

# News

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## Muse Developments' Performance Helps Parent Group's Solid Results

Affordable Housing and Urban Regeneration, and an Investment unit, has today announced solid results in line with expectations for the six months to 30 June 2010. The Group's profit before tax, amortisation of intangible assets and non-recurring costs was £23.1 million (2009: £23.9 million) on revenue of £982 million (2009: £1.14 billion). The Group's forward order book has increased to £3.7 billion (2009: £3.6 billion). Adjusted earnings per share for the period were 42.0p (2009: 42.6p). The Board has declared a maintained interim dividend of 12.0p (2009: 12.0p).

Improved levels of activity, particularly within its residential portfolio, have helped Muse make a significant contribution to these results. In Plymouth, the first phase residential building at the company's Millbay development is now complete and fully sold, while the number of apartments remaining at Chatham Place in Reading is down to single figures. Sales have also been strong at the Granary Wharf development in Leeds where 282 waterside apartments have been developed by Isis Waterside Regeneration, a delivery partnership comprising Muse, British Waterways and Aviva.

Muse continues to make progress with its major mixed-use regeneration schemes. Working as part of English Cities Fund (ECf) – a joint venture partnership with Legal & General and the Homes and Communities Agency – the company is about to complete the first phase of residential and commercial development at Merchant Gate in Wakefield. Construction of the second phase, comprising 123,000 sq ft of new civic offices for Wakefield Metropolitan District Council, is already under way.

In June, Muse secured planning approval to develop a civic office scheme for Doncaster Metropolitan Borough Council. This will form part of Muse's new civic and cultural quarter development, Doncaster Waterdale. The first phase is expected to be completed by early 2013.

Through ECf, Muse is working with Liverpool Vision and the city council at St Paul's Square in Liverpool, which will provide office accommodation, apartments, retail space, a restaurant and car parking at the gateway to the city's new central business district. Construction of the third and final phase, a 109,000 sq ft office building, is well advanced.

Across the Pennines, the company is transforming a 100-acre site adjacent to the new East Leeds Link Road to create 1.2 million sq ft of business space on a new business park called Logic Leeds.

At the Eurocentral business park in Motherwell, Scotland, work is under way on two new buildings which will provide 160,000 sq ft of industrial and distribution space on Plot F at the 650-acre development site. Construction work is being carried out by Muse's sister company, Morgan Sindall, and is due to be completed in late 2010. Over the past 15 years, Muse has invested more than £100 million at Eurocentral and developed more than one million sq ft of commercial space.

On the planning front, Muse has secured outline consent for its Talbot Gateway development which will regenerate the North Station area of central Blackpool over the next decade. In addition, ECf has received planning permission for a major regeneration project in Salford.

"Although market conditions have remained tough in the first half of 2010, our presence in a

number of long-term development partnerships, coupled with improved levels of residential sales across the UK, has enabled us to perform well," says Matt Crompton, joint managing director for Muse Developments. "We've made excellent progress on a number of our major regeneration schemes already this year and, looking ahead, our forward development programme remains strong."

Ends.