

# Progressive Property & Construction Daily



29 July 2022 RMV, SRC | Fortnight ahead

A round-up of market statements, news, economics and views from the property and construction sectors

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## Company news

**Rightmove** (RMV, 645p, £5,400m mkt cap)

UK's leading residential property portal. HY (Jun) results. Rev +9%, £163m; u-lying op profit +7%, £122m; stat PBT +6%, £121m; u-lying EPS +7%, 11.8p; interim div +10%, 3.3p; net cash, £38.9m (HY 21, £67.7m). Ave rev per advertiser (ARPA) +11%, £1,290 per month; member branch unch, 18,934. *Trading:* "The property market in the first half cooled slightly from the frenetic pace of 2021 but remained healthy and ahead of 2019. Agency revenue increased by £12.6m to £122.2m as we continued to see strong product purchase and package upgrades as a result of the value our products deliver - and we secured core membership price increases through customers' contract renewal processes. New Homes revenue decreased by £0.6m to £24.7m. The buoyant market meant that the New Homes market remained forward-sold for the entirety of the period, with some developments not being advertised as a result". *Outlook:* "Agency branch numbers are expected to be broadly stable in the second half. The slightly cooler market may improve the availability of new homes developments by the end of the year, with development numbers also expected to be broadly stable through to the end of the year. ARPA growth was strong in the first half as customers took advantage of Rightmove's digital solutions to compete effectively for new listings. In 2022, we returned to a more normal pattern of package upgrades and price reviews, with the majority of the activity being in the first half. Therefore, we expect ARPA growth in the second half of the year broadly to mirror pre-pandemic growth levels, while still likely to exceed previous guidance for the full year. The strong pipeline of product delivery planned in the second half of the year, a culture of continuous innovation and a commitment to continue to make home

moving more digital for our customers and consumers, give the Board confidence in delivering its expectations for the full year and beyond”.

### **SigmaRoc** (SRC, 56p, £357m)

Heavy construction materials group active in the UK, Channel Islands and Benelux. HY (Jun) trading update. *Guidance:* “Diversified market profile and good demand leave the group well placed to deliver the Board’s expectations for 2022. Trading in the early part of H2 has started well, with the group benefitting from its broad end market and geographical diversification. Demand remains good both for housing and infrastructure related demand, as well as for industrial minerals. The group has successfully dealt with the various supply chain and inflationary headwinds in H1, with further improvement initiatives planned for H2”. *Trading:* H1 rev +18% LFL, £248m; u-lying EBITDA +6%, £48m; u-lying EPS +35%, c. 3.6p. Following the completion of the Johnston acquisition in Q1 22, leverage has reduced to 2.2x at the end of H1, within the group's target range. HY results, 12 September.

## Fortnight ahead

### **Construction & property: company and economic news**

#### **August**

2	Travis Perkins (TPK)	HY results
	Keller Group (KLR)	HY results
3	Taylor Wimpey (TW.)	HY results
	Van Elle Holdings (VANL)	HY results
	LSL Property Services	HY results
4	Morgan Sindall (MGNS)	HY results
	Mears Group (MER)	HY results
	Bank of England	Official Rate
	S&P Global	Construction PMI
5	Halifax	House prices
9	Bellway (BWY)	Trading update
11	Empiric Student Properties (ESP)	HY results
	RICS	Residential Mkt Survey
12	ONS	Construction output
	HM Treasury	GDP

Sources: Companies, Factset, ShareCast.com, Progressive Equity Research

*Prices are as at the previous day's close.*

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