

27 April 2017

## Countrywide plc Trading Update

### Trading as expected and outlook unchanged

Countrywide plc (“Countrywide” or the “Group”) (LSE:CWD), the UK’s largest integrated property services group, issues its trading update for the quarter ended 31 March 2017.

Total Group income for the quarter was £162m compared to £187m in the same period in 2016, in line with our expectations.

The first quarter of 2016 was boosted by the acceleration in transactions on buy to let properties and second homes in response to the impending changes to stamp duty which became effective 1 April 2016. As expected, underlying performance in Q1 2017 was impacted by a continuation of the declining market trends seen in Q4 2016, resulting in a 29% reduction in house sales exchanges across the Group on a like for like basis. These trends were in line with the Group’s plans for the year at the time of the Full Year Results.

Notwithstanding the external market challenges, both our Financial Services and B2B businesses performed strongly in Q1 2017 with both delivering year on year profit growth.

As outlined earlier this year, the Group continues to reap the benefits from its cost transformation programme with many initiatives enabled by the additional financial flexibility following the successful share placing on 9 March 2017.

The rollout of the digital sales proposition remains firmly on track, with the launch for Bairstow Eves now underway in addition to both Entwistle Green and Bridgfords that were launched earlier in 2017. With these three key brands now in rollout in addition to the original pilots, the Group is on track to achieve coverage by the digital model of around 50% (c. 400 branches) of the Group’s total network by June 2017.

#### **Commenting on the Group’s performance, Alison Platt, CEO said:**

“I am pleased that we have maintained the pace of our transformation agenda during the first quarter.”

“As promised at our Full Year Results, our cost transformation has kept up its momentum and the progress on our digital rollout remains firmly on track. Having recently launched our digital sales proposition in Bairstow Eves, we now have coverage in key areas of Liverpool, Manchester and Greater London.”

“In the first quarter of the year market trends were as anticipated. The snap general election called for 8 June 2017 is not expected to significantly alter the overall level of market transactions for 2017 and we still expect the market to be around 5% below 2016 levels. Our financial performance has been consistent with our plans and on this basis, we maintain our current financial outlook for the full year.”

**-Ends-**

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## **About Countrywide plc**

Countrywide is the UK's largest integrated property services Group, including the largest estate agency and lettings network. Countrywide's network of expertise combining national scale and local reach helps more people move than any other business in the UK and is structured around four key business units: Retail, London, B2B and Financial Services. We are proud of our strong position:

- £19 billion worth of property sold in 2016 - More homes in the UK than anyone else
- £16 billion of mortgages completed - Largest single mortgage broker in the UK
- 90,000 properties under management - Largest player in a fragmented market

Countrywide plc's award-winning service has earned the business over 231 high-profile industry awards since 2008 with customers voting Countrywide Best National Agency Group at the 2015 ESTAS awards.

### **1. Forward Looking Statements**

This announcement has been prepared solely to provide additional information to the shareholders of Countrywide plc in order to meet the requirements of the FCA's Disclosure and Transparency Rules. It should not be relied on by any other party, or for other purposes. Forward-looking statements have been made by the directors in good faith, using information available up until the date on which they approved this statement. Forward-looking statements should be regarded with caution, because of the inherent uncertainties in economic trends and business risks.

### **2. Next Results Announcement**

The next trading update is expected to be the 2017 half year results, to be issued on 27 July 2017.