

# **MJ Gleeson plc**

## **(GLE.L)**

### **AGM Statement**

MJ Gleeson plc (GLE.L), the low-cost housebuilder and strategic land specialist, is holding its Annual General Meeting (AGM) at 11am today. Due to Covid-19 restrictions, the AGM will be a closed meeting and held with the minimum required quorum present.

Dermot Gleeson, Chairman, will make the following comments:

"Build and sales activity at Gleeson Homes has returned to pre-Covid levels. We are grateful to the Government for implementing measures that ensured we could return to sites safely and securely following the first national lockdown and continue to deliver much-needed affordable homes. During the second lockdown all our sites continued to build and sell efficiently within Covid-secure protocols. We expect this to continue in the newly established three-tier system of restrictions.

Demand for Gleeson's low-cost homes remains strong and selling prices continue to increase. The average selling price on new reservations since the start of the financial year has been 9% higher than in the same period last year.

Land continues to be available at sensible prices and the pipeline remains strong. Gleeson Homes has a land pipeline of 13,938 plots with a gross development value of £2.0 billion, of which 7,298 plots are owned and 6,640 are conditionally purchased.

The division currently has 80 active build sites, compared with 64 active build sites this time last year. We have opened 11 new build sites since the start of the financial year. We expect to open at least another 14 new build sites before the end of the financial year. The division currently has 65 active sales sites, similar to the 64 sales sites this time last year, but we expect to be actively selling on all our current build sites before the end of the financial year.

The Board expects Gleeson Homes to record an increase in sales revenue for the half year to 31 December 2020 of more than 15% compared with the same period last year.

Record new site openings, strong demand driven by the structural need for low-cost 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 very positive. As a result, the Board now expects Gleeson Homes' results for the year to exceed current expectations. The Board re-affirms its target of delivering 2,000 units per annum in the year to June 2022.

Gleeson Strategic Land has seen activity continue to pick up since the start of the current financial year.

The division's land pipeline currently consists of 72 sites which have the potential to deliver approximately 23,560 plots. The portfolio includes 12 sites which now have planning permission.

Importantly, the division is actively working on the sale of seven sites. Most of these transactions are at an advanced stage. This level of activity underpins our confidence that the full year outturn in Gleeson Strategic Land will be in line with expectations.

Overall, driven by the strong performance in Gleeson Homes and the encouraging level of activity in Gleeson Strategic Land, the Board now expects the Group to deliver a result for the full year ahead of current expectations.

The Board recognises the importance of dividend payments to shareholders. In the light of our strong performance to date and the positive outlook, the Board is minded to resume dividend payments during the course of 2021. However, any final decision will depend on the circumstances at the time."

**3 December 2020**

*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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