

Bellway p.l.c.
Interim Management Statement
Friday 7 December 2012

Bellway p.l.c. is today issuing an Interim Management Statement relating to the eighteen week period from 1 August 2012 to 30 November 2012.

The Board is continuing with its previously outlined strategy of delivering improved shareholder returns through sustainable, organic growth in volume, selling price and operating margin.

Market conditions remain largely unchanged, however customers' ability to access higher loan to value mortgage finance has improved slightly compared to the same period last year, as a result of the continuation of the Government's NewBuy mortgage indemnity scheme. As a consequence, reservations, net of cancellations, have risen to an average of 100 per week, an increase of 6% compared to the prior year. This growth in volume has been achieved from an average of 213 sites compared to 205 sites last year.

A variety of sales incentives continue to be used in order to secure sales with NewBuy accounting for 10% of reservations taken in the period. Conversely, the Group continues to restrict the use of shared equity incentives, with these representing only 3% of reservations in the period, compared to 5% in the prior year. The average selling price of reservations, net of sales incentives, has increased by 4% to £195,800, reflecting continuing changes in product mix.

The Group has achieved 3,951 (2011 – 3,748) sales for the current financial year, representing 72% of its current annual target. The Board anticipates that legal completions will increase by around 5% for the six months ending 31 January 2013 and expects that the operating margin for the same period will slightly exceed the 12.5% achieved in the second half of the previous financial year.

The Board continues to believe that improvements in shareholder return can be achieved through organic growth, given that land can be acquired where the return on capital is accretive to shareholder value. To that extent the Group's land teams have been active, resulting in expenditure of £91 million on land and land creditors and modest net bank debt of £77 million at 30 November 2012. Given its balance sheet and operational capacity, the Group is well placed to deliver future sustainable and responsible growth.

The Chairman will make a brief statement at the Annual General Meeting on 11 January 2013 and a trading update for the six months ending 31 January 2013 will be issued on 7 February 2013.

FOR FURTHER INFORMATION PLEASE CONTACT:

JOHN WATSON, CHIEF EXECUTIVE & KEITH ADEY, FINANCE DIRECTOR FROM 8.00 AM ONWARDS ON 0191 217 0717

Certain statements in this announcement are forward-looking statements which are based on Bellway p.l.c.'s expectations, intentions and projections regarding its future performance, anticipated events or trends and other matters that are not historical facts. Such forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as "aim", "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", or other words of similar meaning. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements. Given these risks and uncertainties, prospective investors are cautioned not to place undue reliance on forward-looking statements. Forward-looking statements speak only as of the date of such statements and, except as required by applicable law, Bellway p.l.c. undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.