

J SMART & CO (CONTRACTORS) PLC

18 December 2009

INTERIM MANAGEMENT STATEMENT (for the period 1st August 2009 to date)

Site operations in contracting, private housing and property development are proceeding satisfactorily albeit at a substantially reduced level of activity due to the effects of the recession.

The recession continues to bite and as I indicated in the annual report, prospective building contracts are thin on the ground.

It is clear that turnover in contracting and construction activity in private housing and property development during the second half of the current financial year will be less than the first half of this year and the second half of last year. We are at present completing a significant redundancy programme.

On the commercial and industrial property side we are experiencing only a minor erosion in tenant numbers.

Investment values in property appear to be either stabilising or staging a slight recovery. Unlike the case in recent years, I do not expect this factor to have a significant impact on the year end figures.

Although it is still not possible to forecast the outcome for the year with any degree of accuracy it seems likely that underlying profit for the current financial year, excluding unrealised gains/deficits in revalued property, will be less than last year.

J.M. SMART
Chairman