

Half Year Results

for the half
year ended
30 June 2021



1. HY 2021 Highlights

2. Financials
Alison Dolan, CFO

3. Strategic update
Peter Brooks-Johnson, CEO

4. Outlook

5. Appendix



HY 2021 Highlights



Key Performance Indicators : Growth since 2019

Revenue:

+4%

Revenue up to £149.9m
(2019: £143.9m;
2020: £94.8m)

Underlying Profit¹:

+5%

Underlying Operating profit
£117.1m (2019: £111.0m
2020: £61.4m)

Underlying EPS²:

+8%

Underlying EPS 11.0p
(2019: 10.2p; 2020: 5.7p)

Dividend:

3.0p

Interim dividend per ordinary
share (2019: 2.8p; 2020: nil)

Cash returned:

£128.3m

(2019: £54.0m;
2020: £30.0m)

ARPA³:

£1,163

Up 8% (2019: £1,077
2020: £712)

Advertisers³:

19,116

(30 Jun 2019: 20,209
31 Dec 2020: 19,197)

Site traffic⁴:

1.7bn

Average minutes per month
spent on site;
(2019: 1.1bn; 2020: 1.1bn)

1. Underlying operating profit is operating profit before share based payments charges and related national insurance and appropriate tax adjustments

2. Underlying EPS based on underlying profit

3. For Agency and New Homes customers

4. Source: Google Analytics

Making home moving in the UK easier

More of the home moving journey made possible on Rightmove...



From search to view

Close to 160,000 lettings appointments requested online



Integrating the lettings journey

Van Mildert rebranded Rightmove with one-click reference ordering



Giving more confidence earlier in the process

Mortgage introductions doubled from H2 2020 to H1 2021

Making the process more efficient by being more digital

The UK's property platform with digital marketing solutions and insight offering unparalleled ROI

The place home-hunters turn to and return to first

Helping our customers to...



Save time

Video viewings has saved our customers over 6,000 days by avoiding wasted viewings



Grow their market share

Opportunity Manager algorithmic lead targeting gave agents a head start on a third of new properties to market



Market more effectively

Over 20% of New Homes developments subscribed to new Advanced listing



Create new revenue streams

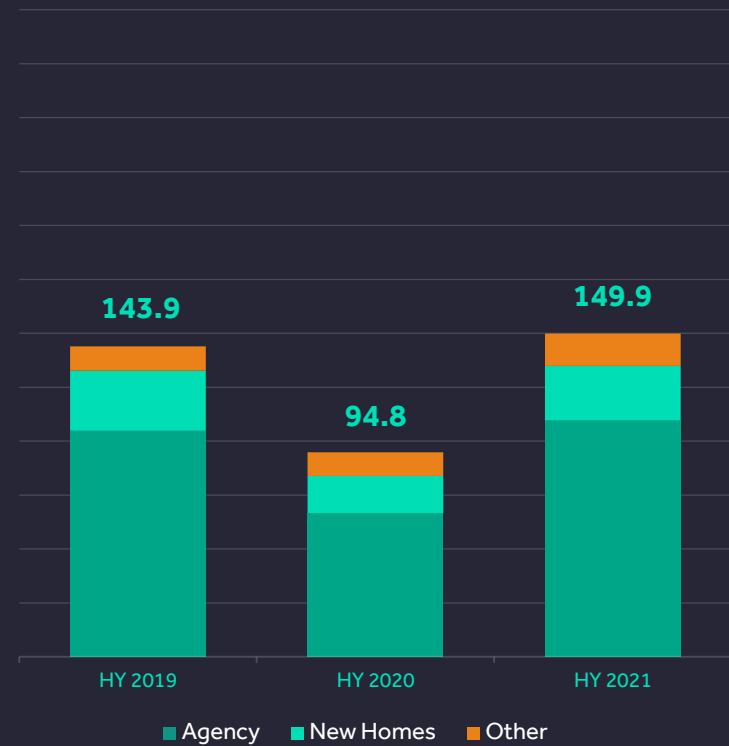
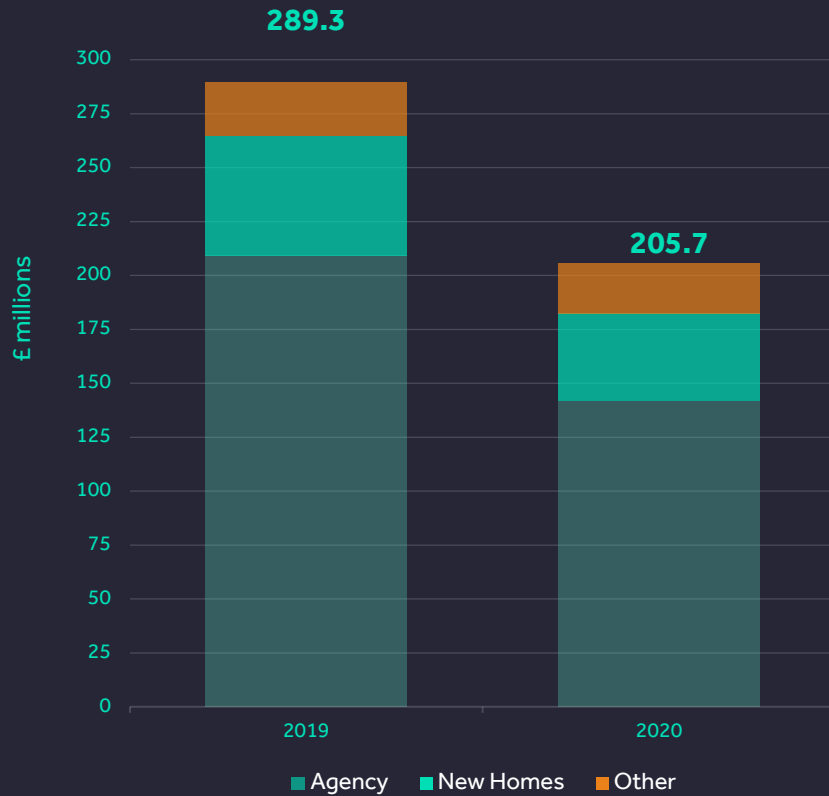
First Online Conditional auctions listings live on Rightmove

Financials

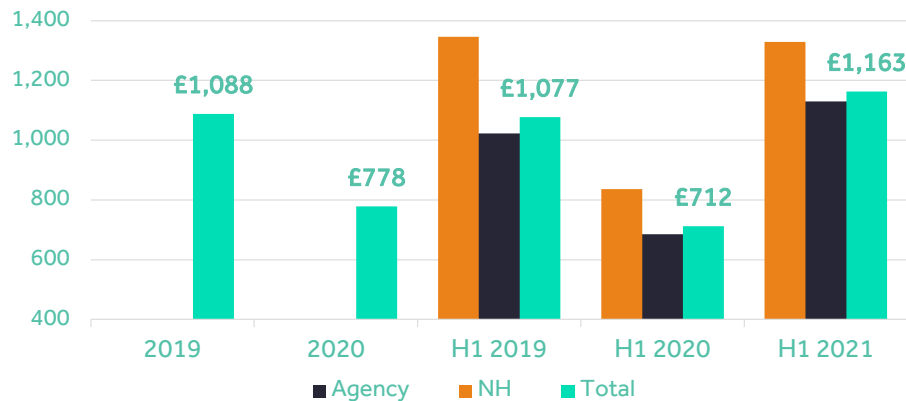
Alison Dolan, CFO



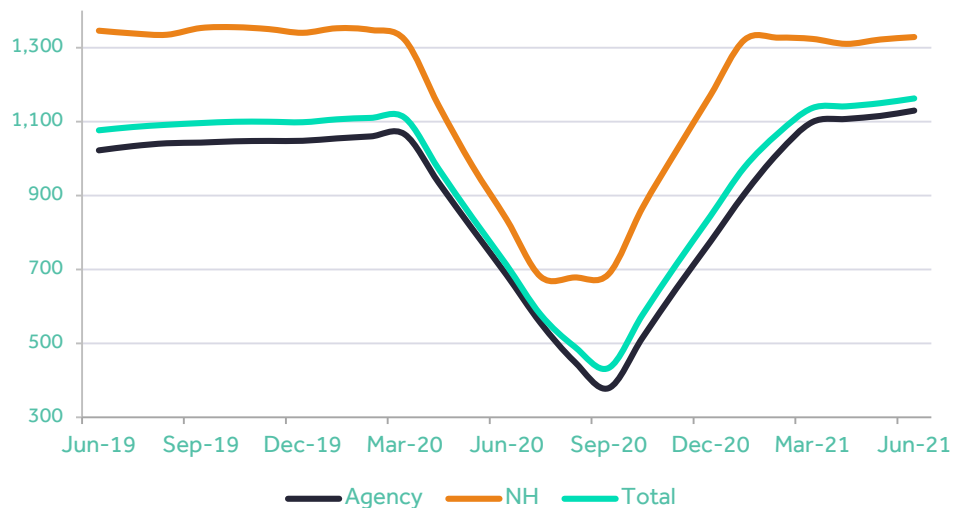
Revenue



ARPA



6 month trailing monthly ARPA¹



Strong ARPA growth , driven by product & package upgrades

- YTD ARPA up £86 to £1,163, an 8% increase on 2019; highest ARPA to date
- Agency YTD ARPA up 11% on June 2019
- New Homes ARPA down 1% since June 2019
- Six-month trailing ARPA shows 2019 growth continuing through H1 2021

ARPA growth

Product upgrades & pricing have led ARPA growth since 2019

Agency

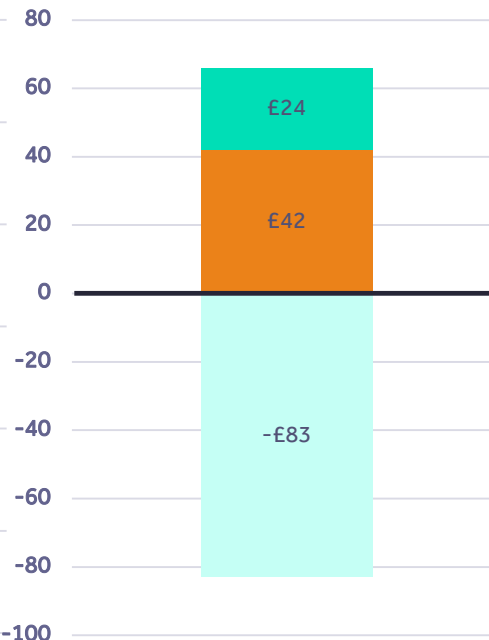
£107



■ Package price increases ■ Product upgrades ■ Package upgrades instead of price increase

New Homes

-£17



■ Product upgrades ■ Package price rises ■ Digital Marketing

ARPA growth has been driven by:

- Package upgrades, particularly to Optimiser 2020 & a la carte product purchase
- Incremental product selection at contract renewal
- Price increases on package & product
- New Homes product & pricing growth offset by reduction in discretionary marketing

Operating Costs¹

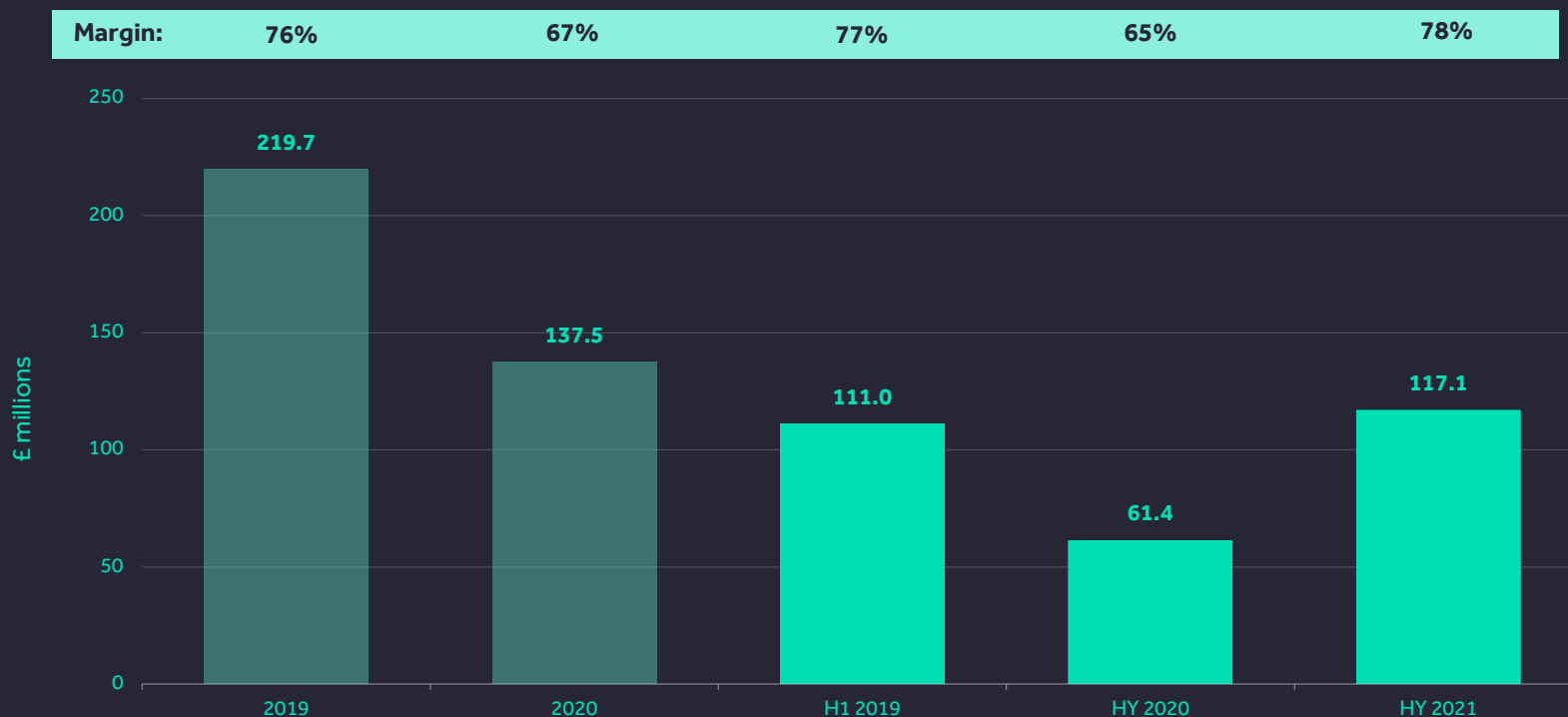


Increases in HY 2021 costs¹ are mitigated by one-off savings

- Success in recruiting technology roles in a competitive market
- Salary costs will be weighted in H2
- Higher Technology costs reflect increased site traffic
- Increase in G&A from recruitment activity offset by ongoing savings from WFH
- Costs will start to normalise in H2

1. Costs are excluding share based payments charges and related national insurance, net finance costs, and the 2021 one off provision release

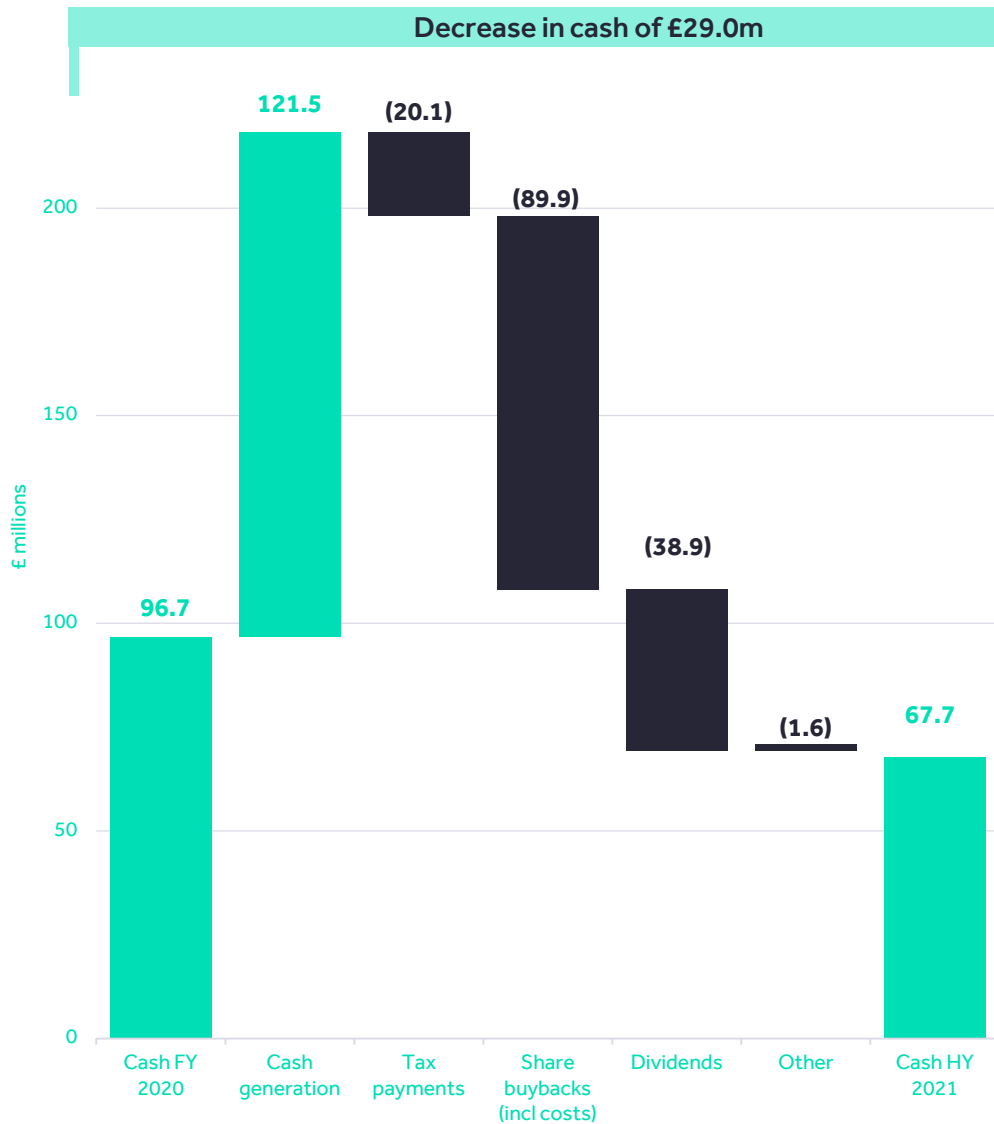
Underlying operating profit & margin¹



Source: Rightmove.

1. Before share-based payments and NI on share-based incentives

Cash bridge



- Cash generated from operating activities of £121.5m (June 2020: £77.3m)
- Operating cash conversion⁽¹⁾ of 106%
- Closing cash of £67.7m (Dec 2020: £96.7 m)
- Resumed return of cash to shareholders via share buy backs and dividends
- Deposited £10m in a green investment fund

(1) cash from operating activities as a proportion of operating profit Source: Rightmove

Profit & Loss

	6 months ended 30 June 2021 £m	6 months ended 30 June 2020 £m	6 months ended 30 June 2019 £m
Revenue	149.9	94.8	143.9
Operating costs (exc. share-based incentives and related NI)	(32.8)	(33.4)	(32.9)
Underlying Operating Profit	117.1	61.4	111.0
<i>Underlying margin</i>	78%	65%	77%
Exclude one-off provision release	(2.4)	-	-
Adjusted Operating Profit (exc. share-based payments and provision release)	114.7	61.4	111.0
<i>Adjusted underlying margin</i>	77%	65%	77%
Share-based payments (charge)/credit	(2.2)	0.3	(2.8)
Provision release	2.4		
Operating profit	114.9	61.7	108.2
<i>Margin</i>	77%	65%	75%
Net financial expense	(0.2)	(0.1)	(0.1)
Profit before tax	114.7	61.6	108.1
Income tax expense	(21.4)	(11.6)	(20.6)
Profit for the year	93.3	50.0	87.5

Balance Sheet

	As at 30 June 2021 £m	As at 31 Dec 2020 £m	As at 30 June 2020 £m	As at 30 June 2019 £m
Property, plant and equipment	13.3	13.9	12.7	14.1
Intangible assets	21.6	22.1	22.3	2.9
Deferred tax assets	3.0	2.8	2.6	3.1
Total non-current assets	37.9	38.8	37.6	20.1
Trade and other receivables	22.0	23.4	12.8	25.6
Contract assets	0.2	0.3	0.4	0.4
Income tax receivable	-	1.2	-	-
Cash and money market deposits	67.7	96.7	50.3	54.1
Total current assets	89.9	121.6	63.5	80.1
Trade and other payables	(22.0)	(18.9)	(22.5)	(17.1)
Contract liabilities	(1.8)	(1.6)	(1.3)	(2.0)
Lease liabilities	(12.0)	(12.3)	(11.5)	(20.5)
Income tax payable	-	-	(0.9)	(12.6)
Deferred tax liabilities	(1.0)	(0.9)	(0.9)	-
Provisions	(1.2)	(3.6)	(3.5)	(0.7)
Total liabilities	(38.0)	(37.3)	(40.6)	(52.9)
Net assets	89.8	123.1	60.5	47.3

The 'Social' in ESG

Employee Wellbeing:



- 16 staff members trained as mental health first-aiders
- New Wellbeing & Development programme launched in April
- Confidential online access to clinically trained mental health experts, structured counselling & assistance for all employees

Training & Development



- Six-month training program to equip staff to be great managers
- Two cross-company mentoring schemes to develop future leaders
- Equal emphasis on developmental and mandatory training
- Ongoing professional qualifications encouraged & funded

Gender & Ethnicity



- Parker Review recommendations on Board composition exceeded
- Recruitment practices changed in order to impact gender mix & gender pay gap
- Gender-balanced workforce
- 50% of female staff are in management roles

Supporting our Communities



- 2021 Generating Genius Partnership: mentors participants in the Black Women into Tech programme
- University Scholarship donated for a STEM degree
- Being responsive to community needs – laptops for children in MK during pandemic

We pride ourselves on our treatment of our people and the support we provide to the communities in which we operate

- Executive Directors' remuneration linked to employee engagement
- Ongoing opportunities for assisted self-development
- Meaningful actions to improve gender & ethnicity mix
- Privilege-gap action to help with STEM diversity
- Links built with communities in which Rightmove operates
- Charity partners selected annually

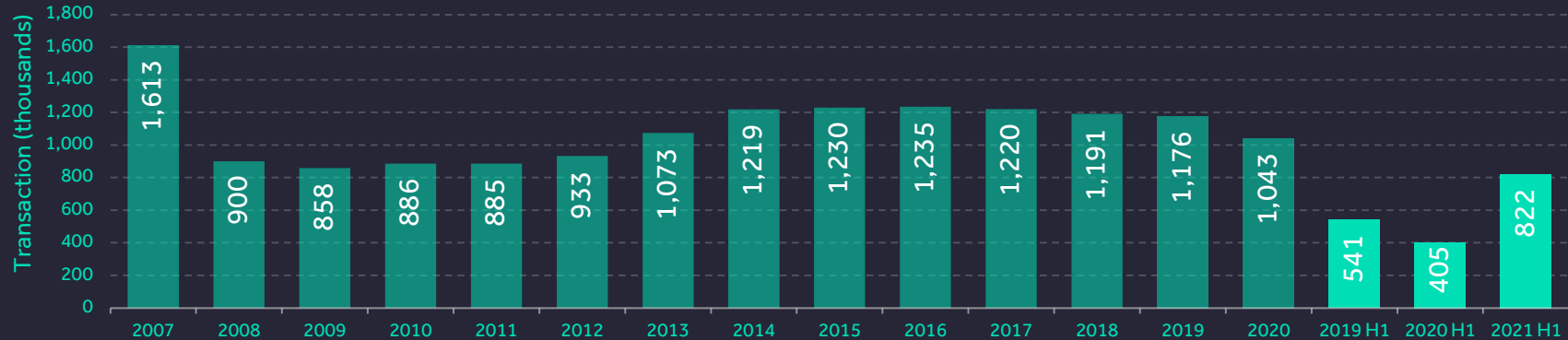
Strategic update

Peter Brooks-Johnson,
CEO

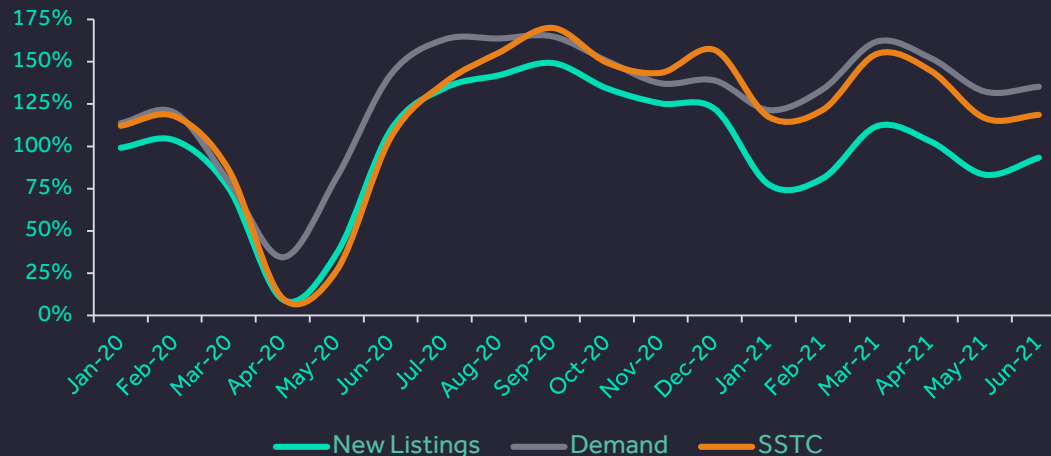


A record number of housing transactions and only a slight cooling in demand

Housing transactions 2007-2021 (UK)¹



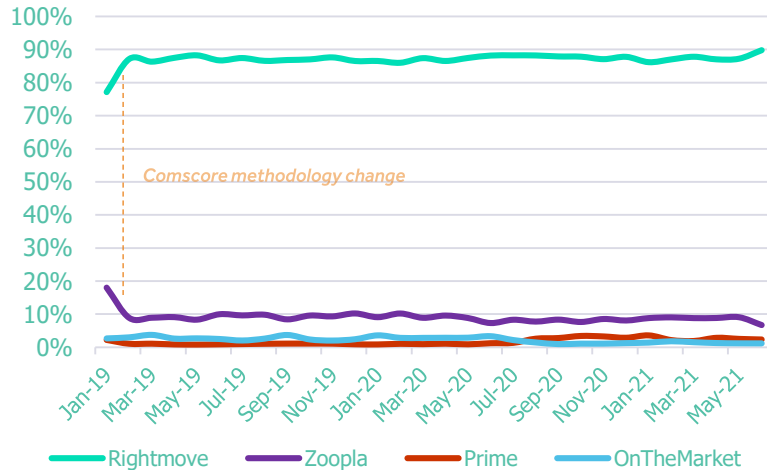
New Listings, Demand and SSTC vs 2019²



- Record number of transactions over first six months
- Available stock continues to fall as the strong demand has reduced time on market
- Lack of supply is leading to the market becoming more efficient with a greater proportion of homes marketed going on to sell
- Post first stamp duty deadline July demand is ahead of 2019

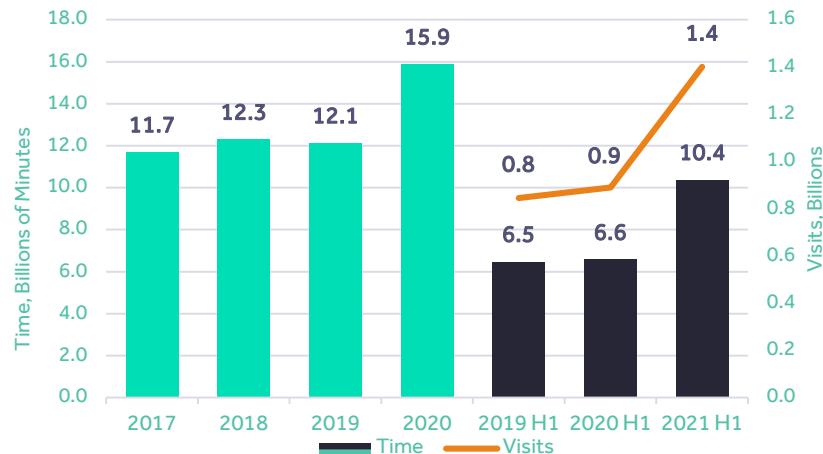
Rightmove has continued to see record engagement

Market Share of top 4 property portals¹

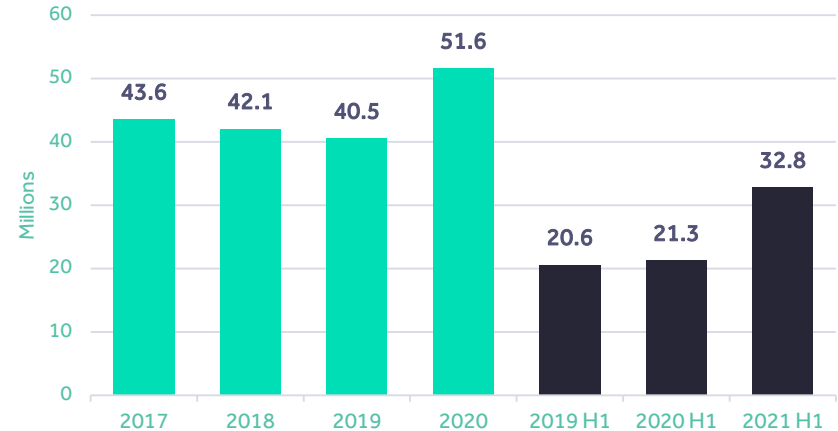


- Record engagement as Rightmove continues to be the place consumers turn to first
- Time up 58% year on year; 10.4 billion minutes spent on Rightmove
- Over 1.4 billion visits, up 56% year on year
- Rightmove continues to be the only place to find virtually the whole of the UK property market in one place

Visits and Time²



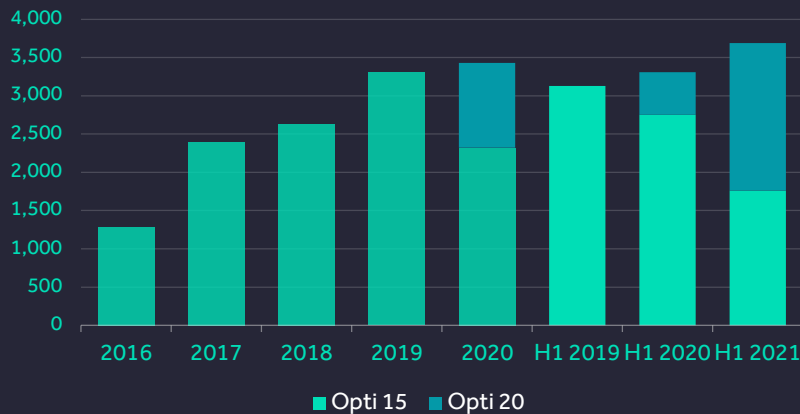
Leads²



Source: 1. comScore. Note: comScore methodology change expected in H2
2. Google Analytics & Rightmove

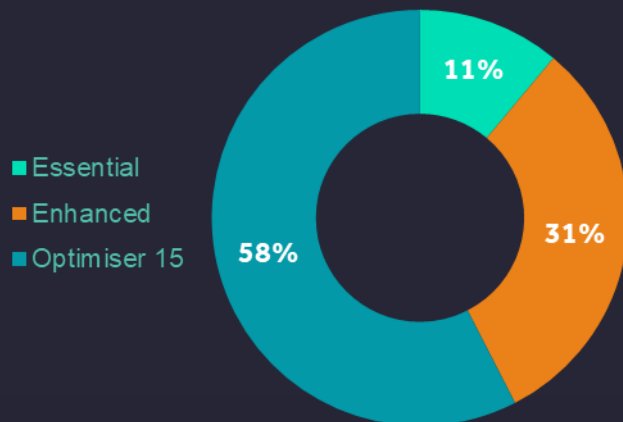
Upgrades to the Optimiser package continue to be strong

Optimiser package

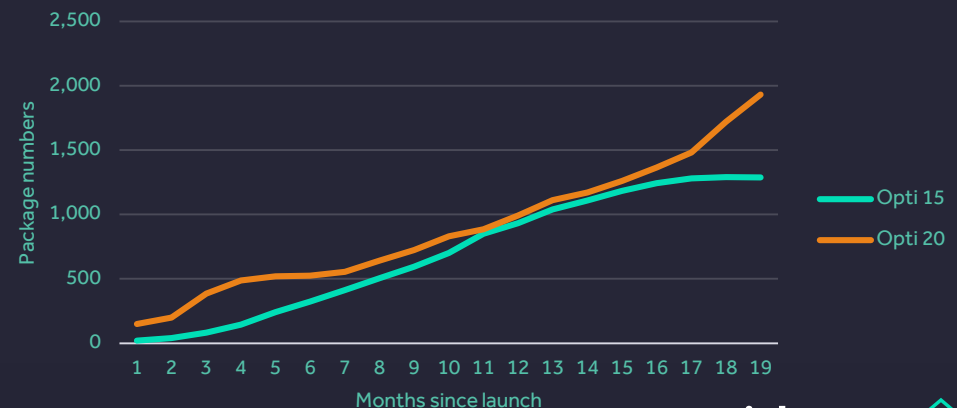


- Growth in the premium Optimiser 2020 package with over 800 upgrades in H1 2021
- Continuing to see strong upgrades, with over 100 upgrades to Optimiser 2020 in July
- Over 40% of upgrades to Optimiser 2020 coming from Essential and Enhanced packages
- 2,504 Enhanced customers (2,772 in June 20); 258 upgraded to Optimiser 2020 in H1 2020
- Proportion of our Agency branches buying either Enhanced or Optimiser packages at 39% (38% in June 20)

Source of Optimiser 2020 upgrades

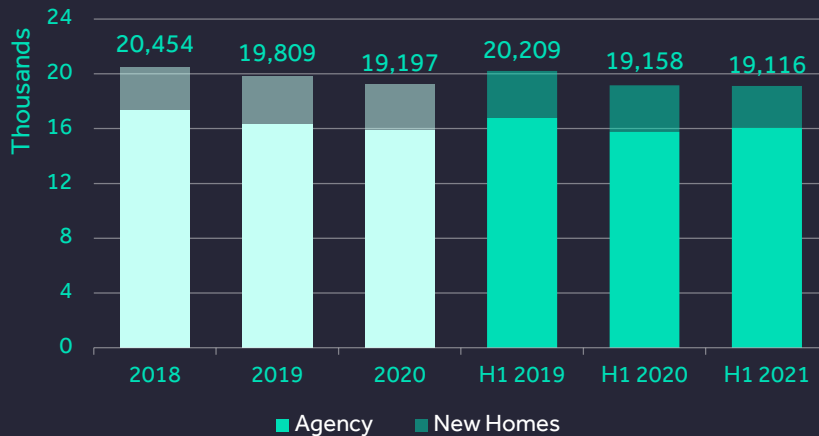


Number of Optimiser 2020 and Optimiser 2015 customers over first 19 months



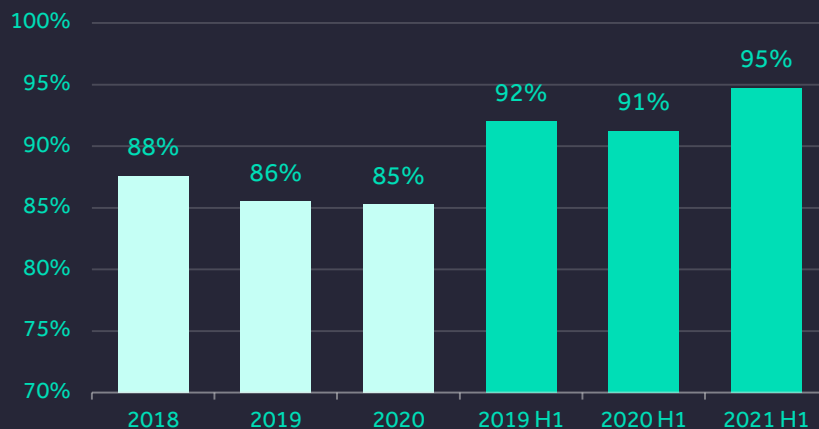
Record Agency retention

Agency and New Homes



- Increase in Agency customers with +130 Agency branches since December 20
- Record Agency retention rate demonstrates Rightmove's value in both slower and stronger housing markets
- New agent formation limited by stock availability
- Number of New Homes developers advertising broadly flat since December 2020

Agency Retention Rates



Opportunity manager gives agents a head start over their competition in winning new instructions

Opportunity Manager

Please make sure you are familiar with the [Terms & Conditions](#) for the Opportunity Manager service before contacting applicants.

Remember that as part of your registration of this applicant you should have sought and recorded their consent under the GDPR to market your other services to them. That means you should check you have proper consent before enquiring about a property this applicant may have to sell.

Summary **All potential opportunities 37** Contact Later 1 Valuations Booked

Your potential opportunities

All opportunities

Phil Jones

LEAD SENT 4 FEB

DISCOVER LEAD

190 Buckland Avenue, CT16 2JN • phil.j@gmail.com • 07723389478

Contact history

Added as opportunity

22/02/2019 1:43 pm

Property enquired about

20, BEWSBURY CROSS LANE, Whitfield,
Dover, Kent, CT16 3HB

Note

Add Note

SELECT STATUS

VALUATION BOOKED

LEFT MESSAGE

CONTACT LATER

REMOVE FROM LIST

Millie Smith

LEAD SENT 19 FEB

LOCAL VALUATION ALERT

mills@gmail.com • 07718745678

SELECT STATUS

Mary James

LEAD SENT 8 FEB

LOCAL VALUATION ALERT

m.james@gmail.com • 07712381778

SELECT STATUS

Tony Powell

LEAD SENT 16 SEP

REFERRAL

LISTED BY OTHER AGENT

8 Loxwood Street, CT163PU • tonypowell@gmail.com • 07772613265

SELECT STATUS

Susan Pan

LEAD SENT 14 DEC

SELECT STATUS

Your estimated instructions

Export

Instructions won

Last 6 months

6

Out of
71 opportunities generated

Instructions lost

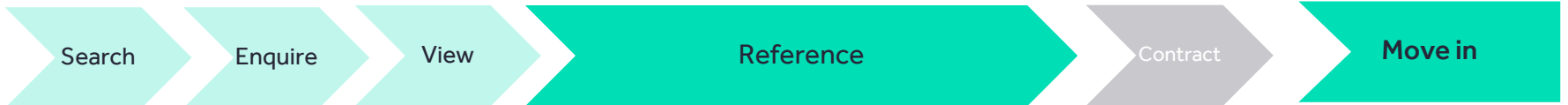
Last 6 months


6

Out of
71 opportunities generated


- Opportunity Manager is powered by a real time algorithm to intelligently spot buyers that are most likely to turn into potential home sellers in the agent's area
- Opportunity Manager identified a third of properties that came to market in the first six months of this year
- On average, it flags the opportunity 30 days before the property comes to market
- This gives Optimiser 2020 customers a head start on a commission pool worth over £500m
- Exclusive to Optimiser 2020


Strategic progress on digital renting journey





in partnership with






Here is your requested online viewing.

How would you enjoy it?

This link will expire on Monday 27th April at 23:05 or you can request a new one



Be the first to know more details about this property

About the property


About the move

I need to move by

Within a week

I am moving in with

I'm moving by myself

About you 

My employment status is

Full time employment

☒ I confirm that my yearly household income exceeds £14,850. Based on the monthly rent of the property, we've calculated the combined household income that would be required as a minimum for this property to be suitable for you (optional)

☒ I am not aware of any adverse credit history which could affect my application to rent this property (optional)


Continue


Your viewing availability


Pick a date

Friday, 19 February

Pick one or more time slots

 14th - 12PM


 12PM - 3PM


 3PM - 1PM


Pick a date

Saturday, 20 February

Pick one or more time slots

 14th - 12PM

 12PM - 3PM





 3PM - 7PM

Continue

Viewings Manager

Add Viewing
View All References

Inbox
Viewing Times

VIEWING STATUS	DATE AND TIME	PROPERTY	REFERENCE
Requested	Schedule Viewing	 46 Trinity LaneBeverley, East Yorkshire 2 bed house	Order Reference
Requested	Schedule Viewing	 46 Trinity LaneBeverley, East Yorkshire 2 bed house	Order Reference
Requested	Schedule Viewing	 46 Trinity LaneBeverley, East Yorkshire 2 bed house	Order Reference
Requested	Schedule Viewing	 Dale Road, North Ferry Town	Order Reference

New Reference

0191 256 0920

referencing@nightmove.co.uk

Comprehensive ReferenceInstant Credit CheckCompany Reference

Proposed Property Details

Details for the property the applicants are looking to move into

Postcode

E9 6JL 1AA

Rent Per Month (£)

635

Full Address

46 Trinity LaneBeverleyEast Yorkshire

Tenancy Length

Please select...

Extra Notes

Rent Guarantee Details

☒ Rent Guarantee & Legal Expenses Insurance


Are you paying for this on behalf of your landlord e.g. as part of your managed service?

☐ Yes☐ No

Landlord Name

Landlord Phone

Landlord Email



[New Reference](#)
[References](#)
[R2R Checks](#)
[Rent Guarantees](#)
[Block Policy](#)
[My Account](#)

References

📞 0191 256 0920
✉️ referencing@rightmove.co.uk

All references (937)
All Staff

Name	Property	Result	Ordered
Miss Robyn Dewar	1 Wansbeck Road	PENDING	07/07/21
Miss Robyn Test	1 Test Street	PENDING	06/07/21
Miss Lara James	85 West Dock	WARNING	06/07/21

Miss Lara James

- Waiting for the applicant to return his/her application form
- Calculating credit score and checking for CCJs, defaults, etc.
- Verify income & employment details
- Checking declared credit problems
- Invalid Right to Rent Report
- Performing final validation and anti-fraud checks

Referencing Notes

reference at the Working Approval stage 1
00:07:12.14 of Reference complete, 100%

Move in

Good news: Your reference has been approved 🥳

Get set for moving day by sorting your insurance, energy and broadband today

CONTENTS INSURANCE

Peace of mind from just £12.50 a month

Designed for renters,
powered by PaymentsShield

- ✓ Sort within minutes
- ✓ Accidental damage + tenant liability included
- ✓ No amendment or cancellation fees

Get covered today

Paymentshield is rated **Excellent**

★★★★★

★ Trustpilot • 1,787 reviews

- 160,000 appointments requested via rental appointment booking
- Van Mildert rebranded Rightmove on 6th July
- One-click reference ordering from Rightmove Plus
- Integrated contents insurance flow launched

Referencing opens the door to new revenue opportunities

Additional profit per completed reference



- Early in the journey of scaling the revenue opportunities generated by each references
- Our first revenue stream from landlord and tenants
- Currently over £4 *additional* profit per completed reference
- Growth levers:
 - Increase the number of references (currently 7% of the market)
 - Increase the attach rate of services
 - Increase the number of services offered

while helping agents to be more efficient

- Prequalification at time of lead sending allows agents to prioritise tenants who are most likely to be able to rent the property
- Integrated one-click reference ordering reduces effort and re-keying errors
- Referencing status integrated in the Rightmove Plus
- Reference process now 20% faster than a year ago, with no loss of quality

Increasing digitisation of the mortgages process to give home-hunters more certainty earlier in the process

Currently the disconnect between mortgage application process and the homebuying process means buyers have little financial clarity or certainty until very late in the process.



- We have focused on tools for consumers who want to deal directly from lenders, thus far:
 - sent over twice as many mortgage leads to our lender partner in H1 21 vs H1 20
 - increased the quality such that three times as many went on to receive a lender issued Decision in Principle (DiP)
- We plan to further increase the number of leads and the conversion rate to DiP by focusing our innovation on combining property search and affordability, simplifying the process for consumers and better embedding tooling and helpful content.

Outlook



Outlook

- Rightmove remains *the* trusted brand that consumers continue to turn to and place at the heart of their home move
- Strong Agency ARPA momentum likely to continue in H2 as customers invest in our digital solutions to grow their businesses
- Branch number growth in the second half dependent on uptick in new property listing numbers
- Current New Homes market conditions are likely to remain for the remainder of the year
- More innovation planned during the year to make home moving more digital across rental process and mortgages
- The Board has confidence in Rightmove's outlook for 2021 and beyond

Appendix



Key performance indicators

	FY 2019	FY 2020	H1 2019	H1 2020	H1 2021
Period end membership					
- Agency branches	16,347	15,922	16,768	15,767	16,052
- New Home developments	3,462	3,275	3,441	3,391	3,064
Total	19,809	19,197	20,209	19,158	19,116
Growth	-3%	-3%	-1%	-5%	0%
ARPA					
- Agency	1,035	730	1,023	685	1,130
- New Home developments	1,343	1,003	1,346	836	1,329
Total ¹	1,088	778	1,077	712	1,163
Growth	8%	-28%	9%	-34%	63%
Retention rate					
- Agency (% of agents at start still listing at end of period)	85%	87%	92%	92%	95%
- New Home developments (monthly churn rate)	4.1%	4.7%	3.9%	3.7%	6.4%

Source Rightmove

1. ARPA is calculated as revenue from Agency and New Homes advertisers in a given month divided by the total number of advertisers during the month, measured as a monthly average across the year. To the extent Van Mildert revenue relates to a common Rightmove Agency customer it has been included in the calculation of both Agency ARPA and total ARPA.

Revenue by business segment

