Capital Markets Day: Introduction
Alison Platt, CEO
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1986: Nationwide estate agents & surveyors acquired
1994: Spencers Estate Agents acquired from National & Provincial Building Society
1995: Hambros PLC de-emerged, Countrywide Assured Group PLC created
1997/8: Bradford & Bingley estate agents and surveyors acquired
1998: Hambro Countrywide PLC
2004: Hamptons International acquired
2007: Countrywide PLC acquired by Apollo Management LP
2009: Mortgage Intelligence/Next and Blundells estate agents acquired
2010: Oaktree added as shareholders
2011: Blundells acquired
2013: Countrywide entered the London Stock Exchange (LSE)
2014: Greene & Co., Ikon, ES Group, Tushingham Moore and Douglas Newman Good
Commercial acquired
2015: BTW Shiells acquired
COUNTRYWIDE – WHAT WE DO

120,000 household moves assisted per year

£19 billion worth of property sold – more homes in the UK than anyone else

£10 billion of mortgages completed
Largest single mortgage broker in the UK

70,000 properties under management
Largest player in a fragmented market

Market leading positions and a strong platform for growth
SUMMARY – IMPACT OF BUILDING OUR FUTURE

• Deliver £30-40m organic EBITDA growth by 2020 through...
  • Improving productivity – driving efficiency and acting on variation across the network
  • Reducing value leakage – capturing more cross-sell opportunities than envisaged at IPO
  • Underpinned by investment in people, technology, data and analytics

• Add £70-100m EBITDA through M&A, with the majority in Lettings and Commercial
  • Target return on investment remains c20% pre-tax after 2 years
  • Spend contingent on availability and value for money (not growth at any cost)

• As a result, double EBITDA by 2020 and re-balance the portfolio to increase resilience to transaction market cycles

• Requires investment to generate faster EBITDA growth and enhance shareholder returns; normal dividend unchanged (35-45% of clean profit after tax); intend to introduce special dividend from 2017

• Build a future with customers and our people at the heart of the business – ‘better to be bigger’

• Deliver sustainable long-term value creation for our investors
**ABOUT TODAY’S SESSION**

Provide a deeper understanding of the group, our structure and our strategy

<table>
<thead>
<tr>
<th>Time</th>
<th>Session</th>
<th>Presenter(s)</th>
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<tbody>
<tr>
<td>9:00</td>
<td>Introduction</td>
<td>Alison Platt</td>
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<tr>
<td></td>
<td>Market outlook</td>
<td>Johnny Morris</td>
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<td></td>
<td>Building our Future</td>
<td>Alison Platt, Jim Clarke</td>
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<td></td>
<td><em>Q&amp;A part 1</em></td>
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<td>10:35</td>
<td>Coffee</td>
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<td>11:00</td>
<td>Reporting Structure</td>
<td>Jim Clarke</td>
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<td>Our Business Units</td>
<td>Sam Tyrer (Retail), Graham Bell (London),</td>
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<td></td>
<td></td>
<td>Paul Creffield (B2B), Peter Curran (FS)</td>
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<td><em>Q&amp;A part 2</em></td>
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<td>12:45</td>
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WHO WE ARE

Business Units

Alison Platt
CEO

Sam Tyrer
Retail MD

Graham Bell
London MD

Paul Creffield
Business to Business MD

Peter Curran
Financial Services MD

Central Functions

Jim Clarke
Chief Financial Officer

Kate Brown
Group People Director

Andrew Pennells
Group Transformation & Change Director

Recruiting
Group Customer & Marketing Director
ORGANISING FOR SUCCESS

• Four Business Units focussed solely around the customer
  • Retail – bringing our sales and lettings businesses together
  • London – defined in one BU, recognising distinct characteristics of London market
  • B2B – inc. surveying, conveyancing, commercial and a unified land & new homes team
  • Financial Services – clear and distinct mortgage, insurance and protection business

• New executive team delivering balance of both industry and cross sector experience

• Investing in transformation, people capability and risk management

• Creating industry-leading capability in research and analytics to capitalise on the value of our data
**PRUDENT MARKET GROWTH ASSUMPTIONS**

- **Residential market volumes of 1-1.1m pa** over next five years (c.20% below 2006/07 peak)
- Average fee growth < house price growth (down as % of transaction value but still rising in £’s)
- The shift towards **lettings** is structural not just cyclical, particularly in cities
- Regulation is driving a shift towards brokers, against a backdrop of modest **mortgage** market growth
- The residential **surveying** market mix will evolve – Automated Valuation Models will squeeze traditional lender-driven valuations, but this will also increase consumer demand for surveys
- The **conveyancing** market will track house sales
- The property mix in the **commercial** sector will continue to diversify
THE RISE OF CASH

• In 2014 more households owned their home without a mortgage than with one

• There is now over £3.5 trillion of housing wealth in the UK

• Cash buyer activity in the housing market has reached new highs

• Two thirds of landlords own their property with no mortgage

Cash has a big role to play in the housing market today and in the future
NEAR-TERM RESIDENTIAL MARKET FORECASTS

- Price growth to remain in single digits
- Economic recovery and later rate rise will support the market
- Constraints on affordability will continue to slow growth
- Modest transaction growth set to resume in 2016
- Annual transaction volumes unlikely to grow beyond 1.1m in the next 5 years
STRUCTURAL SHIFT IN HOME OWNERSHIP

- Home ownership rates have been falling since 2003
- A 25 year old today is half as likely to own their own home as one born in the 50s or 60s
- Home ownership is likely to continue to decline

Declining home ownership rates will be a feature of the market in years to come
CONSTRAINTS ON AFFORDABILITY

- Apart from in London, affordability for existing owners is better than portrayed due to low interest rates.
- Most owners have room to weather coming rate rises.
- But barriers for first time buyers are high – £25k average deposit vs. <15k in 2007.
- Growth of higher LTV products will reduce entry barriers, but incomes then become a constraint.

*Barriers to entry and moving costs will serve to limit future transaction growth.*
THE CHANGING AND GROWING PRIVATE RENTAL SECTOR

- Decline in home ownership driving the growth of the Private Rented Sector
- The sector grew by 421,000 households in 2013/14
- Tenant mix is also changing – half of renters are over 30, a third of these have children

The growth of the PRS is structural and will continue
CHANGING TENURES MEANS DIFFERENT MOVES

• Structural changes mean more moves in the PRS
• The same factors are limiting the number of possible sales
• Landlords transact less often than owners
• Older owners move much less often than younger ones

More and more moves will involve renting

Source: English Housing Survey
BRITAIN’S CITIES ARE GROWING

• Growth of cities is a global trend

• 40% of England’s population now live in a city – which will be 50% by 2018

• Cities account for 63% of gross value added and 72% of highly skills jobs

• London alone accounts for a quarter of the PRS

Source: ONS

The growth of Britain’s cities presents a big opportunity
LONDON – MORE THAN ITS PRIME POSTCODES

- The Prime Central London (PCL) markets (Zone 1) dominate headlines, but is only 5% of London’s sales volume.
- London’s domestic markets are larger with more room for growth.
- Central areas beyond PCL, in Zones 2 and 3, are still within reach of domestic buyers.
- Outer London and commuter market are underpinned by migration from central areas.

Annual Change in Sales Volumes by Travel Zone

London’s domestic markets are the real story, with the most room for stable growth in future years.
GOVERNMENT PUSH TO DRIVE NEW HOMES GROWTH

• The Government aims to build 1 million homes by 2020, which is unlikely without a radical shift in planning policy

• We’re likely to see 700k homes built by 2020 based on historic growth rates

• Multiple incentive schemes to support new homes for sale

• Cyclical growth will also support the market

While 1m homes in 5 years is unlikely, government policy will still drive new homes growth
MORTGAGE BROKERS CONTINUE TO TAKE SHARE

- Steady growth in intermediaries’ share of the market since 2012 – set to continue
- Driven by changes to regulation
- Background of cyclical growth in lending volumes

*Regulation driving growth in broker share of the market*
COMMERCIAL MARKETS RETURNING TO TREND GROWTH

• Capital value growth slowing and total returns easing down to trend levels

• Market returning to core fundamentals, with occupier markets and investor markets aligning

• Rents growing, particularly in the regions; likely to continue above inflation

• Appetite for non-core assets still high, e.g., healthcare, PRS, student accommodation

• Economic fundamentals set to support the sector
IN SUMMARY...

- Modest price growth expected in 2016 led by Outer London, commuter belt and cities
- Beyond 2015 the outlook for the housing market recovery remains robust, but contained
- Structural shifts in the market driven by changing demographics and economics mean further growth of the Private Rented Sector at the expense of ownership
- Shifts in tenure have seen over £3 trillion in housing wealth concentrated in older generations’ hands; cash will remain an important feature of the market
- Our cities will continue their rapid growth, led by the capital
- London’s domestic housing markets will outpace Prime Central London and seem best placed for sustainable growth and activity
- Government pressure on housebuilding will likely not deliver the 1 million homes promised, but will still result in long term growth in the number of homes to sell
Countrywide
Capital Markets Day: Building our Future
Alison Platt, CEO
THE RATIONALE BEHIND BUILDING OUR FUTURE

• Increase resilience to residential transaction market cycles
• Use house sale/purchase as a gateway to deeper customer relationships and therefore greater recurring (non-transactional) revenues
• Better utilise the existing estate and workforce, to realise the full cross-sell potential
• Align our portfolio to growth
INCREASE RESILIENCE TO RESIDENTIAL TRANSACTION CYCLES

Resilience and flexibility

- Countrywide is already the most diversified pure UK residential property services firm
- 2020 goal of 50% EBITDA from Commercial and Lettings
- We are reducing our reliance on transactions while retaining operational gearing to capitalise on any market upside
BETTER UTILISE THE CURRENT ESTATE AND WORKFORCE

- Unparalleled national footprint
- Local knowledge and heritage
- Presence across the value chain
- Scalable back office
- Diverse and talented workforce
BETTER UTILISE THE CURRENT ESTATE AND WORKFORCE

How will we extract more value?

- Realise cross-sell potential beyond what we said at IPO
- Analyse and act on performance variation across our network
- Measure and reward the right things
- Optimise our local/regional/national operating model
- Sharpen our brand strategy as we build multi-channel capability
Today, we are delivering group value consistent with the 2013 IPO case – on average for every £1 of estate agency revenue from a property sale we generate an additional 50p in associated services.

However, we believe there is further potential upside to go for if we can truly operate as One Countrywide.
REALISE CROSS-SELL OPPORTUNITIES BEYOND IPO CASE

£2

Today we deliver c. 50p group value for every £1 in estate agency fee

£1

Estate Agency

Lettings (BTL)

Financial Services

Surveying

Conveyancing

The maximum potential cross-sell from an average estate agency transaction is c.£1 (vs. 50p achieved today)

More for us to go for...

• We have c.25% conveyancing penetration of EA sales – getting half way to leading competitor benchmark worth £10m EBITDA p.a.

• 97% of mortgage customers happy with their experience, but only 13% re-mortgage with us – lifting conversion rate to 30% would yield £4m EBITDA p.a.

• We raised >7,000 buy to let mortgages in 2014, only c250 let by Countrywide
Variation in operating performance...

...is clearly linked to customer experience...

...and shows the value of recruiting, retaining and developing the best people.
MEASURE AND REWARD THE RIGHT THINGS

• We are launching a **Total Performance Scorecard** at multiple levels of the business...

• ...as part of changing our **reward** model and culture to drive customer centricity and One Countrywide mindset

• Many of these dimensions were measured before, but delivered as part of fragmented MI
OPTIMISE LOCAL/REGIONAL/NATIONAL OPERATING MODEL

National
- **Scale efficiencies**: e.g., call overflow, documentation
- **Specialisms**: e.g., legal, client accounting
- **Pace**: speed to get onto portals
- **Quality**: protocols/procedures (e.g., compliance)
- **Lead management**: within and across BUs
- **Allows branches to focus on selling**

Regional
- **‘Local enough’** expertise, e.g., contactor management, emergency call out, property visits

Branch
- **Street level** local knowledge and relationships
- **Convenience** for customers

Virtual
- **Online marketing**
- **Lead generation**
- **Differentiated search tools**

Example efficiencies from optimising local/regional/national:

Lettings management overhead (% of revenue)

- 2008
- 2014
### SHARPEN OUR BRAND STRATEGY

- Continue to operate as a ‘house of brands’ – ‘local’ matters
- Over time...fewer, stronger brands
- London the biggest opportunity for smarter alignment of brands with customer segments – population density and diversity supports differentiation
- Endgame and path grounded in consumer insight and branch economics
- In a people business, brand just as important internally
ALIGN OUR PORTFOLIO WITH WHERE THE GROWTH IS

Double our profit in Lettings
- Private rental sector now 60% of all moves, compared to 37% ten years ago
- Headroom for growth in a fragmented market; proven acquisition model

Become market leader in London
- We are #1 in upper and lower bands, but #2 in £350k-1m (largest segment)
- London is 25% of the country’s private rental sector; our share is <5%

Win in major cities
- 50% of population will live in cities by 2020 (vs. 40% today)
- Population density = opportunity to differentiate and segment the offer
ALIGN OUR PORTFOLIO WITH WHERE THE GROWTH IS

Grow customer value in Financial Services
- We are the UK’s largest single mortgage broker
- But not realising the potential value of existing customers, e.g., remortgages

Capitalise on Land & New Homes opportunity
- Government push to drive new homes growth
- Unifying Countrywide’s business streams will enable integrated solutions

Become a top 5 player in Commercial
- Market is likely to consolidate and we have a strong platform to grow from
- Improves mix of recurring revenues and has synergies with residential
LETTINGS – A PROVEN ACQUISITION MODEL

- Since 2006 we have invested £90m in new Lettings businesses...
- ...which added £11m EBITDA (at time of each acquisition), growing to £18m EBITDA by 2014
- The existing (in 2006) business grew at 12% p.a. (‘like for like’ plus new lettings starts within estate agency network)

**Acquisition strategy**

- Earnings accretive deals
- Fill geographic gaps
- Leverage EA presence (or facilitate EA entry)
- Selectively rebrand
- Well practiced due diligence and integration
- Synergies: increased fees, new revenue streams, shared services, group power
- Targeting ROI > 25% post synergies
**Ashton Burkinshaw**

- Acquired July 2007 for £3.1m
- 12 offices in Kent and East Sussex
- MD and key people retained
- Increased sales focus
- Leverage the Group’s efficient back office, purchasing power and online marketing to drive up productivity, e.g.,
  - People costs reduced from 50% of Revenue pre-acquisition to 38%
  - Marketing costs reduced from 11% of Revenue pre-acquisition to 4%

### Ashton Burkinshaw - Pre Acquisition vs. Year 1 vs. 2014

<table>
<thead>
<tr>
<th></th>
<th>Pre Acquisition</th>
<th>Year 1</th>
<th>2014</th>
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<tbody>
<tr>
<td>Branches #</td>
<td>12</td>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td>Revenue (£000)</td>
<td>2,287</td>
<td>2,697</td>
<td>3,570</td>
</tr>
<tr>
<td>EBITDA (£000)</td>
<td>409</td>
<td>589</td>
<td>1,180</td>
</tr>
<tr>
<td>Margin (%)</td>
<td>18%</td>
<td>22%</td>
<td>33%</td>
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</table>
LETTINGS – NEED TO STRENGTHEN THE CORE PLATFORM TO BETTER RETAIN LANDLORDS

• Immediate focus on landlord retention to reinforce recurring revenues from managed properties – reducing churn has significant positive impact

• Early signs that recent targeted investments in retention activity are paying off

• New data and analytics capability gives us ability to segment landlords based on value and probability of attrition, to optimise service model and prioritise customers for outbound contact
LETTINGS – TOOLS TO REDUCE LANDLORD CHURN

Property Prioritisation Dashboard

- Cluster of landlords segmented by landlord tenure and tenant turnover
- Suggested retention strategies based on landlord segment and history
- Ability to filter properties based on prioritisation criteria
LETTINGS – VALUE OF REDUCING LANDLORD CHURN

Current state

Revenue leakage from lost landlords

First 12 months:
>£15m

Lifetime value:
>£30m

Revenue sensitivities for churn reduction

<table>
<thead>
<tr>
<th>Churn reduction</th>
<th>12 month uplift</th>
<th>Lifetime uplift</th>
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<tr>
<td>2%</td>
<td>£300k</td>
<td>£700k</td>
</tr>
<tr>
<td>5%</td>
<td>£800k</td>
<td>£1,800k</td>
</tr>
<tr>
<td>10%</td>
<td>£1,500k</td>
<td>£3,500k</td>
</tr>
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Revenue leakage from lost landlords

First 12 months: >£15m

Lifetime value: >£30m

Broader benefits of analytical approach

- **Insight culture**: A culture change to adopt more insight-driven decision making
- **Customer focus**: Greater emphasis on the individual needs of the customer
- **Proactivity**: Prevents issues before they happen
DIGITAL HAS ALWAYS BEEN INTEGRAL TO OUR BUSINESS
Where in Italy would you like to buy?

Emilia-Romagna (824)

or choose a region

Piemonte (358)

What's your budget?

£450,000

Adjust your price range

£410k - £490k

827 properties for sale in ‘Emilia-Romagna’.

Offers in the region of €589,170 (£430,000)

Via Del Lazzaretto, 17, Bologna

House  5 Bedrooms  Unfurnished

Add filters
Online agency is growing...
- Growth is below the optimistic forecasts (but will still be a material segment)
- True pureplay digital (i.e., no call-centre support or local presence) is limited

...but the future is not a binary consumer choice between online and offline
- About multichannel: digital + personalised human support to enable consumers and meet unmet needs
- Not just digital as a low-cost substitution

...and the key drivers of customer value for vendors will remain the same:

i) Property price achieved
ii) Speed – pre and post offer
iii) Expertise/support/guidance
iv) Convenience/communication
v) Competitive fees

...the combination is what drives value
DIGITAL – FOCUS ON FOR NEXT 12 MONTHS

• **Continuing to embrace digital** in all businesses and playing across the range of services that customers demand, which means...

• **Investing** to enhance the online experience and marketing: websites, social media reputation management, etc.

• Creating further compelling **digital interfaces and tools** to give customers choice and convenience (esp. landlords)

• Accessing **external innovation**, e.g., through our investment in Pi Labs (property tech accelerator)

• A **blend of build/buy/partner** – looking for companies that share our values and bring new technology capabilities (not paying a premium for share or brand)
# BUILDING OUR FUTURE

<table>
<thead>
<tr>
<th>PURPOSE</th>
<th>We bring people and property together</th>
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<tbody>
<tr>
<td>VALUES</td>
<td>Personal, responsible, straight-forward, passionate</td>
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<tr>
<td>VISION</td>
<td>We want our people, customers and investors to be proud of us. By 2020 we will be:</td>
</tr>
<tr>
<td></td>
<td>The most recommended company in the property sector</td>
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<td></td>
<td>Recognised as one of the best places to work in the UK</td>
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<td></td>
<td>Transforming the reputation of our industry</td>
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<td></td>
<td>Celebrated for excellent sustainable financial performance</td>
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<table>
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<tr>
<th>BETTER</th>
<th>OUR TRANSFORMATION: to be</th>
<th>BIGGER</th>
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<tbody>
<tr>
<td>Invest in the business and in our people to:</td>
<td>Optimise our portfolio to align with customer need and manage risk</td>
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<tr>
<td>- deliver a better, more personalised customer experience, by...</td>
<td>- double our profit in Lettings</td>
<td></td>
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<tr>
<td>- creating an internal environment for great people to flourish</td>
<td>- become the market leader in London</td>
<td></td>
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<tr>
<td>- based on a culture of total performance management</td>
<td>- win in major cities</td>
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<tr>
<td>- driven by data/insight and scalable IT</td>
<td>- grow customer value in Financial Services</td>
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<tr>
<td>- realising the potential benefits from our scale and integration</td>
<td>- offer customers more choice through digital solutions</td>
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<tr>
<td>- increase cross-sell, accelerate organic growth and capture value from acquisitions</td>
<td>- capitalise on the Land &amp; New Homes opportunity</td>
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<td></td>
<td>- become a top 5 player in commercial</td>
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| GOAL | By 2020 : Double the size of the business |
BY 2020...DOUBLE THE SIZE OF THE BUSINESS

Prudent market growth assumptions

Productivity growth driven by customer focus, investment in data/insight and empowering our people

Selective acquisitions in existing core markets, particularly in Lettings and Commercial

New expansion (organic and inorganic), e.g., niche Lettings segments, new model for Land & New Homes, new digital propositions

EBITDA (£m)

2014 | Underlying Market Growth | Better - Productivity & Cross-sell | Bigger - Core M&A | Bigger - New | 2020

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PRUDENT MARKET GROWTH ASSUMPTIONS

- Residential market volumes of 1-1.1m pa over next five years (c.20% below 2006/7 peak)
- Average fee growth < house price growth (down as % of transaction value but still rising in £)
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- The conveyancing market will track house sales
- The property mix in the commercial sector will continue to diversify
2015-2020 INVESTMENT IN THE BUSINESS

- Capex to grow and maintain estate c. £25m p.a. *
- Expected investment in M&A £400m
- Investment required to deliver productivity growth (training, development, systems support, etc.) £3-4m p.a.
- Target return on acquisition investment remains circa 20% pre-tax after 2 years

* Increase from current run rate of c21m due to expected IT investment
M&A = PLANNING + OPPORTUNISM, BUT STRATEGY CLEAR

**Indicative mix**

- Commercial: 30%
- Lettings: 30%
- FS: 15%

Weighted to London and cities

**Guiding Principles**

*Businesses we want to own offer:*

- headroom for sustainable profitable growth
- returns that outweigh the risk profile
- worth more to us than others
- fill capability or geography gaps
- consistent with our Purpose, Vision and Values

‘Better to be bigger’...disciplined approach to expansion without compromising our standards
IMPLICATIONS FOR SHAREHOLDER RETURNS

• Increased investment to generate faster EBITDA growth and material long-term shareholder value creation

• Normal dividend unchanged at 35-45% (2014: 40%) of clean profit after tax (vs. 25-35% at IPO)

• No special dividend currently planned in 2015 or 2016, except in the event of further sale of Zoopla shares (remaining stake c. £40m); in 2014, £20m Zoopla proceeds were distributed

• Special dividends intended to be introduced at c. 20% from 2017

• 2017 anticipated total returns (28 – 32p per share)

• 2020 anticipated total returns (45 – 55p per share)
LEVERAGE (X EBITDA)

- Overall strategy remains to be conservative on leverage and facilities
- At H1 2015: net debt £170m, leverage 1.45 x, total facility £250m
- Normalised leverage range: 1 – 2 x
- Timing of acquisitions may increase leverage in the short term:
  - target maximum short-term range 2 – 2.5 x
  - acquisition benefit will bring back to normalised range relatively quickly
ILLUSTRATIVE VALUE SENSITIVITY

Building our Future – investor case

- Robust cash flow (50% from non residential transaction markets)
- Recurring revenue increasing
- Strong balance sheet / conservative on-going leverage
- Market leading positions
- Headroom for organic and inorganic growth (+ M&A track record)

Four possible value per share scenarios

<table>
<thead>
<tr>
<th>Year</th>
<th>£400m investment - 15x</th>
<th>£400m investment - 20x</th>
<th>£200m investment - 15x</th>
<th>£200m investment - 20x</th>
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<tbody>
<tr>
<td>2015</td>
<td>£16</td>
<td></td>
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<tr>
<td>2017</td>
<td></td>
<td>£12</td>
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</tr>
<tr>
<td>2020</td>
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In all scenarios:

- Organic growth as per strategy
- Acquisitions evenly spread over the period
- 20% return on acquisition investment
- Value of Zoopla holding 0.18 per share (£40m valuation)
- Value of TM group holding 0.11 per share (£25m valuation)

EPS multiple benchmarks

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<th>CY : 20x</th>
<th>CY+1 : 17x</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ave UK property sector</td>
<td></td>
<td></td>
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<tr>
<td>Foxtons</td>
<td></td>
<td></td>
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<tr>
<td>Savills</td>
<td></td>
<td></td>
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<tr>
<td>Realogy (US)</td>
<td></td>
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</tbody>
</table>

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Countrywide

Capital Markets Day:
New Financial Reporting Structure
Jim Clarke, CFO
NEW REPORTING STRUCTURE – WHY CHANGE?

- **Retail**
  - Capture value leakage between EA and lettings
  - Retail business now coming together at regional level

- **London**
  - First time ever – all London businesses in one place
  - Key focus on current opportunities

- **B2B**
  - All business facing operations in one place
  - Co-ordinated approach to corporate clients

- **FS**
  - Capitalise on growing importance of broker market
  - Expansion opportunities (LNH / BTL / Remortgage)

*Note: Maintain disclosure of KPIs for external reporting*
## NEW STRUCTURE – INDICATIVE FINANCIAL SHAPE (INTERIM, UNAUDITED Restatement)

<table>
<thead>
<tr>
<th></th>
<th>Income (£m)</th>
<th>EBITDA (£m)</th>
<th>Margin %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail</td>
<td>258</td>
<td>51</td>
<td>20%</td>
</tr>
<tr>
<td>London</td>
<td>174</td>
<td>39</td>
<td>22%</td>
</tr>
<tr>
<td>B2B</td>
<td>187</td>
<td>29</td>
<td>16%</td>
</tr>
<tr>
<td>FS</td>
<td>76</td>
<td>19</td>
<td>25%</td>
</tr>
<tr>
<td>Central</td>
<td>7</td>
<td>(17)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>702</strong></td>
<td><strong>121</strong></td>
<td><strong>17%</strong></td>
</tr>
</tbody>
</table>

- Estate Agency and Lettings (excluding London)
- Estate Agency and Lettings in London Area
- Surveying, Conveyancing, Commercial, Land and New Homes, Auctions, Asset Management
- Mortgages, insurance and protection

**Disclaimer:** re-alignment of management reporting lines is largely complete; however, there may be further adjustments to income and EBITDA at BU level to reflect: a) inter-divisional fees (e.g., professional services/retail transfers); b) appropriate allocation of central overhead.
We operate across the UK residential property market and focus on having the right brand in the right location to reach all our customers across all price points.
754 physical branches across the UK
282 co-located retail branches across the UK
Have won 227 awards since 2008, 134 ESTAs, voted for by our Customers
>50 retail brands

c6-8% leading market share
On average 44k properties let p.a.
61k properties managed on on-going basis (+6% YoY)

c6% leading market share
Selling approximately one in sixteen properties
55k properties sold in 2014
PUTTING CUSTOMERS AT THE HEART OF OUR THINKING TO CREATE AN UNRIVALLED EXPERIENCE & GREATER VALUE.....

Customer Insights
Developing a deep understanding of our Customers and their evolving hierarchy of needs across digital & traditional channels

Enhancing the Journey
Establishing Customer ‘moments of truth’ and deliver these consistently across the channels whilst eradicating Customer “pain points”

Customer Lifetime Portfolio
Seamlessly connecting Customers to our portfolio of services, meeting their end to end property related requirements

Profit Growth
Improved cross channel Customer Experience = greater value from cross sell, retention & reduced attrition rates
OUR ACQUISITIVE HISTORY PROVIDES US WITH RICH ORGANIC GROWTH OPPORTUNITIES

- Grow market share
- Create value added Customer Journeys
- Increase branch productivity
- Optimise operating model
BUILDING ON SUCCESSFUL DIGITAL CUSTOMER INNOVATIONS: LAUNCHPAD

**Customer benefits**
- Fully paperless instruction process
- Property time to market reduced from 6 days to 1 day
- Significant improvement in Customer Experience:
  - NPS +13 points vs LY at Market Appraisal
  - NPS +22 points vs LY after first 7 days of listing

**Countrywide benefits**
- £1.1m annualised cost savings
- Enhanced automated Anti-Money Laundering Controls
- Improved quality governance framework
**CLEAR PLAN FOR GROWTH**

**Strong Foundations**
Developing operational excellence and increased productivity as we bring our businesses together, making more sense for our Customers and generating value for the business

**Amazing People**
Putting Customers at the heart of our thinking, changing the reputation of the sector with an engaged and high performing team

**Delighted Customers**
Delivering a seamless end to end proposition across our products and services and our channels, meeting our Customer’s evolving needs, whilst adding Group value

**Unrivalled Portfolio**
Leveraging our unrivalled reach to lead in markets organically and inorganically. Developing the Property Customer Experience of the Future based on how customers want to interact
LONDON

Why London matters to the economy:

Why London matters to Countrywide:

- Value
- Volume
- Velocity
OUR LONDON BUSINESS
OUR LONDON BUSINESS
OUR LONDON BUSINESS
OUR LONDON BUSINESS

- We have London’s biggest agency footprint: > 250 locations, 20 brands
- We sell more properties in London than any other agent, >13,000 units
- We’re London’s 4th largest lettings agent – 13,000 managed properties and grew >40% % in the last 3 years
WHY LETTINGS?

• A large and growing rental market

• London has the largest private rental sector – 25% of the UK market, 820,000 households

• The highest concentration of renters is in the centre and clustered around transport hubs further out

• 86 of the 100 largest grossing lettings postcodes in the UK are in London
WHY MID-MARKET LONDON?

- A 1% overall increase in Countrywide’s mid-market share in London equates to additional revenue of £4.5m

- In 2015 we strengthened our mid-market position with the acquisition of Greene & Co

Mid-market (£350k - £1m) is 50% of total transaction volumes
LONDON – BETTER TO BE BIGGER

**Strong Foundations**
- Better data and insight identifying opportunities for improvement
- Fewer, better, bigger brands

**Amazing People**
- One Countrywide in London, working together
- Recruitment, retention, training

**Delighted Customers**
- Put the customer at the heart of everything we do
- Sharpen our mid-market proposition

**Unrivalled Portfolio**
- Acquisitions and new openings
- Lettings and mid-market led growth, capitalising on future hotspots
LONDON ACQUISITION CASE STUDY: GREENE & CO.

- Acquired in May 2015
- Award-winning estate agency working across North London and the City
- 7 offices serving West Hampstead, Maida Vale, Crouch End, Belsize Park, Clerkenwell, Kensal Rise, Queen’s Park
- Urban Spaces; a specialist team focused solely on residential loft spaces across London
Countrywide

Capital Markets Day: Business to Business
Paul Creffield, Managing Director
OUR BUSINESS TO BUSINESS (B2B) OPERATIONS

Professional Services  
(Lender Market)
- Surveying Services
- Conveyancing Services
- Corporate Property Services
- Estate Management
- Property Auctions

Land & New Homes  
(Developers / Housing Associations / Public Sector)

Commercial
Countrywide’s organisational design:
• Aligning our people to consumers direct; or
• To businesses and corporates (B2B)

Our B2B clients:
• Banks, developers, property companies
• Ongoing relationships and recurring revenues – many clients drive annual revenues between £1m - £20m+
• Similar client base across Surveying / LSH / Corporate Property Services

Our people:
• 3000+
• Strong graduate trainee programme
SOLUTIONS FOR RESIDENTIAL DEVELOPERS

Land
- Site sourcing
- Funding
- Negotiation
- Site sales

Development Consultancy
- Project management
- Valuation
- Planning
- Viability

Sales
- Marketing strategy
- Branch sale
- Site sales
- International distribution (e.g., Hong Kong)
**OUR LAND & NEW HOMES STRATEGY: REGIONAL HUBS + CROSS-SALES**

### The opportunity

- **Growing market** – 130k new home completions today, but government driving for 250k p.a.
- **Headroom** for Countrywide to grow – 5000 new home sales last year
- **Capabilities** across the value chain

### How we will capitalise on it

- **Merge our proposition** and associated businesses into a unified Land & New Homes operation in B2B
- Planning, affordable housing, project management and valuation support, through to downstream sales, lettings handover, estate and property management
- **Work with our Residential Property Fund**
- **Create c20 regional hubs** (leveraging LSH footprint) to create a strong regional offering for developers
- **Scale up a successful hub model in Preston Bennett** (recent acquisition)
OUR ENTRY INTO THE COMMERCIAL MARKET

LSH acquisition rationale

• Link in land sales for downstream house sales
• Recurring revenue play and balance to the residential sales market
• Synergies with other businesses in Countrywide
• Plays an important role as introducer of assets for our Residential Property Fund

Since acquisition...

• Almost doubled in size: now 32 offices and 1500 staff
• National coverage with strong regional focus; blue chip client base in banking, transport, telecoms and retail, including BBC, >50% of London Boroughs, > 1000 stations
• Four further acquisitions completed:
  • BTWShiells – leading Belfast commercial practice; strong retail management expertise
  • Tushingham Moore – very strong in retail
  • ES Group – strong consultancy business with leading machinery and business assets auction proposition
  • Douglas Newman Good Commercial – Dublin and Galway based commercial business
### SERVICE LINES
- Acquisitions, disposals and lettings
- Asset Based Lending
- Building consultancy
- Business rates
- Capital markets
- Corporate recovery
- Lease advisory
- Legal support services
- Machinery and business assets
- Planning and development consultancy
- Property management
- Valuation

### BROAD SECTORS
- Aviation
- Hospitality and leisure
- Motor trade and roadside
- Ports
- Rail
- Science, technology and advanced engineering
- Telecoms
- Transport

70% of revenues are driven from consultancy service lines
OUR COMMERCIAL STRATEGY

- Align more closely with L&NH to strengthen land offering and downstream sales capability
- Continue with acquisitions that either grow and strengthen our existing service lines and sectors or add priority capabilities
- Opportunity for market consolidation and a pipeline of targets (some of which would provide international exposure)
- Commercial to be at least 12-15% of group EBITDA

Market Share by £m turnover 2014
(Estates Gazette Research)

Consolidation likely
Countrywide

Capital Markets Day: Financial Services
Peter Curran, Managing Director
HOW HAS THE MORTGAGE MARKET PERFORMED?

Mortgage lending grew >50% between 2010 and 2014...

...with brokers taking the lion’s share of that growth
WHERE NEXT?

- Various leading banks predict the market to grow to £260bn in the next three years
- Remortgage activity will become increasingly important as base rate rises take effect
- Buy to let activity will strengthen as long as fiscal policy and increased regulation do not stifle growth
HOW ARE WE PERFORMING IN THIS MARKET?

**FS EBITDA growth of 32% since 2009**

- Organic growth plus acquisition of Mortgage Intelligence has doubled our share of mortgage approvals in the last five years
- £10bn mortgages completed in 2014 – largest single mortgage broker in the UK
- Profit uplift from advice fee
- Life and GI contribution is 45% of FS revenue

**But more to go for...**

- We write cc30k mortgages p.a.
- 97% of mortgage customers happy with their experience, but only 13% re-mortgage with us – lifting conversion rate to 30% would yield £4m EBITDA.
HOW WILL WE GROW THE BUSINESS?

Organic actions to capture the opportunity with existing customers

- Streamline our sales process
- Develop telephony sales capability
- Improve remortgage conversion through enhanced customer contact
- Improve sales skills
- Train better and recruit smarter to boost productivity and reduce attrition
- Align with Retail and London

Most importantly…support and coach our existing sales team to achieve their full potential

M&A focus

- Broaden distribution – telephony, digital
- Expand key sectors in line with the Group’s strategy, e.g., buy to let, land & new homes