strong.

The performance of Sky High Australia Pty has been disappointing in the six months to 30 September 2009. Turnover in the period was £534,000 compared with £570,000 in the same period the previous year. Sky High Australia Pty made a loss of £62,000 in the period compared to a profit of £115,000 in the previous period. The performance of Sky High Australia Pty has improved after the half year end showing a healthy profit and is expected to break even this year and return to profit in the year ended 31 March 2011. The Directors believe that Sky High Australia Pty remains an important member of the Group, with excellent long term prospects.

Trading performance in the UK has been very positive after a difficult start to the year. Turnover in the period was £2.05m compared to £2.14m in the same period the previous year. Turnover at the start of the year was behind target due to adverse trading conditions but in recent months the traffic survey business in the UK has experienced record sales orders and the UK business is now performing to budget. Profit in the UK was £175,000 in the period compared to £232,000 in the same period the previous year.

The costs of maintaining the Plc have increased in the period due to the travel costs, management time and professional costs associated with managing the turn around in the Australian subsidiary. The costs in the six months to 30 September 2009 were £73,000 compared with £37,000 in the same period the previous year.

The Directors have approved the payment of an interim dividend of 0.5p per share. The interim dividend will be paid on 29 January 2010 to shareholders on the register on 4 January 2010. The ex-dividend date will be 30 December 2009. The directors are committed to maintaining a sustainable and consistent dividend policy 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 W W Jackson LLB
Chairman
7 December 2009

For further information, please contact:

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UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six month period to 30 September 2009

		6 months ended 30 September 2009	6 months ended 30 September 2008	12 months ended 31 March 2009
	Note	Unaudited £'000	Unaudited £'000	Audited £'000
Continuing operations				
Revenue	6	2,586	2,712	5,103
Cost of sales		(1,615)	(1,576)	(3,235)
Gross profit		971	1,136	1,868
Other administrative expenses		(833)	(818)	(1,603)
Results from operating activities	6	138	318	265
Finance income		1	3	3
Finance expenses		(26)	(11)	(50)
Profit before taxation		113	310	218
Income tax expense		-	-	(85)
Profit from continuing operations	6	113	310	133
Other comprehensive costs				
Exchange differences on translating foreign operations		-	(18)	-
Total comprehensive income		113	292	133
Basic profit per ordinary share	4	0.9p	2.4p	1.0p
Diluted profit per ordinary share	4	0.9p	2.4p	1.0p

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

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2009

	At 30 September 2009	At 30 September 2008	At 31 March 2009
Note	Unaudited £'000	Unaudited £'000	Audited £'000
Non current assets			
	839	716	816
Property, plant and equipment			
	730	760	730
Goodwill			
	55	-	61
Other intangible assets			
Total non current assets	1,624	1,476	1,607
Current assets			
	1,402	1,434	991
Trade and other receivables			
	47	99	205
Cash and cash equivalents			
Total current assets	1,449	1,533	1,196
Total assets	3,073	3,009	2,803
6			
Current liabilities			
	(172)	(104)	(53)
Bank borrowings			
	(114)	(54)	(112)
Hire purchase contracts			
	(659)	(611)	(537)
Trade and other payables			
	(48)	(58)	(68)
Current tax payable			
Total current liabilities	(993)	(827)	(770)
Non current liabilities			
	-	-	(27)
Bank borrowings			
	(245)	(216)	(272)
Hire purchase contracts			
	-	(91)	(45)
Other payables			
	(62)	(46)	(62)
Deferred tax provision			
Total non current liabilities	(307)	(353)	(406)
Total liabilities	(1,300)	(1,180)	(1,176)
6			
Net assets	1,773	1,829	1,627
Capital and reserves			
	1,275	1,275	1,275
Called up share capital			
	1,657	1,657	1,657
Share premium account			
	563	673	450
Profit and loss account			
	52	(2)	19
Foreign Exchange reserve			
	(1,774)	(1,774)	(1,774)
Reverse acquisition reserve			
Shareholders' funds	1,773	1,829	1,627

The financial statements were approved by the Board of Directors and authorised for issue on 7 December 2009. They were signed on its behalf by:

Mark Mattison
Director

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six month period to 30 September 2009

	<i>Called up share capital £'000</i>	<i>Share premium account £'000</i>	<i>Reverse acquisition reserve £'000</i>	<i>Exchange gain reserve £'000</i>	<i>Retained earnings £'000</i>	<i>Total equity £'000</i>
For the 6 months ended 30 September 2009						
Unaudited						
At start of period	1,275	1,657	(1,774)	19	450	1,627
Gain on translation of foreign operations	-	-	-	33	-	33
Total comprehensive income for the period	-	-	-	-	113	113
Dividends paid	-	-	-	-	-	-
At end of period	1,275	1,657	(1,774)	52	563	1,773
	<i>Called up share capital £'000</i>	<i>Share premium account £'000</i>	<i>Reverse acquisition reserve £'000</i>	<i>Exchange gain reserve £'000</i>	<i>Retained earnings £'000</i>	<i>Total equity £'000</i>
For the 12 months ended 31 March 2009						
Audited						
At start of period	1,275	1,657	(1,774)	14	381	1,553
Gain on translation of foreign operations	-	-	-	5	-	5
Total comprehensive income for the year	-	-	-	-	133	133
Dividends paid	-	-	-	-	(64)	(64)
At end of period	1,275	1,657	(1,774)	19	450	1,627
	<i>Called up share capital £'000</i>	<i>Share premium account £'000</i>	<i>Reverse acquisition reserve £'000</i>	<i>Exchange gain reserve £'000</i>	<i>Retained earnings £'000</i>	<i>Total equity £'000</i>
For the 6 months ended 30 September 2008						
Unaudited						
At start of period	1,275	1,657	(1,774)	14	381	1,553
Loss on translation of foreign operations	-	-	-	(16)	-	(16)
Total comprehensive income for the period	-	-	-	-	292	292
Dividends paid	-	-	-	-	-	-
At end of period	1,275	1,657	(1,774)	(2)	673	1,829

UNAUDITED CONSOLIDATED STATEMENT OF CASHFLOW

For the six month period to 30 September 2009

		6 months ended 30 September 2009	6 months ended 30 September 2008	12 months ended 31 March 2009
	Note	Unaudited £'000	Unaudited £'000	Audited £'000
Cash used in operations	5	(72)	331	759
Income taxes paid		(21)	-	(46)
Cashflow from investing activities				
Acquisition of subsidiary undertakings (net of cash)		-	(119)	(155)
Purchase of property, plant and equipment		(76)	(114)	(174)
Proceeds from disposal of property, plant and equipment		-	-	25
Equity dividends paid		-	-	(64)
Interest paid		(26)	(11)	(50)
Interest received		1	3	3
Net cash outflow from investing activities		<u>(101)</u>	<u>(241)</u>	<u>(415)</u>
Financing				
Proceeds of new bank loan		-	-	100
Repayment of bank loans		(26)	(17)	(43)
Hire purchase repayments		(56)	(19)	(96)
Net cash outflow from financing		<u>(82)</u>	<u>(36)</u>	<u>(39)</u>
Net (decrease)/increase in cash and cash equivalents		(276)	54	259
Cash and cash equivalents at beginning of period		205	(54)	(54)
Cash and cash equivalents at end of period		<u>(71)</u>	<u>-</u>	<u>205</u>

NOTES TO THE ACCOUNTS

For the six month period to 30 September 2009

1 BASIS OF PREPARATION OF INTERIM REPORT

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 2009 is not audited and does not constitute statutory accounts as defined in section 435 of the Companies Act 2006. The interim accounts for the six month period to 30 September 2008 were also unaudited.

The information for the year ended 31 March 2009 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 2009 and detailed in the notes to those results (see Accounts for the year ended 31 March 2009 issued 10 September 2009).

3 DIVIDENDS

The Company will be declaring an interim dividend of 0.5p per share. The interim dividend will be paid to shareholders on 29 January 2010, with an ex-dividend date of 30 December 2009 and a record date of 4 January 2010.

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 as follows:

	6 months ended 30 September 2009	6 months ended 30 September 2008	12 months ended 31 March 2009
	Unaudited £'000	Unaudited £'000	Audited £'000
Profit/(Loss) for the period	£113	£310	£133
	No. '000	No. '000	No. '000
Weighted average number of equity shares: Basic	12,745	12,745	12,745
Weighted average number of equity shares: Diluted	12,919	12,818	12,859

5 CASH USED IN OPERATIONS

	6 months ended 30 September 2009	6 months ended 30 September 2008	12 months ended 31 March 2008
	Unaudited £'000	Unaudited £'000	Audited £'000
Results from operating activities	138	318	265
Depreciation of property, plant and equipment	99	57	183
Amortisation of intangible fixed assets	7	-	8
Loss/(Profit) on disposal of property, plant and equipment	5	-	(6)
Non cash exchange adjustment	33	-	(6)
Decrease/(Increase) in receivables	(433)	(23)	534
Increase/(Decrease) in payables	79	(21)	(219)
Cash used in operations	(72)	331	759

6 SEGMENT ANALYSIS

	UK	Australia	Total for group
For the 6 months ended 30 September 2009			
Unaudited	£'000	£'000	£'000
Revenue	2,052	534	2,586
Operating profit/(loss)	185	(47)	138
Finance income	1	-	1
Finance expenses	(11)	(15)	(26)
Profit/(loss) before taxation	175	(62)	113
Income tax expense	-	-	-
Profit/(loss) from continuing operations	175	(62)	113
Balance sheet			
Total assets	2,472	601	3,073
Total liabilities	(840)	(460)	(1,300)

	UK	Australia	Total for group
For the 12 months ended 31 March 2009			
Audited	£'000	£'000	£'000
Revenue	<u>3,160</u>	<u>1,127</u>	<u>5,103</u>
Operating profit/(loss)	219	46	265
Finance income	3	-	3
Finance expenses	(23)	(27)	(50)
Profit before taxation	<u>199</u>	<u>19</u>	<u>218</u>
Income tax expense	(67)	(18)	(85)
Profit from continuing operations	<u>132</u>	<u>1</u>	<u>133</u>
Balance sheet			
Total assets	<u>2,234</u>	<u>569</u>	<u>2,803</u>
Total liabilities	<u>(765)</u>	<u>(411)</u>	<u>(1,176)</u>
	UK	Australia	Total for group
For the 6 months ended 30 September 2008			
Unaudited	£'000	£'000	£'000
Revenue	<u>2,142</u>	<u>570</u>	<u>2,712</u>
Operating profit/(loss)	199	119	318
Finance income	3	-	3
Finance expenses	(7)	(4)	(11)
Profit before taxation	<u>195</u>	<u>115</u>	<u>310</u>
Income tax expense	-	-	-
Profit from continuing operations	<u>195</u>	<u>115</u>	<u>310</u>
Balance sheet			
Total assets	<u>2,436</u>	<u>573</u>	<u>3,009</u>
Total liabilities	<u>(880)</u>	<u>(300)</u>	<u>(1,180)</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 4HE.