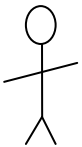


INTERIM REPORT

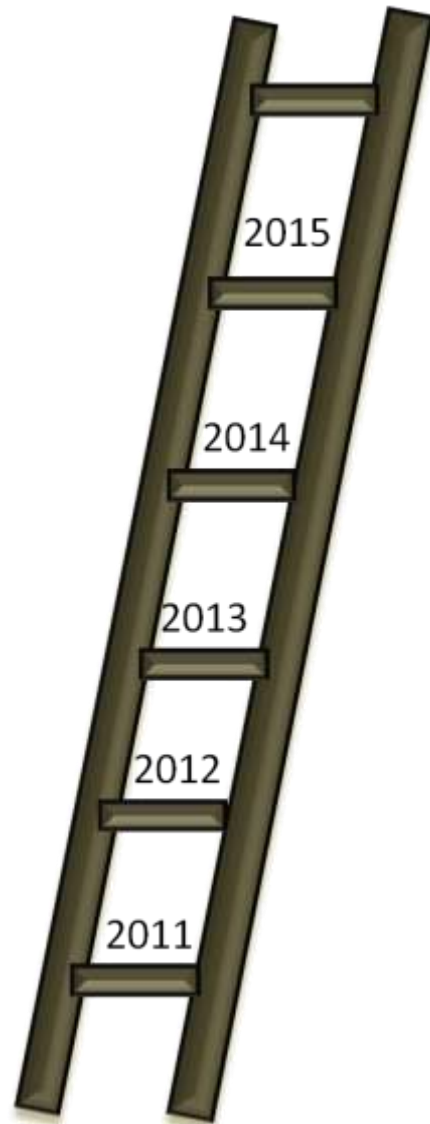
1st June 2010 - 31st December 2010
(Including information regarding the breakup of Joint Venture)

Redab Road Show

11th April 2011 Stockholm
12th April 2011 Karlskoga
13th April 2011 Örebro
14th April 2011 Gothenburg



Tummetott



London, 15th March 2010

A handwritten signature in blue ink, appearing to read 'CG Pettersson'.

CG Pettersson

Redab Properties Plc, 83 Lower Sloane Street, London SW1W 8DA, England

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E-mail: info@redab.com www.redabproperties.com

Registered in England No. 2866340, Redab Properties Plc Group VAT Registration No. 672 1658 25

Registered Office: 167 Turners Hill, Cheshunt, Hertfordshire EN8 9BH, England

Managing Director's Comment

The major news for the period came 17-18th January 2011 when Sätila and Redab agreed to dissolve the joint venture partnerships from 2007. An initial breakup agreement was signed on the 18th January 2011 followed by completion 25th February 2011. The deal was discussed and approved by the Board of Directors for the respective parties and works as below:

- 1) Sätila will take over to 100% the companies owning 6 Orsman Road and 109-111 Farringdon Road based on 31st January 2011 audited accounts, including sole responsibility for the £6,040,000 loan from SHB in Borås.

Redab Properties Plc is released from its security of £1.5M of the total loan, including a repayment of £400,000 held on deposit by SHB.

- 2) Redab Properties Plc will take over to 100% the company owning 657, 659, 661 & 663 Commercial Road London E14, with the Tesco lease in place, which generates £65,000 per annum in rent, and including sole responsibility for the loan with Bristol & West with a repayment obligation due 28th February 2011, which was repaid on time.
- 3) Both parties will write off in principal, their subordinated loan to their former joint venture companies.
- 4) Redab Properties Plc payment of £133,800 also takes care of the profit / loss for all companies by 31st January 2011, including a settlement for a dispute since 2007 with the law firm used to buy the property, which was settled and funds received 24th February 2011. Sätila have taken their responsibility of their part in not renewing the restaurants tenants lease. Everything is included in that figure.
- 5) Redab Properties Plc will continue to manage Sätila's companies up to the end of March 2011. Redab Properties Plc has served notice to reduce its staff from five to three people, also Rofu Miah and CG Pettersson will charge less hours but will still carry out all the work necessary.

Redab Properties Plc will reorganise itself during April 2011. We also have a choice of either to stay or leave our current project office at 109-111 Farringdon Road by the end of business year 31st May 2011.

Redab Properties Plc will use our old target presented Spring 2010 and at the AGM 2010 to ***NEW START***.

All property companies in the UK have been hit hard during the period 2007-2011 and Net Asset Values have gone back to the levels of year 2000.

Redab Properties Plc Net Asset Value 2000 was approximate £3M. Redab Properties Plc Net Asset Value after dissolving the joint venture is £3,150,262 as at 31st December 2010.

The ***NEW START*** in March 2011 will be with well consolidated balance sheets.

- A) 657,659,661 & 663 Commercial Road has been re-valued in the books to a value of £1.75M with possibilities to sell at a profit of £2,533,380 without paying any Capital Gains Tax.
- B) Kilburn has been analysed and the old abortive costs for five failed planning applications have been written down to zero. We had received an encouraging letter from the council setting out what was required to gain consent, but, unfortunately, even after complying with their recommendations consent was still refused. A positive response on the planning would have meant we could have accepted an offer we received in that period paying us £600,000 for the right to develop five flats. Now, instead, £362,000 has been written off in the books.

An appeal will be launched before 11th March 2011 against the Council's decision.

- C) The East London Residential Portfolio will be refinanced during March 2011, but we still have a target to sell during the year.
- D) One off cost for former joint ventures is also reserved in 31st December 2010 accounts.

All together it leads to costs of £1,300,000 for Redab Properties Plc since 31st May 2010; an over sized organisation and office, replacing funding, the involvement of special consultants, negative cash flow while no project work took place. The freehold properties were already written down to market value by 31st May 2010; approximately £3M for Redab Properties Plc's 50%.

The ***NEW START*** will be from the very bottom rung of the ladder, with a positive view to the future! New bank funding from Barclays Corporate will hopefully be agreed during March – April 2011. Barclays Corporate welcomed us to their office in Canary Wharf creating overall funding package of £4.5m with the door open for further funding.

The first hurdle was passed when our sister company Redab Finchley Ltd draw down its loan 2nd March 2011, after nine months of answering questions to become an accepted customer of Barclays Bank



Financial situation after breaking up the joint ventures

The Managing Director's comments present a worst case scenario, in which the Net Asset Value has been reduced to the level of 2000. The future prognosis cash flow is presented here so that everyone can understand that even though the company is back to the size it was 10 years ago, it has a good healthy cash financial status. Subject to not selling any further apartments at Kilburn the company's cash flow is forecasted below. The difference between bank loan and book value in Kilburn is approximately £2M. This means the funding of Commercial Road is covered, but REDAB need still contribution of additional cash to fulfil the development (see below). The reason for the need of more funds from the Shareholders is to secure further small developments so operational costs for the company can be better used, which leads to an increase in the Net Asset Value.

2011	£	2012	£	2013	£
January		January	402,966	January	-337,031
February	349,958	February	353,880	February	-329,037
Mars	2,094,741	Mars	251,679		
April	1,659,710	April	164,038		
May	1,330,004	May	-4,793		
June	1,136,004	June	-166,739		
July	1,020,067	July	-250,325		
August	877,861	August	-395,051		
September	684,225	September	-454,757		
October	567,924	October	-426,288		
November	425,718	November	-433,694		
December	325,862	December	-483,400		

The cash prognosis shows that almost 60% of the Net Asset Value is cash in bank to be used in Commercial Road £2.5M, of which £750,000 is possible to draw in funding from Barclays Corporate.

There are some good opportunities to purchase for refurbishment or development as during the last few years' very little space has been produced.

Redab Properties Plc also needs £1.5M from:

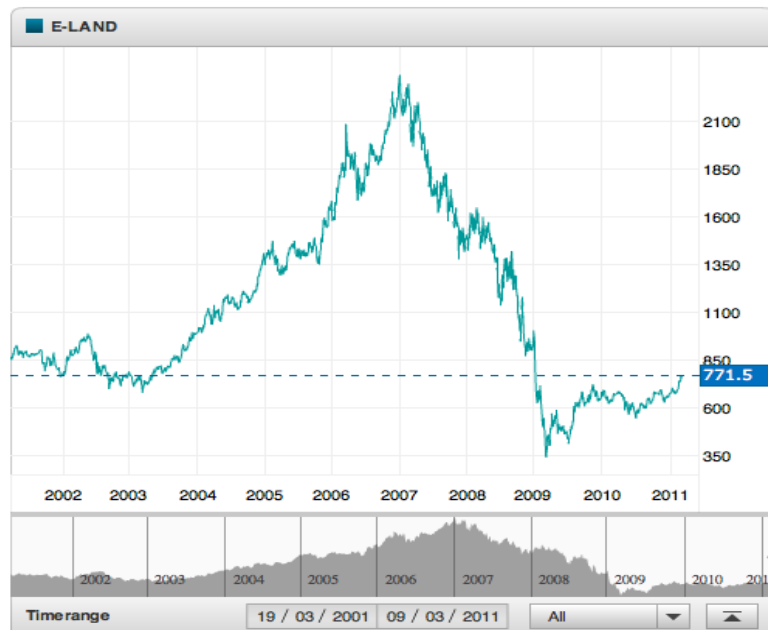
- Shareholders.
- Holders of debentures / subordinated loans, which expire 31st December 2011, who can hopefully see it is positive to stay on.
- New investors.

The funds will be used for development at Commercial Road, purchasing a new office building in the Midtown area for Redab and some external letting, as well as for some new properties to develop when the Commercial Road project is completed.

The return on figures in the Interim Report has a good possibility (see project page presentation) as well as market.

The Market

The market in London has, since late 2007, gone through a “melt down”. Redab Properties Plc has been hit like all the other property companies by falling back to Net Asset Values of early 2000-2002.



*Land Securities: share price during the period 19/03 2001 – 09/03 2011
Land Securities' shares are traded on the London Stock Exchange (code LAND).*

Financing is harder than ever, they now call it **“the mortgage recession”**. The huge stock-noted property-companies have been forced to new issues and sales. The minor investors have been hit even harder.

After all these difficulties, the future looks better, even if there are some newspapers writing about a “double dip” in the domestic GDP.

The prognosis for the London market is different from the rest of the UK, and inside the M25 almost no one has discussed a “double dip”.

London’s financial market is more focused on what will happen in the former Soviet countries and the Far East. Furthermore, European countries are using London to float.

Our special adviser Dag Klerfelt reported from a property seminar he attended 4th February 2011 that the expectations for 2011 were between +5-10% total return (yield and uplift in value). At the same time his experience is that all kind of actors in the market now striving for “de-leverage”, which means that all kind of property investments needs a larger proportion of equity. It might be a paradigm-shift everyone has to adapt to. Those actors can’t risk high degree of loan in a market with very quick shift and changed conditions.



The Sunday Time, 06/03 2011

Glencore readies for \$60bn float

- ➔ Mineral titan drafts in five new banks
- ➔ Key presentation to analysts due this week

The Sunday Times, 27th February 2011

Switzerland based mineral and trading company floats on the London Stock Exchange £60bn

ISS could look to London for float

ANDREW CAVE

DANISH outsourcing giant ISS may choose London as the primary stock market for the \$3bn (£1.88bn) listing it is planning for the spring.

The company, which is the world's fourth-largest private-sector employer with 525,000 staff, including 43,500 in the UK, had previously indicated that the float would take place in Copenhagen with a possible secondary listing in London.

However, in an interview with The Sunday Telegraph, chief executive Jeff Gravenhorst signalled a potential change.

"It would be Copenhagen or London," he says. "That's a review we're doing at the moment. ISS's biggest rivals, Compass Group and Sodexo of France, are listed in London and Paris respectively and Mr Gravenhorst added: "If you're on the same stock exchange

as some of your main competitors, it can be an advantage."

Founded in Copenhagen in 1901, ISS has expanded rapidly in office, healthcare and public administration services, buying 650 companies over the past decade. Owned by funds managed by Goldman Sachs and Swedish private equity firm EQT, which bought it in 2005 for \$5.3bn, including debt, it is looking to a float after abandoning talks about a sale to Apax Partners.

As well as providing partial exits for Goldman and EQT, an IPO would be expected to see ISS raise \$2bn-\$3bn to reduce its \$6bn debts.

"We're a private equity-owned company so we have a leverage that's around 6.5 times earnings before interest, taxation, depreciation and amortisation," says Mr Gravenhorst.

Feature: B8

The Sunday Telegraph | JANUARY 23 2011

The Sunday Telegraph, 23rd February 2011

Danish company makes a float of £1.38bn

Market facts from The GLA Economics, London's Economy Today, Issue 102, February 2011, put together by Greater London Authority (GLA).

Figure 2: UK annual inflation rates

Last data point is January 2011

Source: Office for National Statistics



Annual output growth increasing in London and the UK

- London's annual growth in output increased to 3.5% in Q3 2010 from a downwardly revised 2.3% in Q2 2010.
- Annual output growth in the UK increased to 2.9% in Q3 2010 from 1.8% in Q2 2010.
- There have been revisions to previous growth rates to reflect the availability of new data.

Latest release: February 2011
Next release: May 2011



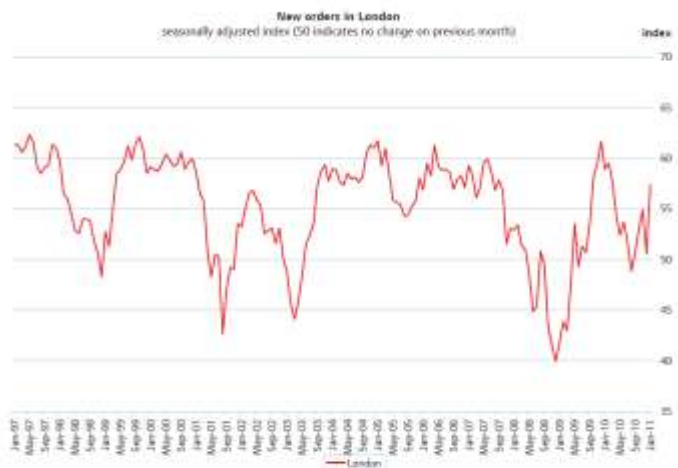
Source: Experian Economics

New orders in London rising

- January 2011 saw a rise in new orders for London firms.
- The PMI for new orders recorded 57.4 in January 2011 compared to 50.5 in December 2010.
- A rate of above 50 on the index indicates an increase in new orders from the previous month.

Latest release: February 2011

Next release: March 2011



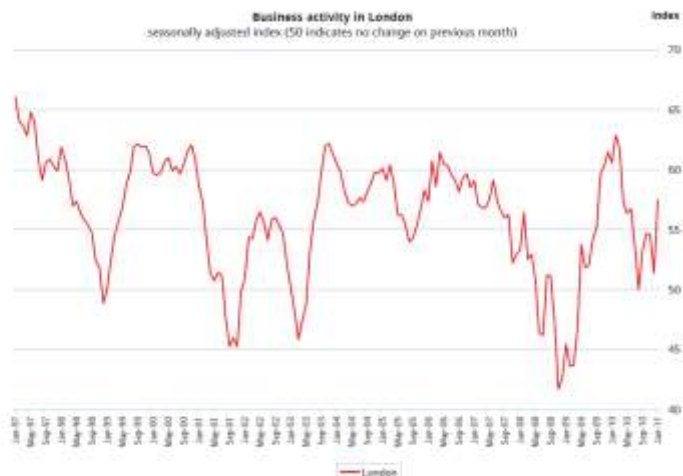
Source: Markit Economics

London's business activity increasing

- London firms increased their output of goods and services in January 2011.
- The Purchasing Managers' Index (PMI) of business activity recorded 57.5 in January 2011 compared to 51.4 in December 2010.
- A rate of above 50 on the index indicates an increase in business activity from the previous month.

Latest release: February 2011

Next release: March 2011



Source: Markit Economics

Surveyors expect house prices to rise in London

- The RICS survey shows that surveyors expect house prices to rise in London over the next three months but to fall in England and Wales.
- The net house price expectations balance in London was 1 in January 2011.
- For England and Wales, the net house price expectations balance was -26 in January 2011.

Latest release: February 2011

Next release: March 2011



Source: Royal Institution of Chartered Surveyors

Projects

Jubilee Heights and Cedar Lodge, Kilburn NW2

The property was purchased 1st September 2007, and is now almost completed as for the fifth time we have received negative feedback from the planners for the area next to the station. We have written off £362,000 in abortive costs for that work. Even after this, the prognosis for the completed project looks like a total investment of £6,146,742 including write off, compared to sold apartments plus forecasted income from sales of £7,500,000, which creates a potential return of **+22%**. All apartments have been let to approx 5.5% yield on book values without any void period. Our Contractor will leave site after all the works have been completed mid-March 2011.

<i>Estimated value 8th February 2011</i> <i>Jubilee Heights – New flats Redab Kilburn Ltd</i>					
Flat No	Floor	Accommodation	Sq. ft	Market Value	£/Sq. ft
3	Ground	2 bed, 2 bath	1056	435,000	£412
4	Ground	2 bed, 2 bath	1051	435,000	£413
5	Ground	2 bed, 2 bath	1039	435,000	£418
6	Ground	1 bed, 1 bath	650	295,000	£453
7	Ground	1 bed, 1 bath	650	285,000	£438
8	Ground	1 bed, 1 bath	650	285,000	£438
505	Fifth	2 bed, 2 bath	920	350,000	£326
Sub-total				£2,520,000	
Value Ground Rent est. 5.0% yield				£692,000	
Total				£3,212,000	
<i>Redab Midtown Ltd</i>					
711	Seventh	1 bed, 1 bath Valued by Cluttons	570	270,000	£475

<i>Achieved sale prices</i>				
Flat No	Sq. ft	Sold Price	£/Sq. ft	Year of sale
Jubilee Heights GF2	1,046	£450,000	£430.21	2009
112	1,087	£430,000	£395.58	2010
212	1,087	£437,000	£402.02	2010
312	1,087	£410,000	£377.18	2010
412	1,087	£410,000	£377.18	2010
512	1,087	£420,000	£386.38	2010
612	1,080	£550,000	£509.00	2010
13 Cedar Lodge	807	£320,000	£396.53	2010
GF 1*	1280	£580,000	£453.12	2010
Total income before costs:	9,648	£4,007,000		
Average price per sq. ft			£415.31	

657,659 661 & 663 Commercial Road

This joint venture started in April 2007. Since 25th February 2011 it has been owned to 100% by Redab Properties Plc.

Tesco opened for trading in November 2008 using its 15 year lease without break, but with KPI uplifts every year. Tesco is a retailer with a current value on the stock exchange of £32,326 billion.

A planning application regarding the upper parts was issued in June 2009 by DLA Architects. Planning consent was granted August 2010.

Project overview

Current property		£1,750,000
Development		
Upper floors inc professional team	£2,320,000	
Interest on loan 6%	£240,000	
Tesco income (2 years)	-£130,000	
Other costs	£70,000	£2,500,000
		£4,250,000

Forecasted end value May 2013

	Pessimistic	Moderate	Optimistic
18 Apartments 10,350 sq ft	£350/sqft	£410/sqft	£470/sqft
	£3,622,500	£4,243,500	£4,864,500
Tesco Rent £65,000	£1,170,000	£1,200,000	£1,230,000
Un-let unit £20,000	£235,000	£252,500	£270,000
Total potential value	£5,027,500	£5,696,000	£6,364,500
Compared to prognosis, end cost	+£777,500	+£1,446,000	+£2,114,500

The company can make a profit of £2,533,000 without having to pay Capital Gains Tax.

Redab Residential Ltd

In the last quarter we have had the announcements from the coalition government of significant cuts in public spending which will raise unemployment and limit growth in take-home pay, which could drag down demand for housing and bring down prices, particularly in regions most vulnerable to austerity cuts.

The Bank of England Governor Mervyn King recently warned that families faced the worst squeeze on their spending power since the 1920s, with inflation-adjusted wages falling over the last six years. House price growth is set to resume, but at a slow pace from 2012 as banks' lending criteria are relaxed and consumer confidence recovers.

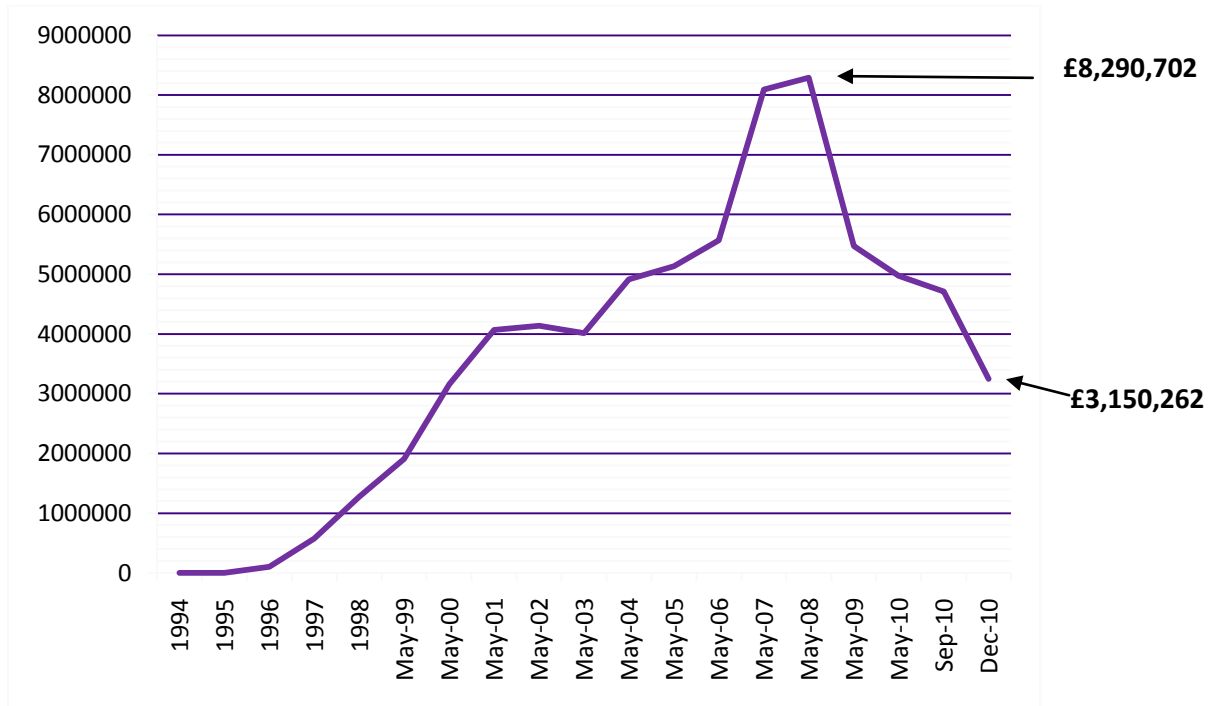
On the other hand the lettings sector has become increasingly strong over the past year, in contrast to the housing market which continues to slow down. Many people have turned to the rental market because they fear further price reductions in the housing market, or because they cannot obtain the necessary finance to buy.

Redab's ambition is to work very hard to avoid losses in managing and selling this portfolio.

Address	Secured Annual Rental	Book Value
188 Fairfoot Road	£13,500	£212,000
77 Fairfoot Road	£13,200	£198,000
60 Morant Street	£14,100	£221,000
106 Hind Grove	£13,500	£212,000
8 Kildare Walk	£13,440	£221,000
13 Theseus House	£13,800	£221,000
112 Rounton Road	£13,200	£207,000
53 Ricardo Street	£13,200	£207,000
21 Portree Street	£13,800	£221,000
30 Paris House	£13,200	£207,000
40 Perley House	£9,600	£157,000
22 Augusta Street	£18,000	£266,000
	£162,540	£2,550,000
		Total gross yield 6.37%
		Estimated net yield 6.06% on all Capital



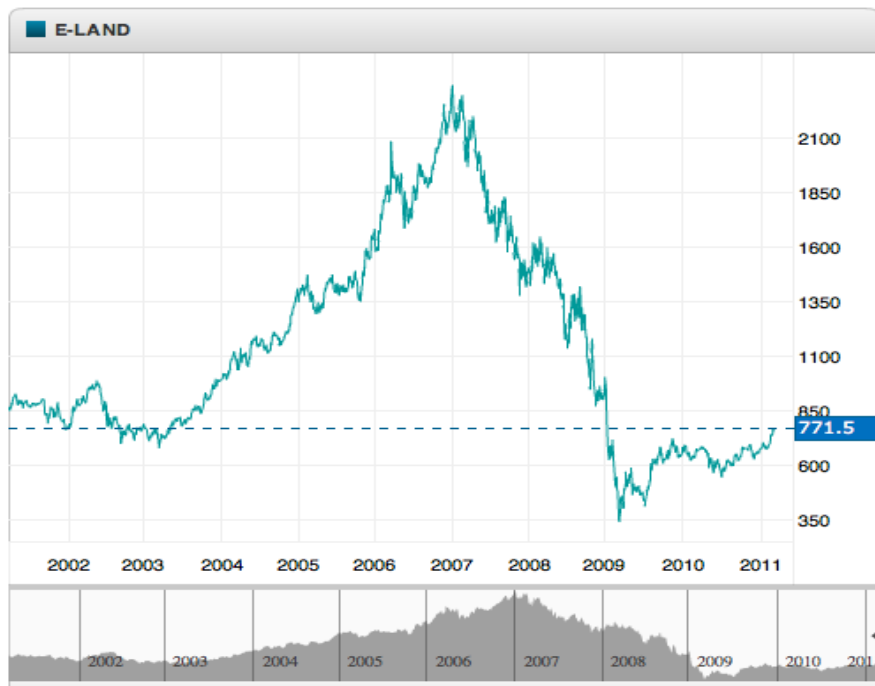
Net Asset Value December 2010



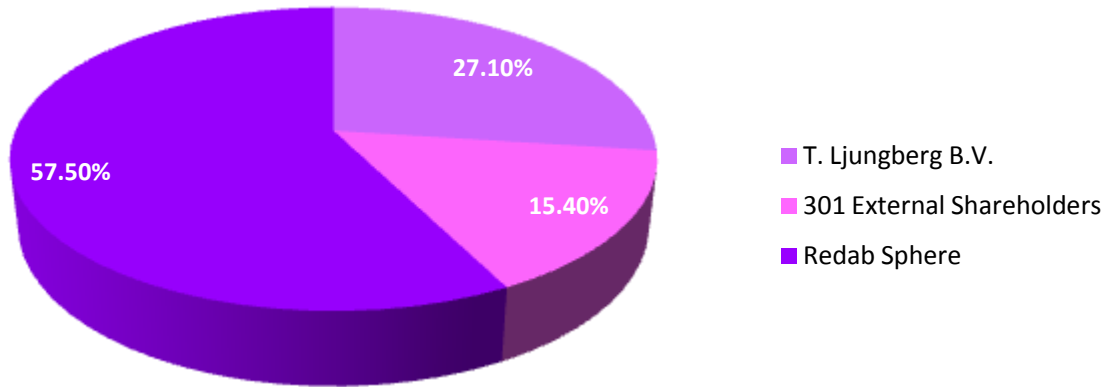
Development Net Asset Value from June 1996 to 31st December 2010

<i>Value per Share</i>	Net Asset Value (NAV)	
	30 th September 2010	31 st December 2010
Net Asset Value	£4,710,589	£3,150,262
Per Share: 7,628,025 shares	£0.618	£0.413

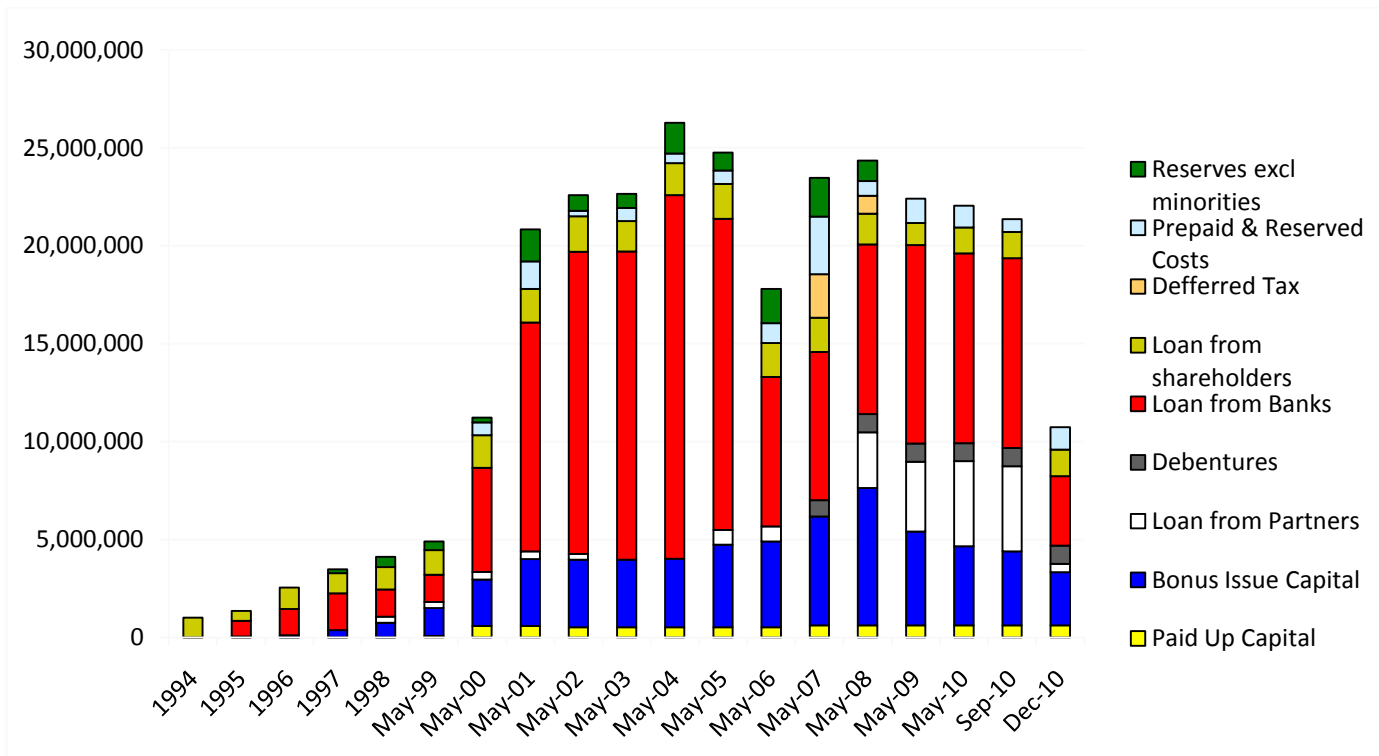
Please compare to the stock price of Land Securities, see graph below.



Owner Structure 31st December 2010



Capital Structure 31st December 2010



Funding 31st December 2010

Domestic Loans	
Debenture Holders – Redab Residential Ltd	£923,381
External Shareholders – Subordinated loan	£978,808
T. Ljungberg B.V. – Subordinated loan	£369,037
T. Ljungberg B.V. – Profit sharing loan Redab Residential Ltd	£438,903
Total	£2,710,129

External Loans 10th March 2011	
<i>Bristol & West Property Finance*</i> 657-659-661-663 Commercial Road (Deposit £86,000) was repaid 2 nd March 2010	0
<i>Bristol & West Property Finance*</i> Four residential flats. (Will be paid down to £230,000 10 th March 2011)	£230,000
<i>Bristol & West Property Finance*</i> Kilburn. (Deposit £150,000) Partly repaid 10 th March 2011	£1,400,000
Total 10th March 2011	£1,630,000

* *Bristol & West Property Finance forms part of Bank of Ireland.*

Bank loans to Total Assets = $\frac{\text{£ } 1,630,000}{\text{£ } 10,638,770} = 15.3\%$

Cash at bank 10th March 2011 will be approximately £225,000.

Forecast to 31st May 2011

We have planned a Road Show for 11th April 2011 in Stockholm, 12th April in Karlskoga, 13th April in Örebro and 14th April in Gothenburg where we plan to be available to answer any questions about what has happened. We will also present new units to replacing current subordinated loan / debentures. We will hopefully present some new purchases.

The Development of the Share Capital 31st December 2010 in £ (Pounds Sterling)

Nominal value: £1 per share



Graham K Jacob
Senior Partner
Brindley Jacob
Company Auditor

Year	Changes	Share issues	Increase in Share Capital	Total Nos of Shares	Total Issued Share Capital
1994	The Company is formed			100	100
1995	Bonus Issue	49,900	49,900	50,000	50,000
1996	Bonus Issue 1:1	50,000	50,000	100,000	100,000
1997	Bonus Issue 1:2	50,000	50,000	150,000	150,000
1998	Bonus Issue 3:2	225,000	225,000	375,000	375,000
1998	Bonus Issue 1:3	125,000	125,000	500,000	500,000
1998	Bonus Issue 1:2	250,000	250,000	750,000	750,000
1999	Bonus Issue – lieu of interest	6,674	6,674	756,674	756,674
1999	Bonus Issue 2:5	302,669	302,669	1,059,343	1,059,343
1999	Bonus Issue 1:3	353,114	353,114	1,412,457	1,412,457
1999	Bonus Issue – lieu of interest	15,251	15,251	1,427,708	1,427,708
1999	New Issue – loan conversion	72,205	72,205	1,499,913	1,499,913
2000	New Issue	122,651	122,651	1,622,564	1,622,564
2000	New Issue	388,871	388,871	2,011,435	2,011,435
2000	Bonus Issue 4:9	893,971	893,971	2,905,406	2,905,406
2000	Bonus Issue – lieu of interest	41,776	41,776	2,947,182	2,947,182
2001	Bonus Issue 1:3	982,394	982,394	3,929,576	3,929,576
2001	Bonus Issue – lieu of interest	63,296	63,296	3,992,872	3,992,872
2002	Repurchase shares	- 75,850	- 75,850	3,917,022	3,917,022
2002	Bonus Issue – lieu of interest	34,874	34,874	3,951,896	3,951,896
2002	New Issue	6,639	6,639	3,958,535	3,958,535
2004	Bonus Issue – lieu of interest	51,540	51,540	4,010,075	4,010,075
2004	Repurchase shares	- 322	- 322	4,009,753	4,009,753
2004	Bonus Issue 1:6	668,345	668,345	4,678,098	4,678,098
2005	Bonus Issue – lieu of interest	54,567	54,567	4,732,665	4,732,665
2005	New Issue – loan conversion	96,894	96,894	4,829,559	4,829,559
2006	Bonus Issue – lieu of interest	59,063	59,063	4,888,622	4,888,622
2007	Bonus Issue – lieu of interest	49,497	49,479	4,938,119	4,938,119
2007	Bonus Issue 1:4	1,234,449	1,234,449	6,172,568	6,172,568
2007	Bonus Issue 1:4	1,543,142	1,543,142	7,715,710	7,715,710
2007	Repurchase shares	- 10,140	- 10,140	7,705,570	7,705,570
2008	Bonus Issue – lieu of interest	60,523	60,523	7,766,093	7,766,093
2008	Net repurchase shares	- 138,068	- 138,068	7,628,025	7,628,025

Profit & Loss Accounts & Balance Sheets

31st December 2010 in £ (Pounds Sterling)

CONSOLIDATED PROFIT AND LOSS	31/05 2006	31/05 2007	31/05 2008	31/05 2009	31/05 2010	31/12 2010
Costs	- 766,435	- 1,002,376	- 1,726,591	- 932,592	- 710,907	-3,294,330
Income	1,809,033	2,347,246	1,085,878	890,225	923,701	2,501,907
P/(L) before finance	1,042,598	1,344,870	- 640,713	- 42,367	212,794	-792,423
Finance	- 1,175,836	183,810	4,654,773	- 598,635	- 549,433	-1,077,211
P/(L) before taxation	- 133,238	1,528,680	4,014,060	- 641,002	- 336,639	-1,869,634
Tax	- 154,124	- 3,064	- 863,349	1,372	246,183	-28,246
P/(L) after taxation	- 287,362	1,525,616	3,150,711	- 639,630	- 90,456	-1,897,880
CONSOLIDATED BALANCE SHEET						
CONSOLIDATED BALANCE SHEET	31/05 2006	31/05 2007	31/05 2008	31/05 2009	31/05 2010	31/12 2010
Properties with Plant and Machinery	16,002,255	18,852,743	19,725,619	18,667,793	20,307,872	7,778,787
Debtors	341,410	2,823,420	219,091	1,220,168	829,310	1,836,678
Bank	1,448,614	1,794,265	4,409,427	2,518,255	911,065	1,023,305
Total Assets	17,792,279	23,470,428	24,354,137	22,406,216	22,048,247	10,638,770
Creditors	846,515	2,808,525	738,175	1,245,779	1,108,094	1,158,434
Taxation	153,139	127,359	** 925,750	0	0	0
Loan from Shareholders	1,730,662	1,749,239	1,565,340	1,134,767	1,330,445	1,347,845
Loan from partners	772,424	0	2,845,615	3,562,483	4,347,383	438,903
Debentures		835,820	923,381	923,381	923,381	923,381
Loan from banks	7,645,117	7,572,759	8,670,000	10,130,000	9,690,000	3,550,000
Share capital	4,888,622	6,172,568	7,628,025	7,628,025	7,628,025	7,628,025
Reserves	680,344	1,919,170	662,677	- 2,156,985	- 2,653,835	-4,477,763
Potential tax on hidden Capital Gain	0	2,220,000	0	0	0	0
Minority Shareholders' interests in subsidiaries	1,075,456	64,988	395,174	- 61,234	- 325,246	69,945
Total Liabilities, Capital and Reserves	17,792,279	23,470,428	24,354,137	22,406,216	22,048,247	10,638,770