

Full Year Results

for the year ended
31st December 2023

rightmove 



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FY 2023 Highlights



Key Performance Indicators – FY 2023

Revenue

+10%

Revenue up to £364.3m
(2022: £332.6m)

ARPA¹

£1,431

Up £117 (+9%)
(2022: £1,314)

Membership¹

18,785

(31 December 2022: 19,014)

Underlying Profit²

+8%

Underlying Operating profit
£264.6m (2022: £245.4m)

Underlying EPS³

+6%

Underlying EPS 25.2p
(2022: 23.8p)

Dividend

9.3p

Dividend per ordinary share
(2022: 8.5p)

Cash returned⁴

£201.7m

(2022: £197.7m)

Site traffic⁵

15.4bn

Time in minutes spent on site;
(2022: 16.3bn; 2019: 12.1bn)

Sources: 1 For Agency and New Homes customers 2 Underlying operating profit is operating profit before share based payments, charges and related national insurance 3 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. 4 Cash returned to shareholders include dividend paid and shares bought back during the year 5 Source: Google Analytics



Strong 2023 operational progress

5 Pillars

Example deliverables

| | | | |
|---|---|---|---|
| Consumer Be the place to find your home online | Launch of Track-a-Property (instant, online valuation) | Doubled the number of serious home hunters signing in | >2m Enhanced profiles |
| Core Customer Advertising and Leads | Optimiser Edge >600 branches live | Advanced package at 53% of all developments | 5% increase Vendor Leads sent by RM products |
| Strategic Growth Areas Leveraging core platform | Launch of Agent Broker Proposition | Launch of Lead to Keys | Commercial customers increased 12% |
| Platform Scaled and secure | Commenced a Unified Data Platform | >50% Cloud migration | Uptime of 99.9% |
| People Cultural and operational excellence | Enhanced pension and annual leave | Recruited c90 new people | 88% "Great Place to Work" |



Launch of two Big Beliefs: AI and GoGreener

AI

+100 use cases outlined

Ongoing implementation &
experimentation across 3 pillars:

Consumers

Customers

Internal Operations

GoGreener

Leveraging the largest data-set of
UK property market across 4 pillars,
integrating with company targets:

Greener Homes

Greener Buildings

Greener Data

Greener Rightmove



Financials

Alison Dolan, CFO



Strong revenue growth, fuelled by record New Homes growth

| Revenue £m | 2023 | 2022 | YoY growth | % of total 2023 revenue |
|---|--------------|--------------|------------|-------------------------|
| Estate Agency | 220.4 | 208.1 | 6% | 61% |
| Lettings (including RS) ¹ | 41.6 | 39.2 | 6% | 11% |
| New Homes | 66.4 | 52.6 | 26% | 18% |
| Core | 328.4 | 299.9 | 10% | 90% |
| Commercial | 12.2 | 10.6 | 15% | 3% |
| Mortgages | 2.1 | 0.9 | 133% | 1% |
| Rental Services (RS) ² | 4.0 | 3.1 | 29% | 1% |
| Strategic Growth Areas⁴ | 14.3 | 11.5 | 24% | 4% |
| Other revenue³ | 21.6 | 21.2 | 2% | 6% |
| Total Revenue | 364.3 | 332.6 | 10% | 100% |

Strong and broad-based revenue growth

c.60% of ARPA growth driven by customers using more products and upgrading packages

Estate Agency, +6%

- Customer package upgrades
- Strong customer retention

New Homes, +26%

- Excellent ARPA growth of £312
- Significant increase in product usage

Strategic Growth Areas, +24%

- Good CRE growth driven by 12% increase in customers
- Very strong growth in Mortgage in Principle applications

Source: Rightmove. 1. Lettings includes lettings only memberships, Built For Renters, Student Lets, Lettings uplift from Dual membership & Rental Services. 2. Rental Services (RLTS) is included within Lettings revenue but shown here for transparency as part of our Strategic Growth Areas 3. Other revenue includes Third Party, Data Services and Overseas 4. Strategic Growth areas revenue excludes rental services



Product driven ARPA growth; Record increase in New Homes

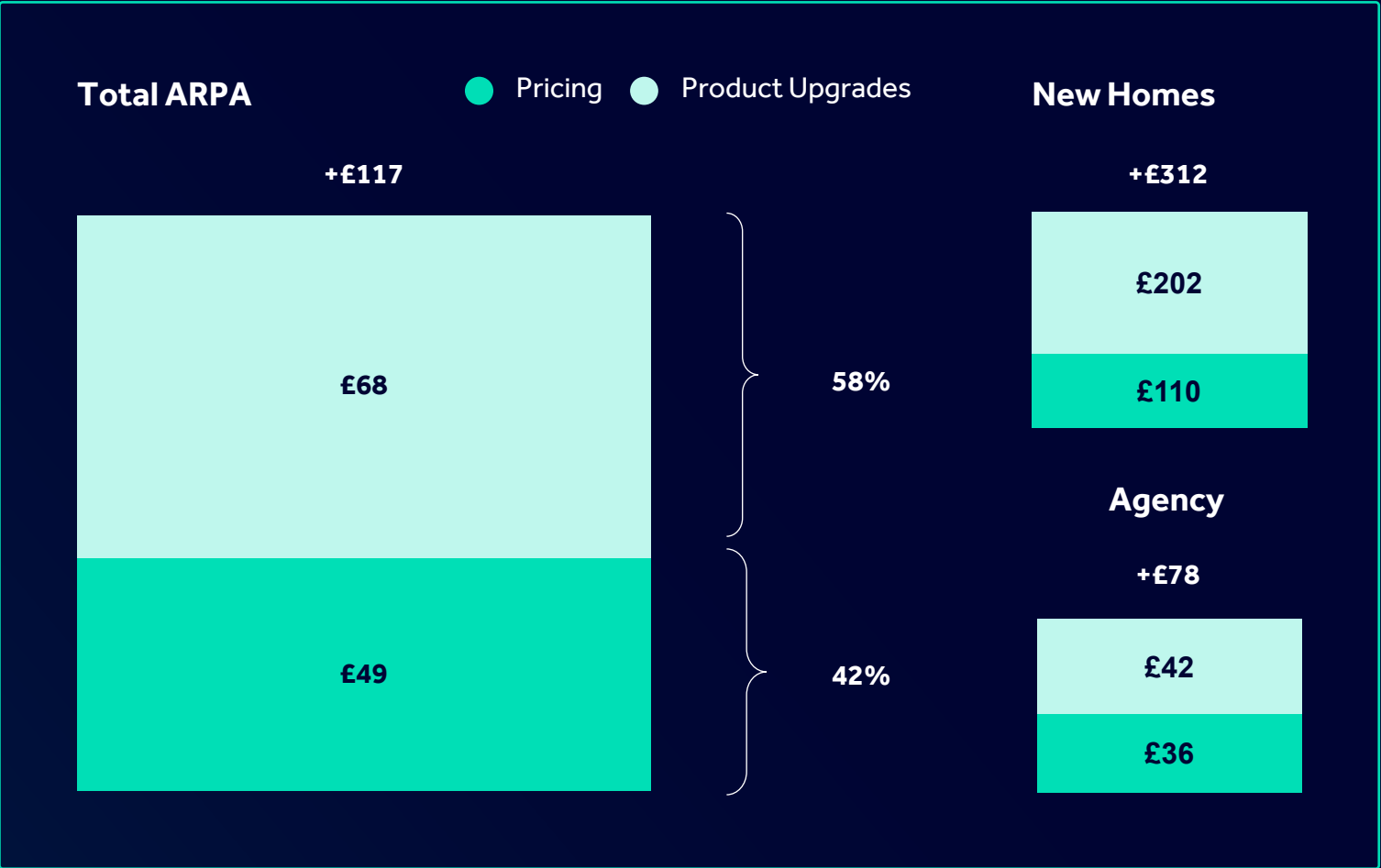
Blended ARPA growth of £117/9%

Product remains the primary growth driver (58%)

Record New Homes growth of £312/ 21% to £1,825

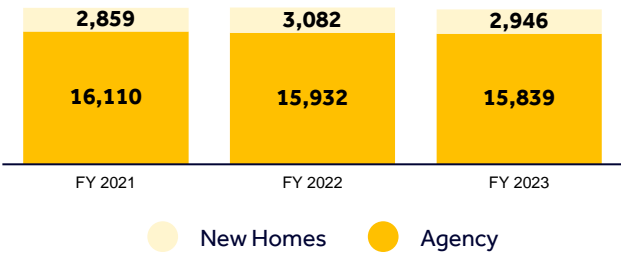
New Homes continues to see high package upgrades and strong product adoption

Agency growth of £78/6% to £1,356



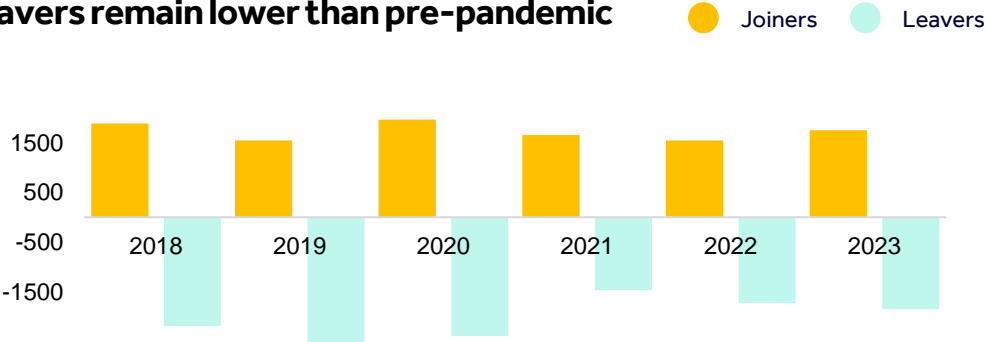
Customer Numbers stable

Agency and New Homes

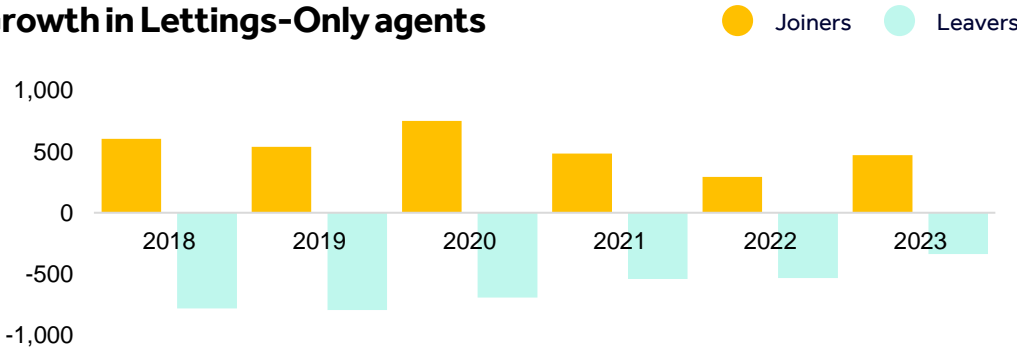


- Continued strong Agency retention, 89%, as agents continue to see Rightmove as crucial to their marketing needs
- Developments down 136 / 4% YoY, driven by new developments coming to market slower
- Rightmove remains the only place to find virtually the whole of the UK property market in one place

Leavers remain lower than pre-pandemic



Growth in Lettings-Only agents



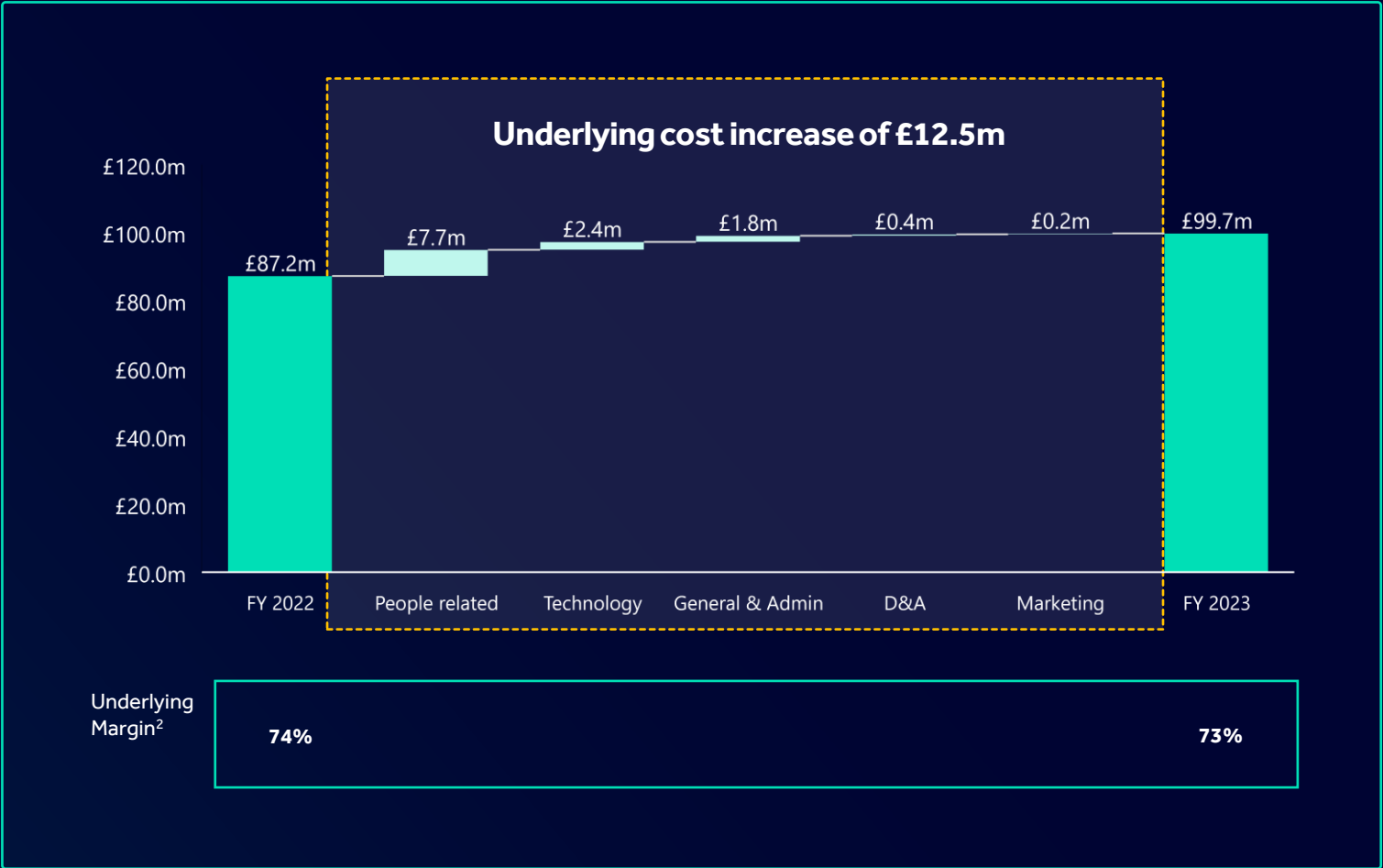
Underlying Operating Costs¹

Operating costs increased £12.5m (14%)

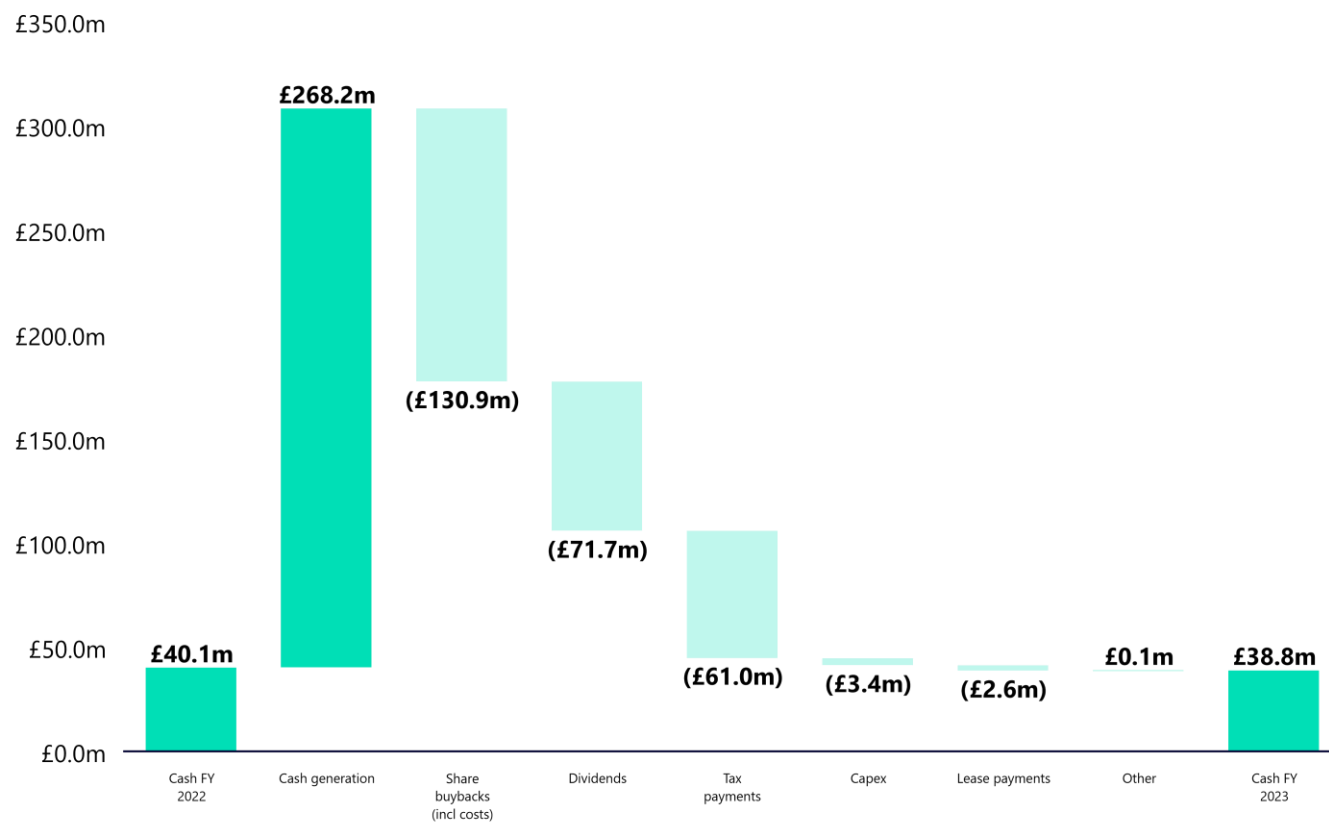
Successful recruitment of 87 (12%) new heads, of which 52 are technology roles

Technology costs increased due to Cloud migration, AI & data consultancy fees and increased licence costs due to headcount

Underlying operating margin 73%



Cash bridge¹



Cash generated from operating activities of £268m (2022: £244m)

Operating cash conversion² of 104% (2022:101%)

Effective tax rate of 23.3% (2022 18.9%) vs 23.5% enacted rate



Capital allocation and financial guidance for 2024

Capital allocation

- **Organic investment prioritised**
 - Includes bolt-on M&A e.g. Homeviews acquisition an example of buy vs build
- **Progressive dividend policy to continue**
- **All surplus cash to be returned**

Financial Guidance

- **Revenue growth of 7% to 9%**
- **ARPA growth 2024 between £100 and £110**
- **Slight drop in customer numbers**
- **Underlying operating margin of 70%**



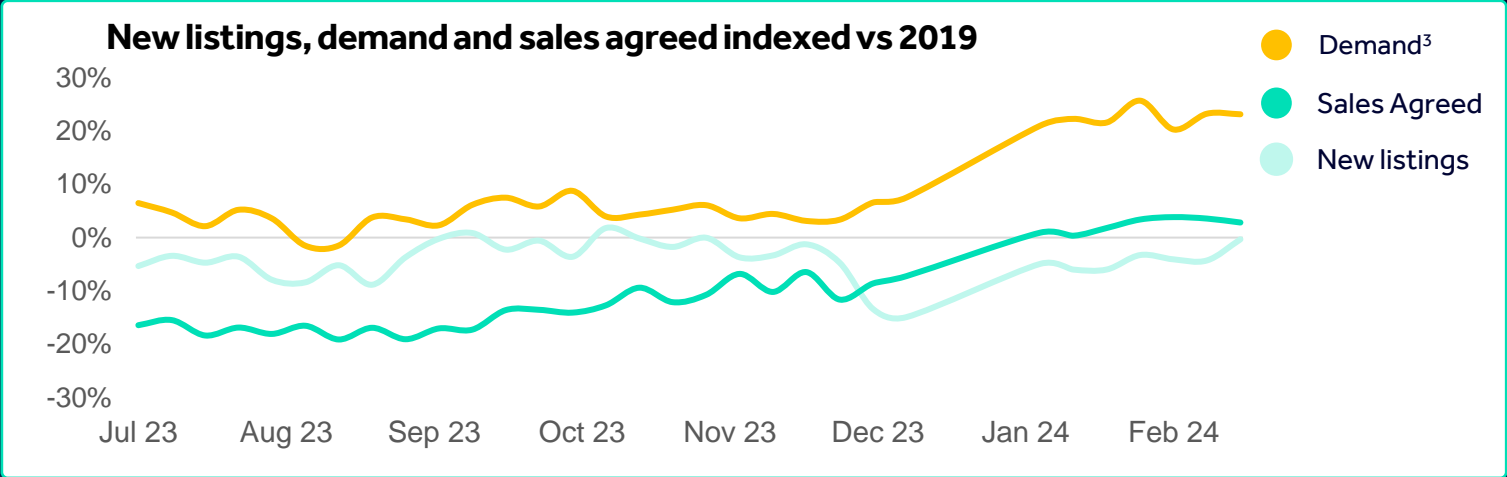
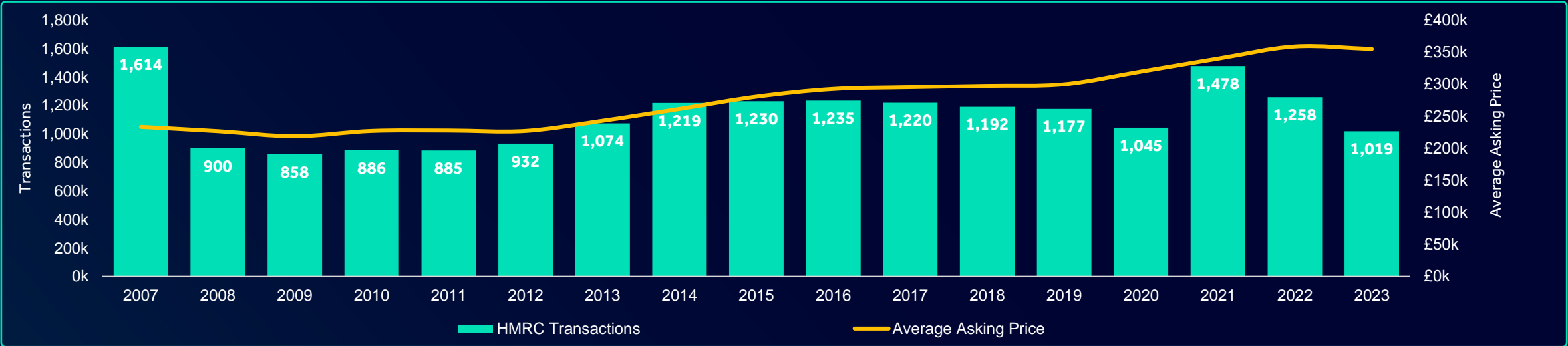
Property Market Update

Johan Svanstrom, CEO



2023 Sales market saw headwinds vs previous 2 years

Housing Transactions¹ and HPI² 2007-2023 (UK)

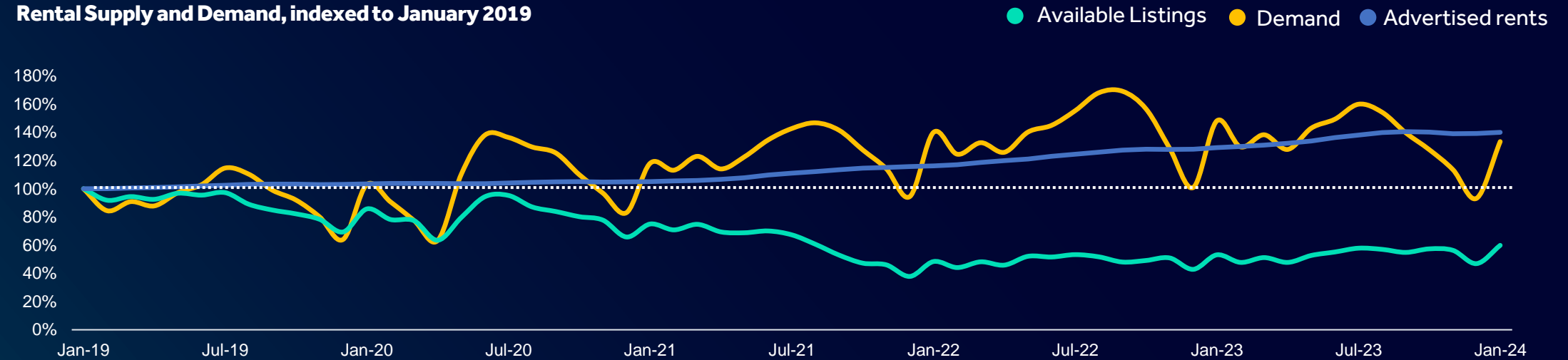


- Transactions reduced to 1m, down 19% from 2022
- House Price index⁴ down 1% vs 2022
- Confidence increasingly returning to market. Deals now 3% above 2019 and 16% above 2023
- Total available listings⁵ up 18% YoY
- Leads up 74% Dec-23 to Jan-24; seeing the usual seasonal uplift



Rental market remains challenging for tenants and landlords

Rental Supply and Demand, indexed to January 2019



- **Lack of supply** continues, down 40% since 2019, with landlords facing continued legislative and financing challenges. But improving, up 10% YoY
- Increase in **large and professional landlord companies** who are better positioned to handle the various challenges
- Agent **revenue growth** due to rent level increases of +9% YoY

- Rental **demand continues** to be well above historic levels, up +34% compared to 2019 levels
- Almost **three times the number of leads** per property in 2023 (19) vs 2019 (6)
- **Demand has been steadily easing** through 2023 and was down 10% vs January 2023



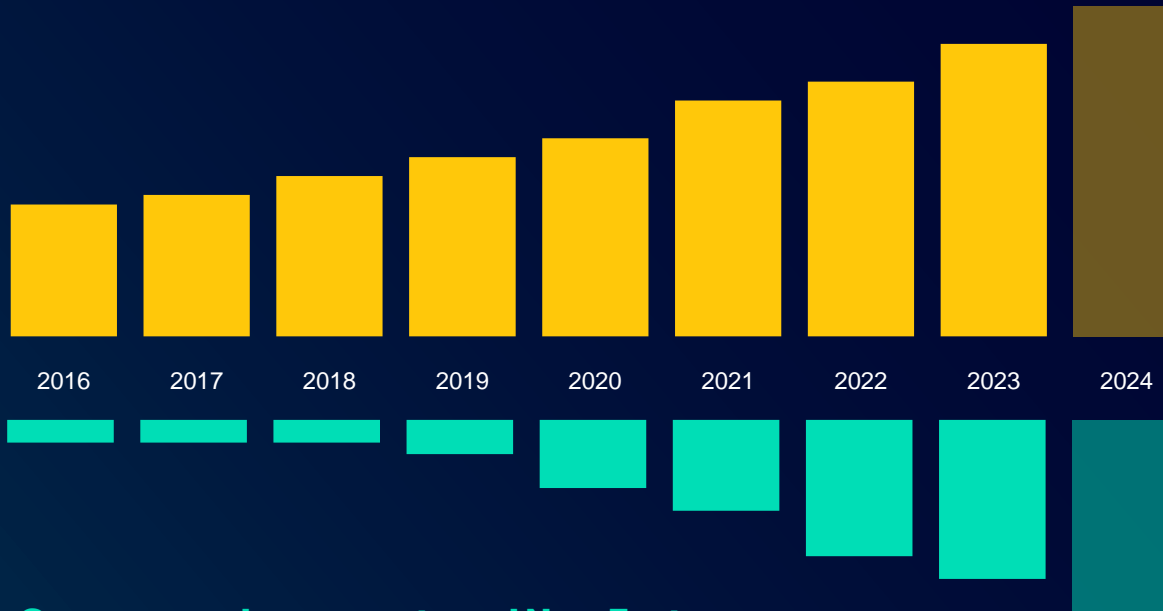
Business & Strategic update

Johan Svanstrom, CEO



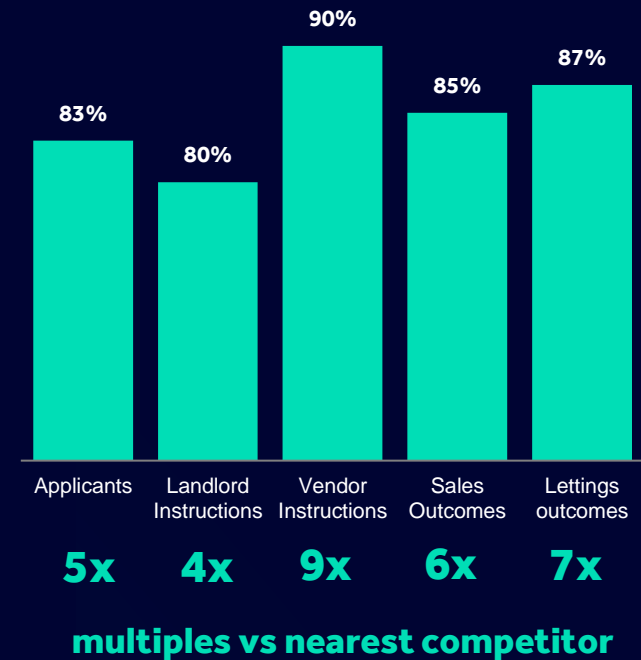
Accelerating the pace of innovation and delivering exceptional value

Total Customer Chargeable products



Consumer enhancements and New Features

Rightmove lead conversion¹:

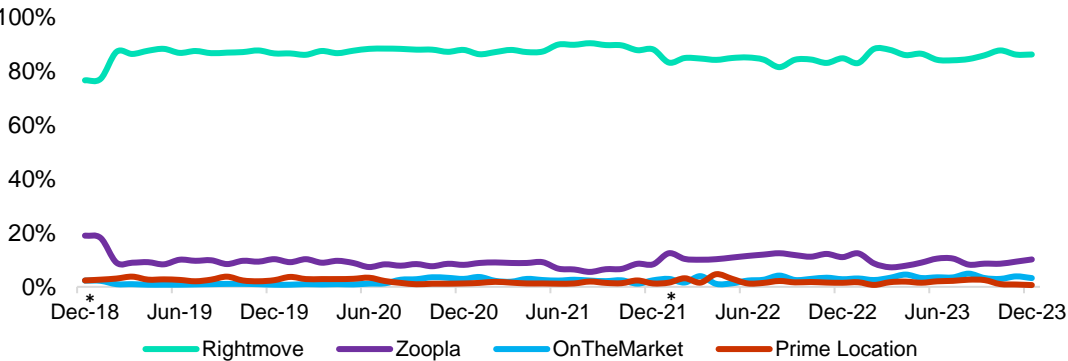


Core platform deliveries reinforce strong network effects



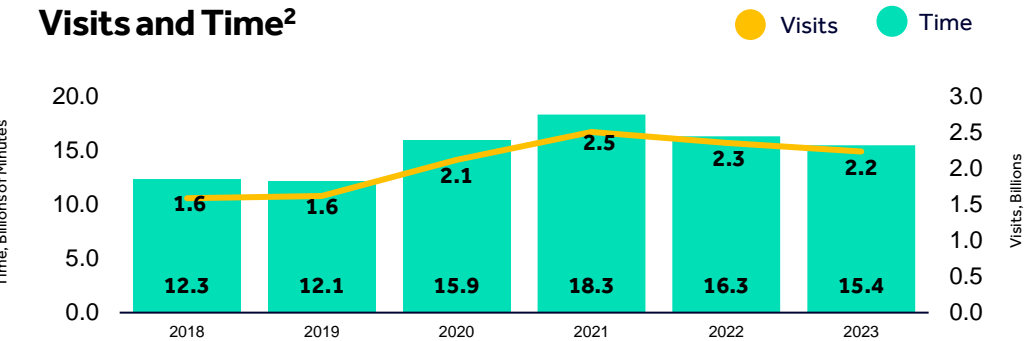
We are where consumers turn to first and engage with most

Market Share of top 4 property portals¹

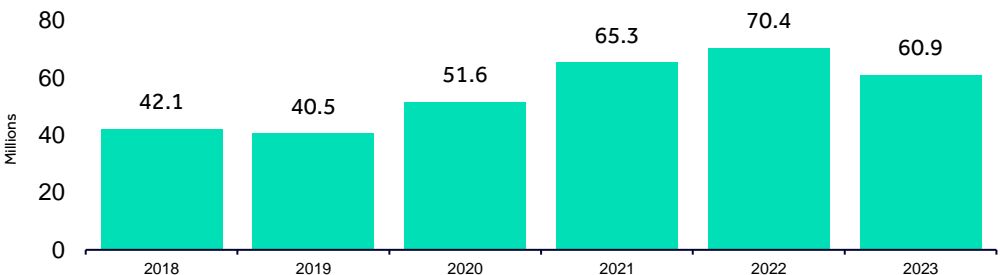


- Strong market share at 86%, up from 85% in Dec-2022¹
- Over 85% of traffic comes directly from consumers who are actively seeking the Rightmove brand
- +40% of leads now sent from Rightmove App
- Time on-site and visits down 5% YoY, yet both grew strongly from pre-pandemic levels by +27% and +38% respectively
- Leads +50% up from pre-pandemic levels

Visits and Time²



Leads²



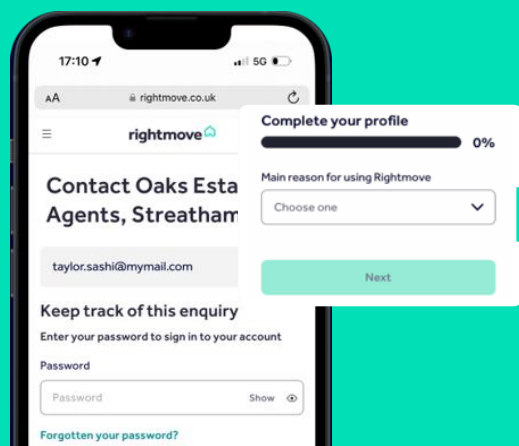
¹ * Comscore methodology change **Source:** 1 Time in minutes spent on Rightmove platforms, relative to our nearest competitors. Comscore MMX® Desktop only + Comscore Mobile Metrix® Mobile Web & App, Total Audience, Custom-defined list of Rightmove Sites, ZOOPLA.CO.UK, PRIMELOCATION.COM, ONTHEMARKET.COM Dec 2018 - Dec 2023, United Kingdom 2 . Google Analytics & Rightmove



Getting closer to consumers across more of their home moving journey

Knowing more about our consumers

+2M enhanced profiles

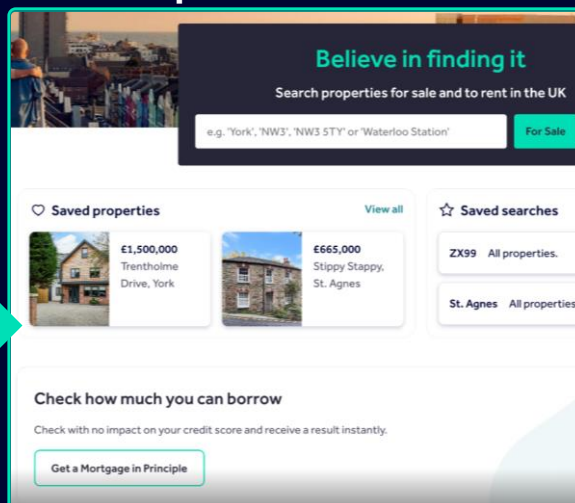


Driving sign-in, capturing enhanced profiles

Benefits

- Increased Data Signal Universe to power RM data platform
- Foundation for personalized Consumer experience
- Foundation for enriched data to Customers

Increasing relevance and personalisation



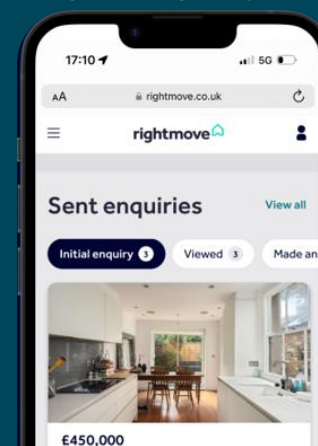
Personalised Homepage and My Rightmove

Benefits

- Increased conversion rates for strategic growth opportunities e.g. Afford / mortgages
- Personalised content to connect the Consumer to their most used features and services, for example Track a property
- Furthering lead and enquiry quality for Customers

Going beyond find

82% of signed-in lead senders visiting Manage My Move



Manage My Move

Benefits

- Foundation to move into the Transaction
- Further data signals into Consumers' moving stage
- Enables consumers to digitally manage their first steps
- Can help Customers to receive better prepared Consumers and thus drive effectiveness

Consumer



Optimiser Edge starts strongly, helping our customers deliver outstanding, measurable results

Over 600 chargeable **Optimiser Edge** customers at an average uplift of just over £300

In Q4 **Optimiser Edge** generated > 60% more leads than the Enhanced package

Strong performance of the two exclusive products:

Native Search Adverts: Interactive ad on the search results page

- Dynamic retargeting allows c20% more impressions than Featured Agent
- c75% increase in click rate vs Featured Agent due to video functionality

Premium Price Guide: An online, interactive data-backed personalised report that supports Agents' valuations

- In 2023 moved from static to interactive
- 2024: increasing data sets e.g., EPC on comparables and Track-a-Property



Customer



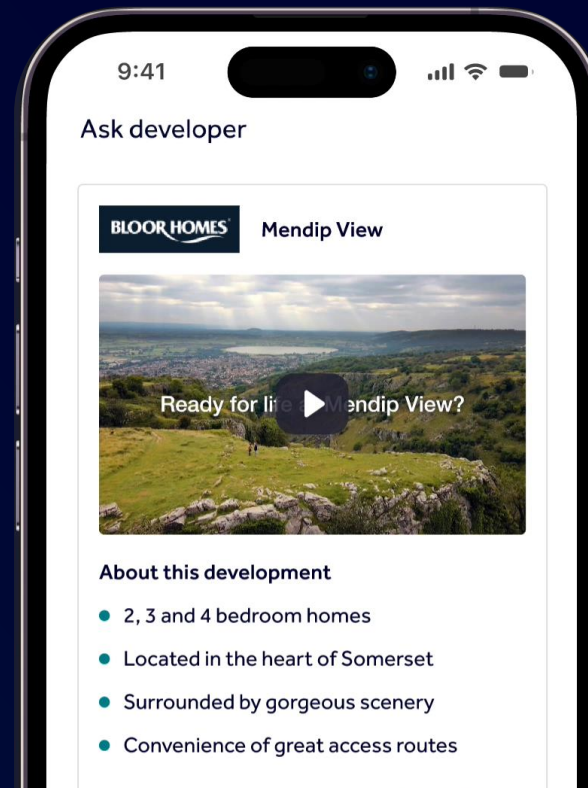
Tailored product enhancements to continue driving ARPA growth in New Homes

Strong adoption of New Homes Top package, Advanced. Developments on Advanced at 53% in December 2023 (42% in December 2022)

- Upgrades to continue, bolstered by enhancements:
 - **Native Search Advert upgraded** Q4 2023 for video content: enables customers to 'tell their story'
 - **Self serve** functionality add on RM+ so customers can have greater control over their functionality
- Enhancing **Spotlight** and **Listing** in Advanced package in Q2 to allow video functionality. Spotlight is where developer highlights key points re development
- Launch of **Listing Only proposition** for Housing Associations in January; just under 50 live already

 **homeviews** acquisition is a 'bolt-on' for our Built to Rent (BTR) business. BTR is a dedicated proposition in our lettings business

Video feature on Advanced listing & Spotlight



Customer



Extending beyond marketing products for all customers

Providing value outside of marketing

RM+ is an embedded efficiency tool for agents in their day-to-day operations

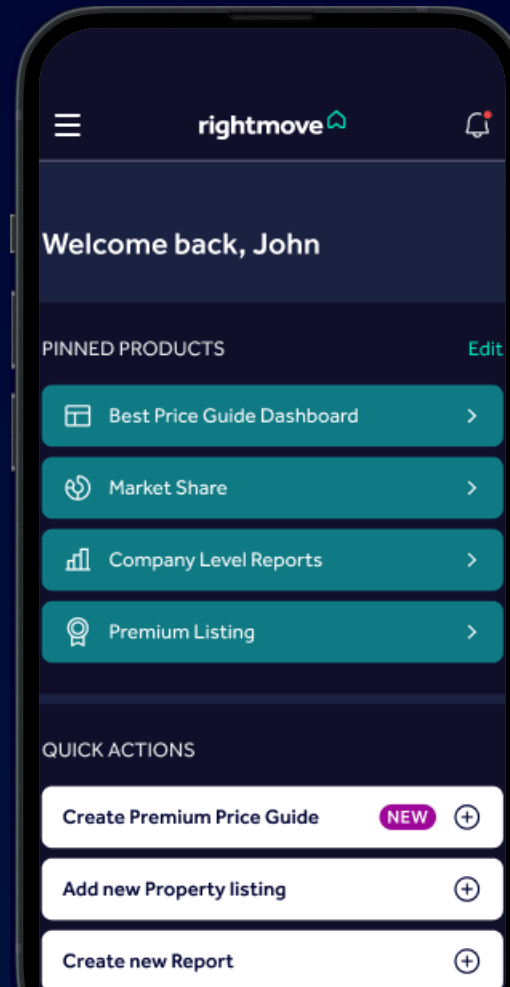
>90% of customers access RM+ every month

Examples of 2024 features:

- Access to largest market-data sets and revamped reporting suites
- Opportunity manager improvements
- Premium Price Guide improvements eg EPC on comparables

There is a multi-year runway of RM+ tooling value creation for Customers

Future RM+



Increasingly tailored for users

New consumer interaction points

Deeper insights and data

New premium variants being added

Increased self service

Customer

Marketing products that deliver outstanding, measurable results

Increasingly tailored products for specific customer segments

Supporting our customers beyond marketing



Investment in strategic growth areas underway, with key developments planned across 2024

Mortgages:

- Enhancements to MiP journey e.g. save & return functionality and lead nurturing
- Scale broker proposition in H2
- Remortgage proposition built by end of 2024

Rental Services:

- Sales roll-out
- Enhancements to Enquiry Manager, Tenancy Manager and Homes Services
- Further penetration of OpenBanking reference tools

Commercial:

Our re-platforming has started, with aim to more deeply tailor the site to the commercial real estate sector

Broker proposition


Nationwide can't help but a mortgage broker can

Currently, your application does not meet Nationwide's criteria – this has no impact on your credit score. You might still get a Mortgage in Principle with another lender.

A mortgage broker can help you find a suitable lender

- ✓ Access to 90+ lenders
- ✓ Get personalised advice
- ✓ Know what to do next

Free initial consultation

In partnership with  finamply

- Check your credit report
- Boost your chances

Find out about [how Nationwide uses your information](#) and [your information rights](#).

We've sent a copy of your application result to xyz.abc@gmail.com.

Enquiry Manager

 Norman Ingram

normaningram@gmail.com

01234567910

Basement flat, 44 Grove Road, London, E3 5AX

Generate offer

Respond to lead

STATUS

Uncontacted

| | |
|----------------|--|
| MOVING DATE | Within 2 months |
| TENANCY LENGTH | 12 months |
| MOVING WITH | Family |
| PETS | Yes |
| SMOKERS | No |
| FIRST TIME | No |
| EMPLOYEMENT | Part time employed |
| AFFORDABILITY | Indicates household income does not exceed £12,990 |
| ADVERSE CREDIT | No |

SOFT CREDIT CHECK

Assess this applicant's referencing risk with a free soft credit check, including CCJs, Bankruptcies, IVAs, and DROs.

Run credit check



Strategic Outlook – in brief

- **With expected reduction of interest rates in '24 and into '25, and property-price stability due to undersupply, the outlook for transaction levels is positive**
- **Our market data and platform network effects are unrivalled. We will continue to lead product innovation and digitisation of the property market eco-system**
- **We invest in our UK focused, high-quality team of 800 people and platform to deliver even more value to consumers and customers ; increasing revenues and profit growth in the medium term**
- **We take an active role in supporting the industry's green transition**
- **The Board has confidence in Rightmove's performance in 2024 and beyond**



Appendix



Income Statement

| | 31 December 2023 (£'m) | 31 December 2022 (£'m) |
|---|---------------------------|---------------------------|
| Revenue | 364.3 | 332.6 |
| Operating costs (exc. share-based incentives charges) | (99.7) | (87.2) |
| Underlying Operating Profit | 264.6 | 245.4 |
| Underlying margin | 73% | 74% |
| Share-based payments charge | (6.5) | (4.1) |
| Operating profit | 258.0 | 241.3 |
| Margin | 71% | 73% |
| Net financial income/(expense) | 1.7 | (0.1) |
| Profit before tax | 259.8 | 241.2 |
| Income tax expense | (60.6) | (45.5) |
| Profit for the period | 199.2 | 195.7 |
| Basic Underlying EPS (in pence) | 25.2 | 23.8 |
| Basic EPS (in pence) | 24.5 | 23.4 |
| Effective tax rate | 23.3% | 18.9% |

Balance Sheet

| | As at 31 Dec 2023 £m | As at 31 Dec 2022 £m |
|---------------------------------|-------------------------|-------------------------|
| Property, plant and equipment | 9.4 | 10.4 |
| Intangible assets | 21.8 | 22.1 |
| Deferred tax assets | 2.4 | 1.5 |
| Total non-current assets | 33.6 | 34.0 |
| Trade and other receivables | 31.5 | 26.6 |
| Contract assets | 0.8 | 0.5 |
| Income tax receivable | 0.2 | 0.6 |
| Cash and money market deposits | 38.8 | 40.1 |
| Total current assets | 71.3 | 67.8 |
| Trade and other payables | (24.7) | (20.9) |
| Contract liabilities | (2.5) | (2.3) |
| Lease liabilities | (7.5) | (9.6) |
| Provisions | (0.8) | (0.8) |
| Total liabilities | (35.5) | (33.6) |
| Net assets | 69.4 | 68.2 |

Capital Structure

| Share Capital | FY 2023 m | FY 2022 m |
|--|--------------|--------------|
| In issue at 1 January | 837.4 | 859.7 |
| Purchase and cancellation of own shares | (24.0) | (22.3) |
| Total issued share capital | 813.4 | 837.4 |
| Shares held in Treasury | (11.7) | (12.2) |
| Voting rights share capital | 801.7 | 825.2 |
| Own shares held by the EBT/SIP | (2.2) | (2.3) |
| Issued ordinary shares less shares held by Treasury/SIP/EBT | 799.5 | 822.9 |
| Weighted average number of shares | FY 2023 m | FY 2022 m |
| Number of shares brought forward | 835.1 | 857.7 |
| Less own shares held by Treasury | (12.2) | (12.5) |
| Effect of share buybacks | (10.0) | (10.0) |
| Effect of shares purchased | - | (0.1) |
| Effect of share-based incentives exercised | 0.4 | 0.1 |
| Number of shares used in basic EPS calculation | 813.3 | 835.3 |
| Dilutive impact of share-based incentives outstanding | 2.0 | 2.2 |
| Number of shares used in diluted EPS calculation | 815.3 | 837.5 |

Key performance indicators

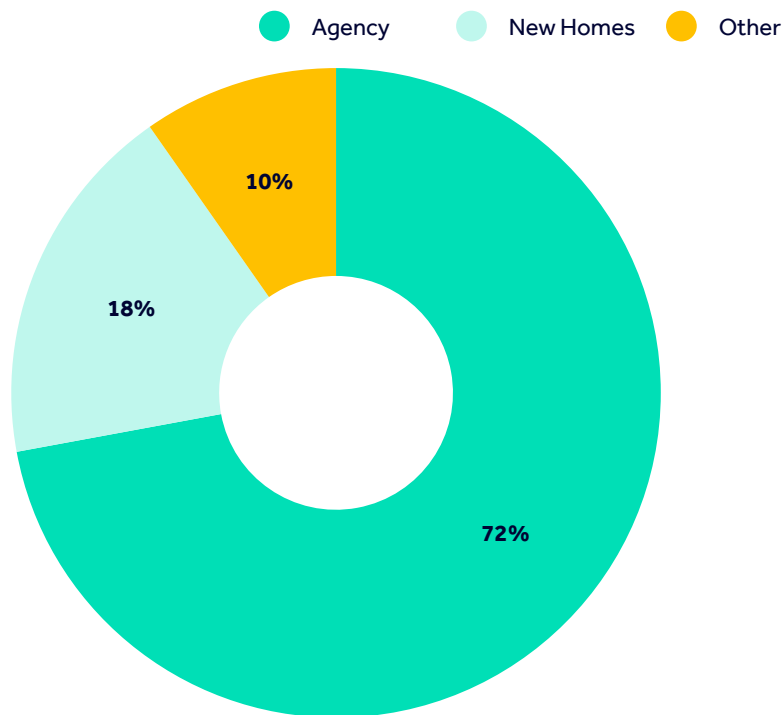
| Period end membership | FY 2023 | FY 2022 | FY 2021 |
|-----------------------|---------------|---------------|---------------|
| Agency branches | 15,839 | 15,932 | 16,110 |
| New Home developments | 2,946 | 3,082 | 2,859 |
| Total | 18,785 | 19,014 | 18,969 |
| Growth | (1%) | 0% | (1%) |
| Commercial customers | 933 | 830 | 884 |

| ARPA (£) | FY 2023 | FY 2022 | FY 2021 |
|------------------------|--------------|--------------|--------------|
| Agency | 1,356 | 1,278 | 1,155 |
| New Homes | 1,825 | 1,513 | 1,367 |
| Total Core ARPA | 1,431 | 1,314 | 1,189 |
| Growth | 9% | 11% | 53% |
| Commercial | 1,114 | 1,067 | 817 |

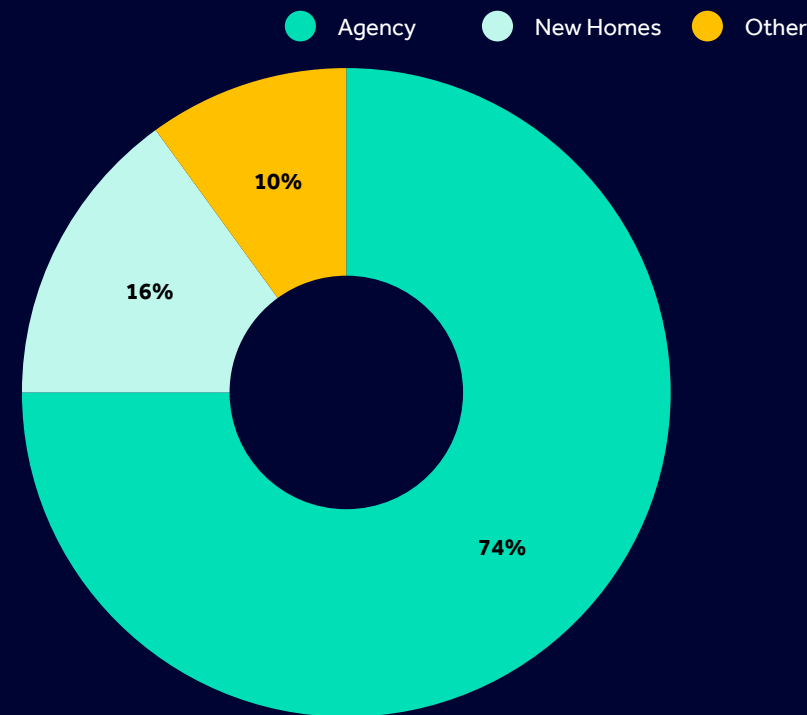
| Churn rate | FY 2023 | FY 2022 | FY 2021 |
|--|---------|---------|---------|
| Agency (% of agents at start still listing at end of period) | 89% | 90% | 91% |
| New Home developments (monthly churn rate) | 4% | 6% | 7% |
| Commercial (monthly churn rate) | 4% | 4% | 4% |

Revenue by business segment

FY 2023 Percentage of revenue



FY 2022 Percentage of revenue

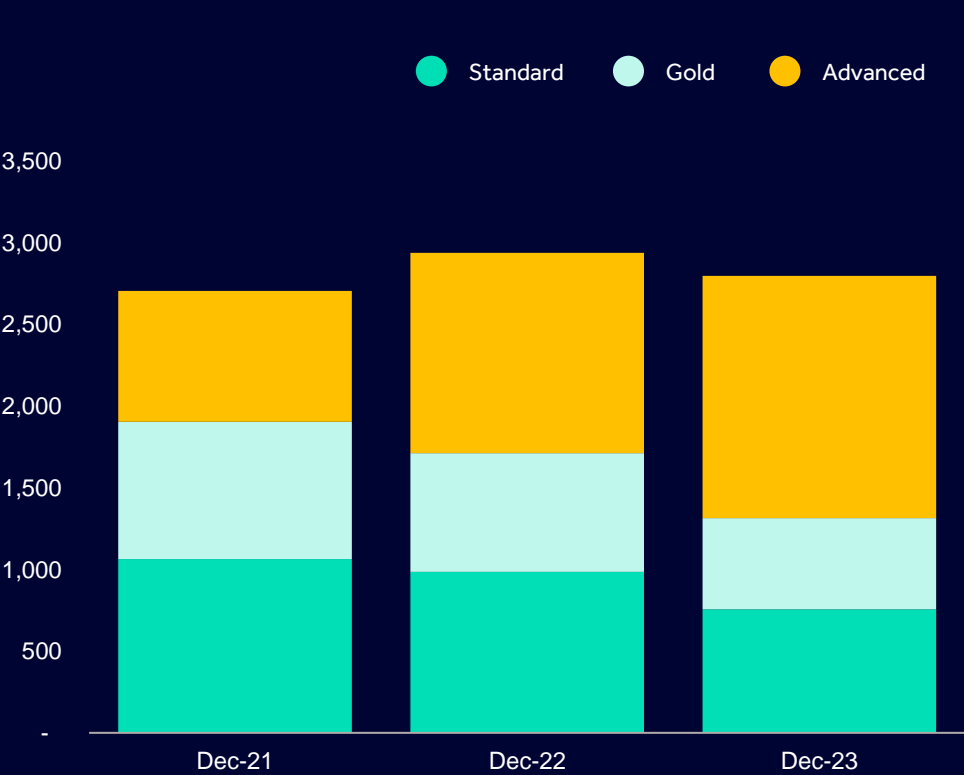


Package breakdown – FY 2023

Agency Packages



New Homes Packages



Agency product types

Closing Products

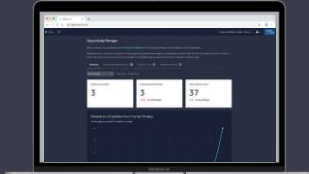
Featured Property



Premium Listing



Opportunity Manager



Branding products

Local Homepage



Sold By Me



Native Search Ad



Featured Agent



Agent Microsite

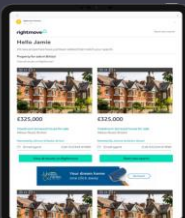


Digital Media Campaigns

E-Leaflets

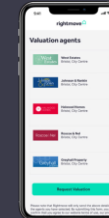


Property Alert Sponsor

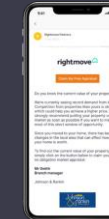


Vendor Lead Generation

Local Valuation Alert

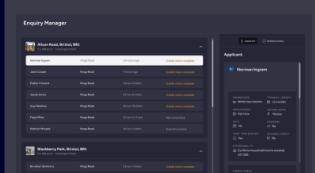


Rightmove Discover

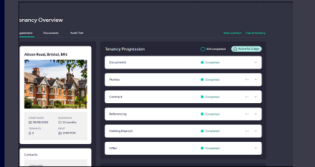


Leads to Keys

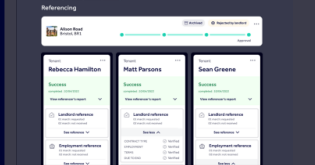
Enquiry Manager



Tenancy Manager



Referencing



New Homes product types

Closing products

Premium New



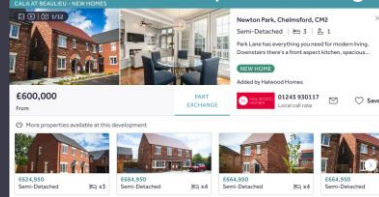
Spotlight



Featured New Home

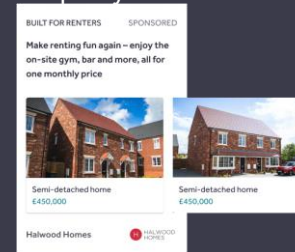


Advanced Development listing



Branding products

Property Carousel



Developer Carousel



Local Homepage



Audience Extension



Featured Developer



Microsite

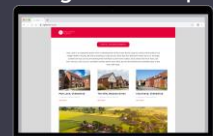


Featured Developer



Digital Media Campaigns

Targeted Campaigns



National and Regional



Follow-up

