



# Reporting Segment Changes

# Segment changes

Countrywide announces changes to its segmental structure for 2013, ahead of its preliminary results. These changes allow the senior management to increase their focus on the specific strategic issues presented by different markets.

In summary:

- Hamptons International has been combined with the London brands: John D Wood, Faron Sutaria, Sothebys International Realty, Alan de Maid and Hetherington, all previously reported within Estate Agency, to create a new segment called London and Premier lead by Paul Creffield.
- Nine letting branches directly managed by John D Wood and previously reported within the Estate Agency division, have now been moved to the Lettings division.
- Estate Agency remains under the management of Bob Scarff and reflecting the importance of Land and New Homes, Countrywide Social Housing operation has moved from Surveying Services to Estate Agency.

As reported at the half year, the Group has restated revenue for Surveying Services, so that income from panel management contracts are reported net of panel management costs. The total income in each of the following slides has been restated to reflect this and therefore differ from previous annual reports.

We also confirm that the results of Lambert Smith Hampton will be reported as a separate segment within our results for 2013. This business takes the Group into a new sector and is presently being overseen by Grenville Turner.

The following tables illustrate the changes to the comparative financial data. Total Income and EBITDA before exceptionals have been restated for the half years 2013, 2012 and 2011 and full year 2012 and 2011. Key KPIs that have been restated for the half year 2013 and full years 2012 and 2011 are also shown. Restated full comparative numbers for the full year 2012 will be presented in Countrywide's Annual Report 2013.

# New Segments - Full year 2012

## Total income

| Old Segments          | Old            | London brands | Social Housing | New            | New Segments          |
|-----------------------|----------------|---------------|----------------|----------------|-----------------------|
| Estate Agency         | 214,287        | (30,875)      | 1,142          | 184,554        | Estate Agency         |
| Hamptons              | 72,590         | 28,847        | -              | 101,437        | London and Premier    |
| Lettings              | 95,806         | 2,028         | -              | 97,834         | Lettings              |
| Financial Services    | 64,749         | -             | -              | 64,749         | Financial Services    |
| Surveying Services    | 50,287         | -             | (1,142)        | 49,145         | Surveying Services    |
| Conveyancing Services | 26,048         | -             | -              | 26,048         | Conveyancing Services |
| Central costs         | 960            | -             | -              | 960            | Central costs         |
| <b>Total</b>          | <b>524,727</b> | <b>-</b>      | <b>-</b>       | <b>524,727</b> |                       |

## EBITDA

| Old Segments          | Old           | London brands | Social Housing | New           | New Segments          |
|-----------------------|---------------|---------------|----------------|---------------|-----------------------|
| Estate Agency         | 12,799        | (2,891)       | 421            | 10,329        | Estate Agency         |
| Hamptons              | 14,043        | 3,030         | -              | 17,073        | London and Premier    |
| Lettings              | 21,733        | (139)         | -              | 21,594        | Lettings              |
| Financial Services    | 9,806         | -             | -              | 9,806         | Financial Services    |
| Surveying Services    | 10,200        | -             | (421)          | 9,779         | Surveying Services    |
| Conveyancing Services | 8,022         | -             | -              | 8,022         | Conveyancing Services |
| Central costs         | (13,567)      | -             | -              | (13,567)      | Central costs         |
| <b>Total</b>          | <b>63,036</b> | <b>-</b>      | <b>-</b>       | <b>63,036</b> |                       |

# New Segments - Full year 2011

## Total income

| Old Segments          | Old            | London brands | Social Housing | New            | New Segments          |
|-----------------------|----------------|---------------|----------------|----------------|-----------------------|
| Estate Agency         | 215,370        | (27,875)      | 1,017          | 188,512        | Estate Agency         |
| Hamptons              | 66,065         | 26,249        | -              | 92,314         | London and Premier    |
| Lettings              | 81,255         | 1,626         | -              | 82,881         | Lettings              |
| Financial Services    | 62,069         | -             | -              | 62,069         | Financial Services    |
| Surveying Services    | 48,173         | -             | (1,017)        | 47,156         | Surveying Services    |
| Conveyancing Services | 22,843         | -             | -              | 22,843         | Conveyancing Services |
| Central costs         | 1,037          | -             | -              | 1,037          | Central costs         |
| <b>Total</b>          | <b>496,812</b> | <b>-</b>      | <b>-</b>       | <b>496,812</b> |                       |

## EBITDA

| Old Segments          | Old           | London brands | Social Housing | New           | New Segments          |
|-----------------------|---------------|---------------|----------------|---------------|-----------------------|
| Estate Agency         | 13.181        | (3,728)       | 346            | 9,799         | Estate Agency         |
| Hamptons              | 14.292        | 3,994         | -              | 18,286        | London and Premier    |
| Lettings              | 15.291        | (266)         | -              | 15,025        | Lettings              |
| Financial Services    | 9.398         | -             | -              | 9,398         | Financial Services    |
| Surveying Services    | 8,592         | -             | (346)          | 8,246         | Surveying Services    |
| Conveyancing Services | 7,714         | -             | -              | 7,714         | Conveyancing Services |
| Central costs         | (12,101)      | -             | -              | (12,101)      | Central costs         |
| <b>Total</b>          | <b>56,367</b> | <b>-</b>      | <b>-</b>       | <b>56,367</b> |                       |

# New Segments – Half year 2013

## Total income

| Old Segments          | Old            | London brands | Social Housing | New            | New Segments          |
|-----------------------|----------------|---------------|----------------|----------------|-----------------------|
| Estate Agency         | 101,811        | (15,521)      | 593            | 86,883         | Estate Agency         |
| Hamptons              | 34,820         | 15,521        | -              | 50,341         | London and Premier    |
| Lettings              | 53,460         | -             | -              | 53,460         | Lettings              |
| Financial Services    | 29,521         | -             | -              | 29,521         | Financial Services    |
| Surveying Services    | 26,011         | -             | (593)          | 25,418         | Surveying Services    |
| Conveyancing Services | 12,108         | -             | -              | 12,108         | Conveyancing Services |
| Central costs         | 1,107          | -             | -              | 1,107          | Central costs         |
| <b>Total</b>          | <b>258,838</b> | <b>-</b>      | <b>-</b>       | <b>258,838</b> |                       |

## EBITDA

| Old Segments          | Old           | London brands | Social Housing | New           | New Segments          |
|-----------------------|---------------|---------------|----------------|---------------|-----------------------|
| Estate Agency         | 3,737         | (2,026)       | 238            | 1,949         | Estate Agency         |
| Hamptons              | 5,576         | 2,026         | -              | 7,602         | London and Premier    |
| Lettings              | 12,220        | -             | -              | 12,220        | Lettings              |
| Financial Services    | 4,197         | -             | -              | 4,197         | Financial Services    |
| Surveying Services    | 5,185         | -             | (238)          | 4,947         | Surveying Services    |
| Conveyancing Services | 3,428         | -             | -              | 3,428         | Conveyancing Services |
| Central costs         | (7,908)       | -             | -              | (7,908)       | Central costs         |
| <b>Total</b>          | <b>26,435</b> | <b>-</b>      | <b>-</b>       | <b>26,435</b> |                       |

# New Segments – Half year 2012

## Total income

| Old Segments          | Old            | London brands | Social Housing | New            | New Segments          |
|-----------------------|----------------|---------------|----------------|----------------|-----------------------|
| Estate Agency         | 103,529        | (15,178)      | 554            | 88,905         | Estate Agency         |
| Hamptons              | 32,988         | 14,193        | -              | 47,181         | London and Premier    |
| Lettings              | 45,341         | 985           | -              | 46,326         | Lettings              |
| Financial Services    | 30,293         | -             | -              | 30,293         | Financial Services    |
| Surveying Services    | 24,991         | -             | (554)          | 24,437         | Surveying Services    |
| Conveyancing Services | 11,650         | -             | -              | 11,650         | Conveyancing Services |
| Central costs         | 572            | -             | -              | 572            | Central costs         |
| <b>Total</b>          | <b>249,364</b> | <b>-</b>      | <b>-</b>       | <b>249,364</b> |                       |

## EBITDA

| Old Segments          | Old           | London brands | Social Housing | New           | New Segments          |
|-----------------------|---------------|---------------|----------------|---------------|-----------------------|
| Estate Agency         | 172           | (1,256)       | 191            | (889)         | Estate Agency         |
| Hamptons              | 5,034         | 1,333         | -              | 6,367         | London and Premier    |
| Lettings              | 9,569         | (77)          | -              | 9,492         | Lettings              |
| Financial Services    | 3,237         | -             | -              | 3,237         | Financial Services    |
| Surveying Services    | 4,513         | -             | (191)          | 4,322         | Surveying Services    |
| Conveyancing Services | 3,074         | -             | -              | 3,074         | Conveyancing Services |
| Central costs         | (6,047)       | -             | -              | (6,047)       | Central costs         |
| <b>Total</b>          | <b>19,556</b> | <b>-</b>      | <b>-</b>       | <b>19,556</b> |                       |

# New Segments - Half year 2011

## Total income

| Old Segments          | Old            | London brands | Social Housing | New            | New Segments          |
|-----------------------|----------------|---------------|----------------|----------------|-----------------------|
| Estate Agency         | 98,016         | (13,616)      | 526            | 84,926         | Estate Agency         |
| Hamptons              | 30,231         | 12,860        | -              | 43,091         | London and Premier    |
| Lettings              | 38,983         | 756           | -              | 39,739         | Lettings              |
| Financial Services    | 27,840         | -             | -              | 27,840         | Financial Services    |
| Surveying Services    | 23,582         | -             | (526)          | 23,056         | Surveying Services    |
| Conveyancing Services | 10,255         | -             | -              | 10,255         | Conveyancing Services |
| Central costs         | 502            | -             | -              | 502            | Central costs         |
| <b>Total</b>          | <b>229,409</b> | <b>-</b>      | <b>-</b>       | <b>229,409</b> |                       |

## EBITDA

| Old Segments          | Old           | London brands | Social Housing | New           | New Segments          |
|-----------------------|---------------|---------------|----------------|---------------|-----------------------|
| Estate Agency         | (1,554)       | (2,028)       | 167            | (3,415)       | Estate Agency         |
| Hamptons              | 5,756         | 2,185         | -              | 7,941         | London and Premier    |
| Lettings              | 7,084         | (157)         | -              | 6,927         | Lettings              |
| Financial Services    | 3,678         | -             | -              | 3,678         | Financial Services    |
| Surveying Services    | 3,966         | -             | (167)          | 3,799         | Surveying Services    |
| Conveyancing Services | 3,069         | -             | -              | 3,069         | Conveyancing Services |
| Central costs         | (5,284)       | -             | -              | (5,284)       | Central costs         |
| <b>Total</b>          | <b>16,715</b> | <b>-</b>      | <b>-</b>       | <b>16,715</b> |                       |

# Amended KPIs

|     | House exchanges     | HY 2013  | FY 2012  | FY 2011  |
|-----|---------------------|----------|----------|----------|
| Old | Estate Agency       | 27,366   | 56,874   | 56,108   |
| Old | Hamptons            | 1,560    | 3,498    | 3,274    |
| Old | Total               | 28,926   | 60,392   | 59,382   |
|     |                     |          |          |          |
| New | Estate Agency       | 26,297   | 54,854   | 54,245   |
| New | London and Premier  | 2,629    | 5,518    | 5,137    |
| New | Total               | 28,926   | 60,392   | 59,382   |
|     |                     |          |          |          |
|     | Average House price | HY 2013  | FY 2012  | FY 2011  |
| Old | Estate Agency       | £211,483 | £204,988 | £197,565 |
| Old | Hamptons            | £860,279 | £856,036 | £790,729 |
|     |                     |          |          |          |
| New | Estate Agency       | £180,158 | £177,605 | £174,959 |
| New | London and Premier  | £909,928 | £885,798 | £809,910 |
|     |                     |          |          |          |
|     | Number of branches  | HY 2013  | FY 2012  | FY 2011  |
| Old | Estate Agency       | 855      | 856      | 868      |
| Old | Hamptons*           | 73       | 69       | 64       |
| Old | Total               | 928      | 925      | 932      |
|     |                     |          |          |          |
| New | Estate Agency       | 802      | 806      | 821      |
| New | London and Premier  | 126      | 119      | 111      |
| New | Total               | 928      | 925      | 932      |

\* The total number of branches disclosed in the Prospectus counted the separate lettings branches which are operated in a town. The business considers the number of branches to be the number of towns in which Hamptons operates. This is the basis on which branch numbers will be disclosed in future.