

J SMART & CO (CONTRACTORS) PLC

12th June 2012

INTERIM MANAGEMENT STATEMENT (for the period 1st February 2012 to date)

Site operations in contracting, private housing and property development are proceeding satisfactorily. The volume of work in hand is reducing and while there is more work in prospect, it seems likely that the next twelve months will see a reduced level of site activity in contracting and property development compared with the last twelve months.

The modest revival in private dwelling sales since January referred to in the Interim Report has now stalled due at least in some part to the end of the stamp duty “holiday”.

There is continued interest in the first phase of our industrial development at Inchwood, Bathgate which is now complete. An improved demand is now evident for the small industrial units in our Edinburgh estates.

Notwithstanding this, due to a softening in investment demand, a further reduction in the value of our property portfolio is still anticipated at the end of the current financial year. As required by the International Financial Reporting Standards, this will adversely affect the headline figure for the year. I also anticipate that the underlying profit for the year will be less than last year.

J.M. SMART
Chairman