

Redrow plc

12 November 2012

ANNUAL GENERAL MEETING AND INTERIM MANAGEMENT STATEMENT

Redrow plc is holding its Annual General Meeting today at 12 noon at St David's Park Hotel, Ewloe, Flintshire, Wales. The following statement, which also constitutes Redrow's Interim Management Statement, covering the first 19 weeks trading of the current financial year, will be made to shareholders.

At today's AGM Steve Morgan, Chairman, will say:

"Redrow has continued to make steady progress in what are challenging but stable market conditions. Sales per outlet are marginally up at 0.58 per week, compared to 0.55 in 2011. We have, however, operated from an average of 83 outlets during the year, compared to 72 last year, which has resulted in reservations for the year to date increasing by 17% in the regional businesses and 22% for the Group as a whole, including London. Cancellation rates have remained stable at just over 17%.

The average price of private reservations to date is 13% ahead of the same period last year, at £223,000 excluding London and up 22% at £243,000 when London is included. This reflects both the increased percentage of our sales coming through the very popular New Heritage Collection and the impact of the London business. In the wider market, house prices have remained stable, as indeed they have over the last two years.

Since the beginning of the new financial year we have added 1,480 plots across 14 sites to our current land bank. The total current land bank, both owned and contracted, now stands at 13,100 plots, representing just over four and a half years' supply at current sales rates.

Ongoing investment in land has resulted in our net debt increasing from £14m in June to c.£90m now, representing a gearing level of 16%. Our balance sheet remains strong, which leaves us well placed to pursue the right opportunities as they arise.

Mortgage availability remains the principal constraint on the sector and there will not be a significant recovery in housing numbers until this situation is resolved. It is pleasing to note the support of the Government in recognising the importance of new home building. The initiatives that the Government have introduced in recent times, particularly the revamp of the planning system and the NewBuy and FirstBuy schemes, have been of great assistance. Without a doubt industry numbers would be considerably lower without this intervention.

Finally a quick word about the recent takeover speculation. On the 18th October Bridgemere Securities Limited, Toscafund Asset Management LLP and Penta Capital LLP issued a statement that they were not intending to make an offer for Redrow. This followed discussions with the Board about the preliminary expression of interest in relation to a possible offer. There are no discussions ongoing.

I, along with the rest of the management team and the Board, am clearly focused on driving Redrow forward under our existing successful strategy to create value for all investors.

The next scheduled update will be Redrow's half-yearly results for the six months ending 31 December 2012, which are due to be announced on Wednesday 27 February 2013."

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