

FOXTONS GROUP PLC

Q3 TRADING UPDATE

Thursday 31 October 2019

Foxtons plc (LSE: FOXT), London's leading estate agency, today issues its trading update for the third quarter ended 30 September 2019.

Group revenue for the third quarter was down 7% to £32.5m (Q3 2018: £35.1m). This takes Group revenue for the first nine months of the year to £83.6m, down 5% on the prior year (2018: £88.1m).

Lettings

Improvements to our lettings offer and our decision to not increase fees to landlords following the tenant fee ban has enabled us to grow market share, improve revenue from landlords and increase the penetration of our property management services. Notwithstanding this pleasing progress, as expected the tenant fee ban which came into force on 1 June 2019, resulted in lower revenue for Q3, down 4%, to £22.1m (Q3 2018: £23.1m).

Sales

Ongoing political uncertainty continued to weigh on volumes and prices in the London residential sales market. A combination of lower volumes, falling prices and fewer high value sales meant that sales revenue for the quarter was down 15% to £8.4m (Q3 2018: £9.9m). We believe this to be a resilient performance given the market backdrop.

Mortgage

Revenue in our mortgage business, Alexander Hall, was in line with the same period last year at £2.1m (Q3 2018: £2.1m).

We remain focused on cost control in order to limit the impact of lower revenue on profitability. Cash flow remained healthy in the period, with current cash balances at the same level as this time last year. The Group continues to have no external borrowings.

Nic Budden, CEO, said:

“Overall, this was a resilient performance set against the London sales market which continues to deteriorate and the impact of the tenant fee ban on our lettings business. We are encouraged by landlords’ reaction to our improved lettings offer and are confident we can continue to gain share in the London lettings market. We continue to manage costs tightly to ensure the business is well-placed to withstand this prolonged market downturn and are confident that this, coupled with our improved overall offer, positions us well for the future.”

Foxtons will issue a pre-close trading update in January 2020 ahead of its full year results at the end of February 2020.

For further information, please contact:

Foxtons Group plc	
Richard Harris, Chief Financial Officer	+44 20 7893 6261
Muhammad Patel, Investor Relations	investor@foxtongroup.co.uk
Teneo	
Robert Morgan / Anthony Di Natale	+44 7557 413 275