



12 July 2018

Telford Homes Plc

(‘Telford Homes’ or the ‘Group’)

AGM Statement 2018

Telford Homes Plc (AIM:TEF), the London focused residential property developer, will hold its Annual General Meeting (‘AGM’) at 12.30pm today at Telford House, Queensgate, Britannia Road, Waltham Cross, Hertfordshire EN8 7TF. At the AGM the Chief Executive of Telford Homes, Jon Di-Stefano, will make the following statement:

“I am pleased to report that since our final results on 30 May 2018, Telford Homes has continued to perform well. The London housing market at our typical price point has remained robust, with ongoing demand from a broad base of customers. The average price of the open market homes within our development pipeline is £539,000 and we expect that to remain relatively constant in the future. Our homes priced below £600,000 continue to sell at a steady rate. Above that level we have to work harder with prospective customers, but nevertheless we are still securing sales in line with our forecasts.

Forward selling continues to be a core part of our business model through early open market sales launches and forward funded build to rent developments. This approach reduces risk whilst increasing visibility over profit recognition and cash inflows. Combined with our average price point, this will help to insulate Telford Homes against any short to medium term volatility in the London housing market.

Over the past three years we have made strong progress in the build to rent sector which now forms a significant part of our future growth strategy. Our activity in this burgeoning sector is helping to increase the scale of the business and will enable us to build on our substantial development pipeline of over 4,000 homes. I am pleased to report that we have commenced contractual negotiations for the sale of 257 homes at Equipment Works in Walthamstow, E17 with a significant build to rent investor. Having purchased the site in December 2017, the Group began the formal sale process in April 2018 and received interest from a large number of investors. We expect to proceed to exchange of contracts in the next few months.



We continue to appraise a number of new build to rent opportunities as we look to strengthen our reputation as one of London's leading developers in the sector. We have previously reported the possibility of forming a longer term partnership with at least one investor and we continue to believe this will be the most productive way of delivering increased build to rent development in the future. We are determined to find the right investor to fit with our London focus and with a long term commitment to the sector. Therefore, we have instructed Savills to assist us in this process and we expect to make significant progress before the end of 2018.

The Board remains confident that the imbalance between supply and need for new homes at our typical price point in London will underpin our future growth. We remain well placed to achieve our stated goal of exceeding £50 million of total pre-tax profit for the year to 31 March 2019, weighted towards the second half as in previous years. Our position as one of the leading developers in London will be further enhanced by our increasing activity in the build to rent sector and the continued success of Telford Homes will enable us to deliver consistent returns to our shareholders."

- Ends -

For further information:

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