

Tuesday 5 September 2017

Redrow plc

Final results for the year to 30 June 2017

CONTINUING TO DELIVER GROWTH

Financial Results

	2017	2016	% Change
Legal Completions (incl. JV)	5,416	4,716	+15
Revenue	£1.66bn	£1.38bn	+20
Operating Profit	£322m	£261m	+23
Profit before tax	£315m	£250m	+26
EPS	70.2p	55.4p	+27
Order Book (incl. JV)	£1.1bn	£967m	+14
ROCE	26.0%	23.7%	+10
Full Year Dividend	17p	10p	+70

Financial highlights

- Group revenue up 20% to a record £1.66bn driven by higher legal completions and a 7% increase in Average Selling Price to £309,800
- Operating margin rose to 19.4% (2016: 18.9%)
- Record pre-tax profit of £315m, up 26% (2016: £250m)
- Earnings per share up 27% to 70.2p
- Record Order Book, up 14% to £1.1bn
- Return on Capital Employed up 10% to 26.0% (2016: 23.7%)
- Net debt reduced from £139m in June 2016 to £73m in June 2017
- Proposed final dividend of 11p per share, making 17p for the full year, up 70%

Operational highlights

- Continuing to deliver on growth strategy:
 - Legal completions up 15% to 5,416 (2016: 4,716)
 - Outlets increased 3% to 132 (2016: 128)
 - Number of employees up 12% to 2,200
- 5,419 plots added to the current land bank of which over 60% were converted from forward land

Steve Morgan, Chairman of Redrow, said:

“Redrow has continued to build much-needed new homes across England and Wales with completions up 15% to over 5,400.

“Our growth strategy has delivered record financial results for the fourth consecutive year. Pre-tax profits were £315m, up 26% on the prior year, with a 27% increase in earnings per share to 70.2p.

“Redrow began the current financial year with a record order book, up 14% year on year to £1.1bn. Sales in the first 9 weeks are very encouraging, up 8% on a strong comparator last year.

“Based on the strength of our current performance and the robust demand that we are seeing, we are today updating our medium term guidance. We now expect turnover in 2020 of c£2.2bn and pre-tax profit of c£430m. We expect the dividend in 2020 to rise to 32p per share.

“Our strategy of continued growth for the business is on track. I am confident this will be another year of significant progress for Redrow.”

Enquiries:

Redrow plc

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There will be an analyst and investor meeting at 9.00 am at The London Stock Exchange, 10 Paternoster Square, London, EC4M 7LS. Coffee will be served from 8.30 am.

A live audio webcast and slide presentation of this event will be available at 9.00 am on www.redrowplc.co.uk. Participants can also dial in to hear the presentation live at 9.00 am on +44 (0) 20 3003 2666 or UK Toll Free on 0808 109 0700; password is Redrow.

Playback will be available by phone for the next 30 days +44 (0) 20 8196 1998 followed by Access Pin 5012554#.