29 September 2008 *For immediate release*

The Hotel Corporation plc

Interim Results for the Six Months ended 30 June 2008

The Hotel Corporation plc ("the Company"), an AIM listed investment company owning 49.9% of Puma Hotels plc ("PHP"), announces its interim results for the six months to 30 June 2008. PHP is today separately announcing interim results for the six months to 30 June 2008.

Highlights

The Hotel Corporation

- Net asset value per share of 239p
- Interim dividend of 2.7p (2007: 2.7p)
- DSH now renamed Puma Hotels plc and services of key personnel secured

Puma Hotels

- Substantial increase in Operating Profit during the first half of 2008
- Annual rent increased from £28m to £30m on 4 September 2008
- Progressing plans for the next 18 months to build new rooms
- Cost savings effected of £1.4m per annum

Barclay Douglas, Chairman of The Hotel Corporation plc, said:
"As PHP embarks on its second year of the lease arrangements with Barceló we are pleased that it has the security of the long term operating lease with this blue chip hotel operator during uncertain times. Cashflow will grow in subsequent years according to the formula in the leases and is supported by Barceló's strong covenant rather than being dependent on the potential cyclicality of the hotel business. In addition, PHP is continuing to progress the opportunity to develop the estate in co-operation with its tenant."

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Peter Procopis

Shore Capital and Corporate Ltd **0207 408 4090**
Graham Shore

Notes to Editors

1. Puma Hotels plc ("PHP") acquired 13 Paramount branded hotels in July 2004. Following further acquisitions it now owns 20 four-star hotels across Scotland, Northern England, Central England, Southern England and Wales. See the table below for a full list of hotels.
2. The hotels offer extensive banqueting, conference and leisure facilities and many of them have architectural and historical significance. The Group has 2,872 bedrooms and around 20,000 square metres of conference and meeting space and offers extensive facilities to both corporate and leisure guests.
3. From July 2004 until 6 September 2007, PHP owned and operated each of the 20 hotels. From 6 September 2007 PHP granted 45 year FRI leases for each hotel to Barceló Group, a leading Spanish operator with substantial global operations. From 1 January 2008 all 20 hotels have been rebranded and each hotel now carries the Barceló brand.
4. PHP's hotel locations are shown below:

		Bedrooms	No. of meeting rooms	Health & Leisure	Location
CENTRAL ENGLAND					
1	Barceló Billesley Manor Hotel, Nr. Stratford*	72	12	Y	Country
2	Barceló Cheltenham Park Hotel	152	11	Y	Country
3	Barceló Daventry Hotel	155	8	Y	Country
4	Barceló Hinckley Island Hotel	362	21	Y	Country
5	Barceló Oxford Hotel	168	25	Y	City
6	Barceló Buxton Palace Hotel	122	9	Y	Country
7	Barceló Walton Hall Hotel & Spa, Warwickshire* +	202	20	Y	Country
8	Barceló The Lygon Arms, Cotswolds*	77	8	Y	Country
NORTHERN ENGLAND					
9	Barceló Blackpool Imperial Hotel	180	15	Y	Coast
10	Barceló Harrogate Majestic Hotel	167	10	Y	City
11	Barceló Redworth Hall Hotel, Co. Durham*	143	10	Y	Country
12	Barceló Shrigley Hall Hotel, Cheshire*	148	12	Y	Country
SCOTLAND					
13	Barceló Edinburgh Carlton Hotel	189	10	Y	City
14	Barceló Troon Marine Hotel*	89	4	Y	Coast
15	Barceló Stirling Highland Hotel	96	7	Y	City
SOUTHERN ENGLAND					
16	Barceló Combe Grove Manor, Bath*	42	5	Y	Country
17	Barceló Basingstoke Country Hotel	100	10	Y	Country
18	Barceló Torquay Imperial Hotel	152	7	Y	Coast
19	Barceló Brighton Old Ship Hotel	154	11	N	Coast
WALES					
20	Barceló Cardiff Angel Hotel	102	7	N	City
	Total	**2,872**	**222**		

***** *Barceló Premium Hotels*

+ Operationally, Barceló split this property into a Barceló Premium Hotel, Barceló Walton Hall and a Barceló Hotel, Barceló Walton Hotel

Chairman's Statement

I am pleased to report on the interim figures for the first six months of the current year. The Company's principal asset comprises its interest in Puma Hotels plc (formerly Dawnay Shore Hotels plc) and this statement therefore discusses the results of both the Company itself and also of Puma Hotels plc ("PHP"). The consolidated balance sheet of PHP as at 30 June 2008, the consolidated profit and loss account and consolidated cashflow statement of PHP for the six months ended 30 June 2008 are also provided in this statement.

Results of the Company

Revenue for the period, including bank interest, was £1.05m (2007: £1.68m) and, following administrative expenses, operating profit was £950,000 (2007: £1.57m). As a consequence of the PHP loss for the period discussed below, we incurred an unrealised investment loss of £1.67m (2007: nil), generating a loss before tax of £723,000 (2007: £1.57m profit). No tax is payable reflecting the zero corporate taxation provisions in the Isle of Man. Operations and bank interest contributed 2.74p to earnings per share ("eps"), whilst unrealised investment losses generated a loss per share of 4.83p. Together they gave a loss per share (both basic and diluted) of 2.09p (2007 eps: 4.5p – entirely from operations including bank interest).

The Net Asset Value per share at 30 June 2008 is 239p (2007: 290p). The Company values its shareholding in PHP on the basis of the net asset value of PHP as set out in PHP's interim accounts. For the purpose of preparing its 30 June 2008 accounts, PHP has used the external professional valuation of its hotel portfolio completed by Colliers Robert Barry on 7 April 2008 and also recorded in the Company's 31 December 2007 audited financial statements. This valuation of the portfolio, which excludes land held for non-hotel development, is £527m. The Board of PHP considers that the current value of the land held for development is a further £4m.

Dividend

The Company has today declared an interim dividend of 2.7p per ordinary share (2007: 2.7p). The ex-dividend date will be 1st October 2008 and the record date 3rd October 2008. Payment will be made to shareholders on 31st October 2008.

Barclay Douglas
Chairman
26th September 2008

Puma Hotels plc Review of Operations and Financial Performance

Introduction

Following the granting of leases to Barceló Group ("Barceló") on 6 September 2007, the financial year commencing 1 January 2008 represents the first full year of Puma Hotels plc ("PHP") trading solely as an owner of hotel property receiving income from property rents.

As stated in previous announcements, PHP has become a property investment company specialising in hotels. Barceló is a leading Spanish hospitality group with substantial global hotel and other leisure related operations and, by leasing the properties, PHP has gained a secure and growing income stream from a blue chip tenant. The Board of PHP envisages that the Company's growth may in due course come not only from further development of the existing property portfolio, but also from acquiring additional hotel assets to which a similar approach can be applied. The Board believes that PHP's strategic alliance with Barceló will play an important part in the Company's growth.

Financial Performance

PHP's results for the first half of 2008 reflect the changes in its business. As the transfer of the business became effective on 6 September 2007, the comparative numbers for the first half of 2007 and for a substantial portion (circa eight months) of the full 2007 year represent results from when the Company traded as a hotel operator.

Turnover for the 6 months ended 30 June 2008 of £13.7m represents rent received from Barceló (2007H1: £48.4m being trading revenue from hotel operations). Operating profit of £11.4m (2007H1: £6.4m) substantially increased reflecting the benefit of the lease arrangements agreed with Barceló. This arises because PHP no longer bears the overhead of operating the hotel group. Moreover, PHP no longer needs to fund maintenance expenditure other than, as previously reported, that PHP has agreed, as part of the lease arrangements, to make a £10m contribution for capital works over the first 10 years of the lease. Of this, £2.9m has already been contributed in accordance with the agreement (£1.4m of this was paid in September 2008).

The loss on ordinary activities of £3.7m for the period is expected to be substantially lower in the second half of the year (this loss is after deducting non-cash items as follows: £674,000 of amortisation of loan arrangement fees (final tranche so will not be recurring) and £260,000 of goodwill amortisation which is recurring). This is as a result of the increase in rent from Barceló and the SWAP agreement and overhead savings discussed below. In addition, £674K of the loss represents the final tranche of the amortisation of loan arrangement fees. Rent has now increased from £28m to £30m and will again increase to £31m in 2010. The combination of additional revenue and lower costs mean that going forward the Company's financial position will be substantially improved.

Net bank interest payable increased by £2.4m. Of this increase, £1.5m was due to an increase in the total borrowings of the Company during the latter half of 2007, the remainder due to an increase in the cost of 3 month LIBOR. The additional borrowings were largely taken on to fund capital improvements as detailed in the 2007 annual report. This expenditure increased capacity at the hotels and also improved existing facilities. Bank borrowings at 30 June 2008 were approximately £345m (2007H1: £306m), or 65 percent of the value of investment properties held. Total interest payable also includes payments to bondholders of the Company's deep discounted bonds of circa £2m.

The Company executed an interest rate SWAP agreement on 16 September 2008. This SWAP is at a rate of 5.145 per cent (compared to current 3 month LIBOR of over 6 per cent), it runs until 31 December 2014 and is initially for £131m rising to £150m by 31 December 2009. The remainder of the loan facility was already subject to an interest rate SWAP. As a result of this interest rate SWAP and the reduction of operating overhead since the assumption of the portfolio management contract by Shore Capital (see "Post balance sheet date events") interest expense and operating overhead are expected to be circa £1.4m p.a. lower going forward.

New Leases and Property Revaluation

The leases granted to Barceló place full repairing and insuring obligations on the tenant and provide guaranteed rental growth over the first four years which is inflation-indexed thereafter and can also increase if hotel EBITDA performs well. Therefore the asset values on the balance sheet of PHP now reflect these lease arrangements.

For the purpose of preparing its 30 June 2008 interim financial statements, PHP has used the external professional valuation completed by Colliers Robert Barry on 7 April 2008 and recorded in the Company's 31 December 2007 audited financial statements. This valuation of the portfolio, which excludes land held for non-hotel development, is at £527m. The Board of PHP considers that the current value of the land held for development is a further £4m.

Review of Capital Structure

When the Company announced the outcome of the strategic review on 23 August 2007, the Board also announced that it intended to review the Company's capital structure. It commented that the secure income generated by the leases offered the opportunity to the Company to increase its borrowing. This would provide an opportunity, in due course, to repay bondholders, fund future capital expenditure and also, possibly, to return further value to shareholders.

During the period since the announcement, the Company had discussions with its bankers in order to progress these possibilities. However, given the current banking climate, the Directors believe that any increase in the level of borrowings should first be used to fund the development programme (see next section). Implementing this development programme should in turn substantially enhance the overall value of the Company.

Development plans

In the past, PHP has successfully exploited the potential for gains in value through developing the portfolio by adding extra rooms, conference and other facilities. This programme is expected to continue and at present PHP has the potential to add approximately 800 rooms (over 20 per cent of the current estate) of which 363 rooms have already received the necessary planning or listed building consent. There are also schemes for 2,500 sq.m (over 50per cent of which has planning consent) of additional meeting rooms and upgrades for several leisure clubs. The economics of adding these rooms can be highly attractive for both parties. The value of the development potential of the portfolio is not typically fully recognised in a professional valuation and PHP therefore believes that fulfilling the programme will add significantly to net asset value over time.

In order to realise these development plans PHP and Barceló are in discussions to determine the timing and detailed specification of each project.

Strategy and Plans

Having concluded the leases with Barceló, PHP has transformed its financial position. The effect is to increase PHP's net cashflow before interest in the first year of the leases because PHP will no longer bear the overhead costs of operating the hotel group nor (other than the agreed contribution) need to fund maintenance expenditures. Cashflow will grow further in subsequent years according to the leases' formula and is supported by Barceló's strong covenant rather than being dependent on the potential cyclicality of the hotel business.

This gives the Company a strong platform from which to build further growth in value. The most obvious and immediate way to do this is through carrying out the development programme discussed above.

There are also possibilities to increase the number of hotel properties in the portfolio. We continue to monitor the market and may seek attractive hotel acquisition opportunities when financial conditions become more stable. As a major successful hotel property specialist with good access to the financial markets, we remain open to taking advantage of attractive opportunities. Under our agreement with Barceló there is provision to place any new acquisitions under their management with an operating lease.

Post balance sheet date events

As announced on 24 July 2008, following the events at Dawnay, Day the Company has terminated the engagement of Dawnay, Day Hotels Limited ("DDHL") under the Portfolio Management Agreement and with effect from 23 July 2008 has engaged Shore Capital Limited to provide the services previously supplied by DDHL to the Company on the same terms. Howard Shore was appointed chairman of the Company and Jonathan Paisner appointed to join the board as a director.

Peter Klimt and Guy Naggar tendered their resignations as directors of the Company and these resignations were accepted by the board. The board would like to thank each of Peter Klimt and Guy Naggar for their contribution to the Company.

On 11 August 2008, at a general meeting of shareholders, the Company changed its name from Dawnay Shore Hotels plc to Puma Hotels plc. The Company's website is now live and can be accessed on: http://www.pumahotels.co.uk

On 23 August 2007, the Board of the Company announced that it was considering a potential corporate reorganisation. On 18 August 2008 the Board announced that it had no current plans to undertake such a reorganisation and, accordingly, agreed with the Takeover Panel that the announcement made on that date would end the offer period.

The Company executed an interest rate SWAP agreement on 16 September 2008. This SWAP is at a rate of 5.145 per cent, it runs until 31 December 2014 and is initially for £131m rising to £150m by 31 December 2009.

Prospects

The Company is well-placed to grow value for shareholders. It has an attractive portfolio of assets which are let to a progressive tenant with a strong covenant. Under the terms of the leases, the rental income has increased to £30m (from £28m) from 4 September 2008. We also believe that the inflation-indexation in the leases makes the portfolio's value more resilient in a bear market and will also give rise to significant extra value once the credit markets improve. In addition, we continue to progress the opportunity to develop the estate in co-operation with our tenant.

INDEPENDENT REVIEW REPORT TO HOTEL CORPORATION PLC

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30th June 2008 which comprises the income statement, the balance sheet, the statement of changes in equity, the cash flow statement and related notes 1 to 6. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the company in accordance with International Standard on Review Engagements 2410 issued by the Auditing Practices Board. Our work has been undertaken so that we might state to the company those matters we are required to state to them in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our review work, for this report, or for the conclusions we have formed.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the AIM Rules of the London Stock Exchange

As disclosed in note 1, the annual financial statements of the company are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report have been prepared in accordance with the accounting policies the company intends to use in preparing its next annual financial statements.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

As more fully explained in Note 2, the fair value of the investment in Puma Hotels plc (PHP) was calculated using the net asset value of PHP as per the unaudited financial statements as at 30 June 2008. The unaudited financial statements of PHP for the six months ended 30 June 2008 include the hotel portfolio at the samevaluation as was included in the 31st December 2007 audited financial statements of PHP.

On the basis of our review, except for any changes to the valuation of investment which might have been required if a valuation of the portfolio of PHP had been available at 30th June 2008, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30th June 2008 is not prepared, in all material respects, in accordance with the AIM Rules of the London Stock Exchange.

Deloitte & Touche
Chartered Accountants
26th September 2008
Isle of Man

An audit does not provide assurance on the maintenance and integrity of the website, including controls used to achieve this, and in particular on whether any changes may have occurred to the financial statements since first published. These matters are the responsibility of the directors but no control procedures can provide absolute assurance in this area. Legislation in the United Kingdom governing the preparation and dissemination of financial statements differs from legislation in other jurisdictions.

Income Statement
For the six months ended 30th June 2008

	Notes	Unaudited Period from 1 January 2008 until 30 June 2008	Unaudited Period from 1 January 2007 until 30 June 2007	Audited Year to 31 December 2007
	Notes	**£’000**	**£’000**	**£,000**
Continuing Operations				
Revenue	5	993	1,622	2,615
Administrative expenses		(97)	(107)	(226)
Profit from operations		896	1,515	2,389
Bank interest receivable		54	57	111
Investment (loss)-unrealised	2	(1,673)	-	(15,153)
(Loss)/Profit before tax		(723)	1,572	(12,653)
Taxation		-	-	-
(Loss)/Profit after tax for the period from continuing operations		**(723)**	**1,572**	**(12,653)**
Earnings per share		**2008**	**2007**	**2007**
Basic and diluted	3	(2.09p)	4.5p	(36.5p)

Balance Sheet
As At 30th June 2008

Assets	**Notes**		**Unaudited as at 30 June 2008**		**Unaudited as at 30 June 2007**		**Audited as at 31st December 2007**
		£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Non-Current Assets							
Investments	2		81,150		97,976		82,823
Current Assets							
Trade and other receivables		5		7		10	
Cash and Cash Equivalents		1,719		2,331		2,332	
			1,724		2,338		2,342
Total assets			82,874		100,314		85,165
Equity & Liabilities							
Capital & Reserves							
Share Capital			1,731		1,731		1,731
Share Premium Account			33,300		33,300		33,300
Retained Earnings			47,825		65,266		50,106
			82,856		100,297		85,137
Current Liabilities							
Trade and other payables			18		17		28
			82,874		100,314		85,165
Net asset values per share			239p		290p		246p

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Barclay Douglas
Director

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David Craine
Director

26th September 2008

Statement of Changes in Equity
For the six months ended 30th June 2008

	Share capital	**Share premium account**	**Retained earnings**	**Total**
	£'000	**£'000**	**£'000**	**£'000**
Balance at 31st December 2007	1,731	33,300	50,106	85,137
(Loss) for period	-	-	(723)	(723)
Dividend paid	-	-	(1,558)	(1,558)
Balance at 30th June 2008	**1,731**	**33,300**	**47,825**	**82,856**

Cash Flow Statement
For the six months ended 30th June 2008

	Notes	Unaudited Period from 1 January 2008 until 30 June 2008 £'000	Unaudited Period from 1 January 2007 until 30 June 2007 £'000	Audited Year to 31 December 2007 £'000
Net cash Inflow/(Outflow) From Operating Activities	4	(102)	518	407
Investing activities				
Interest receivable		54	57	111
Proceeds received on the maturity of investments		993	993	1,986
Net cash from investing activities		1,047	1,050	2,097
Financing activities				
Dividends paid		(1,558)	(1,558)	(2,493)
Net cash (used in) financing activities		(1,558)	(1,558)	(2,493)
Net increase (decrease) in cash and cash equivalents		(613)	10	11

Notes to the Accounts
For the six months ended 30th June 2008

1. Basis of Accounting

The financial information in this announcement has been prepared in accordance with the recognition and measurement criteria of International Financial Reporting Standards (IFRS). Certain information and disclosures normally required to be included in the notes to the annual financial statements have been omitted or condensed. These interim financial statements should be read in conjunction with the financial statements and the notes thereto in the Company's Annual Report for the year ended 31st December 2007. The accounting policies are consistent with those set out in the Company's financial statements for the year ended 31st December 2007.

The statutory accounts for the year ended 31st December 2007 have been filed with the Registrar of Companies and contained an unqualified audit report.

2. Investments

	Unaudited Period from 1st January 2008 to 30 June 2008	**Unaudited Period from 1st January 2007 30th June 2007**	**Audited Year to 31st December 2007**
	£'000	**£'000**	**£'000**
Classified as:			
Fair Value through Profit and Loss Investments	64,600	81,426	66,273
Held to maturity	16,550	16,550	16,550
	81,150	97,976	82,823

Fair Value through Profit or Loss Investments

Fair value at start of period	66,273	81,426	81,426
(Decrease) in fair value	(1,673)	-	(15,153)
Fair value at end of period	64,600	81,426	66,273

Notes to the Accounts
For the six months ended 30th June 2008 Continued

2. Investments Cont'd

The investment classified as 'Fair Value through Profit and Loss' shown above represents a holding of 16,550,000 ordinary shares of £1 par value in Puma Hotels plc (formerly Dawnay Shore Hotels plc), which comprises 49.92% of the issued share capital of that company. Investments in the ordinary shares of Puma Hotels plc ("PHP") held at the balance sheet date are measured at their fair value. In determining the fair value attributable to the ordinary shares in PHP, the directors drew upon the net asset value of PHP, as set out in the unaudited financial statements of that company as at 30th June 2008 and utilised that net asset value for each ordinary share held in PHP by the Company, making an appropriate adjustment for the carried interest attributable to the founder shares in PHP (as defined in the Hotel Corporation plc prospectus issued on 9th July 2004). For the purpose of preparing its 30 June 2008 interim financial statements, PHP has used the external professional valuation of its Hotel portfolio completed by Colliers Robert Barry on 7 April 2008.

	Unaudited Period from 1st January 2008 to 30 June 2008	Unaudited Period from 1st January 2007 30th June 2007	Audited Year to 31st December 2007
	2008 £'000	2007 £'000	2007 £'000
Investments Held to Maturity			
At start of period	16,550	16,550	16,550
Redeemed in Period	(993)	(993)	1,986
Amortisation of Discount	993	993	(1,986)
At end of period	16,550	16,550	16,550

The investments included above represent unlisted investments in unsecured deep discount bonds issued by DSH (Finance) plc, a subsidiary of Puma Hotels plc, maturing at nominal value over a period of five years. The bonds have a coupon rate of nil percent.

Notes to the Accounts
For the six months ended 30th June 2008 Continued

3. Earnings Per Share

	Unaudited Period from 1st January 2008 to 30 June 2008	Unaudited Period from 1st January 2007 30th June 2007	Audited Year to 31st December 2007
Basic and Diluted Earnings Per Share	(2.09p)	4.5p	(36.5p)
This comprises:			
Basic and diluted earnings per share from operations and bank interest	2.74p	4.5p	7.2p
Basic and diluted earnings per share from investment (losses)/gains	(4.83p)	Nil	(43.7p)

The calculation of basic earnings per share is based on the following data:

	£'000	**£'000**	**£'000**
Earnings			
Profit from operations and bank interest	950	1,572	2,500
Investment (losses)/gains	(1,673)	-	(15,153)
Net (loss)/ profit for period	(723)	1,572	(12,653)
Number of shares			
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	34,619,050	34,619,050	34,619,050

There are no convertible investments in existence at 30th June 2008 and therefore diluted earnings per share does not differ from basic earnings per share.

4. Reconciliation of Profit from Operations to Net Cash from Operating Activities

	Unaudited Period from 1st January 2008 to 30 June 2008	Unaudited Period from 1st January 2007 30th June 2007	Audited Year to 31st December 2007
	£'000	£'000	£'000
Profit from operations	896	1,515	2,389
Decrease/(increase) in receivables	5	3	-
(Decrease)/increase in trade and other payables	(10)	(7)	4
Amortisation of discount on investments	(993)	(993)	(1,986)
Net cash inflow/(outflow) from operating activities	(102)	518	407

5. Revenue

	Unaudited Period from 1st January 2008 to 30 June 2008	Unaudited Period from 1st January 2007 30th June 2007	Audited Year to 31st December 2007
	£'000	£'000	£'000
Amortisation of Discount on purchase of investments	993	993	1,986
Dividend Received	-	629	629
	993	1,622	2,615

6. Post Balance Sheet Event

On 11th August 2008 an application to the Isle of Man High Court was approved confirming the cancellation of the Company's Share Premium Account and the balance being credited to the Company's Distributable Reserves.

Puma Hotels plc (formerly Dawnay Shore Hotels plc)
Consolidated Profit and Loss Account
6 Months Ended 30 June 2008

	Unaudited 6 months ended 30 June 2008 £'000	Unaudited 26 weeks ended 1 July 2007 £'000	Audited Year ended 31 December 2007 £'000
Turnover	**13,696**	48,430	76,991
Cost of Sales	**-**	(5,594)	(8,028)
Gross profit	**13,696**	42,836	68,963
Administrative Expenses	**(2,333)**	(36,456)	(57,896)
Deficit on revaluation of properties	**-**	-	(7,077)
Operating Profit	**11,363**	6,380	3,990
Loss on sale of fixed assets	**-**	-	(116)
	11,363	6,380	3,874
Interest receivable and similar income	**26**	30	140
Bank interest payable	**(12,416)**	(10,013)	(22,206)
Interest on shareholder loans	**(1,989)**	(1,984)	(4,001)
Other interest payable and similar charges	**(675)**	(544)	(2,953)
Total Interest payable and similar charges	**(15,080)**	(12,541)	(29,160)
Loss on ordinary activities before taxation	**(3,691)**	(6,131)	(25,146)
Tax on loss on ordinary activities	**-**	-	8,018
Dividends	**-**	(1,260)	(1,260)
Retained loss for the financial period	**(3,691)**	(7,391)	(18,388)

No statement of Total Recognised Gains and Losses has been presented as all items have been reported in the profit and loss account.

Breakdown of other interest payable and similar charges:

Amortisation of loan arrangement fees	(674)	(522)	(2,917)
Interest paid on finance leases	(1)	(22)	(36)
	(675)	(544)	(2,953)

Puma Hotels plc (formerly Dawnay Shore Hotels plc)
Consolidated Balance Sheet
As at 30 June 2008

	Unaudited As at 30 June 2008 £'000	Unaudited As at 1 July 2007 £'000	Audited As at 31 December 2007 £'000
Fixed assets			
Intangible assets – Goodwill	**8,742**	9,263	9,002
Tangible assets	**531,852**	543,398	531,060
	540,594	552,661	540,062
Current Assets			
Stocks	**-**	745	-
Debtors	**61**	8,477	819
Cash at Bank and in hand	**9,540**	3,946	6,979
	9,601	13,168	7,798
Creditors amounts falling due within one year	**(14,161)**	(27,785)	(24,129)
Net current liabilities	**(4,560)**	(14,617)	(16,331)
Total assets less current liabilities	**536,034**	538,044	523,731
Creditors amounts falling due after more than one year	**(378,490)**	(339,434)	(362,496)
Provision for liabilities and charges	**(3)**	(8,021)	(3)
Net assets	**157,541**	190,589	161,232
Capital and reserves			
Called up share capital	**1,658**	1,658	1,658
Share premium account	**32,137**	32,137	32,137
Revaluation reserve	**149,425**	168,043	149,425
Profit and loss account	**(25,679)**	(11,249)	(21,988)
Equity shareholders' funds	**157,541**	190,589	161,232

Puma Hotels plc (formerly Dawnay Shore Hotels plc)
Consolidated Cash Flow Statement
6 Months ended 30 June 2008

	Unaudited 6 months ended 30 June 2008 £'000	Unaudited 26 weeks ended 1 July 2007 £'000	Audited Year ended 31 December 2007 £'000
Net cash inflow from operating activities	**5,979**	11,633	23,947
Returns on investments and servicing of finance			
Interest received	**26**	30	140
Interest paid	**(13,106)**	(5,429)	(18,059)
Interest paid on finance leases	**(1)**	(22)	(36)
Dividends paid	**-**	(1,260)	(1,260)
Net cash outflow from returns on investments and servicing of finance	**(13,081)**	(6,681)	(19,215)
Taxation			
Corporation tax paid	**-**	-	-
Capital expenditure			
Purchase of tangible fixed assets	**(792)**	(19,875)	(35,485)
Sale of tangible fixed assets	**-**	-	226
Net cash outflow from capital expenditure and financial investment	**(792)**	(19,875)	(35,259)
Acquisitions			
Purchase of Hotels	**-**	-	-
Purchase of subsidiary undertakings	**-**	-	-
Cash balances less overdraft acquired with hotels and subsidiary undertakings	**-**	-	-
Net cash outflow from acquisitions	**-**	-	-
Net cash outflow before financing	**(7,894)**	(14,923)	(30,527)
Financing			
New term loans raised	**11,940**	18,251	105,626
Bank loans repaid	**-**	-	(63,033)
Bonds repaid	**(1,259)**	(1,416)	(2,751)
Term loan issue costs	**(205)**	(266)	(663)
Loan notes repaid	**-**	-	(3,709)
Repayment of principal under finance leases	**(21)**	(107)	(371)
Net cash inflow from financing	**10,455**	16,462	35,099
Increase in cash	**2,561**	1,539	4,572

Notes to the financial statements of Puma Hotels plc:

1. ACCOUNTING POLICIES

The interim financial information for the 6 months ended 30 June 2008 has been prepared in accordance with applicable United Kingdom accounting standards using policies consistent with those applied to the year ended 31 December 2007 and the 26 weeks ended 1 July 2007. The interim information, together with the comparative information contained in this report for the year ended 31 December 2007, does not constitute statutory accounts within the meaning of section 240 of the Companies Act 1985. The interim financial information has not been audited by the Company's auditor. The interim financial information has been reviewed by the Company's auditor and the Independent review report is set out the statement issued by PHP. The statutory accounts for the year ended 31 December 2007 have been reported on by the Company's auditors, Deloitte & Touche LLP, and delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified and did not contain a statement under section 237(2) or (3) of the Companies Act 1985. Copies of this announcement will be posted on the Company's website.

2. SEGMENTAL ANALYSIS

The Group's turnover, loss before taxation and net assets are derived from its principal activity within the UK and as such no segmental information has been disclosed.

3. RELATED PARTY TRANSACTIONS

The Group has been involved in transactions with companies within the Dawnay Day Group and Shore Capital Group which are subject to common control.

	Profit and loss charge in the period £'000	**Outstanding creditor at the period end £'000**
Recharge of management costs by Dawnay Day Hotel Management Limited to Dawnay Shore Hotels plc	237	116
Management fees charged by Shore Capital Limited to Dawnay Shore Hotels plc	451	225
Management fees charged by Dawnay Day Hotels Limited to Dawnay Shore Hotels plc	1,178	-

The management fee charged by Shore Capital Limited is based on 17 basis points of gross asset value per annum.

The management fee charged by Dawnay Day Hotels Limited is based on 43 basis points of gross asset value per annum.

From 24 July 2008, Shore Capital Limited is exclusive manager to PHP and hence the management charge by Shore Capital Limited is based on 60 basis points of gross asset value per annum.

Notes to the financial statements of Puma Hotels plc (continued):

4. DIVIDENDS

During the period the Company did not pay any dividends (2007: £1,260,000 or 3.8p per ordinary share).

5. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Unaudited 6 months ended 30 June 2008 £'000	**Unaudited 26 weeks ended 1 July 2007 £'000**	**Audited Year ended 31 December 2007 £'000**
Operating profit	11,363	6,380	-
Impairment of tangible fixed assets	-	-	7,077
Depreciation of tangible fixed assets	-	4,250	6,408
Amortisation of goodwill	260	260	521
Decrease in stocks	-	117	862
Decrease / (Increase) in debtors	776	1,536	9,176
(Decrease) in creditors	(6,420)	(910)	(4,087)
Net cash inflow from operating activities	5,979	11,633	23,947

6. POST BALANCE SHEET DATE EVENTS

As announced on 24 July 2008, following the events at Dawnay, Day, PHP has terminated the engagement of Dawnay, Day Hotels Limited ("DDHL") under the Portfolio Management Agreement and with effect from 23rd July 2008 has engaged Shore Capital Limited to provide the services previously supplied by DDHL to the Company on the same terms. Howard Shore was appointed chairman of the Company and Jonathan Paisner appointed to join the board as a director.

Peter Klimt and Guy Naggar tendered their resignations as directors of the Company and these resignations were accepted by the board. The board would like to thank each of Peter Klimt and Guy Naggar for their contribution to the Company.

On 11 August 2008, at an EGM of shareholders the Company changed its name from Dawnay Shore Hotels plc to Puma Hotels plc.

On 23 August 2007, the Board of the Company announced that it was considering a potential corporate reorganisation. On 18 August 2008 the Board announced that it had no current plans to undertake such a reorganisation and, accordingly, agreed with the Takeover Panel that the announcement made on that date would end the offer period.

The Company executed an interest rate SWAP agreement on 16 September 2008. This SWAP is at a rate of 5.145 per cent (compared to current 3 month LIBOR of over 6 per cent), it runs until 31 December 2014 and is initially for £131m rising to £150m by 31 December 2009.