

27 November 2023

## RIGHTMOVE PLC TRADING UPDATE AND INVESTOR DAY

### *Robust trading continues*

### *A clear investment plan to accelerate revenue and profit growth*

Rightmove plc, the UK's largest property portal, issues the following update on trading and on the outlook for the full year, ahead of an investor event to be held later this afternoon.

#### **Continued strong performance**

Since we reported our interim results in July, overall revenue growth has continued to track marginally ahead of consensus expectations, despite uncertainty in the housing market. The increase is driven primarily by higher-than-expected ARPA (average revenue per advertiser). Our performance underscores the strength and resilience of the business, with both estate agent subscriptions and new homes development listings stable. Our share of consumer time in the second half to date remains unchanged - at c85% - demonstrating the strength of our brand, our position with consumers and the established network effect of our business model.

#### **ARPA set to exceed previous guidance**

The strength of demand for our products since we last reported means that we now expect ARPA growth for the full year to be £112-116, exceeding our previous guidance of £103-£105. The majority of the growth has been driven by new homes developers, who have extended their usage of our Native Search Adverts and Advanced Development Listing products to sell their developments. Estate agents have continued to build their pipelines using a mix of branding, lead-generation and property products.

#### **Other business units performing as expected**

Our Commercial Real Estate business unit remains on track to deliver its expected full year revenues, continuing to grow as planned. We have also continued to make good strategic progress with our Mortgages business, and just last week, we took an important strategic step by launching our first broker product, to enable consumers applying for a mortgage to access brokered advice through our site.

#### **Confidence in full year outlook**

The overall full year outlook for 2023 remains at least in line with our previous guidance. In terms of performance, we expect:

- ARPA growth of £112-£116
- Revenue growth of 8% -10%
- Underlying Operating Profit growth of 7-8%
- Underlying margin of c73%

#### **Investor Day**

As previously announced, we are hosting an Investor Day at the London Stock Exchange today, where we will set out our plans to accelerate revenue and profit growth in the medium and longer term, both in the core business and in our identified strategic growth areas of Commercial Real Estate, Rentals and Mortgages. We will set out the detail of our plans to deliver the following by 2028:

| <b>Metric</b>                  | <b>2028 target</b> |
|--------------------------------|--------------------|
| Revenue                        | >£600m             |
| Commercial Real Estate revenue | >£35m              |
| Mortgages revenues             | >£25m              |
| Underlying Operating Profit    | >£420m             |

The event will commence at 1:30pm at the London Stock Exchange for pre-registered sell-side analysts and investors and will be available to view via our webcast here: [Rightmove Investor Day 2023 \(media-server.com\)](https://plc.rightmove.co.uk/investors) Our investor website <https://plc.rightmove.co.uk/investors> will display both the webcast and supporting materials post the event.

**Johan Svanstrom, CEO, said:**

*“The momentum that we reported in July has continued through the third quarter and beyond. The strength of our performance against an uncertain market backdrop demonstrates the strength of the UK consumer affinity to our platform, the value of the established network effect of our business model, the depth and richness of our consumer data, and the value that our customers place in our products to build their businesses. It also illustrates the resilience of our business model in all phases of the property market cycle. We continue to look to the future with confidence and remain focused on the delivery of our strategic plans, both in our core business and in strategic growth areas. We look forward to providing more detail at this afternoon’s investor day about our plans to capitalise on the significant growth opportunities ahead.”*

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**About Rightmove:**

Rightmove is the UK’s largest property portal, advertising around 90% of all homes for sale via estate agents across the UK, representing circa 95% of the market. Its purpose is to make home moving easier in the UK by creating a simpler and more efficient property marketplace.

People can search Rightmove for residential resale, new homes, rentals, commercial property and overseas properties and can use tools and information on the site - including getting a mortgage in principle, accessing a broker for mortgage advice, checking local sold prices, property valuations, market trends, maps and schools.

Customers include the following key groups: estate agents, lettings agents, new homes developers, commercial property operators, mortgage brokers and overseas property agents.

Founded in 2000, Rightmove listed on the London Stock Exchange in 2006 and is a member of the FTSE 100 index, having produced substantial growth and consistent returns for its shareholders since IPO.

The first Rightmove House Price Index was published in 2002 and is the largest monthly sample of residential property asking prices and housing market activity in the UK.

For more information, please visit <https://plc.rightmove.co.uk/investors>