

5 July 2018

MJ GLEESON PLC

TRADING UPDATE

MJ Gleeson plc (GLE.L), the urban regeneration and strategic land specialist, is today issuing a trading update following the end of its financial year on 30 June 2018, and ahead of reporting preliminary results on Monday, 17 September 2018.

Gleeson Homes

Gleeson Homes is a housing regeneration specialist, working in challenging communities to provide new, low cost homes for sale to people on low incomes in the North of England.

Gleeson Homes delivered its largest annual volume growth selling 1,225 homes during the year, an increase of 212 units (20.9%) compared with the previous year's total of 1,013.

Gleeson Homes remained active in purchasing sites in both existing and new areas during the year. The land pipeline of owned and conditionally purchased plots at 30 June 2018 increased by 10.9% compared to the prior year end, totaling 12,852 plots, of which 6,377 plots have been purchased subject to planning permission. In addition, there are a further 354 plots which are in the pipeline to be acquired.

Gleeson Homes is currently active on 65 sites and anticipates an increase to more than 70 sites during the coming year.

A new pilot office was opened during the year in Ashington, Northumberland and the pilot office in Scunthorpe became a fully staffed area office. There are now 8 area offices and 2 pilot offices. We will continue to grow the Gleeson Homes footprint by opening area offices in areas adjoining existing operations.

The division is comfortably on track towards achieving its 2017 stated target of doubling housebuilding volumes to 2,000 new homes per year within 5 years.

Gleeson Strategic Land

Gleeson Strategic Land is a land promotion business that enhances the value of land by securing mainly residential planning consents, predominantly in the South of England.

During the year Gleeson Strategic Land sold ten land interests comprising 335 acres with the potential to deliver 1,970 plots for housing development.

The business has commenced the current financial year in a strong position. Nine sites with planning permission, or resolution to grant, have the potential to deliver 2,089 plots for housing development. Seven of these sites are in a process for sale. Planning decisions are expected on a further eight sites.

The portfolio comprises 61 sites which could deliver 22,838 plots and 67 acres of commercial land.

Summary

The Group continued to generate strong cash flows and increased its cash balances at 30 June 2018 to £41.3m (30 June 2017: £34.1m).

As a result of the strong performance in the financial year, the Board is confident that the results for the financial year will be comfortably in line with expectations.

Jolyon Harrison, CEO, commented:

“Gleeson Strategic Land continues to experience strong demand from both large and mid-sized housebuilding customers for consented land. We have a high quality land portfolio and quality always sells.

Gleeson Homes delivered its strongest ever results, growing by 212 units (20.9%) compared with growth of 109 units (12.1%) during the prior year. Demand remains strong and the land pipeline continues to increase providing confidence for continued growth.

We ended the year well on track to achieve our 2017 stated target to double house sales to 2,000 homes per year within 5 years.”

This announcement contains inside information. The person responsible for arranging the release of this announcement on behalf of the Company is Stefan Allanson, Chief Financial Officer.

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Notes to Editors

MJ Gleeson plc operates in the house building sector through the following business units; Gleeson Homes, which focuses on estate regeneration and housing development on brownfield land in the North of England; and Gleeson Strategic Land, which enters into promotion or option agreements over land, predominantly in the South of England, with the objective of enhancing the value of the site concerned by securing residential planning permission.

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