

Significant Growth & Momentum

Cairn Homes plc

2022 Preliminary Results Presentation

2022 Preliminary Results Presentation – 2 March 2023

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Michael Stanley

Chief Executive Officer

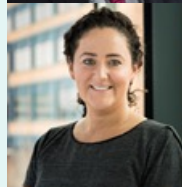
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Chief Financial Officer

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Company Secretary &
Head of Sustainability

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Head of Investor Relations

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01

FY 2022 Highlights

2022 Key Financial Highlights

Scaled Delivery Platform

1,526

Closed A-rated new home sales
(+36% on FY21)

495*

Social & Affordable new homes delivered
to State Agencies

Driving Revenue and Operating Profit

€617.4m

Incl. €611m core revenue
(+46% on FY21)

€103m

Operating profit
(+76% on FY21)

Favourable Mix and Mature Platform Improving Margins

21.7%

Gross margin
(FY21: 19.8%)

16.7%

Operating margin
(FY21: 13.8%)

Positioned for Further Growth

€71m

Net investment in WIP to **€339m**
(WIP covered 1.6x by forward sales)

€967m

Invested in c. 16,800 unit landbank and
WIP across active sites

Progressing Balance Sheet Efficiency

11%

ROE
(from 6% in FY21)

€350m

Committed debt facilities following
Syndicate refinance with **€199m**
available liquidity at year end

Delivering on Shareholder Returns

€42m

Ordinary dividends
declared

€117m

Returned to shareholders including a
completed **€75m** share buyback, with a
further **€40m** buyback announced today

* Included in total 1,526 closed new home sales

Key Operational Highlights

Strong Demand in Undersupplied Market

1,503*

Current closed and forward sales with a net sales value in excess of **€534m**

1,600+

New homes agreed for sale in 2022 (+**13%** YoY)

Operating Platform With Capacity For Scale

+30%

Increase in new home commencements to c. **1,800** v's broader industry **-12%**

€469m

WIP spend (**€39m** per month) in improving the security of our supply chain and underpinning our future pipeline

Decarbonisation Targets Set

-46.2%

Reduction in absolute Scope 1 & 2 emissions by 2030 (**4.2% pa**)

-61%

Reduction per square metre in Scope 3 emissions by 2030 (**7% pa**)

Investment in Our Team

350

30% increase in our workforce to support our growth

3,500+

Working fulltime across our active sites

Award Winning Developments

Mariavilla

Private Housing Project of the Year and the Irish Landscape Institute Award for Biodiversity

Oak Park

Nature Conservation & Sustainability Award, ALCI Awards

External Validation of Our Sustainability Journey

A-

Score awarded for our 2022 **CDP** submission (from **B** in 2021)

Silver

Achieved Investors in Diversity Silver, (from **Bronze** in 2021)

* Including 299 new homes forecast to close in 2024

Sales Pricing in 2022

New Homes Average Selling Prices

Year	Closed Sales	ASPs €'k (Gross)				Revenue (Net)
		Starter Homes	Trade Up/Down	Apartments	Overall	
2022	1,526	366	532	490	456	€611m
2021	1,120	350	493	454	428	€419m
Movement	+36.3%	+4.6%	+7.9%	+7.9%	+6.5%	+€192m

5

Cairn schemes where **FTBs** availed of the First Home Scheme which launched in **H2**

4x

FTBs can borrow **4x** single or combined annual salary in 2023 – previously **3.5x**



495

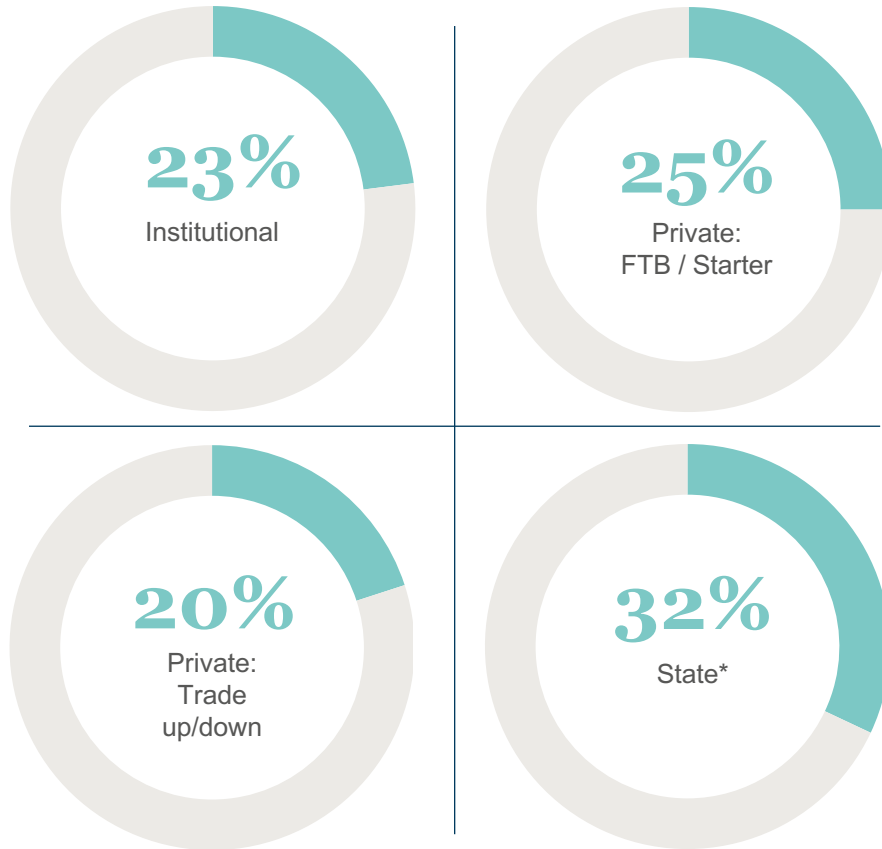
New homes delivered to the State across **9** developments

The increased cost of building each new home in 2022 was

€20,000

2022 Sales Analysis

2022 Buyer Profile of 1,526 Closed Sales

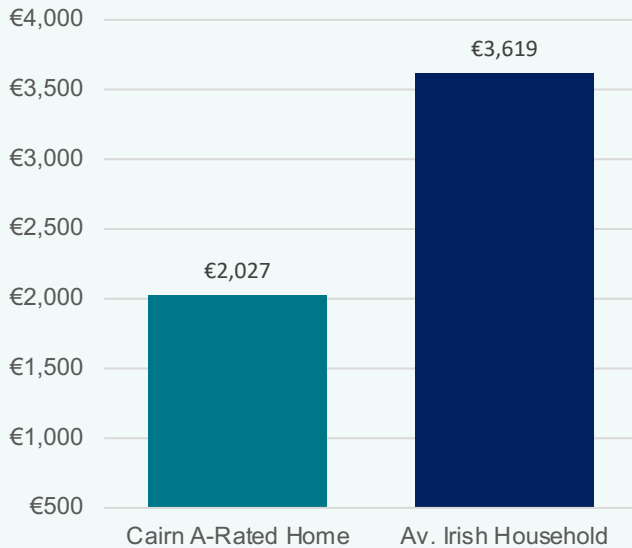


2022 Sales Backdrop

- **Strong demand** across all of our expanding and multiple sales channels
- Average sales rates were in excess of **4 new homes per week per active selling site** during 2023
- Sales closings across **16** separate schemes
- **€76m** invested in land with full planning permission in Q4 2021 and 2022 which will deliver over **400 new homes in 2023**
- **700** apartment completions in the year

Cairn Starter Home Is Significantly Cheaper Than Equivalent Rental

Energy Costs of a Cairn Starter Home*



	A2-Rated	C2-Rated
Annual Cost	€2,027	€3,619
Annual Saving	€1,592	
Monthly Cost	€169	€302
Monthly Saving	€133	

Monthly Cost of Our New Homes With Government Supports

	Renting	Owning - Help to Buy & First Home Scheme
Monthly Rent / Mortgage (at 4%)	€2,600	€1,253
Monthly Energy Cost	€302	€169
Monthly Total	€2,902	€1,422

Monthly Saving	-	€1,480
Monthly Saving (Mortgage rates at 5%)	-	€1,324

Mortgage debt servicing ratio - 4%	27.1%
Mortgage debt servicing ratio - 5%	30.5%

Cairn starter home is significantly cheaper than equivalent rental

*This analysis is based on a comparison to average house and energy consumption data from the Central Statistics Office. Refer to slide 38 for detailed assumptions

**Assumes a 30-year mortgage at a 5-year 4.3% fixed rate with AIB, less a 30bps Green Mortgage discount for an A2 rated new home (as of 01.03.2023)

Mitigating Build Cost Inflation – Supply Chain Collaboration

- **€469m** labour and materials spend in **2022** (average **€39m** per month) will increase to **c. €500m** in **2023**
- **c. 78%** procured on active sites for **2023** and **c. 54%** for **2024**
- Continued **scaling of construction operations** compared to the broader industry (2022 commencements -12%, weak PMIs) with strong security of labour and supply
- Focus on enhancing **supply chain depth** across over **150 core, strategic and development partners**
- Leveraging this scale with **central procurement initiatives** leading to greater penetration of manufacturers at source providing greater **product and pricing control**
- **Inflation persisted into H2 2022**, largely driven by increased energy costs in manufacturing processes, but at more moderate levels
- Certain **commodity prices softening** (e.g. timber and rebar) with further increases on other commodities (e.g. concrete and aggregates)

c. €10,000

(c. 4%) expected build cost inflation for each new home built in **2023**

€35,000

(13%) build cost inflation absorbed in **2021 and 2022**

20.4%

Building and construction cost inflation in the Capital Goods Price Index in **2021 and 2022***

02

FY 2022

Financial Results and Guidance

FY 2022 Financial Performance

	2022 Unaudited €m	2021 Audited €m	Movement
Revenue	617.4	424.0	+46%
Cost of Sales	(483.1)	(340.1)	+42%
Gross profit	134.2	83.9	+60%
Gross margin %	21.7%	19.8%	+190bps
Opex	(31.2)	(25.5)	+22%
EBIT	103.0	58.4	+76%
EBIT margin %	16.7%	13.8%	+290bps
Finance Costs	(9.5)	(8.2)	+€1.3m
PBT	93.5	50.2	+86%
PAT	81.0	43.2	+87%
EPS	11.5 cent	5.8 cent	+5.7 cent
Net assets	751.8	778.8	(4%)
NAV per share	110 cents	104 cents	+6c
Land at cost	628.3	671.7	(€43.4m)

Significant progress in 2022 – profits up 87% with Balance Sheet size down 4%

Revenue and Sales Performance KPIs

Closed and Forward Sales Pipeline (as at 01 March 2023)

	Units	Revenue (Net)
2023 – closed and forward sales	1,204	€435m
2024 – forward sales	299	€99m
Total closed and forward sales pipeline	1,503	€534m

WIP Investment Underpinned by Sales Strategy

	FY20	FY21	FY22
Closed & forward sales – units (as at start of March)	925	1,218	1,503
Closed & forward sales - value (as at start of March)	€307m	€463m	€534m
Closing WIP (at financial year end)	€278m	€268m	€339m
Closed & forward sales / WIP	1.1x	1.7x	1.6x

1.6x cover of €339m WIP investment by closed and forward sales

Balance Sheet as at 31 December 2022

	31 December 2022 Unaudited	31 December 2021 Audited	Change
	€m	€m	
Land held for development	628.3	671.7	
Construction work in progress	339.0	268.3	€70.7m
Other receivables	20.5	29.9	
Other assets and liabilities	(86.7)	(81.6)	
Net assets (excluding net debt)	901.1	888.3	
Net debt	(149.3)	(109.5)	(€39.8m)
Net assets	751.8	778.8	
Balance sheet KPIs			
Shareholder distributions	117.0	39.9	€77.1m
Debt to GAV	17.3%	15.3%	
Total			+€108.0m

Asset backed balance sheet underpinned by committed debt facilities

Key Cash Flow Movements

	Dec-22	Dec-21	Movement
	€m	€m	€m
Net Debt	149.3	109.5	(39.8)
Key Movements			
FY 2022 EBITDA			109.9
Decrease in land held for development			43.3
Increase in construction work in progress			(68.0)
Dividends paid			(40.7)
Share buyback			(75.1)
Finance costs			(9.1)
Other			(0.1)

- Net debt increased by **€39.8m** in the period to **€149.3m**, resulting in available liquidity of **€199.2m** at year end
- Operating cashflow, before distributions and acquisitions, of **€125.9m** was generated in the year, including **€129.6m** in H2
- Cash spend on WIP of **€469.3m** resulting in a **26%** increase in year-end WIP balance. This included **8** new site commencements nationwide as we continue to scale unit delivery
- WIP investment is **1.6** times covered by our forward sales pipeline
- WIP investment should also be seen in the context of unit volume trajectory that will see growth of **15-18% in 2023** following volume growth of **36% in 2022**
- Landbank balance reduced by **6% (€43m)** after acquisitions (all ROE accretive) of **€32m** (**11%** reduction excluding strategic acquisitions)

Strong liquidity position and cash generation as we continue to scale and make significant shareholder returns

Value Creation Through Strong Platform and ROE Growth

Track Record (what we have done)

FY21:

- **€40m** (€20m interim and €20m final dividend)
- **6% ROE**

FY22:

- **€117m** (€21m interim and €21m final dividend, €75m share buyback)
- **11% ROE**

FY23:

- Continued progressive ordinary dividend off expected Profit after Tax growth
- **€40m** share buyback announced today

Future (leveraging our track record for further growth)

- Further updates on our capital allocation strategy will be provided during **2023**
- Annual growth in volumes, revenue and profitability
- Supporting medium and long-term cash generation



All underpinned by significant growth in profits and unit delivery on core housebuilding activity

Underpinned by delivering on our 15% ROE target

The growth opportunity is significant. The profile of our landbank which will continue to reduce as we sell more units will generate operating cashflow* over the next 3 years to more than 50% of profits generated

Capital Allocation: Value Creation and ROE Growth

Capital Allocation	2020 €'m	2021 €'m	2022 €'m	Medium Term
Land Acquisitions	€37.7	€43.4	€32.1	
WIP Investment	€73.3	(€9.5)	€70.7	
Land & WIP Investment	€111.0	€33.9	€102.8	
Dividends	-	€40.0	€42.0	
Share Buyback	-	-	€75.0	
Total Shareholder Returns	-	€40.0	€117.0	
ROE	2%	6%	11%	c. 15%
NAV Per Share	100c	104c	110c	Growing

- **€75.5m** invested in land with full planning permission in **Q4 2021** and **2022** which will deliver over **400 new homes** in **2023**
- Generally slightly lower margin sites, however these acquisitions all exceed our **15% IRR** hurdle and when blended into the higher margins of our existing sites, are accretive in the context of our **15% ROE target**
- Our steady and predictable year on year growth, underpinned by these acquisitions and our WIP investment, is as important to Cairn as it is for our subcontractors and supply chain, particularly in a difficult and uncertain trading environment

FY23 & Beyond

- Continued annual growth in **volumes, revenue and profitability**
- Supporting medium and long-term **significant cash generation**
- Balance sheet **efficiency**
- **Progressive** annual interim and final ordinary dividend
- **Surplus capital** after investing in our business will be **distributed to shareholders** through a combination of special dividends and/or share buybacks
- **€40m share buyback** announced today as part of our ongoing shareholder returns programme
- **40% - 50% PAT** dividend pay-out ratio

ROE will grow by 36% into the medium term from 2022 levels underpinned by NAV that is already 13% higher than today's share price

Guidance Recap

2023

Revenue & Sales Volumes

In excess of **€650m**
1,750 to **1,800** sales completions

Gross Margin

c. 21%

Operating Profit

Continued growth

Shareholder Returns

Ordinary dividend of **40 – 50%** of profit after tax
€40m share buyback programme
Further updates on capital allocation during 2023

The Company continues to make progress towards our 15% ROE target

03 Sustainability Update

CAIRN

WINNER
Housing Project
Of The Year
2022
Irish Building & Design Awards

Mariavilla, Maynooth

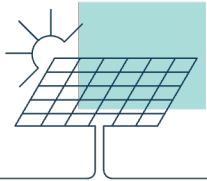
Environmental – Tracking Progress to our Decarbonisation Strategy

- Submitted **Scope 1-3 targets** to the Science Based Targets initiative (SBTi) for verification
- Scope 3** measured and Life Cycle Assessments (LCA) completed to measure performance on our homes and apartments
- Climate transition plan to meet **SBTi targets** to **2030** under development

Scope 3 target reduction

61%

overall reduction per sqm by 2023



Scope 1&2 target reduction

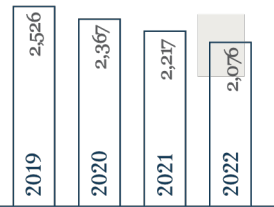
46.2%

absolute reduction by 2030 from a 2019 baseline



Scope 1&2 GHG

-17.8%



- Move to Hydrotreated Vegetable Oil (HVO) biodiesel for use in plant and machinery across all sites in Ireland ([HVO - Cairn Homes](#))
- [CDP Rating](#) improved from B (2021) to A- (2022)
- Home Performance Index (HPI) **Green Building Certification** for new schemes built from 2022 onwards
- Biodiversity Net Gain** ("BNG") **assessments** completed on all of our sites and strategy to achieve BNG across **40%** of unit commencements by 2024



Click here to download our **2022 Sustainability Factsheet**

Social

- Retained our Great Place to Work certification as one of **Ireland's Best Workplaces 2022** in the Best Large Category and ranked as one of **the Top 20 Large Companies to work for in Ireland**
- Irish Centre for Diversity Silver status awarded
- Mental health awareness partnership established with the **Lighthouse Club**
- **Second annual Gender Pay Gap report** published
- Mandatory unconscious bias training rolled out to all employees
- Two paid volunteer days introduced for all employees
- **'Home Together'** initiative expanded in partnership with Neighbourhood Network



Governance

- Aligning our sustainability strategy through the completion of a new **€277.5m Sustainability Linked Facility** and meeting EU Taxonomy requirements
- Driving positive behaviours by linking sustainability to Executive remuneration
- Updated our materiality assessment to ensure current stakeholder priorities continue to influence our Sustainability Agenda
- Improved our sustainability reporting rhythm to be fully aligned with **Corporate Sustainability Reporting Directive** requirements from **2024**
- **Full TCFD** disclosure outlining climate-related risks and opportunities in **2022 Sustainability Report**



Health & Safety – Our Number One Priority

Delivered three new H&S Training Initiatives

- Scaffolding Management Training
- Lifting Supervisor Training
- Advanced Slinging Training

Launched our **Health & Safety Rewards Initiative** which is a weekly reward scheme for excellence in health and safety, and environmental practices.

MHFA'S* TRAINED
IN 2022

17

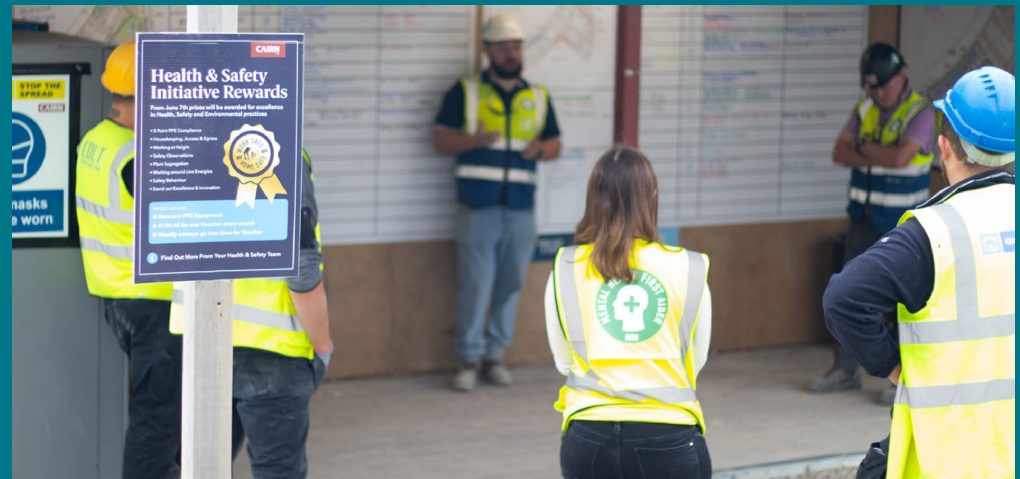
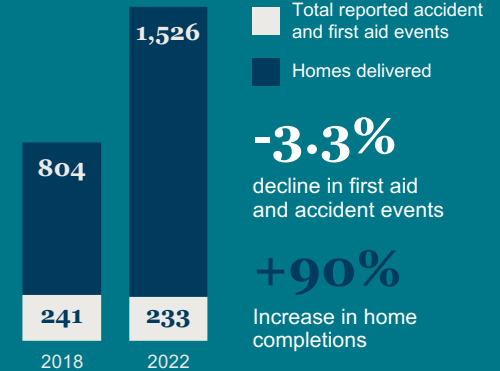
TOTAL NUMBER
OF MHFA'S

31

96%

of employees think
Cairn is a physically
safe place to work

INCREASED ACTIVITY VS FEWER INCIDENTS



04

Macro Environment and Look Ahead

CAIRN



Citywest Phase 3, Dublin 24

Macroeconomic Backdrop

The Irish economy entered 2023 in a position of relative strength. Against the backdrop of strong demand for new homes, Irish household debt to deposit ratios are at all-time lows and savings at record levels which somewhat mitigates against rising interest rates:

Strong Economy Underpinning Demand for New Homes



Strong Demographics

Population growth of **362,000 (7.6%)** since 2016, including **2.2%** in 2022 to **5.12m**

Employment

2.57m in employment today from **2.08m** in 2016 (**+24%**). Growing faster (**+490,000**) than our population

Exchequer Returns

Surplus of **€5bn** in 2022 with a **€1.7bn** surplus forecast in 2023, after an **€11bn** cost of living package

Household Savings

Household deposits grew by **€37 billion** between **Dec 2019** and **Dec 2022**, standing at **1.5x household credit**

Economic Growth

12.2% GDP growth in 2022 (EU27 **3.3%+**, UK **4.0%**) and MDD of **6.4%****

Mortgage Market

FTB approval volumes (c. 28k) were **10%** ahead of drawdowns in **2022**. Average FTB new home purchase mortgage value **€265k** (2021: €240k)

Government Policies Are Working



Housing for All

10 year Government strategy with **€20bn** committed capital funding to **2025**

144,000 S&A* Homes

To be delivered through **Local Authorities, AHBs** and the **well capitalised LDA** increasing State delivery by 2030 (**300k** including private homes)

Help to Buy

Up to **€30k tax rebate** for FTBs on new homes with over **5,000** claims in 2022. Committed until **2024**

Shared Equity Loan

Equity stake of up to **30%**. House price caps increased by **€25k** in 2023 to **€475k** in Dublin. Over 800 approved applications

Cost Rental Equity Loan

Strongly supported Government initiative to **fund AHBs** and provide more **affordable rental homes** linked to the cost of construction

Croí Cónaithe

€450m to fund delivery of owner-occupier apartments with subsidy of up to **€140k** per unit. Our Douglas scheme was recently approved for inclusion

Central Bank of Ireland forecasts domestic economic growth of 2.3% in 2023

Our Forward Looking Strategy

Scaled Regional Operating Platform

Low Cost Landbank

- **16,800 units** in attractive locations with high sales absorption
- **34 sites** nationwide in areas of high employment and on multimodal transport links
- Average plot cost **€36k**

Planning Ready Sites

- **10,600 units** with full or effective planning permission
- **1,750 – 1,800 volumes** in 2023 all with full planning permission

Design & Construction

- Continued increase in delivery capacity
- Suburban housing and self-build apartments
- Innovative supply chain partnerships
- Proven capability of team and subcontracting partners

Delivery to Our Customers

Business to Customer

- Core FTB market (up to **€450k ASP** to avail of government supports) and trade-up/down market
- **4,500** private customers to date
- Regional expansion

Business to State

- Established delivery partner offering value to the State
- **495 homes** delivered in 2022
- Large mixed tenure developments offering scale and near-term delivery
- Increase to over **800 new homes** in 2023

Business to Business

- Appropriately designed rental apartments for domestic and institutional investors
- **350 rental homes** delivered in 2022

Creating Value for Stakeholders

Customers

- **5,800+ new homes** completions and
- **7,000+ homes** agreed for sale since 2016
- Large apartment developments supporting economic growth and scaled Social & Affordable solutions

Shareholders

- **€117m** returned to shareholders in FY22 (dividends and share buybacks)
- Focus on balance sheet efficiency
- **15% ROE Target**

Society

- **350** direct workforce
- **3,500** indirect workforce across our active sites
- Significant reinvestment in output to help tackle the housing crisis

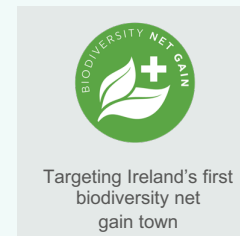
We will continue to accrue the benefit of our scale and investment in 2023 and beyond

Clonburris Update – A New Suburb and New Homes for 25,000 Residents

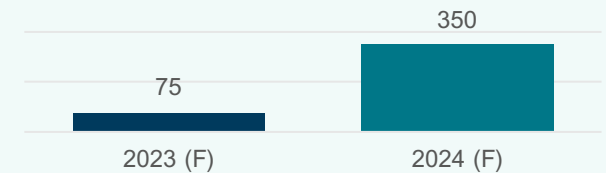


Status Update

- Infrastructure works: commenced in **November 2022**
- Phase 1 (569 units): commenced in **January 2023**
- First foundations: **February 2023**
- First new home closings: **Q4 2023**
- Phase 2 & 3: **750 unit** commencement planned for **Q4 2023**



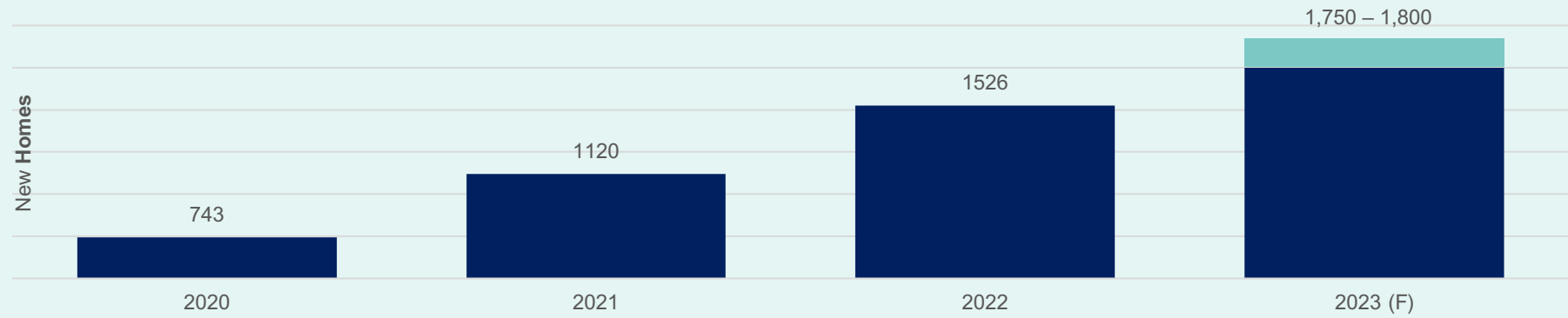
Delivering New Homes From 2023



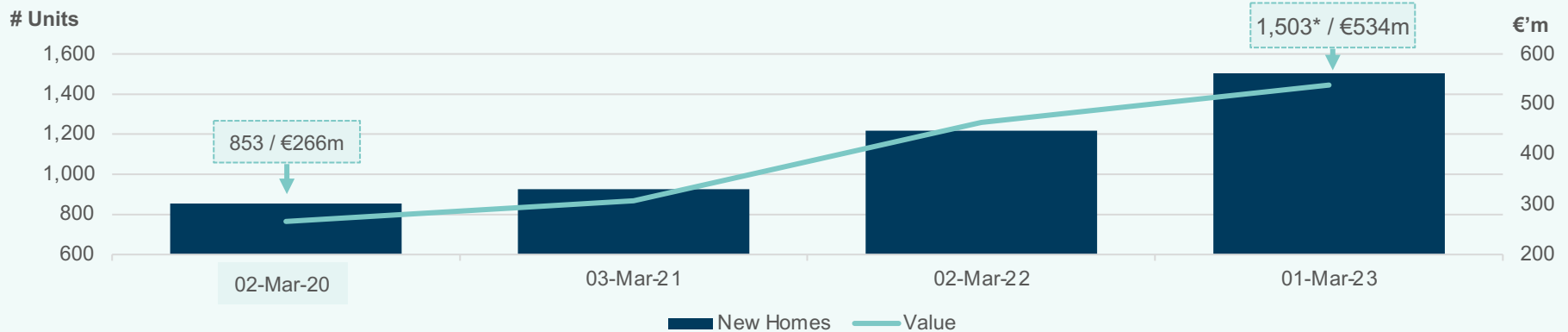
Clonburris: a construction platform for 7 years

Continued Growth into 2023

Our Volume Growth Trajectory



Strengthening Year on Year Forward Sales



* Including 299 new homes forecast to close in 2024

2023 & Medium-Term Outlook



Economy

is forecast to continue to grow at the fastest pace in the EU in 2023 following record exchequer returns in 2022



Market

demand for new homes underpinned by record employment, growing population and Government policy



Government Policies Delivering

with committed capital funding for scaled social and affordable delivery in addition to positive demand side supports now making a meaningful impact in addressing the housing crisis

- Continue to grow our annual volumes, revenue and profitability
- Significant medium and long-term cash generation
- Disciplined approach to capital allocation
- Balanced between shareholder returns and ongoing investment in growing our business
- Committed to distributing surplus cash flow and capital to shareholders



15% ROE

1,750 – 1,800
completions

800+
Social & Affordable
completions

c. 21%
gross margin

Growth
in operating profit

€40m
share buyback
announced today

40 – 50%
PAT dividend
payout ratio

05

Appendices

CAIRN

Linden Demesne, Maynooth

Apartment Construction – Track Record & Capability

The Facts Underpinning the Irish Rental and Affordable Rental Apartment Market

- **1,100** homes available to rent nationwide on 1 February 2023 (2006 – 2021 average **8,500**)
- Equates to **0.05%** of the total housing stock
- **13.7%** increase in market rents in 2022
- Ireland has a shortage of between **200,000** and **250,000** rental homes
- Lowest percentage of population living in apartments in EU at **<10%** (EU average **46%**, UK **20%**)
- **28k** new apartments built in Ireland since 2015 (**<20%** of total supply)
- Expanding the affordable rental market is now an imperative to help resolve the challenges faced today by Ireland's stuck middle

Our Strategic Focus on Apartment Delivery Since 2016



- Ireland's largest self-build apartment developer
- Knowledge capture and experience from proven delivery capability:
 - **1,800** apartments built and sold across **12** developments
 - **1,900** apartments under construction nationally across **11** developments
 - **900** apartments to commence in 2023
- Design-led and knowledge capture approach focused on standardisation utilising MMC and OSM methodologies
- Streamlined building processes resulting in market leading completion timelines
- Cairn's **top 10** subcontractors have worked on an average of **8** of our large apartment schemes to date

7 to 1: ratio of jobs delivered in newly built offices in Dublin to apartment accommodation since 2015

Case Study – Efficient and Timely Apartment Delivery

Library of Apartment Homes

- Similar to houses, we follow a design-led standardisation approach that is repeatable across our apartment schemes
- Standard 1, 2 and 3 bed apartment layouts typical for most units in each scheme
- All apartment facades different, but design and construction techniques identical
- Our Library of Apartment Homes promotes a design for manufacture and assembly approach
- We own the value engineering journey from site acquisition, through planning, design, pre-construction and delivery
- Combination of off-site components with modern on-site construction methods
- Safe working environment is our foremost objective
- Repeatable process that drives optimum productivity and efficient and timely delivery of scaled apartment schemes

Standardised design across a scaled apartment delivery platform



Marianella, Rathgar



Donnybrook Gardens, D4



Shackleton Park, Lucan



Six Hanover Quay, D2



Rostrevor Place, Rathgar



Griffith Wood, D9



Quarter at Citywest, D24



Mariavilla, Maynooth



Archers Wood, Delgany



Aldborough, Greystones

Our apartment capability means we can provide our customers with market leading value and timely delivery

Digital Transformation and Innovation

Significant investment in IT and innovation driving continuous improvement and efficiency in our business model

Innovation in action/BIM (Building Information Modelling)

- 3D Components Library: elevating our extensive external design consultant briefing library to a full 3D BIM library covering all home types and components
- Technical guides for the construction of every house and apartment product type
- Interactive digital health & safety platform (forms, guides etc)
- Online customer portal including a self-serve online ticketing system to log any aftercare issues

Driving Sustainability

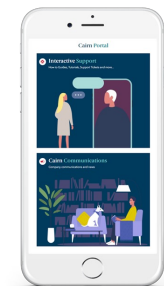
- Using full structural BIM models to calculate our carbon emissions as part of our SBTi targets

Partnering with external stakeholders on product development and an ever increasing use of OSM

- Three-storey timber frame duplexes (first in Ireland)
- Fully fabricated steel balconies, parapet details, soil stabilisation technology extended to 5 of our recent site commencements
- Prefabricated SFS panels
- Passive housing trial
- Federated Model Handover for facilities management to institutional purchasers



Digital construction at Clonburris



Driving continuous efficiencies, quality and product improvements for our customers

Cash Flow Statement for the Year Ended 31 December 2022

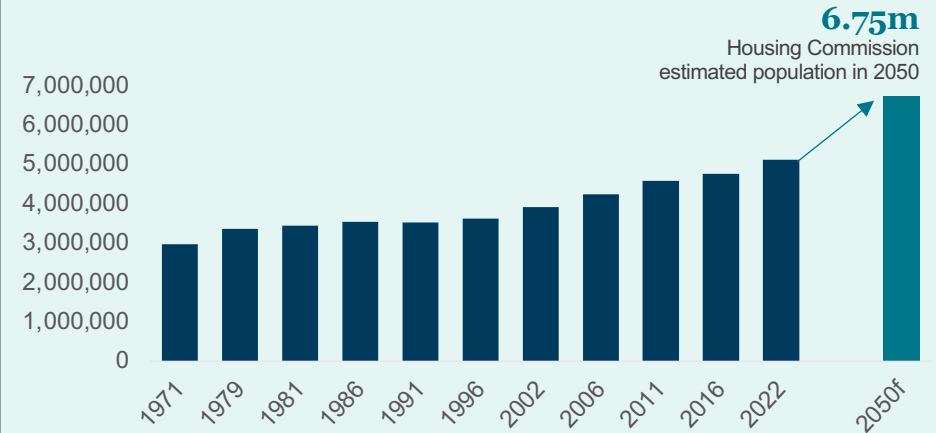
	FY 2022 Unaudited	FY 2021 Audited	Movement
	€m	€m	
EBITDA	109.9	62.7	47.2
Increase/(decrease) in inventories	(24.6)	30.1	(54.7)
Other working capital movements	8.6	(4.3)	12.9
Net cash from operating activities	93.9	88.5	5.4
Purchase of tangible/intangible assets	(7.7)	(1.5)	(6.2)
Net cash from investing activities	(7.7)	(1.5)	(6.2)
Purchase of own shares	(75.1)	-	(75.1)
Proceeds from borrowings, net of debt issue costs	354.8	170.0	184.8
Repayment of loans	(334.0)	(224.0)	(110.0)
Dividends paid	(40.7)	(19.9)	(20.8)
Payment of lease liabilities	(0.4)	(0.4)	-
Interest and other finance costs paid	(9.1)	(7.2)	(1.9)
Net cash from financing activities	(104.5)	(81.5)	(23.0)
Net decrease in cash and cash equivalents	(18.3)	5.5	(23.8)
Cash and cash equivalents at the beginning of the period	40.0	34.5	5.5
Cash and cash equivalents at the end of the period	21.7	40.0	(18.3)

Demographics Driving Strong Structural Demand

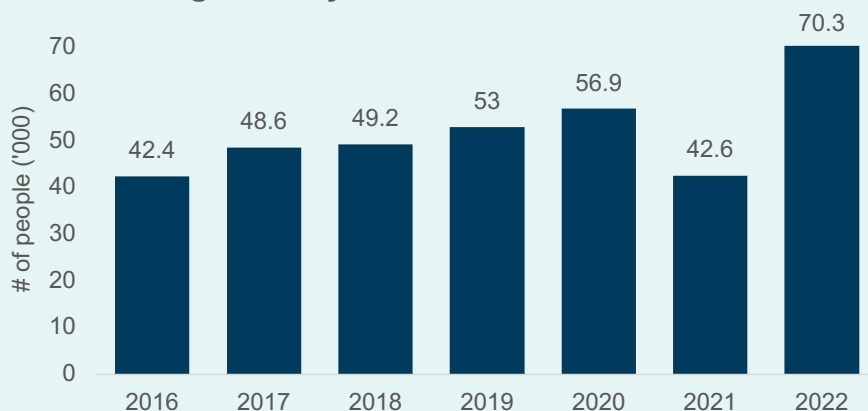
Strong population growth

- Population of 5.12m as at April 2022, the highest since 1851, an increase of 7.6% since Census 2016
- The Housing Commission forecast population growth to 6.75m by 2050
- Ireland's population in 2021 was the second youngest in the EU.
- Net migration of 190k people since 2016, accounting for 52% of our population increase
- The number of third level educated immigrants, nearly all of whom will require housing, moving to Ireland increased significantly in 2022

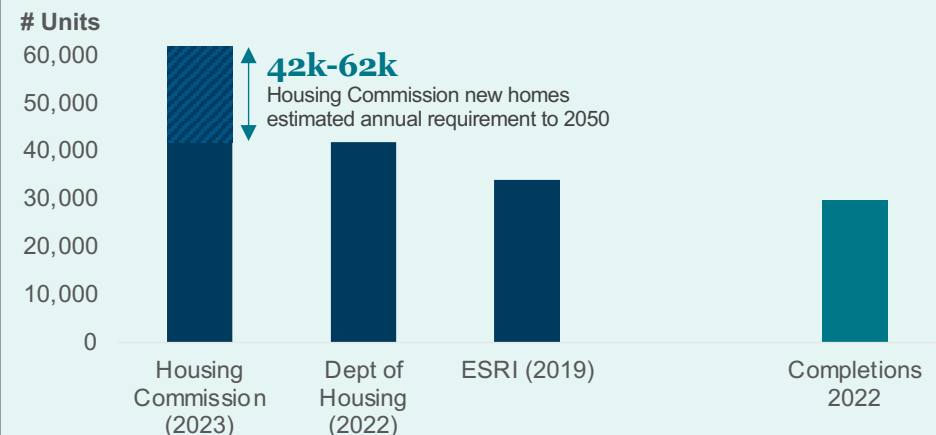
Strong population growth to sustain demand



Immigration of third level educated immigrants has increased significantly

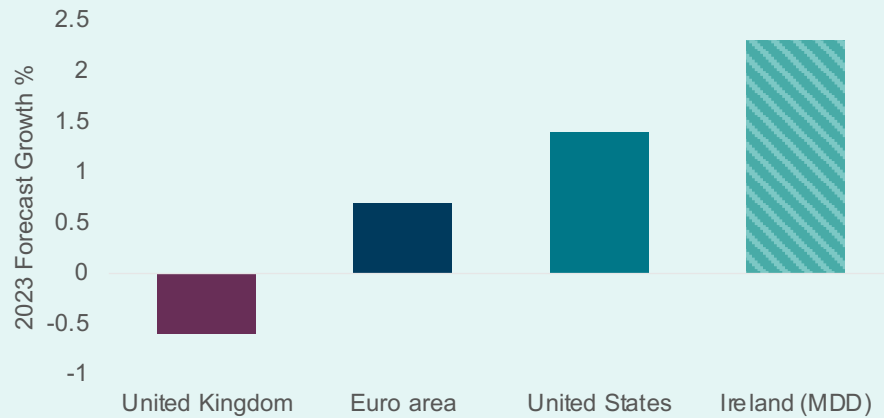


What is medium-term structural housing demand?

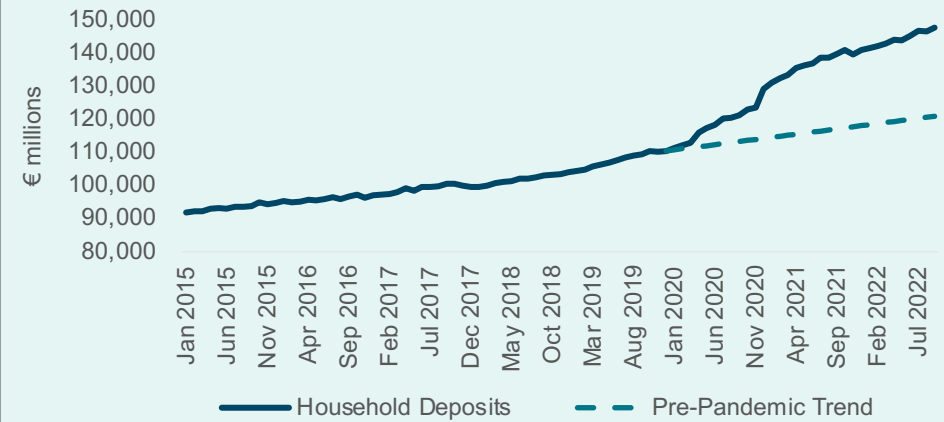


Demand Drivers: Strong Macro Environment

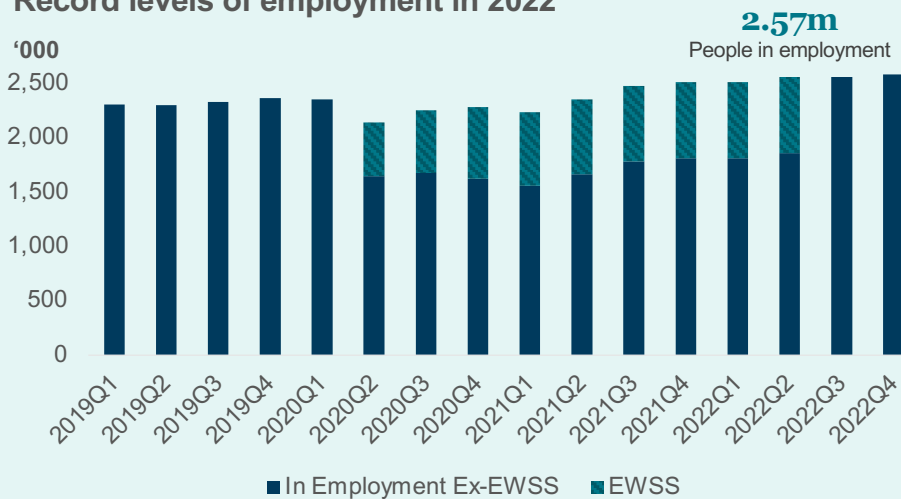
Strong momentum amidst macro uncertainty



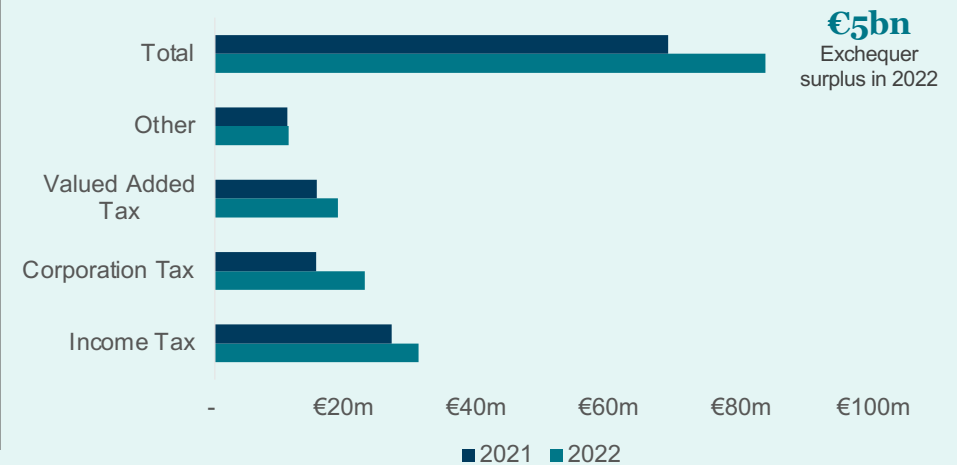
Impressive household savings continued in 2022



Record levels of employment in 2022

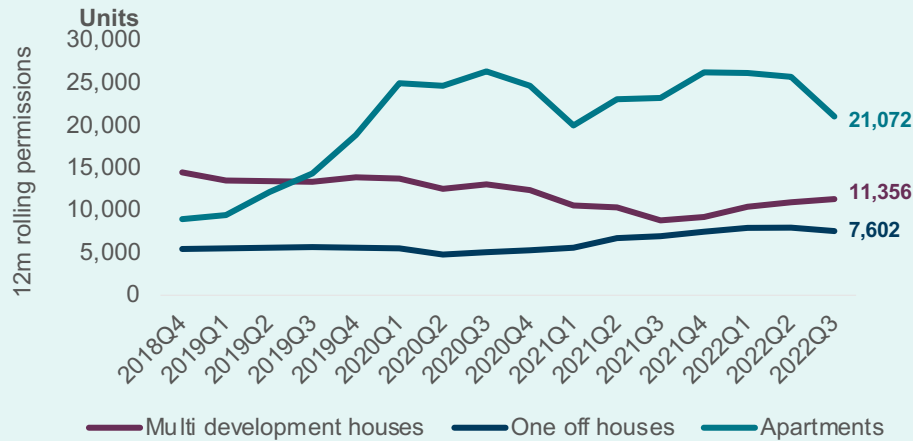


Record exchequer receipts in 2022

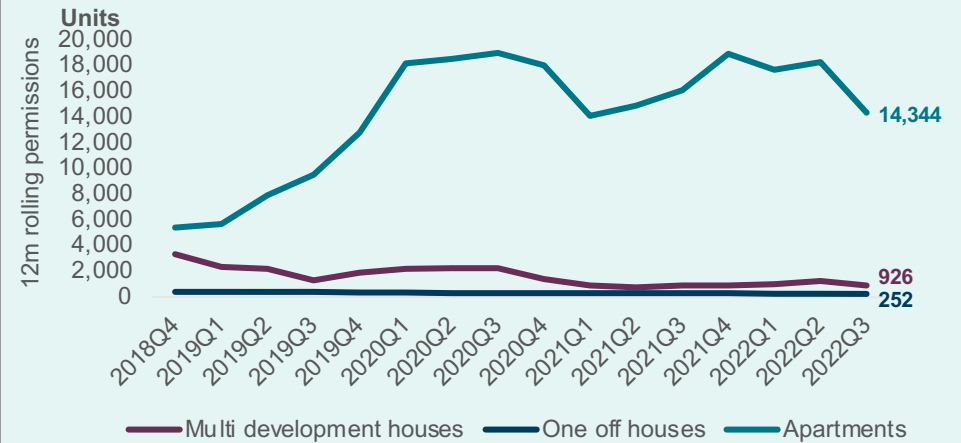


Slowdown in Pipeline of Supply – Planning Grants & Commencements

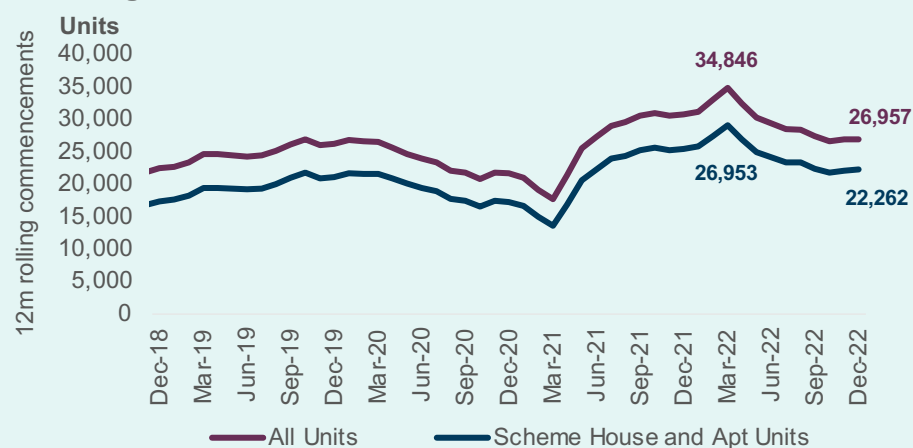
Fall off in apartment planning grants in H2 2022



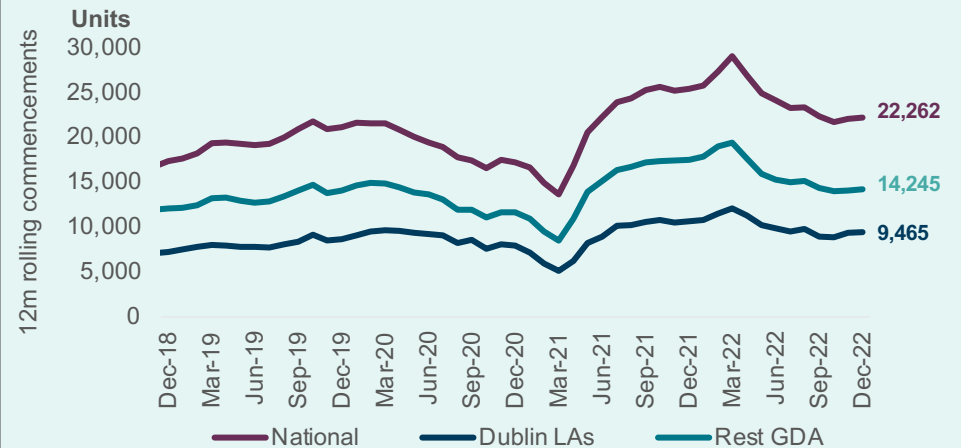
20% fall off in Dublin apartment permissions in Q3 2022



Housing commencements down 12% in 2022

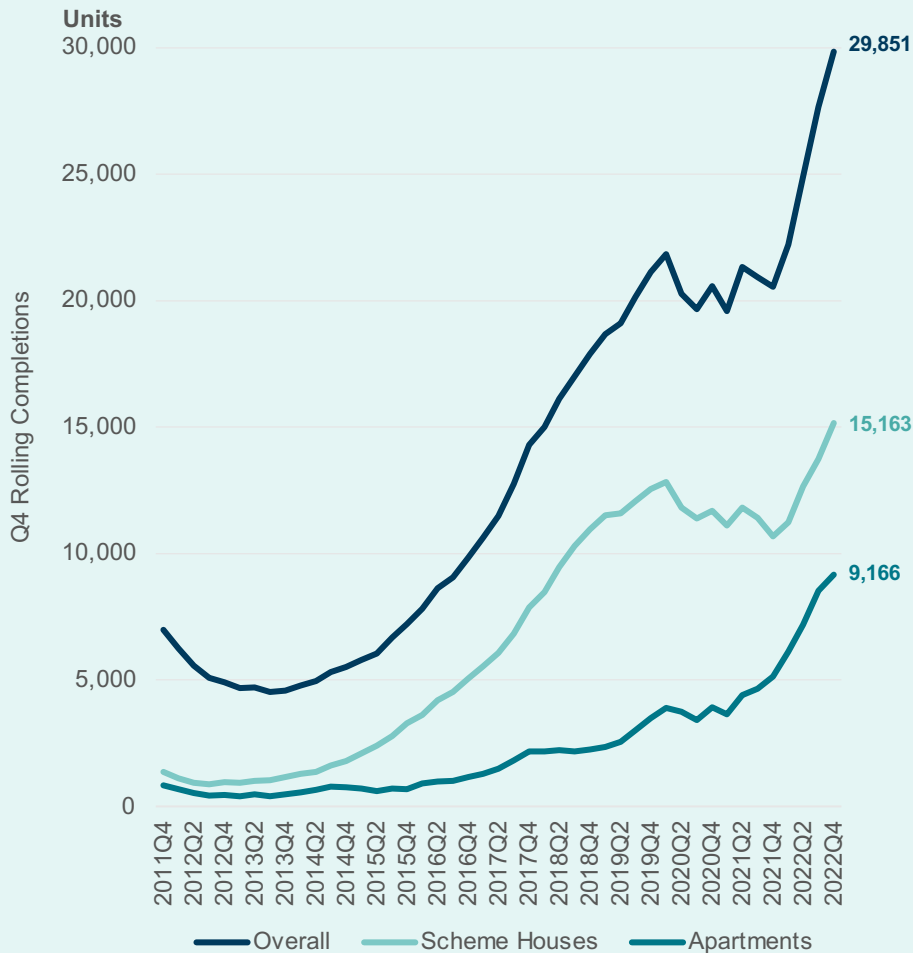


Fall in commencements more pronounced outside of Dublin

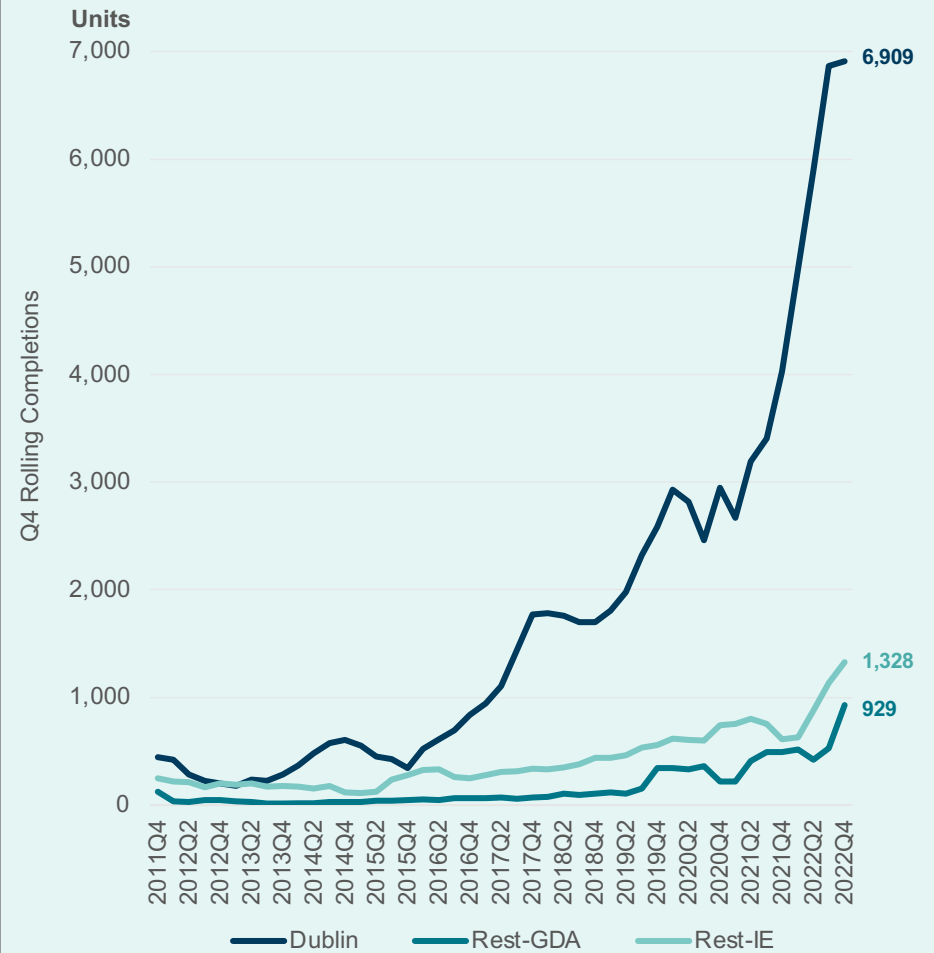


Significant Increase in Supply in 2022

Close to 30,000 completions in 2022 – highest since 2008



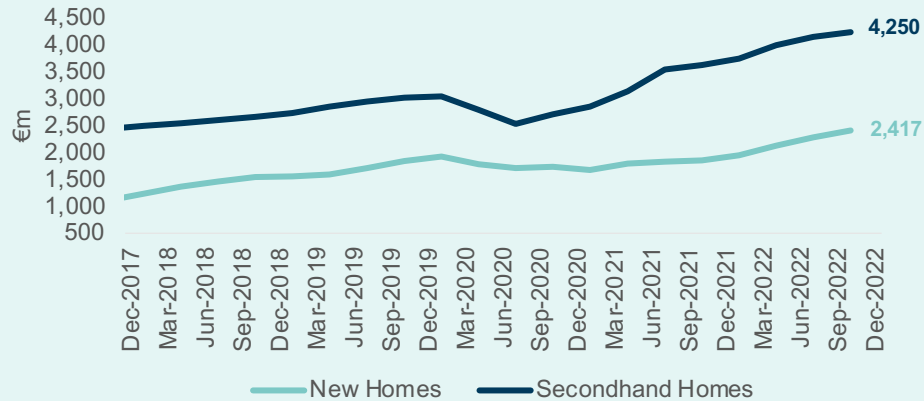
Apartment completions dominated by Dublin



Mortgage Market

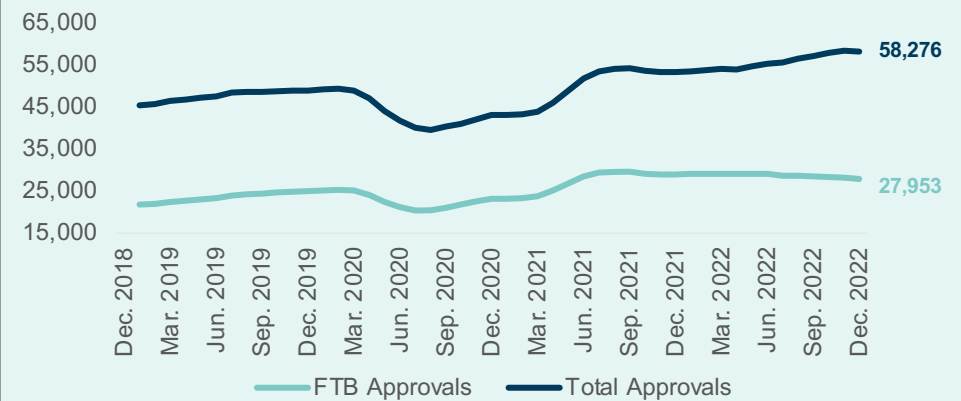
FTB mortgage drawdowns continue to grow

Rolling 12m

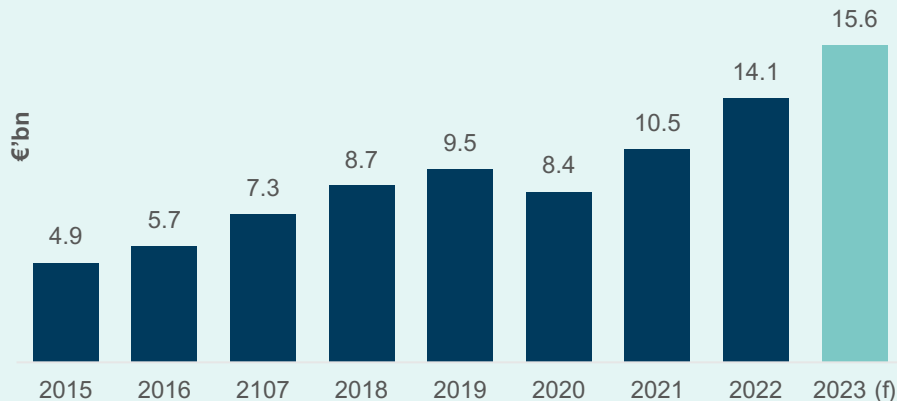


Strong pipeline of mortgage approvals

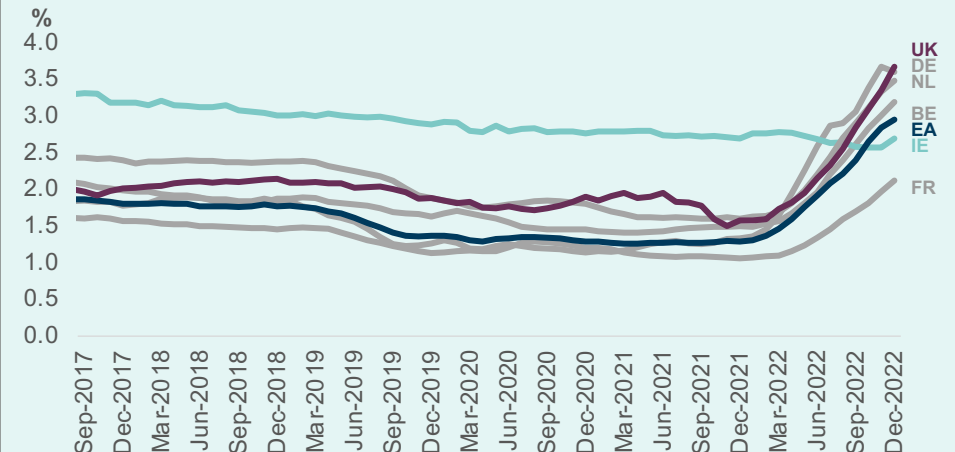
Rolling 12m Total (number of mortgages)



Mortgage Market set to grow strongly in 2023

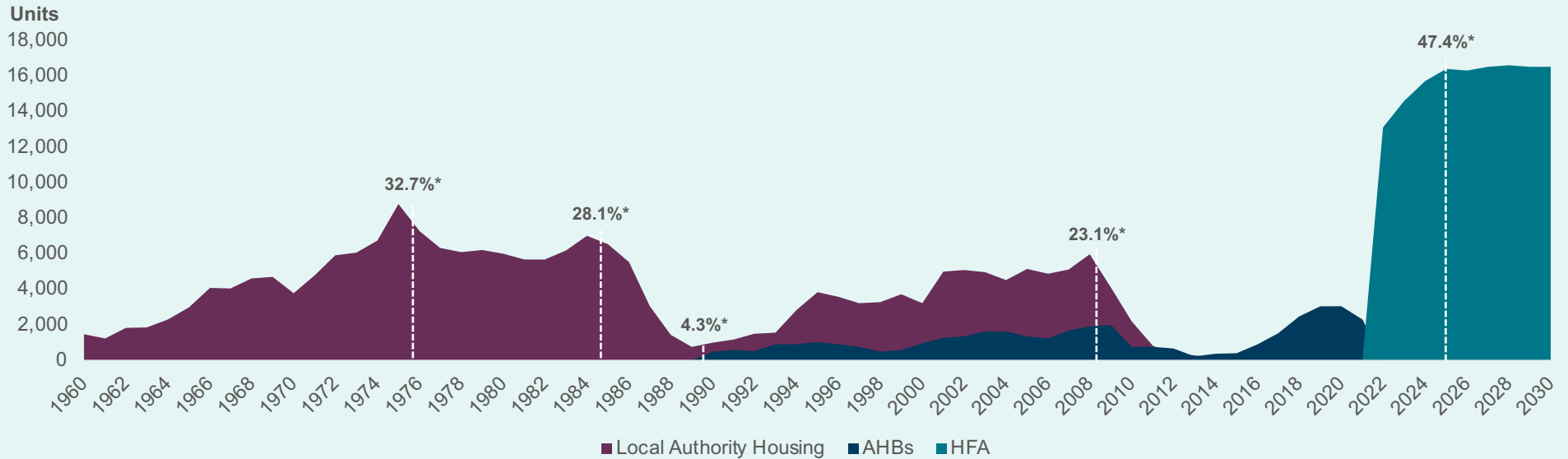


Irish new mortgage rates compared to other countries



Housing For All – Ambitious Plan to Deliver 140,000+ Social & Affordable New Homes

Historic delivery of social housing in Ireland highlights the ambitions of Housing For All



*Percentage of public delivery to annual completions

Annual Social & Affordable targets to 2030

Tenure	2022	2023	2024	2025	2026	2027	2028	2029	2030	Total
Social Homes	9,000	9,100	9,300	10,000	10,200	10,200	10,200	10,200	10,200	88,400
Affordable & Cost Rental Homes	4,100	5,500	6,400	6,400	6,100	6,300	6,400	6,300	6,300	53,800
Total	13,100	14,600	15,700	16,400	16,300	16,500	16,600	16,500	16,500	142,200

Methodology, Assumptions and Data – Energy Cost Savings

A2 Rated Home

- Methodology for the calculations provided are based on best available data.
- Average energy use (kWh/m²) is based on Household Electricity & Gas Consumption by Building Energy Ratings 2021.
- Energy unit rate is taken from Electric Ireland, reflecting current price (including VAT) as of 09 February 2023, as they have the largest market share in Ireland and assuming smart meter, online account and direct debit, but excluding standing charges, levies and carbon tax.
- The size of the new build house (m²) is the average size of a 3 bed semi detached Cairn Home (118 sqm).
- A Building Energy Rating (BER) is an indication of the energy performance of a building represented in units of kWh/m²/year. The BER energy rating is based on the building fabric and installed energy systems. It is not an operational rating based on the actual consumption (i.e. white goods) of the occupants. Actual energy performance will vary depending on how the occupants operate the home.

Home	Unit	Rating	Type of fuel	Average energy use (kWh)p m ²	Size of house (m ²)	Total annual energy use per year	Electric Ireland Unit Rate	Annual Cost	A rated home savings Per annum
Cairn (average A rated home using electricity as space heating fuel)	Mean kilowatt hrs per Sq M	A&B	Electricity	42	118	4,956	0.4089	€2,027	€1,592
Average C rated home using electricity as space heating fuel	Mean kilowatt hrs per Sq M	C	Electricity	75	118	8,850	0.4089	€3,619	
Average C rated home using gas as space heating fuel	Mean kilowatt hrs per Sq M	C	Gas	100	118	11,800	0.1387	€1,636	

Cairn Development Brands

HARPUR
LANE

LINDEN
DEMESNE

Graydon

Swanbrook

OAK PARK

Mercer Vale
CHERRYWOOD

ARCHERS WOOD

DONNYBROOK
GARDENS

Park
Side

HAWKINS
WOOD

GLENHERON
GREYSTONES

SHACKLETON
LUCAN

MARIAVILLA

Aldborough

Whitethorn

GRIFFITH
WOOD

EDENBROOK
CITYWEST

ROSTREVOR
PLACE

The Quarter
At Citywest

GANDON
PARK

Churchfields

SIX HANOVER QUAY

Marianella

Elsmore.


ALBANY

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