



INTERIM MANAGEMENT STATEMENT

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Bellway p.l.c.

Interim Management Statement

7 December 2010

Bellway is today issuing an Interim Management Statement (IMS) relating to the period from 1 August to 30 November 2010.

As previously reported at the time of our annual results on 19 October, reservations prior to the announcement of the Government's Comprehensive Spending Review (CSR) did not benefit from the usual degree of uplift normally associated with the housing market in autumn. Since the CSR, however, home reservations taken are ahead of the Board's expectations, although still slightly down compared with the same period last year. The decline in consumer confidence appears to have levelled out and encouragingly, people are still committing to purchase even at this time of year.

The Group currently has 3,614 sales (2009 - 3,486) secured for this financial year and a further 400 (2009 - 598) for the next financial year. The average selling price for all these sales is £167,600 which is 8.4% ahead compared to this time last year, mainly as a result of the continuing change in product mix. The Board anticipates that unit completions in the six months to 31 January 2011 will be similar to last year, albeit at a slightly higher average selling price and that net profit before tax will rise by up to 20%.

Our divisions are gradually increasing investment in new site openings and it is anticipated that the number of selling outlets will increase from 185 to around 200 in early 2011. Having completed the acquisition of 1,260 plots in the period and still maintaining a net cash position, the balance sheet remains robust. The Group's land teams are actively looking to secure further opportunities at attractive margins and the divisions are concentrating on bringing newly acquired sites to the market as quickly as possible to underpin the operating margin going forward.

The outcome for the year to 31 July 2011 will be greatly dependent on the level of consumer confidence during the 2011 spring selling season. This, in turn is reliant on a reasonable supply of affordable mortgages combined with sensible lending criteria.

The Board believes it is currently well positioned in what continues to be a tough and testing market for UK housebuilding.

FOR FURTHER INFORMATION PLEASE CONTACT:

JOHN WATSON, CHIEF EXECUTIVE & ALISTAIR LEITCH, 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

speaking 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.