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FOR IMMEDIATE RELEASE



Wednesday 6 February 2019

Redrow plc

Interim results for the six months to 31 December 2018

**ANOTHER RECORD FIRST HALF – STRONG EARNINGS
AND CASH PERFORMANCE UNDERPIN PROPOSED £111M CASH RETURN
TO SHAREHOLDERS**

Financial Results

| | H1 2019 | H1 2018 | % Change |
|----------------------------------|----------------|----------------|-----------------|
| Legal Completions | 2,970 | 2,646 | 12 |
| Revenue | £970m | £890m | 9 |
| Operating Profit | £187m | £175m | 7 |
| Profit Before Tax | £185m | £176m | 5 |
| EPS | 41.5p | 39.5p | 5 |
| ROCE | 28% | 25% | 12 |
| Interim Dividend per share | 10p | 9p | 11 |
| Additional cash return per share | 30p | - | N/A |
| Total Order Book | £1.162bn | £1.047bn | 11 |

Financial Highlights

- Group revenue rose 9% to a first half record of £970m
- Record first half pre-tax profit of £185m, up 5%
- Earnings per share (EPS) up 5% to 41.5p
- Return on capital employed of 28% (2018: 25%)
- Net cash of £101m (June 2018: £63m)
- Interim dividend of 10p per share (2018: 9p)
- Proposed additional cash return of 30p per share through a B Share Scheme representing £111m

Operational Highlights

- Legal completions rose 12% to 2,970 (2018: 2,646)
- Redrow completed its 100,000th home
- Average number of outlets increased to 129 (2018: 127)
- Total order book up 11% to a record £1.162bn (Dec 2017: £1.047bn)
- Current land holdings in line with June 2018 at 27,500 plots

Steve Morgan, Chairman of Redrow, said

“In this, my final report as Chairman, it gives me great pleasure to announce that Redrow has once again delivered record results for the first half of the financial year. During the period legal completions increased by 12% to 2,970, whilst pre-tax profits were up 5% to £185m.

As a result of our continuing strong earnings and cash performance, we are proposing a 30p per share cash return to shareholders through a B Share Scheme, in addition to a 10p per share interim dividend. This Scheme enables all shareholders to participate equally in proportion to their holdings and should be treated as capital for most UK tax resident shareholders.

The market during the run up to the festive period and the first two weeks of 2019 was subdued by macroeconomic and political uncertainty. However, sales over the last three weeks have bounced-back with reservations running at similar levels to last year’s strong market activity. Overall, private sales for the first 5 weeks of 2019 were £156m (2018: £166m). Nevertheless given our record £1.2 billion order book, our strategy remains on track giving me every confidence that this will be another year of significant progress for Redrow.

It is nearly 45 years since I founded Redrow and when I step down as Chairman next month it will be exactly 10 years since I returned to the business. I am proud of the legacy I leave behind having completed over 6,000 homes for the first time in 2018 and handed over our 100,000th Redrow home last October.

Redrow has a very strong team, an excellent balance sheet and the Heritage Collection product which I believe is the best in the industry. Most importantly, Redrow has a great future under John Tutte’s leadership who will take over from me as Chairman.”

Enquiries:

Redrow plc

| | |
|------------------------------------------|--------------|
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Instinctif Partners **0207 457 2020**

| | |
|---------------|--------------|
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There will be an analyst and investor meeting at 10.30 am at The London Stock Exchange, 10 Paternoster Square, London, EC4M 7LS. Coffee will be served from 10.00 am.

A live audio webcast and slide presentation of this event will be available at 10.30 am on www.redrowplc.co.uk. Participants can also dial in to hear the presentation live at 10.30 am on +44 (0) 20 3003 2666 or UK Toll Free 0808 109 0700; password is Redrow.

Playback will be available by phone for the next 30 days on +44 (0) 20 8196 1998 or UK Freephone 0800 633 8453; access pin 8438916#.

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Announcement Classification:
1.2: Half yearly financial report and audit reports/limited reviews