

6 November 2024

Trading Statement

Trading in-line with expectations, on track to grow completions to c.10,500

Persimmon Plc is today providing an update on trading for the period since 1 July 2024.

Dean Finch, Group Chief Executive, commented:

“Positive momentum in the business continued over the summer months and we remain on track to deliver growth in completions to c.10,500 for the full year. Visitor numbers and enquiries remain strong and sales rates continue to be well ahead of the prior year. Our forward order book is up 17% on the prior year with the private average selling price robust. We continue to position the business for success, maintaining our focus on quality and customer service, and converting our land holdings into active developments.”

Highlights

	2024	2023
Net private sales rate per outlet¹	0.70	0.51
Current forward sales position²	£2.02bn	£1.73bn
Of which private forward sales²	£1.45bn	£1.04bn

¹ Net private sales rate per outlet per week for the period since 1 July to 3 November 2024 (5 November 2023). Excluding bulk sales 0.61 (2023: 0.47).

²As at 3 November 2024 (5 November 2023). Excludes completions in Q3.

Trading

The Group traded in-line with expectations during the period and we remain on track to deliver completions of c.10,500 for the full year. During the third quarter we delivered 1,416 homes (2023: 1,439) including a 3% increase in private homes to 1,267 (2023: 1,234) and 149 Partnership homes (2023: 205).

The net private sales rate per outlet was up 37% in the period since 1 July at 0.70, or 0.61 excluding bulk sales, with net year to date private reservations since 1 January up 24% on last year. Customer interest remains good across all regions, and our marketing campaigns continue to generate healthy online traffic and visitors to our sites. Affordability and value remain important to our customers. Affordability constraints, particularly for first-time buyers, have been helped by the initial reductions in interest rates and a greater availability of over 90% loan-to-value mortgage products on the market than a year ago.

Overall pricing held firm in the period, with incentives continuing to run around 4-5% on average. Our private forward sales position has increased 40% to £1.45bn, reflecting more stable market conditions in 2024 and supported by our strategy of reserving multi-year sales to our relationship investors at an early stage. The private average selling price in the forward order book has remained robust at c.£291,400 (30 June 2024: c.£290,660), and is 10% higher than in the forward order book at 31 December 2023 (c.£266,100) and 5% higher than this time last year (2023: c.£278,500).

Land spend in the third quarter was £123m (2023: £78m) of which £47m related to the settlement of land creditors. Our owned and under control land holdings stood at c.81,500 plots at 30 September 2024 (31 December 2023: 82,235 plots). We are currently seeing a good number of opportunities in the land market and the embedded margin of the land portfolio remains excellent. We continue to anticipate a cash balance of £100m-£200m at the end of the current financial year.

We are progressing with our fire safety remediation commitment, with works underway or complete on 72% of known developments. We continue to expect that the bulk of works will be completed over the course of the next two years.

Outlook

Demand for our homes has continued into the autumn selling season, helped by improvements in customer sentiment as interest rates begin to reduce and affordability improves. We are on track to grow to c.10,500 homes this year, compared to 9,922 in 2023, of which 85% are already exchanged or completed (2023: 84%), with further growth in outlets and volume expected in 2025.

As we move into 2025, we remain optimistic about our growth prospects although the quantum and timing of future interest rate changes is uncertain and we continue to assess the implications of the recent Budget. We are seeing some signs of build cost inflation beginning to emerge in price negotiations for 2025 and are working closely with our supply chain to manage our costs, which will also be impacted by new building regulations and the employer national insurance increases announced in the recent Budget. We are seeking to mitigate the impact of these cost increases through robust commercial controls and other management actions.

Early announcements from the government around planning reforms have been encouraging. We look forward to the outcome from the consultation on the National Planning Policy Framework later this year.

We are well positioned for continuing market improvement with an excellent pipeline of new sites aligned to our three strong brands, and with the core Persimmon product offering quality at an affordable price point for our customers.

Our next scheduled update will be our 2024 Trading Update on 14 January 2025.

Persimmon will host a conference call with analysts at 09.00am today.

All participants must pre-register to join this conference using the Participant Registration link. Once registered, an email will be sent with important details for this conference, as well as a unique Registrant ID.

Participant registration page: <https://register.vevent.com/register/Blc07454d397c64088b1317705b433e073>.

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Appendices:

1. Quarterly performance	Q3 2024	Q3 2023	Variance
Completions (homes)	1,416	1,439	-23
Private (homes)	1,267	1,234	+33
Partnership (homes)	149	205	-56
FTB % (private completions)	32%	32%	-

2. Forward sales ¹	3 November 2024		5 November 2023		Variance	
	Value	Homes	Value	Homes	Value	Homes
Private	£1.45bn	4,988	£1.04bn	3,733	+40%	+34%
Partnership	£0.57bn	3,587	£0.69bn	4,449	-17%	-19%
Total	£2.02bn	8,575	£1.73bn	8,182	+17%	+5%

¹ As at 3 November 2024 (5 November 2023). Excludes completions in Q3.

Cautionary statements

Some of the information in this document may contain projections or other forward-looking statements regarding future events or the future financial performance of Persimmon Plc and its subsidiaries (the Group). You can identify forward-looking statements by the terms such as “expect”, “believe”, “anticipate”, “estimate”, “intend”, “will”, “could”, “may” or “might”, the negative of such terms or similar expressions. Persimmon Plc (the Company) wishes to caution you that these statements are only predictions and that actual events or results may differ materially and as such undue reliance should not be placed on these statements. The Company does not intend to update these statements to reflect events

and circumstances occurring after the date hereof or to reflect the occurrence of unanticipated events. Many factors could cause the actual results to differ materially from those contained in projections or forward-looking statements of the Group, including among others, general economic conditions, the competitive environment as well as many other risks specifically related to the Group and its operations. Past performance of the Group cannot be relied on as a guide to future performance.

Please see the most recent Annual Report and Accounts of Persimmon plc and other disclosures through the Regulatory News Service ("RNS") for further details of risks, uncertainties and other factors relevant to the business and its securities.

The information in this trading statement is unaudited.