

St. Modwen Homes Acquisition

Miller Homes buys St. Modwen Homes for a headline transaction value of £215m, including £75m of upfront cash consideration, a £120m deferred payment (lump sum with a 30-month tenor from closing) and, up to £20m of contingent overage payments which are due subject to specific milestone trigger events.

The upfront purchase consideration will be funded by Miller Homes through its existing cash on its balance sheet. The deal is subject to regulatory approval and is expected to close in Q1 2025. Subsequently, Miller Homes will publish pro forma figures for the acquisition, including EBITDA and leverage.

The acquisition is part of Miller Homes' growth strategy and is significant in helping it meet its medium-term ambition of reaching 6,000 homes a year.

It adds 19 live sites and c.3,500 plots to our owned landbank, further bolstered by a pipeline of c.6,400 strategic land plots. This will enhance Miller Homes' volumes in the West Midlands, East Midlands and South regions and enable entering the South West for the first time.

Miller Homes will continue to operate the business under the St. Modwen Homes brand. As part of its growth, Miller Homes will also establish a new regional office in the South West of England and the acquisition will contribute to the optimisation of its existing Midlands and South regional offices.

Both businesses have a five-star builder status and are aligned in their approach to excellent quality and customer experience.