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Trading Update for the Year Ended 31 December 2024
Sustainable operating platform delivering in excess of 15% ROE

Dublin / London, 14 January 2025:Cairn Homes plc (“Cairn”, “the Company” or “the Group”) (Euronext Dublin: C5H / LSE: CRN) today issues a trading update for the year ended 31 December 2024 in advance of full year results to be announced on 27 February 2025.

Outperformed FY24 Guidance

The Company has again delivered an excellent financial and operational performance in 2024, achieving c.30% growth in housing output and beating our 2024 guidance of c.2,200 closed units¹, c.€145 million operating profit and 15% ROE².

Highlights	2024 ³	2023	Movement
Revenue (€m)	c.860.0	666.8	+c.29%
Closed units	2,243	1,741	+29%
Gross margin (%)	c.21.7%	22.1%	-c.40bps
Operating profit (€m)	c.150.0	113.4	+c.32%
ROE (%)	15.1%	11.3%	+380bps

Key Highlights

- Significantly invested in our construction activities with over 4,100 new homes commencements (2023: 2,162), including 10 new large-scale developments.
- Forward order book increased to 2,361 new homes (net sales value of c.€910 million) at year-end. This compares to a forward order book value of c.€900 million and 2,350 new homes at this time last year.
- Our average selling price (net of VAT) during the period was €383,000 (2023: €389,000) delivering a gross margin of c.21.7% (2023: 22.1%). This is reflective of a significant step-up in the delivery of competitively priced affordable homes for our State partners.
- Our efficient platform generated an improved operating margin of c.17.4% (2023: 17.0%) with operating costs below 4.5% of revenue (2023: 5.1%).
- Closed a number of forward fund transactions⁴ which will see us deliver c.2,150 social and affordable homes over a multi-year period including a transaction with the Land Development Agency, our first under the Project Tosaigh 2 platform.
- Continued to evolve our land acquisition strategy signing four new option deals, adding to our established strategic landbank. We have already closed and commenced construction on one of these sites which will deliver new homes in 2025.
- Returned over €115 million to shareholders through our share buyback programmes and our progressive dividend policy.
- Released our Climate Transition Plan⁵ and Passive House Position Paper, continuing our commitment to be a leader in sustainable construction. This is evidenced by having commenced more than 1,750 apartments to Passive House standard which will increase to 2,750-3,000 units by the end of 2025.

FY25 Outlook & Guidance

After an exceptional 2024 performance, the Company will continue to reinvest in our business and distribute surplus cash flow and capital to shareholders. Our consistent and proven track record of paying dividends in line with our progressive dividend policy to shareholders will continue.

2025 will be our tenth year in business, and is expected to be another strong year for Cairn, with revenue growth exceeding 10%. The Company will significantly expand our investment in our construction activities this year, as we look to leverage our operational competitive advantages into the medium term. This investment will see the Company meaningfully increase our sales to our core First Time Buyer market. Ten new private launches are planned in H1 2025, including our first two Croí Cónaithe approved apartment developments for owner occupiers. There remains a limited supply of competitively priced and well located new starter homes and the supportive economic backdrop continues to drive very positive momentum. The Company will provide more detailed FY25 guidance when we release full year 2024 results on 27 February 2025.

Commenting on the full year 2024 trading update, Michael Stanley, Chief Executive Officer, said:

“We grew our business by 30% in a very successful 2024. This represents the biggest annual step-up in operational and volume growth since the Company was established. Cairn’s scaled platform, strong balance sheet and our continual reinvestment will support further significant growth in housing output in 2025. Entering our tenth year in business, we are proud that nearly 30,000 residents now live in a Cairn built home.

With the imminent formation of a new Government, intense focus will quickly shift to housing policy. While this remains a complex and multi-faceted challenge, the new Government must continue to prioritise essential affordable housing delivery. The current suite of well-designed affordable housing initiatives include Croí Cónaithe, Local Authority Affordable Purchase and Cost Rental accommodation (CREL). These proven and effective measures are however currently sub-scale, in need of increased investment, broader awareness and support.

Ireland’s stuck middle is made up of hundreds of thousands of young working people, desperately trying to avail of the new homes which these affordable housing initiatives can deliver. In 2024, c.3,000 CREL homes were successfully delivered by Approved Housing Bodies and the Land Development Agency. On completion, these homes were offered on long-term secure tenancies, at discounted rents, to people on net salaries below €66,000 for Dublin and €59,000 elsewhere. Over 50,000 individual applications were submitted by people hoping to live in one of these new mixed-tenure developments.

The State plays a pivotal role, directly and indirectly, in the delivery of vital social housing in Ireland. However, the State can play an equally pivotal role in supporting the delivery of affordable homes for the stuck middle. Affordable housing policies should also be expanded to attract or partner with international and domestic private capital. This will reduce the burden on the State and make increased housing targets more realisable.”

For further information, contact:

Cairn Homes plc
Michael Stanley, Chief Executive Officer
Richard Ball, Chief Financial Officer

+353 1 696 4600

Stephen Kane, Director of Corporate Finance & Investor Relations
Ailbhe Molloy, Investor Relations Manager

Drury Communications
Billy Murphy
Claire Fox
Andrew Smith

+353 1 260 5000

Notes to Editors

Cairn is an Irish homebuilder committed to building high-quality, competitively priced, sustainable new homes and communities in great locations. At Cairn, the homeowner is at the very centre of the design process. We strive to provide unparalleled customer service throughout each stage of the home-buying journey. A new Cairn home is expertly designed, with a focus on creating shared spaces and environments where communities thrive. Cairn owns a c.15,750 unit landbank across 39 residential development sites, over 90% of which are located in the Greater Dublin Area (GDA) with excellent public transport and infrastructure links.

1 This comprises both closed units and equivalent units. Equivalent units relate to forward fund transactions which are calculated on a percentage completion basis based on the constructed value of work completed divided by total estimated cost.
2 ROE (Return on Equity) is defined as Profit after Tax divided by Total Equity at Year End.
3 Preparation of the Full Year 2024 results is ongoing and subject to audit.
4 Forward fund transactions involve Cairn delivering new homes under a contractual relationship where the land is sold up-front and the cost of delivering the new homes is paid on a phased basis.
5 Committing to a 46.2% absolute reduction in Scope 1 & 2 emissions by 2030, a 61% reduction in Scope 3 intensity by 2030 and submission of Net Zero targets by 2025.

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