

COUNTRYSIDE PROPERTIES PLC

Acquisition of Westleigh Group Limited

Countryside Properties PLC (“Countryside”), a leading UK home builder and regeneration partner, announces today that it has acquired Westleigh Group Limited (“Westleigh”) for total cash consideration of up to £135.4 million on a debt free and cash free basis (the “Acquisition”).

Acquisition highlights:

- **Increases the scale of our Partnerships Division and further accelerates growth**
- **Westleigh partnerships business delivered 1,159 mainly affordable homes in FY 2018**
- **Operations across the Midlands and South Yorkshire**
- **Land bank of 4,981 plots and overall new business pipeline of 13,000 plots**
- **Consideration of up to £135.4m based on future growth and funded from existing bank facilities**
- **Expected to deliver high single-digit accretion to adjusted earnings per share in the first full year of ownership**

Business overview

Westleigh is a well established partnerships home builder, headquartered in Leicester, covering the Midlands and South Yorkshire. In the year ended 31 March 2018, Westleigh delivered 1,159 homes in partnership with local authorities and housing associations of which 92 per cent were affordable. On an unaudited basis, revenue was £150.6m, operating profit was £15.6m and gross assets were £76.1m at 31 March 2018.

The business was founded in 1985 by the current Chairman, Chris Beighton, who will step down from his role on completion. The experienced management team and the company workforce of 456 will be retained to continue the growth of the business.

Strategic rationale for the Acquisition

Total consideration in cash for the Acquisition is up to £135.4m. This represents an approximate 6.5 times EBITDA multiple in the first full year of ownership. Up to £23.5m is deferred for two years from completion, a proportion of which is subject to performance. The Acquisition is funded from existing cash balances and borrowing facilities. The Acquisition is expected to deliver high single digit accretion from the first full year of ownership.

The acquisition of Westleigh is in line with Countryside’s existing strategy to expand its Partnerships business. Westleigh broadens the geographical reach of Countryside’s Partnerships business into regions that have strong underlying demand. It provides a strong strategic and cultural fit with the Countryside model and is an excellent platform for the acceleration of Partnerships delivery.

Countryside’s mixed tenure model of delivering private for sale, private rental sector and affordable homes together with the enhanced buying power from being part of a larger group will improve underlying returns in the Westleigh business.

Commenting on the acquisition, Ian Sutcliffe, Chief Executive of Countryside, said:

"Westleigh is a well run business with a strong strategic, geographic and cultural fit to Countryside and provides us with an excellent platform for further Partnerships growth. We see huge opportunity in combining Westleigh’s regional expertise with the Countryside mixed tenure business model."

Current trading

Countryside's trading for the first six months of the financial year has been in line with its expectations. It will update the market on 18 April 2018 on Group performance and its half year trading statement for the six months to 31 March 2018.

-Ends-

Conference call for analysts and investors

Countryside will hold a conference call and webex presentation for investors and analysts today at 08.00 BST. Participants will need to dial-in to the conference call number and log-on to the webex URL to listen to and view the presentation. The dial-in details and webex URL are below:

Participant dial in: +44 (0) 1452 555566

Conference ID: 6373005

Webex URL:

<https://webconnect.webex.com/webconnect/onstage/g.php?MTID=e7cf9a0fd778ab12569d650387787dff0>

Webex event number: 627 758 794

The presentation to accompany this call will also be available on the Reports and Presentations page on Countryside's website at <http://investors.countryside-properties.com/>

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Note to editors:

Countryside is a leading UK home builder and regeneration partner specialising in place making and urban regeneration. Our business is centred around two complementary divisions, Partnerships and Housebuilding. Our Partnerships division specialises in urban regeneration of public sector land, delivering private and affordable homes by partnering with local authorities and housing associations. The Housebuilding division, operating under Countryside and Millgate brands, develops sites that provide private and affordable housing, on land owned or controlled by the Group. Countryside was founded in 1958. It operates in locations across outer London, the South East, the North West of England and the West Midlands.

For further information, please visit the Group's website: www.countryside-properties.com

Cautionary statement regarding forward-looking statements

Some of the information in this document may contain projections or other forward-looking statements regarding future events or the future financial performance of Countryside Properties PLC and its subsidiaries (the Group). You can identify forward-looking statements by terms such as "expect", "believe", "anticipate", "estimate", "intend", "will", "could", "may" or "might", the negative of such terms or other similar expressions. Countryside Properties PLC (the Company) wishes to caution you that these statements are only predictions and that actual events or results may differ materially. The Company does not intend to update these statements to reflect events and circumstances occurring after the date hereof or to reflect the occurrence of unanticipated events. Many factors could cause the actual results to differ materially from those contained in projections or forward-looking statements

of the Group, including among others, general economic conditions, the competitive environment as well as many other risks specifically related to the Group and its operations. Past performance of the Group cannot be relied on as a guide to future performance.

“Countryside” or the “Group” refers to Countryside Properties PLC and its subsidiary companies.