Foxtons Group plc: Trading Update
27 June 2016

Foxtons Group plc (LSE:FOXT), London's leading estate agency, updates on trading ahead of the announcement of its interim results on 29 July 2016.

The run up to the EU referendum led to significant uncertainty across London residential markets and the decision to leave Europe is expected to prolong that uncertainty. Whilst it is too early to accurately predict how the London property sales market will respond, the upturn we were expecting during the second half of this year is now unlikely to materialise. As a result, the challenging conditions we referred to in our April 2016 trading update, which have impacted recent property sales volumes, are now likely to continue for at least the remainder of the year. We therefore expect full year 2016 Group revenues and Adjusted EBITDA[1] to be significantly lower than prior year.

2016 first half Group revenue is now expected to be slightly below prior year with a lower Adjusted EBITDA[1] margin in the region of 20% primarily due to subdued sales volumes and the costs associated with recent investment in our branch network.

We will provide a further update on the market outlook with our interim results on 29 July 2016.

Nic Budden, CEO, commented:

"Whilst we had a strong start to the year, we said in our Q1 update that we expected the first half to be challenging ahead of the EU referendum. Since then recent sales volumes have been slow as uncertainty and higher stamp duty has led many buyers and sellers to sit on their hands. The result of the referendum has increased uncertainty and is likely to mean that these trends continue for at least the remainder of the year.

"Looking further ahead, we remain confident of the attractiveness of London property sales markets and our strategy to focus on the outer London mid-market segment. Furthermore, our strong lettings business provides strong downside protection."

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Notes
[1] Adjusted EBITDA: defined as profit before tax, finance costs, finance income, depreciation, amortisation, profit on disposal of assets, share-based payments and exceptional items.