



**Redrow plc**

**6 November 2020**

## **ANNUAL GENERAL MEETING**

Redrow plc is holding its Annual General Meeting (AGM) at 10am today and providing a trading update for the period ending 30 October 2020. Due to COVID-19 restrictions, the AGM will be a closed meeting and held with the minimum required quorum present.

At today's AGM, John Tutte, Chairman, will say:

“We entered the new financial year in a position of strength and this has been reinforced with strong trading since the start of the year. There has been resolute demand for homes with more space to live and work as customers reflect on their lockdown experiences. In the Heritage Collection, we have an award winning product that meets these changing priorities and is attractive to a wide range of buyers.

The value of net private reservations in the 18 weeks to 30 October 2020 was 5% ahead of last year at £630m (2020: £598m excluding £119.5m PRS sale at Colindale Gardens). Demand in the regions has been particularly strong with the value of reservations 17% ahead. The private revenue per outlet per week on a like-for-like basis (excluding the PRS sale) was £302k compared to £262k last year.

Pricing has remained firm with modest gains in the regions. The average selling price of private reservations for the first 18 weeks was 2% up on last year at £396,000 (2020: £389,000 excluding the PRS sale).

Homes turnover for the 18 weeks to 30 October 2020 was 48% up on last year at £657m. This strong performance has not depleted the total forward order book which currently remains close to record levels at £1.5bn, a 10% increase on this time last year.

Our balance sheet is strong and at the end of week 18, we had net cash of £115m (2019: net debt £32m). We continue to expect to reinstate dividend payments at the half year and to be cash positive for the remainder of the financial year.

I am pleased to report we are making good progress on scaling-back our operations in London. We have now exited three of the six sites we decided not to develop and we continue to make headway on the balance.

Our build teams are operating safely and normally in accordance with our COVID protocols and we expect them to continue to do so throughout the current lockdown. However, ongoing planning delays are affecting the rate at which outlets are coming on-stream during a period when closures have come forward due to the strong sales rate. The Group has operated from an average of 116 outlets in the year to date (2020: 125) and we expect the average for the financial year will be 118, in-line with the guidance we gave in September. Our sales offices will remain open during the lockdown, other than in Wales where they are temporarily closed due to restrictions. In any event, customers are able to progress transactions through our online portal and we anticipate the handover of homes will be unaffected.

The Group's strategy to focus its future growth in the regions means it is well-positioned to capitalise on the evident shift in buyer priorities as a result of lockdown experiences. This, combined with our disciplined approach to operations, a healthy balance sheet and a strong forward order book, creates a solid platform for the future and puts Redrow on course to deliver a robust set of results this financial year.

It is disappointing that the arrangements for our AGM have been affected by the pandemic, but as with our wider operations, the safety and welfare of everyone remains our priority.”

**Enquiries:**

**Redrow plc**

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**Note:**

The next scheduled trading update will be the interim results for the six months ending 31 December 2020, which are due to be announced on Wednesday 10 February 2021.

**LEI Number:**

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**Announcement Classification:**

3.1 Additional regulated information required to be disclosed under the laws of a Member State