



## Countryside Properties PLC H1 2018 Trading Statement

### Robust trading and further growth from acquisition

Countryside Properties PLC (the “Group”), a leading UK home builder and urban regeneration partner, is today issuing a trading update for the 6-month period from 1 October 2017 to 31 March 2018.

#### Highlights

- **Total completions up 15% to 1,655 units (H1 2017: 1,437 units)**
- **In line with our stated objectives, private average selling price (“ASP”) down 11% at £392,000 with underlying sales price growth of 3% (H1 2017: £441,000)**
- **Net reservation rate<sup>1</sup> at 0.87 (H1 2017: 0.89)**
- **Open sales outlets up 8% to 52 (H1 2017: 48)**
- **Strong private forward order book of £327.6m (H1 2017: £347.1m)**
- **Net cash of £13.7m (H1 2017: £35.0m net debt)**
- **Acquisition of Westleigh Group Limited for up to £135.4m since half year end**

<sup>1</sup> Net reservations per open sales outlet per week

#### Performance

Group completions and revenue are in line with expectations, with accelerated cash delivery helping to fund the acquisition of Westleigh Group Limited (“Westleigh”), announced on 12 April 2018.

Our Partnerships division continues to grow strongly, with 19% growth in completions. Private ASP reduced in line with expectations to £308,000 (H1 2017: £368,000) due to increased completions from our West Midlands region. We continue to win new business with an additional 3,409 plots secured during the first half. We now have 21,684 Partnerships plots<sup>2</sup> secured, including those with preferred bidder status, which represents over 9 years of future work. Our bid pipeline continues to grow and now stands at over 50,000 plots.

Housebuilding completions were up 7% in the period with private ASP broadly flat at £531,000 (H1 2017: £538,000). We maintained our strategic-led land bank at 19,939 plots of which 29% are owned with the remainder controlled by options or conditional contracts.

#### Outlook and current trading

Current trading remains robust, with visitor levels, cancellations and net reservations all in line with expectations. Underlying sales price growth has been 3% while build cost inflation, particularly in London and the South East, has moderated somewhat to also be around 3%.

The acquisition of Westleigh, a partnerships home builder, for a total consideration of up to £135.4 million on a cash free debt free basis has been funded from existing facilities and is expected to be earnings enhancing from the current year.

The increase in our active sites, up 16% to 94, and the acquisition of Westleigh, which completed 1,159 homes in the year ended 31 March 2018, will underpin continued earnings growth and increased cash generation.

#### Ian Sutcliffe, Group Chief Executive, commented:

“We continue to deliver our strong organic growth trajectory with robust trading in all regions. We enter the second half in great shape and our acquisition of Westleigh will further increase our Partnerships momentum by expanding our geographic reach and mixed tenure delivery.”

<sup>2</sup>Excluding the 4,981 plots acquired with Westleigh on 12 April 2018

- Ends -

There will be a conference call for analysts and investors held today at 0800hrs (BST):

**Standard dial in:** +44 (0)20 7192 8000

**Dial in UK Free Call:** 0800 376 7922

**Dial in UK Local Call:** 0844 571 8892

**Conference ID:** 2777578

Our 2018 half year results will be announced on 17 May 2018.

Enquiries:

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### **About Countryside**

Countryside is a leading UK home builder specialising in place making and urban regeneration. For the year ended 30 September 2017, we completed 3,389 homes with revenues of £1,028.8m.

Our business is focused on place making, which we deliver through our two divisions, Housebuilding and Partnerships. The Housebuilding division, operating under Countryside and Millgate brands, develops sites that provide private and affordable housing, on land owned or controlled by the Group. Our Partnerships division specialises in urban regeneration of public sector land, delivering private and affordable homes by partnering with local authorities and housing associations.

Countryside was founded in 1958. It operates in locations across London, the South East, the North West of England and the West Midlands.

For further information, visit [www.countryside-properties.com](http://www.countryside-properties.com).