Opening remarks

- **Urban&Civic direction of travel well set**
  - EPRA NAV up 3.1 per cent to 293.0p per share, 27 per cent increase since May 2014 listing
  - Large site discount at Alconbury and Rugby pro rata now estimated at £103 million, based on CBRE current valuations for 150 unit parcels. Equivalent to 71.0p or 24 per cent increase over March 2017 EPRA NAV per share (September 2016: £91 million and 60.0p per share)
  - Advantages of Master Developer in facilitating large scale residential build, along with political priorities of accelerated delivery, are clear
  - Our serviced land licence model is capital efficient and guarantees quality to housebuilders. Reciprocal benefits to Urban&Civic through sharing in chain of value and cash generation above guaranteed minimum future receipts
  - Approaching 33,000 residential plots either consented or being progressed across the Group
  - Recent 33 per cent investment with Nuffield Trusts in allocated 2,800 residential units at St. Neots demonstrates ability to leverage operating platform
  - Interim dividend increased 9 per cent to 1.2p per share, recognising consistent advances and scope for growth
- **Unequivocal intention to invest further into strategic land**
Housebuilding Process - turning land into cash

• Quoted housebuilder model has changed fundamentally in response to market circumstances
• Clear industry move to the right outside London: housebuilder shareholders now expect rapid cash circulation and high dividend pay out
• Reported £505 million purchase of Gallagher Estates by ambitious housing association is further recent demonstration of altered landscape. CEO described the largest ever commercial acquisition in the not for profit sector as a “defining moment” for L&Q
• Successful planning is no longer a sufficient condition to land value realisation
• Crucially not zero sum for Master Development when the serviced land premium has been increasing
Building value in cash
Actual first half March 2017
28 completions

Cash realised by housebuilder: £52,000 per house

Cash realised by Urban&Civic: £103,000 per house

Reported pretax profit per house: £55,000 - £15,000 = £40,000 x 28 = £1.1 million
Cash back to Urban&Civic: £103,000 x 28 = £2.9 million

Uplift over March 2017 EPRA: (£103,000 - £48,000 = £55,000) = 2.2x £25,300
Master Developer: doing mostly what we said (and some more)

- **What we envisaged:** under our devised licence model Urban&Civic provide serviced plots in optimum parcel sizes on strategic sites for housebuilders to commence construction. We receive approximately one third of sales price when the completed houses are sold.

- Complete transparency but without construction cost exposure: as house prices increase so do the receipts back to Urban&Civic

- **The big improvement since Listing is that our housebuilder customers contract to make a minimum annual draw down of serviced plots,** typically 35-45 a year. The structure of the contracts varies but the core relationship is for annual forward sales with overage. Housebuilders can only accelerate.

- Those minimum payments are fixed absolutely and now afford Urban&Civic good cashflow security, broadly on a 5 year look forward basis.

- **The configuration of the profit and loss account adjusts from here:** only Hopkins and Morris at Alconbury accounted for in first half 2017. 28 Hopkins sales generated £1.1 million profit over attributed cost at 2.2 x March 2017 EPRA book. Current sales or reservations stand at 63.

- Redrow (200 contracted plots) at Alconbury; Davidsons (243), Morris (180) and Crest Nicholson (186) at Rugby will begin to account in 2017 full year.

- Newark: relationship between housebuilder margin and current plot value is highly sensitive to the timing of investment spend at around £200 per sq.ft. estimated house prices. Avant (173 plots) expected to realise above book.
### Strategic Land investment

<table>
<thead>
<tr>
<th></th>
<th>Total consented units</th>
<th>Contracted</th>
<th>Under licence</th>
<th>Civic Living</th>
<th>31 March 2017 valuation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alconbury Weald</td>
<td>5,000</td>
<td>493</td>
<td>10.0%</td>
<td>140</td>
<td>£25,300</td>
</tr>
<tr>
<td>Rugby</td>
<td>6,200</td>
<td>609</td>
<td>9.8%</td>
<td>110</td>
<td>£16,500</td>
</tr>
<tr>
<td>Newark</td>
<td>3,150</td>
<td>173</td>
<td>5.5%</td>
<td>70</td>
<td>£6,200</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>14,350</strong></td>
<td><strong>1,275</strong></td>
<td><strong>8.9%</strong></td>
<td><strong>320</strong></td>
<td></td>
</tr>
</tbody>
</table>

- **Cash coming back to the projects from contracted sales is around £125 million, at current house prices.** This number is without Civic Living and not dependent on further material capital expenditure beyond that which has now been spent.

- Annualised aggregate minimum payments to Urban&Civic exceed £11 million + Hopkins’ JV (c£2.2 million+ annualised)

- First Civic Living housing to commence at Alconbury in Q2 2017

- **Wintringham Park, St. Neots** investment equates to £14,000 a plot. New consent for minimum 2,800 units anticipated not later than Q1 2018

- Planning application for **6,500 units at Waterbeach** submitted in February. £7.7 million carrying cost at March 2017 has a priority under MoD waterfall arrangements. Papworth Hospital Trust consented occupation of 234 renovated rooms in Q2 2018 secures current book

---

*Papworth Hospital Trust consented occupation of 234 renovated rooms in Q2 2018 secures current book.*

---

*Growing strategic presence*
Financial highlights

<table>
<thead>
<tr>
<th></th>
<th>31 March 2017</th>
<th>30 September 2016</th>
<th>31 March 2016</th>
<th>12 month increase</th>
<th>6 month movement</th>
<th>Increase from 2014 listing</th>
</tr>
</thead>
<tbody>
<tr>
<td>EPRA NAV</td>
<td>£424.5m</td>
<td>£409.8m</td>
<td>£390.8m</td>
<td>8.6%</td>
<td>3.6%</td>
<td>31.1%</td>
</tr>
<tr>
<td>EPRA NAV per share</td>
<td>293.0p</td>
<td>284.2p</td>
<td>270.9p</td>
<td>8.2%</td>
<td>3.1%</td>
<td>26.8%</td>
</tr>
<tr>
<td>EPRA triple NAV per share</td>
<td>282.8p</td>
<td>275.4p</td>
<td>263.3p</td>
<td>7.4%</td>
<td>2.7%</td>
<td>23.5%</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>£4.2m</td>
<td>£25.9m</td>
<td>£8.4m</td>
<td>n/a</td>
<td>(50)%</td>
<td>n/a</td>
</tr>
</tbody>
</table>

1 decrease over the prior comparative period
2 including residential property sales

- Turnover + 8.1% (2017: £31.9m, 2016: £29.5m)
- £32.4m of property disposal proceeds, including 28 house sale completions from our JV with Hopkins Homes
- £65.4m of acquisition and development expenditure
- £45.1m Alconbury HCA facility completed; total HCA facilities of £91.8m
- 11.8 per cent gearing (including Rugby pro rata) on 31 March 2017 EPRA NAV
## Summarised 6 month income and valuation movements

<table>
<thead>
<tr>
<th></th>
<th>6 months to 31 March 2017</th>
<th>6 months to 31 March 2016</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>31.9</td>
<td>29.5</td>
<td>Trading and residential property sales, rental and other property income</td>
</tr>
<tr>
<td>Gross profit</td>
<td>7.7</td>
<td>8.2</td>
<td>Profits on trading property sales, rental and other property profits, write back on trading properties</td>
</tr>
<tr>
<td>Administrative expenses</td>
<td>(5.9)</td>
<td>(4.7)</td>
<td>Net of capitalised costs</td>
</tr>
<tr>
<td>IFRS valuation movements</td>
<td>3.0</td>
<td>4.1</td>
<td>Investment properties only</td>
</tr>
<tr>
<td>Other</td>
<td>(0.6)</td>
<td>0.8</td>
<td></td>
</tr>
<tr>
<td>Profit before tax</td>
<td>4.2</td>
<td>8.4</td>
<td></td>
</tr>
<tr>
<td>Tax</td>
<td>(0.2)</td>
<td>(1.8)</td>
<td></td>
</tr>
<tr>
<td>Profit after tax</td>
<td>4.0</td>
<td>6.6</td>
<td></td>
</tr>
</tbody>
</table>
## Summarised balance sheet as at 31 March 2017

<table>
<thead>
<tr>
<th></th>
<th>31 March 2017</th>
<th>30 September 2016</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property related interests</td>
<td>422.0</td>
<td>369.6</td>
<td>Investment, trading and PPE properties (wholly owned or in JVs)</td>
</tr>
<tr>
<td>Cash</td>
<td>16.6</td>
<td>15.1</td>
<td></td>
</tr>
<tr>
<td>Borrowings</td>
<td>(57.9)</td>
<td>(49.6)</td>
<td></td>
</tr>
<tr>
<td>Deferred tax (liability)/asset</td>
<td>(0.5)</td>
<td>(0.3)</td>
<td></td>
</tr>
<tr>
<td>Working capital</td>
<td>(11.1)</td>
<td>31.5</td>
<td></td>
</tr>
<tr>
<td>IFRS net assets</td>
<td>369.1</td>
<td>366.3</td>
<td></td>
</tr>
<tr>
<td>EPRA adjustments – property</td>
<td>50.0</td>
<td>38.0</td>
<td>Trading properties and contracted minimums</td>
</tr>
<tr>
<td>EPRA adjustment – deferred tax</td>
<td>5.4</td>
<td>5.5</td>
<td></td>
</tr>
<tr>
<td>EPRA net assets</td>
<td>424.5</td>
<td>409.8</td>
<td></td>
</tr>
</tbody>
</table>
Property Analysis - March 2017 EPRA valuations

By Segment

- Strategic land: 324.6 £m (69%)
- Commercial: 118.7 £m (25%)
- Catesby: 28.7 £m (6%)

By Property

- Alconbury: 218.9 £m (46%)
- Rugby (50% interest): 58.2 £m (12%)
- Newark (82.2% interest): 39.8 £m (8%)
- Commercial work in progress: 70.0 £m (15%)
- Commercial completed: 35.8 £m (8%)
- Catesby: 28.7 £m (6%)
- Other: 12.9 £m (3%)
- Waterbeach: 7.7 £m (2%)

Unserviced residential: £126.7m
Expansion Land: £25.0m
Commercial: £33.4m
Servicing, housebuild and other costs: £33.7m
Movements in EPRA NAV per share

<table>
<thead>
<tr>
<th>EPRA NAV 30 Sept 2016</th>
<th>Revaluation of properties (incl share of JVs)</th>
<th>EPRA adj on properties retained</th>
<th>EPRA adj on properties sold</th>
<th>Property sales</th>
<th>Rental and other property income</th>
<th>Administrative expenses</th>
<th>Dividends paid (net of scrip)</th>
<th>Other</th>
<th>Deferred tax (EPRA)</th>
<th>EPRA NAV 31 March 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>284.2p</td>
<td>3.2p</td>
<td>8.9p</td>
<td>(0.7)p</td>
<td>2.1p</td>
<td>1.9p</td>
<td>(4.1)p</td>
<td>(0.5)p</td>
<td>(0.1)p</td>
<td></td>
<td>293.0p</td>
</tr>
</tbody>
</table>

Profit on property sales (net of previous EPRA adjs) 1.4p

Growth in value of retained properties 12.1p
Building on political priorities

- Gearing (net):
  - EPRA NAV basis (including Rugby JV pro rata)
    11.8 per cent
- Committed HCA infrastructure loans total £91.8 million
- HCA loans permit roll up of interest, recycling of proceeds and repayment only out of realised proceed distributions
- Committed, but undrawn facilities of £78.2 million, including Rugby JV
- Weighted average costs of borrowing on debt drawn is 2.9 per cent (all-in)
- Weighted average loan maturity of debt drawn is 5.8 years
- HCA loan maturity average 9 years

Fully funded, lowly leveraged
- Approval for 5,000 homes and c.3.1m sq.ft. commercial
- Prospect of less than 15% affordable provision
- Further 1,500 homes under draft local plan
- Enterprise Zone designation for 370 gross acres
- 55 minutes to London and under 1 mile from A1(M) and A14
- Total area 1,425 acres
- 338 residential NDAs
- 163 commercial NDAs
Hopkins Homes and Ermine Street Academy

- 28 completions in first half 2017
- 63 current sales or reservations
- Hopkins best ever launch
• 165 plots; started on site March 2017
- 200 plots; started on site April 2017
- Timber frame construction to shorten build period
- 270,000 sq.ft. completed and
- 600,000 sq.ft. started during period
Scope to grow
(and we could not resist buying another 50 acres)
The next three years

Key Phase 1

Key Phase 2

Grange Farm
- 50:50 joint venture with Aviva
- Approval for 6,200 homes and c.1.3m sq.ft. commercial
- Prospect of less than 15% affordable provision
- 50 minutes to London, 35 minutes to Birmingham, under 1 mile from M1, 4 miles from M6 and under 1 mile from Daventry International Rail Freight Terminal
- Total area: 1,170 acres
  - 385 residential NDAs
  - 36 commercial NDAs
• Davidsons and first primary school on site
• Dollman Farm builds local profile
• Preparation for new link road back into Rugby (contracts totalling £15 million soon to be placed funded by HCA)
• 243 units
• Four weeks since launch
• Six large houses reserved
• c.82% interest in site
• Approval for up to 3,150 homes and 2m sq.ft. of storage and distribution
• 1 hour and 30 minutes to London, 30 minutes to Nottingham and under 1 mile from the A46 and A1 (M)
• Total area 718 acres; 172.5 residential NDAs; 110 commercial NDAs
- Avant 173 homes on site
  June 2017
This is what 6,500 new homes 3 miles north of Cambridge would look like, courtesy of the Royal Engineers

Waterbeach Barracks

- Development Management Agreement with MoD; U&C to earn percentage retention on realised land uplifts after full cost recovery
- Application including 6,500 new homes submitted February 2017, jointly with Secretary of State for Defence
- Papworth Hospital Trust occupation of 234 renovated rooms consented for Q2 2018
- Potential to create significant residential rental portfolio
- 5 miles north of Cambridge, 3 miles from Cambridge Science Parks, cycling distance from north Cambridge and existing Waterbeach railway station
- Total area: 716 acres
Wintringham Park

- April 2017 33 per cent investment with Nuffield Trusts
- £13.3 million entry cost phased over four years
- Total area 400 acres;
- 2,800+ new homes
- 63,500m² employment floor space
- 2 new primary schools
- Existing main line station within walking distance (fastest time to Kings Cross 35 minutes)
- Cambridgeshire County Council back to Conservative majority (from no overall control)
- £14,000 plot cost v £25,300 March 2017 valuation at Alconbury
- Similar average house prices at £285 per sq.ft.
- Expect planning consent not later than Q1 2018. New Metro Mayor has expressed support
Complimenting, not competing with housebuilder customers

Strategic sites only

Additional margin capture and absorption

Direct contract: low incremental Urban&Civic manpower additions

320 units submitted or soon to be submitted

Alconbury housing designs consented; about to start on site
Commercial

Feethams - completed

- 100,000 sq.ft. leisure scheme anchored by 80 bed Premier Inn and nine screen Vue cinema
- 95 per cent let
- ERV £1.5 million: March 2017 valuation £22.0 million

Stansted Hotel - completing

- 357 bed hotel adjoining airport terminal to complete June 2017
- Expansion capacity up to 520 rooms
- Expected EBITDA of £3.5 million within three years of opening

Manchester New Square - work in progress

- Revised planning for three residential blocks totalling 351 units
- Initial marketing; >20 per cent of first two blocks reserved or exchanged (value > £12 million)
- Terms agreed with equity funding partner
- Expect to start construction Q2 2017

Commercial development where we see competitive advantage
Commercial

Skelton - work in progress

- Planning consent for 40,000+ sq.ft. retail park
- Practical completion due Q4 2017

Deansgate, Manchester - serviced land bank

- Existing hotel on Deansgate now contributing >£1.5 million of net income per annum
- International design competition for Deansgate redevelopment nears selection
- Hotel/residential/retail 450,000 sq.ft.

Wolverhampton Westside - pre-planning

- Development agreement with City of Wolverhampton
- 6.4 acre city centre site
- Phase 1 envisages cinema, 90,000 sq.ft. of additional leisure, restaurants and 100+ bedroom hotel

Maintained momentum (if not balance sheet) behind future schemes
Land trading business principally through promotion agreements, with short to medium term (1 – 5 years) residential potential

Search area is Southern Midlands to the South Coast of England, usually in authorities without a five year residential land supply and/or up to date Local Plan

Competitive advantage over house builders seeking options as sales are all open market

EPRA uplift of £3.8 million to March 2017, reflecting 460 additional consented plots in period (760 plots approved during FY 2016)

Sales realisations skewed to second half with two completed sales post March balance sheet date

Combined working benefits and record pipeline maintained. Approaching 10,000 plots contracted or in solicitors’ hands
Conclusion

- **Urban&Civic is the most significant new entrant into the large scale housing market in recent years**
- Enduring structural changes to residential supply chain
- Adaptation provides clear space for a business melding 25 years successful large site development experience with manifest national priorities. Capital efficient quality guaranteed, strategic land deliverer and planning expert Catesby are now firmly established constituents. Civic Living will compliment, not compete
- Urban&Civic model designed specifically not to be highly cash consumptive. Peak capital requirements on strategic sites typically £30-40 million (before HCA funding) above land acquisition costs. Past that point at Alconbury and fast approaching at Rugby

- **Changing face of the P&L account reflects the maturing business.**
  Existing external contracts likely to generate £125 million at project level, without house price growth and from investment already in the ground. Realised sales demonstrating better than 2 x EPRA March 2017 plot values
- Income security enables new project investment. Guaranteed contracted minimums over an average of the next 5 years + Hopkins JV + Catesby cover operating costs plus dividends
- Anticipate current 69 per cent balance sheet holding in strategic land to go higher but with maintained low financial gearing. Government to be the largest lender to the business for the foreseeable future

- **Leverage comes from operating platform via additional partnerships with institutional investors**
  Nuffield Trusts at St. Neots unlikely to be the last
## Summarised 6 month income and valuation movements

<table>
<thead>
<tr>
<th>£m</th>
<th>6 months to 31 March 2017</th>
<th>6 months to 31 March 2016</th>
<th>Comments on 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>31.9</td>
<td>29.5</td>
<td>Trading and residential property sales of £23.0m (including £10.7m of Morris minimums and £7.9m Hopkins Homes at Alconbury); rental and other property income of £8.9m¹</td>
</tr>
<tr>
<td>Gross profit</td>
<td>7.7</td>
<td>8.2</td>
<td>Profits on trading property sales² of £3.2m (including £0.9m land promotion sites; £1.6m residential sales; £0.7m other, rental and other property profits of £2.1m³; write back on trading properties of £1.7m and other £0.7m</td>
</tr>
<tr>
<td>Administrative expenses</td>
<td>(5.9)</td>
<td>(4.7)</td>
<td>Net of capitalised costs of £2.4m, includes Catesby</td>
</tr>
<tr>
<td>IFRS valuation movements</td>
<td>3.0</td>
<td>4.1</td>
<td>Alconbury £2.2m, Bradford £1.0m and Feethams (£0.2)m</td>
</tr>
<tr>
<td>Other</td>
<td>(0.6)</td>
<td>0.8</td>
<td></td>
</tr>
<tr>
<td>Profit before tax</td>
<td>4.2</td>
<td>8.4</td>
<td></td>
</tr>
<tr>
<td>Tax</td>
<td>(0.2)</td>
<td>(1.8)</td>
<td>Deferred tax movement</td>
</tr>
<tr>
<td>Profit after tax</td>
<td>4.0</td>
<td>6.6</td>
<td></td>
</tr>
</tbody>
</table>

¹ Comprises £4.0m hotel income; £4.2m rental and other property income; £0.7m project management income
² Including residential property sales
³ Comprises £1.4m rental and other property profits; £0.7m hotel profits;
### Summarised balance sheet as at 31 March 2017

<table>
<thead>
<tr>
<th></th>
<th>31 March 2017</th>
<th>30 September 2016</th>
<th>Comments on 2017</th>
</tr>
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<tbody>
<tr>
<td>Property related interests&lt;sup&gt;1&lt;/sup&gt;</td>
<td>422.0</td>
<td>369.6</td>
<td>100% owned £363.9m, JVs £58.1m</td>
</tr>
<tr>
<td>Cash</td>
<td>16.6</td>
<td>15.1</td>
<td></td>
</tr>
<tr>
<td>Borrowings</td>
<td>(57.9)</td>
<td>(49.6)</td>
<td>HCA loans £20.1m, Feethams £14.2m, Stansted £9.7m, Bradford £6.5m, RCF £8.0m, grant £1m (before declared arrangement costs)</td>
</tr>
<tr>
<td>Deferred tax liability</td>
<td>(0.5)</td>
<td>(0.3)</td>
<td>Deferred tax asset of £4.9m less deferred tax liability of £5.4m</td>
</tr>
<tr>
<td>Working capital</td>
<td>(11.1)</td>
<td>31.5</td>
<td>2016: Included £38.2m of net sale proceeds due on completion of Herne Bay</td>
</tr>
<tr>
<td>IFRS net assets</td>
<td>369.1</td>
<td>366.3</td>
<td></td>
</tr>
<tr>
<td>EPRA adjustments – property&lt;sup&gt;4&lt;/sup&gt;</td>
<td>50.0</td>
<td>38.0</td>
<td>Alconbury £35.7m&lt;sup&gt;2&lt;/sup&gt;, Rugby £3.5m, Catesby £10.0m, Newark (£1.7m), Stansted £1.3m, Manchester sites £0.4m and other £0.8m</td>
</tr>
<tr>
<td>EPRA adjustment – deferred tax</td>
<td>5.4</td>
<td>5.5</td>
<td>Add back deferred tax liability</td>
</tr>
<tr>
<td>EPRA net assets</td>
<td>424.5</td>
<td>409.8</td>
<td></td>
</tr>
</tbody>
</table>

<sup>1</sup> Comprises Alconbury £183.2m<sup>3</sup>; Rugby £54.7m<sup>2</sup>; Newark £41.5m; Manchester sites £30.4m; Feethams £22.0m; Stansted £34.5m; Catesby £18.7m; Bradford £13.8m; Other £23.2m

<sup>2</sup> Alconbury – EPRA carrying value £218.9 – £183.2m on balance sheet, £35.7m EPRA adjustment

<sup>3</sup> Rugby – EPRA carrying value £58.2 - £54.7m on balance sheet, £3.5m EPRA adjustment. CBRE valuation £134.0m. 50% interest reflected net of £8.8m debt and working capital

<sup>4</sup> Includes revaluation of the Morris Homes variable consideration classified as a financial asset
## Property Analysis - EPRA valuation movement

<table>
<thead>
<tr>
<th>£m</th>
<th>31 March 2017</th>
<th>Valuation movement</th>
<th>Expenditure</th>
<th>Acquisitions / disposals</th>
<th>30 September 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alconbury</td>
<td>208.7</td>
<td>6.2</td>
<td>26.4</td>
<td>(25.1)</td>
<td>201.2</td>
</tr>
<tr>
<td>Alconbury minimums</td>
<td>10.2</td>
<td>—</td>
<td>—</td>
<td>10.2</td>
<td>—</td>
</tr>
<tr>
<td>Rugby (50% interest)</td>
<td>218.9</td>
<td>6.2</td>
<td>26.4</td>
<td>(14.9)</td>
<td>201.2</td>
</tr>
<tr>
<td>Waterbeach</td>
<td>58.2</td>
<td>3.5</td>
<td>6.8</td>
<td>—</td>
<td>47.9</td>
</tr>
<tr>
<td>Newark (82.2% interest)</td>
<td>7.7</td>
<td>—</td>
<td>2.2</td>
<td>—</td>
<td>5.5</td>
</tr>
<tr>
<td>Manchester sites</td>
<td>39.8</td>
<td>(1.5)</td>
<td>5.2</td>
<td>—</td>
<td>36.1</td>
</tr>
<tr>
<td>Bridge Quay, Bristol</td>
<td>30.8</td>
<td>—</td>
<td>2.2</td>
<td>—</td>
<td>28.6</td>
</tr>
<tr>
<td>Bradford</td>
<td>13.8</td>
<td>1.0</td>
<td>—</td>
<td>—</td>
<td>12.8</td>
</tr>
<tr>
<td>Stansted</td>
<td>11.8</td>
<td>2.8</td>
<td>4.4</td>
<td>14.7</td>
<td>—</td>
</tr>
<tr>
<td>Feethams, Darlington</td>
<td>35.8</td>
<td>(0.2)</td>
<td>—</td>
<td>—</td>
<td>22.2</td>
</tr>
<tr>
<td>Catesby</td>
<td>22.0</td>
<td>0.2</td>
<td>3.9</td>
<td>(0.6)(^1)</td>
<td>22.2</td>
</tr>
<tr>
<td>Skelton Industrial</td>
<td>28.7</td>
<td>—</td>
<td>1.5</td>
<td>1.5</td>
<td>0.4</td>
</tr>
<tr>
<td>Scottish land sites</td>
<td>5.0</td>
<td>—</td>
<td>—</td>
<td>(1.5)</td>
<td>6.5</td>
</tr>
<tr>
<td>Other</td>
<td>3.4</td>
<td>3.4</td>
<td>—</td>
<td>—</td>
<td>3.4</td>
</tr>
<tr>
<td><strong>EPRA valuations</strong></td>
<td><strong>472.0</strong></td>
<td><strong>16.4(^2)</strong></td>
<td><strong>63.9</strong></td>
<td><strong>(15.9)</strong></td>
<td><strong>407.6</strong></td>
</tr>
</tbody>
</table>

\(^1\) £0.9 million of previously recognised EPRA adjustments released on disposal

\(^2\) Of the £16.4 million valuation movement, £4.4 million is taken through the income statement, with a further £12.0 million of EPRA adjustments
### Valuation movement recognised in accounts

<table>
<thead>
<tr>
<th>Description</th>
<th>£m</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment property</td>
<td>3.0</td>
<td>Alconbury £2.2m; Bradford £1.0m; Feethams (£0.2)m</td>
</tr>
<tr>
<td>Trading property (included in direct costs)</td>
<td>1.7</td>
<td>Stansted £1.2m; Hudson Quay £0.7m; other (£0.2)m</td>
</tr>
<tr>
<td>Fixed asset impairment (included in direct costs)</td>
<td>(0.3)</td>
<td>Manchester hotel and Club building Alconbury</td>
</tr>
<tr>
<td>IFRS Total</td>
<td>4.4</td>
<td></td>
</tr>
<tr>
<td>EPRA adjustments on sites sold</td>
<td>(0.9)</td>
<td>See property analysis – EPRA adjustments</td>
</tr>
<tr>
<td>EPRA adjustments on sites retained</td>
<td>12.9</td>
<td>See property analysis – EPRA adjustments</td>
</tr>
<tr>
<td>EPRA total</td>
<td>12.0</td>
<td></td>
</tr>
<tr>
<td>Total valuation adjustments</td>
<td>16.4</td>
<td></td>
</tr>
</tbody>
</table>
## Property analysis – EPRA adjustments

<table>
<thead>
<tr>
<th>£m</th>
<th>At 31 March 2017</th>
<th>Movement in period</th>
<th>At 30 September 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Catesby sites</td>
<td>—</td>
<td>(0.9)</td>
<td>0.9</td>
</tr>
<tr>
<td>Sites sold</td>
<td>—</td>
<td>(0.9)</td>
<td>0.9</td>
</tr>
<tr>
<td>Alconbury</td>
<td>35.7</td>
<td>4.0</td>
<td>31.7</td>
</tr>
<tr>
<td>Rugby</td>
<td>3.5</td>
<td>3.5</td>
<td>—</td>
</tr>
<tr>
<td>Newark</td>
<td>(1.7)</td>
<td>(1.5)</td>
<td>(0.2)</td>
</tr>
<tr>
<td>Manchester sites</td>
<td>0.4</td>
<td>—</td>
<td>0.4</td>
</tr>
<tr>
<td>Stansted</td>
<td>1.3</td>
<td>3.2</td>
<td>(1.9)</td>
</tr>
<tr>
<td>Catesby sites</td>
<td>10.0</td>
<td>3.7</td>
<td>6.3</td>
</tr>
<tr>
<td>Other</td>
<td>0.8</td>
<td>—</td>
<td>0.8</td>
</tr>
<tr>
<td>Sites retained</td>
<td>50.0</td>
<td>12.9</td>
<td>37.1</td>
</tr>
<tr>
<td>Total EPRA adjustments</td>
<td>50.0</td>
<td>12.0</td>
<td>38.0</td>
</tr>
</tbody>
</table>
## Administrative expenses

<table>
<thead>
<tr>
<th></th>
<th>6 months to 31 March 2017</th>
<th>6 months to 31 March 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel costs</td>
<td>4.5</td>
<td>4.8</td>
</tr>
<tr>
<td>Share-based payments</td>
<td>1.6</td>
<td>0.9</td>
</tr>
<tr>
<td>Accommodation costs</td>
<td>0.6</td>
<td>0.9</td>
</tr>
<tr>
<td>Professional fees</td>
<td>0.9</td>
<td>0.9</td>
</tr>
<tr>
<td>Other</td>
<td>0.7</td>
<td>0.8</td>
</tr>
<tr>
<td><strong>Gross administrative expenses</strong></td>
<td><strong>8.3</strong></td>
<td><strong>8.3</strong></td>
</tr>
<tr>
<td>Capitalised to investment properties</td>
<td>(0.5)</td>
<td>(0.9)</td>
</tr>
<tr>
<td>Capitalised to trading properties</td>
<td>(1.9)</td>
<td>(2.7)</td>
</tr>
<tr>
<td><strong>Capitalised administrative expenses</strong></td>
<td><strong>(2.4)</strong></td>
<td><strong>(3.6)</strong></td>
</tr>
<tr>
<td><strong>Net administration expenses</strong></td>
<td><strong>5.9</strong></td>
<td><strong>4.7</strong></td>
</tr>
</tbody>
</table>
## Bank and other borrowings

<table>
<thead>
<tr>
<th>Description</th>
<th>Commitment £m</th>
<th>Drawn £m</th>
<th>Undrawn £m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Newark – six year infrastructure loan from HCA</td>
<td>11.2</td>
<td>12.0</td>
<td>—</td>
</tr>
<tr>
<td>Bradford – non-recourse five year investment loan – 2.2% margin</td>
<td>6.5</td>
<td>6.5</td>
<td>—</td>
</tr>
<tr>
<td>Stansted – five year development and investment loan at margins of 2.6% and 1.5% respectively</td>
<td>18.0</td>
<td>9.7</td>
<td>8.3</td>
</tr>
<tr>
<td>Alconbury – ten year infrastructure loan from HCA</td>
<td>45.1</td>
<td>8.1</td>
<td>37.0</td>
</tr>
<tr>
<td>Rugby – ten year infrastructure loan from HCA</td>
<td>35.5</td>
<td>19.6</td>
<td>15.9</td>
</tr>
<tr>
<td>Feethams – non-recourse five year investment loan – 2.1% margin</td>
<td>14.2</td>
<td>14.2</td>
<td>—</td>
</tr>
<tr>
<td>Corporate – three year revolving credit facility – 2.75% – 2.5% margin</td>
<td>25.0</td>
<td>8.0</td>
<td>17.0</td>
</tr>
<tr>
<td>Newark – LEP grant</td>
<td>—</td>
<td>1.0</td>
<td>—</td>
</tr>
<tr>
<td><strong>Summary:</strong></td>
<td><strong>155.5</strong></td>
<td><strong>79.1</strong></td>
<td><strong>78.2</strong></td>
</tr>
</tbody>
</table>
Alconbury Phase 1 progress
Weald

- EZ; IKO
  - Completion Q1 2018

- EZ; MMUK
  - Completion Q2 2017

- EZ; John Adams Toys
  - Completion: Q1 2018

- EZ; IMET (HRO)
  - Completion: Q1 2018

- Cricket Park & Green
  - Complete: Q3 2017

- Parcel 6
  - 180 Units | 11 Acres
  - Out to Bid: Q2 2017

- Parcel 5
  - 185 Units | 15 Acres
  - Out to Bid: Q2 2017

- EZ; Incubator 2
  - 16,200 sq.ft.
  - On Site: Q3 2017
  - Complete: Q2 2018

- Parcel 4; Civic Living
  - C: 140 Units | 8.3 Acres
  - On site: Q2 2017
  - 1st Completion: Q2 2018

- Parcel 2; Morris Homes
  - 165 Units | 13.2 Acres
  - On site: Q1 2017
  - 1st Completion: Q3 2017

- Parcel 1; Hopkins Homes
  - 128 Units

- Parcel 3; Redrow Homes
  - 200 Units | 18.3 Acres
  - On site: Q2 2017
  - 1st Completion: Q3 2017

- Senliz Park
  - Community Park
  - Completed
RadioStation Site Progress

Rugby

Parcel 2; Morris Homes
- 180 units
- 15.0 acres
- On site: Q2 2017
- 1st completions: Q4 2017

Parcel 3; Crest Nicholson
- 186 units
- 11.8 acres
- On site: Q2/Q3 2017
- 1st completions: Q4 2017

Parcel 4; Civic Living
- 110 units
- 7.7 acres
- On site: Q3 2017
- 1st completions: Q2 2018

Dollman Farm
- Visitor Centre
- Project Office
- Community Building
- The Tuning Fork Cafe

Parcel 1; Davidsons Homes
- 243 units
- 18.5 acres
- On site: Q4 2016
- 1st completions: Q3 2017

St Gabriel’s CofE Academy
- Primary School
Newark Site Progress

Parcel 1; Avant Homes
- 173 Units
- 16.1 acres
- On site: Q2 2017
- 1st completion: Q4 2017

Parcel 2; Under Negotiation

Parcel 3; Civic Living
- 75 Units
- 4.9 acres
- On site: Q4 2017
- 1st completion: Q2 2018
Outlook: Savills predicting five years of out-performance in East of England

Five-year change to end of 2021

- Catesby assets with planning consent
- Alconbury
- Rugby
- Waterbeach
- Newark
- Wintringham Park
- Significant Commercial Assets

Source: Savills World Research, UK Residential, N.B. These forecasts apply to average prices in the second hand market. New Build values may not move at the same rate.
Catesby: Planning expert and land promotion

- Record pipeline
- Further 18 sites in solicitors’ hands
- 6 sites consented since March 2016 (1,150 units)
- Historic success no guide to future performance but practically 100 per cent success rate after appeals in recent years
- Housebuilders back in golden circle land market after a brief post June 2016 sabbatical
UK housing market: Urban&Civic priorities

- Golden 100 miles from London outer suburbs, with strong employment and good train connections
- Bristol, Manchester; confident local economies, heavy international post-graduate representation
- Planning and absorption are key Urban&Civic determinants
- Alconbury and St. Neots (Huntingdon) and Rugby: Evening Standard Top 10 accessible and affordable places to buy
- Newark is on the demand cusp
- Demonstrable market for serviced land: 1,282 plots now contracted in seven parcels across the three consented strategic sites
- Own account build is not customer competing but will accelerate absorption and lift margins
## Appendices

### UK quoted housebuilder land-bank

<table>
<thead>
<tr>
<th>Company</th>
<th>Period</th>
<th>Plots</th>
<th>Average sales price</th>
<th>Cost per plot</th>
</tr>
</thead>
<tbody>
<tr>
<td>Barratt</td>
<td>HY – 31 Dec 16</td>
<td>77,096</td>
<td>£263,800</td>
<td>£50,500</td>
</tr>
<tr>
<td>Bovis</td>
<td>FY – 31 Dec 16</td>
<td>18,704</td>
<td>£254,900</td>
<td>£52,400</td>
</tr>
<tr>
<td>Persimmon</td>
<td>FY – 31 Dec 16</td>
<td>97,187</td>
<td>£206,765</td>
<td>£29,356</td>
</tr>
<tr>
<td>Bellway</td>
<td>HY – 31 Jan 17</td>
<td>38,217</td>
<td>£256,100</td>
<td>£58,100</td>
</tr>
<tr>
<td>Redrow</td>
<td>HY – 31 Dec 16</td>
<td>25,300</td>
<td>£303,000</td>
<td>£69,250</td>
</tr>
<tr>
<td>Taylor Wimpey</td>
<td>FY – 31 Dec 16</td>
<td>76,234</td>
<td>£255,000</td>
<td>£39,381</td>
</tr>
</tbody>
</table>
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