

FIRST PROPERTY ONLINE PLC

UNAUDITED CONSOLIDATED INTERIM RESULTS for the six months ended 30 September 2002

CHIEF EXECUTIVE'S STATEMENT

Results

I am pleased to report that the Group has continued to accelerate the growth of its revenue streams and is rapidly closing the gap on expenses. Turnover for the six month period was £386,000 (£90,000 in the six months to 30 September 2001).

The Group made a loss on ordinary activities before taxation and goodwill amortisation of £116,000 (loss of £287,000 in the six months to 30 September 2001).

The Group's balance sheet remains strong. Net assets amounted to £2.9 million, including net current assets of over £2.8 million.

Review of Operations and Current Trading

Property transaction underwriting

Our underwriting activities have continued to grow at a fast rate. During the period these activities generated revenues of £175,000 for the Group. We expect these revenues to continue to grow for the remainder of the year.

CPD

CPD is trading satisfactorily and earned revenue of £205,000 during the period, with website design and development work completed for more than 20 clients during the period. Over the coming months we will be launching a number of new marketing campaigns and ancillary web based products to promote CPD's services to a wide prospective user base. CPD's products and services are reviewed in more detail at www.cpd.co.uk.

Other products and services

Our bespoke loan quote and valuation service continues to establish itself. This service is already playing a very valuable part in our fund management activities (see below).

We are also developing our online bidding service and have recently announced the successful sale of another property through www.fprop.com.

FIRST PROPERTY ONLINE PLC

First Property Asset Management

We are delighted to announce that on 1 October 2002 we launched a new fund management company, First Property Asset Management Ltd (FPAM). The company is 74% owned by First Property Online plc and 26% owned by John Nettleton. John was previously chief executive of Wates City plc and brings with him invaluable experience and contacts.

The aim of the company is to utilise fprop's large property databases, combined with our bespoke loan quote and valuation service, our in-house expertise and that of John Nettleton, to provide a commercial property fund management service delivering attractive rates of return to third party investors. FPAM earns fees in return for its management services calculated with reference to gross assets under management, together with an additional performance fee should returns exceed a predetermined level.

FPAM has commenced business and is currently managing an initial tranche of c£1.4 million of assets on behalf of First Property Trading Ltd (FPT). Shareholders in FPT include a number of high net worth individuals. The Company has made an investment of £50,000 in FPT (a 10% stake, made up of equity and debt). I have also personally invested £25,000 in FPT (a 5% stake).

The property investments thus far undertaken by FPAM, on behalf of FPT, are currently yielding a return on equity of 19.5% per annum before tax but after management fees.

It is our intention to grow our fund management activities, which are a natural adjunct to our other products. A second tranche of fund raising on behalf of FPT has already been agreed and steps are being taken to secure the management of funds on behalf of other third parties.

Prospects

We continue to be pleased by the rate at which revenue generation is increasing. We are making good progress towards our goal of moving into profitability by 31 March 2003.

There are, at the moment, well publicised risks to the UK economy and, more specifically, the property market. We would naturally not be immune to a down turn in the property market. However, we believe that our exposure to economic swings, one way or the other, is reduced by the type of property in which our various services deal.

Ben Habib

Chief Executive

29 November 2002

FIRST PROPERTY ONLINE PLC

CONSOLIDATED PROFIT & LOSS ACCOUNT
for the six months ended 30 September 2002

		Six months to 30 September 2002 (unaudited)		
	Notes	Results before Goodwill Amortisation £'000	Goodwill Amortisation £'000	Total Results £'000
Turnover				
- continuing operations		386	-	386
- acquisitions		-	-	-
Total turnover	2	386	-	386
Cost of sales				
- continuing operations		(45)	-	(45)
- acquisitions		-	-	-
Gross profit		341	-	341
Net operating expenses		(442)	(1,717)	(2,159)
Operating loss				
- continuing operations		(101)	(1,717)	(1,818)
- acquisitions		-	-	-
Total operating loss		(101)	(1,717)	(1,818)
Net interest (payable)/ receivable		(15)	-	(15)
Loss on ordinary activities before taxation		(116)	(1,717)	(1,833)
Taxation on loss on ordinary activities		-	-	-
Loss on ordinary activities after taxation		(116)	(1,717)	(1,833)
Loss per Ordinary 1p share	3	(0.12p)		
- basic before goodwill amortisation				
Loss per Ordinary 1p share	3			(1.98p)
- basic after goodwill amortisation				

FIRST PROPERTY ONLINE PLC

Six months to 30 September 2001 (unaudited)			Year to 31 March 2002 (audited)		
Results before Goodwill Amortisation £'000	Goodwill Amortisation £'000	Total Results £'000	Results before Goodwill Amortisation £'000	Goodwill Amortisation £'000	Total Results £'000
26	-	26	97	-	97
64	-	64	275	-	275
90	-	90	372	-	372
-	-	-	-	-	-
(8)	-	(8)	(20)	-	(20)
82	-	82	352	-	352
(440)	(1,620)	(2,060)	(1,006)	(3,342)	(4,348)
(317)	(1,602)	(1,919)	(686)	(3,204)	(3,890)
41	(18)	(59)	32	(138)	(106)
(358)	(1,620)	(1,978)	(654)	(3,342)	(3,996)
71	-	71	79	-	79
(287)	(1,620)	(1,907)	(575)	(3,342)	(3,917)
-	-	-	-	-	-
(287)	(1,620)	(1,907)	(575)	(3,342)	(3,917)
(0.33p)			(0.65p)		
		(2.22p)			(4.41p)

FIRST PROPERTY ONLINE PLC

**CONSOLIDATED BALANCE SHEET
as at 30 September 2002**

	Notes	As at 30 Sept 2002 (unaudited) £'000	As at 30 Sept 2001 (unaudited) £'000	As at 31 March 2002 (audited) £'000
Fixed assets				
Intangible assets		1,010	4,334	2,727
Tangible assets		38	94	58
Investments		238	238	238
		1,286	4,666	3,023
Current assets				
Stocks - land and buildings		3,925	1,107	1,121
Debtors		324	467	381
Cash at bank and in hand		139	2,064	1,649
		4,388	3,638	3,151
Creditors: amounts falling due within one year		(1,574)	(679)	(600)
Net current assets		2,814	2,959	2,551
Total assets less current liabilities		4,100	7,625	5,574
Creditors: amounts falling due after more than one year		(1,161)	(843)	(802)
Net assets		2,939	6,782	4,772
Capital and reserves				
Called up share capital	5	924	910	924
Share premium	5	2,661	2,661	2,661
Merger reserve	5	5,823	5,790	5,823
Shares to be issued	5	-	47	-
Profit and loss account	5	(6,469)	(2,626)	(4,636)
Equity shareholders' funds		2,939	6,782	4,772

FIRST PROPERTY ONLINE PLC

**SUMMARISED CONSOLIDATED CASH FLOW STATEMENT
for the six months ended 30 September 2002**

	Notes	Six months to 30 Sept 2002 (unaudited) £'000	Six months to 30 Sept 2001 (unaudited) £'000	Year to 31 March 2002 (audited) £'000
Net cash outflow from operating activities	6	(2,737)	(1,430)	(1,822)
Returns on investment and servicing of finance				
Net interest (paid) / received		(15)	77	96
Net cash (outflow)/ inflow from returns on investment and servicing of finance		(15)	77	96
Capital expenditure and financial investment				
Purchase of tangible fixed assets		(2)	(9)	(15)
Sale of tangible fixed assets		-	-	15
Net cash outflow from capital expenditure and financial investment		(2)	(9)	-
Acquisitions and disposals				
Cash consideration on acquisitions		-	(20)	(13)
Acquisition expenses paid		-	-	(32)
Net cash acquired with subsidiary undertakings		-	15	15
Net cash outflow from acquisitions and disposals		-	(5)	(30)
Cash outflow before management of liquid resources and financing		(2,754)	(1,367)	(1,756)
Management of liquid resources				
Decrease in short term deposits		1,430	596	(1,158)
Financing				
Issue of Ordinary share capital		-	-	-
Issue cost of shares		-	(2)	(2)
Loans advanced		1,244	831	831
Loans repaid		-	(2)	(28)
Net cash inflow from management of liquid resources and financing		2,674	1,423	1,959
(Decrease)/ increase in cash in period		(80)	56	203

FIRST PROPERTY ONLINE PLC

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN
NET (DEBT)/ FUNDS**

	Notes	Six months to 30 Sept 2002 (unaudited) £'000	Six months to 30 Sept 2001 (unaudited) £'000	Year to 31 March 2002 (audited) £'000
(Decrease)/ increase in cash in period		(80)	56	203
Movement in short term deposits		(1,430)	(596)	(1,158)
Loans acquired with subsidiaries		-	(15)	(28)
Hire purchase contracts acquired with subsidiaries		-	(13)	-
Movement in loans		(1,244)	(829)	(803)
Movement in net funds in period		(2,754)	(1,397)	(1,786)
Net funds at beginning of period		818	2,604	2,604
Net (debt)/ funds at end of period		(1,936)	1,207	818

FIRST PROPERTY ONLINE PLC

NOTES TO THE CONSOLIDATED RESULTS

For the six months ended 30 September 2002

1. The interim accounts have been prepared on a basis which is consistent with the accounting policies adopted for the year ended 31 March 2002.
2. Turnover consists entirely of revenue arising in the United Kingdom and relates solely to the Group's principal activity.
3. The basic loss per Ordinary Share is calculated on the loss on ordinary activities after taxation and on the weighted average of 92,441,254 Ordinary Shares in issue during the period (30 September 2001: 85,979,916 and 31 March 2002: 88,879,821). The adjusted earnings per share has been calculated on the loss on ordinary activities after taxation but before goodwill amortisation and based on the shares in issue during the period as detailed in the basic earnings per share calculation.
4. The company has no recognised gains or losses other than those disclosed in the profit and loss account.

FIRST PROPERTY ONLINE PLC

5. Capital and Reserves

	Share capital £000	Share premium £000	Merger reserve £000	Shares to be issued £000	Profit and loss account £000
At 1 April 2002	924	2,661	5,823	-	(4,636)
Loss for the period	-	-	-	-	(1,833)
At 30 Sept 2002	924	2,661	5,823	-	(6,469)

6. Reconciliation of operating loss to net cash outflow from operating activities

	Six months to 30 Sept 2002 (unaudited) £'000	Six months to 30 Sept 2001 (unaudited) £'000	Year to 31 March 2002 (audited) £'000
Operating loss	(1,818)	(1,978)	(3,996)
Depreciation and profit on disposal of fixed assets	22	12	39
Amortisation	1,717	1,620	3,342
Movement in stocks	(2,804)	(1,107)	(1,121)
Movement in debtors	57	(9)	15
Movement in creditors	89	32	(101)
Net cash outflow from operating activities	(2,737)	(1,430)	(1,822)

FIRST PROPERTY ONLINE PLC

8. The financial information contained in this interim report does not constitute statutory accounts within the meaning of section 240 of the Companies Act 1985. This information has been neither audited nor reviewed within the meaning of APB Bulletin 1999/4 by the company's auditors. The financial statements for the year ended 31 March 2002, incorporating an unqualified report of the auditors, have been filed with the Registrar of Companies.
9. The Board of First Property Online plc approved these interim results on 29 November 2002. The interim results are being circulated to all shareholders. Further copies can be obtained from the registered office at 17 Quayside Lodge, William Morris Way, London SW6 2UZ.