

## **J SMART & CO (CONTRACTORS) PLC**

18 December 2008

### **INTERIM MANAGEMENT STATEMENT (for the period 1<sup>st</sup> August 2008 to date)**

Site operations in contracting, private housing and property development continue to proceed satisfactorily.

Suppliers of building materials are flagging up significant price rises in the new year.

Private house sales are virtually stagnant although the only dwellings for private sale we are currently building are part of a mixed development which also includes commercial premises for lease and social housing being built under contract.

Notwithstanding signs of stress among a few of our smaller tenants, commercial and industrial rental and occupation levels are still healthy and demand seems steady. However, investment values in commercial and industrial property have deteriorated recently. Unless there is an upwards correction in these values before the end of the current financial year then the requirement to include unrealised gains/deficits in revalued property in the Income Statement will have an adverse effect on headline profit figures for the year.

Nothing has happened in the past month to change my view expressed in the annual report that underlying profit for the current year, excluding unrealised gains/deficits in revalued property, will be less than last year.

J.M. SMART  
Chairman