

West Pioneer Properties Limited

("West Pioneer" or the "Company")

Interim Results

West Pioneer (AIM:WPR), a leading developer and operator of retail-led, mixed use developments in west and southern India, announces its interim results for the 6 months ended 30 September 2010.

Highlights

- Continuing strong footfall numbers and positive sales trends at Metro Junction Mall in Kalyan, with footfall doubling year on year
- Leasing at approximately 65 per cent., however Kalyan remains operationally profitable and generating surplus cash
- Continuing focus on quality of tenants and tenant mix to position the mall as a leading value and lifestyle destination
- Residential development at Kalyan progressing well with over 70 per cent. of units sold and prices stabilising at approximately 38 per cent. higher than launch price
- Pre-launch bookings opened for commercial space at Metro Plaza
- Design of 300,000 sq. ft. Nashik mall in final stages with considerable progress made in pre-leasing negotiations with anchor tenants. Ground break expected to occur in H1 2011
- Cash and cash equivalents of \$1.68 million expected to continue to provide sufficient resources to support the Company's ongoing operations
- Management actively exploring opportunities to generate additional value in the retail, residential and commercial spaces

Commenting on the results, Amit Jatia, Chairman of West Pioneer, said: "Despite recent delays to some of West Pioneer's projects, we remain confident in our ability to deliver value to shareholders from retail, hospitality, residential and commercial development. West Pioneer expects significant progress in several of its key projects within the next six months. At Kalyan our key objective remains to attract the very best anchor tenants for the remaining mall spaces and on the best terms. We continue to gain encouragement from our successful entry

into the residential market and initial sales of apartments in the first two towers at Kalyan have continued.

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Chairman's Statement

In the period ended 30 September 2010, West Pioneer achieved revenue and other income of \$2.2m (2009: \$5.2m), including property rentals and other operating income of \$2.0m (2009: \$1.5m). Profit before tax was \$(0.4)m (2009: \$2.8m) and basic earnings per share was \$(0.007) (2009: \$0.014). Net assets at the year end were \$63.0m (2009: \$59.6m), including cash and cash equivalents of \$1.68m (2009: \$4.2m). Interest bearing loans and borrowings reduced from \$8.12m to \$6.87m during the period, inclusive of debt repayments.

Kalyan

The Metro Junction mall in Kalyan continues the trend of increasing footfalls with visitors arriving from beyond the municipal limits of Kalyan-Dombivali Municipal Corporation, the main catchment area of the mall. Total footfall in the first half of the year stood at 3.87 million. This success was due to a combination of factors including a discount sale period, the opening of a new electronics store and through a strategic focus on operational efficiency.

The economic climate for retailers has also improved over the past nine months. Confidence appears to have returned to the sector and many brands are showing interest in opening new stores in the mall. Leasing remains at 65 per cent, however further discussions with certain key anchor and vanilla retailers for the remaining vacant units are in progress. The Company continues to focus on maximising rental values and the quality of tenants and tenant mix rather than short-term occupancy.

Operational efficiencies implemented at the mall in the previous financial year have continued and the mall generated more than \$1 million of net operating income during the six month period and remains operationally profitable.

Construction of the first two residential towers is progressing well. The selling price of the apartments has stabilised at 3700 rupees per sq. ft. and 249 apartments have been sold to date. The total expected sales value of these apartments following completion amounts to approximately \$19 million, which is significantly in excess of the break-even level of the two towers.

The Company is nearing completion on the design of Metro Plaza, the commercial office space development at Kalyan. Response to pre-launch booking indicates customers' high levels of interest and a significant premium per square foot to the residential space.

Nashik and Aurangabad

Development of the Nashik site is progressing according to plan and the 300,000 sq. ft. mall has been met with a good response from potential tenants. The Company is expecting to commence construction by the end of June 2011. Pre-leasing discussions are in advanced stages with prospective anchor tenants for the mall. There are also plans for a 200 room 3/4 star hotel to be managed by the InterContinental Hotels Group ("IHG").

Development of Aurangabad will follow development of the Nashik site. The plans include 300,000 sq ft of retail space, commercial units and a hotel with an overall development envisaged similar to that of Kalyan. A management agreement with IHG remains in place for the development of a Holiday Inn hotel.

Outlook

Trading conditions over the past six months have remained stable and the Company is now in a good position to progress on its priorities of maximising rental values, attracting quality brands and sourcing a desirable tenant mix across its projects at Kalyan and Nashik. West Pioneer remains confident that continued progress will be made in these areas in the next six months.

Amit Jatia
Chairman

21 December 2010

WEST PIONEER PROPERTIES LIMITED

**UNAUDITED INTERIM CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE SIX MONTH PERIOD ENDED 30th SEPTEMBER 2010

Interim Consolidated Income Statement
for the six month period ended 30th September 2010

	For the six months ended 30th September	
	2010	2009
	Unaudited	
	\$	\$
Revenue		
Property rentals	1,037,680	802,836
Other operating income	1,008,497	745,591
Total Revenue	2,046,177	1,548,427
Property revaluation	-	3,326,515
Finance and other income	189,862	292,417
Total Income	2,236,039	5,167,359
 Expenses		
Direct operating expenses for rent-earning properties	(1,028,378)	(742,588)
Administrative expenses	(791,891)	(910,885)
Selling and distribution costs	(294,968)	(147,048)
Finance costs	(513,111)	(563,536)
Total expenses	(2,628,348)	(2,364,057)
(Loss) / Profit before tax	(392,309)	2,803,302
Income tax expense	(163,373)	(1,684,814)
(Loss) / Profit after tax	(555,682)	1,118,488
 Attributable to:		
Equity holders	(555,682)	1,118,488
 Earnings per share (attributable to equity holders)		
Basic	(0.0069)	0.0139
Diluted	(0.0069)	0.0139

**Interim consolidated statement of comprehensive income
for the six month period ended 30th September 2010**

	For the six months ended 30th September	
	2010	2009
	Unaudited	
	\$	\$
(Loss) / Profit for the period	(555,682)	1,118,488
Exchange gain on translation of foreign operations	190,724	4,530,854
Other comprehensive income for the period, net of tax	190,724	4,530,854
Total comprehensive (loss) / income for the period, net of tax	(364,958)	5,649,342
Attributable to:		
Equity holders	(364,958)	5,649,342
	(364,958)	5,649,342

Interim consolidated statement of financial position

As at 30th September 2010

	30 th September		31 st March
	2010	2009	2010
	Unaudited		Audited
	\$	\$	\$
Assets			
Noncurrent assets			
Property, plant and equipment	397,008	314,764	371,496
Investment properties	73,458,395	67,584,666	73,059,060
Intangible assets	17,316	22,717	21,984
Prepayments	3,273,699	3,499,628	3,276,953
Other financial assets	312,820	268,634	306,572
Advance income tax	454,320	297,883	355,305
	77,913,558	71,988,292	77,391,370
Current assets			
Inventories	6,524,397	4,219,763	5,382,042
Investments – held for trading	636,888	1,041,132	639,615
Trade and other receivables	1,459,863	1,177,714	1,450,130
Prepayments	59,369	122,037	70,450
Cash and short-term deposits	1,676,822	4,242,867	3,966,039
	10,357,339	10,803,513	11,508,276
Total Assets	88,270,897	82,791,805	88,899,646
Equity and liabilities			
Equity attributable to the equity holders			
Issued capital	7,996,130	7,996,130	7,996,130
Share premium	45,717,870	45,717,870	45,717,870
Retained earnings	12,650,260	13,039,405	13,192,220
Employee equity benefit reserve	663,133	582,789	650,152
Foreign currency translation reserve	(4,041,978)	(7,694,039)	(4,232,702)
	62,985,415	59,642,155	63,323,670
Noncurrent liabilities			
Interest bearing loans and borrowings	4,733,699	6,154,425	5,662,879
Advance from sale of residential units	3,567,573	-	2,296,616
Other financial liabilities	1,105,199	786,905	1,056,036
Other non financial liabilities	73,889	68,688	88,755
Employee benefit liability	49,193	27,977	48,113
Deferred tax liability	10,395,746	9,467,886	10,199,789
	19,925,299	16,505,881	19,352,188
Current liabilities			
Trade and other payables	2,298,928	3,725,101	3,421,657
Interest bearing loans and borrowings	2,139,436	1,965,279	1,931,473
Other financial liabilities	904,424	891,519	828,629
Other non financial liabilities	17,395	61,870	42,029
	5,360,183	6,643,769	6,223,788
Total Liabilities	25,285,482	23,149,650	25,575,976
Total Equity and Liabilities	88,270,897	82,791,805	88,899,646

**Interim consolidated statement of changes in equity
for the six months ended 30th September 2010**

	Attributable to equity holders of the parent					Total Equity
	Issued capital	Share premium	Retained earnings	Employee equity benefits reserve	Foreign currency translation reserve	
	\$	\$	\$	\$	\$	\$
Balance as at 1st April 2010	7,996,130	45,717,870	13,192,220	650,152	(4,232,702)	63,323,670
Loss for the period	-	-	(555,682)	-	-	(555,682)
Other comprehensive income	-	-	-	-	190,724	190,724
Total comprehensive loss	-	-	(555,682)	-	190,724	(364,958)
Share based payment	-	-	-	26,703	-	26,703
Transfer to retained earnings on options forfeited	-	-	13,722	(13,722)	-	-
Balance as at 30th September 2010 (Unaudited)	7,996,130	45,717,870	12,650,260	663,133	(4,041,978)	62,985,415
Balance as at 1st April 2009	7,996,130	45,717,870	11,920,916	515,474	(12,224,893)	53,925,497
Profit for the period			1,118,488			1,118,488
Other comprehensive income					4,530,854	4,530,854
Total comprehensive income			1,118,488		4,530,854	5,649,342
Share based payment				67,315		67,315
Balance as at 30th September 2009 (Unaudited)	7,996,130	45,717,870	13,039,404	582,789	(7,694,039)	59,642,154

Interim consolidated cash flow statement for the six months ended 30th September 2010

	2010	2009
	Unaudited	
	\$	\$
Operating activities		
(Loss) / Profit before tax	(392,309)	2,803,302
Adjustments to reconcile profit before tax to net cash flows		
Depreciation and amortisation	17,650	16,388
Share based payments expense	26,703	67,315
Share issue expenses w/off	-	6,564
(Increase) in fair value of investment properties	-	(3,326,515)
(Increase) in value of investments held-for-sale	(57,997)	(157,303)
Net (Gain) on sale of investment	-	(57)
Dividend income	(5,089)	(7,336)
Interest Income	(44,552)	(62,938)
Interest expense	507,918	559,680
(Increase) in other assets (non-current)	(5,148)	(84,935)
Increase in other liabilities (non current)	1,258,837	69,082
	<u>1,306,013</u>	<u>(116,753)</u>
Working Capital adjustments		
(Increase) in prepayments (current)	(264)	(87,440)
Decrease /(Increase) in trade and other receivables	1,352,024	(343,367)
(Increase) in Inventories - Residential	(1,080,482)	-
(Increase) in Inventories - Mall	(13,316)	-
Increase / (Decrease) in trade and other payables	83,932	(352,272)
(Decrease) in trade and other payables (current)	(1,096,268)	-
(Decrease) / Increase in other liabilities (current)	(51,212)	187,531
Income tax paid	(98,837)	(13,487)
Net cash flows from/ (used) in operating activities	<u>401,590</u>	<u>(725,788)</u>
Investing activities		
Proceeds from sale of held-for-trading investments	85,079	409,745
Purchase of property, plant and equipment and intangible assets	(2,516)	(6,034)
Purchase of held-for-trading investments	-	(44,878)
(Increase) in prepayments	-	(497,144)
Capital expenditure in completed Investment Property	(110,123)	-
Expenditure on investment property under construction	(67,087)	(1,058,371)
Dividend income	3,465	-
Interest received	19,913	63,192
Net cash flows (used in) investing activities	<u>(71,269)</u>	<u>(1,133,490)</u>
Financing activities		
Transaction costs of issue of shares	-	(6,564)
Proceeds from borrowings	216,456	203,993
Repayment of borrowings	(940,138)	(866,968)
Interest paid	(507,918)	(559,680)
Net cash flows (used in) financing activities	<u>(1,231,600)</u>	<u>(1,229,219)</u>
Net (decrease) in cash and cash equivalents	(901,279)	(3,088,496)
Net foreign exchange difference	4,679	590,927
Cash and cash equivalents at 1 st April 2010	2,573,422	5,443,352
Cash and cash equivalents at 30 th September 2010	<u>1,676,822</u>	<u>2,945,783</u>