

MJ Gleeson plc

(GLE.L)

AGM Statement

MJ Gleeson plc (GLE.L), the low-cost housebuilder and land promoter, is holding its Annual General Meeting (AGM) at 11:30am today at the Grocers' Hall, London EC2R 8AD.

Dermot Gleeson, Chairman, will make the following comments:

"I am pleased to report that despite the widely reported challenges faced by the house building industry, including supply issues, increases in material & labour costs and planning delays, the business is performing well and the Board expects to deliver a result for the current year in line with market expectations.

Demand for Gleeson's low-cost homes remains strong and selling prices continue to increase, as planned. The average selling price on new reservations since the start of the financial year was 12% higher than in the same period last year.

Whilst the construction sector continues to experience availability and cost pressures with respect to labour and materials, Gleeson Homes has worked closely with its suppliers and subcontractors and has been able to continue building on all its sites.

Land continues to be available at sensible prices and the pipeline remains strong. Gleeson Homes has a land pipeline of 15,384 plots with a gross development value of £2.4 billion, of which 7,961 plots are owned and 7,423 are conditionally purchased.

The division currently has 82 active build sites, compared with 80 active build sites this time last year and is actively selling on 60 sites, compared with 65 sites this time last year. As a result of continued congestion in the planning system, not least as a result of a shortage of staff in council planning departments, there have been some delays to site acquisitions and site starts. With an improvement in the planning process we expect to acquire and open a total of 25 sites during the year to June 2022.

We expect Gleeson Homes to complete the sale of approximately 900 homes in the half year to 31 December 2021 and not less than 2,000 homes in the full year to 30 June 2022.

Strong demand driven by the structural need for more low-cost, high-quality homes for first time buyers and our ability to offer attractive levels of affordability to our customers, mean that the outlook for the division remains positive.

Gleeson Land continues to experience strong demand for consented land and has completed the sale of one site since the start of the financial year. Two sites are being actively progressed to sale, of which one site sale is expected to complete before 31 December 2021.

The issues with the planning system I referred to earlier have also delayed a number of site consents, but we expect these to be granted during the second half of the current financial year.

The division's land pipeline currently consists of 71 sites which have the potential to deliver approximately 22,000 plots. The portfolio includes 4 sites, with the potential to deliver 1,816 homes, which have planning permission or resolution to grant.

In conclusion, notwithstanding the challenges across our market, we are pleased with the progress in the year to date and remain confident that the result for the year to 30 June 2022 will be in line with market expectations."

15 November 2021

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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Enquiries:

MJ Gleeson plc

James Thomson
Stefan Allanson

Chief Executive Officer
Chief Financial Officer

Tel: +44 1142 612900

Hudson Sandler

Mark Garraway

Tel: +44 20 7796 4133

Tel: +44 7771 860 938

Singer Capital Markets

Shaun Dobson
Rachel Hayes

Tel: +44 20 7496 3000

Liberum

Neil Patel

Tel: +44 20 3100 2222