

Redrow plc

19 April 2011

INTERIM MANAGEMENT STATEMENT

Redrow plc is releasing the following Interim Management Statement regarding trading for the period from 1 January 2011 to 17 April 2011.

Sales activity since the start of the calendar year has been encouraging, with sales per outlet averaging 0.70 sales per week (2010: 0.65 per week) and cancellation rates remained consistent at 17%. Net private reservations for the financial year to date are up 2% to 1,819 (2010: 1,778). Our private order book at 17 April stood at £139m, 6% up on this time last year (2010: £131m). As a consequence, despite a slow first half, we expect legal completions for the full year to be marginally ahead of last year.

House prices have been stable for well over a year now; however our average selling price has seen a healthy growth, predominantly due to the shift in product to the New Heritage Collection.

The average number of sales outlets has been stable at 79 during the period (2010: 72). We expect this to rise to 85 by the end of June, slightly down on previous guidance due to a number of planning delays.

Net debt has risen in the period to c£80m (2010: £52.0m) due to our ongoing investment in land. It is likely to rise further over the coming months as our land bank increases.

Strategy

It has been the Group's strategy over the last 12 months to increase our presence in London and the South East. This policy will in time lead to a further increase in the Group's average selling price. This strategy, however, has led us to review our investment in other areas of the business. The Board has concluded that although we have had a presence in Scotland for a number of years, the operation there is not of sufficient scale to generate acceptable returns and its preferred option is to sell that business. An Information Memorandum will be issued shortly to interested parties and we would hope to conclude a sale in the coming months.

Outlook

Although the economic outlook remains uncertain, we have been encouraged by the performance of the Group's New Heritage Collection. Sales per outlet are at the top end of industry comparables and reservations since the beginning of January are encouragingly ahead of

last year. We expect this year's results to show further significant progress.

Note to Editors

In the last financial year Redrow's Scottish business generated 185 legal completions, had a turnover of £31m and made a small loss.

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