



Wednesday 8 February 2017

Redrow plc

Interim results for the six months to 31 December 2016

**REDROW'S CONTINUED GROWTH PROVIDING MUCH NEEDED
NEW HOMES**

Financial Results

	H1 2017	H1 2016	% Change
Legal Completions (incl. JV)	2,459	2,178	+13
Revenue	£739m	£603m	+23
Operating Profit	£144m	£110m	+31
Profit Before Tax	£140m	£104m	+35
EPS	31.0p	22.9p	+35
ROCE	24%	21%	+14
Dividend per share	6p	4p	+50

Financial highlights

- Group revenue rose 23% to a first half record of £739m
- Homes revenue increased 26% to a first half record of £733m
- Gross margin rose to 25% (2016: 24.2%); operating margin of 19.5% (2016: 18.2%)
- Record first half pre-tax profit of £140m, up 35%
- Earnings per share (EPS) up 35% to 31p
- Return on capital employed of 24% (2016: 21%)
- Net debt of £56m (June 2016: £139m) giving gearing of 5% (June 2016: 14%)
- Interim dividend of 6p per share (2016: 4p)
- Medium term guidance updated with 2019 turnover of £1.9bn, operating margin of 19.5% and EPS of 77p

Operational highlights

- Legal completions rose 13% to 2,459 (2016: 2,178), including our Croydon Joint Venture
- Average number of outlets increased to 122 (2016: 121)
- Private order book up 35% at £897m (Dec 2015: £664m)
- Current land bank up 18% to 25,300 plots (Dec 2015: 21,435)

- Acquisition of Radleigh Homes an East Midlands housebuilder in February 2017, which has 1,300 plots with planning and a further 1,200 plots under options in its strategic land pipeline

Steve Morgan, Chairman of Redrow, said

“Redrow delivered a robust performance in the first half, producing another set of record results. In the last six months legal completions increased by 13% to 2,459 adding to the country’s much needed supply of new homes.

At the beginning of February we purchased Radleigh Homes a regional housebuilder based in the East Midlands. Radleigh is an excellent fit given its geographical location and high quality market position. Radleigh will form the basis of a new division for the Group.

We entered the second half with a record order book, and customer traffic and sales remain robust.

Given the strength of our sales position and land holdings our growth strategy is firmly on track, giving me every confidence this will be another year of significant progress for Redrow.”

Enquiries:

Redrow plc

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There will be an analyst and investor meeting at 9.00 am at The London Stock Exchange, 10 Paternoster Square, London, EC4M 7LS. Coffee will be served from 8.30 am.

A live audio webcast and slide presentation of this event will be available at 9.00am on www.redrowplc.co.uk. Participants can also dial in to hear the presentation live at 9.00 am on +44 (0) 20 3003 2666 or UK Toll Free 0808 109 0700; password is Redrow.

Playback will be available by phone for the next 30 days on +44 (0) 20 8196 1998 or UK Freephone 0800 633 8453; access pin 1537016#.