



Trading Update for the Six Months Ended 30 June 2023 Another Year of Significant Growth and Increased Housing Output

Dublin / London, 4 July 2023: Cairn Homes plc (“Cairn”, “the Company” or “the Group”) (Euronext Dublin: C5H / LSE: CRN) today issues a Trading Update for the six months ended 30 June 2023 in advance of interim results to be announced on 7 September 2023.

H1 2023 Highlights

- Closed 535 new home sales across all tenures, including private and State buyers, and generated total core revenue of c. €215 million.
- Demand for our nZEB (nearly zero-emission building) compliant, A2-rated new homes remains exceptionally strong across starter and trade-up/down houses, duplexes and scaled apartment developments. The Company has agreed over 1,100 new home sales in the period.
- Current closed and forward sales pipeline has grown by in excess of 300 new homes since our last update on 11 May 2023 to 2,230 new homes with a net sales value of over €800 million, strong evidence of this demand dynamic.
- Sales pricing levels were relatively flat in the period despite persistent, if moderating, build cost inflation which is expected to be c. €10,000 per unit in FY23.
- All four annual sustainability performance targets, aligned to our decarbonisation, biodiversity and people strategies, met as part of our €277.5 million sustainability linked term loan and revolving credit facility.
- The Board intends to announce a c. 3.1 cent interim dividend per ordinary share at interim results on 7 September 2023.
- €40 million share buyback programme continuing with 21.2 million ordinary shares repurchased at an average purchase price of €1.06 per share since 3 March 2023.

H1 2023 – Macro Backdrop

- The Irish Government is forecasting a general budget surplus of €10 billion this year and a cumulative 2023 – 2026 surplus of over €65 billion (source: Stability Programme Update, April 2023).
- Government housing policy remains very supportive through the fully funded *Housing for All* strategy. Capital funding of €4 billion in 2023 is supplemented by an additional €1 billion, announced in April 2023, in respect of development levy and water connection charge rebates and a new cost rental subvention scheme to deliver more affordable rental homes.
- Ambitious annual Social & Affordable new home delivery targets (14,600 in 2023) are complemented by impactful initiatives for first time buyers through the *Help to Buy* and the *First Home Scheme* (shared equity) initiatives. The industry is responding with new home completions increasing by 19% year-on-year in Q1 2023, resulting in a twelve-month total of over 30,000 completions for the first time in over a decade (source: CSO).
- The Irish mortgage market remains buoyant, with Q1 2023 first time buyer mortgage drawdown volumes up 7% and values up 13% year-on-year. First time buyer mortgage approvals were up over 8% in volume in the five months to May 2023 (source: BPF1).

Reaffirming and Updating FY23 Guidance

- The Company remains on course to deliver another year of growth across all key financial and operational metrics.
- Unit closings, profit and cash generation are, as in prior years, heavily weighted towards the second half of the year and current full year guidance is reaffirmed and updated:
 - turnover in excess of €650 million from 1,750 – 1,800 closed new home sales, with H2 sales closings including our new developments at Parkleigh, Clonburriss and Sorrel Wood, Blessington. Within this, Cairn remains on target to deliver over 800 Social & Affordable new homes nationwide;
 - core housebuilding gross margin of c. 21%; and
 - operating profit growth to €105 - €110 million.
- All of our forecasted closed new home sales in 2023 and nearly 90% of our expected closings in 2024 have full planning permission. This will underpin our continued growth as we make progress towards our 15% Return on Equity target.

Commenting on the H1 2023 trading update, Michael Stanley, Chief Executive Officer, said:

“Cairn is pleased to be on course to significantly increase our housing delivery by up to 20% targeting between 1,750 and 1,800 new home sales this year. We are proud to be delivering this volume of high quality, energy efficient A-rated new homes to our customers.”

The Company will release our 2023 interim results on 7 September 2023.

For further information, contact:

Cairn Homes plc

+353 1 696 4600

Michael Stanley, Chief Executive Officer
Shane Doherty, Chief Financial Officer
Declan Murray, Head of Finance and Treasury

Drury Communications

+353 1 260 5000

Billy Murphy
Claire Rowley
Paul Clifford

Notes to Editors

Cairn Homes plc ("Cairn") is an Irish homebuilder committed to building high-quality, competitively priced, sustainable new homes and communities in great locations. At Cairn, the homeowner is at the very centre of the design process. We strive to provide unparalleled customer service throughout each stage of the home-buying journey. A new Cairn home is expertly designed, with a focus on creating shared spaces and environments where communities thrive. Cairn owns a c. 16,300 unit landbank across 34 residential development sites, over 90% of which are located in the Greater Dublin Area ("GDA") with excellent public transport and infrastructure links.