

TRADING UPDATE – 8 JANUARY 2014

Persimmon plc announces the following update ahead of its Final Results for the year ended 31 December 2013, which will be released on 25 February 2014.

The Group has had a strong finish to the year. As indicated in our Interim Management Statement on 6 November 2013 we responded swiftly to the significant increase in weekly sales rates by substantially increasing our construction activity across the country. We are pleased to report that the Group has increased the volume of new house sales delivered to 11,528 for the year, 16% ahead of the previous year. Our robust build disciplines enabled the Group to legally complete 6,506 new homes in the second half of the year which is an increase of 30% over the first half of 2013. Second half sales volumes are 25% ahead of the prior year (2012 : 5,191).

The average selling price for our 2013 legal completions was c.£180,900, an increase of 4% over 2012 (£173,823). This increase is due to the change in mix of sales of our traditional family housing across the UK year on year. Full year revenues of £2.1bn represents an increase of 21% over the prior year.

This growth in revenues and the anticipated further improvement in operating margins will enable us to deliver strong underlying pre tax profit growth for the year ended 31 December 2013 demonstrating further progress with the delivery of the long term strategic plan announced in February 2012.

We acquired c.17,600 plots of new land during 2013, representing a replacement rate of 153% of current consumption, and once again demonstrating our appetite to invest in further growth. The land market in our regional operating areas continues to offer attractive investment opportunities with c.10,100 plots acquired in the second half of 2013.

Of the c.17,600 plots acquired in 2013, over 5,500 plots were converted from our strategic land bank. The superior returns from these strategic land parcels will support Group profitability and cashflows as they are developed over future years.

In line with expectations, we successfully opened the 85 sites identified for the second six months of 2013 and enter the new year with 390 active sites across the UK. We anticipate opening a further 90 new sites in the first half of 2014 and expect to see stable total active site numbers through the first half of 2014.

We continued to experience robust private sales rates through to the year end and despite the substantial increase in legal completions achieved in the second half of 2013, the value of our total forward sales at 31 December 2013 was 41% ahead of the prior year at c.£908m (2012 : £645m). The number of reserved and exchanged private sales carried forward into 2014, at over 3,000 new homes, is c.55% stronger than at the same time last year. A similar number of affordable homes have been pre-sold reflecting a c.9% increase on the prior year. This strong forward sales position provides a solid platform for further sales growth in 2014.

Our cash holdings have continued to strengthen despite our strong investment in land and work in progress through the second half of the year. We held cash balances of c.£204m at 31 December 2013 (2012 : £201m).

We will give a further update on our assessment of the housing market over the early weeks of 2014 when we announce our results for the year ended 31 December 2013 on Tuesday 25 February 2014.

Please Note

There will be a call for analysts at 9.00 a.m. GMT today. Please use the dial-in details below:

Telephone number : +44 (0)20 3003 2666

Conference code : Persimmon

An audiocast of the call will be available on www.corporate.persimmonhomes.com from this afternoon.

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