

7 November 2007

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 and is making its maiden Interim Management Statement covering the first 17 weeks trading of the current financial year.

At the meeting Alan Bowkett, Chairman will be making the following statement to Shareholders:

"As we highlighted in our Preliminary Announcement on 11 September 2007, Redrow entered the current financial year with a strengthened forward sales position and with a more robust position as regards planning. As a consequence, the key factor in the outcome for the year to June 2008 would be the strength of demand in the markets in which we operate.

We indicated at that time that increases in U.K. interest rates, coupled with remaining uncertainties over their future direction and concerns over the broader debt markets appeared to be influencing consumer confidence and the housing market as we moved into the important Autumn selling season. In the weeks following this announcement, uncertainty and confidence were further influenced by the issues in the banking sector and heightened concerns surrounding credit tightening which have continued to affect the overall housing market.

In September and October, achieved prices were generally consistent with our plans as we continued to focus on optimising revenues though we experienced only a modest seasonal uplift in reservation rates. Customers appear to be waiting to assess the prospects for both the housing market and mortgage interest rates and lenders are taking a more cautious view as regards lending criteria. We currently expect the Group's first half legal completions to be approximately 2,000 homes.

Our mixed use and regeneration activities continue to perform in line with our expectations. We expect these operations in the first six months to deliver an operating profit at similar levels to the first half of 2006/07.

We announced in September that we had decided to investigate our options regarding our involvement in Framing Solutions plc, our joint venture with Corus. We anticipate being in a position to make an announcement regarding Framing Solutions at our January Trading Update.

The action we took in the last financial year to make our business more efficient whilst preserving the capability for growth is standing us in good stead. As we said in September, we are retaining a close focus on our operational cost base and continue to actively manage our investment in land to optimise value for our shareholders. We continue to pursue our

long term strategy for forward land and have made progress in the promotion of existing holdings as well as securing new opportunities. We expect a limited increase in the level of gearing in the first six months in line with our expectations.

Housing market data which has become available since our Preliminary Results Announcement on 11 September has been factored into more recent forecasts for both the sector and for Redrow. Until we can determine the extent to which the housing market will be affected by the prevailing conditions it is difficult to assess the likely outturn for the year to June 2008. However there is an increasing expectation that the interest rate cycle may have now peaked which may have benefits for the 2008 Spring selling season.

In the current market environment, Redrow's experienced management team is focused upon the fundamental disciplines of our business. The Group's strategy is clearly concentrated on our core competencies of sourcing development opportunities especially with a long term approach to land acquisition and using our product portfolio and design skills to unlock value for our shareholders in the medium term."

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