



Capital Markets Day

7th June 2017

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Chief Executive

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Regional Director,
South West and South Wales

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Managing Director,
St. Modwen Homes

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Chief Executive

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Group Finance Director

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Strategic review: summary

- Full review of portfolio, pipeline, people capability and capital base
 - considered historic performance and future potential
- Level of potential in the business is significant
 - building on a strong track record
 - opportunity to provide greater visibility of potential
- Outcome is a set of clear strategic objectives against which future performance and direction will be reported
 - accelerating our commercial development activity
 - growing our residential and housebuilding business
 - cementing and growing our regeneration reputation
 - portfolio focus and capital discipline



Longbridge town centre, Longbridge, Birmingham



The Great Hall, Bay Campus, Swansea University

Strategic review: building from an established platform

- Consistent financial performance:
 - total accounting return averaged 15% (NAV growth plus dividends) over past five years
 - see-through LTV steady at approx. 30% since 2014
- Established excellent reputation, particularly in the regions:
 - highly skilled committed workforce
 - particular expertise in remediation, planning and infrastructure
- Large, geographically diverse land bank:
 - opportunity split broadly 50/50 between commercial and residential

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Total accounting return (%)	10.2%	10.1%	17.2%	31.9%	4.5%
Profit before all tax (£m)	£52.8m	£77.2m	£135.4m	£258.4m	£60.8m
See-through LTV (%)	40.8%	32.7%	30.6%	29.9%	30.5%
Landbank (developable acres):					
- industrial & logistics	2,859	2,997	2,935	2,923	3,161
- residential	1,804	1,893	1,954	2,021	1,789
- retail	342	337	342	344	342
- other	796	716	642	724	711
Total	5,801	5,943	5,873	6,012	6,003
See-through portfolio value (£m):					
- income generating	562	514	562	727	787
- residential land	397	482	556	758	742
- commercial land	139	146	146	207	223
Total	1,098	1,142	1,264	1,692	1,752



Strategic review: the external environment

Commercial market



Residential market

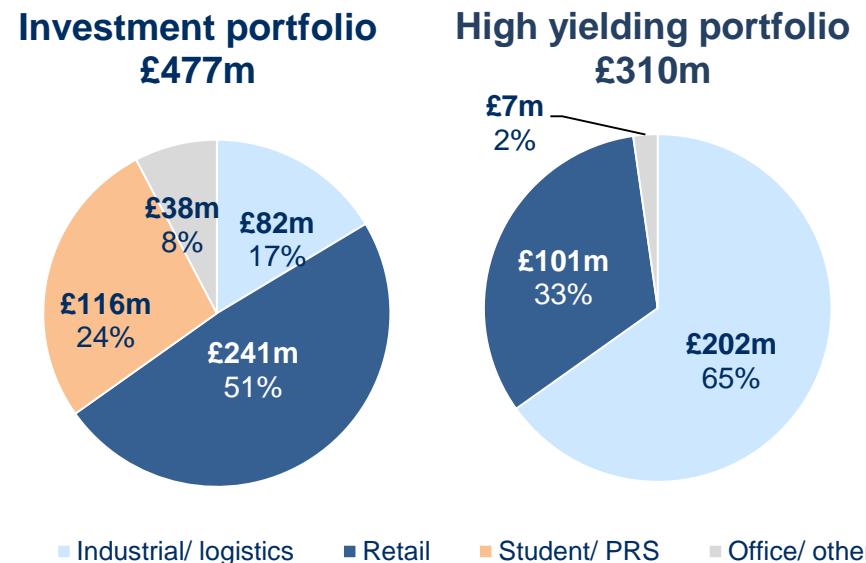


- Commercial market stable
- Pockets of opportunity driven by demographic and social change
- “Sheds and beds”
- Some sub sectors under pressure

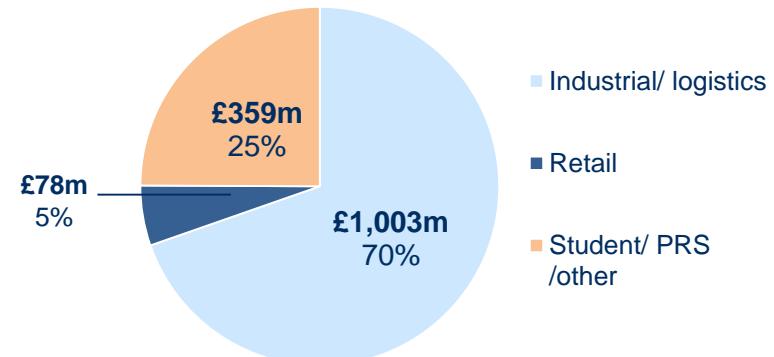
- Housebuilding market robust but increasing affordability challenges
- Supportive Government policy
- Beneficiary of low interest rates
- Regional demand remains particularly healthy

Strategic review: our commercial portfolio and pipeline

- Portfolio contains approx. 200 assets
 - 100 valued at approx. £2m or below, approx. £100m total
 - can focus on fewer, larger assets
- Pipeline offers opportunity to increase investment portfolio exposure to sectors with strong fundamentals
 - medium-term development pipeline focused on industrial and logistics
- Opportunity to recycle investment assets where there is limited scope for further upside
 - ‘drier’ assets with good institutional demand (eg Swansea student accommodation)
 - non-core retail assets



Medium-term development Pipeline (est. GDV at Nov 2016)



Strategic review: commercial – the potential in our pipeline

- At recent rates of development, A1 sites represent over nine years of potential development
- Split of capex requirements between enabling/ infrastructure works (land capex) and development spend is important
- A1 sites highly focused on industrial and logistics assets
- Opportunity to accelerate development activity, subject to market conditions
 - prioritise A1 sites
 - risks to be carefully managed

Location/ demand	Deliverability (sq ft)				Total
	1	2	3	Total	
A	7.5m	3.0m	2.2m	12.7m	73%
B	1.9m	1.8m	0.0m	3.7m	21%
C	0.0m	0.8m	0.1m	0.9m	5%
Total	9.4m	5.6m	2.3m	17.3m	
	54%	32%	13%		

Location/ demand		Deliverability	
A	Strong sustained demand due to a combination of macro and micro economic factors	1	Immediately deliverable, with excellent demand potential. Vast majority with outline or detailed planning consent
B	Good sustained demand due to a combination of macro and micro economic factors	2	Subject to detailed planning, answering ongoing demand
C	Site offers future development potential	3	Subject to planning and infrastructure

NB: matrix key applies to all following matrices



Strategic review: our opportunity in residential

- 16,900 units deliverable in medium term
 - balance between St. Modwen Homes and third party sales
- At current activity levels, potential equates to
 - 10 years of build for St. Modwen Homes
 - 11 years of third party sales
- Opportunity to accelerate activity
 - prioritise A1 sites
 - larger sites require strategic approach

Total plots at November 2016	25,230
NCGM / South Wales	(10,730)
Total plots excl. NCGM / South Wales	14,500
Third-party controlled	2,400
Pipeline: total residential plots	16,900

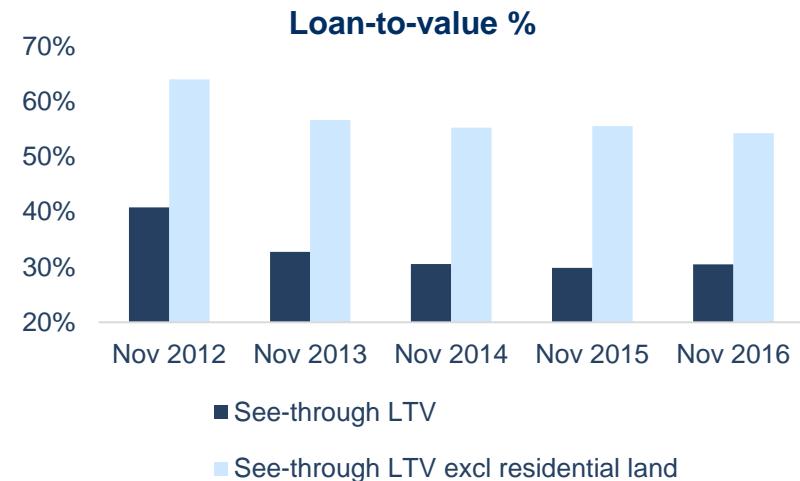
Location / demand	Total residential plots				Deliverability (units)
	1	2	3	Total	
A	6,450	1,750	1,760	9,960	59%
B	4,300	940	1,240	6,480	38%
C	340	120	0	460	3%
Total	11,090	2,810	3,000	16,900	
	66%	17%	17%		

Location/ demand	St. Modwen Homes pipeline				Deliverability (units)
	1	2	3	Total	
A	2,600	1,400	1,600	5,600	73%
B	400	900	800	2,100	27%
Total	3,000	2,300	2,400	7,700	
	54%	32%	13%		



Strategic review: solid financial foundations

- LTV at prudent levels but opportunity to reduce further over time
 - LTV excluding residential land below 40% over time
- Significant capex requirements to pursue commercial and residential opportunity
 - £50m to £75m enabling/infrastructure capex for A1 sites alone
 - £400m to £450m commercial development capex for A1 sites alone
 - £50m to £100m increase in residential WIP
- Good liquidity options within existing portfolio to fund capex
- Pace of growth to be carefully managed
 - assessment of market conditions
 - financial prudence paramount



Four strategic objectives

Changing places. Creating better futures

Accelerate our commercial development activity



- Potential >7.5m sq ft to build out in medium term
- Industrial/ logistics focus
- Need to manage risk carefully

Grow our residential and housebuilding business



- Potential >7,500 units for St. Modwen Homes to build out in medium term
- Potential >9,000 units third party land sales in medium term
- Need to manage risk carefully

Cement and grow our regeneration reputation



- Deliver brilliantly on our existing major regeneration projects
 - Longbridge
 - Swansea
 - NCGM
 - Town centres
- Unlock the next generation of regeneration

Portfolio focus and capital discipline



- Reduce borrowings further
- Focus on fewer, larger projects
- Focus on sectors with best structural growth prospects
- Levels of activity to be carefully balanced vs market conditions



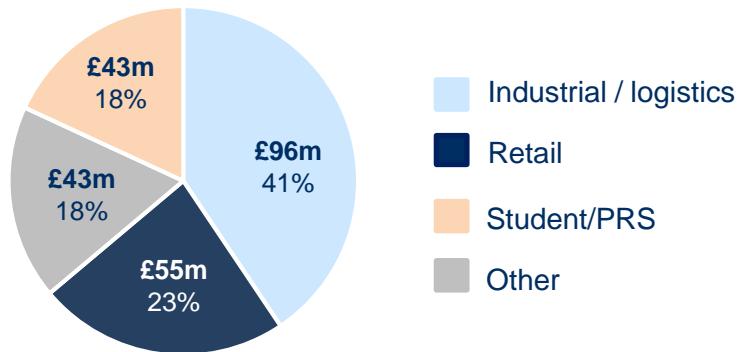
Accelerating our commercial development activity

Commercial development: overview

- Average annual development of approx. 800,000 sq ft across the UK, comprises a range of sectors but predominantly weighted towards industrial/logistics across approx. 20 projects
- Creating value from our land bank through:
 - remediation:
 - extensive land clean up and site preparation using leading edge skills to ensure a positive legacy
 - capitalises on our competitive advantage
 - planning:
 - excellent skills set enables consistent planning success to unlock often complex and large scale sites for delivery
 - delivery of infrastructure:
 - investing in sites to ensure they are readily accessible/ available to meet demand
- Adding value through development:
 - long track record of effective construction supported by in-house construction experts
 - robust asset management skills
- Typical returns encompass development profit on cost of approx. 20%, plus for larger projects the ability to earn project management fees and approx. 5-10% margins on infrastructure



Commercial development pipeline (GDV £237m at Nov 2016)



Commercial development: pipeline opportunity

- Recent review of the land bank has identified approx. 17m sq ft of medium term pipeline opportunity
- Commercial development activity will be focused on those sites with the greatest potential, in terms of:
 - demand (A)
 - near-term deliverability (1)
- 7.5m sq ft of A1 sites principally focused on industrial and logistics sector and well positioned to respond to demand. Typical characteristics:
 - well located
 - planning advanced or achieved
 - infrastructure in place
- In addition, a further 10m sq ft of longer term potential sites exists beyond the identified 17m sq ft pipeline

Location	Location/ demand	Deliverability (sq ft)			Total	%
		1	2	3		
	A	7.5m	3.0m	2.2m	12.7m	73%
	B	1.9m	1.8m	0.0m	3.7m	21%
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	Total	9.4m	5.6m	2.3m	17.3m	
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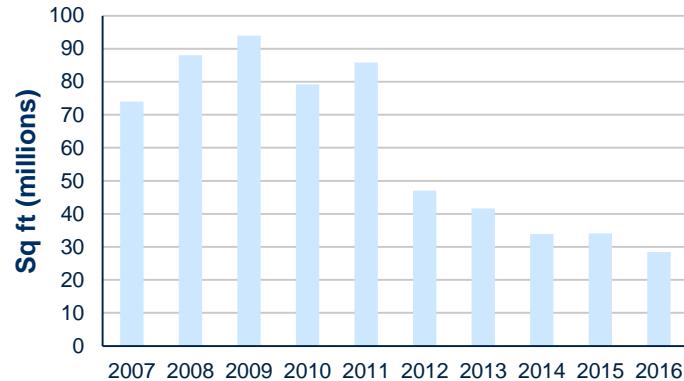


Commercial development: market opportunity – industrial and logistics

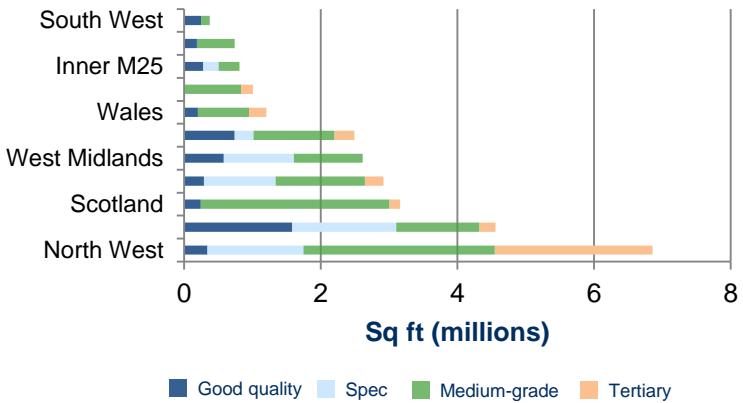
Demand is in Midlands and near major conurbations, St. Modwen's A (prime) sites are concentrated around areas of high demand



Market data: industrial/ logistics supply has fallen 72% (UK-wide)



Market data: regional supply by product grade



Charts source: Savills Research



A1 site examples: adding value through remediation

Access 18, Avonmouth

- 212 acre site, formerly owned by Britannia Zinc Ltd (zinc smelting) and acquired in 2003
- 18 month programme of demolition and remediation, involving extensive environmental clean-up:
 - over 750,000 tonnes of earth removed
 - over 99% of materials recycled on site
- Infrastructure works - new access road linking site with the M5 and onwards to South West and M4
- Approx. 750,000 sq ft of space built and occupied to date, generating approx. £5.5m profit and 20% profit on cost
- Approx. 500,000 sq ft of B2/B8 opportunities remaining, ranging from 10,000 sq ft to 300,000 sq ft and representing GDV of around £50m and profit on cost of approx. 20%
- Currently progressing speculative works for 117,000 sq ft of industrial and logistics space across 14 units



A1 site examples: adding value through planning

Burton Gateway, Burton upon Trent

- A 280 acre site, previously wasteland where the land was extracted for gravel and filled with pulverised fuel ash
- Undertook extensive remediation and clean up works
- Close collaboration with the Local Authority, Branston Parish Council, Staffordshire Wildlife Trust and the Woodland Trust resulted in planning granted for mixed-use community:
 - 660 new homes (of which 226 delivered by St. Modwen Homes, with 100 completions to date)
 - up to 1m sq ft industrial and logistics space ("Burton Gateway")
 - extension to local Primary School, 8,000 sq ft retail space, 82 acres' new woodland
- Burton Gateway:
 - Recently commenced site development with total GDV £86m, with expected profit of approx. £12m
 - Well located, adjacent to A38
 - 87,000 sq ft delivered and good levels of interest received, additional phase of 105,000 sq ft to start H2 2017, subject to leasing of phase 1



A1 site examples: adding value through infrastructure

Tamworth, Staffordshire

- Total of 45 developable acres across two adjacent sites, part of a long standing commitment to Tamworth since 1994
- Adding value and opening up site through early delivery of key infrastructure works including:
 - opened up access to A5/M42 jct 10
 - enhancement of power supply, drainage and other key services
- Comprises two well located adjacent sites, central to the Midlands 'golden triangle':
 - Tamworth West (10 acres) - first 53,000 sq ft let to DFS and works close to completion on final 153,000 sq ft speculative unit
 - Tamworth East (35 acres) - planning recently secured for over 677,000 sq ft of industrial and logistics space, with first phase of speculative works to start in H2 2017
- Total combined GDV: £80m, with an expected profit of approx. 20%, over 25% of which has been delivered to date



Managing growth

- Continue to carefully manage risk:
 - current rate of production in 2017 is 1m sq ft, with near term growth unlikely to exceed 25%, subject to demand and risk management
 - sites will continue to be prepared for development through land remediation, planning and infrastructure to meet demand
 - commit funds to enabling works to bring land forward in order to respond quickly to market requirements
 - ensuring balance between level of speculative development and pre-let/sold, the latter suited to larger occupier requirements
 - partnering approach with supply chain due to visibility of pipeline
 - careful monitoring of market trends
- Highly selectively approach to future acquisitions, prioritising capex on the existing high quality opportunities within the land bank



Remediation at Glan Llyn, Newport, South Wales



DPD distribution centre, Skypark, South West



Q&A

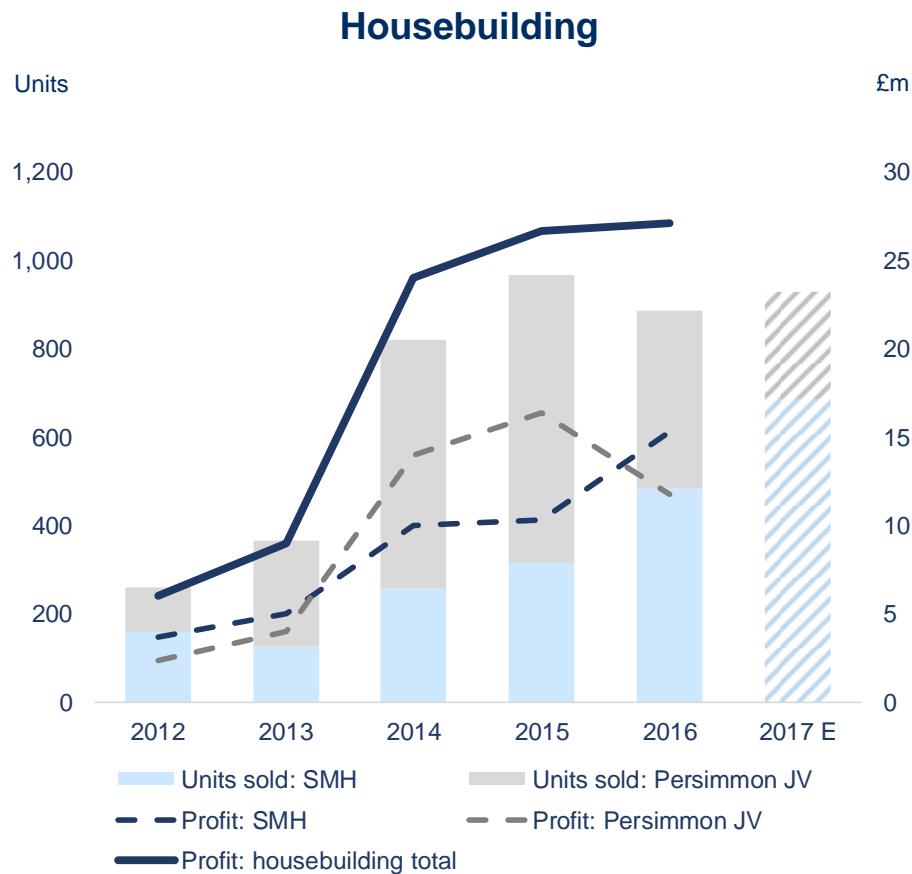




Growing our residential and housebuilding business

Residential development: St. Modwen Homes

- Established in 2011, rapidly grown to 485 units in 2016
- Organisation scalable and gathering momentum
 - anticipated 700 units in 2017
 - average sales rate of 0.8 per site per week
 - currently active on 16 sites
 - now accounts for majority of housebuilding profits, overtaking Persimmon JV
 - average house price approx. £255k
- Commitment to quality
 - 5 star award from the Homebuilders Federation (HBF)
 - Commendation from 'In House' for exceptional customer service
- Continued profit growth from St. Modwen Homes will at least offset the impact of reducing profits from Persimmon JV in wind-down over the next two years



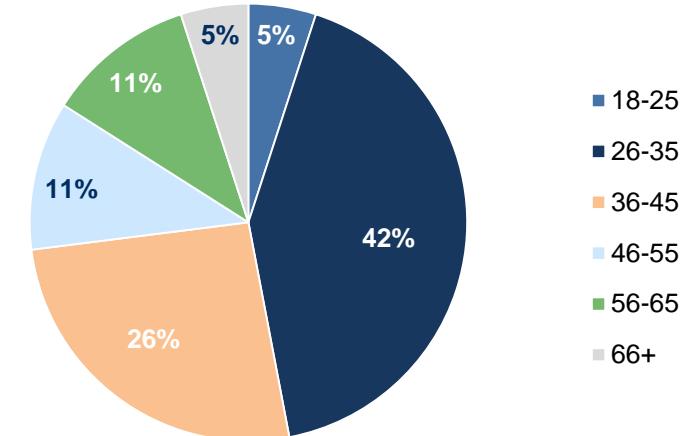
Residential development: St. Modwen Homes – key characteristics

- Each scheme is integral to the successful development and place making of St. Modwen's master planned sites
- Differentiated product focusing on quality:
 - mix of homes, ranging from apartments to family homes
 - focus on design - "light and height": higher floor to ceiling heights, larger windows
- Utilises existing land bank, benefitting capital outlay

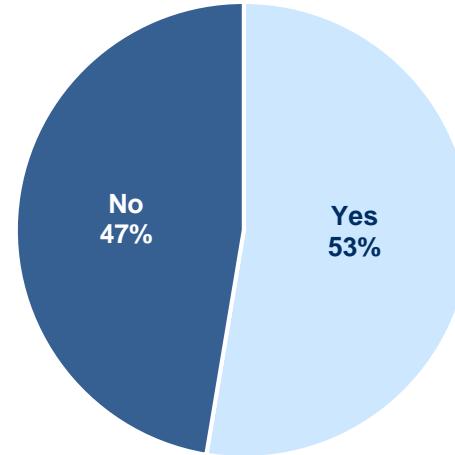
Customer base:

- Over 40% aged between 26 - 35, 48% first time buyers
- Committed to helping customers onto the property ladder, 53% use Help to Buy, other assistance offered includes:
 - assisted move
 - part exchange
 - bespoke incentives

St. Modwen Homes buyer profile (age)



% Help to Buy



Residential development: St. Modwen Homes – focus on quality



St. Modwen Homes: business model

- Primary focus to build on quality and brand development
- Recently achieved 5 star builder status from HBF and rating of 91.4%
- Continue to deliver quality, award-winning new homes
- Current operating margin 14%, targeting improvement over time
- Margin reduced by land transfer value/arrangements with Group
- Opportunities to improve margins by approx. 2-3% over time:
 - reduction in site overhead costs
 - supply chain initiatives and buying
 - sales extras
 - overhead efficiencies with growth
 - design process efficiencies



St. Modwen Homes, 5* builder status from HBF



St. Modwen Homes, highly commended award



Residential development: St. Modwen Homes pipeline

- Residential land bank assessed according to location and planning status
- Identified pipeline opportunity of 7,700 units, of which:
 - 3,000 already benefit from planning
 - 2,300 where planning is being pursued
 - 2,400 available to draw down, subject to agreement with partner
- Geographic focus on Midlands and South and with infrastructure generally well advanced or in place
- Identified pipeline considers a workable outlet strategy

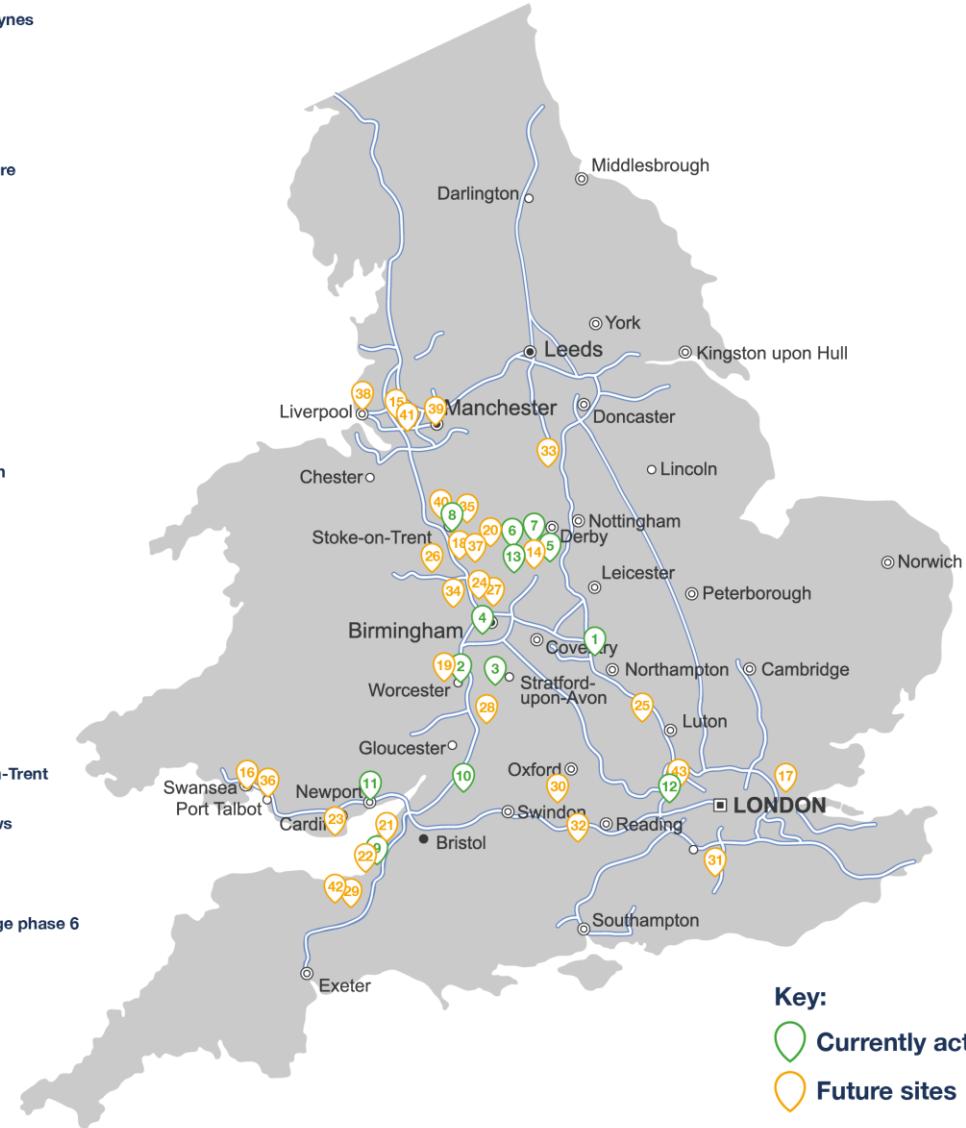
Location/ demand	Deliverability (units)				Total
	1	2	3	Total	
A	2,600	1,400	1,600	5,600	73%
B	400	900	800	2,100	27%
Total	3,000	2,300	2,400	7,700	
	39%	30%	31%		

Location/ demand		Deliverability	
A	Strong sustained demand due to combination of macro and micro economic factors	1	Owned site with planning
B	Good sustained demand due to combination of macro and micro economic factors	2	Owned site pursuing planning
		3	Third party controlled



St. Modwen Homes: current and future sites

1 Edison Place, Rugby	24 Pye Green, Cannock
2 Weogoran Park, Worcester	25 Stratford Road, Milton Keynes
3 Meon Vale, Warwickshire	26 Station Road, Newport
4 Cofton Grange, Longbridge	27 Yorks Bridge, Cannock
5 Woodlands Reach, Coalville	28 Ashchurch, Gloucestershire
6 Branston Leas, Burton upon Trent	29 Langford Mead, Taunton
7 Hilton Valley, Derbyshire	30 Wantage, Oxfordshire
8 Trentham Manor, Stoke-on-Trent	31 Copthorne, West Sussex
9 Locking Parklands, Western-super-Mare	32 Newbury, Berkshire
10 Littlecombe, Dursley	33 Clay Cross, Derbyshire
11 Glan Llyn, Llanwern	34 Goodyear, Wolverhampton
12 St. Andrews Park, Uxbridge	35 Etruria, Stoke-on-Trent
13 Bramshall Meadows, Uttoxeter	36 Coed Darcy, South Wales
14 Manorfields, Cadley Hill	37 Castle Works, Stafford
15 Radley Park, Lowfield Lane	38 Kirkby, Merseyside
16 Hendrefoilan, South Wales	39 Openshaw, Manchester
17 South Ockenden, Essex	40 Victoria Ground, Stoke-on-Trent
18 St Leonards, Stafford	41 Vulcan, Newton-Le-Willows
19 Taylors Lane, Worcester	42 Firepool, Taunton
20 Blythe Bridge, Staffordshire	43 St. Andrews Park, Uxbridge phase 6
21 Clevedon, Somerset	
22 Moss Land, Weston-Super-Mare	
23 Sully, South Wales	



St. Modwen Homes: managing growth

- Ensure careful management of risks associated with growth
- Likely to limit volume growth to 25% pa over next couple of years to manage risk and protect quality
- Continued management of WIP exposure by site
- Partnering approach with supply chain
- Focus on staff training, engagement and retention to ensure high quality workforce alongside recruitment in a competitive market place



Meon Vale, Warwickshire



Littlecombe, Dursley



Q&A





Cementing and growing our regeneration reputation

Major regeneration projects: existing, long-term opportunities

- Large scale regeneration projects have demonstrated the impact we can have in supporting and regenerating communities over the long-term
- They showcase the breadth and depth of our skills across the entire development cycle
- Acquired in the last decade, each has served as a catalyst to business growth:
 - 2005: Longbridge (acquisition)
 - 2008/09: South Wales, major regeneration sites (acquisition)
 - 2012: NCGM (preferred bidder status)
- Collectively have delivered returns of approx. £190m to date, representing 30% of total accounting returns over last five years



Austin Park, Longbridge Town Centre, Birmingham



The Great Hall, Bay Campus, Swansea University



Nine Elms, London



Major regeneration projects: BP Portfolio, South Wales

Bay Campus:

- Land acquired in 2009 and commenced works in 2013 following extensive remediation
- 1m sq ft+ providing teaching facilities and accommodation for 5,000 students
- Intended sale of 2,000 beds student accommodation
- 30 acres (46% of site) remaining for future development, to complement University growth plans with planning for a further 2,000 student rooms



Student accommodation

Coed Darcy:

- Acquired in 2008, commenced works in 2010 following extensive remediation
- Potential for 4,000 homes:
 - over 300 homes completed to date
 - exploring opportunities to accelerate development
- Combined approx. £40m profit booked to date



Academic facilities and The Great Hall



Major regeneration projects: Longbridge, Birmingham

- 468 acre site, acquired in 2005 of which 40% now delivered following extensive remediation programme and providing:
 - 400 new homes
 - town centre phases I & II
 - Bournville College
 - RCDM
 - Technology Park
- Profit of approx. £50m over last six years
- A growing sense of community, with future opportunities including:
 - town centre phase III (leisure)
 - further phases of residential
 - continued commercial opportunities



ExtraCare facility



Longbridge town centre

Major regeneration projects: New Covent Garden Market

- Development agreement signed 2015, 10 year development project
- 57 acres of which 20 acres development land
- Ongoing redevelopment of market site to deliver new 500,000 sq ft facility for CGMA
- Nine Elms Square site (10 acres) planned for disposal
- Project profits of £100m booked to date, largely reflecting planning gain
- Majority of value (approx. 95%) in Nine Elms Square, planned for disposal and potentially realising cash of approx.£120m upfront, with further approx.£70m upon completion of the new market
- Our share of capex to come on market construction of approx. £100m over the next eight years. Ongoing project management fees of up to £2m per annum
- Remaining nine acres of development land released in phases as new market facilities are completed



Site masterplan



Interim flower market



Extending regeneration skills: Wantage, South Oxfordshire

- Applying regeneration skills to other opportunities
 - transferable skills to deliver both 'green and brown' field opportunities and sympathetically enhance existing area into new communities
 - ability to deliver Government policy for urban extensions
- A 10-15 year project and one of the area's most significant strategic housing initiatives
- 227 acre site already benefits from outline planning permission for
 - 1,500 homes
 - wide range of associated local amenity
- We will implement associated infrastructure works and deliver up to half of the 1,500 new homes
 - detailed planning application for 150 homes now submitted by St. Modwen Homes
- Potential profit of £30 - £40m over life of project



Aerial view, site in context with broader Wantage area



Artist's impression of completed scheme





Q&A



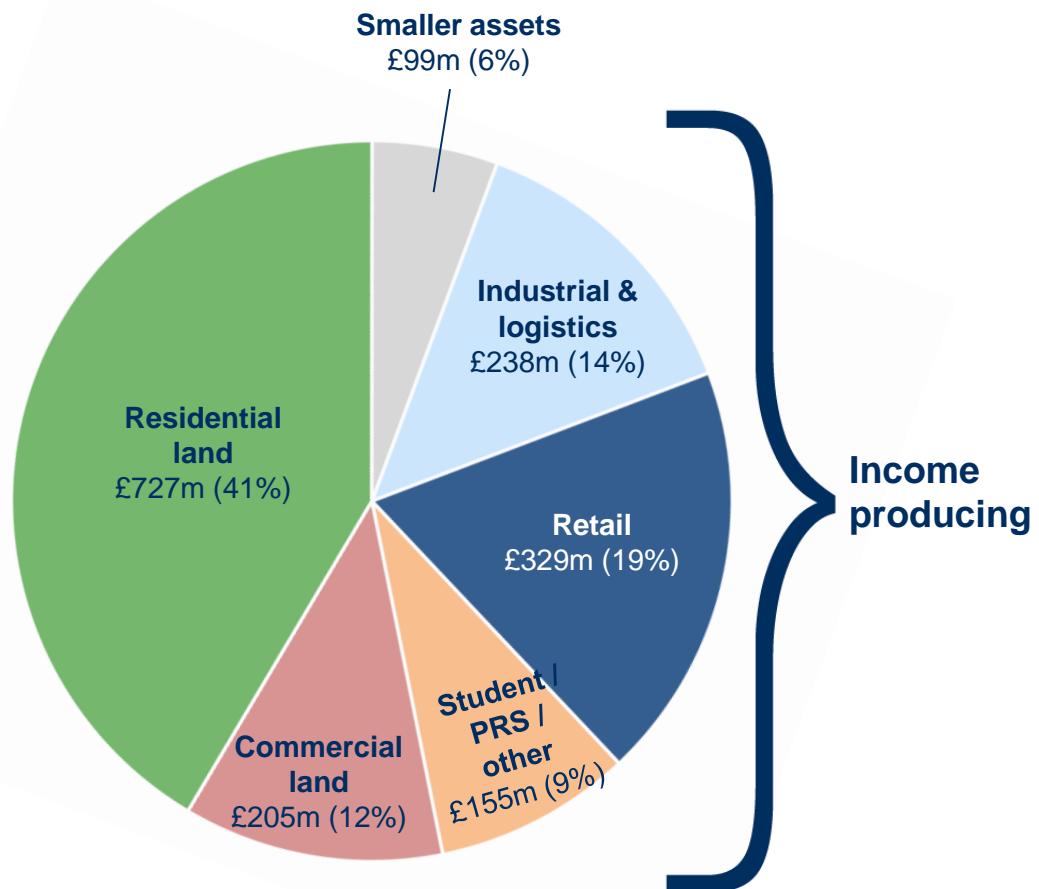


Portfolio focus and capital discipline

Portfolio focus and capital discipline

- Enhancing returns through asset recycling and land bank utilisation
- Growth of St. Modwen Homes and commercial development activity
- Cash generation from residential land sales
- Focus our resources on fewer, larger assets, realising cash
- Reposition the income producing portfolio towards sectors with the best structural growth prospects

£1.75bn portfolio – as at 30 November 2016



NOTE: Smaller assets have been separated from their constituent components



Divesting smaller asset portfolio

- We have reviewed our portfolio of commercial assets and land by volume and overall value
- We have a large number of small assets that represent approx. 6% of our portfolio by value
- These assets offer the potential to realise cash and focus our resources on fewer larger scale assets and opportunities
- Potential to trade through these sites over the next three to five years, realising approx. £100m of cash

Asset value	Number of assets	%	Total value £m	%
£2m - £5m	21	23%	71	71%
£1m - £2m	10	11%	16	18%
£0.5m - £1m	11	12%	8	7%
<£0.5m	51	55%	4	4%
	93	100%	99	100%

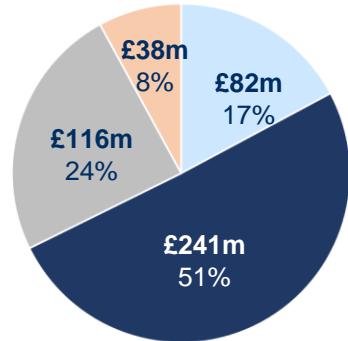


Opportunity to rebalance the portfolio

- Income producing portfolio of £787m at November 2016:
 - portfolio broadly balanced between retail and industrial and logistics assets
 - retail average yield of 7.5%
 - industrial and logistics average yield of 8.4%
 - good development and asset management opportunities in high-yielding portfolio
- Opportunity to rebalance portfolio towards higher yielding sectors with strong growth prospects:
 - Medium-term development pipeline focused on industrial and logistics
 - can retain a greater proportion of the pipeline through recycling from the investment portfolio
 - pipeline typically delivers an average yield on cost of 8% and profit on cost of 20%
 - good rental growth prospects for well located industrial/logistics
- Reduce our exposure to retail over time:
 - sell drier assets (the majority of which are included within the investment portfolio)
- Asset recycling from investment portfolio may cause some short term variability in levels of cost coverage

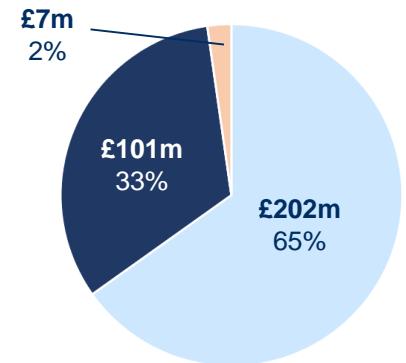
Investment portfolio

Total value: £477m
 Average equivalent yield: 6.3%
 Average net initial yield: 6.0%



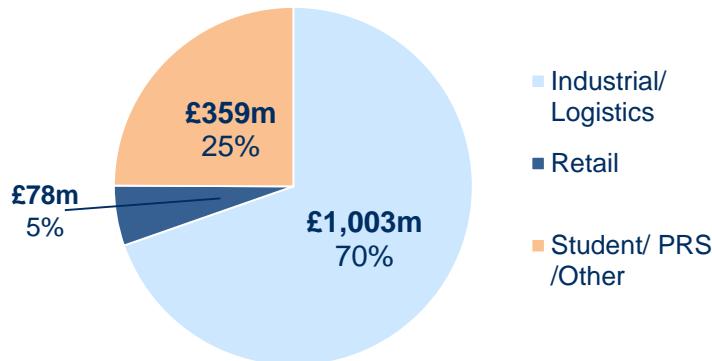
High-yielding portfolio

Total value: £310m
 Average equivalent yield: 8.9%
 Average net initial yield: 7.5%



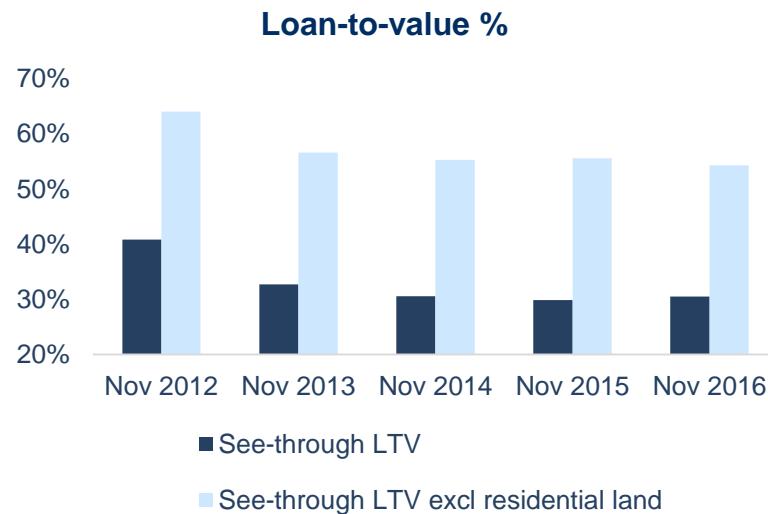
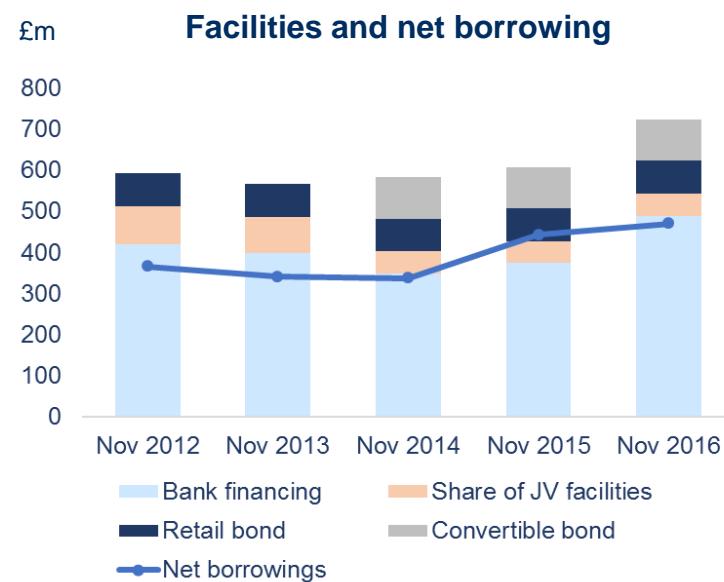
Industrial / Logistics
 Retail
 Student / PRS
 Other

Medium-term development Pipeline (est. GDV at Nov 2016)



Managing leverage

- Debt financing managed through a set of agreed principles:
 - to diversify our sources of finance
 - phase the maturity of our debt portfolio
 - maintain liquidity
 - maintain flexibility
 - maintain strong balance sheet metrics
 - maintain a cost-effective debt structure
- LTV at prudent levels but opportunity to reduce further over time
- Intention to bring LTV excluding residential land to under 40% over the medium term through retained proceeds from major asset sales and a profitable cash generative business





Modelling the St. Modwen business

Potential investment areas

- Grow our residential and housing business:
 - potential additional £50m - £100m WIP
- Accelerate commercial development:
 - potential additional £50m - £100m WIP
- Rebalance portfolio to industrial/logistics by retaining more developments:
 - self funding through asset recycling
 - can retain more subject to headroom
- Reduce leverage further over time:
 - <40% LTV excl. residential land would require approx. £150m deleveraging

Sources of funding

- Sale of surplus residential land (e.g. NCGM):
 - Approx. £200m after land capex
- Approx. £100m from disposal of smaller asset portfolio
- Approx. £175m proceeds from sale of drier investment assets (e.g. Swansea student accommodation)
- A profitable and cash generative business



Commercial development: A1 sites – financial characteristics

- Focusing on A1 sites gives potential development pipeline of up to 7.5m sq ft
- Total pipeline opportunity of approx. £700m GDV
 - capex requirement of up to £525m across land and development build
 - land book value of up to £100m is non-cash cost of existing land allocated to arrive at estimated profit
- Current rate of production in 2017 is 1m sq ft, with near term growth unlikely to exceed 25% pa, subject to demand and risk management
- Selected developments will be retained as high-quality income producing assets

No. of assets	17
Sq ft (m)	7.5
Area (acres)	440
Rental value ¹ (£m – approx.)	45
GDV ² (£m – approx.)	700
Land book value (£m)	80 – 100
Land capex (£m)	50 – 75
Build capex (£m)	400 – 450
Profit on cost (% - approx.)	20%

¹ rental at £6 per sq ft

² GDV at 6%



St. Modwen Homes and residential land: financial characteristics

St. Modwen Homes:

- Identified pipeline opportunity of 7,700 units
- Likely to limit volume growth to 25% pa over next couple of years to manage risk and protect quality
- Currently active on 16 sites, expecting to deliver approx. 700 units in 2017
- Longer-term opportunity to progress margins from current position of 14% operating margin, however focus in near term is on quality and building the brand
- Typically expect approx. 85% of units on any one site to be private sales
- Supplement land bank with carefully targeted site acquisitions

Potential pipeline (units)	7,700
Current average selling price (£000 approx.):	
- private	262
- affordable	85
Total	255
Build capex per unit (£000 approx.)	140
Land infrastructure capex per unit (£000 approx.)	22
Operating profit margin (approx.)	14%

Residential land sales:

- Residential land revalued every six months and land typically sold at book value, generating sales proceeds of between £50m and £60m per annum
- Current rate of disposal expected to continue in the medium-term

Total units identified for sale	9,200
Expected capex per annum (£m)	£30 - £40m
Disposal proceeds per annum (£m)	£50m - £60m



Four strategic objectives

Changing places. Creating better futures

Accelerate our commercial development activity



- Potential >7.5m sq ft to build out in medium term
- Industrial/ logistics focus
- Need to manage risk carefully

Grow our residential and housebuilding business



- Potential >7,500 units for St. Modwen Homes to build out in medium term
- Potential >9,000 units third party land sales in medium term
- Need to manage risk carefully

Cement and grow our regeneration reputation



- Deliver brilliantly on our existing major regeneration projects
 - Longbridge
 - Swansea
 - NCGM
 - Town centres
- Unlock the next generation of regeneration

Portfolio focus and capital discipline



- Reduce borrowings further
- Focus on fewer, larger projects
- Focus on sectors with best structural growth prospects
- Levels of activity to be carefully balanced vs market conditions





Q&A

