

FOR IMMEDIATE RELEASE

ANNOUNCEMENT TO THE LONDON STOCK EXCHANGE

Pathfinder Properties PLC

**Unaudited Interim Results
for the six months ended 30 June 2008**

The Board of Pathfinder announces the results of the Company for the six months ended 30 June 2008, which are set out below. The unaudited interim financial statements for the six months ended 30 June 2008 are being sent to all shareholders. Copies may be obtained from the Company by writing to Pathfinder Properties PLC, 1001 Finchley Road, London NW11 7HB and are available on the Company's website, www.pathfinderplc.com

**CHAIRMAN'S STATEMENT
For the six months ended 30 June 2008**

Dear Shareholder,

Please find enclosed our half yearly accounts to 30 June 2008.

From my recent correspondence, shareholders are aware that the company has been badly affected by the credit crunch, which has had a dramatic effect on the value of our assets.

I was pleased that the resolution at the recent Extraordinary General Meeting was passed in respect of our assets held at Ilford and Newark. The company is now in the process of carrying out these transfers and although this will lead to a write down, hopefully this will allow the company to ride out the present storm.

Once again I would like to thank everybody involved for all their time and effort to help the company through these difficult times.

Edward Azouz
Chairman

30 September 2008

**CONSOLIDATED INCOME STATEMENT
for the six months ended 30 June 2008**

	Notes	Unaudited 6 months to 30 June 2008 £'000	Unaudited 6 months to 30 June 2007 £'000	Audited Year ended 31 Dec 2007 £'000
REVENUE				
Group and share of joint ventures		2	52	32
less share of joint ventures		-	(17)	(5)
Group revenue		<u>2</u>	<u>35</u>	<u>27</u>
Cost of sales		<u>(8,066)</u>	<u>(7)</u>	<u>(7)</u>
Gross profit		<u>(8,064)</u>	<u>28</u>	<u>20</u>
Administrative expenses		<u>(296)</u>	<u>(313)</u>	<u>(741)</u>
		<u>(8,360)</u>	<u>(285)</u>	<u>(721)</u>
Other operating income		-	85	88
OPERATING (LOSS)/PROFIT BEFORE SHARE OF JOINT VENTURES		<u>(8,360)</u>	<u>(200)</u>	<u>(633)</u>
Share of operating profits in joint ventures		-	15	-
OPERATING (LOSS)/PROFIT	3	<u>(8,360)</u>	<u>(185)</u>	<u>(633)</u>
Profit on sale of investment properties		-	-	3
Profit on sale of non current investments		-	-	53
		<u>(8,360)</u>	<u>(185)</u>	<u>(577)</u>
Finance income		24	36	50
Finance costs		<u>(156)</u>	<u>(337)</u>	<u>(521)</u>
(LOSS)/PROFIT BEFORE TAXATION		<u>(8,492)</u>	<u>(486)</u>	<u>(1,048)</u>
Taxation		-	-	104
(LOSS)/PROFIT AFTER TAXATION		<u>(8,492)</u>	<u>(486)</u>	<u>(944)</u>
Equity minority interests		-	(11)	(7)
(LOSS)/PROFIT ATTRIBUTABLE TO MEMBERS		<u>(8,492)</u>	<u>(497)</u>	<u>(951)</u>
(Loss)/profit for the period	6	<u>(8,492)</u>	<u>(497)</u>	<u>(951)</u>
(Loss)/profit per share (basic and diluted)	10	(10.62p)	(0.62p)	(1.19p)

The operating loss arises from the Group's continuing operations.
A statement of total recognized gains and losses for the period is given in note 8.

Pathfinder Properties PLC

CONSOLIDATED BALANCE SHEET

As at 30 June 2008

	Notes	Unaudited 30 June 2008 £'000	Unaudited 30 June 2007 £'000	Audited 31 Dec 2007 £'000
ASSETS				
NON CURRENT ASSETS				
Goodwill		154	154	154
Property, plant and equipment		14	20	15
Investment in joint ventures				
Share of gross assets		24	115	23
Share of gross liabilities		(23)	(27)	(22)
		1	88	1
Investments		-	152	-
TOTAL NON CURRENT ASSETS		169	414	170
CURRENT ASSETS				
Inventories		7,067	13,163	14,135
Trade and other receivables	4	932	916	972
Deferred tax		333	229	333
Cash and cash equivalents		33	288	926
TOTAL CURRENT ASSETS		8,365	14,596	16,366
TOTAL ASSETS		8,534	15,010	16,536
LIABILITIES				
Current liabilities				
Trade and other payables		195	398	434
Tax payable		-	217	-
Interest bearing loans and borrowings		4,182	3,505	3,529
		4,377	4,120	3,936
LIABILITIES: Non current liabilities				
Interest bearing loans and borrowings		2,213	-	2,141
TOTAL LIABILITIES	5	6,590	4,120	6,104
		1,944	10,890	10,432
Equity minority interests		(354)	(354)	(350)
TOTAL NET ASSETS		1,590	10,536	10,082
EQUITY: CAPITAL & RESERVES				
Share capital – issued and fully paid		7,997	7,997	7,997
Share premium		1,970	1,970	1,970
Other reserves		2,647	2,647	2,647
Retained earnings	6	(11,024)	(2,078)	(2,532)
TOTAL EQUITY	7	1,590	10,536	10,082
Net assets per share attributable to ordinary shareholders		1.99p	13.17p	12.60p

Pathfinder Properties PLC

CONSOLIDATED CASH FLOW STATEMENT for the six months ended 30 June 2008

	Notes	Unaudited 6 months to 30 June 2008 £'000	Unaudited 6 months to 30 June 2007 £'000	Audited Year ended 31 Dec 2007 £'000
Cash flows generated from operating activities	9	(1,490)	(1,234)	(2,499)
Interest paid		(156)	(337)	(521)
Tax paid		-	-	(220)
Net cash flows from operating activities		(1,646)	(1,571)	(3,240)
Cash flows from investing activities				
Proceeds from sale of investment properties		-	-	14
Proceeds from sale of investments		-	-	205
Interest received		24	36	50
Purchase of plant and equipment		-	(1)	-
Dividends received		-	85	-
Net cash flows from investing activities		24	120	269
Cash flows from financing activities				
Proceeds from borrowings		729	221	2,386
Repayments of borrowings		-	-	-
Minority dividends paid		-	-	(7)
Net cash flows from financing activities		729	221	2,379
Net (decrease)/increase in cash and cash equivalents		(893)	(1,230)	(592)
Cash and cash equivalents at beginning of period		926	1,518	1,518
Cash and cash equivalents at end of period		33	288	926

NOTES

For the six months ended 30 June 2008

1 BASIS OF PREPARATION

Pathfinder Properties PLC adopted International Accounting Standards and International Financial Reporting Standards (collectively "IFRS") with effect from 1 January 2006 as adopted by the European Union ("EU") and these interim statements have been prepared on this basis.

The Interim Statements does not constitute statutory financial statements as defined in section 240 of the Companies Act 1985 and have not been audited by the company's auditors, Sedley Richard Laurence Voulters. The financial statements for the year ended 31 December 2007 have been reported on by the Company's auditors and delivered to the Registrar of Companies. The report of the auditors was unqualified and did not contain a statement under s.237(2) or (3) of the Companies Act 1985.

2 ACCOUNTING POLICIES

In implementing the transition to IFRS, the group has followed requirements of IFRS 1 "First Time Adoption of International Financial Reporting Standards" which in general requires IFRS accounting policies to be applied fully retrospectively.

3. RESULTS FOR THE PERIOD

The Group's turnover arises principally from property development activities.

4 TRADE AND OTHER RECEIVABLES

	30 June 2008 £'000	30 June 2007 £'000	31 Dec 2007 £'000
Trade	-	-	-
Other receivables	932	916	972
	<u>932</u>	<u>916</u>	<u>972</u>

5 LIABILITIES

	30 June 2008 £'000	30 June 2007 £'000	31 Dec 2007 £'000
Interest bearing loans and borrowings	6,395	3,505	5,670
Tax payable	-	217	-
Trade and other payables	195	398	434
	<u>6,590</u>	<u>4,120</u>	<u>6,104</u>

6 RETAINED EARNINGS

	6 months to 30 June 2008 £'000	6 months to 30 June 2007 £'000	Year ended 31 Dec 2007 £'000
Brought forward	(2,532)	(1,581)	(1,581)
Retained earnings for the period	(8,492)	(497)	(951)
Carried forward at end of period	<u>(11,024)</u>	<u>(2,078)</u>	<u>(2,532)</u>

NOTES – continued
For the six months ended 30 June 2008

7. EQUITY

	6 months to 30 June 2008 £'000	6 months to 30 June 2007 £'000	Year ended 31 Dec 2007 £'000
(Loss)/profit for the period	<u>(8,492)</u>	<u>(497)</u>	<u>(951)</u>
Net (decrease)/increase to shareholders equity	<u>(8,492)</u>	<u>(497)</u>	<u>(951)</u>
Brought forward	10,082	11,033	11,033
Carried forward at end of period	<u>1,590</u>	<u>10,536</u>	<u>10,082</u>

8 STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	6 months to 30 June 2008 £'000	6 months to 30 June 2007 £'000	Year ended 31 Dec 2007 £'000
(Loss)/profit for the period attributable to members	<u>(8,492)</u>	<u>(497)</u>	<u>(951)</u>
Total recognised gains and losses relating to the period	<u>(8,492)</u>	<u>(497)</u>	<u>(951)</u>

9 RECONCILIATION OF OPERATING CASH FLOWS

	6 months to 30 June 2008 £'000	6 months to 30 June 2007 £'000	Year ended 31 Dec 2007 £'000
Operating loss	(8,360)	(272)	(633)
Depreciation	1	1	5
Loss on sale of investments	-	-	-
Share of operating profits in joint ventures	-	(15)	-
Decrease/ (increase) in inventories	7,068	(909)	(1,880)
Decrease in trade and other receivables	40	96	108
(Decrease) in trade and other payables	<u>(239)</u>	<u>(135)</u>	<u>(99)</u>
	<u>(1,490)</u>	<u>(1,234)</u>	<u>(2,499)</u>

10 EARNINGS PER SHARE

The basic loss per share has been calculated on the loss on ordinary activities after tax £8,492,000 (30 June 2007 - loss of £497,000 and 31 December 2007 - loss of £951,000) and on 79,971,393 shares (30 June 2007 and 31 December 2007 - 79,971,393 shares) being the weighted average number of shares in issue during the period. There is no difference between basic earnings and fully diluted earnings per share.

11. RECONCILIATION OF LOSS AND EQUITY FROM UK GAAP TO IFRS

There is no difference between the loss or equity reported under previous UK GAAP and IFRS as at 30 June 2007 and as at 31 December 2007.

NOTES – continued
For the six months ended 30 June 2008

12. POST BALANCE SHEET EVENTS

On 15th September 2008, the company's shareholders approved the sale of two properties to an acquisition Vehicle of Gerard Lee, a director of the company and a shareholder of the company. The two development properties will be sold for £4million in total in accordance with independent valuations carried out. The difference between £4 million and the cost to the company of these development properties has been disclosed as a loss under cost of sales in the income statement.

DIRECTORS AND COMPANY INFORMATION

Directors	Company number
Gerry Lee	2578942 (England and Wales)
Edward Azouz	
Jeffrey Azouz	Registered office
John Guy Davies	1001 Finchley Road
Victor Lipien	London NW11 7HB
Secretary	
B A Gemal	

A copy of this statement is being sent to all shareholders and further copies may be obtained from the company by writing to Pathfinder Properties PLC, 1001 Finchley Road, London, NW11 7HB, or from the Company's website at www.pathfinderplc.com.

For further information, contact:
Edward Azouz, Chairman
Gerry Lee, Director

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