



## Increased Loan Facilities

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PRESS RELEASE

Increased Firepower for McKay Securities PLC

McKay Securities PLC now has £55 million of funds available for new projects and acquisitions, having increased loan facilities by £35 million. The Company has entered into a new 10 year loan agreement with Alliance and Leicester and extended facilities with three of its existing long term lenders.

Lending margins overall have been reduced, and the weighted average expiry of the Company's facilities has increased to 7.9 years. No debt is repayable within the next 3 years, and 84% extends for at least 8 years.

The Company has also increased its financial hedging instruments by £5 million to £140 million (current drawn debt £128 million) without reducing the 8.9 year weighted average maturity in respect of these instruments.

Once the increased loan facilities are fully drawn, balance sheet gearing will increase to 83% of shareholders' funds (as at 30th September 2007) at an average cost of debt of 5.7% (including margin) at current libor.

Commenting on the Company's additional finance, Simon Perkins, Managing Director of McKay, said "this is the right time in the current market to be in a position to increase gearing, and we appreciate the continued support of our bankers who recognise this. The market tide has turned faster and harder than many expected to the potential benefit of those with funds and the skills to exploit opportunities".

### Background Information

McKay Securities PLC is a Real Estate Investment Trust specialising in the development and refurbishment of quality commercial buildings within established and emerging growth areas of Central London and the South East of England. Completed projects are retained and managed for long term growth within the Group's portfolio, valued in excess of £348 million (at 30th September 2007).

### Contacts

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30th January 2008

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