

Bellway p.l.c.

Trading Update

Thursday 3 February 2005

Bellway is pleased to announce that in the six months to 31 January 2005, sales of new homes were 2,930, up from 2,728, an increase of over 7% compared to the same period last year. These sales were achieved at an average selling price of around £165,000, up from £156,900, still one of the lowest in the industry. During the period we increased both the number of private homes sold and sales to Housing Associations. The operating margin is likely to be slightly ahead of the 18.5% achieved in the six months to January 2004.

Although the Group is experiencing a weaker market compared with the exceptionally strong conditions of last year, activity levels have returned to a more sustainable level and the fundamentals of the market remain encouraging. Bellway's policy of forward selling has resulted in the Group already securing over 86% of this year's sales target of around 7,000 homes. We anticipate selling from around 10% more sites over the next six months and this combined with our continuing policy of forward selling should satisfy our growth aspirations.

The forward order book currently stands at £560 million compared to £542 million at this time last year.

As the Group enters the second half of the financial year its wide geographic coverage, coupled with the previously stated policy of serving the lower to middle end of the market, should ensure that Bellway delivers record annual profits for the ninth year in succession, in line with market expectations.

The results for the six months to 31 January 2005 will be announced to the Stock Exchange on Tuesday 19 April.

FOR FURTHER INFORMATION, PLEASE CONTACT JOHN WATSON, CHIEF EXECUTIVE
OR ALISTAIR LEITCH, FINANCE DIRECTOR ON 0191 217 0717 FROM 8AM
ONWARDS