

12 April 2017

## **Countryside Properties PLC H1 2017 Trading Statement**

Countryside Properties PLC (the “Company”), a leading UK home builder and urban regeneration partner, is today issuing a trading update for the six month period from 1 October 2016 to 31 March 2017. The Company will report its half year results on Wednesday 17 May 2017.

### **Operational Highlights**

- Completions up 31% to 1,437 homes (H1 2016: 1,095 homes)
- Sales rates<sup>1</sup> increased to 0.89 (H1 2016: 0.79)
- Open sales outlets up 30% at 48 (H1 2016: 37)
- Private average selling price (“ASP”) reduced by 13% to £440,000 but with underlying sales price growth of 6%
- Record private forward order book up 69% at £347.1m (H1 2016: £205.3m)
- Partnerships land bank<sup>2</sup> up 1,210 plots to 16,124 plots (H1 2016: 14,914 plots)

<sup>1</sup> Net sales per active outlet per week

<sup>2</sup> Controlled plots including preferred bidder

### **Partnerships**

Our Partnerships division has delivered a strong performance with the pipeline of work continuing to build. Total completions were up 23% at 987 homes versus 803 homes in H1 2017. The Private ASP in our Partnerships division increased by 24% to £365,000, driven by strong growth in Greater London and improved trading in Manchester and Liverpool.

We continue to focus on mixed tenure delivery, with private completions up 42% to 358 homes, PRS units up 5% to 330 and affordable homes up 26% to 299 in the period. Our growth plans continue to accelerate and we had 19 open sales outlets as at 31 March 2017 (H1 2016: 15) with a further 21 sites under construction.

### **Housebuilding**

Our Housebuilding division has also had a very strong first half with total completions up 54% at 450 homes versus 292 homes in H1 2016. Private ASP in Housebuilding reduced by 31% to £540,000 in the period, in line with our plans to reduce our exposure to higher end product.

We continue to open new sales outlets within a 50 mile radius of London and had 29 open sales outlets at 31 March 2017 (H1 2016: 22), with a further 12 sites under construction. Additionally, we completed three commercial sales, two at Cambridge Medipark and the final parcel at Great Notley in Essex.

## **Land and Planning**

We had another very successful six months in winning new business in the Partnerships division which cements our longer-term growth plans. In addition to those sites already in the land bank including preferred bidder status, we have secured 4,225 new plots in the period. These include Bromley (384 plots), Barking (911 plots) and a large site west of London. We now have 16,124 Partnerships plots under our control (H1 2016: 14,914 plots), representing approximately nine years at current volumes providing significant visibility.

We have maintained the land bank in our Housebuilding division and have acquired 1,840 plots on nine sites during the period. We have also completed the planned sales of two surplus sites (321 plots) at Silsden and Bury St Edmunds. The Housebuilding land bank now stands at 20,472 plots (H1 2016: 18,273 plots) of which 85% has been sourced strategically.

Government focus on the National Planning Policy Framework has facilitated an increase in outline planning consents, although clearing pre-start conditions remains challenging. Overall, we now have 18,972 plots with planning across both divisions (H1 2016: 14,652).

## **Outlook**

Customer demand, government support and good mortgage availability have underpinned our growth in the first half which looks set to continue for the remainder of the year. Our financial strength and potential for accelerated delivery from our mixed tenure model provide the basis for further growth in both the short and medium-term. We see substantial growth within Partnerships supported by a number of successful bids in the first half and the continuing flow of bid opportunities.

## **Ian Sutcliffe, Group Chief Executive, commented:**

“We have seen excellent growth in both divisions during the first six months of the year. Sales rates, values and outlet openings have exceeded our expectations, leading to the strong growth in completions and a record forward order book. We look forward to continuing our sector leading growth trajectory and remain confident of making further progress on our medium-term targets as laid out at our IPO just over a year ago.”

- Ends -

There will be a conference call for analysts and investors held today at 0800hrs (BST):

**Dial in:** +44 (0) 20 7192 8338  
**Conference ID:** 3585854

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**About Countryside**

Countryside is a leading UK home builder specialising in place making and urban regeneration. Our business is centred around two complementary divisions, Housebuilding and Partnerships. The Housebuilding division, operating under Countryside and Millgate brands, develops sites that provide private and affordable housing, on land owned or controlled by the Group. Our Partnerships division specialises in urban regeneration of public sector land, delivering private and affordable homes by partnering with local authorities and housing associations. Countryside was founded in 1958. It operates in locations across outer London, the South East, the North West of England and the West Midlands.

For further information, visit [www.countryside-properties.com](http://www.countryside-properties.com).