



30 September 2015

Ashley House plc

Funding & Partnering Agreement

Ashley House plc (“Ashley House” or the “Company”), the health and community care property partner, is pleased to announce that it has signed a Funding and Partnering Agreement with a new strategic partner to forward fund its Extra Care pipeline.

Funding Agreement

Following detailed discussions with a number of potential providers, the Board is pleased to have signed a Funding and Partnering Agreement with Funding Affordable Homes (“FAH”) and its property advisor SHA Housing Limited. FAH is a newly established investment company set up to serve investors who hold the same strong social and financial objectives as Ashley House. FAH has a mission to support the affordable homes sector. The companies have agreed to work together on the development and delivery of affordable Extra Care housing for older people. Schemes will be forward funded by FAH during construction and through to completion, allowing Ashley House to develop its business without the need to grow external debt. Ashley House’s pipeline currently stands at a revenue value of £149m over nineteen schemes. The first two schemes in Harwich and Walton which will be funded by FAH (subject to contract and due diligence) are commencing on site and we expect to proceed with the third scheme in the next three months.

Preliminary Results to 30 April 2015

Following the above, the announcement of the preliminary results to 30 April 2015 has been delayed by a few days. As previously advised, these results will show a large EBITDA loss in line with market expectations and a further write off (non cash) of the majority of the LIFT investment value resulting in a large loss before tax.

Antony Walters, Chief Executive of Ashley House, commented, “We are delighted to have a new strategic partner in FAH and to have secured long term funding, which will enable us to accelerate our Extra Care pipeline to provide much needed accommodation for some of the elderly and vulnerable people in society. Whilst the results for the year to 30 April and recent periods have been disappointing, the numbers do not reflect the considerable investment both in time and effort and in financially building up our pipeline, particularly in Extra Care. With our new strategic partner we are now able to commence a very exciting phase in the Company’s development.”

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