

RNS Number : 2890H
Highcroft Investments PLC
16 May 2014

Highcroft Investments PLC

Interim Management Statement in respect of the period 1 January 2014 to 15 May 2014

The board of Highcroft Investments PLC today approved the following statement in respect of the current trading period which will end on 30 June 2014.

Property

Since 1 January, and further to our announcement on 4 April, we have completed the sale of one property, being a multi-let office building in Bristol, where the income was due to expire in May 2014. This achieved a price of £2,270,000 which was 51.3% in excess of the valuation at 31 December 2013 and we benefitted from the income until approximately 4 weeks prior to its expiry.

There are currently no voids in the portfolio and in the case of the only immediate lease expiry we are in receipt of a good rental offer. Our retail lease renewals in the period have been agreed at, or close to, pre-expiry rents. We have no significant debtors and our rent collection timescale remains very good. Further rationalisation of the portfolio is being considered in line with our stated strategy of gradually changing its shape to enhance yields, improve the portfolio balance and increase the average lot size.

Following our sale of two properties at the end of the last financial year and the sale of the Bristol property in April, we are actively pursuing new acquisitions that fit our investment criteria. However, currently the availability of high quality assets let to good covenants in good locations in our target area is limited but our robust financial position and experience allow us to act quickly as and when we identify suitable assets.

Equity Investments

The equity markets have, in general, had a steady first quarter. Our portfolio has performed in line with the market and we have made two modest investments in the period totalling £50,000.

Financial position

At 15 May 2014 our cash balances stood at £6.1m and our equity portfolio was marked to market at £5.3m. The company has £4m of medium term borrowings.

Outlook

The company is well positioned, with a strong balance sheet built on solid investment portfolios, to continue to generate additional value for its shareholders through increasing dividends and asset values.

For further information, contact:

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Highcroft Investments PLC is a Real Estate Investment Trust that has a portfolio of property and equity investments.

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