

Trading Update

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St. Modwen Properties PLC

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

TRADING UPDATE FOR THE SIX MONTH PERIOD TO 31st MAY 2014

CONTINUED STRONG PERFORMANCE ACROSS THE BUSINESS

St. Modwen Properties PLC (LSE: SMP), the UK's leading regeneration specialist, today provides a trading update for the six months to 31st May 2014. The business has continued to perform strongly since the interim management statement issued on 28th March 2014, with a growing pipeline of development opportunities, and profits and cash flows in line with our expectations.

The Company expects its ongoing asset management and added value activities to be reflected positively in the half year valuations. In addition, initial indications point to an uplift in market valuations for the first half of the year compared with November 2013, reflecting the ongoing improvement in the residential and commercial property markets across the UK.

Management expectations for the full year are unchanged, with profits before tax in the first half of the year anticipated to be significantly ahead of the first half results for 2013.

Portfolio update

Momentum continues to build across all of our major projects. In particular, last month, we submitted the planning application for the redevelopment of the 57 acre New Covent Garden Market site in Nine Elms, London. Subject to the receipt of planning consent, development of the new market will commence in 2015.

Across our income producing portfolio, we are seeing a continued increase in enquiries and occupancy levels remain high, providing further evidence of the returning confidence to the regional commercial property sector.

The St. Modwen Homes and the Persimmon joint venture sites continue to experience strong sales rates and we are seeing increasing demand for our residential land from housebuilders looking to increase their sales outlets across the UK.

Finance

In February, we successfully launched an offering of £100m of unsecured Guaranteed Convertible Bonds due 2019. The proceeds of the bond have been used to repay existing debt, enhancing our ongoing drive to grow the Company's business, including its increasingly active development and housebuilding pipeline. These benefits are now being reflected in the balance sheet.

We are in the process of renewing our bank debt facilities and will continue, as part of our long-term strategy, to increase the diversity and longevity of our funding portfolio. We have substantial headroom in our facilities and our cash flows and debt levels, which we continue to monitor closely, remain in line with our expectations.

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

"As predicted at the full year, we are now witnessing a sustained improvement in the residential and commercial marketplace. Alongside our active programme of adding value through intensive asset management, we continue to

secure opportunities across our portfolio to unlock value from our land bank through land sales and by development, thereby taking full advantage of current market conditions.

"This activity, supported by the ongoing optimism in the commercial and the residential marketplace, points to a positive outlook for St. Modwen, both in terms of profit and future net asset value growth."

-ENDS-

ENQUIRIES:

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