

Deloitte

Date: 2 June 2011

Wates Living Space Expands with Acquisition

Wates Group Ltd, one of the UK's biggest privately owned construction companies, has today acquired £50m turnover Enfield based Linbrook Services Ltd – a leading provider of responsive repairs, maintenance and refurbishment services to the affordable housing sector. The change of ownership is effective immediately.

With contracts covering over 100,000 properties, predominantly in the London and northern home counties markets, Linbrook will become a new division of Wates Living Space, which operates from Yorkshire where managing director Ian Burnett is based.

The deal which was led by Paul Trickett of Deloitte's Leeds office, was funded from within the Group and saw 100 per cent of the shares in Linbrook Services Ltd acquired for an undisclosed sum.

Ian Burnett, Leeds based Managing Director of Wates Living Space, said:

“We are delighted to be joining forces with the Linbrook team to achieve Wates Living Space's vision to be the leading provider of affordable housing in the UK. The acquisition not only offers us the exciting opportunity to grow into new markets, but will also benefit our customers, who will be able to access a fully integrated, cost-efficient service, all under the one roof.”

Wates Living Space, which employs 90 people in the region, currently builds or refurbishes approximately 30,000 homes a year on more than 73 affordable housing frameworks. The acquisition places Wates Living Space at the forefront of the UK's affordable housing market, equipped with the essential skills to provide customers with a full range of services: new-build, refurbishment, energy improvement and response maintenance.

Paul Trickett, partner at Deloitte and lead adviser to Wates on the deal said:

“This is a strategically important acquisition for Wates Living Space, allowing it to offer a more fully integrated service to the social housing market. Linbrook is an excellent business which should form an excellent footprint from which to build a national presence in responsive maintenance.”

The combined businesses will enable Wates to develop a national response maintenance business, matching Linbrook's deep expertise with Wates' strong national footprint. This will allow Wates Living Space to expand into providing response services to non-housing market sectors such as education, railways and civic buildings.

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media relations and profile

Notes to Editors:

Wates Group is a family-owned construction services company, consisting of six business units: Construction, Living Space, Retail, Interiors, Developments and Needspace. In its Annual Results for the year ending 31 December 2010, Wates announced a 4% rise in turnover to £985m* and a 12% increase in profit before tax to £43.5m, representing the sixth consecutive year of operating profit** growth.