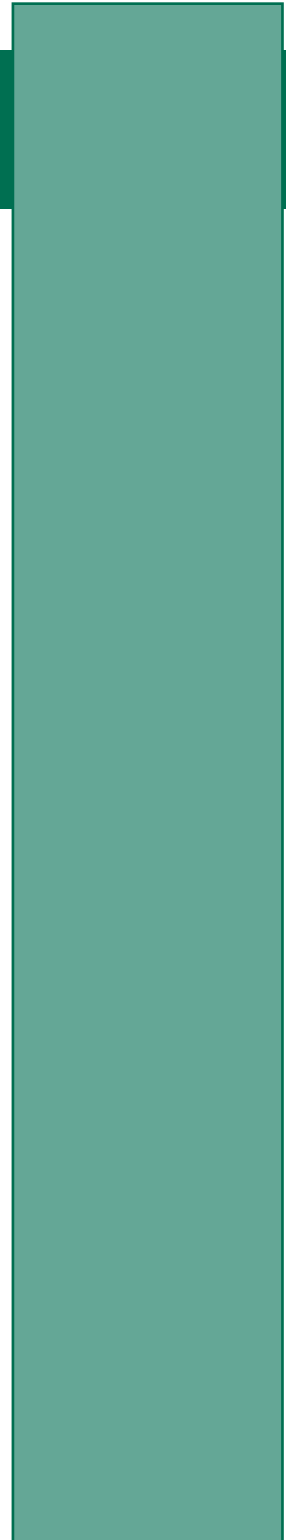




ARTISAN
(UK) plc

Interim Statement

for the six months to 31 December 2010



Artisan (UK) plc

UNAUDITED INTERIM STATEMENT FOR THE SIX MONTHS ENDED 31 DECEMBER 2010

London, 28 March 2011: Artisan (UK) plc (“Artisan” or “the Group”), the AIM listed house builder, commercial property developer and property investor, announces its unaudited interim results for the six months ended 31 December 2010.

- Revenue down from £4.2m to £2.8m in the six months to 31 December 2010
- Operating loss before finance and tax for the period of £0.8m (2009: £0.5m loss)
- Loss per share 8.17p (2009: 5.38p loss)
- Some improvement in potential demand in residential housing division since the period end although the lack of mortgage availability and on-going economic uncertainty is still a drag on demand
- Operating loss in residential business before central charges flat at £0.4m (2009: £0.4m loss)
- Commercial property build activity held back. Turnover at £0.3m (2009: £0.6m) generating an operating loss before central charges of £0.2m (2009: £0.3m loss)

Michael W. Stevens, Chairman of Artisan (UK) plc commented:

“The market for some months has been ‘bumping along the bottom’, but we see some signs of improvement. We will continue to manage the business by balancing sales, production and cash flow. The outlook for the Group remains dependent on future market conditions and the availability of financing, but we firmly believe that underlying demand and the desire for new housing products and for new, modern, efficient commercial space remains strong.”

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Chairman's statement

Trading conditions proved difficult for the Group during the six month period under review. However, since the New Year we have seen some improvement in demand albeit against a background where customers face funding problems and feel insecure, due to the uncertainties caused by the general economic conditions and broader market outlook.

Throughout the six months to 31 December 2010, the Group has seen the residential market trading at a very low level. Tough economic factors continue and the residential market continues to suffer from a shortage of suitable mortgages. The trading levels experienced by Artisan (UK) Developments Limited also continue to reflect the lack of activity in the commercial property market. Yet, encouragingly, since the end of the period under review, there have been a number of positive discussions on forward lets for commercial properties, one such negotiation is becoming particularly advanced with a view to becoming contracted in the near future.

Results

Turnover for the six months to 31 December 2010 was £2.8m compared to £4.2m in the same period in 2009. The Group has recorded an operating loss before finance and tax for the period of £0.8m (2009: £0.5m loss). After net finance costs the loss before tax was £1.1m (2009: £0.7m loss). The loss per share was 8.17p (2009: 5.38p loss).

The Board has continued to review the carrying value of our stocks and work in progress and found no material requirement for further impairment – the assessment at the previous year end remains appropriate. This compares with the 2009 reduction in carrying value provision of £20,000; and a total provision of £138,000 for the year to 30 June 2010.

Net finance expenses incurred were £248,000 (2009: £192,000) due to continued low interest rates.

Residential Trading

During the six months we sold 13 units (2009: 22 units) generating a turnover of £2.4m, compared to £3.5m in 2009. As a consequence of these low volumes, the operating loss before tax and central management charges was £0.4m (2009: £0.4m loss), though we have achieved an improved gross margin despite the lower turnover.

Our products remain well liked with a good underlying demand that is frustrated by the lack of available

finance. The Board remain convinced that sales would improve if mortgage funding was less difficult to secure. Trading conditions remain challenging and sales are hard to complete, especially on smaller or first time buyer orientated product.

The Group has continued to undertake a limited programme of shared equity sales. These are restricted to our more modest products and to customers whom we believe have good prospects. We have found there is now greater competition from at least one national operator competing in our area using this shared equity approach to achieve sales. We have restricted our sales by way of shared equity to just two units in the period and the impact of the accounting treatment has been to reduce turnover and margin by £36,000 (2009: £0.1m) during the period.

We are finding good margins for our bungalow product. Since the new year we have commenced sales on two new sites acquired since the downturn, Field View in Forest Town near Mansfield and Stuart Court in Mansfield. The reservations achieved show, as expected, early good returns on both sites. Supported by the strength of our part exchange offering, the pent up demand is now starting to stimulate sales and we believe there is an improvement in the prospect of achieving a higher level of sales in the second half.

The impact of older land values has reduced achievable margins on sales and therefore our objective is to stimulate sales of old stock, invest in new land at current day values and generate sales with good positive returns. Production is being matched to expected stock sales and new production only being entered into on the basis of a rigorous assessment of the sales outlook.

In specific circumstances, the Group has continued to commit resources to some of our land holdings where no planning permission currently exists with a view to locking in some planning gains for the future. If any value is released from these efforts, it will assist in improving the prospects for growth going forward.

Commercial Trading

Artisan (UK) Developments achieved a turnover of £0.3m (2009: £0.6m) generating an operating loss before tax and central management charges of £0.2m (2009: £0.3m loss). Those sales achieved during the period have been stock units. During this period when speculative stock prices were depressed by market

conditions, Artisan (UK) Developments has suspended all construction prior to securing a forward sale or forward let contract. As indicated above, we are hopeful of securing a significant contract for a forward let and we hope that production will recommence in the autumn of 2011. The current interest in forward let or purchased properties is almost all in respect of properties larger than our average unit size, suggesting that it is the more established businesses that are now contemplating forward growth. We will continue to concentrate on securing forward sale or let opportunities and believe that we can achieve satisfactory market returns on these contracts. We are also seeking growth opportunities that can be secured by adopting flexible approaches new to the Group.

We have seen fluctuating interest from property investors, reflected in a range of suggested investment yields. It is important that we offer investments to the market at the right moment and properly structured.

Dividend

No interim dividend will be paid (2009: nil per share).

Stock and Work In Progress

The Group had adopted a policy of reducing stocks to meet market conditions. We have currently achieved an appropriate stock holding level with our residential finished item stocks, a level that provides sufficient stock to meet current demand. We shall look to buy new land as funds permit to ensure that we have sufficient land stocks for future production. Due to depressed values offered for standing stock, commercial finished stocks are not being replenished as they are sold. We believe that a change in market lending practices will create a shortage of finished stock available in the market once the existing stocks are sold. In future we believe the market, and our own focus, will be concentrated on delivering forward sold and forward let units. Overall the Group has reduced stocks and work in progress to £27.5m (2009: £30.5m).

Debt and Banking

The net debt at 31 December 2010 was reduced to £19.0m (2009: £19.4m). At 31 December 2010 the gross drawn bank debt was £20.8m (2009: £23.8m) of which £3.2m is a loan facility in respect of the investment properties held. The Group's bank facility for development activity is committed by the bank until 1 July 2011. We are in discussion with our bank for new facilities beyond this date and we believe we can make positive progress on securing a new facility on acceptable terms as we seek funds for investment in

new land stocks. In order to secure new facilities additional equity capital may be required.

Going Concern Accounting Basis

The results continue to be prepared on a going concern basis and we have outlined in note 1 to these results the areas considered by the Board when arriving at this conclusion which should be read in full. It is however very likely that at some point, in order for the business to finance future growth, the Group will require, in addition to renewed bank facilities, an introduction of additional equity to fund new land acquisitions and invest in working capital. We will examine other possibilities as well and keep all options open.

The Directors consider it appropriate to prepare the Group Interim Statement on the going concern basis given their belief that sufficient funding will be made available beyond 1 July 2011 and that based upon their current forecasts an adequate level of headroom will be achieved over the minimum covenant levels throughout the remaining period of the current facility.

Outlook

The market for some months has been 'bumping along the bottom', but we see some limited signs of improvement. Artisan has been trading for over twelve years and through the cycles that have been seen in that period. We are confident that we can manage the Group through to take advantage of the next uplift in the trading cycles. In the meantime we will continue to manage the business by balancing sales, production and cash flow. The outlook for the Group remains dependent on future market conditions and the availability of finance to take advantage of them but we remain positive that underlying demand and desire for new housing products and for new, modern, efficient commercial space remains strong.

Michael W. Stevens
Chairman

28 March 2011

Condensed consolidated income statement

six months to 31 December 2010

	Note	Unaudited Six months ended 31 December 2010 £	Unaudited Six months ended 31 December 2009 £	Audited Year ended 30 June 2010 £
Revenue	3	2,823,660	4,195,282	9,403,279
Cost of sales				
Before exceptional items		(2,675,790)	(4,244,530)	(9,394,169)
Exceptional items	4	–	20,135	(138,499)
Cost of sales		(2,675,790)	(4,224,395)	(9,532,668)
Gross profit/(loss)				
Before exceptional items		147,870	(49,248)	9,110
Exceptional items		–	20,135	(138,499)
Gross profit/(loss)		147,870	(29,113)	(129,389)
Other operating income		172,514	152,104	321,589
Administrative expenses		(1,173,302)	(961,545)	(1,988,906)
Revaluation surplus on investment properties	9	(852,918)	(838,554)	(1,796,706)
Operating loss		12,484	313,271	325,754
Before exceptional items		(840,434)	(545,418)	(1,332,453)
Exceptional items		–	20,135	(138,499)
Operating loss		(840,434)	(525,283)	(1,470,952)
Finance income		11,558	10,367	22,855
Finance expense	5	(259,903)	(202,718)	(474,507)
Loss before taxation				
Before exceptional items		(1,088,779)	(737,769)	(1,784,105)
Exceptional items		–	20,135	(138,499)
Loss before taxation		(1,088,779)	(717,634)	(1,922,604)
Tax credit	6			
Before exceptional items		–	–	90,142
Exceptional items		–	–	–
Tax credit		–	–	90,142
Loss for the period attributable to the equity holders of the parent				
Before exceptional items		(1,088,779)	(737,769)	(1,693,963)
Exceptional items		–	20,135	(138,499)
Loss for the period attributable to the equity holders of the parent		(1,088,779)	(717,634)	(1,832,462)
Basic and diluted loss per share	8	(8.17)p	(5.38)p	(13.75)p

Condensed consolidated statement of comprehensive income

six months to 31 December 2010

Other than the loss for the period of £1,088,779 reported in the Income Statement (6 months ended 31 December 2009 £717,634 and year ended 30 June 2010 £1,832,462) there were no other items of comprehensive income or expense.

Condensed consolidated statement of changes in equity

six months to 31 December 2010 (unaudited)

	Share capital £	Share premium account £	Merger reserve £	Capital redemption reserve £	Revaluation reserve £	Retained earnings £	Own shares held £	Total £
Balance at 1 July 2009	2,668,291	11,356,683	515,569	91,750	28,044	683,901	(19,065)	15,325,173
Share based payments	–	–	–	–	–	601	–	601
Loss for the period	–	–	–	–	–	(717,634)	–	(717,634)
Balance at 31 December 2009	2,668,291	11,356,683	515,569	91,750	28,044	(33,132)	(19,065)	14,608,140
Loss for the period	–	–	–	–	–	(1,114,828)	–	(1,114,828)
Balance at 30 June 2010	2,668,291	11,356,683	515,569	91,750	28,044	(1,147,960)	(19,065)	13,493,312
Loss for the period	–	–	–	–	–	(1,088,779)	–	(1,088,779)
Balance at 31 December 2010	2,668,291	11,356,683	515,569	91,750	28,044	(2,236,739)	(19,065)	12,404,533

Condensed consolidated statement of financial position

at 31 December 2010

		Unaudited As at 31 December 2010 £	Unaudited As at 31 December 2009 £	Audited As at 30 June 2010 £
ASSETS				
Non-current assets				
Investment properties	9	3,735,676	3,710,709	3,723,192
Property, plant and equipment		794,078	825,982	801,522
Other receivables		513,396	519,572	479,793
		5,043,150	5,056,263	5,004,507
Current assets				
Inventories		27,539,650	30,504,496	28,397,947
Trade and other receivables		376,671	498,848	490,700
Current tax recoverable		33,872	19,118	33,872
Cash and cash equivalents		967	404,056	403,874
		27,951,160	31,426,518	29,326,393
Total assets		32,994,310	36,482,781	34,330,900
LIABILITIES				
Non-current liabilities				
Interest bearing loans and borrowings	10	(3,173,529)	(19,820,228)	(18,920,431)
		(3,173,529)	(19,820,228)	(18,920,431)
Current liabilities				
Trade and other payables		(1,582,279)	(1,619,605)	(1,686,705)
Interest bearing loans and borrowings	10	(15,824,319)	–	–
Provisions		(9,650)	(434,808)	(230,452)
		(17,416,248)	(2,054,413)	(1,917,157)
Total liabilities		(20,589,777)	(21,874,641)	(20,837,588)
Net assets		12,404,533	14,608,140	13,493,312
EQUITY ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE PARENT COMPANY				
Called up share capital		2,668,291	2,668,291	2,668,291
Share premium account		11,356,683	11,356,683	11,356,683
Merger reserve		515,569	515,569	515,569
Capital redemption reserve		91,750	91,750	91,750
Revaluation reserve		28,044	28,044	28,044
Retained earnings		(2,236,739)	(33,132)	(1,147,960)
Own shares		(19,065)	(19,065)	(19,065)
Total equity		12,404,533	14,608,140	13,493,312

Condensed consolidated statement of cash flows

six months to 31 December 2010

	Unaudited Six months ended 31 December 2010 £	Unaudited Six months ended 31 December 2009 £	Audited Year ended 30 June 2010 £
Cash flows from operating activities			
Loss before taxation	(1,088,779)	(717,634)	(1,922,604)
Depreciation	21,419	26,986	52,102
Finance income	(11,558)	(10,367)	(22,855)
Finance expense	259,903	202,718	474,507
Share based payments charge	–	601	601
Profit on disposal of property, plant and equipment	(851)	–	–
Revaluation surplus on investment properties	(12,484)	(313,271)	(325,754)
Operating loss before changes in working capital and provisions	(832,350)	(810,967)	(1,744,003)
Decrease in inventories	858,297	3,220,011	5,326,560
Decrease in trade and other receivables	91,815	53,230	101,157
Decrease in trade and other payables	(317,746)	(892,866)	(1,067,014)
Cash (used by)/from operations	(199,984)	1,569,408	2,616,700
Finance income received	169	10,367	22,855
Finance costs paid	(267,385)	(202,313)	(437,210)
Tax received	–	–	75,388
Net cash (used in)/from operating activities	(467,200)	1,377,462	2,277,733
Cash flows from investing activities			
Purchase of property, plant and equipment	(13,975)	(19,451)	(20,107)
Proceeds from sale of property, plant and equipment	851	–	–
Net cash used in investing activities	(13,124)	(19,451)	(20,107)
Cash flows from financing activities			
Movement on bank borrowings	77,417	(955,351)	(1,855,148)
Net cash from/(used in) financing activities	77,417	(955,351)	(1,855,148)
Net (decrease)/increase in cash and cash equivalents	(402,907)	402,660	402,478
Cash and cash equivalents at the beginning of the period	403,874	1,396	1,396
Cash and cash equivalents at the end of the period	967	404,056	403,874

Notes to the interim statement

1. BASIS OF PREPARATION

This consolidated interim financial information in this condensed report is prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” and on the basis of the accounting policies set out in the 2010 annual report and accounts, being accounting policies consistent with International Financial Reporting Standards (“IFRS”) as endorsed by the European Union. The Interim Statement has been prepared on a going concern basis.

The endorsed IFRS that will be effective (or available for early adoption) in the financial statements for the year ending 30 June 2011 are still subject to change and to additional interpretation and therefore cannot be determined with certainty. Accordingly, the accounting policies for the period will only be determined finally when the consolidated financial statements are prepared for the year ending 30 June 2011.

The interim financial information for the 6 months ended 31 December 2010 and 31 December 2009 has neither been audited nor reviewed pursuant to guidance issued by the Auditing Practices Board, and does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. Comparative financial information for the year ended 30 June 2010 has been derived from information extracted from the statutory accounts for that period. The 2010 annual report and accounts, on which the auditors gave an unqualified opinion which did draw attention to a matter by way of emphasis in respect of going concern, but did not contain a statement under section 498(2) or (3) of the Companies Act 2006, has been filed with the Registrar of Companies.

Going concern

In determining the appropriate basis of preparation of the Interim Statement, the Directors are required to consider whether the Group can continue in operational existence for the foreseeable future.

The Group's business activities, together with factors which the Directors consider are likely to affect its future development, financial performance and financial position are set out in the Report and Accounts for the year ended 30 June 2010 in the Chairman's statement on pages 3 to 4 and the Operational and Financial review on pages 5 to 7 and have remained similar to the position stated in that report and as updated in the Chairman's Statement accompanying this Interim Statement. The principal business risks and uncertainties affecting the Group are set out in same document in the Directors Report on page 9 and also have not changed. A copy of the Report and Accounts is available on the Company's website at www.artisan-plc.co.uk.

The financial performance of the Group is dependent upon both the wider economic environment in which the Group operates and upon the continued availability of banking facilities enabling it to operate as a going concern for the foreseeable future.

At 31 December 2010 the Group has drawn £15.8m of bank borrowings, net of offset credit balances, against its revolving credit facility of £25m. These borrowings are secured by fixed and floating charges over the assets of the Group and are due for repayment in full on 1 July 2011. The Directors are required to consider the renewal or repayment of the bank borrowings as part of their going concern assessment.

The Directors continue the process of renegotiating the banking facilities to ensure that facilities remain in place after 1 July 2011. Negotiations have been ongoing for an extended period of time. Whilst the Directors believe that facilities will be available beyond 1 July 2011 we recognise that our bank is seeking to improve the structure and controls within its facility in their favour. Like the Directors, our bank is very keen to see new equity introduced into the Group. If appropriate terms cannot be agreed the Group would need to secure alternative facilities elsewhere. Because of uncertainties in the banking market, the lessening in the loan to value multiples available and anticipated increased borrowing costs, there is no certainty that acceptable alternative facilities would be readily available.

Given the above factors the Directors recognise that without a binding agreement to extend the Group's facilities on acceptable terms that a material uncertainty exists that may cast significant doubt over the Group's ability to continue as a going concern.

However, the Directors consider it appropriate to prepare the Interim Statement on the going concern basis given their belief that sufficient funding will be made available beyond 1 July 2011 and that based upon their current forecasts an adequate level of headroom will be achieved over the minimum covenant levels throughout the remaining period of the current facility.

The Board has noted that should the going concern basis of accounting become no longer appropriate, then financial adjustment to the carrying value of the Group's assets and liabilities may be required.

2. ACCOUNTING POLICIES

The accounting policies are consistent with those applied in the preparation of the Group's published Report and Accounts for the year ended 30 June 2010, as described in that document.

None of the new accounting standards mandatory for the first time in the financial year beginning 1 July 2010 have had a material impact on the Interim Statement.

3. SEGMENTAL ANALYSIS

The Group operates through its three principal business segments which form the basis upon which the Group reports for management and statutory purposes. The Group does not operate outside the United Kingdom. The business segments are as follows:

Residential development	Residential house development mainly in the East Midlands, Lincolnshire and Yorkshire areas
Commercial development	Business park development concentrated in East Anglia and Hertfordshire
Property investment	Property investment activities throughout the UK
Central & Other	Represents unallocated Group overheads and consolidation adjustments

A summary of the segmental trading results, assets and liabilities is shown below:

Six months ended 31 December 2010	Residential Development £	Commercial Development £	Property Investment £	Central & Other £	Total £
Income statement					
Revenue					
External revenue	2,353,083	320,600	149,977	–	2,823,660
Inter-segment revenue	–	–	21,930	(21,930)	–
	2,353,083	320,600	171,907	(21,930)	2,823,660
Segment result					
Segment result before central charges	(375,428)	(240,984)	164,181	(388,203)	(840,434)
Central charges	(190,557)	(183,950)	(82,998)	457,505	–
Segment result after central charges	(565,985)	(424,934)	81,183	69,302	(840,434)
Finance income	11,389	–	–	169	11,558
Finance expense	(207,405)	(99,937)	(55,108)	102,547	(259,903)
Loss before taxation	(762,001)	(524,871)	26,075	172,018	(1,088,779)
Tax	–	–	–	–	–
Loss after taxation	(762,001)	(524,871)	26,075	172,018	(1,088,779)
Statement of Financial Position					
Segment assets	18,803,393	9,606,896	4,899,235	(315,214)	32,994,310
Segment liabilities	16,513,811	10,190,344	3,966,038	(10,080,416)	20,589,777
Segment net assets	2,289,582	(583,448)	933,197	9,765,202	12,404,533

3. SEGMENTAL ANALYSIS (continued)

Six months ended 31 December 2009	Residential Development £	Commercial Development £	Property Investment £	Central & Other £	Total £
Income statement					
Revenue					
External revenue	3,476,305	569,000	149,977	–	4,195,282
Inter-segment revenue	–	–	21,930	(21,930)	–
	3,476,305	569,000	171,907	(21,930)	4,195,282
Segment result					
Segment result before central charges and exceptional items	(430,075)	(272,329)	443,510	(286,524)	(545,418)
Exceptional items	20,135	–	–	–	20,135
Segment result before central charges but after exceptional items	(409,940)	(272,329)	443,510	(286,524)	(525,283)
Central charges	(163,671)	(163,856)	(52,338)	379,865	–
Segment result after central charges and exceptional items	(573,611)	(436,185)	391,172	93,341	(525,283)
Finance income	10,207	160	–	–	10,367
Finance expense	(195,735)	(73,451)	(37,579)	104,047	(202,718)
Loss before taxation	(759,139)	(509,476)	353,593	197,388	(717,634)
Tax	–	–	–	–	–
Loss after taxation	(759,139)	(509,476)	353,593	197,388	(717,634)
Statement of Financial Position					
Segment assets	21,586,826	11,425,114	5,162,368	(1,691,527)	36,482,781
Segment liabilities	17,465,712	10,948,899	4,294,977	(10,834,947)	21,874,641
Segment net assets	4,121,114	476,215	867,391	9,143,420	14,608,140

3. SEGMENTAL ANALYSIS (continued)

Year ended 30 June 2010	Residential Development £	Commercial Development £	Property Investment £	Central & Other £	Total £
Income statement					
Revenue					
External revenue	7,633,730	1,472,215	297,334	–	9,403,279
Inter-segment revenue	–	–	43,500	(43,500)	–
	7,633,730	1,472,215	340,834	(43,500)	9,403,279
Segment result					
Segment result before central charges and exceptional items	(904,296)	(531,559)	603,894	(500,492)	(1,332,453)
Exceptional items	(138,499)	–	–	–	(138,499)
Segment result before central charges but after exceptional items	(1,042,795)	(531,559)	603,894	(500,492)	(1,470,952)
Central charges	(388,438)	(356,167)	(107,692)	852,297	–
Segment result after central charges and exceptional items	(1,431,233)	(887,726)	496,202	351,805	(1,470,952)
Finance income	19,916	25,091	3,851	(26,003)	22,855
Finance expense	(421,815)	(222,638)	(95,140)	265,086	(474,507)
Loss before taxation	(1,833,132)	(1,085,273)	404,913	590,888	(1,922,604)
Tax	4,462	41,002	(11,592)	56,270	90,142
Loss after taxation	(1,828,670)	(1,044,271)	393,321	647,158	(1,832,462)
Statement of Financial Position					
Segment assets	20,702,223	11,721,496	5,210,743	(3,303,562)	34,330,900
Segment liabilities	17,650,640	11,780,073	4,303,621	(12,896,746)	20,837,588
Segment net assets	3,051,583	(58,577)	907,122	9,593,184	13,493,312

4. EXCEPTIONAL ITEMS

	Six months ended 31 December 2010 £	Six months ended 31 December 2009 £	Year ended 30 June 2010 £
Costs			
Charged/(Released) to cost of sales			
Inventory impairment charges	–	(20,135)	138,499
	–	(20,135)	138,499

During the half year the Group reviewed the net realisable value of its inventories and concluded that its assessment of carrying values at the previous year end remains largely unchanged, with no exceptional charge/(release) in the period (2009: release £(20,135)).

5. FINANCE EXPENSE

	Six months ended 31 December 2010 £	Six months ended 31 December 2009 £	Year ended 30 June 2010 £
Bank overdrafts and loans repayable within 5 years	259,903	202,718	474,507

6. TAXATION

The taxation charge for the 6 months has been calculated at an expected annual effective rate of Nil% (2009: Nil%) as the result of the loss incurred for the period (2009: as the result of the loss incurred for the period).

7. DIVIDENDS

The Board does not propose to pay an interim dividend (2009: £Nil).

8. LOSS PER SHARE

The calculation of earnings per share is based on the loss on ordinary activities after taxation and 13,326,863 (2009: 13,326,863) ordinary shares being the weighted average number of shares in issue during the half year (excluding treasury shares). The weighted average number of shares in issue during the year ended 30 June 2010, excluding treasury shares, was 13,326,863. There are no potentially dilutive shares in 2010 and 2009.

9. INVESTMENT PROPERTIES

	Six months ended 31 December 2010 £	Six months ended 31 December 2009 £	Year ended 30 June 2010 £
Fair value			
At beginning of period	3,723,192	3,397,438	3,397,438
Revaluations included in income statement	12,484	313,271	325,754
At end of period	3,735,676	3,710,709	3,723,192
Historical cost of investment properties	2,779,931	2,779,931	2,779,931

The fair values of the Group's investment properties at 31 December 2010 have been arrived at on the basis of open market value by the directors, who are suitably experienced and having regard to professional advice.

10. BORROWINGS

	Six months ended 31 December 2010 £	Six months ended 31 December 2009 £	Year ended 30 June 2010 £
Amounts falling due within one year			
Secured bank loans	15,824,319	—	—
Amounts falling due after one year			
Secured bank loans	3,173,529	19,820,228	18,920,431
Total borrowings	18,997,848	19,820,228	18,920,431

The secured bank loans comprise a £25m revolving credit loan which expires on 1 July 2011 and a £3,173,529 investment property facility which was fully drawn at 31 December 2010 and which expires on 30 June 2012. The Group was in compliance with the loan covenants extant at 31 December 2010 and at the date of this report.

11. APPROVAL OF INTERIM STATEMENT

The interim statement was approved by the Board of Directors on 28 March 2011. Dependent on the preference they have previously expressed, shareholders will receive either a printed copy of the interim statement or a letter or email notification of publication of the interim statement on the company's website at www.artisan-plc.co.uk. Copies of this statement will be available to members of the public, free of charge, from the Company's registered office, Vantage House, Vantage Park, Washingley Road, Huntingdon, Cambridgeshire PE29 6SR.

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