Millwall Holdings plc

Unaudited Interim Results

For the Six Months Ended 30 November 2006

Chairman's Statement

Financial Results

Turnover for the period was £2.4 million (Six months ended 30 November 2005: £2.8 million). The six month period resulted in a loss before tax of £2.9 million (Six month period ended 30 November 2005: loss £2.4 million). Excluding player trading the loss was £3.2 million (Six month period ended 30 November 2005: loss £2.4 million).

Review

I accepted the position of Executive Chairman on 27 October 2006, fully aware of the various challenges facing the Club following the departure of Peter de Savary.

Following relegation from the Championship, the Board supported the registration of some 18 incoming players, who formed the nucleus of Nigel Spackman's playing squad for the new campaign. Sadly, hugely disappointing results led to the departure of Nigel Spackman, who has subsequently been replaced as first team Manager by Willie Donachie.

Season Ticket sales standing at 4,858 (2005: 5,399) were resilient in the light of our relegation, reflecting the loyalty of our core supporter base, and we thank them for their continuing support. We are optimistic that attractive "early bird" offerings for next season, coupled with renewed confidence in the on-field performance of the team, will be reflected in improved Season ticket sales for the forthcoming season.

At the beginning of the season, the Club began a high visibility marketing initiative across London using posters at train and bus locations to promote our "Real Talent, Real Passion, Real Football" campaign. We will continue to explore all available avenues to market Millwall FC to our existing fan base and beyond.

Outlook

Gradually the team's performances have improved and at the time of writing the team was just below mid-table in League One. Recent home attendances have topped 9,500 and our average for the season so far is the fifth best in the division. In addition to this the team's form during January and mid February has put Millwall comfortably in the top 6 of 'The Times' short term "Form Table".

A swift return to the Championship remains the ambition of the Board and all associated with the Club, with membership of the Premiership the ultimate goal.

Regeneration Scheme

In the fundraising document sent to Shareholders on 20 March 2006, the Directors stated that it was their belief that there were opportunities to develop both the Club's ground and property in the immediate area. A high calibre team has since been appointed to develop the regeneration vision. This team includes Stock Woolstencroft a leading architectural firm responsible for a number of major developments across the country, CBRE land assembly advisers, currently involved with masterminding the 2012 site assembly and Hepher Dixon – planners, the firm which led the planning on behalf of the new Arsenal Stadium in North London.

A series of master-planning exercises has been undertaken which have been discussed with the key planning authorities, including the local boroughs, the Greater London Authority and London Development Agency.

There is significant support and excitement for the scheme. The next crucial stage will be developing the detailed planning application alongside achieving a change of designation in land use.

The Board is in advanced stages of negotiations regarding significant additional funding for the Company and the Club which is vital to ensure continued trading and to progress the regeneration proposals. Further details will be announced in due course.

I would like to thank management, players, staff and everyone associated with the Club for their hard work and shareholders and fans alike for their continued support, which is greatly appreciated.

Heather Rabbatts

Executive Chairman

Date 27 February 2007

CONSOLIDATED PROFIT AND LOSS ACCOUNT

	Notes	Operations excluding player amortisation and trading 30 November 2006 £000	Player amortisation and trading 30 November 2006 £000	**Unaudited six months ended 30 November 2006 £000**	*Unaudited six months ended 30 November 2005 £000*	Audited year ended 31 May 2006 £000
Turnover		2,403	-	**2,403**	*2,830*	6,246
Staff costs		(3,064)	-	**(3,064)**	*(3,115)*	(6,504)
Amortisation of players' registrations		-	(37)	**(37)**	*(134)*	(244)
Depreciation		(199)	-	**(199)**	*(180)*	(366)
Profit on disposal of players' registrations		-	296	**296**	*8*	545
Other administrative expenses		(2,169)	-	**(2,169)**	*(1,663)*	(3,700)
		(5,432)	259	**(5,173)**	*(5,084)*	(10,269)
Operating Loss		(3,029)	259	**(2,770)**	*(2,254)*	(4,023)
Interest receivable				**13**	*2*	3
Interest payable and similar charges				**(103)**	*(107)*	(277)
Loss on ordinary activities before taxation				**(2,860)**	*(2,359)*	(4,297)
Taxation	3			**-**	*-*	-
Loss for the financial period				**(2,860)**	*(2,359)*	(4,297)
Loss per share – basic and diluted	4			**(0.013)p**	*(0.039)p*	(0.057)p

There are no recognised gains or losses in the period, other than the loss for that period.

Notes

1 The figures are for the period 1 June 2006 to 30 November 2006.

2 This interim report has been prepared, other than detailed in this note, on the basis of the accounting policies set out in the Group's 2006 statutory accounts.
In preparing these financial statements, the company has adopted for the first time, FRS20,"Share Based Payments". There has been no effect on the prior periods' figures from adopting this financial reporting standard.

3 No taxation is payable in respect of any period due to the incidence of losses available.

4 The basic and diluted loss per share is calculated based on the loss after taxation and on the weighted average number of shares in issue and ranking for dividend in the period.

	Unaudited 30 November 2006	*Unaudited 30 November 2005*	Audited 31 May 2006
Weighted average number of shares in issue	**21,417,251,942**	6,092,087,167	7,540,109,611

5 The Directors do not recommend the payment of an interim dividend (2005: nil).

6 These interim figures are un-audited and do not constitute statutory accounts within the meaning of Section 240 of the Companies Act 1985. A copy of the Group's statutory accounts for the year ended 31 May 2006, has been filed with the Registrar of Companies. The auditors' report on those accounts included an emphasis of matter paragraph with regards to the going concern basis of preparation of the financial statements. However, their opinion was not qualified in this respect.

7 Copies of this report are available to the public at the Company's registered office and on our website at www.millwallfc.co.uk.

CONSOLIDATED BALANCE SHEET

	Notes	Unaudited 30 November 2006 £000	*Unaudited 30 November 2005 £000*	Audited 31 May 2006 £000
Fixed assets				
Intangible assets	1	44	*159*	66
Tangible assets		15,851	*16,069*	15,942
		15,895	*16,228*	16,008
Current assets				
Stocks		233	*189*	92
Debtors – due within one year		917	*2,413*	1694
Cash at bank and in hand		23	*29*	777
		1,173	*2,631*	2,563
Creditors: Amounts falling due within one year		(3,792)	*(8,158)*	(3,651)
Net Current Liabilities		(2,619)	*(5,527)*	(1,088)
Total Assets Less Current Liabilities		13,276	*10,701*	14,920
Creditors: Amounts falling due after more than one year		(4,667)	*(3,052)*	(4,885)
Net assets		8,609	*7,649*	10,035
Capital and reserves				
Called up share capital	2	4,540	*2,942*	4,171
Share premium account		12,153	*7,992*	11,087
Capital reserve		21,474	*21,474*	21,474
Profit and loss account		(29,558)	*(24,759)*	(26,697)
Equity shareholders' funds		8,609	*7,649*	10,035

Notes

1 Intangible assets are the net book value of players' registrations, comprising transfer fees payable and signing on fees. These costs are capitalised and then amortised over the periods of the players' contract.

2 **Called up share capital**

	Unaudited 30 November 2006 Number	*Unaudited 30 November 2005 Number*	Audited 31 May 2006 Number
Authorised			
Ordinary shares of 0.01p each	86,881,838,777	*86,881,838,777*	86,881,838,777
Deferred shares of 0.09p each	2,592,087,167	*2,592,087,167*	2,592,087,167
	89,473,925,944	*89,473,925,944*	89,473,925,944
Allotted, called up and fully paid			
Ordinary shares of 0.01p each	22,070,940,467	*6,092,087,167*	18,383,440,467
Deferred shares of 0.09p each	2,592,087,167	*2,592,087,167*	2,592,087,167
	24,663,027,634	*8,684,174,334*	20,975,527,634
	£000	*£000*	£000
Authorised			
Ordinary shares of 0.01p each	8,688	*8,688*	8,688
Deferred shares of 0.09p each	2,333	*2,333*	2,333
	11,021	*11,021*	11,021
Allotted, called up and fully paid			
Ordinary shares of 0.01p each	2,207	*609*	1,838
Deferred shares of 0.09p each	2,333	*2,333*	2,333
	4,540	*2,942*	4,171

CONSOLIDATED CASH FLOW STATEMENT

	Notes	Unaudited Six months Ended 30 November 2006 £000	*Unaudited Six months Ended 30 November 2005 £000*	Audited Year Ended 31 May 2006 £000
Net cash outflow from operating activities	1	**(1,867)**	*(1,586)*	(4,326)
Returns on investments and servicing of finance				
Interest received		**13**	*2*	3
Interest paid		**(101)**	*(105)*	(257)
Interest element of finance lease rental payments		**(2)**	*(2)*	(20)
Net cash outflow from returns on investments and servicing of finance		**(91)**	*(105)*	(274)
Capital expenditure and financial investment				
Purchase of tangible fixed assets		**(108)**	*(6)*	(55)
Purchase of players' registrations		**(42)**	*-*	(135)
Proceeds on disposal of players' registrations		**261**	*268*	825
Net cash inflow from investing activities		**111**	*262*	635
Net cash outflow before financing		**(1,846)**	*(1,429)*	(3,965)
Financing				
Proceeds of share issue		**1475**	*-*	4,917
Associated costs of share issue		**(40)**	*-*	(592)
Proceeds of sale and leaseback of training ground		**-**	*-*	1,850
Capital element of hire and lease purchase loans		**(2)**	*(4)*	(66)
Net cash inflow/(outflow) from financing		**1,433**	*(4)*	6,109
(Decrease)/increase in cash	2	**(413)**	*(1,433)*	2,144

Notes

1 Reconciliation of operating loss to net cash outflow from operating activities

	30 November 2006 £000	*30 November 2005 £000*	31 May 2006 £000
Operating loss	**(2,770)**	*(2,254)*	(4,023)
Depreciation	**199**	*180*	366
Amortisation of grants	**(52)**	*(52)*	(104)
Amortisation of players' registrations	**37**	*134*	244
Profit on disposal of players' registrations	**(296)**	*(8)*	(545)
(Increase)/decrease in stocks	**(141)**	*(77)*	20
Decrease in debtors	**839**	*594*	1,425
Increase/(decrease) in creditors and deferred income	**317**	*(103)*	(1,709)
Net cash outflow from operating activities	**(1,867)**	*(1,586)*	(4,326)

	31 May 2006 £000	Cash Flow £000	**30 November 2006 £000**
Cash in hand and at bank	777	(754)	**23**
Overdrafts	(1,046)	341	**(705)**
	(269)	(413)	**(682)**
Finance leases	(1,826)	2	**(1,824)**
	(2,095)	(411)	**(2,506)**

2 Reconciliation of net cash flow to movement in net debt

	30 November 2006 £000	*30 November 2005 £000*	31 May 2006 £000
(Decrease)/increase in net cash in the period	**(413)**	*(1,433)*	2,144
Cash flow from lease financing	**2**	*4*	(1,784)
Non cash changes	**–**	*(16)*	(26)
Movement in net debt in the period	**(411)**	*(1,445)*	334
Net debt at beginning of period	**(2,095)**	*(2,429)*	(2,429)
Net debt at end of period	**(2,506)**	*(3,874)*	(2,095)

Ends