



Interim Management Statement

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St. Modwen Properties PLC

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

INTERIM MANAGEMENT STATEMENT FOR THE PERIOD TO 30th SEPTEMBER 2014

ST. MODWEN REPORTS TANGIBLE GROWTH ACROSS THE UK

St. Modwen Properties PLC (LSE: SMP), the UK's leading regeneration specialist, is pleased to announce that all areas of the business are making excellent progress, supported by tangible growth in regional markets across the UK.

As a result, management expectations for the full year's profit before all tax have increased beyond existing market consensus and this is now expected to be materially ahead of 2013.

The improvement in the commercial market continues to gather momentum. There is a noticeable acceleration in tenant enquiries across our sites and occupancy levels remain high. Development opportunities in the regions have also increased as the year has progressed, and we continue to bring forward schemes into our commercial pipeline.

We are also experiencing growing appetite for commercial investment opportunities. Since the half year, we have agreed the sale of £38m of assets to a broad investor base, with all transactions being above the May 2014 book value. In line with the Company's business model, we intend to reinvest the funds generated from these sales to progress active asset management initiatives and to acquire new properties to add to our land bank.

In residential, both St. Modwen Homes and the Persimmon joint venture sites are experiencing good sales rates, with 617 units completed in the financial year to date.

The market for our residential land also remains buoyant. Since May 2014, terms have been agreed for circa £80m of land sales to housebuilders seeking to increase their sales outlets. We anticipate the exchange or completion of these sales by the year end, all at above book value.

We submitted our planning application for New Covent Garden Market in May 2014 and the planning committee is currently scheduled for mid-October, bringing us a step closer towards achieving unconditional status on this transaction during 2015.

Having substantially restructured our debt portfolio at the half year we remain in a strong position financially, with over £170m of undrawn facilities in place.

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

"We continue to add to our UK development pipeline as we start on site with a variety of projects, including the 150,000 sq ft Marks & Spencer store at Longbridge, Birmingham and the next phase at Swansea University's £450m Bay Campus development. This increase in construction activity illustrates the improvement in the commercial property market, both in general and specifically in the regions, which are now starting to experience good tenant and investor demand. Similarly, the residential market continues to gather momentum with strong sales rates being achieved across all of our housing sites.

"This increase in activity, coupled with positive conditions in the markets in which we operate, underpins our anticipation of achieving strong results for the 2014 financial year."

-ENDS-

ENQUIRIES:

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This information is provided by RNS
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