

10 May 2024  
Rightmove plc

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### AGM Update

#### **Strong Start to 2024; Reiterating Full Year Revenue and Margin Guidance Updating ARPA Guidance to Reflect Increased Customer Numbers**

#### **AGM update**

In advance of its Annual General Meeting today, Rightmove plc, the UK's number one property portal, provides the following update on trading for the period from 1 January 2024. Unless otherwise stated, figures relate to the four-month period ending 30 April 2024.

Our expectations for revenue and profit for the full year are unchanged.

#### **Market update**

Our most recent monthly House Price Index<sup>1</sup> reported the average asking price for properties coming to market increasing by 1.1% month-on-month, with annual house price growth of 1.7%, the highest for 12 months.

Sales agreed between January and April 2024 are 17% higher than the same period last year, with both sellers and buyers now increasingly looking to transact, and we continue to anticipate total sales transactions of 1.1 million in 2024. Higher mortgage rates continue to stretch affordability for the average buyer, and the market is operating at different speeds across its many segments and areas. Completion times remain lengthy, with an average of five months between an offer being accepted and completion.

According to our latest Rental Tracker<sup>2</sup>, the rental market remains very busy, with an estimated 50,000 properties needed to return the supply of rental properties to pre-pandemic levels. With an 18% increase in listings availability in the first four months of 2024 compared to the same period in 2023, rental agents received an average of 14 leads per available property, and average rents were 7.6% higher than the same period in 2023.

#### **Trading update**

##### *Audience update*

Rightmove remains the place to which consumers turn first - they continue to choose Rightmove for over 80% of all consumer time spent on UK property portals<sup>3</sup>. Our consumers are also highly engaged – over 8 million users are opted into our marketing, we sent over 19 million leads to agent partners, and we delivered over 40% of email leads through our app in the period.

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<sup>1</sup> Published on 22 April, for the period 10 March to 13 April 2024.

<sup>2</sup> Published on 29 April, for the period 1 January to 31 March 2024.

<sup>3</sup> Source: Comscore Media Metrix Desktop, Mobile Web, Mobile App, March 2024, United Kingdom. Comscore revised Desktop data is based on preliminary April 2024 data analysis for the United Kingdom.

### *Customer update*

Within Estate Agency, net membership increased by c.250 since the 2023 year-end, due to strong agent retention and particular strength in the lettings market (c.170 net growth in lettings-only branch count and rental operators). Our digital end-to-end solution, Lead to Keys, attracted over 70 new partners to Rightmove and over 170 existing partners added the product to their subscription. Independent agent subscriptions to Optimiser Edge now exceed 700, ahead of our expectations when setting the plan for 2024. Our current expectation is that agent branches will increase by up to 2% during 2024 relative to 2023, ahead of our expectations earlier in the year.

The increase in membership numbers is positive for revenue and profit and provides increased consumer choice on the Rightmove site. Lettings-only agents typically have a lower ARPA, particularly those with relatively low stock.

New Homes has seen over 90 new developments added to our new, entry-level Access package, which is tailored specifically to housing associations. As with lettings-only agency branches, the additional developments are positive for revenue, profit and consumer choice; housing association ARPA is lower than for mainstream new homes developments. Based on the overall market context for developers, we expect the total number of developments for 2024 to remain relatively flat on 2023.

ARPA growth, excluding the recent change in customer mix, would be in line with our previous guidance of +£100-110. There has been no change to Rightmove's longstanding approach to contract renewals and pricing, and our usual discussions in the period have proceeded as expected.

### *Guidance update*

As a result of the combined impact of the above, we now expect a different mix of ARPA and customer numbers from that anticipated at the start of the year. We therefore update guidance for 2024 as follows:

- Full year revenue guidance unchanged, at +7-9% on 2023
- Full year underlying operating margin guidance unchanged, at 70%
- Customer numbers expected to grow by up to +2% on 2023, versus previous guidance of a slight decrease
- ARPA growth updated to +£75-£85 on 2023's £1,431, reflecting the change in customer mix, as outlined above

### *Other updates*

Alongside Lloyds Banking Group, Nationwide and NatWest, we were pleased to invest in Coadjute, a platform which aims to digitise the home-moving process and to make it more efficient for consumers, agents and the wider industry. We acquired HomeViews, the UK's biggest community of verified resident reviews of property developments, to enable our strategic opportunities within the Rental Operator sector.

Our Strategic Growth Areas of Mortgages, Commercial, and Rental Services are all performing in line with our expectations. Within Mortgages, we have had a positive start to the year, with strong consumer interest and machine learning-led optimisation improving the mortgage journey for consumers and improved outcomes for our partners. Our Commercial re-platforming continues at

pace, with a new landing page expected later this year. As set out above, Rental Services continues to see strong uptake from lettings agents, and our new Lettings customers will also build a pipeline for Rental Services going forward.

We remain focused on building success with our agent and developer partners, providing real-time, tailored, digital solutions based on the largest UK property datasets to help them to build their businesses; free resources, training and CELA qualification preparation for all members; and resolute focus on high-quality leads, which remain many multiples ahead of our competition.

***Johan Svanstrom, CEO, said:***

“Overall, we continue to expect a better year for the UK property market in 2024 than in 2023. Within that, we see different dynamics across the many segments that we serve, with particular strength in resales. We are pleased to see our existing and new partners recognising the value that we can deliver together. We have a growing, innovative portfolio of digital services, exemplified by strong take-up of Optimiser Edge and an increase in lettings branches and affordable new homes developments. We remain confident in achieving a year of good financial and strategic progress and are focused on driving further long-term platform growth.”

**Enquiries:**

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**About Rightmove**

- Rightmove has the UK’s largest selection of properties for sale and to rent, adds more listings than anyone else, and over 80% of all time spent on property portals is on Rightmove.
- Rightmove’s vision is to give everyone the belief that they can make their move by giving people the best place to turn and return to for access to tools and expertise to make it happen.
- People can search Rightmove for residential resale, new homes, rentals, commercial property and overseas properties and use tools and information including getting a Mortgage in Principle, checking local sold prices, property valuations, market trends, maps and schools.
- Customers include the following key groups: estate agents, lettings agents, new homes developers, rental operators, commercial property operators and overseas property agents.
- Using the UK’s largest housing datasets, we issue a number of regular reports to track housing market indicators: our monthly House Price Index (established 2002), our quarterly Rental Trends Tracker (established 2015), and a weekly Mortgage Rates Tracker (established 2023). Historical data is available on request.
- Founded in 2000, Rightmove listed on the London Stock Exchange in 2006 and is a member of the FTSE 100 index.