

Trading Update

Released : 01/12/2015

RNS Number : 4577H

St. Modwen Properties PLC

01 December 2015

Date of issue: 1st December 2015

ST. MODWEN PROPERTIES PLC
("St. Modwen" or the "Company")

TRADING UPDATE

CONTINUED STRONG PERFORMANCE SUPPORTED BY ACHIEVEMENT OF MAJOR PROJECT MILESTONES AND REGIONAL ACTIVITY

St. Modwen Properties PLC (LSE: SMP), the UK's leading regeneration specialist, today provides a trading update for the financial year ended 30th November 2015.

Activity across our commercial portfolio is progressing in line with the regional market recovery. We have witnessed a steady stream of occupational demand, demonstrated by the performance of our well-let income producing portfolio, and have experienced encouraging results from our speculative commercial development programme.

We have also been able to take advantage of an increasingly strong investor market by disposing of a number of mature assets and recycling sale proceeds to fund strategic acquisitions across the UK.

We continue to add significant value to our portfolio through our own activities in land renewal, planning gain and robust asset management. Most notably, the New Covent Garden Market site achieved unconditional status in April, which resulted in a revaluation gain of £128m in the first half of the year. Profit before all tax for the full year is likely to be in line with market expectations.

Our other major projects also reached significant milestones in the year, with the opening of the second phase of Longbridge Town Centre, including the new 150,000 sq ft Marks & Spencer (M&S) store, and delivery of the new £450m Bay Campus at Swansea. The Group's net debt position at 30th November 2015 is expected to be slightly higher than current market expectations reflecting the timing of recent investment activities, including the acquisition of Kirkby Town Centre for £35.8m and the retention of major completed developments during the year, including the Bay Campus student accommodation and the second phase of Longbridge Town Centre (incorporating M&S and additional retail) which are now both income producing. The Company's capital structure remains strong with substantial balance sheet flexibility to grow the business.

We continue to be successful in securing planning permissions across our portfolio, the most recent example being the resolution to grant 300 homes at our Hendrefoilan site in Swansea. Our housebuilding business continues to perform well and overall profits from residential development remain in line with management expectations.

Bill Oliver, Chief Executive of St. Modwen, commented:

"This year we have experienced many highlights across our portfolio and in particular across our major projects, all of

which have achieved significant value-enhancing milestones. We have also been able to take advantage of new opportunities coming to market, enabling us to acquire a number of assets to add to our portfolio, the most recent being Kirkby Town Centre. The success of all these activities throughout 2015 has culminated in our anticipation of record profits for the business for the financial year, whilst positioning us well for the future."

-ENDS-

ENQUIRIES:

St. Modwen Properties PLC

Bill Oliver, Chief Executive
Rob Hudson, Group Finance Director
Charlotte McCarthy, Head of PR and Communications

Tel: 0121 222 9400

www.stmodwen.co.uk

FTI Consulting

Dido Laurimore/Tom Gough/ Ellie Sweeney

Tel: 020 3727 1000

This information is provided by RNS
The company news service from the London Stock Exchange

END

TSTBMBRTMBTJBAA