

17 October 2013

Michelmersh Brick Holdings Plc
("MBH" or the "Group")

SALE OF 15 ACRE SITE IN TELFORD, SHROPSHIRE

Michelmersh Brick Holdings PLC (AIM: MBH), the specialist brick, land development and landfill company, is pleased to announce that it has completed the sale of the 15 acre former factory site adjacent to its brickworks in Telford, Shropshire, to Bovis Homes Limited, for a total consideration of £4.6 million in cash. The consideration is payable as to £1.6 million on completion, with £3.0 million payable in equal instalments on the first and second anniversary of completion. The net proceeds will be used to reduce the Group's borrowings and to meet the cost of the site re-organisation and taxation arising from the sale.

The Group's audited accounts for the year ended 31 December 2012 included this plot of land under "current assets land for sale" at a value of £3.35 million, being the estimated sales proceeds less the associated costs of the sale and estimated costs of reconfiguration of the continuing operational brickworks site.

Martin Warner, CEO of MBH said: "Completion of the sale of this land is extremely satisfying and is a sound reward for the hard work of our planning and development team. We now move on to address other land assets and maximise their value to the Group.

"We are, however, principally a brick manufacturer and we continue to compete strongly in a market that is showing signs of price recovery. The upturn in demand we have seen over the past few months is encouraging us to invest in our existing plants to increase capacity and efficiency, which will, in due course, increase Group revenue."

For further information:

Martin Warner, CEO, Michelmersh Brick Holdings	01442 870 227
Stephen Morgan, Finance Director, Michelmersh Brick Holdings	0774 8900286
Bobbie Hilliam, Cenkos	020 7601 6100
Jeremy Carey Tavistock Communications	020 7920 3150

Notes to Editors:

Michelmersh Brick Holdings PLC is the holding company for Michelmersh Brick UK Ltd, a business with leading market brands: Blockleys, Charnwood, Freshfield Lane, Hathern Terra Cotta and Michelmersh. These divisions operate within a fully integrated business combining the manufacture

of clay bricks, tiles and pavers. The Group also includes a landfill operator, New Acres Limited, and seeks to develop future landfill and development opportunities on ancillary land assets.

Established in 1997 by Martin Warner, Chief Executive, and Eric Gadsden, Chairman, the Company has grown through acquisition and organic growth into a profitable, cash generative and asset rich business, producing approximately 70 million clay bricks, tiles and pavers per annum. MBH currently owns most of the UK's premium manufacturing brands and is a leading specification brick and clay paving manufacturer.

Recently MBH's products have won praise and been successfully used in projects such as the RIBA award winning new theatre, 400 Hall Repton School, the London Evening Standard New Home Award winning Lime Grove Mews London, Cambridge University Cranmer Road site and the contemporary Drapers Academy, Romford.

MBH are also suppliers to high value housing developers such as Berkeley and St. James, delivering to key city regeneration projects such as Royal Arsenal, Woolwich.

Further information on the Company can be found at [**www.mbhplc.co.uk**](http://www.mbhplc.co.uk)