Springfield Properties

Strong appointment supports strategic growth plans

30 October 2025

Yesterday's AGM follows a year of significant progress for Springfield, which saw a material increase in profitability, strong cash generation and the refocusing of activities in the North of Scotland. Springfield also announced a very strong Board appointment, which sees Alasdair Gardner join as a Non-Executive Director. Alasdair has a wealth of experience supporting businesses with their growth ambitions, having held senior positions across a 35-year career within Lloyds Banking Group in the UK and internationally. We reiterate our 150p fair value estimate (1.0x FY27 Price/ Book).

Recap of FY25 performance

Springfield's FY25 results (reported in September) were in line with our expectations, confirming a year of strong growth driven by a transformational land sale to Barratt. Profits increased by 90%, net debt halved, and the dividend doubled to 2.0p.

Positive outlook for North of Scotland

Springfield has recently refocused its activities on the North of Scotland, a region that is experiencing a surge in investment to underpin the UK's energy security. The Highland Council is targeting delivery of 24,000 homes - a doubling of housing output over the next decade - and Springfield is uniquely well placed to capitalise on the opportunity, as we set out in our recent note: Preparing-the-ground-for-a-significant-opportunity

Appointment of Alasdair Gardner to the Board

Springfield has announced the appointment of Alasdair Gardner to the Board. Within Lloyds Banking Group, Alasdair's roles included Head of Industrials and Commercial Banking Scotland, Head of Large Corporates North America and, latterly, MD of The Islands Business, Lloyds Bank Corporate Markets. Alasdair was involved in establishing the Bank of Scotland Foundation in 2009, where he served as a trustee until 2016. Alasdair has experience across a wide range of sectors, including Renewable Energy, Oil & Gas and Housebuilding. He looks to be a very strong and complementary appointment to support the Group as it executes its strategic growth plans in the North of Scotland.

Key financials & valuation metrics

Year to 31 May (£m)	2024A	2025A	2026E	2027E	2028E
Sales	266.5	280.6	245.0	220.7	206.0
EBITDA	20.5	27.6	18.3	17.7	23.3
Adjusted PBT	10.6	20.1	12.6	13.4	19.0
FD EPS (p)	6.7	12.1	7.6	8.0	11.4
DPS (p)	1.0	2.0	3.0	4.5	5.0
Net Cash/(Debt)*	-45.4	-26.4	-15.5	-26.0	-26.4
Net Cash/(Debt)**	-39.9	-20.9	-10.0	-20.5	-20.9
P/E	16.6x	9.3x	14.8x	14.0x	9.8x
EV/EBITDA	8.7x	5.8x	8.1x	9.0x	6.8x
Price/ Book	0.9x	0.8x	0.8x	0.8x	0.8x
Dividend yield	0.9%	1.8%	2.7%	4.0%	4.5%

*Source: Company data, Equity Development estimates, Priced at 28/10/25 *inc. leases ** exc. leases*

Company data

EPIC	SPR.L
Price (last close)	111p
52 weeks Hi/Lo	113p/80p
Market cap	£132m
ED Fair Value / share	150p
Net cash / (debt) 2025A	(£20.9m)
Avg. daily volume (3m)	106k

Share price, p

Source: investing.com

Description

Springfield Properties is one of Scotland's leading housebuilders. It has an enviable track record of growth and profitability and a reputation for building high quality homes in attractive locations. Springfield has a large, high quality landbank in Scotland, including significant holdings in the Highlands and Moray, which are expected to benefit from a significant increase in housing demand over the coming years.

Next event

Trading Update - December 2025

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