

St. Modwen Properties PLC

AGM Statement

St. Modwen Properties PLC is a property development and investment company concentrating on regeneration. It has four particular areas of specialism: town centre regeneration; partnering industry in its restructuring; renewal of brownfield land; and heritage restoration.

At its Annual General Meeting today, Anthony Glossop, Chairman of St. Modwen Properties PLC said:

"In my chairman's statement within the 2004 Annual Report, I said that the current financial year had started well. I am pleased to be able to confirm that since I made that statement in February, the company has continued to make progress.

"We continue to secure the development sales required to meet our annual profit plan. In particular, we have exchanged contracts for the sale of the greater part of our Harpurhey District Centre development and for further residential land at Hilton. We have also contracted to provide a major distribution facility for Pirelli at Centre 38 in Staffordshire which has been forward sold to Clerical & Medical. In addition, we have a number of other residential land sales in solicitors' hands, and I am pleased to confirm that there is still ample competition at good prices for the "oven-ready" residential land product we offer.

"Marshalling of opportunities for future development continues to progress. The demolition phase at Edmonton is now complete and construction has started on the first buildings in the extended centre. At Wembley, we have exchanged the key contract with Network Rail which will release work on the Wembley Central rail and tube station in time for the opening of Wembley Stadium and marks a major milestone in the site assembly and planning process for our own development. We have also submitted an expression of interest for the major Elephant & Castle project being promoted by Southwark Council.

"Although there has been no "headline grabbing" deal to report, a number of useful acquisitions continue to be made. In addition to ones supporting existing projects at Bedford and Hatfield, acquisitions completed or in solicitors' hands will add a further 166 acres to our development land bank.

"The MG Rover situation has led to a fair degree of publicity for the company in view of our ownership of most of Longbridge and our involvement with Advantage West Midlands as the developer of the remainder. Together these holdings provide some 330-acres of developable land in a prominent position in South Birmingham, well connected to the motorway network.

"The short-term position is uncertain until the administrator is further advanced with his work and is in a position to confirm whether he has a long-term requirement for any part of the site in his attempts to secure purchasers for any parts of MG Rover's business. We will then be able to agree with him what part of the site comes back to us and in what timescale.

"In the meantime, we will be holding discussions with Advantage West Midlands and the relevant local authorities as to the likely ongoing development situation. This month we were successful in obtaining planning consent for Advantage West Midlands on 40-acres of their ownership for a technology park together with a small neighbourhood centre.

"Whilst we will undoubtedly suffer some loss of income whilst we go through this process, MG Rover's failure does offer the chance for a significant and sustainable regeneration project to underpin the future of this part of the West Midlands.

"I also have to report that James Shaw, who was intending to stand for re-election, has taken a position with UK Coal advising that company on its property portfolio.

"Whilst no conflict of interest has arisen to date and, indeed, no conflict may arise in the future, James, has I think quite properly felt that it would be better to avoid the possibility of such a conflict arising and has, therefore, decided not to offer himself for re-election.

"It is with considerable regret that we have accepted his decision because in the four years that James has been on the board, he has been an extremely useful board member and his interest in and advice on a number of our projects has been of benefit both to the board and the executive team.

"I would, therefore, like to take this opportunity of thanking him for his support and wishing him every success in his new position.

"In the meantime we have started a search for a new non-executive director to bring the board up to strength."

22 April 2005

ENQUIRIES:

St. Modwen Properties PLC
Anthony Glossop, Chairman
Bill Oliver, Chief Executive
Tim Haywood, Finance Director

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