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CareCapital Group Plc
("CareCapital" or "the Company")

Interim Results for the Six Months to 30 June 2006

Statement by the Chairman, Dr Michael Sinclair

I am pleased to present my statement in respect of the Interim Results for CareCapital Group Plc for the six months to 30th June 2006, its first as a quoted company, as the Company's shares were admitted to the AIM on 4th August 2006. The reasons for this were twofold; firstly, to enable our private equity backer, Asgard Sarl (a real estate investment fund managed by AXA REIM) to realise part of its shareholding in the Company and secondly, to provide a platform for the Company to raise funds in the future for working capital and the equity requirements of capital projects.

Our financial performance for the six months to 30th June 2006 was entirely in line with projections with both rental and facilities management income on budget. A number of rent reviews have been undertaken over the past few months with results ahead of expectations.

A valuation of the Company's existing property investment portfolio was undertaken by Colliers CRE in connection with our admission to AIM. This valuation, dated 31st July 2006, puts a market value on the portfolio of £23,092,000 (gross) and £21,770,000 (net) after taking into account the deduction of notional buyers' costs.

Looking forward, I am pleased to report that the Company has a significant pipeline of medical centres and other healthcare related property projects that are being currently progressed. We anticipate that three of these projects will begin construction during the fourth quarter of 2006 or first quarter 2007 with a capital value in excess of £10 million.

Construction of the shell for a dental centre in Folkestone (as part of the regeneration of the town centre) is on schedule and due for completion, prior to fit-out, in June 2007. This £4.5 million value project, which is due to open in January 2008, will, I believe, be a template for major dental centres across the UK, serving both NHS and private patients. In addition, we are short-listed for four PFI and similarly procured healthcare projects and have recently strengthened our team working on these bids.

We have been selected as preferred bidder for a major medical resource centre project in North Wales. This project will be developed for the Local Health Board in partnership with Gaufron Healthcare and has a capital value of £6.5 million. Construction is scheduled to commence in March 2007 and to complete in May 2008. The joint venture with Gaufron Healthcare, enabling better access to potential projects in Wales, is one of the strategic partnerships that we have to facilitate future healthcare real estate development opportunities. Another example is Bay Area Health Trust (UK) Limited where we participate on an equal basis with Bay Area Health Trust (part of Hamilton Health Sciences) and Med-Emerg (International) Inc., thereby enabling CareCapital to provide the property element for projects requiring a high level of patient clinical and other services.

I would like to take this opportunity to thank AXA REIM for its financial and other support over the past two years following the formation of the CareCapital Group of companies. I would also like to welcome our new shareholders and to thank them for their support for our AIM flotation and look forward to a good relationship with them.

I am very pleased that Keith Gibbs is to stay on the Board and that Lord Evans of Watford (David Evans) agreed to join the Board.

Last, but not least, achieving a market listing is time consuming and disruptive and I would like to congratulate Paul Stacey, Steve Wilden and the Management Team on not only achieving this but also continuing the progress of the Company and its capital projects.

8 September 2006

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CareCapital Ltd
Consolidated Profit and Loss Account
for the six months ended 30th June 2006

	Six months ended 30th June 2006 (unaudited) £'000	Six months ended 30th June 2005 (unaudited) £'000	Year ended 31st December 2005 (audited) £'000
Turnover	906	868	1,748
Cost of sales	51	39	73
Gross profit	855	829	1,675
Administrative expenses	1,008	592	1,253
Exceptional expenses	294	-	-
Earnings before interest, taxation, depreciation and amortisation	(447)	237	422
Depreciation	(16)	(15)	(34)
Goodwill amortisation	(38)	(38)	(77)
Operating profit / (loss)	(501)	184	311
Interest receivable	111	131	245
Interest payable and similar charges	(588)	(566)	(1,155)
Loss on ordinary activities	(978)	(251)	(599)
Tax on loss on ordinary activities	-	-	-
Loss for the financial period	(978)	(251)	(599)
Loss per share - basic	(0.083p)	(0.021p)	(0.051p)
Loss per share - diluted	(0.079p)	(0.020p)	(0.048p)
Consolidated statement of total recognised gains and losses			
Profit/(Loss) for the financial period	(978)	(251)	(599)
Property revaluation	-	-	281
Total recognised gains and losses	(978)	(251)	(318)

CareCapital Group Plc
Consolidated Balance Sheet
As at 30 June 2006

	As at 30 June 2006 (Unaudited) £'000	As at 30 June 2005 (Unaudited) £'000	As at 31 December 2005 (Audited) £'000
Fixed assets			
Intangible assets	241	317	279
Tangible assets	21,883	20,697	21,539
	<u>22,124</u>	<u>21,014</u>	<u>21,818</u>
Current assets			
Stocks	1	1	1
Debtors	509	310	379
Cash at bank and in hand	5,739	7,365	6,965
	<u>6,249</u>	<u>7,676</u>	<u>7,345</u>
Creditors: amounts falling due within one year	<u>(1,347)</u>	<u>(986)</u>	<u>(1,043)</u>
Net Current assets	<u>4,902</u>	<u>6,690</u>	<u>6,302</u>
Total assets less current liabilities	<u>27,026</u>	<u>27,704</u>	<u>28,120</u>
Creditors: amounts falling due after more than one year	<u>(16,724)</u>	<u>(16,357)</u>	<u>(16,840)</u>
Provisions for Liabilities and charges	<u>(37)</u>	<u>(37)</u>	<u>(37)</u>
Net assets	<u>10,265</u>	<u>11,310</u>	<u>11,243</u>
Capital and reserves			
Called up share capital	11,745	11,745	11,745
Share premium account			
Profit and loss account	(1,761)	(435)	(783)
Revaluation reserve	281		281
Shareholders' funds	<u>10,265</u>	<u>11,310</u>	<u>11,243</u>

CareCapital Ltd
Consolidated Cash flow Statement
for the six months ended 30th June 2006

	Six months ended 30th June 2006 (unaudited) £'000	Six months ended 30th June 2005 (unaudited) £'000	Year ended 31st December 2005 (audited) £'000
Net cash inflow from operating activities	(330)	149	321
Returns on investments and servicing of finance			
Interest received	114	139	244
Interest paid	(612)	(574)	(1,118)
Interest element of finance lease payments	(2)	(2)	(4)
Net cash outflow from returns on investments and servicing of finance	<u>(500)</u>	<u>(437)</u>	<u>(878)</u>
Taxation		4	4
Capital expenditure			
Purchase of tangible fixed assets	<u>(359)</u>	<u>(100)</u>	<u>(680)</u>
Net cash outflow from capital expenditure	<u>(359)</u>	<u>(100)</u>	<u>(680)</u>
Net cash outflow before financing	(1,189)	(384)	(1,233)
Financing			
Increase / (decrease) of debts due within one year	25	4	(40)
New loans in year			435
Repayment of secured loans	(108)	(178)	(121)
Capital element of finance lease payments	<u>(9)</u>	<u>(9)</u>	<u>(18)</u>
Net cash (outflow) / inflow from financing	<u>(92)</u>	<u>(183)</u>	<u>256</u>
(Decrease) / Increase in cash	<u>(1,281)</u>	<u>(567)</u>	<u>(977)</u>
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit	(501)	184	311
Depreciation charges	16	15	34
Amortisation	38	38	77
(Increase) / decrease in stocks			
(Increase) / decrease in debtors	(132)	(58)	(127)
Increase / (decrease) in creditors	249	(30)	26
Net cash inflow from operating activities	<u>(330)</u>	<u>149</u>	<u>321</u>
Reconciliation of net cash flow to movement in net debt			
Increase / (decrease) in cash in period	(1,281)	(567)	(977)
Cash outflow from decrease in debt and lease financing	92	183	179
Change in debt resulting from cash flows	<u>(1,189)</u>	<u>(384)</u>	<u>(798)</u>
New long term loans			<u>(435)</u>
Movement of net debt in the period	<u>(1,189)</u>	<u>(384)</u>	<u>(1,233)</u>
Net debt at start of period	(10,241)	(9,008)	(9,008)
Net debt at end of period	<u>(11,430)</u>	<u>(9,392)</u>	<u>(10,241)</u>

Notes to the financial information				
For the six months ended 30th June 2006				
1.	Basis of preparation			
	At 30 June 2006 CareCapital Group Plc had not traded, and the financial information contained within the statement represents the consolidated results of CareCapital Ltd and its subsidiaries, which will be accounted for under the merger accounting rules in accordance with FRS 6.			
2.	Earnings / (loss) per share			
	CareCapital Ltd			
	The issued share capital of CareCapital Ltd at 30 June 2006 comprised 11,745,162 ordinary £1 shares. Share options granted to senior management at this date comprised 630,000 ordinary £1 shares.			
	The loss per share based on the share capital of CareCapital Ltd at 30 June 2006 was:			
		As at	As at	As at
		30 June	30 June	31 December
		2006	2005	2005
	Loss per share	(Unaudited)	(Unaudited)	(Audited)
	Basic - 11,745,162 ordinary £1 shares	0.083 pence	0.021 pence	0.051 pence
	Diluted - 12,375,162 ordinary £1 shares	0.079 pence	0.020 pence	0.048 pence
	CareCapital Group Plc			
	Immediately prior to the admission of CareCapital Group Plc to AIM, the issued share capital in CareCapital Ltd was purchased by CareCapital Group Plc for the consideration of 71,754,096 ordinary 0.01p shares. On admission to AIM, CareCapital Group Plc placed 5,000,000 new 0.01 pence ordinary shares. The existing share options were converted into 4,271,436 options for 0.01 pence ordinary shares.			
	The loss per share based on the share capital of CareCapital Group Plc at 4 August 2006 was:			
		As at	As at	As at
		30 June	30 June	31 December
		2006	2005	2005
	Loss per share	(Unaudited)	(Unaudited)	(Audited)
	Basic - 76,754,096 ordinary 0.01 shares	0.013 pence	0.003 pence	0.008 pence
	Diluted - 81,025,532 ordinary 0.01 shares	0.012 pence	0.003 pence	0.007 pence

3.	Exceptional item			
	At 30 June 2006, the Company had incurred costs of £294,000 in respect of the AIM listing, which took place on 4 August 2006. This amount represented the costs and commitments at that point. The final costs which will be reflected in the full year accounts were £610,000.			
4.	Property Portfolio			
	At 30 June 2006, the value of Properties held as investments contained within Fixed assets totalled £21,429,000. These properties were valued at £21,770,000 in an independent valuers report dated 31 July 2006.			
5.	Status of financial information			
	The interim results of the Group for the six months to 30 June 2006 were approved by the Board on 29 August 2006.			
	The interim financial statements have not been audited and do not constitute statutory accounts as defined under s240 of the Companies Act 1985.			
	The Interim financial statements have been prepared in accordance with applicable accounting standards and are consistent with those adopted in the Consolidated statutory accounts of CareCapital Limited for the year ended 31 December 2005. Those accounts, upon which the auditors issued an unqualified opinion, have been delivered to the Registrar of Companies.			