

## MJ GLEESON [GLE.L] Price on 17 March £5.87

M J Gleeson Group PLC is a UK based company, engaged in urban housing regeneration and strategic land trading. The Company operates through two subsidiaries: Gleeson Homes and Gleeson Strategic Land. Gleeson Homes is engaged in estate regeneration and housing development on brownfield land in the North of England. Gleeson Strategic Land purchases options over land in the South of England. Gleeson Strategic Land is engaged in promoting and realizing development opportunities through the ever increasing complexities of the planning system. Gleeson Strategic Land holds interests in approximately 3500 acres of land.

### Company Facts [Web Site](#)

Ticker	Market Cap	Sector	Exchange	Currency	Indices
GLE.L	£289m	Construction	LSE	UK Sterling	FTSEall share

### Key Features

- Twin Strategy - the development of low cost homes in the North of England and Strategic land sales in the south of England. Gleeson Group consists of two distinct but complementary businesses. Housebuilding in the brownfield land in the north and Strategic Land Trading in the South.
- Features of Gleeson Business Model : Community Regeneration, Successful Land Purchase, Driving Down Building Costs, Low overheads, Enabling the customer. Achieving mutually beneficial agreements with landowners, realising value.
- 2015 Business performance 751 homes sold a 34% increase from 561 plots in 2014. A 3.5% increase in Gross acres of 3,936 from 1,802 acres
- Compliant with Government policy on Housing including active participation in recent initiatives including Help to Buy, Save and Build, First Rung Deposit Saved, Advance to Buy, Aspire town,
- Accords with Government policy of development of Gleeson Apprenticeship Scheme and engagement with local schools on safety concerns on Building Sites
- Adopts stringent Corporate Governance procedures on Shareholder returns, Anti Bribery and whistleblowing arrangements and conflict of interest compliance in accordance with legislation.
- Year on year share performance increase 50% (31Dec 2014 £3.57 31Dec 2015 £5.35)

### Recent News

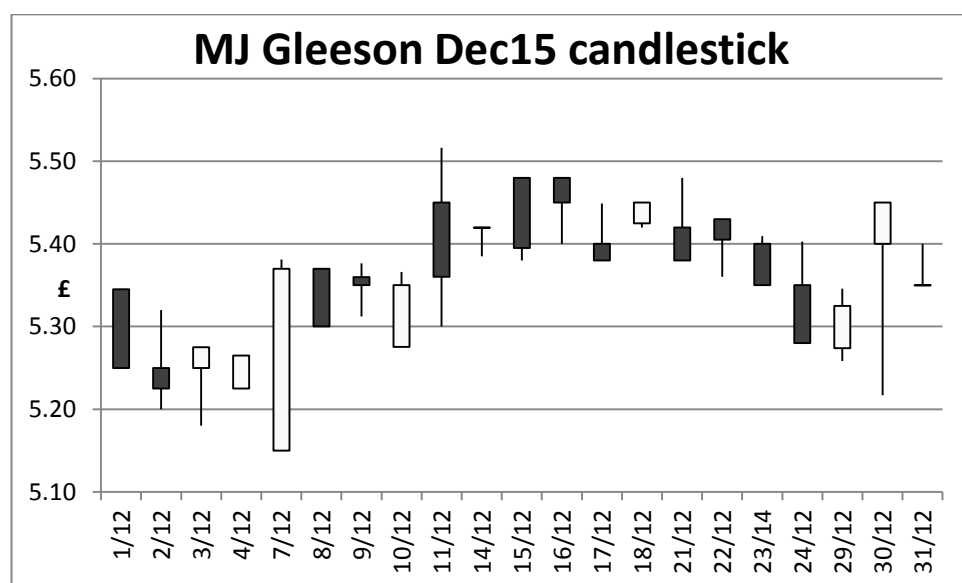
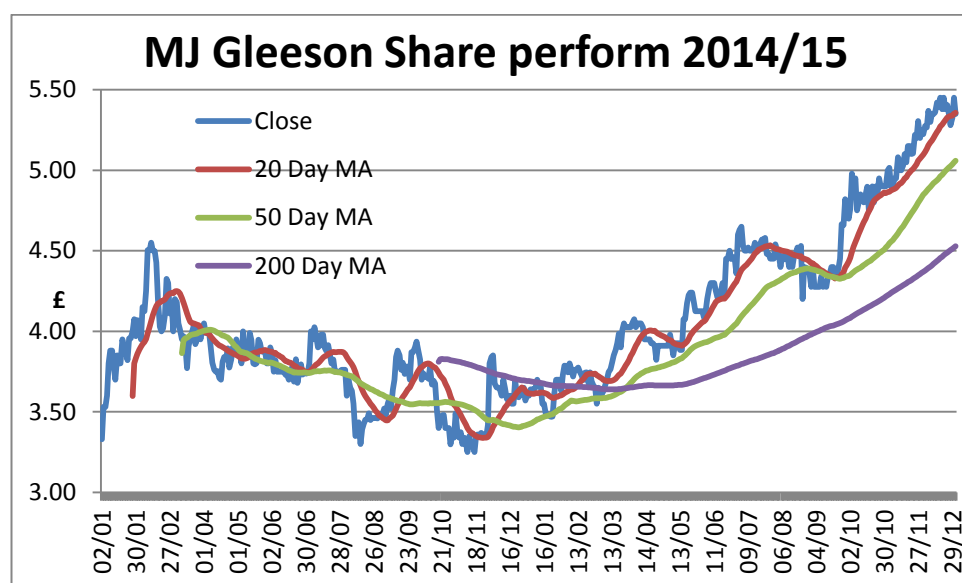
- In march 2015 Gleeson gave the opportunity to Non profit orgs to apply for £10,000 makeovers
- New Home developments in Cleveland, Manchester, Northumberland, Derbyshire, Merseyside

### Financial Performance

- [2015 annual Report](#)

<a href="#">2015 annual Report (pg3)</a>	2014	2015	change
	£m	£m	%
Group Revenue	81.4	117.6	44.4
Profit Before Tax	12.2	17.3	41.8
Net Cash Flow	5.7	8.1	42.1
EPS	17.2	34.2	98.4
Divi for yr p	6	10	66.7
Net Assets	128.1	136.5	6.6
NA Per Share	241	254	5.4
Cash	13.7	15.8	15.3
Return on Capital (%)	13.7	21.1	54.0

**TECHNICAL ANALYSIS – Technical Diagnosis –** Moving averages give a good indication of the vitality of the share in the long run. Since Nov 2014 the share has been in one direction, northwards. With the exception of the pullback back from July to Oct 2015 where a falling wedge became evident, the share has continued to aspire to higher share price performance. All moving Averages have been in the incline where a perfect combination of price above its 20 Day, 20 Day above 50 Day and 50 Day above 200 day have been in evidence since Oct 2015. The £4.50 artificial resistance level was again broken in Oct 2015 and the shares have continued on their elevated course. Last month’s candlesticks saw consolidation in the range £5.20 to £5.50. Recent last day’s retracement on 24 Dec was interrupted on the 29 Dec with a bullish engulfing and the dragon fly doji on the 30 Dec suggests buyers were still in confident mood of further share price momentum to the upside. The continued low interest rates and UK Government directional policy on home ownership, suggest that housing continues to be in favour. FEDs policy on US interest rates suggests further rises in the pipeline. How much the BOE will allow continued divergence between UK and US interest policy is uncertain. The BOE has stated its continued low interest rate throughout 2015. Accepting this continued uncertainty on Interest rate divergence between UK and US, I bought 750 shares at £5.40 on 31 Dec 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 1 January 2016 at £5.35 Current Price 17 March 2016 £5.87 (Close)



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