

Full Year Results

for the year ended
31 December 2022

rightmove 
find your happy



1. FY 2022 Highlights

2. Financials

Alison Dolan, CFO

3. Housing Market update

Peter Brooks-Johnson, CEO

4. Strategic update

Peter Brooks-Johnson, CEO

5. Outlook

6. Appendix



FY 2022 Highlights

rightmove 



Key Performance Indicators: Continued Momentum on 2021

Revenue

+9%

Revenue up to £332.6m
(2021: £304.9m)

Adjusted Underlying Profit¹

+7%

Underlying Operating profit £245.4m
(2021: £228.6m)

Underlying EPS²

+9%

Underlying EPS 23.8p
(2021: 21.8p)

Dividend

8.5p

Dividend per ordinary share
(2021: 7.8p)

Cash returned³

£197.7m

(2021: £238.8m)

ARPA⁴

£1,314

ARPA up £125 (11%)
(2021: £1,189)

Advertisers⁴

19,014

(31 Dec 2021: 18,969)

Site traffic⁵

16.3bn

Time in minutes spent on site;
(2021: 18.3bn
2020: 15.9bn)

1. Underlying operating profit is operating profit before share based payments charges and related national insurance. 2021 underlying profit is adjusted for one-off provision release of £2.4m
2. Underlying EPS is underlying profit (profit before share-based payments charges including the related National Insurance and appropriate tax adjustments) divided by the weighted average number of ordinary shares in issue for the period.
3. Cash returned to shareholders include dividend paid and shares bought back during the year
4. For Agency and New Homes customers
5. Source: Google Analytics

Making home moving in the UK easier

More of the home moving journey made possible with Rightmove...



Making Mortgages more digital

Launch of the first onsite direct-to-lender Mortgage in Principle that is integrated into the property search journey



Making renting more digital

First version of end to end tenancy set up flow launched



Making referencing state-of-the-art

Open Banking-based referencing ready for launch

Making the process more efficient by being more digital

The UK's property platform with digital marketing solutions and insight offering unparalleled ROI

The place home-hunters turn to and return to first

Helping our customers to...



Grow their market share

Optimiser 2015 package retired with customers migrated to Optimiser 2020, allowing them to take advantage of SoldByMe and Opportunity Manager



Advertise using modern formats efficiently

Launch of Native Search Adverts to Estate Agents with the ability to smart target short form video



Stay compliant, efficiently

Ofqual-regulated level 3 certificate launched in Q4 2022 – over 2,000 people enrolled already



Investing in the brand

85% of visits to Rightmove come direct



Helping home hunters organise their search

One million property lists created, with over 600k users now using lists to manage their saved properties



Helping organise the path from enquiring to offer

We expanded MyRightmove to allow home hunters track properties they've enquired about and record their thoughts. Now used by 11% of people sending leads

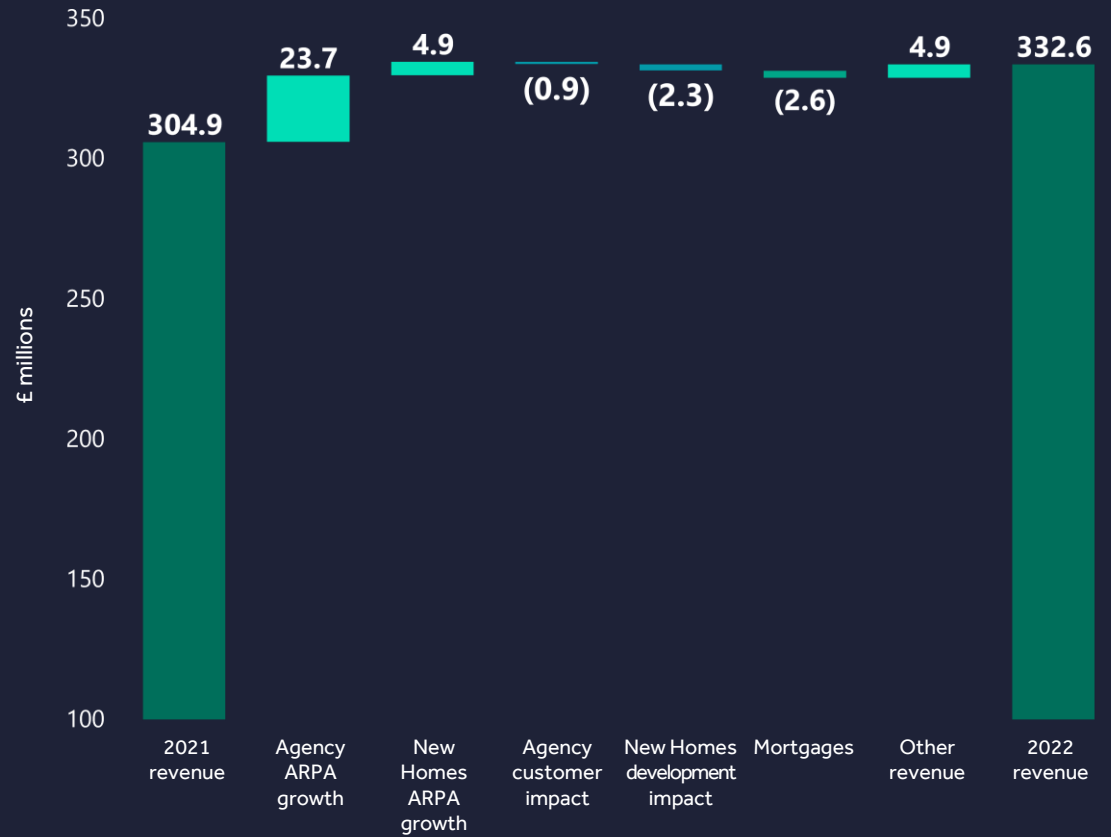
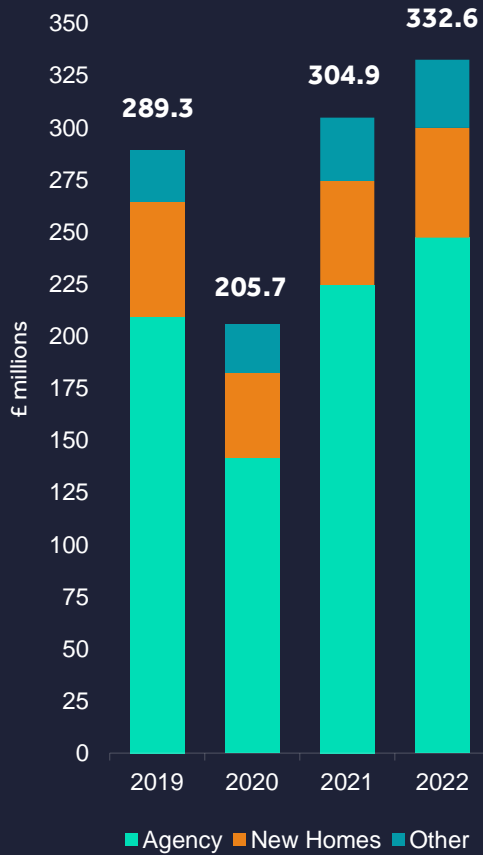
Financials

Alison Dolan, CFO

rightmove 

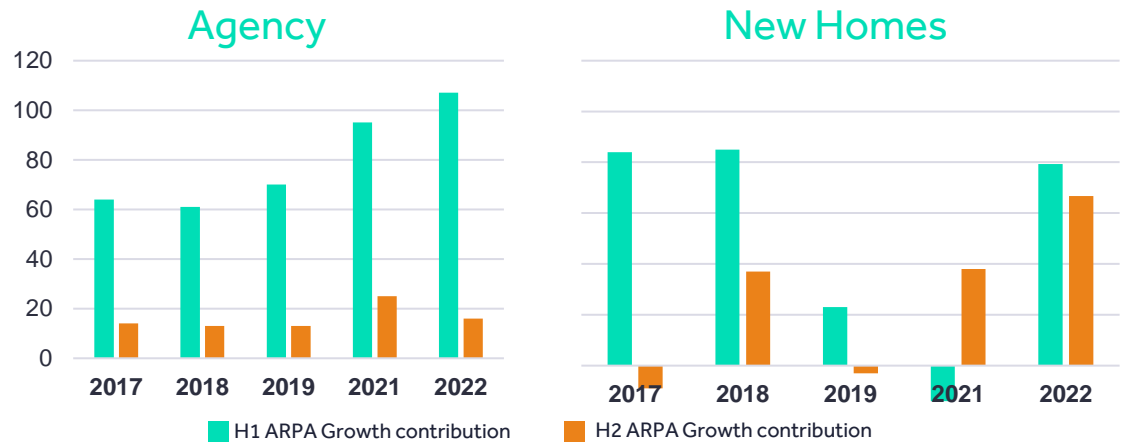


Strong revenue growth in all business units

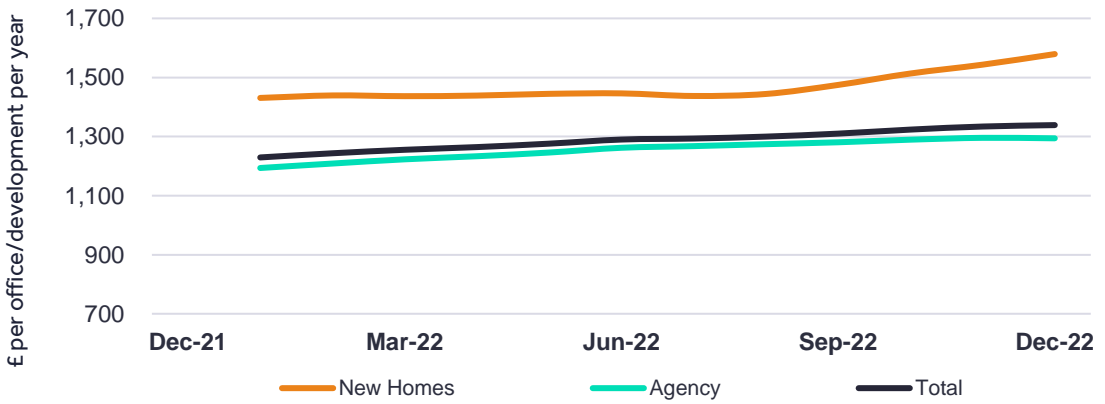


The slowing market led to a notable rise in New Homes ARPA in H2

ARPA growth over the two halves¹

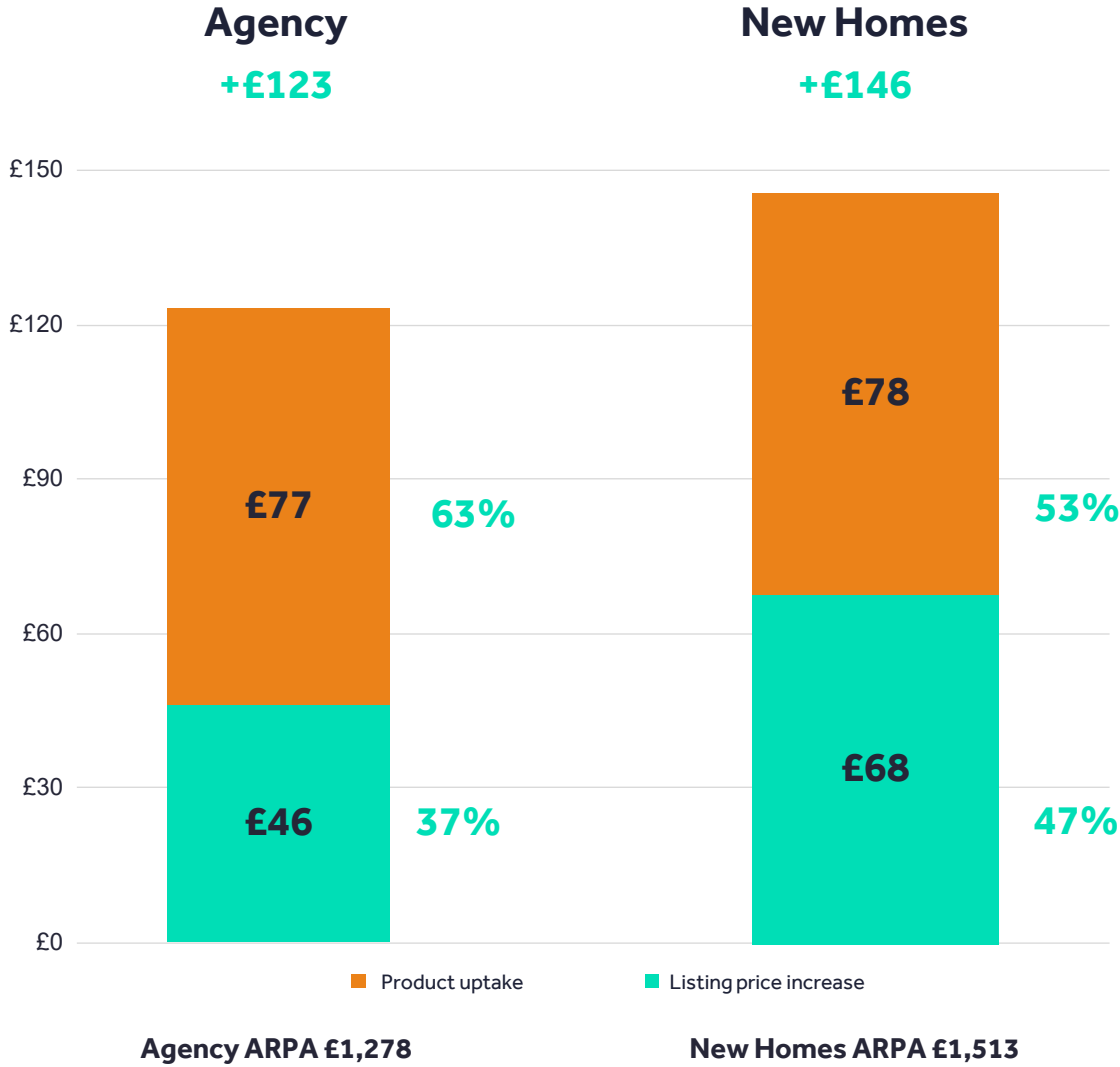


6 month trailing monthly ARPA



- Strong H2 ARPA performance of £24 exceeded guidance
- Agency ARPA growth H1 weighted; H2 slightly higher than a "normal" year
- New Homes saw strongest ever H2 growth
- Momentum carried forward into 2023 from record H2 growth
- Overall: H1 £101/H2 £24 = £125

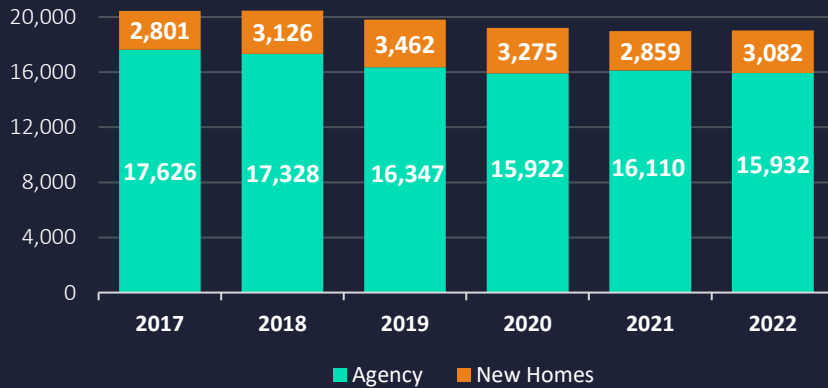
New Record for ARPA growth: +£125 to £1,314



- Highest ever absolute growth
- Over 40% of Optimiser 2020 upgrades came from Essential & Enhanced
- Customers continue to spend on product after upgrading
- Successful core pricing actions in both Agency and New Homes
- New Homes product ARPA growth mainly from products: Advanced Development Listing and Native Search Adverts

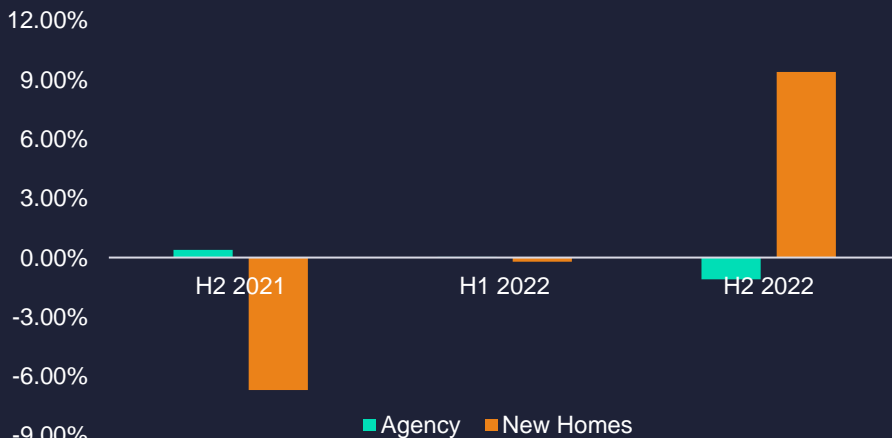
Slowing market in H2 led to growth in development numbers

Agency and New Homes

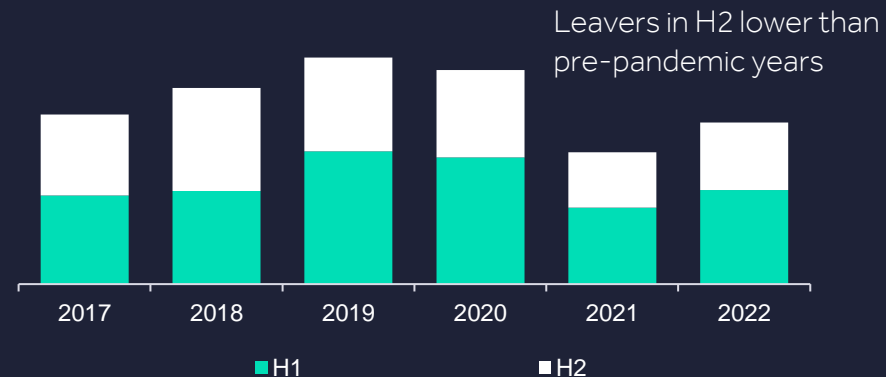


- Overall flat customer numbers; +45 customer numbers vs December-21
- Relative H1 performances of Agency and New Homes reversed in H2
- Agency numbers fell by -184 in H2 driven by fewer joiners
- H2 saw +264 New Homes developments, with Q4 seeing the highest ever increase

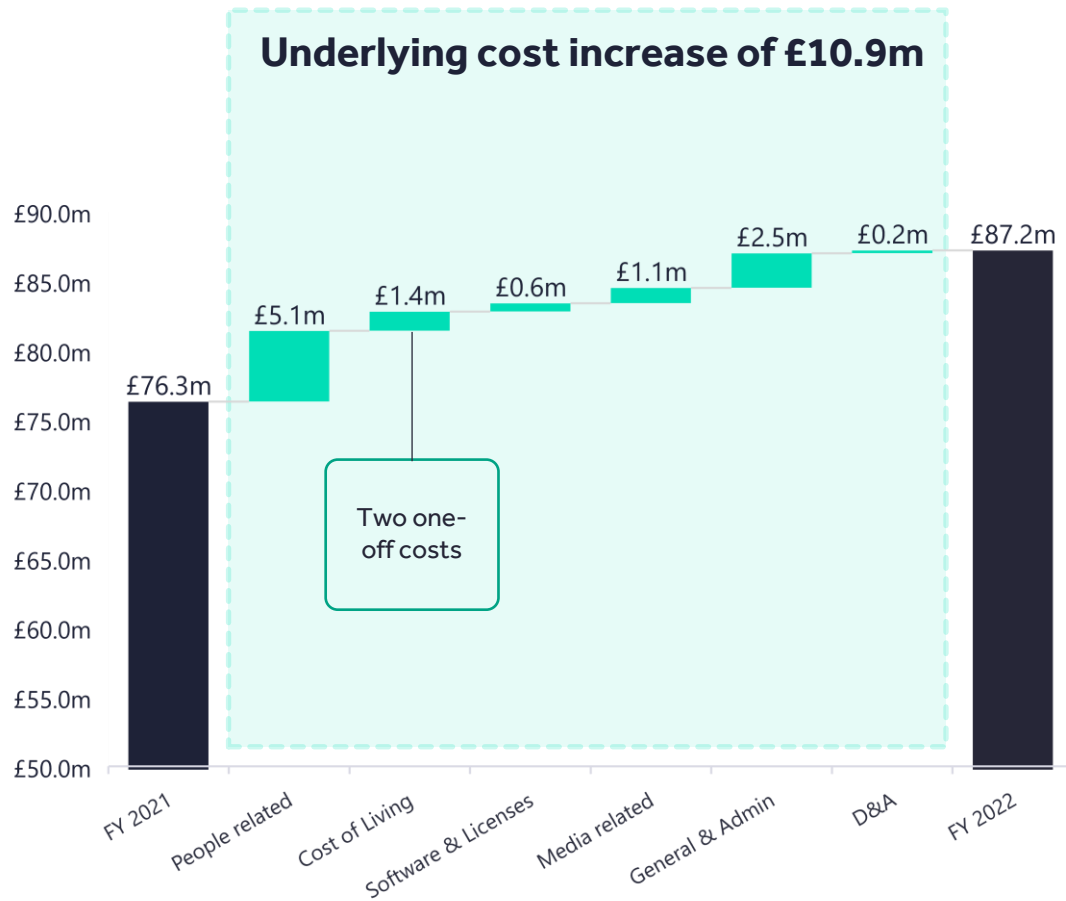
Change in customer numbers vs previous 6 months



Agency leavers



Underlying Operating Costs¹



Adjusted Underlying Margin²

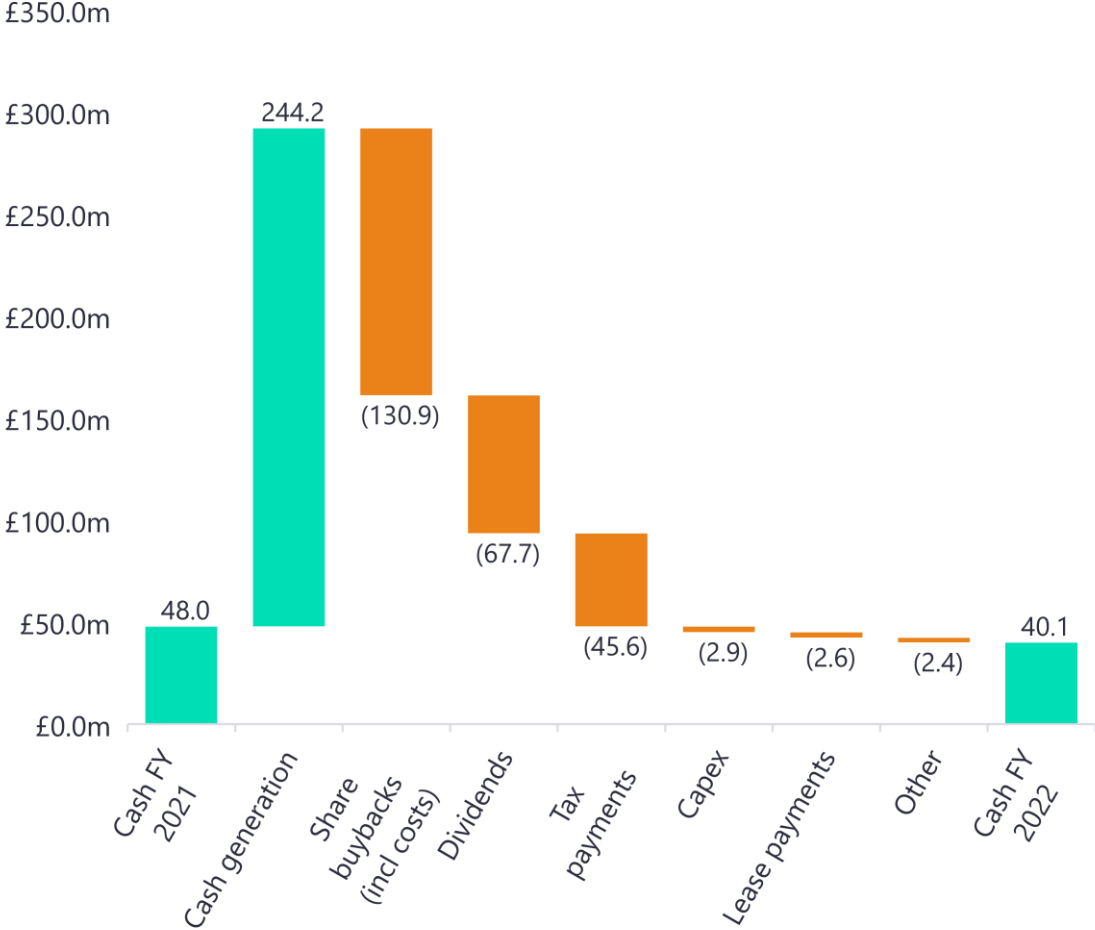
75%

74%

- Operating costs have increased by £10.9m (14%)
- 60% due to increased people-related costs; of which £3.7m is from new heads, mainly Product Development
- G&A increase from increased travel and accommodation
- Underlying operating margin 74%

1. Costs are excluding IFRS2 charges and related national insurance (£4.1m in 2022 and £4.9m in 2021), net finance costs (£0.1m in 2022 and £0.5m in 2021). 2. 2021 underlying margin excludes the one off provision release of £2.4m

Cash bridge¹



- Cash generated from operating activities of £244m (2021:£237m)
- Operating cash conversion⁽²⁾ of 101% (2021:105%)
- Effective tax rate of 18.9% vs 19.0% enacted rate
- Enacted 25% rate expected from April 2023
- No change to long term capital returns policy in 2023

1. Cash in bridge includes cash equivalents of 95-day money market deposits of £5m (2021: £5m).

2. Cash from operating activities as a proportion of operating profit.

Source: Rightmove.

ESG targets – progress across the board

| | |
|----------------------|--|
| Environmental | <ul style="list-style-type: none">• Environmental targets tested & verified by the SBTi <input checked="" type="checkbox"/>• Verified as consistent with the 1.5 degrees warming limitations <input checked="" type="checkbox"/>• Delivery to date on all Environmental targets is ahead of plan <input checked="" type="checkbox"/>• TCFD risks & opportunities modelling enhanced <input checked="" type="checkbox"/> |
| Social | <ul style="list-style-type: none">• 87% of employees think Rightmove is a great place to work <input checked="" type="checkbox"/>• New family friendly policies published (maternity, paternity, adoption, fertility, domestic abuse, anti-harassment and bullying, menopause). <input checked="" type="checkbox"/>• Thrive wellbeing programme enhanced <input checked="" type="checkbox"/>• Inclusive cultures and conscious inclusion training <input checked="" type="checkbox"/> |
| Governance | <ul style="list-style-type: none">• Change of auditors in 2023 <input checked="" type="checkbox"/>• Corporate Responsibility Committee overseeing ESG strategy and delivery <input checked="" type="checkbox"/>• Board oversaw a full overhaul of risk management and the risk register in 2022 <input checked="" type="checkbox"/>• New behavioural code and due diligence frame for suppliers introduced in the year <input checked="" type="checkbox"/> |

Housing market update

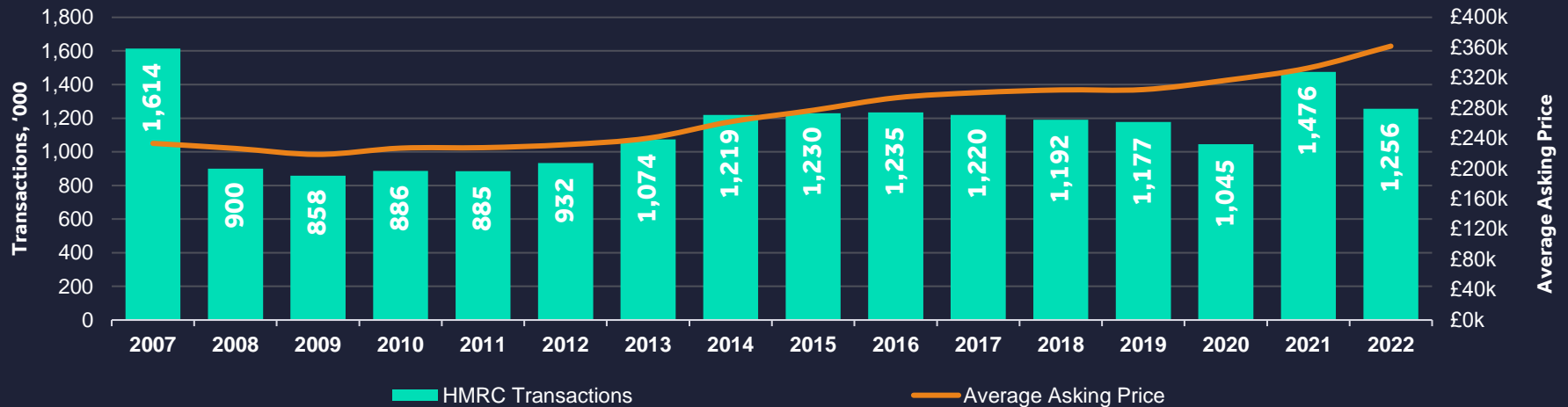
Peter Brooks-Johnson, CEO



rightmove 

A strong year for transactions, house prices and commissions

Housing transactions¹ and HPI² 2007-2022 (UK)



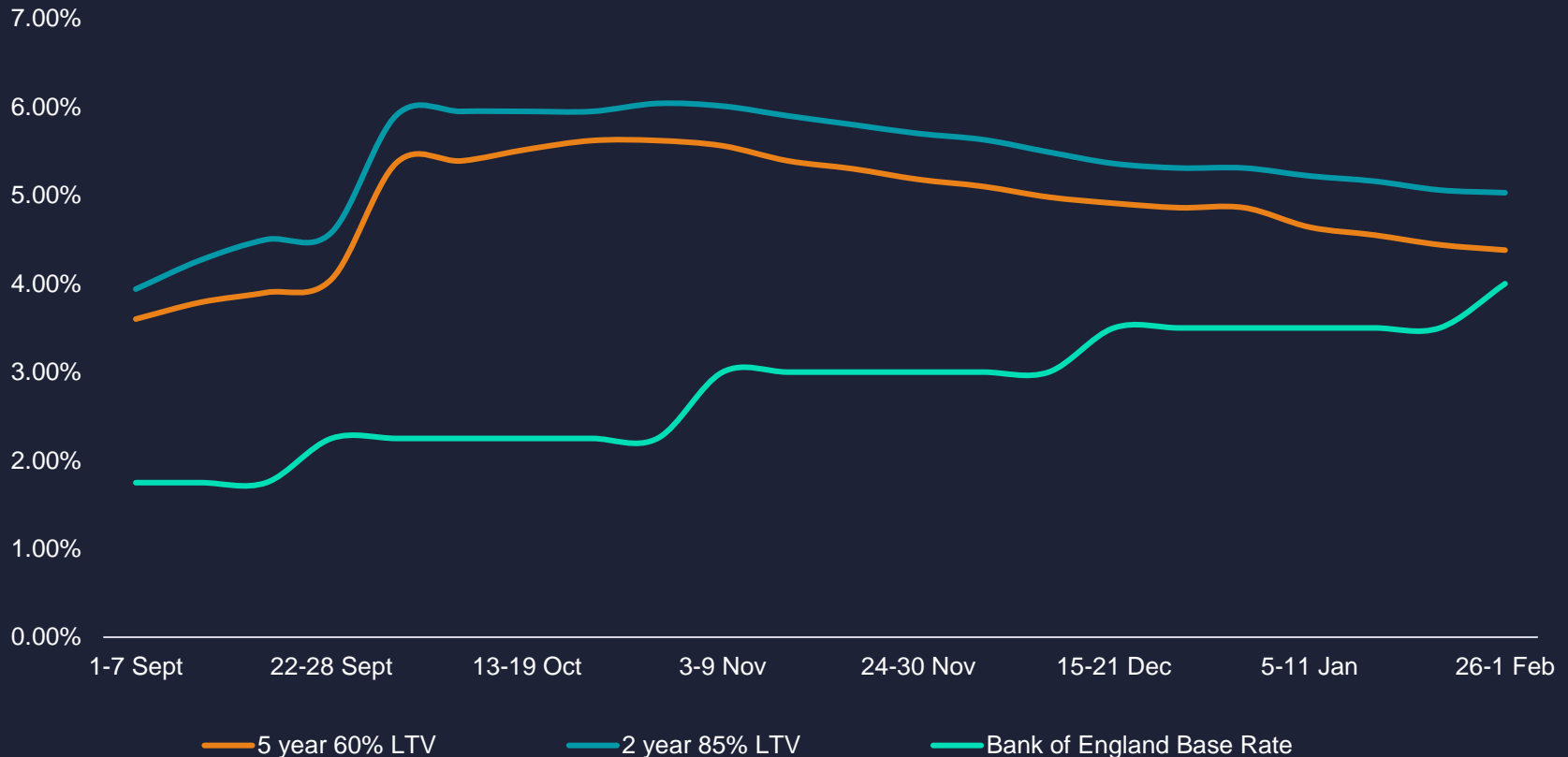
Weekly Sales Agreed Indexed to 2019²



- Transactions 'normalised' after the buoyant 2021 market but house prices continued to rise
- Compared to 2019, transactions were up 7% and average asking prices up almost 20%
- Confidence returning to market with deals being agreed now only 11% below 2019

Despite base rate rises, fixed mortgage rates are falling

Top 6 lenders – 60% & 85% Loan to Value Base Rate (with a fee)



- Following the economic uncertainty in Q3, 5 year and 2 year mortgage rates spiked above 5% and are now returning towards pre mini budget levels
- Despite base rate rise, more market positivity that fixed rates will continue to fall
- Rates for higher loan to value are likely to continue to squeeze affordability for first time buyers

Strategic update

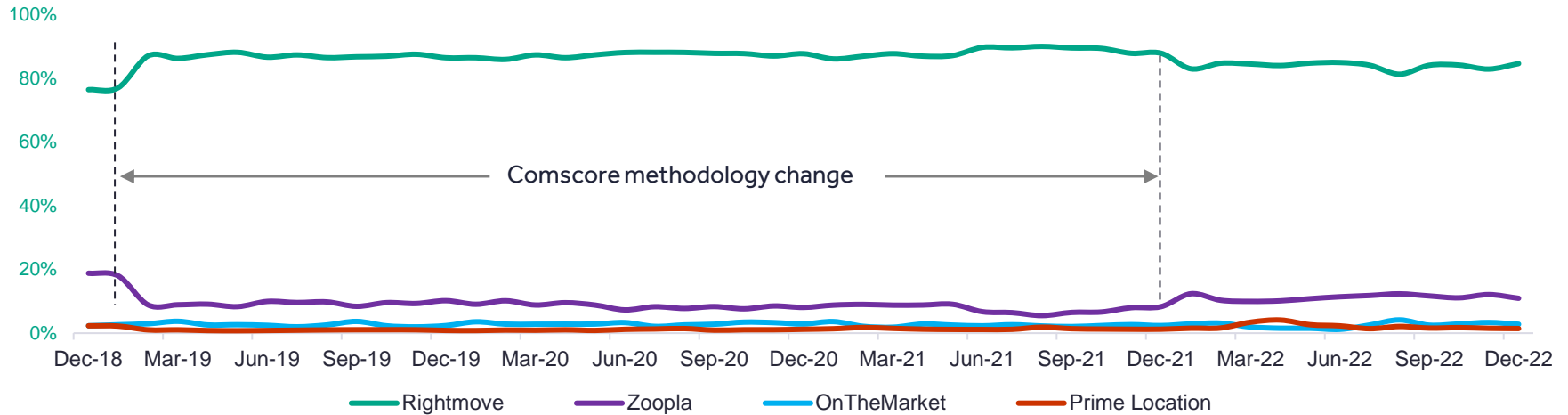
Peter Brooks-Johnson, CEO

rightmove 

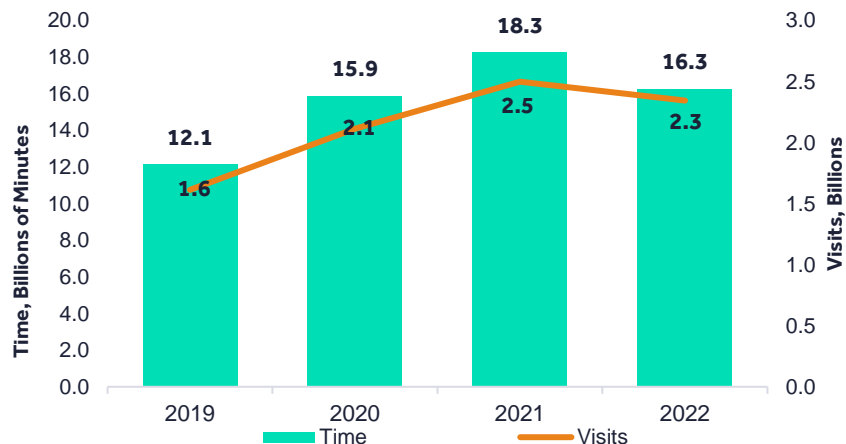


Rightmove remains the best place for agents to get the most exposure and quality leads

Market Share of top 4 property portals¹



Visits and Time²



- Leads up 8% compared to 2021. Lettings market saw a large increase due to the competition for rental properties
- Market started to 'normalise' in H2. Visits and time down 6% and 11%; up 45% and 34% respectively ahead of 2019

Source: 1. Time in minutes - Total Minutes (MM)- spent on Rightmove platforms, relative to our nearest competitors. Comscore MMX® Desktop only + Comscore Mobile Metrix® Mobile Web & App, Total Audience, Custom-defined list of Rightmove Sites, RIGHTMOVE.CO.UK, ZOOPLA.CO.UK, PRIMELOCATION.COM, ONTHEMARKET.COM, BOOMIN.COM January 2019 - December 2022, United Kingdom

Getting Closer to Home Owners in 2023 with Track My Property

Property tracked

Flat x2 x1

I am the homeowner [Un-track this property](#)

| Date sold | Sold price | Property | Tenure |
|-------------|------------|----------|-----------|
| 30 Jun 2015 | £270,000 | Flat | Leasehold |
| 12 Jan 2012 | £200,000 | Flat | Leasehold |
| 03 Jun 2008 | £125,000 | Flat | Leasehold |

+35%
+60%

Property insights

RIGHTMOVE ESTIMATE ⓘ

£300,000 - £340,000

Next update: 05 Jun 2023

APPROX (MIDDLE VALUE)

HOW WOULD YOU RATE THIS ESTIMATION?

£320,000



How is this estimate calculated?

- ✓ HM Land registry data
- ✓ Recently sold properties
- ✓ Live property listings

- ✗ Quality of interior of your home
- ✗ Allowing for refurb or extensions
- ✗ An agent valuation

Agent valuation

★ Expert

- ✓ Expertise on your local area
- ✓ Free, no obligation valuation
- ✓ Comparable properties to yours
- ✓ Value from interior or extensions

[Request a free agent valuation](#)

Consumer advantages

- Market leading automated estimate of how much a property is worth integrated with local area information
- Rightmove's unparalleled archive of 16.4m properties give context to the valuation
- Updates on key events (estimate change, local sales) – *coming in H2*

Agent advantages

- Reinforces the benefits of consumers using this tool alongside the accuracy of an agent's valuation
- Engaging earlier with homeowners that are future vendors; putting our customer front of mind when those homeowners decide to move

Rightmove advantages

- Strengthen Rightmove brand relevance with the homeowner audience
- Deliver opportunities for our mortgage proposition – *coming in H2*
- Drive return to first by engaging with homemovers not actively looking to move

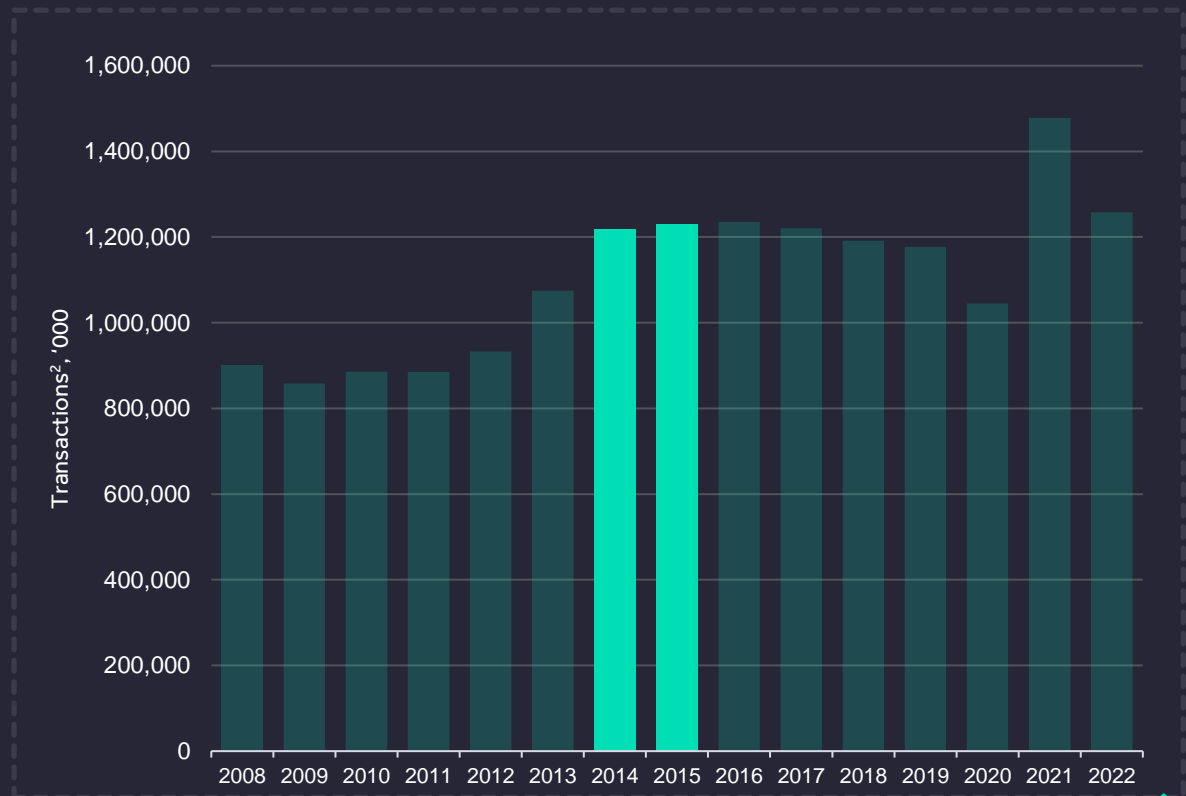
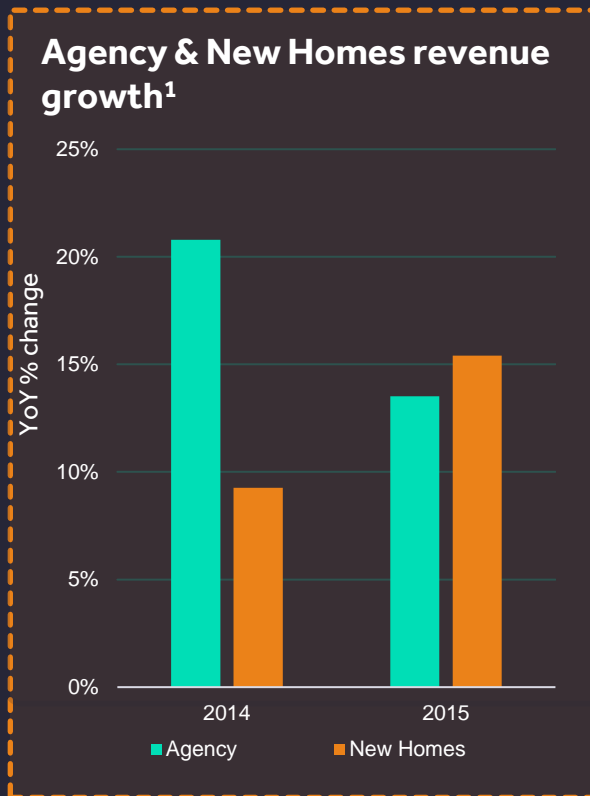
Agents' priorities will change depending on the market dynamics

| | Faster Market | Slower Market |
|------------------------|---|--|
| Top of Funnel Branding | <ul style="list-style-type: none">• Being the one chosen on the first round of market appraisals is vital | <ul style="list-style-type: none">• Increasing <i>share of voice</i> so front of queue for potential <i>sellers</i>• Building reputation in a more challenging market |
| Vendor Lead Generation | <ul style="list-style-type: none">• Getting in front of potential sellers <i>first</i>• Finding the opportunities in buyer leads | <ul style="list-style-type: none">• Finding motivated sellers• Spotting opportunities as vendors move agents which now might be "right priced" |
| Closing Products | <ul style="list-style-type: none">• Marketing their points of differentiation and value proposition• Maximising value | <ul style="list-style-type: none">• Re-aligning vendor's pricing expectations to meet the market• Finding buyers |

The impact of the Mortgage Market Review: a rapid change from under to over-supply

- Sharp increase in transactions in 2014, not repeated in 2015 due to the impact of the Mortgage Market review. 2014 saw strong growth in Agency from increased agent formation and the expansion of agents expanding
- As the market plateaued in 2015, New Homes growth increased as units took longer to sell and marketing budgets increased to maintain sales rate

Faster Market



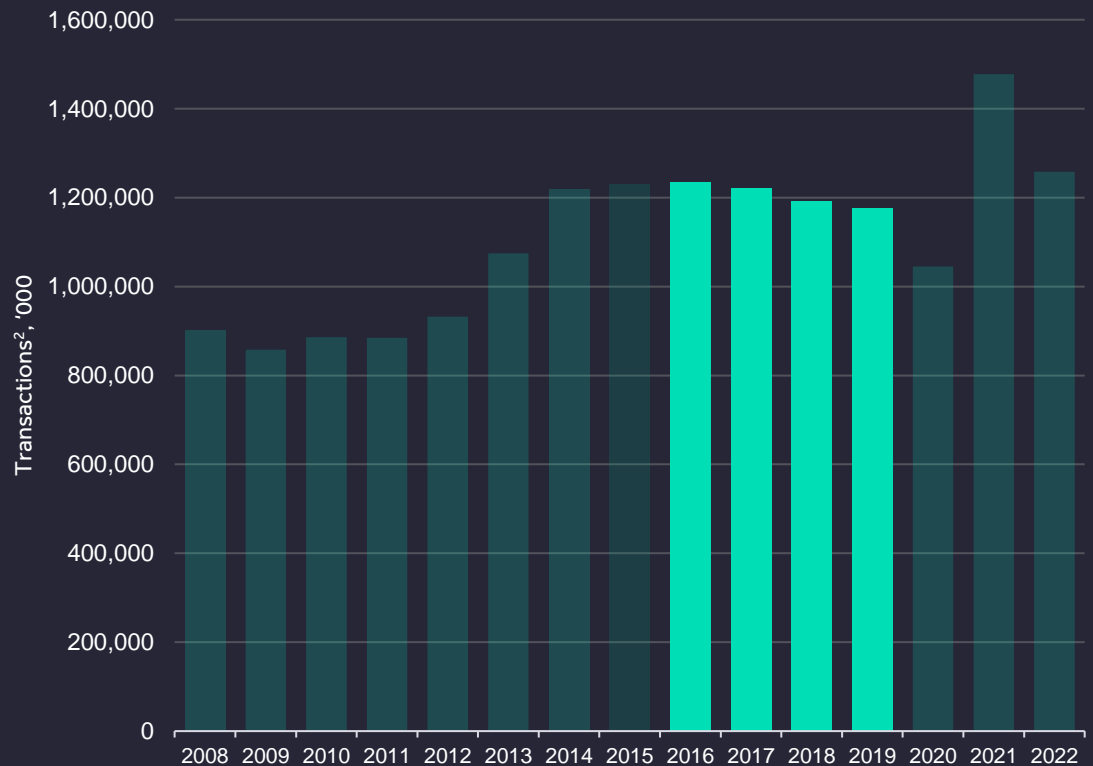
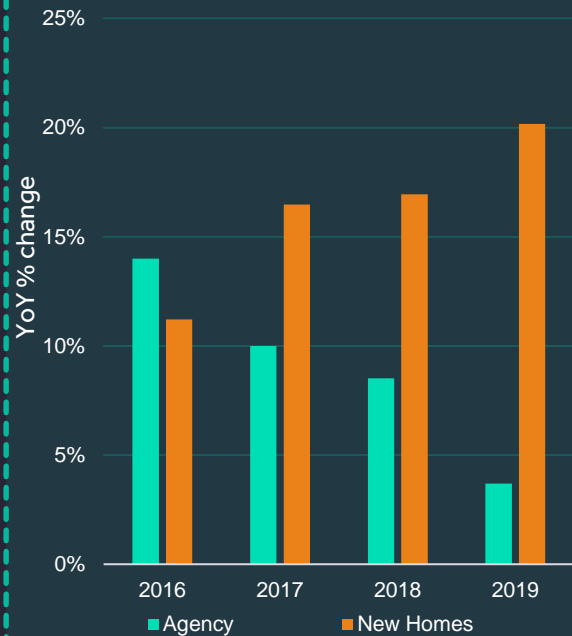
Source: 1.HMRC 2. Rightmove

The Brexit years: increased New Homes activity

- Political and economic uncertainty negatively impacted the property market as it fell for four consecutive years.
- New Homes developments increased as sales rates slowed and spend - particularly on transactional digital marketing - rose to record levels. The challenging market saw agency spend growth slow and the number of agency branches fall.

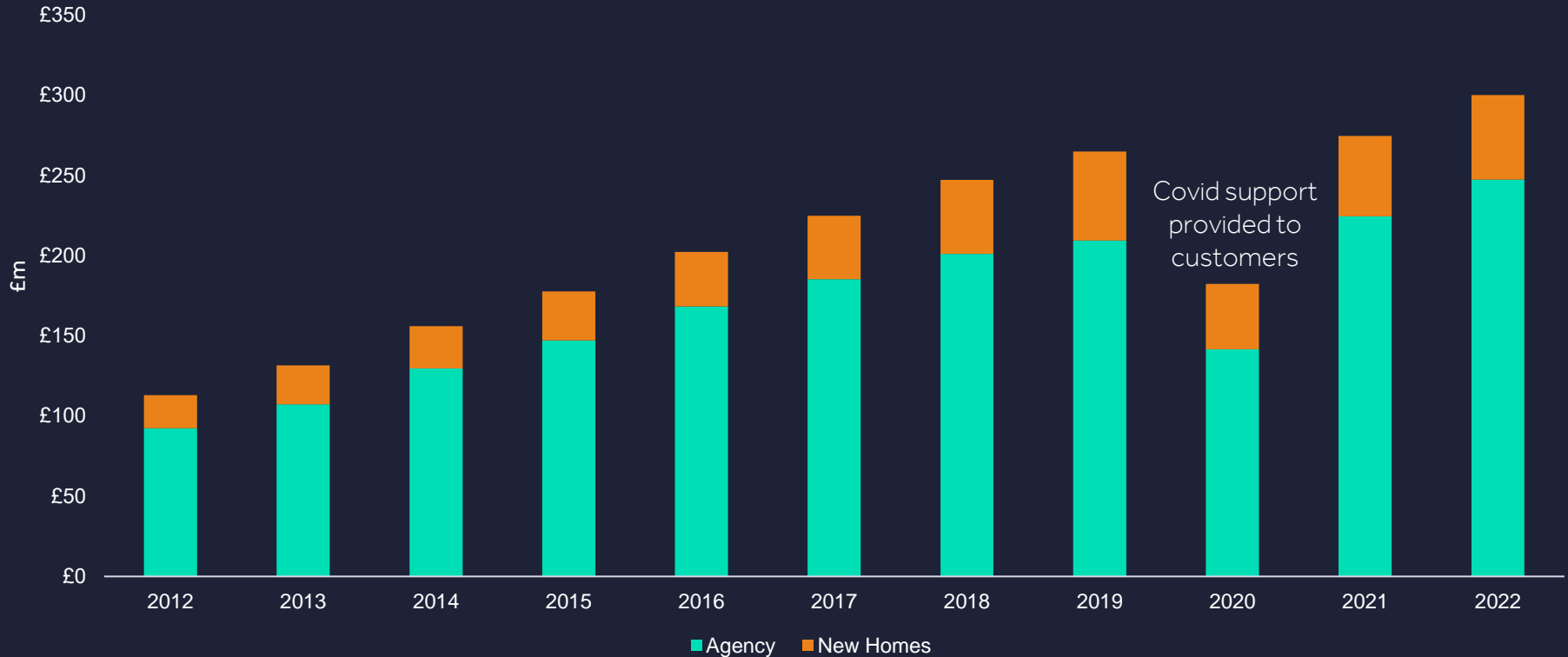
Slower Market

Agency & New Homes revenue growth¹



The counter-cyclical nature protects the predictability of the core business

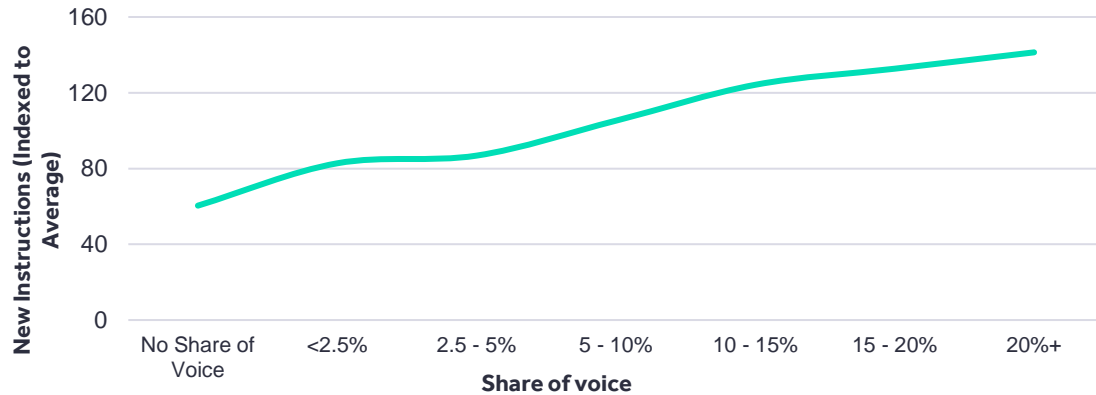
Agency and New Homes revenue



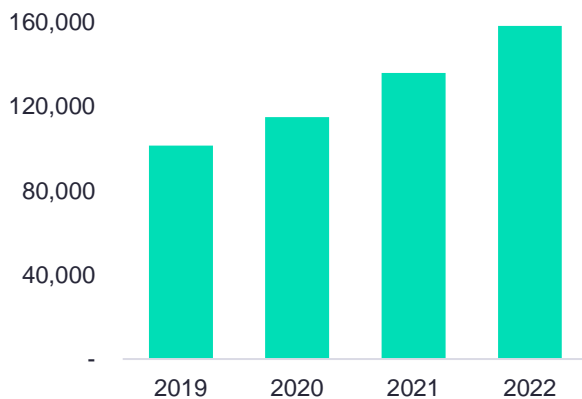
- Consistent revenue growth regardless of the market dynamics but the relative growth between Estate Agency and New Homes changes

Our products work regardless of the market dynamics...

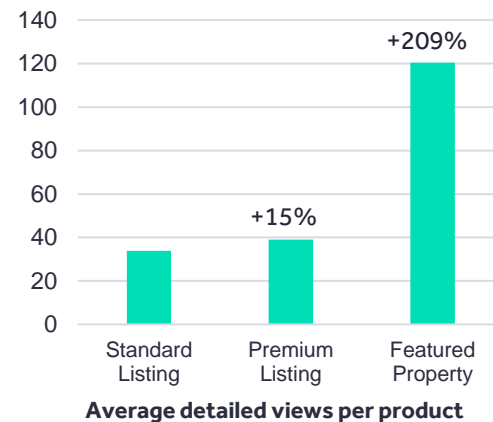
Rightmove share of voice correlates with number of instructions



Vendor leads since 2019



Exposure by Property Listing type



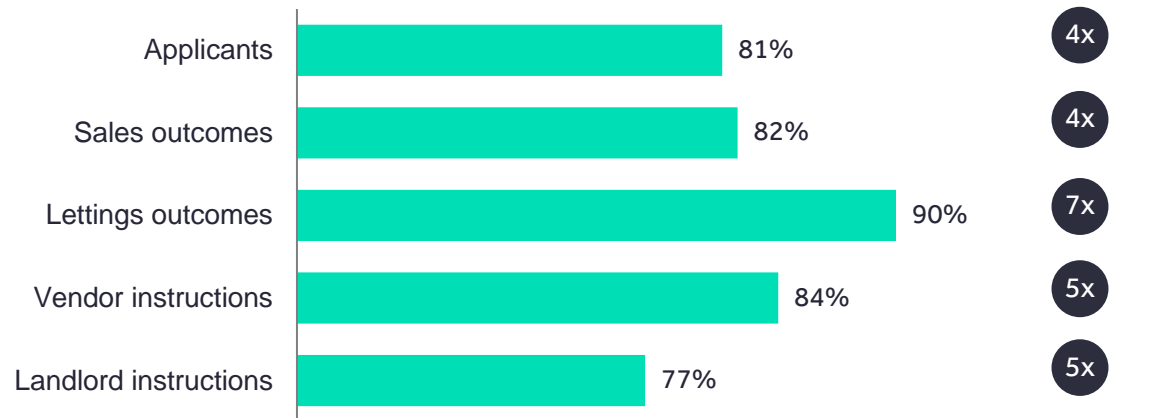
- Top of Funnel Branding products, such as **Featured Agent** and **Sold by Me**, increase Share of Voice. 71% of branches ranked in Top 5 for Market Share are in the Top 5 for Share of Voice
- Vendor lead products, such as **Local Valuation Alert (LVA)** and **RM Discover**, delivered a 16% YoY increase in leads to agents; a record number to help win new instructions
- Closing Products, such as **Premium Listing** and **Featured Property**, increase exposure and differentiate properties onsite.

...with a package structure that is flexible for customers and offers considerable value

Rightmove package performance¹

| | Essential | Enhanced | Optimiser |
|----------------------------|-----------|----------|-----------|
| Return on package | 7x | 11x | 15x |
| Average number of products | 1x | 10x | 19x |

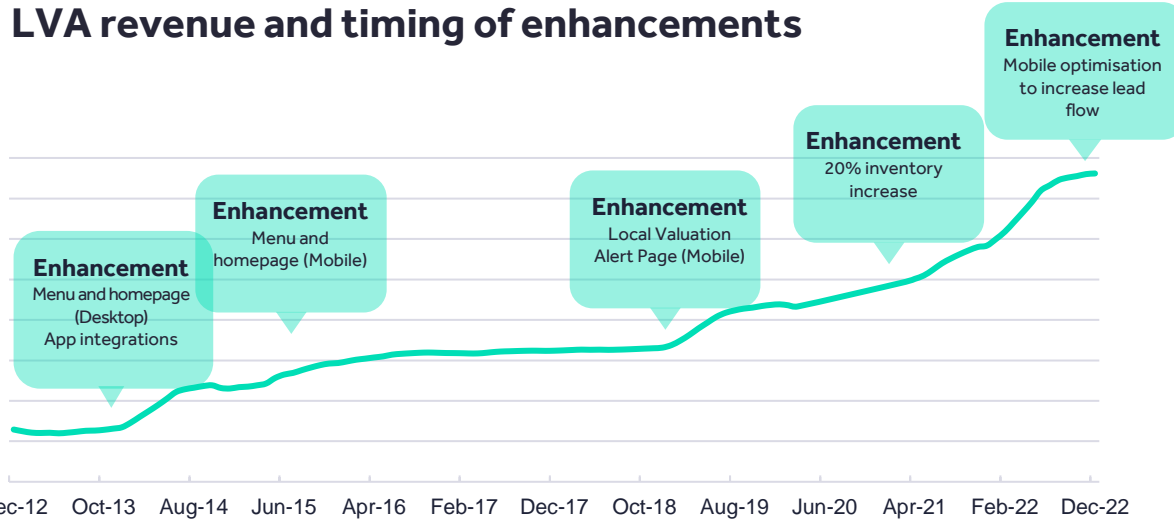
Rightmove lead conversion²



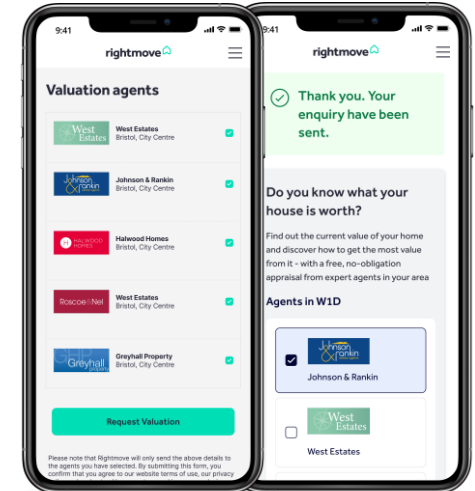
- The flexibility of our packages enables customers to choose what suits them, while offering an exceptional ROI
- Enhanced and Optimiser both include digital products, which increase exposure and leads to increase ROI
- We offer exceptional value relative to our competitors on all key deliverables for agents

Room to grow from enhancing our most valued products and launching new products

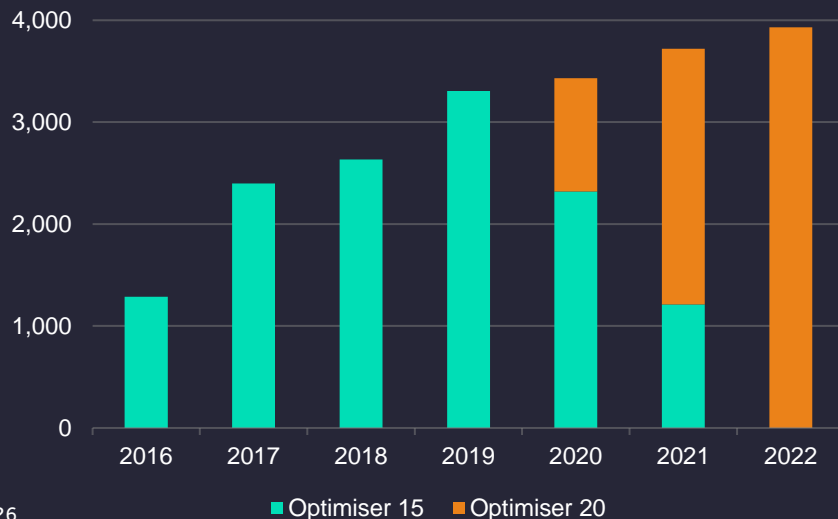
LVA revenue and timing of enhancements



LVA mobile enhancement



Optimiser package



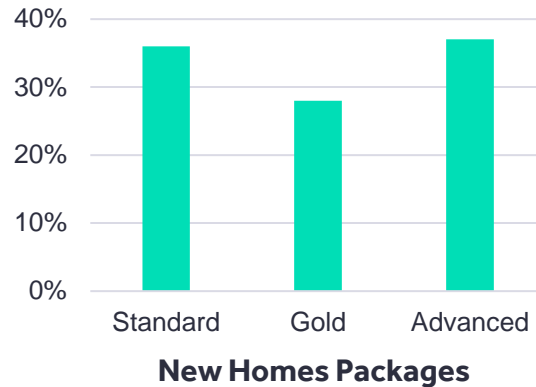
- Launch of Native Search Adverts in January to Optimiser
- Optimiser customers continue to purchase more product once they have upgraded
- Since the start of 2022 Optimiser customers increased ARPA by 7%

Products well placed to meet the needs of the New Homes market

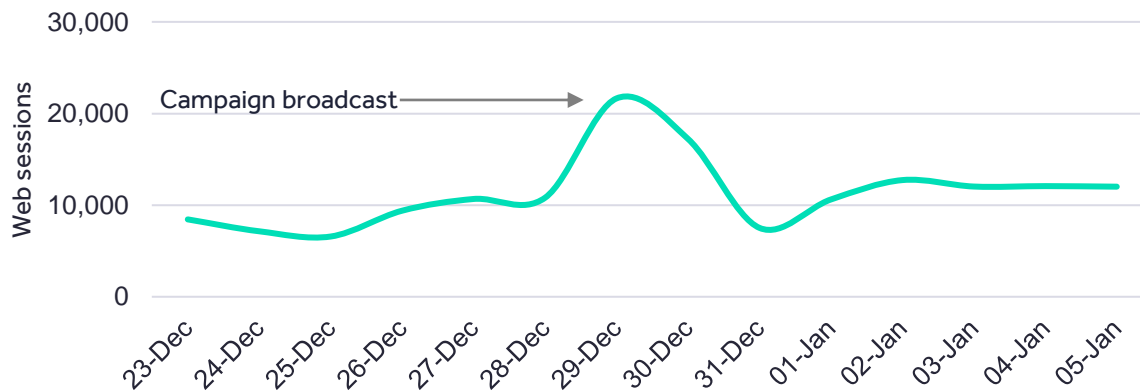
Average monthly leads generated per development¹



Package Penetration¹



Impact of Digital Media Campaigns²



- 37% of developments on Advanced package, which was launched in 2021
- 19% of developments purchase Native Search Adverts, launched in 2021. From January 2023 available to independent customers (c500 developments)
- Digital Media Campaigns give access to largest consented in-market audience (6.5m+ and growing 200k every month)
- Ad Manager launched in Q4 2022 gives developers self-serve functionality

Strategic progress on digital renting journey

Consumer advantages

- Increased visibility of progress of transaction
- Reduced duplication of data entry
- Manage move from one central location
- Pre qualify yourself to agents/landlord at the initial lead stage

Agent advantages

- Efficiency & cost savings throughout entire workflow
- Receive and prioritise highly qualified tenants
- Almost eradicate re keying through the process stages
- Digitise most manual processes e.g. deposit collection
- Stay compliant with latest legislation

Rightmove advantages

- Become more embedded into customers' operational processes
- Remain the "go to" portal for tenants by making the journey digital
- Broaden consumer association away from simply searching e.g. Home Services
- Increased referencing volume leads to greater opportunity to upsell to tenants & landlords

2. Offer

Trigger one click offer generation and digitised holding deposit payment

3. Reference

Utilisation of open banking to reduce turnaround times, prevent fraud and increase accuracy

4. Contracting & Deposit

Digitally create, manage and sign contracts, final deposit payment and management

1. Search

Access the widest set of tenants in the market to generate unrivalled, high quality enquiry volumes

Lead to Keys

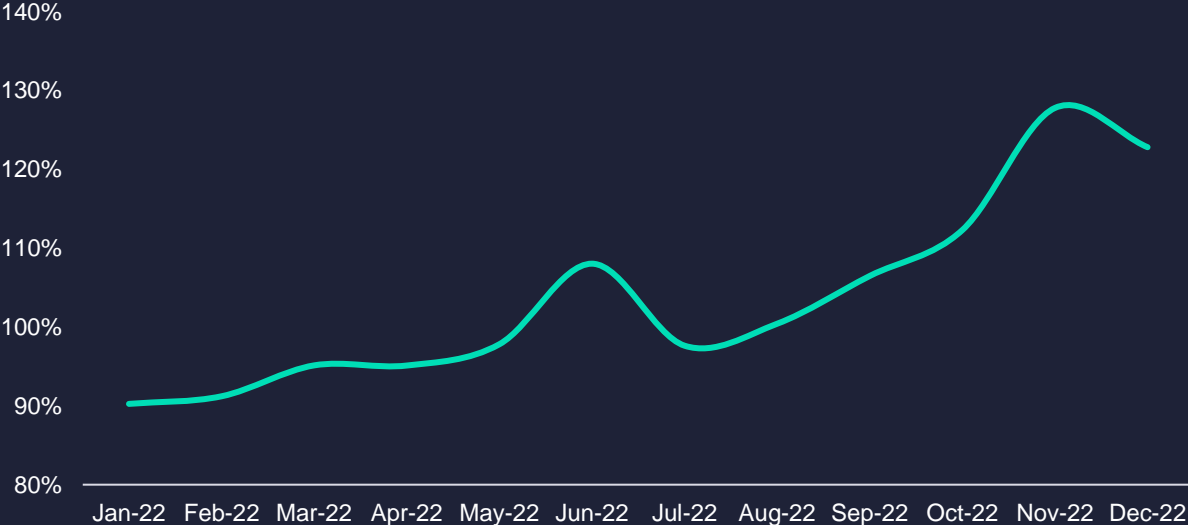


5. Move-in

Ability for tenants to digitally purchase products associated with their move

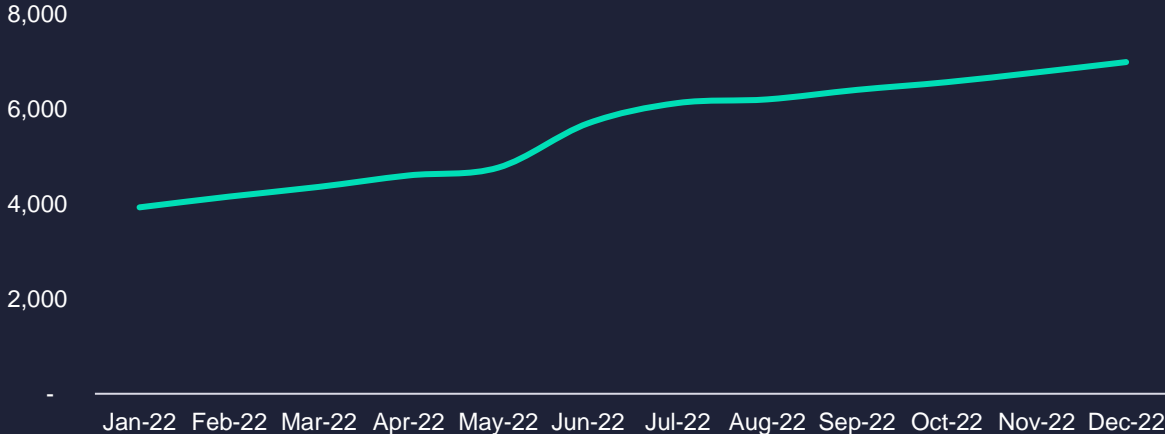
Creating a more digital rental process drives referencing and other opportunities

Number of references ordered indexed vs 2021



- Around 20% more references in 2022 vs last year
- Continue to grow market share
- Open banking tested in Q4 and will help deliver higher referencing margins
- Ancillary revenue continues to grow steadily

Number of monthly Agent rent guarantee policies



Outlook

rightmove 



Outlook

- Rightmove's network effects continue to position us at the heart of the UK property market
- Our visibility of property market data remains unrivalled
- Customer numbers likely to follow similar pattern to H2 2022
- ARPA growth driven by new product launch, ongoing product uptake and pricing actions
- Increased revenue contribution from the Other operating segment
- Continued innovation in marketing products and in digitising more of the transaction
- The Board has confidence in Rightmove's performance in 2023 and beyond

Appendix



Profit & Loss

| | Year ended 31 December 2022 £m | Year ended 31 December 2021 £m |
|--|--------------------------------------|--------------------------------------|
| Revenue | 332.6 | 304.9 |
| Other income (one-off provision release) | - | 2.4 |
| Operating costs (exc. share-based incentives and related NI) | (87.2) | (76.3) |
| Underlying Operating Profit | 245.4 | 231.0 |
| <i>Underlying operating margin</i> | 74% | 76% |
| Exclude one-off provision release | - | (2.4) |
| Adjusted Operating Profit (exc. share-based payments and provision release) | 245.4 | 228.6 |
| <i>Adjusted underlying operating margin</i> | 74% | 75% |
| Share-based payments (charge)/credit | (4.1) | (4.9) |
| Provision release | - | 2.4 |
| Operating profit | 241.3 | 226.1 |
| <i>Operating Margin</i> | 73% | 74% |
| Net financial expense | (0.1) | (0.5) |
| Profit before tax | 241.2 | 225.6 |
| Income tax expense | (45.5) | (42.5) |
| Profit for the year | 195.7 | 183.1 |
| Underlying EPS | 23.8 | 21.8 |

Capital Structure

Share capital

In issue at 1 January

Purchase and cancellation of own shares

Total issued share capital

Shares held in Treasury

Voting rights share capital

Own shares held by the EBT/SIP

Issued ordinary shares less shares held by Treasury/SIP/EBT

Weighted average number of shares

Number of shares brought forward

Less own shares held by Treasury

Effect of share buybacks

Effect of shares purchased

Effect of share-based incentives exercised

Number of shares used in basic EPS calculation

Dilutive impact of share-based incentives outstanding

Number of shares used in diluted EPS calculation

| | FY 2022 m | FY 2021 m |
|--|--------------|--------------|
| In issue at 1 January | 859.7 | 886.4 |
| Purchase and cancellation of own shares | (22.3) | (26.7) |
| Total issued share capital | 837.4 | 859.7 |
| Shares held in Treasury | (12.2) | (12.5) |
| Voting rights share capital | 825.2 | 847.2 |
| Own shares held by the EBT/SIP | (2.3) | (1.9) |
| Issued ordinary shares less shares held by Treasury/SIP/EBT | 822.9 | 845.3 |
| Weighted average number of shares | | |
| Number of shares brought forward | 857.7 | 884.2 |
| Less own shares held by Treasury | (12.5) | (13.3) |
| Effect of share buybacks | (10.0) | (12.6) |
| Effect of shares purchased | (0.1) | - |
| Effect of share-based incentives exercised | 0.1 | 0.5 |
| Number of shares used in basic EPS calculation | 835.3 | 858.8 |
| Dilutive impact of share-based incentives outstanding | 2.2 | 1.5 |
| Number of shares used in diluted EPS calculation | 837.5 | 860.3 |

Balance Sheet

| | As at 31 December 2022 £m | As at 31 December 2021 £m |
|--------------------------------------|---------------------------------|---------------------------------|
| Property, plant and equipment | 10.4 | 12.0 |
| Intangible assets | 22.1 | 21.1 |
| Deferred tax assets | 1.5 | 2.2 |
| Total non-current assets | 34.0 | 35.3 |
| Trade and other receivables | 26.6 | 23.1 |
| Contract assets | 0.5 | 0.1 |
| Income tax receivable | 0.6 | 1.1 |
| Money market deposits | 5.0 | 5.0 |
| Cash and cash equivalents | 35.1 | 43.0 |
| Total current assets | 67.8 | 72.3 |
| Trade and other payables | (20.9) | (22.8) |
| Lease liabilities | (2.3) | (2.2) |
| Contract liabilities | (2.3) | (2.6) |
| Provisions | - | (0.1) |
| Total current liabilities | (25.5) | (27.7) |
| Provisions | (0.8) | (0.6) |
| Lease liabilities | (7.3) | (8.8) |
| Total non-current liabilities | (8.1) | (9.4) |
| Net assets | 68.2 | 70.5 |

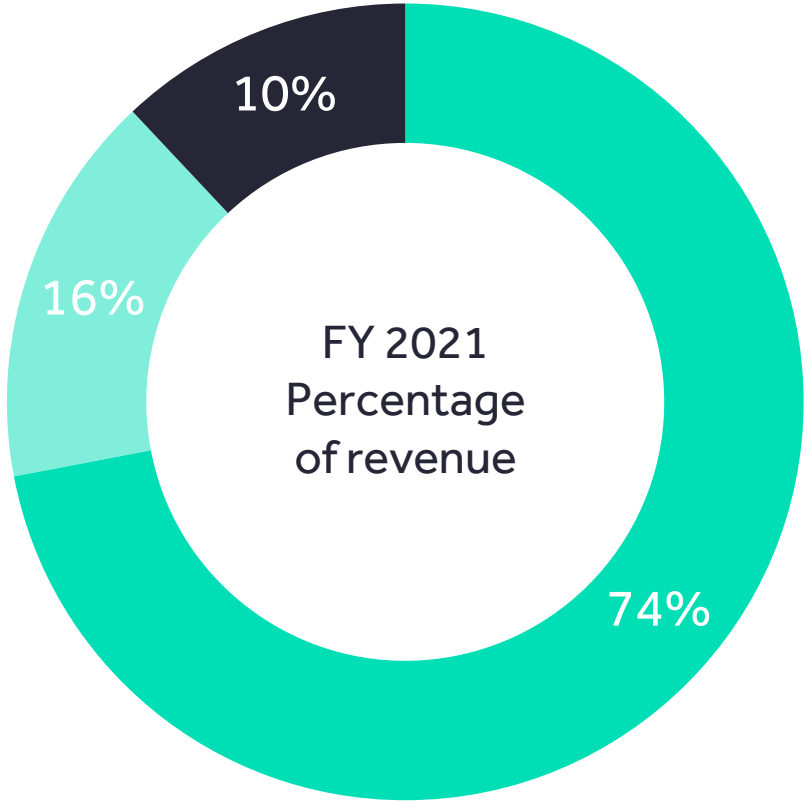
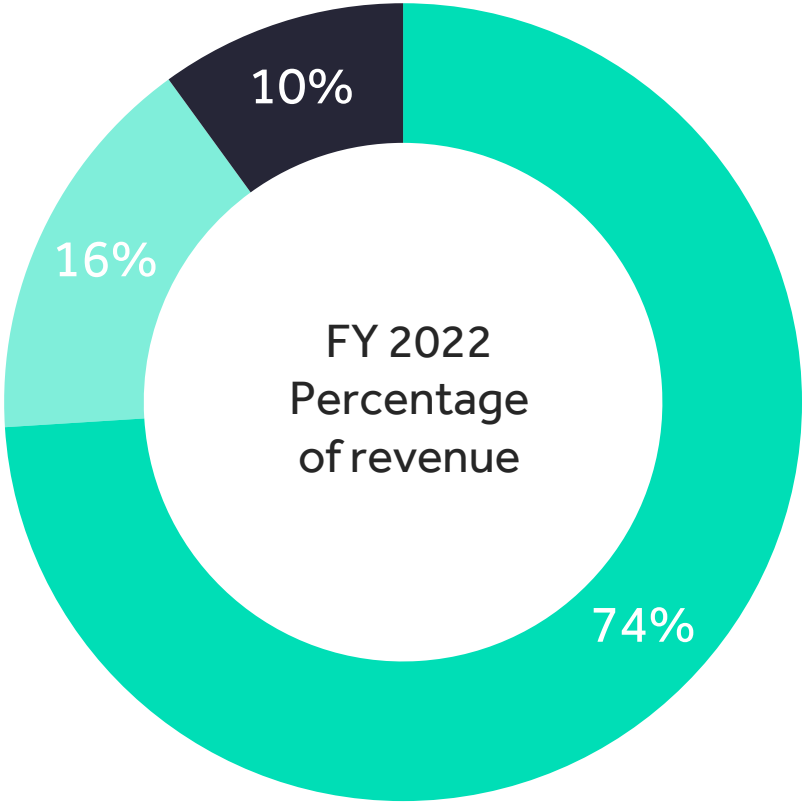
Key performance indicators

| | FY 2018 | FY 2019 | FY 2020 | FY 2021 | FY 2022 |
|--|---------------|---------------|---------------|---------------|---------------|
| Period end membership | | | | | |
| - Agency branches | 17,328 | 16,347 | 15,922 | 16,110 | 15,932 |
| - New Home developments | 3,126 | 3,462 | 3,275 | 2,859 | 3,082 |
| Total | 20,454 | 19,809 | 19,197 | 18,969 | 19,014 |
| Growth | - | -3% | -3% | -1% | 0% |
| Average monthly revenue per advertiser (£) | | | | | |
| - Agency | 953 | 1,035 | 730 | 1,155 | 1,278 |
| - New Home developments | 1,323 | 1,343 | 1,003 | 1,367 | 1,513 |
| Total¹ | 1,005 | 1,088 | 778 | 1,189 | 1,314 |
| Growth | +9% | +8% | -28% | +53% | +11% |
| Retention rate | | | | | |
| - Agency (% of agents at start still listing at end of period) | 88% | 85% | 87% | 91% | 90% |
| - New Home developments (monthly churn rate) | 4% | 4% | 5% | 7% | 6% |

Source Rightmove

1. ARPA is calculated as revenue from Agency and New Homes advertisers in a given month divided by the total number of advertisers during the month, measured as a monthly average across the year. To the extent RLTS revenue relates to a common Rightmove Agency customer it has been included in the calculation of both Agency ARPA and total ARPA.

Revenue by business segment



■ Agency ■ New Homes ■ Other

Agency product types

Closing Products

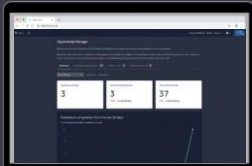
Featured Property



Premium Listing



Opportunity Manager



Top of Funnel

Local Homepage



Featured Agent



Sold By Me



Agent Microsite



Native Search Ad

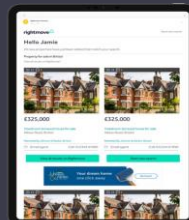


Digital Media Campaigns

E-Leaflets

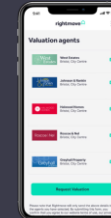


Property Alert Sponsor

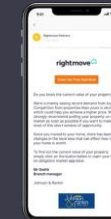


Vendor Lead Generation

Local Valuation Alert



Rightmove Discover



New Homes product types

Closing products

Premium New

Park Lane, Chelmsford, CM2
Semi-Detached | 3 | 2 | 2
Park Lane has everything you need for modern living. Discover there's a front aspect kitchen, spacious living room with French doors leading into the rear garden, a large storage cupboard under the stairs and a WC. The first floor features two generous bedrooms and an en...

Added by Halwood Homes
£450,000
01234 567890
Local call rate

JUST LAUNCHED

Spotlight

Park Lane, Chelmsford, CM2
Semi-Detached | 3 | 2 | 2
Park Lane has everything you need for modern living. Discover there's a front aspect kitchen, spacious living room with French doors leading into the rear garden, a large storage cupboard under the stairs and a WC. The first floor features two generous bedrooms and an en...

Added by Halwood Homes
£450,000
01234 567890
Local call rate

PREMIUM LISTING

Featured New Home

Park Lane, Chelmsford, CM2
Semi-Detached | 3 | 2 | 2
Park Lane has everything you need for modern living. Discover there's a front aspect kitchen, spacious living room with French doors leading into the rear garden, a large storage cupboard under the stairs and a...

Added by Halwood Homes
£450,000
01234 567890
Local call rate

Advanced Development listing

Newton Park, Chelmsford, CM2
Semi-Detached | 3 | 2 | 1
Park Lane has everything you need for modern living. Discover there's a front aspect kitchen, spacious living room with French doors leading into the rear garden, a large storage cupboard under the stairs and a...

Added by Halwood Homes
£600,000
01234 567890
Local call rate

PART EXCHANGE

More properties available at this development

| | | | |
|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| £524,950 Semi-Detached 3 2 | £564,950 Semi-Detached 3 4 | £564,950 Semi-Detached 3 4 | £564,950 Semi-Detached 3 4 |
|------------------------------------|------------------------------------|------------------------------------|------------------------------------|

Top of Funnel

Property Carousel

BUILT FOR RENTERS SPONSORED
Make renting fun again – enjoy the on-site gym, bar and more, all for one monthly price

Semi-detached home
£450,000

Semi-detached home
£450,000

Halwood Homes

Developer Carousel

BUILT FOR RENTERS SPONSORED
Be the first to experience Park Lane a brand-new community for in Chelmsford

Halwood Homes

Local Homepage

Audience Extension

Featured Developer

Microsite

Featured Developer

Digital Media Campaigns

Targeted Campaigns

National and Regional

Follow-up