

Tuesday, 3 January 2017

McCarthy & Stone plc

Appointment of Chief Financial Officer

McCarthy & Stone (the "Group"), the UK's leading retirement housebuilder, is pleased to announce that Rowan Baker will be appointed as the Group's Chief Financial Officer with effect from 6 January 2017 taking over the role from Nick Maddock, whose resignation was announced on 11 October 2016. Nick will also be leaving the business, and stepping down from the Board, on 6 January 2017.

Rowan is currently the Group Financial Controller of McCarthy & Stone and has worked for the Group since January 2012. Rowan is a Chartered Accountant and a Chartered Tax Adviser. Before joining McCarthy & Stone, Rowan held various roles in industry and private practice, most notably at Barclays Bank plc and PricewaterhouseCoopers.

Commenting on behalf of the Board, John White, Chairman of McCarthy & Stone, said:

"We are delighted to announce Rowan's appointment as Chief Financial Officer and we welcome her to the Board. She has made an outstanding contribution since she joined the Group in 2012 and she played a key role in our successful return to the stock market in November 2015. I and the rest of the Board look forward to working with Rowan to help deliver our strategic growth targets."

There is no additional information which is required to be disclosed pursuant paragraph LR9.6.13R of the Listing Rules of the Financial Conduct Authority.

For more information, please contact:

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Clive Fenton, Chief Executive Officer
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Justin Griffiths, Nick Dibden

Notes to editors:

McCarthy & Stone is the UK's leading retirement housebuilder, with a c.70% share of the owner-occupied market¹. The Group buys land and then builds, sells and manages high-quality retirement developments. It has built and sold more than 51,000 apartments across more than 1,100 developments since 1977, and is renowned for its focus on the needs of those in later life. It re-joined the Main Market of the London Stock Exchange in November 2015 and re-entered the FTSE 250 following its quarterly review on 21 March 2016.

There is a growing demand for specialist retirement housing, with the number of people aged 85 and over in the UK expected to more than double between 2015 and 2035 from 1.5 million to 3.2 million, and the number of people aged 65 and over expected to increase by more than 50% from 11.6 million to 17.2 million². According to research by Demos, 1 in 4 over 60s are interested in retirement living³, yet only c.141, 000 units of specialist retirement housing for homeowners have been built⁴.

Older people are also the one group where rates of homeownership have risen in recent years. Homeownership among those aged 65 to 74 increased from 50% in 1981 to 78% in 2012 and among the over 75s it rose from 47% to 73%. However, for those aged 25 to 34, it has fallen from 62% in 1981 to 43% in 2012 and for 35 to 44 year olds it fell from 69% to 63%⁵. The Department for Communities and Local Government (DCLG) is forecasting that older householders (aged 65+) will grow by 155,000 per year to 2039 and will account for about three quarters (74%) of total household growth over that period⁶.

The Group has two established product ranges - Retirement Living and Assisted Living - which provide one and two bedroom apartments across the country with varying levels of support and care for older homeowners. In late 2014, McCarthy & Stone launched its Ortus Homes product, which is exclusively for the over 55s and those in the earlier stages of retirement who are seeking to downsize for their leisure years. McCarthy & Stone is currently selling its first apartments in this new product range across a number of locations, helping the Group to capture a wider share of the active retiree market.

The first Ortus Homes development at Scarlet Oak in Solihull won the Best Retirement Scheme at the annual Housebuilder Awards in November 2015. At the same awards in November 2016, we were pleased to again receive Best Retirement Scheme for Ramsay Grange and Lyle Court, our combined Assisted Living and Ortus Homes development in Barnton, Edinburgh, as well as Best Customer Satisfaction Initiative for our approach to ensuring that we deliver a five-star service for our homeowners.

McCarthy & Stone's commitment to quality and customer service continues to be recognised by homeowners. In March 2016, the Group received the full Five Star rating for customer satisfaction from the HBF for the eleventh consecutive year - making it the only UK housebuilder, of any size or type, to achieve this accolade.

www.mccarthyandstonegroup.co.uk

¹Based on 3,453 registrations of cross tenure properties specifically designed for the elderly with the NHBC during calendar year 2015, of which 2,672 were registered by McCarthy and Stone.

²Population projections by the Office for National Statistics (2014 based).

³Demos- Top of the Ladder (2013)

⁴Independent data provided by the Elderly Accommodation Counsel, April 2016

⁵Office for National Statistics - Housing and home ownership in the UK (2015)

⁶The Department for Communities and Local Government (DCLG) projections, July 2016