

12 October 2016

Countryside Properties plc FY 2016 Trading Statement

Countryside Properties plc (the “Company”), a leading UK home builder and urban regeneration partner, is today issuing a trading update for the 12 month period from 1 October 2015 to 30 September 2016. The Company will report its full year results on Tuesday 29 November 2016.

FY 2016 Operational Highlights

- Total completions up 12% to 2,657 units (2015: 2,364 units)
- Private average selling price up 21% to £466,000 (2015: £385,000)
- Private sales rates¹ remained robust at 0.78 (2015: 0.76)
- Open sales outlets up 48% to 43 at year end (2015: 29)
- Record private forward order book up 64% at £225.4m (2015: £137.5m)
- Total land bank increased to 27,205 plots (2015: 26,213)
- Net cash of around £12m at year end (2015: £59.5m net debt)

¹ Net sales per active outlet per week

Housebuilding

Our Housebuilding division has performed well, with total completions up 20% at 783 homes versus 653 in 2015. Private average selling prices have improved 14% to £667,000 (2015: £583,000) largely driven by product mix and underlying house price inflation, particularly in London commuter markets.

While the market for higher value product has been slower, our premium brand, Millgate, has continued to perform well with 81 private completions compared to 52 in 2015 at a private average selling price of £1.3m (2015: £1.3m).

Partnerships

Our Partnerships division has delivered a strong performance, with total completions up 10% at 1,874 homes versus 1,711 homes in 2015. The Partnerships private average selling price has risen sharply, up 27% to £307,000 (2015: £242,000), driven by strong demand for our products, the effect of place making as we continue with our large estate regeneration projects and house price inflation in the sub £600,000 price points.

Of the 1,131 affordable homes (2015: 969), 743 were Private Rental Sector (“PRS”) homes, predominantly in the North, as we develop our presence in this rapidly expanding sector.

Land and Planning

The Company's land bank increased to 27,205 plots as at 30 September 2016 (2015: 26,213), with a further 6,623 plots where we have been awarded preferred bidder status (2015: 1,542). 8,119 plots are owned outright, with the remainder controlled via options or conditional contracts; this ensures our long term visibility of future work for both divisions, while maintaining balance sheet flexibility.

We have had an outstanding year for winning new work in our Partnerships division with 6,434 plots secured, and a further 33,515 plots identified in our current bid pipeline providing excellent visibility of future work and growth opportunity across all our geographies.

The planning environment also remains positive and we gained planning consent on 4,051 plots during the year. We now have a total of 15,374 plots with planning within the land bank (2015: 14,648).

Outlook

Trading over the summer months and into the autumn selling season has been robust. During the three month period following the EU Referendum we saw an initial increase in cancellation rates but this has been more than offset by trading since. We enter 2017 with strong outlet growth and a record order book which leaves us well positioned to meet market expectations.

While we are mindful of the medium-term uncertainty over Brexit, our targets, as outlined at the IPO, remain unchanged. We continue to be firmly on track to deliver over 3,600 completions per year, an operating margin of over 17% and improvement in ROCE to over 28% by 2018.

Ian Sutcliffe, Group Chief Executive, commented:

"Trading has been robust over the summer months, with sustained growth in sales outlets throughout the year and we welcome recent Government news aimed at increasing housing supply and multi-tenure delivery. Our strategy remains focused on product where demand is greatest and alternative tenures such as PRS to deliver a strong platform for growth. We see significant opportunity in our Partnerships division with increased estate regeneration in London and geographic expansion into the West Midlands, while our increased scale and focus on operational efficiency continues to improve operating margins."

- Ends -

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

Dial in UK FreeCall:	0800 2796 619
Dial in International:	+44 (0) 20 7192 8338
Conference ID:	7964 1463
Passcode:	1373 5317

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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 2015 we completed 2,364 homes with revenues of £615.8m.

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.