

19 January 2021

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

TRADING UPDATE FOR THE YEAR ENDED 31 DECEMBER 2020

The Board of Henry Boot PLC issues the following trading update for the year ended 31 December 2020 ahead of the preliminary statement of results which will be issued on 23 March 2021.

The Group has ended the year materially ahead of the Board’s revised expectations for 2020, due primarily to land disposals and a resilient performance from the development, construction and house building businesses, in Henry Boot’s target industrial and residential markets. The Group’s financial position remains strong, with a robust balance sheet and net cash of c.£27m (2019: £27m). During 2020 operations generated significant levels of cash which has allowed for reinvestment within the Group’s focused three long-term key markets: industrial & logistics, residential and urban development.

Despite the ongoing challenges of a global pandemic, the Group saw a steady increase in activity as the year progressed resulting in an outcome ahead of revised expectations. Since the beginning of 2021, the Government has confirmed that construction and housebuilding activities should continue during the latest COVID-19 lockdown, allowing Henry Boot to carry on, in line with COVID-secure guidelines, delivering a high-quality service to its customers and the communities in which it operates.

Hallam Land Management saw housebuilder demand for land continue in 2020, driven by the housing market recovering in the second half of the year. Further transactions which exchanged in H2 will make a significant contribution to the Group’s profit in 2021. A major contribution to Hallam Land’s performance in H2 was the disposal of an interest in a joint venture site in the Midlands, which has long-term potential for residential and commercial development. Additionally, new opportunities were secured in the year which resulted in the land bank growing to 16,607 acres (2019:14,898 acres).

In 2020, HBD completed on developments with a total Gross Development Value (GDV) of £62m (HBD share £58m). The Group is committed to projects with a total GDV of £313m (HBD share £85m), with the bulk of this in the significant BTR Kampus scheme in Manchester which has been forward funded. The rest comprising 657,000 sq ft of industrial & logistics has been 69% pre-let or pre-sold. Further opportunities have also been secured in the Group’s three key markets, notably at Mabgate, Leeds (60,000 sq ft) and St John’s College in Manchester (27,000 sq ft). Both buildings add redevelopment potential in strong urban regeneration settings.

Stonebridge Homes completed the year slightly ahead of target and, due to resilient demand within the housing market, maintained strong sales rates. Stonebridge Homes is now over 35% forward sold for 2021.

In H2, Henry Boot Construction’s productivity increased on sites to 95% of planned activity with growing existing public sector work leading to a strong orderbook for 2021. The Glassworks scheme in Barnsley remains on time and budget and a £40m contract has been signed to deliver a BTR scheme, the Kangaroo Works, in the centre of Sheffield. Banner Plant has also seen a similar increase in activity levels to 93%. Road Link (A69) experienced traffic level disruptions due to COVID-19 but performed broadly in line with management expectations.

Commenting on the performance, Tim Roberts, Chief Executive Officer said:

‘Henry Boot has adjusted well to the unprecedented challenges that have faced everyone in 2020, but with a continued strong financial position, and engaged teams, we have managed the business to focus successfully on our key long term markets which are today, as relevant as ever.

Whilst the latest lockdown shows that significant uncertainties remain, with strong forward sales and a growing store of opportunities, we start the year in good shape.’

This announcement contains inside information for the purposes of article 7 of EU Regulation 596/2014. The person responsible for making this announcement on behalf of Henry Boot is Amy Stanbridge, Company Secretary.

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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.

www.henryboot.co.uk