

2022 AGM Trading Update

Dublin / London, 12 May 2022: Cairn Homes plc (“Cairn”, “the Company” or “the Group”) (Euronext Dublin / LSE: CRN) is holding our Annual General Meeting (“AGM”) today at 11.00am at the Merrion Hotel, Merrion Street Upper, Dublin 2 and in advance provides the following update on current trading and guidance for FY22 and beyond.

Current Trading

- The demand for energy efficient, quality built new homes from our broad and widening customer base has sustained and is the strongest we have experienced to date.
- The Company has a current closed and forward sales pipeline of over 1,600 new homes with a net sales value in excess of €600 million¹.
- The Company continues to collaborate with the State on the delivery of social and affordable housing initiatives. We are currently finalising two significant partnerships with State Agencies and will continue to bring innovative partnership solutions to the resolution of the housing crisis in Ireland.
- Cairn expects total build cost inflation (including infrastructure, materials and labour) of c. 6% for FY22. Acknowledging that the build cost inflation outlook is uncertain, we anticipate it will remain at elevated levels over the coming months as suppliers move to more dynamic pricing, primarily as a result of energy cost volatility. As such, the Company will continue to work collaboratively with our supply chain partners to achieve sustainable, competitive pricing, while maintaining security of supply. Cairn expects that labour and material cost increases will be fully offset by improving product mix, operational efficiencies and better pricing.
- Recognising the impact of recent rises in the cost of living and integral to our commitment to invest in and develop our employees, Cairn has introduced cost of living increases for employees in line with forecasts. We also doubled participation in our long-term incentive share scheme across all levels within the business and increased our health benefits to move to family cover, which led to a 20% increase in employee uptake.

Reaffirming FY22 Guidance

- The Company reiterates our 2022 guidance:
 - Turnover in excess of €600 million from 1,500 closed new homes sales (c. 1,300 of these forecast sales are already closed or sale agreed);
 - Core housebuilding gross margin of 21.5%;
 - €100 million operating profit delivering an operating margin of c. 16.5%;
 - Operating cashflow² of c. €175 million; and
 - Return on equity³ (“ROE”) of 11%.
- In addition, shareholder returns for FY22 will amount to a minimum of €115 million through both ordinary dividends and share buybacks.

Medium-Term Targets

- Cairn’s targets are to deliver up to 5,500 new homes and generate in excess of €500 million in operating cashflow² in the three-year period to the end of 2024, while also growing our ROE to 15%.
- This will continue to support our strategy of investing in further growth and increasing capital returns to shareholders.

The Company will release a H1 2022 trading update in early July 2022 in advance of 2022 interim results on 8 September 2022.

For further information, contact:

Cairn Homes plc

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¹ c. 1,300 new homes in our current closed and forward sales pipeline are expected to close in FY22

² Before any capital allocation considerations, including reductions of debt, dividends, accretive strategic acquisitions, JVs or investments

³ Defined as Profit after Tax divided by Total Equity at Year End

Drury Communications

Billy Murphy
Claire Rowley

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Cairn Homes plc (“Cairn”) is a leading Irish homebuilder committed to building high-quality, competitively-priced, sustainable new homes in great locations. At Cairn, the homeowner is at the very centre of the design process and we strive to provide an unparalleled customer service throughout each stage of the home-buying journey. A new Cairn home is thoughtfully designed and built to last with a focus on creating shared spaces and environments where communities prosper. Cairn owns a c. 17,700 unit land bank across 37 residential development sites, over 90% of which are located in the Greater Dublin Area (“GDA”) with excellent public transport and infrastructure links.