

St. Modwen Properties PLC engages in the development of real estate properties in the UK and is the leading regeneration specialist and an expert in brownfield renewal. It focuses on regeneration by managing schemes through the planning process, remediating contaminated land and active asset management and development. The Company operates across the full spectrum of the property industry from a network of regional offices, a residential business and through joint ventures with public sector and industry leading partners.

Company Facts [Web Site](#)

Ticker SMP.L	Market Cap £1.05 Bn	Sector Real Estate	Exchange LSE	Currency Sterling	Indicies FTSE 250
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Key Features

- A FTSE 250 company with a strong Balance Sheet.
- They have a 25-year track record of delivering long-term regeneration projects.
- Residential Land and Development – As part of their regeneration business, they acquire sites with potential for residential development to add value to their land bank throughout the development process, crystallising value through Joint ventures & sales
- Commercial Land and Development – Maximising long-term potential of commercial land and development opportunities. By taking a long-term view, their business model is devoted to acquiring land at low cost and then maximise its potential by steadily adding value over time through remediation, planning gain, development and asset management. Retained assets are then disposed of for maximum value to recycle capital for new acquisition and development opportunities.
- Income Producing Properties – Comprising industrial, retail, leisure and office assets. Their income producing portfolio makes up 39% of its 6,000 acre land bank by value. All assets within this portfolio are managed and held with a long-term view generating significant future value
- Residential Land & Development Portfolio [£778 million] Commercial Land [£149 m]
- Income producing portfolio [£602 million]

Recent News

- St Modwen have involvement in one of the largest regeneration schemes outside of London, the transformation of the 468 acre Longbridge site in Birmingham from the largest car plant in the world to a thriving-mixed £1bn community.
- In December 2014 they completed the first of the engineering buildings of Swansea University and are on target to complete this campus project in time to welcome the new student intake in September 2015.
- They are delivering the transformation of the 57-acre New Covent Garden market site through a VINCI St. Modwen 50/50 joint venture (VSM) in collaborative partnership with the Covent Garden Market Authority
- First Phase of Residential Homes underway at Firepool [4th Jul 2015]
- Year on year share performance increase 30.4% (1Aug 2014 £3.65 4 August 2015 £4.76) Share will go Ex Divi on 6 August at 1.90p per share payable on 3 September

Financial Performance

- [Half Year Report 2015](#) * [Full Year Report 2014](#) * [Yahoo Estimates](#)

	31 May 14	31 May 15	Change
	£m	15£m	%
Net Rental Income	18.5	18.6	0.5
Operating Profit	28.7	49.9	73.8
Profit Before Tax	50.0	203.1	306.2
Property Assets	1035	1111	7.3
Shareholders Funds	718	870	21.2
Net Asset Value per Share	325	394	21.2

TECHNICAL ANALYSIS – Technical Diagnosis – Moving averages give a good indication of the vitality of the share in the long run. From October 2014 to Feb 2015 the share price saw a sharp escalation with momentum being in evidence in all moving averages and a high in the share price seen in February. The share saw retracement to May 2015 but since then the price has seen momentum with higher lows in evidence. The 200 Day Moving Average has been on a steep incline since February 2015. Since the start of 2015 there has been share price volatility. A Bottom Saucer is in evidence with a cup and handle formation in play. The recent 20 Day cross over with its 50 Day Moving Average could suggest that momentum is now to the upside. Since the 14 July bullish candles have seen it rise from a low of £4.50. The 30 July candle saw buyers force the price to finish higher which was confirmed by the subsequent 31 July bullish candle. A Bullish engulfing candlestick on the 4 August together with recent share price activity could be indicative of a potential break out to the upside although there is no guarantee of this. Heightened land regeneration activity (particularly in London) would place St. Modwen as being ideally positioned to capitalize in its niche market for medium/long term potential. I bought 800 shares at £4.758 on 4 August and 200 shares at £4.79 on 5 August in support of conviction that the share has upside potential. Please note this analysis is not advice but interpretation of potential market moves. Past performance is no guide to the future. First Share Reviewed on 4 Aug 2015 £4.76 Current Price 15 September 2015 £4.41 (Close)

