

INTERIM MANAGEMENT STATEMENT
TUESDAY 13 NOVEMBER 2012

Persimmon plc today releases its Interim Management Statement which covers the period from 1 July 2012 to 12 November 2012. We are pleased to confirm current trading is in line with our expectations.

As reported at our half year results on 21 August 2012 weekly private sales rates were c. 5% ahead of the prior year through the traditionally slower summer weeks. On entering the autumn selling season from the second week of September we experienced the usual seasonal pick-up in sales. Notwithstanding the tougher comparatives resulting from the stronger autumn season last year, our weekly private sales rate is similarly c. 4% ahead year on year. Visitor levels to our sites have been c. 6% ahead of last year from the start of the autumn season and cancellation rates continue to run at historically low levels at c. 20%.

The cost of mortgage loans has recently reduced slightly as lenders access the Government's Funding for Lending Scheme and pass the lower funding costs through to customers. The take-up of the Government backed 5% deposit NewBuy mortgage product is as a result gradually improving. To date we have supported over 450 customers to purchase a home with a NewBuy mortgage.

We have already opened 50 of the c. 60 new sites we scheduled for the second half of the current year. We anticipate our active site numbers will remain stable at c. 375 sites for the remainder of 2012.

In February, we launched our new Long Term Strategy designed to grow Persimmon into a larger, stronger business over the next decade, whilst delivering a substantial capital return to shareholders. As explained at that time, a continued focus on improving profitability and free cash generation are important components of this strategy. Achieving the best selling price for our new homes is a key element in delivering these objectives. We anticipate an improvement in our average selling price to c. £172,000 for the full year, an increase of c. 5% over the prior year (2011: £163,999) due to change in sales mix which is in line with our first half performance. Prices have remained stable through the period. We are fully sold up for the current year and have c. £508 million forward sales reserved beyond 2012, a c. 5% increase on the comparable prior year position (2011: £484 million).

We have previously indicated that we anticipate the Group returning to underlying operating margins within the range of 15% to 17% in the medium term. We are confident that the second half of 2012 will demonstrate further good progress along that path, building upon the improvement to 12.2% secured in the first six months of the year (from 9.0% in H1 2011). Return on capital employed will continue to increase,

supported by our tight control over development costs and a healthy level of site replacement, to reach c. 12% for the current year (2011: 8.3%). We expect further improvement to come in the future.

A critical part of our strategy is the continued investment in new land to support the growth of Persimmon in the future. We have acquired over 5,500 plots since 1 July, including c. 1,600 plots in the South East with the acquisition of Hillreed Homes on 5 October 2012, adding to the 5,779 new plots acquired in the first half of 2012. Hillreed, a strong brand with a reputation for high quality, is complementary to our Charles Church business, and has strong strategic land holdings in Kent and Sussex. The promotion and conversion of strategic land is a key element of our land replacement activities and since 1 July c. 32% of our acquired plots have been successfully converted from our strategic landbank. We have delivered additional profit and cash returns on legally completing new homes from these sites over many years.

We anticipate we will be holding an increased level of cash at the close of the year (30 June 2012: £135.2 million) resulting from the strong free cash generated by our operations.

The UK housing market continues to be challenging and mortgage availability remains the key constraint. However, with the adoption of our new Long Term Strategy at the start of the year we remain confident of the future successful growth of Persimmon and the delivery of significant value to our shareholders over the coming years.

We will give a further update on progress and trading following the year end on Tuesday 8 January 2013.

Mike Farley and Mike Killoran will host a conference call with analysts at 9.00 a.m. today. To participate please dial +44 (0)20 3003 2666. The password is "Persimmon".

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