

# Home Builders Federation Annual Policy Conference

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## What happens in the US is important...



- 1 Government Debt
- 2 Deregulation
- 3 Illegal Immigration
- 4 Drill, baby, drill...
- 5 Tariffs
- 6 America First

# Four key pillars of UK housing reform

Is 1.5m homes target enough?



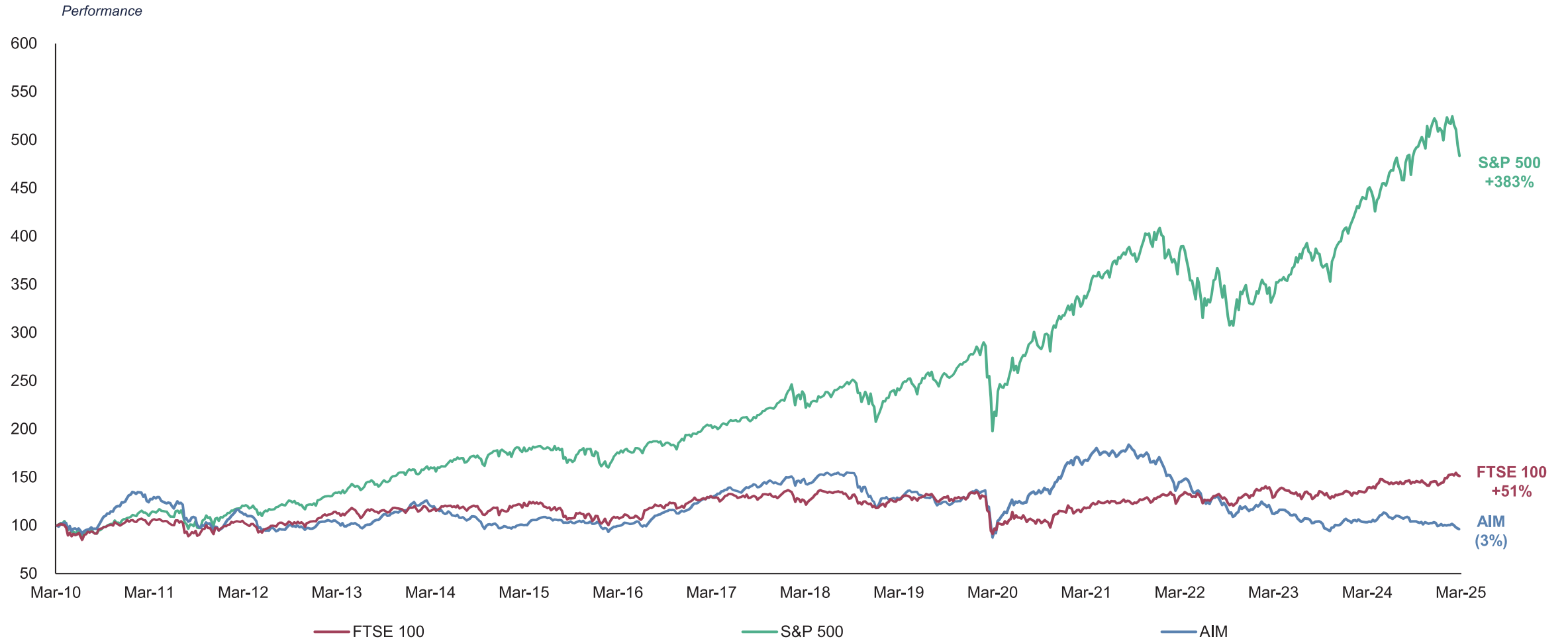
**1** Planning reforms

**2** Housebuilding targets

**3** Housing applications

**4** Affordable housing

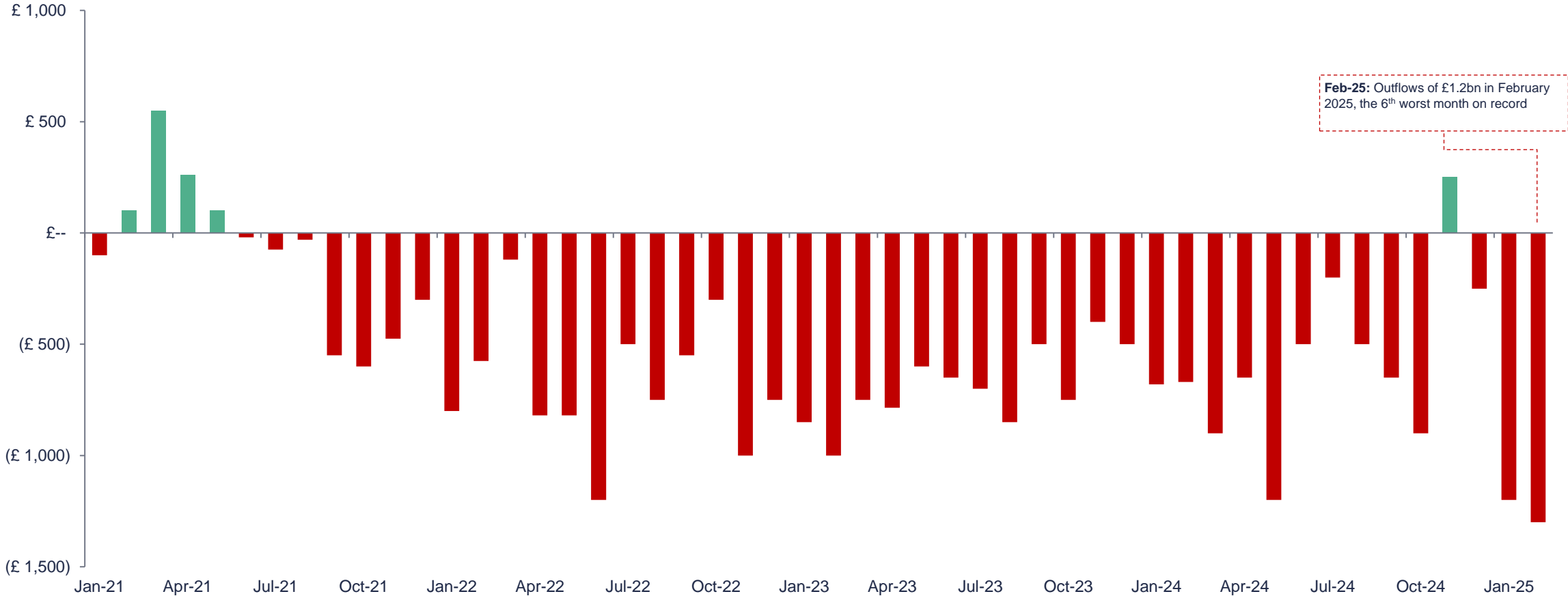
# The UK market continues to trade at a discount



# UK equity funds flow

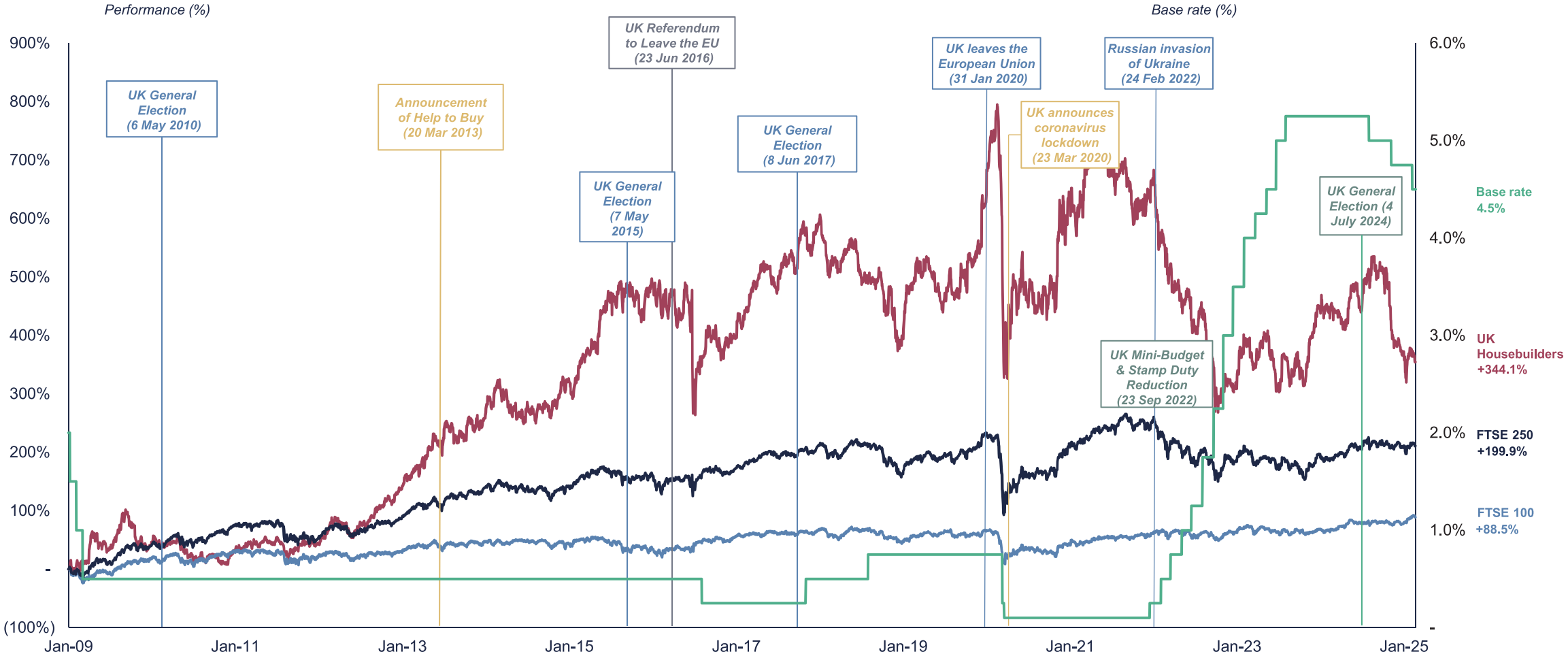
UK equity outflows in 44 of the previous 45 months with a cumulative total of £35bn

Equity inflows & outflows (£m)



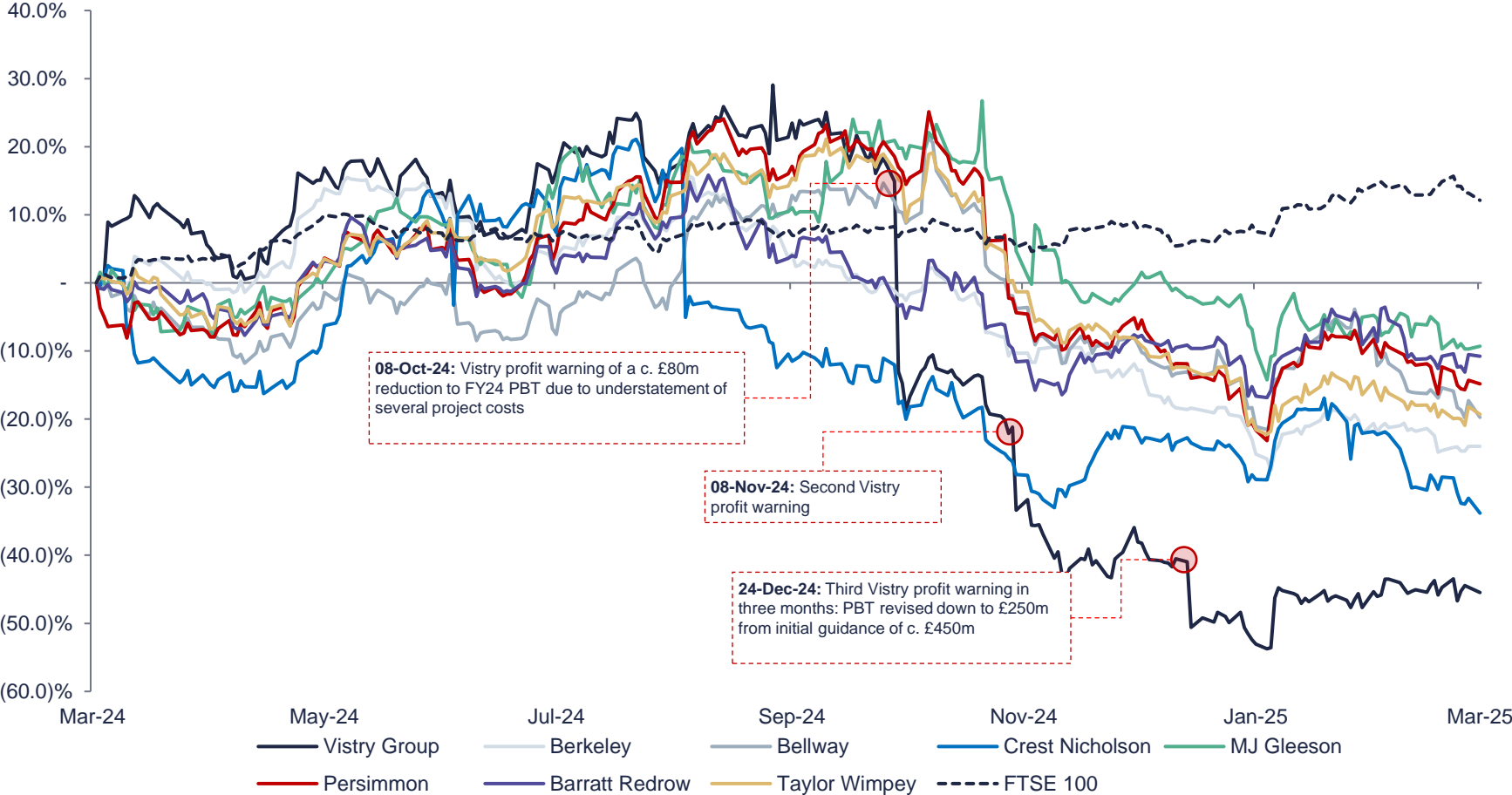
# UK housebuilders: share prices since the GFC

UK housebuilding sector share prices peaked in 2021



Source: Bank of England, Capital IQ as of 20-Mar-25  
 Note: Chart shows share price performance from 01-Jan-2009 – 20-Mar-25  
 1. UK Housebuilders Index includes Barratt Redrow, Bellway, Berkeley, Crest Nicholson, MJ Gleeson, Persimmon, Taylor Wimpey, Vistry Group and Galliford Try (share price until sale of Linden Homes and Partnerships & Regeneration businesses transaction completion on 02-Jan-2020)

# UK housebuilding peer analysis in the last 12 months

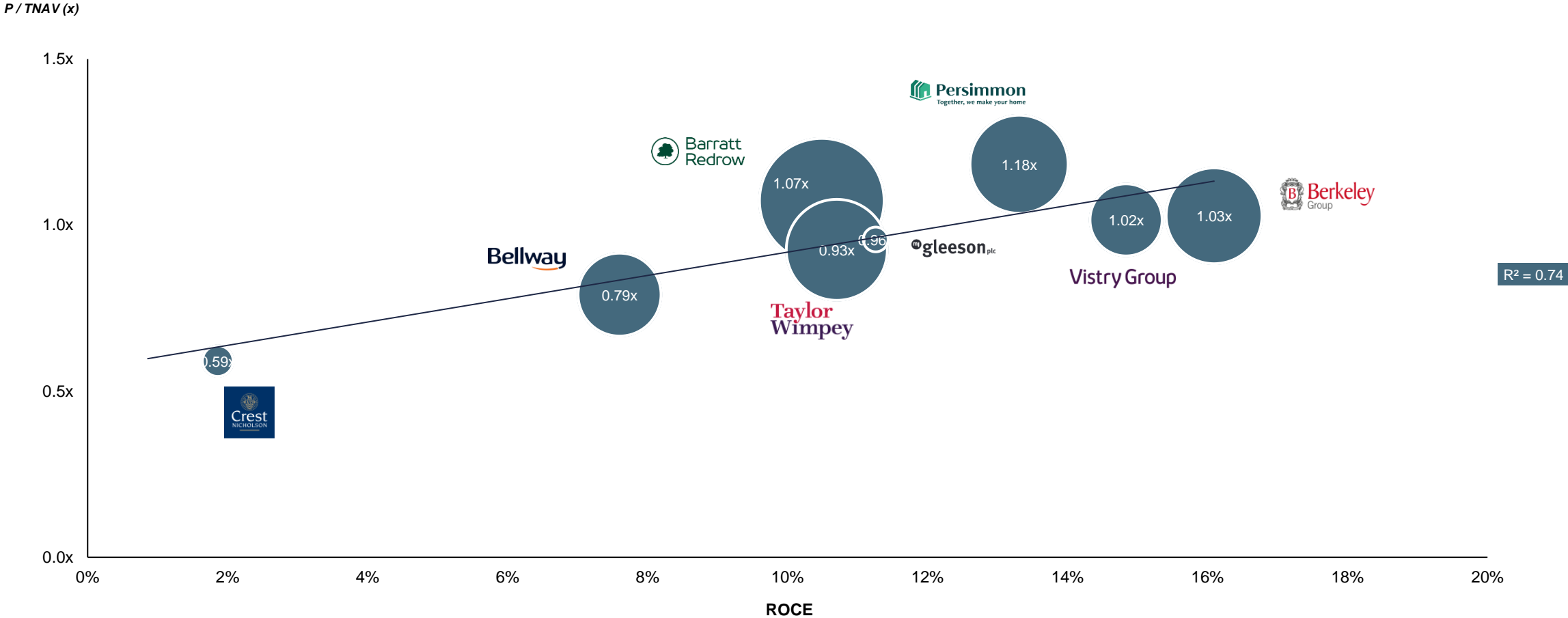


Last 12 Months (%)	
FTSE 100	+12.5%
Persimmon	(6.9%)
MJ Gleeson	(10.8%)
Barratt Redrow	(8.5%)
Bellway	(11.8%)
Taylor Wimpey	(16.4%)
Crest Nicholson	(21.1%)
Berkeley	(23.3%)
Vistry Group	(47.2%)
<b>Average<sup>1</sup></b>	<b>(17.8%)</b>

# UK housebuilders: valuations

The correlation between valuation and ROCE remains

## P / TNAV vs ROCE (2024) regression





# Valuation parameters

UK listed housebuilders currently trade at a median of 1.0x EV / TGAV 2024



# Sector consolidation – more to come?

Sector M&A was highly subdued during 2022-2023, but there has been a recent recovery in activity

