

News

18.02.14

Morgan Sindall Investments Contribute to Parent Company Results

News Release 18 February 2014

MORGAN SINDALL INVESTMENTS CONTRIBUTES TO PARENT COMPANY RESULTS

Project development and funding solutions specialist Morgan Sindall Investments Limited (MSIL) has contributed to preliminary results for the year ended 31 December 2013, released today (18 February 2014) by parent company Morgan Sindall Group plc, the construction and regeneration group.

Against a backdrop of continued challenging trading conditions, Morgan Sindall Group delivered strong operating cash flow with year end net cash of £70 million (2012: £50 million). Operating profit before amortisation and exceptional operating items was £33.6 million (2012: £48.1 million) on revenues of £2,095 million (2012: £2,047 million). Adjusted earnings per share were 60.9p (2012: 92.0p). The dividend for the year is 27.0p per share (2012: 27.0p). The Group's committed order book stands at £2.4 billion (2012: £2.2 billion) and the regeneration & development pipeline grew to £3.0 billion (2012: £2.5 billion).

MSIL is currently delivering several large-scale new investment projects across the UK.

Slough LABV

In Slough, Morgan Sindall Investments as part of the Slough Regeneration Company, a local asset backed vehicle (LABV) joint venture, is delivering The Curve, a £16 million new library, cultural and community centre in the heart of the town. The Curve is part of the first phase of a 15-year, £1 billion regeneration project which Morgan Sindall Investments is delivering in partnership with Slough Borough Council. Through this LABV partnership, Morgan Sindall Investments is providing project development, project funding and management services expertise to Slough Borough Council for a series of regeneration developments. This includes a 525-home residential scheme which is being built by Morgan Sindall Group's affordable housing specialist Lovell across five sites with a gross development value of £105 million.

The LABV will currently procure works from Lovell and Morgan Sindall Group's construction and infrastructure company Morgan Sindall which is building The Curve.

Bournemouth LABV

As part of the Bournemouth Development Company LABV in Bournemouth, Morgan Sindall Investments is carrying out the Leyton Mount development which will see the construction of a £12.3 million, five-storey, 64-apartment complex with 220 sq m of mixed-use commercial space and restaurant facilities. In Madeira Road, the company is also progressing a £22.6 million, 378-bedroom student accommodation scheme and a £3.9 million, 382-space multi-storey car park. The joint venture partnership will benefit from the delivery capability of Morgan Sindall Group's construction, infrastructure and design business, Morgan Sindall, and housing regeneration specialist Lovell. The LABV scheme has a development value of between £350 million and £500 million and is a 50/50 joint venture Public Private Partnership between the Council and MSIL. It will deliver a range of residential and mixed-use development including leisure attractions, new housing, shops and offices across 16 sites under a 20-year concession.

Towcester town centre redevelopment

As developer partner for South Northamptonshire Council, Morgan Sindall investments is delivering the £38 million, Moat Lane regeneration and civic accommodation scheme in Towcester town centre. The development will include new 38,000 sq ft civic offices. Other elements of the scheme include retail, catering and residential.

HB Villages

In a joint venture with HB Villages – HB Community Solutions, Morgan Sindall Investments is delivering new supported living apartments across the country. These new build projects valued at £2.5 million per scheme, will be built by the Group's affordable housing specialist Lovell, and let to Inclusion Housing CIC and operated by experienced care providers. To date, the company has reached financial close on five new schemes in Blackburn, Bolton, St Helens, Colchester and Grimsby. Two of these schemes in Colchester and Grimsby were delivered in 2013. A further 36 sites are currently being reviewed for development.

Lisa Scenna, managing director of Morgan Sindall Investments, comments: "Looking ahead, the main focus for Morgan Sindall's Investments Division in 2014 will be to advance projects throughout its existing portfolio and identify opportunities for new long-term strategic partnerships where it can leverage its expertise in project finance, development and asset

management alongside the strength of the Group's integrated delivery capability. With a positive pipeline of opportunities, it is expected that the Division will continue to capitalise on the release of under-utilised land assets to help its partners unlock land values and fulfil regeneration ambitions."

Ends

Image: An artist's impression of The Curve in Slough which is an LABV joint venture.

Notes to Editors: Morgan Sindall Investments Limited (MSIL) provides project development and funding solutions through a one-stop service, allowing our private and public sector partners to implement sustainable change in order to improve long-term prospects and well-being of local communities. It is part of Morgan Sindall Group plc, a leading UK construction and regeneration group with revenue of over £2 billion and which operates through five divisions of construction and infrastructure, fit out, affordable housing, urban regeneration and investments.

Media contact:

Liz Coyle-Camp / Ragan Beale, 01747 871752 or liz@emc2publicrelations.com