

Redrow plc

26 April 2010

INTERIM MANAGEMENT STATEMENT

Redrow plc is releasing the following Interim Management Statement regarding trading for the period from 1 January 2010 to the date of this announcement.

We have been encouraged by sales activity since the start of the calendar year with sales rates per outlet comfortably ahead of the same period last year. Weekly visitor levels and cancellation rates have remained reasonably consistent throughout the period.

The average number of sales outlets has reduced to 72 during the period due to timing issues and the customary planning delays. However we expect this to represent a low point, with the number of outlets set to increase over the remainder of the calendar year.

House prices have remained stable since the start of the calendar year. However, our average selling price of private homes has increased in comparison with both the prior year and the first half of this year due to the planned change in mix. We expect to legally complete in excess of 2,500 homes for the full year, which will result in a return to profitability for the second half period.

In February we successfully launched The New Heritage Collection of family homes combining a traditional Arts & Crafts style exterior with high specification open plan interiors. Customer response has been extremely positive and both sales rates and pricing are very encouraging. The Collection is now featured in 13 show areas around the country, which will increase to 20 by 30 June 2010.

We have seen a noticeable increase in activity in the land market over the last few months and since 31 December 2009 have secured or agreed terms on c. 2,500 plots on 18 new sites. The vast majority of new land has been identified with The New Heritage Collection in mind.

Net debt is currently c.£50m, well within the Group's committed bank facilities of £250m. We continue to expect net debt to rise over the coming months as our land bank increases.

Given the uncertainties surrounding the election, the economic environment and continued restrictions on mortgage availability, we expect the market to remain challenging throughout 2010. Nevertheless, with our strong management team, re-focused business, robust finances and the launch of The New Heritage Collection we are confident the business will continue to make progress.

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