

Thursday 9 February 2023

**REDROW plc**  
**INTERIM RESULTS FOR THE**  
**26 WEEKS TO 1 JANUARY 2023**  
**FIRST HALF RESULTS IN LINE WITH H1 2022 RECORD**

**Financial Results**

	<b>H1 2023</b>	<b>H1 2022</b>	<b>Var</b>
<b>Revenue</b>	£1,031m	£1,052m	-£21m
<b>Operating Margin</b>	19.3%	19.5%	-0.2 ppts
<b>Profit before tax</b>	£198m	£203m	-£5m
<b>EPS</b>	45.4p	48.1p	-2.7p
<b>Net Cash</b>	£107m	£242m	-£135m
<b>Interim Dividend per share</b>	10.0p	10.0p	-
<b>Total Order Book</b>	£1.1bn	£1.5bn	-£0.4bn

**Summary**

- Revenue similar to record first half last year at £1.031bn (2022: £1.052bn)
- Operating margin of 19.3% (2022: 19.5%)
- Profit before tax comparable to H1 2022 at £198m (2022: £203m)
- Interim dividend maintained at 10p (2022: 10p)
- Economic and political uncertainty led to sales rate of 0.38 private reservations per outlet per week for H1 (2022: 0.64)
- Encouraging start to the second half with the volume of private reservations per outlet per week for the 5 weeks to 5 February of 0.51
- Air source heat pumps and underfloor heating on the ground floor will in future be standard in detached homes on new developments
- Continue to be a 5 star builder
- Founding signatory to the New Homes Code of Practice
- Long Form Agreement with Government on Fire Safety now in final form

**2023 Guidance**

	<b>Previous</b>	<b>Current</b>
Revenue (£bn)	2.1	2.05
Operating Margin (%)	18	18 - 18.5
Underlying EPS (p)	-	84
Full Year Dividend (p)	-	28

Due to the recent change in market conditions the Company has withdrawn its guidance for 2024.

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

“Redrow’s proven business model has played an important role during a time of significant political and economic uncertainty. We have award-winning homes and places, a strong forward order book, land acquired in the last few years at good margins, and current cash reserves of £107m. This is despite completing a £100m share buyback exercise on 13<sup>th</sup> January 2023, just after the financial half-year under review.

We have experienced a positive start to second half trading. Whilst 2023 will be a challenging year as the market resets, early indications are better than anticipated and the market appears to be finding a new, natural level.

Redrow’s sustainability strategy is integrated throughout the business via our long standing three strategic themes – Building Responsibly, Valuing People and Thriving Communities. In this way we bring to life our ‘Better way to live’ core purpose for the benefit of our customers and communities.

Redrow has become the first large housebuilder to begin selling homes which will incorporate air source heat pumps as standard. Underfloor heating will also be provided as standard on the ground floor in our detached homes. The approach has been shaped by customer trials, research and the work of our own in-house design & innovation team.

Our environmental social and governance approach was recently validated with approval of our Scope 1, 2 & 3 near term targets from the Science Based Targets Initiative. This marks a key step on our road to net-zero carbon.

Building Responsibly is a key pillar of our strategy and we were in the first select group of home builders to sign up for the New Homes Code of Practice, which is overseen by the independent New Homes Quality Board.

We welcome its introduction and the enhanced peace of mind it will provide our customers. We remain one of a handful of volume homebuilders to have implemented the new code.

Furthermore we are, once again, tracking at a Five Star level of customer satisfaction and we remain ‘excellent’ on Trustpilot with a TrustScore of 4.5.

We entered the second half with a total order book of £1.1bn, of which £0.8bn was private. Our net private reservation rate for the first 5 weeks of the second half was an encouraging 0.51 compared to 0.38 in the first half. We therefore expect to achieve revenue of around £2.05bn for the full financial year, with an operating margin in the region of 18% to 18.5%.”

#### **Enquiries:**

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A webcast and slide presentation of our results will be available at 7.00 am on <https://www.redrowplc.co.uk/>.

There will be an analyst Q&A meeting with management at 9.30 am at The London Stock Exchange, 10 Paternoster Square, London, EC4M 7LS. Coffee will be served from 9.00 am.

A live audio webcast of this event will be available at 9.30 am on [www.redrowplc.co.uk](http://www.redrowplc.co.uk). Participants can also dial in to hear the Q&A live at 9.30 am on +44 (0) 20 3936 2999 or UK Toll Free 0800 640 6441; access code 462719.

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