



PRESS RELEASE

August 2018

Connells Group reports positive half year results

Leading estate agency and property services provider Connells Group today announces its interim results for the six months ended 30 June 2018. The Group reports EBITDA of £37.0m (2017: £38.1m) and pre-tax profits of £28.9m (2017: £31.5m), reflecting a good result in difficult market conditions.

Connells Group's total income increased by 1.1% compared to the first half of 2017, this is despite a subdued sales market. The number of property sale exchanges* for the Group's estate agency business was 3.8% below the same period in 2017, comparing favourably to HMRC figures showing a 5% reduction in transaction levels**. Revenue within other divisions continued to increase: Mortgage Services revenue was up 14%, Lettings income up 6.5% and Connells Survey & Valuation saw an uplift of 4.3% during the period.

"Our business has produced generally positive results in a challenging period for the housing market," says Connells Group CEO David Livesey. "Consumer sentiment remains subdued, impacted by economic and political uncertainty, but we are pleased with our performance which reflects resilience across our business operations.

"Our results are testament to the professionalism of our staff and the experience within our senior management teams who have worked successfully through difficult markets in the past, and our strategy of having a broad based, well diversified estate agency and property services business model," says David.

The Group continued to innovate by playing a lead role in developing new digital technologies such as the sales progression tool MIO, designed to enhance the

customer experience, speed up transactions and augment the full service that Connells Group provides its customers. The business grew via new branch openings and acquisitions, and is looking for new opportunities to acquire sales and lettings businesses.

The Group remains financially strong with significant cash reserves and no debt and will continue to look for investment opportunities as the year progresses:

“Connells Group has strong fundamentals and we are well positioned to maintain our market leading status, providing the high quality expertise our customers expect from the largest estate agency in the UK – measured by both market share and number of houses sold – and regardless of fluctuations in market conditions,” concludes David.

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*Connells Group new and second hand home exchanges January-June 2018

**HMRC data January-June 2018

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About the Connells Group:

Founded in 1936 and comprising nearly 600 branches nationwide, the industry-leading Connells Group is the most profitable UK estate agency network. In addition to operating under the Connells brand, the Group trades under other well-known local names including Allen & Harris, Bagshaws Residential, Barnard Marcus, Brown & Merry, Fox & Sons, Jones & Chapman, Manners & Harrison, Roger Platt, Shipways, Swetenhams, William H Brown, Sharman Quinney, Burchell Edwards, Ashley Adams, Peter Alan, Rook Matthews Sayer, Paul Dubberley and Gascoigne Halman plus online estate agent Hatched. As well as residential property sales and lettings, the Group has a comprehensive range of B2C and B2B services including new homes, mortgage services, conveyancing, EPCs, surveying, corporate lettings, asset management, land & planning, LPA receivers and auctions. Connells Group has won 64 industry awards in the last 12 years.

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