

TRADING UPDATE

THURSDAY 16 APRIL 2015

Persimmon plc (“the Company”) will hold its Annual General Meeting (“AGM”) at 12.00 noon today at York Racecourse when the Chairman will make the following statement regarding current trading, financial performance and the outlook for the current financial year. This statement covers the period from 1 January 2015 to date and supplements the update given with the 2014 Final Results on 24 February 2015.

We have made an encouraging start to the 2015 financial year. Customer confidence is being supported by the ongoing improvement in UK economic performance and the mortgage market continues to offer customers the opportunity to access mortgage credit on very attractive terms.

Having entered 2015 with a healthy forward order book, our strong sales performance over the first fifteen weeks of the new year has resulted in total forward sales revenue, including legal completions taken so far this year, being 7% higher than last year at £2.00 billion (2014: £1.87 billion).

Our weekly private sales rate per site for the period was 6% ahead of the prior year. We have 7,375 new homes sold forward into the private sale market for 2015 with an average selling price of c. £207,900, which is 4% higher than last year.

In keeping with the long run trend, over the period we experienced an increase of c. 20% in the level of visitors to our home-finder websites when compared with last year, as increasing numbers of customers chose to find their new home online, whilst the number of customers visiting our development sites remains in line with the strong comparative period last year. Cancellation rates have continued to run at historically low levels.

We continue to work hard to increase further the number of homes we are building to drive our current year legal completion volumes ahead of the previous year’s total of 13,509 new homes. To help address the challenges of securing the appropriate level of high quality tradespeople on each of our sites we launched our Combat to Construction training scheme in September last year. This scheme provides the opportunity for leavers from the UK Armed Forces to master the trade skills that are key to the house building process. At the end of March we had over 80 trainees registered on the scheme and we expect to recruit over 300 trainees during 2015. The planned increase in the number of skilled tradespeople employed directly by the Group will support improved productivity and the potential for further growth in legal completion volumes in the future.

We have now opened 85 of the 120 new sites planned for the first half of 2015 and we are currently developing 385 active outlets across the UK. We continue to build new homes on all sites where we have an implementable detailed planning consent.

The land market has continued to provide good opportunities for new investment at attractive returns. As anticipated, in line with past experience it has become increasingly difficult to secure planning consents for sites as May’s General Election approaches. While we would expect such delays to be short term in nature, they are hindering the expansion in the number of active outlets required by the housebuilding industry to support an increase in the volume of newly built homes delivered to the market. Nevertheless, as a result of our strong prior investment in new land we remain confident of having c. 400 active outlets open by the middle of the year.

Exercising capital discipline through the cycle whilst growing the business as market conditions allow is at the core of our strategy launched in early 2012. A key feature of this capital discipline

is management's commitment to return c.£1.9 billion of surplus capital to shareholders over the ten year period to 2021.

The third payment of the Capital Return Plan of £291 million, or 95p per share, was approved by shareholders at a General Meeting held on 19 March 2015. This return of capital was paid on 2 April 2015 by way of a B / C share proposal.

Having delivered a 44% increase in new homes built and sold since the launch of the new strategy, a total of £733 million of surplus capital has been returned to shareholders under the Capital Return Plan, over £500m higher than was originally planned at this stage. We remain confident of making further good progress over future periods.

We will provide a further report in our Trading Update on Tuesday 2 July 2015.

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