

## **Pochin's PLC (the "Company")**

### **Interim Management Statement**

Pochin's PLC announces its Interim Management Statement in respect of the period from 26 January 2010 to date.

The Group continues to perform creditably in difficult trading conditions.

#### **Construction**

The Construction division continues to achieve its budgeted targets for turnover and profit. Winning business at acceptable margins to replace several recently completed large contracts remains a challenge.

#### **Concrete Pumping**

This division is still suffering from overcapacity in its market. The extremely poor weather early in the year brought operations to a halt in most regions, which resulted in a below budget performance. Losses continue in this division despite the recent improvement in utilisation levels, and consequently further cost saving measures have been taken.

#### **Property**

There has been some recent improvement in the yields applied to values of commercial property, and the Group's rental income continues to hold up well despite generally weak occupier demand. As reported in the half year results, in the Group's joint ventures, the cost of voids in completed developments is depressing the property division's performance. Negotiations are under way to resolve the most damaging of these and to limit the Group's exposure to future expense of this nature.

#### **Residential**

Recently commenced work for local housing associations is providing a useful contribution to the fixed costs of this division, which partly defrays the cost of supervising the ongoing controlled disposal of the Group's residential land and built stock.

#### **General**

There are few signs of encouragement in the construction and property markets in which the Group operates, other than a slight rebound in commercial property values. Previously reported concerns remain with regard to over capacity in the concrete pumping sector and the ongoing empty property costs in the joint ventures, but vigorous efforts are being made to contain the effects of these difficulties.

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