



30 June 2020

HENRY BOOT PLC
(‘Henry Boot’ or ‘the Group’)

AGM TRADING UPDATE

Henry Boot PLC, a company engaged in land promotion, property investment and development, and construction, announces a trading update ahead of the Group’s Annual General Meeting (AGM) at 12.30pm today. This update would usually be discussed at the AGM, however due to the COVID-19 pandemic, shareholders will not be able to attend, so the Group has recorded a business update from its Chief Executive Officer, Tim Roberts. The update can be accessed [here](#) from 12:30pm this afternoon.

Jamie Boot, Chairman, commented:

“With a strong balance sheet, cash in the bank and tentative signs of recovery we are positioned to get through this period of economic and social disruption, and to then continue operating in our long-term markets. Thanks to all my colleagues who have shown tremendous agility and commitment in adjusting their working practices. Particular thanks to John Sutcliffe who after 14 years, four as the CEO, stepped down from the Board in May.”

Tim Roberts, Chief Executive Officer, commented:

“Whilst there is no doubt that our trading has been materially affected by COVID-19, there are early signs of increasing activity across the Group and some improvement in our markets. With adapted working practices and a committed team, we remain determined to progress through this period of uncertainty in a shape which will allow us to play a significant part in our key long-term markets. Special thanks to John Sutcliffe who has handed over the reins in a planned, orderly, and professional manner, which is the ‘Henry Boot Way’.”

Business Update

Henry Boot remains in a good position following our Annual Results announcement on 20 May. While COVID-19 continues to impact the Group, we have seen an increase in activity and output throughout all our operations and the Group has continued to make strategic progress. We have now resumed activity on all our sites and depot sale centres are open. On the back of a robust 2019, we have strong liquidity with a net cash position of £45m as at 29 June, allowing us to focus on the long-term opportunities that have proved to be so successful for the Group for many years.

Our priority is to continue delivering a high-quality service to the customers and the communities that we operate in. During the pandemic, we engaged with subcontractors and suppliers to ensure their interaction with our operations was done in a safe and effective manner. It also has been positive to see our employees respond well to new working practises and during the pandemic we have learnt new efficiencies that will evolve the Groups operations for the future.

Hallam Land Management are active in the land market and are making progress on a number of sites. Our team, and most planning authorities with whom we engage, have adapted to working remotely and continue to progress planning matters. This has been shown at Didcot, where Homes England & Oxfordshire County Council have signed a Homes and Infrastructure Funding Agreement, bringing the disposal of this site a step closer.

There are discussions ongoing with house builders on several other site disposals, and encouragingly we have received bids at pre lockdown values. The new homes market has emerged in resilient fashion, but it is still very early days and there is a need to remain cautious. We anticipate a delay in disposals, with sales moving into 2021.

HBD has resumed work on all its live sites. We remain committed to a GDV of £315m over nine schemes, which are all pre-sold, pre-let or under offer, but have experienced unavoidable delays on these development sites. In particular, a delay to our largest scheme Kampus in Manchester has moved the completion of construction works from H2 2020 to early 2021. We are also on four sites carrying out infrastructure works to prepare them for future development.

Work commenced on site at Markham Vale on 15 June 2020 to construct a further 297,000 sq ft of industrial and logistic space. The scheme has been pre-sold to Aver and comprises two units of 221,518 sq ft and 75,000 sq ft

and is due for completion in March 2021. We also received planning consent on two industrial developments, Preston EAST, which is a speculative scheme of 69,372 sq ft and IAMP One Phase 2 which adds c.15 net developable acres to the scheme and allows us to deliver a c.1m sq. ft building on a single plot.

As of 21 June, all Stonebridge Homes sites are open including the sales centres. 55 reservations have been secured to date, 16 in lockdown and within budgeted sale pricing. We are experiencing encouraging levels of interest across all developments but as mentioned, we remain cautious.

There has been a steady improvement in productivity on construction sites since our last update and we are now achieving 85% of planned activity. Whilst an assessment on the new proposed one metre social distancing rule is ongoing, we are hopeful that this recent adjustment can further increase the activity levels throughout July. Our construction business is well placed to deal with the uncertainties through our bias to public sector work.

With the reopening of Banner Plant's depots and sale centres there has been an increase in their output, with recent weekly sales at 80% of those achieved last year. Lastly, Road Link (A69) has only seen marginal effects and continues to perform in line with expectations.

We will continue dealing with the disruption COVID-19 has caused and the material impact this will have but the business has been encouraged by the increase in recent activity and output. As a result, we are bringing a significant number of employees off furlough. These are still early days, but we believe this can be built upon and we have secure opportunities in key markets we believe to be sustainable: residential, industrial and logistics, and urban development.

Interim Results 2020 Announcement

The Group will be announcing its Interim Results for the half year ended 30 June 2020 on Monday 24 August 2020.

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About Henry Boot PLC

Henry Boot PLC (BOOT.L) was established over 130 years ago and is one of the UK's leading and long-standing property investment and development, land promotion and construction companies. Based in Sheffield, the Group is comprised of the following three segments:

Land Promotion:

[Hallam Land Management Limited](#)

Property Investment and Development:

[Henry Boot Developments Limited \(HBD\)](#), [Stonebridge Homes Limited](#)

Construction:

[Henry Boot Construction Limited](#), [Banner Plant Limited](#), [Road Link \(A69\) Limited](#)

The Group possess a high-quality strategic land portfolio, an enviable reputation in the property development market backed by a substantial investment property portfolio and an expanding, jointly owned, house building business. It has a construction specialism in both the public and private sectors, a long-standing plant hire business, and generates strong cash flows from its PFI contract through Road Link (A69) Limited.