

Wednesday 7 February 2024

REDROW plc

INTERIM RESULTS FOR THE 26 WEEKS TO 31 DECEMBER 2023

RESILIENT FIRST HALF RESULTS AND SALES MARKET IMPROVING

Financial Results

	H1 2024	H1 2023	Var
Revenue	£756m	£1,031m	-£275m
Operating Margin	11.4%	19.3%	-7.9ppts
Profit before tax	£84m	£198m	-£114m
EPS	18.7p	45.4p	-26.7p
Net Cash (excluding lease liabilities)	£121m	£107m	£14m
Interim Dividend per share	5.0p	10.0p	-5.0p
Total Order Book	£0.8bn	£1.1bn	-£0.3bn

Summary

- Revenue in the first half £756m, down £275m due to the subdued housing market (2023: £1,031m)
- Profit before tax at £84m (2023: £198m)
- Interim dividend of 5p in line with policy (2023: 10p)
- Macroeconomic headwinds led to sales rate of 0.36 private reservations per outlet per week for H1 (2023: 0.38)
- Average outlets 119 (2023 H1: 120)
- Encouraging start to the second half with significant increase in visitors, resulting in private reservations per outlet per week for the first 5 weeks of 0.52 (2023: 0.51)

2024 Guidance

Revenue (£bn)	1.65 - 1.70
Underlying Profit Before Tax (£m)	180 - 200

As we reported at the time of the AGM in November 2023, due to the subdued Autumn housing market we expect the 2024 results to be towards the lower end of the above range.

Commenting on the results Matthew Pratt, Group Chief Executive said:

“Despite numerous macroeconomic headwinds we have produced a resilient set of results. We continue to deliver on our proven strategy of creating aspirational homes from our award-winning Heritage Collection, all situated in beautiful, well-designed places.

In recent weeks the housing market has shown signs of improvement, with increasing mortgage approvals and reduced mortgage rates with greater competition amongst lenders. This in turn has improved homebuyer confidence and raised the prospects of a return to a more stable sales market.

With ongoing economic and regulatory pressures on the housebuilding sector, our ‘Better way to live’ purpose is ensuring we remain focused on long-term sustainable value creation. Over the last six months, we’ve made a measurable and positive difference to society, delivering much-needed new homes, investment in community infrastructure and nature, skills and training and have made credible progress against our net zero climate targets.

We remain rated as ‘excellent’ on Trustpilot, an industry leading position that we have held since 2018, which highlights the quality of our customer interactions across the entire home buying experience.

In addition, we have again secured Five Stars in the Home Builders Federation customer satisfaction survey demonstrating our commitment to excellent customer service and build quality.

Ratings like these are testament to the quality and appeal of our homes, as well as our reputation for excellent service and safe, responsible operations.

We entered the second half with a total order book of £0.8bn of which £0.5bn was private. Encouragingly, our net private reservation rate per outlet per week over the first 5 weeks of calendar year 2024 was 0.52 (2023: 0.51).

We believe that Redrow is very well positioned to capitalise on any market upturn with tight cost control and a highly desirable product range which occupies a differentiated position within the new homes market. By operating with a social purpose and long-term outlook we look forward to creating many more Redrow homes and communities for years to come.”

Enquiries:

Redrow plc

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There will be a results meeting at the Peel Hunt Auditorium, 100 Liverpool St, London EC2M 2AT at 8.30 am today.

The presentation will also be webcast live with the Q&A. Please register and access the webcast using the following link:

<https://broadcaster-audience.mediaplatform.com/event/659c2550e26eed4a213b8981>

An archived version of the webcast will also be available on our website later this afternoon and further copies of this announcement can be downloaded from the Redrow plc corporate website at www.redrowplc.co.uk.

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Announcement Classification:
1.2: Half yearly financial report and audit reports/limited reviews