4 December 2018

Park Group plc
("Park" the "Company" or the "Group")

HALF YEAR RESULTS FOR THE SIX MONTHS TO 30 SEPTEMBER 2018

A good performance, in line with expectations

Park is the UK's leading multi-retailer redemption product provider to corporate and consumer markets. Sales are delivered through innovative leading edge digital channels, a direct sales force and a network of agents. Park's business is highly seasonal; the first half of the year sees an expected loss with the bulk of annual revenues and profit generated in the second half of the year.

Financial Highlights

- Billings increased by 3.3% to £109.0m (H1 2017: £105.5m)
- Park revenue* of £27.4m (H1 2017: £30.6m) reflecting some low margin business not being repeated
- Seasonal operating losses reduced to £2.3m (H1 2017: £2.6m loss)
- Pre-tax losses reduced to £1.5m (H1 2017: £1.9m loss) after interest receipts of £0.8m (H1 2017: £0.7m)
- Dividend raised by 5% to 1.05p (H1 2017: 1.0p)
- Cash balances, including cash held in trust, at 30 September of £212.4m (H1 2017: £199.6m); average cash balances of £175.4m (H1 2017: £166.1m)

** 2017 restated following adoption of IFRS15, which requires some revenues to be reported on a 'net' basis, as outlined in our IFRS15 transition document*

Operational Highlights

- Corporate and Consumer businesses performed well in the first half
- Profitability enhanced following some low margin business not being repeated
- New major retailer partners added to portfolio since the beginning of the first half have included Arcadia, Fat Face and The Entertainer
- Order book comfortably ahead of comparative period, reflecting strong Corporate orders and stable Consumer orders as previously guided
- Operational efficiency improvements leading to an improved customer experience
- Tim Clancy appointed as Chief Financial Officer in August

Four pillars of our strategic business plan announced, with initial actions being implemented:

1. *We will focus on our multi-retailer redemption proposition*;
   - separating hamper production from the core business as a step towards simplifying our product range
2. *We will be easier to work with for all of our customers (consumer, businesses and retailers)*;
   - maximising our use of industry infrastructure and technology to launch a virtual prepaid card
3. *We will be more efficient and effective*;
   - moving to new offices in Liverpool city centre to enable optimal use of assets and attract talent
4. *We will broaden our customer appeal to drive growth;*

- launching a new product targeting a £2 billion market with a broader demographic and in which we currently do not compete

Laura Carstensen, Chairman, commented:

"Park performed well in the first half, consistent with our expectations for the year as a whole and we are encouraged by our order book which is ahead of the same time last year overall.

“We are excited to announce the principal pillars of our new strategic business plan and the initial actions we are undertaking to deliver it. We continue to be encouraged by the future opportunities for Park and are optimistic about how the plan will enhance these opportunities further and accelerate our future growth trajectory.”

For further information please contact:

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Business review for the six months ended 30 September 2018

Introduction

Park performed well in the first half, consistent with our expectations for the year as a whole. As we are a seasonal business with approximately a quarter of our revenue reported in the first half, and three quarters of revenue reported in the second half (commencing 1 October), we have as expected reported a loss, albeit a reduced loss compared to the first half of the prior year.

Although the first half is a quieter period, within the business our team has been very busy developing our strategic business plan for the next stage of Park's growth. This work is being led by our Chief Executive Ian O'Doherty, who joined us in January 2018. All the work has been informed by in depth product research conducted on the Group's behalf with its customers and staff.

The research project reinforced our confidence in the long-term growth opportunity for Park, the robustness of demand for our products and services, and the high regard in which we are held by customers. However, it also identified that we have the opportunity to improve our products and tap into potential enhanced demand when these improvements are delivered.

In the strategy section below, we set out the plan that the Board has approved, and which is now being implemented. A number of important projects are already being undertaken, which are intended to enhance Park's operating and financial performance in future years.

Results for the half year

This reporting period represents Ian's first full period managing the business. These results are also Park's first in which we are required to present them under a new accounting standard known as 'IFRS15 – Revenue from contracts with customers'. In the simplest terms, this change requires us to report revenue on a 'net' basis rather than 'gross' for some products but does not impact billings, and we have restated prior years to provide a like for like comparative. This does not change the profitability of the business model nor impact on cash flow. The following numbers for the period are presented on this basis and note 1 to the half year results below sets out further details of the impact of adopting IFRS15 on the financial information being presented.

Billings increased 3.3% in the six months to 30 September 2018 to £109.0m (H1 2017: £105.5m) while Park revenue was down 10.3% at £27.4m (H1 2017: £30.6m) as a result of some low margin business not being repeated. This is reflected in reduced operating losses of £2.3m (H1 2017: loss £2.6m). Losses would have been £0.3m lower still but for the fees that are being incurred for the strategy work currently underway, including the market research project referred to above. Interest receipts were £0.8m (H1 2017: £0.7m) on average cash balances of £175.4m (H1 2017: £166.1m) producing a reduced pre-tax loss of £1.5m (H1 2017: loss £1.9m). Total cash balances, including cash held in trust at 30 September 2018, were £212.4m (H1 2017: £199.6m).

Interim dividend

The Board has declared an interim dividend of 1.05p per share, a 5% increase on the comparative period (H1 2017: 1.00p). The dividend will be paid on 8 April 2019 to shareholders on the register on 1 March 2019. Park's dividend policy is linked to the cash we generate and business performance. It is noteworthy that the total dividend has more than doubled over the last eight years, reflecting the success of Park and our confidence in the future. The Board will keep our dividend policy under review as the business develops.

Strategy and business plan

Background

Our comprehensive review of the business has been intended to ensure that we have the right strategy and business plan in place for the future, in order to strengthen both Park's market position and take advantage of the growth opportunities we see. This is in the context of two major market themes in our industry – first, we believe the market has become more competitive and, secondly and importantly, we believe Park could grow faster if the right product and service offerings are made available to a wider customer base, whether consumers, corporates or retailers.

Market research project

The review included a wide ranging survey of the market (analysing customers' and staff attitudes and behaviours), and an in-depth analysis of the operations and platform we will require to deliver the plan. The main findings were as follows:

- Park is well regarded by its customers which provides opportunities to do more with them
- There is a lot of opportunity to improve our products and meet latent demand for them
- It is not as easy as it should be to find, buy and gift our products
- Format confusion (i.e. between paper, plastic and digital) has been suppressing demand
- The product experience can be improved to make it easier to give and use
- There is a requirement for a more relevant and curated retailer cohort
- We need to enhance the service and products we provide to our retailer partners

Our new strategic business plan

Having completed the review and considered the research findings, today we announce the principal pillars of our new strategic business plan and the initial actions we are undertaking to deliver it. The four pillars are:

1. *We will focus on our multi-retailer redemption proposition* – with a simplified product range and refined branding;
2. *We will be easier to work with for all our customers (consumers, businesses and retailers)* – by making full use of available technologies to access our products and services;
3. *We will be more efficient and effective* – by optimising the use of our operating assets including facilities, technology and infrastructure; and,
4. *We will broaden our customer appeal to drive growth* – we believe there is a broader market to be targeted than our existing one if we have the right product and branding in place.

The initial actions to deliver the strategy will include the following:

1. *We will separate our hamper production from the core business* – which will enable us to simplify our product range and refine our branding;
2. *We will maximise our use of industry infrastructure and technology* – which will enhance our virtual prepaid product range;
3. *We will move to new fit-for-purpose offices** – which would help to unify our teams, attract top class talent, cement our culture, and enable more efficient working; and,
4. *We will launch a new consumer product and distribution* – as our core offering is attractive to a much wider demographic than it currently reaches.

We will make further announcements as we roll out the above actions in the coming weeks and months, subject to how quickly we can reach agreements with relevant third parties.

* *Glenbrook, the leading North West property development and investment firm, has been appointed as our adviser.*

Divisional review

All our business lines traded well in the first half. Analysed by Market, Corporate billings of £74.7m were 1% ahead of last year despite not continuing a low margin product through our intermediary channel (which contributed £6.3m of billings in the prior half year). Corporate revenue of £20.6m (adjusted for IFRS15) is also down on last year for the same reason (H1 2017: £24.8m) but segmental profit of £2.4m was £0.3m ahead of the comparative period due to an improved mix of products generating higher gross margin. Our Consumer business billings of £34.3m were 9% above the comparative period reflecting some growth but mainly due to earlier despatches than in the prior year. Consumer revenue of £6.8m (adjusted for IFRS15) was £1.0m above last year (also reflecting the timing of despatches) producing a reduced segmental loss of £3.1m versus a loss of £3.4m in the first half of the prior year.

We announced in July some major new customer signings that boost the opportunities for our customers and clients across the UK. These included Arcadia Group Ltd. (which owns high street brands such Topshop, Topman and Miss Selfridge), Office Outlet (formerly Staples Inc.), Jaeger, Austin Reed, DJM Music, Fat Face, and TK Maxx. More recently we have also added the national toy retailer 'The Entertainer' to our portfolio. These new additions, mean Park's gift vouchers are now accepted by more than 175 national brands and over 20,000 high street stores across the UK.

During the period we have initiated a number of important projects, many of them driven by the new strategic business plan and focused on investing in our people and facilities and enhancing our culture and working environment. For example, we have invested in our IT infrastructure and team, modernised our human resources policies and practices, reviewed our incentivisation arrangements, and undertaken our first employee engagement survey.

We have also launched a number of new customer initiatives – including extended self-service for our Christmas savers, the first Sun Life TV advertisements, and our new Shout! social employee recognition system which has been well received by corporate customers.

Board and management

We were pleased to appoint Tim Clancy as Chief Financial Officer with effect from August 2018, to succeed Martin Stewart. Tim has a great deal of board level experience in businesses and sectors which are extremely relevant to Park.

We have also made important appointments to our senior management team to strengthen our platform and ensure we are fit for future growth as we implement the new strategic plan, particularly in the area of operations and technology. We will continue to strengthen the team further through recruitment and training.

Outlook

Overall our outlook for underlying trading for the second half and the year as a whole is unchanged, allowing for the limited impact on profits of IFRS15.

Our order book forecast is ahead of last year, reflecting strong orders in our Corporate business and broadly stable orders for our Consumer business in line with our expectation at the time of our full year results in June 2018. Cash balances, including monies held in trust, are ahead of last year reflecting growth in the business.

In summary, we continue to be encouraged by the opportunities for Park and are optimistic about how the strategic plan will enhance these opportunities further and accelerate our future growth trajectory.

Laura Carstensen, Chairman

PARK GROUP PLC

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE HALF YEAR TO 30 SEPTEMBER 2018

	Notes	**Half Year to 30.09.18 £'000**	Restated Half Year to 30.09.17 £'000	Restated Year to 31.03.18 £'000
Billings		**108,964**	105,463	412,786
Revenue				
- Goods		**15,155**	20,262	69,118
- Services		**12,217**	10,260	41,864
- Other		**23**	30	72
		27,395	30,552	111,054
Cost of sales		**(21,074)**	(24,616)	(79,628)
Gross profit		**6,321**	5,936	31,426
Distribution costs		**(637)**	(616)	(3,002)
Administrative expenses		**(7,988)**	(7,908)	(17,107)
Operating (loss)/profit		**(2,304)**	(2,588)	11,317
Finance income		**778**	666	1,274
Finance costs		**-**	-	(4)
(Loss)/profit before taxation		**(1,526)**	(1,922)	12,587
Taxation	2	**290**	365	(2,398)
(Loss)/profit for the period attributable to equity holders of the parent		**(1,236)**	(1,557)	10,189
(Loss)/earnings per share	3			
- basic (p)		**(0.67)**	(0.84)	5.50
- diluted (p)		**(0.67)**	(0.84)	5.48

All activities derive from continuing operations.

PARK GROUP PLC

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR TO 30 SEPTEMBER 2018

	Half Year to 30.09.18 £'000	Restated Half Year to 30.09.17 £'000	Restated Year to 31.03.18 £'000
(Loss)/profit for the period	**(1,236)**	(1,557)	10,189
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Remeasurement of defined benefit pension schemes	**-**	-	1,142
Deferred tax on defined benefit pension schemes	**-**	-	(194)
	-	-	948
Items that may be reclassified subsequently to profit or loss:			
Foreign exchange translation differences	**-**	(24)	(20)
Other comprehensive income for the period net of tax	**-**	(24)	928
Total comprehensive income for the period attributable to equity holders of the parent	**(1,236)**	(1,581)	11,117

PARK GROUP PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2018

	30.09.18	Restated 30.09.17	Restated 31.03.18
	£'000	£'000	£'000
Assets			
Non-current assets			
Goodwill	**2,185**	2,202	2,185
Other intangible assets	**2,218**	2,549	2,278
Property, plant and equipment	**7,607**	7,691	7,684
Retirement benefit asset	**3,047**	1,827	2,721
	15,057	14,269	14,868
Current assets			
Inventories	**18,596**	23,127	3,808
Trade and other receivables	**10,841**	11,396	10,917
Tax receivable	**1,271**	1,224	195
Other financial assets	**-**	-	200
Monies held in trust	**179,895**	194,240	86,992
Cash and cash equivalents	**34,544**	7,760	40,311
	245,147	237,747	142,423
Total assets	**260,204**	252,016	157,291
Liabilities			
Current liabilities			
Trade and other payables	**(192,209)**	(191,880)	(94,592)
Provisions	**(60,008)**	(58,138)	(48,012)
	(252,217)	(250,018)	(142,604)
Non-current liabilities			
Deferred tax liability	**(662)**	(194)	(662)
Retirement benefit obligation	**-**	(625)	-
	(662)	(819)	(662)
Total liabilities	**(252,879)**	(250,837)	(143,266)
Net assets	**7,325**	1,179	14,025
Equity attributable to equity holders of the parent			
Share capital	**3,723**	3,711	3,711
Share premium	**6,373**	6,137	6,137
Retained earnings	**(2,460)**	(8,358)	4,488
Other reserves	**(311)**	(311)	(311)
Total equity	**7,325**	1,179	14,025

PARK GROUP PLC
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital £'000	Share premium £'000	Other reserves £'000	Retained earnings £'000	Total equity £'000
Audited balance at 1 April 2018 as originally reported	**3,711**	**6,137**	**(311)**	**8,320**	**17,857**
Restatement due to adoption of IFRS15	**-**	**-**	**-**	**(3,832)**	**(3,832)**
Unaudited restated balance at 1 April 2018	**3,711**	**6,137**	**(311)**	**4,488**	**14,025**
Total comprehensive income for the period					
Loss	**-**	**-**	**-**	**(1,236)**	**(1,236)**
Total comprehensive income for the period	**-**	**-**	**-**	**(1,236)**	**(1,236)**
Transactions with owners, recorded directly in equity					
Equity settled share-based payment transactions	**-**	**-**	**-**	**(41)**	**(41)**
Exercise of share options	**9**	**236**	**-**	**-**	**245**
LTIP shares awarded	**3**	**-**	**-**	**(3)**	**-**
Dividends	**-**	**-**	**-**	**(5,668)**	**(5,668)**
Total contributions by and distribution to owners	**12**	**236**	**-**	**(5,712)**	**(5,464)**
Balance at 30 September 2018	**3,723**	**6,373**	**(311)**	**(2,460)**	**7,325**
Audited balance at 1 April 2017 as originally reported	3,687	6,137	(311)	2,912	12,425
Restatement due to adoption of IFRS15	-	-	-	(3,612)	(3,612)
Unaudited restated balance at 1 April 2017	3,687	6,137	(311)	(700)	8,813
Total comprehensive income for the period					
Loss as restated	-	-	-	(1,557)	(1,557)
Other comprehensive income					
Foreign exchange translation adjustments	-	-	-	(24)	(24)
Total other comprehensive income	-	-	-	(24)	(24)
Total comprehensive income for the period	-	-	-	(1,581)	(1,581)
Transactions with owners, recorded directly in equity					
Equity settled share-based payment transactions	-	-	-	(683)	(683)
LTIP shares awarded	24	-	-	(24)	-
Dividends	-	-	-	(5,370)	(5,370)
Total contributions by and distribution to owners	24	-	-	(6,077)	(6,053)
Balance at 30 September 2017	3,711	6,137	(311)	(8,358)	1,179
Audited balance at 1 April 2017 as originally reported	3,687	6,137	(311)	2,912	12,425
Restatement due to adoption of IFRS15	-	-	-	(3,612)	(3,612)
Unaudited restated balance at 1 April 2017	3,687	6,137	(311)	(700)	8,813
Total comprehensive income for the year					
Profit as restated	-	-	-	10,189	10,189
Other comprehensive income					
Remeasurement of defined benefit pension schemes	-	-	-	1,142	1,142
Tax on defined benefit pension schemes	-	-	-	(194)	(194)
Foreign exchange translation adjustments	-	-	-	(20)	(20)
Total other comprehensive income	-	-	-	928	928
Total comprehensive income for the year	-	-	-	11,117	11,117
Transactions with owners, recorded directly in equity					
Equity settled share-based payment transactions	-	-	-	(620)	(620)
Tax on equity settled share-based payment transactions	-	-	-	85	85
LTIP shares awarded	24	-	-	(24)	-

Dividends	-	-	-	(5,370)	(5,370)
Total contributions by and distribution to owners	24	-	-	(5,929)	(5,905)
Balance at 31 March 2018	3,711	6,137	(311)	4,488	14,025

PARK GROUP PLC

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR TO 30 SEPTEMBER 2018

	Notes	**Half Year to 30.09.18 £'000**	Restated Half Year to 30.09.17 £'000	Restated Year to 31.03.18 £'000
Cash flows from operating activities				
Cash generated from/(used in) operations	4	**4,053**	(20,168)	10,540
Interest received		**569**	572	1,271
Interest paid		**-**	-	(4)
Tax paid		**(786)**	(1,284)	(2,537)
Net cash generated from/(used in) operating activities		**3,836**	(20,880)	9,270
Cash flows from investing activities				
Proceeds from sale of property, plant and equipment		**-**	1	1
Purchase of intangible assets		**(307)**	(244)	(361)
Purchase of property, plant and equipment		**(230)**	(329)	(659)
Net cash used in investing activities		**(537)**	(572)	(1,019)
Cash flows from financing activities				
Proceeds from exercise of share options		**245**	-	-
Dividends paid to shareholders		**(5,307)**	(4,515)	(5,370)
Net cash used in financing activities		**(5,062)**	(4,515)	(5,370)
Net (decrease)/increase in cash and cash equivalents		**(1,763)**	(25,967)	2,881
Cash and cash equivalents at beginning of period		**34,243**	31,362	31,362
Cash and cash equivalents at end of period		**32,480**	5,395	34,243
Cash and cash equivalents comprise:				
Cash		**34,544**	7,760	40,311
Bank overdrafts		**(2,064)**	(2,365)	(6,068)
		32,480	5,395	34,243

PARK GROUP PLC

SEGMENTAL REPORTING
FOR THE HALF YEAR TO 30 SEPTEMBER 2018

	Half Year to 30.09.18 £'000	Restated Half Year to 30.09.17 £'000	Restated Year to 31.03.18 £'000
Billings			
Consumer	**34,257**	31,433	224,542
Corporate	**74,707**	74,030	188,244
External billings	**108,964**	105,463	412,786
Consumer	**-**	-	-
Corporate	**21,846**	20,862	140,751
Elimination	**(21,846)**	(20,862)	(140,751)
Inter-segment billings	**-**	-	-
Consumer	**34,257**	31,433	224,542
Corporate	**96,553**	94,892	328,995
Elimination	**(21,846)**	(20,862)	(140,751)
Total billings	**108,964**	105,463	412,786
Revenue			
Consumer	**6,785**	5,766	58,601
Corporate	**20,610**	24,786	52,453
External revenue	**27,395**	30,552	111,054
Consumer	**-**	-	-
Corporate	**5,632**	5,373	39,462
Elimination	**(5,632)**	(5,373)	(39,462)
Inter-segment revenue	**-**	-	-
Consumer	**6,785**	5,766	58,601
Corporate	**26,242**	30,159	91,915
Elimination	**(5,632)**	(5,373)	(39,462)
Total revenue	**27,395**	30,552	111,054
Operating (loss)/profit			
Consumer	**(3,085)**	(3,382)	6,822
Corporate	**2,423**	2,085	7,123
All other segments	**(1,642)**	(1,291)	(2,628)
(Loss)/profit before interest	**(2,304)**	(2,588)	11,317

NOTES TO THE HALF YEAR RESULTS

(1) Basis of preparation

With effect from 1 April 2018 the Group has adopted IFRS15, Revenue from Contracts with Customers and IFRS9, Financial Instruments. In respect of IFRS15, the Group has applied the full retrospective approach when transitioning to the new standard and as a consequence the date of transition to IFRS15 was 1 April 2014. The Group has prepared its opening balance sheet as at that date. The effects of adopting IFRS15 have been set out in the Group's transition document which can be found on our website at www.parkgroup.co.uk. The adoption of IFRS9 has not had a material impact on the financial statements and no restatements have been made in respect of prior periods.

The financial information in this interim report has been prepared in accordance with the International Financial Reporting Standards as adopted by the EU and the AIM rules of the London Stock Exchange and on the basis of the accounting policies described in Park Group plc's annual report and accounts for the year ended 31 March 2018, other than those in relation to revenue which can be found in the transition document. These accounting policies have been based on the current standards and interpretations expected to be effective at 31 March 2019. The Group does not expect there to be a significant impact on the results from standards, amendments or interpretations which are available for early adoption but which have not yet been adopted.

The comparative figures set out in the interim financial statements for the half year to 30 September 2017 have been restated to reflect the revised accounting policies. The figures in respect of the year to 31 March 2018 have been extracted from the audited 2018 financial statements and then adjusted for IFRS15 restatements. As described in Park Group's annual report and accounts for the year ended 31 March 2018 the adoption of IFRS15 has led to significantly lower revenues, an immaterial movement in operating profit and a reduced net asset position for all periods covered by the transition document. For periods covered by this interim report, these amounts have been restated as follows:

	Half Year to 30.09.17 £'000	Year to 31.03.18 £'000
Revenue as originally reported	74,703	296,188
Restatement due to adoption of IFRS15	(44,151)	(185,134)
Revenue as restated	30,552	111,054
Operating (loss)/profit as originally reported	(2,237)	11,589
Restatement due to adoption of IFRS15	(351)	(272)
Operating (loss)/profit as restated	(2,588)	11,317
Net assets as originally reported	5,075	17,857
Restatement due to adoption of IFRS15	(3,896)	(3,832)
Net assets as restated	1,179	14,025

The financial statements have been prepared under the historical cost convention, as modified by the accounting for financial instruments at fair value. In addition, this interim financial report does not comply with IAS34 Interim Financial Reporting, which is not currently required to be applied under AIM rules.

The directors are of the opinion that the financial information should be prepared on a going concern basis, in the light of current trading and the forecast positive cash balances for the foreseeable future.

The financial information included in this interim financial report for the six months ended 30 September 2018 does not constitute statutory accounts as defined in section 434 of the Companies Act 2006 and is unaudited. A copy of the Group's statutory accounts for the year ended 31 March 2018, on which the auditors gave an unqualified opinion and did not make a statement under section 498 of the Companies Act 2006, has been filed with the registrar of companies.

(2) Taxation
The taxation credit for the six months to 30 September 2018 has been calculated using an overall effective tax rate of 19.0 per cent which has been applied to the taxable income (half year to 30 September 2017 – 19.0 per cent).

(3) Earnings per share
Basic earnings per share (EPS) is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

For diluted EPS, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares.

The calculation of basic and diluted EPS is based on the following figures:

	Half Year to 30.09.18 £'000	Restated Half Year to 30.09.17 £'000	Restated Year to 31.03.18 £'000
Earnings			
Total (loss)/earnings for period	**(1,236)**	(1,557)	10,189

	Half Year to 30.09.18	Half Year to 30.09.17	Year to 31.03.18
Weighted average number of shares			
Basic EPS – weighted average number of shares	**185,709,925**	184,979,921	185,268,587
Diluting effect of employee share options	**-**	-	601,293
Diluted EPS – weighted average number of shares	**185,709,925**	184,979,921	185,869,880
Basic EPS			
Weighted average number of ordinary shares in issue	**185,709,925**	184,979,921	185,268,587
EPS (p)	**(0.67)**	(0.84)	5.50
Diluted EPS			
Weighted average number of ordinary shares	**185,709,925**	184,979,921	185,869,880
EPS (p)	**(0.67)**	(0.84)	5.48

(4) Reconciliation of net (loss)/profit to net cash inflow/(outflow) from operating activities

	Half Year to 30.09.18 £'000	Restated Half Year to 30.09.17 £'000	Restated Year to 31.03.18 £'000
Net (loss)/profit	**(1,236)**	(1,557)	10,189
Adjustments for:			
Tax	**(290)**	(365)	2,398
Interest income	**(778)**	(666)	(1,274)
Interest expense	**-**	-	4
Research and development tax credit	**-**	**-**	(121)
Depreciation and amortisation	**675**	703	1,428
Impairment of goodwill	**-**	-	17
Profit on sale of property, plant and equipment	**-**	(1)	(1)
Decrease in other financial assets	**200**	200	-
Increase in inventories	**(14,788)**	(20,496)	(1,176)

Decrease/(increase) in trade and other receivables	**284**	(2,065)	(1,678)
Increase in trade and other payables	**101,260**	104,335	4,197
Increase in provisions	**11,996**	11,973	1,848
Increase in monies held in trust	**(92,903)**	(111,223)	(3,974)
Increase in retirement benefit asset	**(326)**	(299)	(676)
Translation adjustment	**-**	(24)	(20)
Taxes paid on share-based payments	**-**	**-**	(851)
Share-based payments	**(41)**	(683)	230
Net cash inflow/(outflow) from operating activities	**4,053**	(20,168)	10,540

(5) Approval

This statement was approved by the board on 3 December 2018.

(6) Reports

A copy of this announcement will be available on the Company's website from today www.parkgroup.co.uk and will be mailed to shareholders on or before 20 December 2018. Copies will also be available for members of the public at the Company's registered office – Valley Road, Birkenhead CH41 7ED and also at the offices of the Company's registrars, Computershare Investor Services PLC, P O Box 82, The Pavilions, Bridgwater Road, Bristol BS99 7NH.