

Bellway plc

Trading Update

2 February 2007

For the six months to 31 January the Group's legal completions were 10% ahead at 3,264 homes compared to 2,958 for the same period last year. Whilst social housing completions increased slightly, the majority of the increase has been achieved through private home sales. The average selling price of homes sold is slightly ahead at around £173,000 compared to £167,000 in 2006.

Against a background of a stable but competitive market place, reservations have increased in the period by some 6% compared to last year, resulting in the Group already securing over 80% of this year's targeted volume. The Group is trading from more outlets and this has contributed to the order book at 31 January 2007 increasing to £653 million compared to £562 million at 31 January 2006. With the operating margin broadly similar to last year's 19%, we anticipate a new record operating profit for the period exceeding last year's figure of £96.2 million.

With the key Spring selling period about to commence, it is too early to predict any change in sentiment following recent interest rate movements. However, with the strength of our forward sales, combined with the Group's traditionally low to middle market profile, the Board remains confident of reporting another record performance for the twelve months ending 31 July.

The preliminary results for the period ended 31 January 2007 will be announced to the London Stock Exchange on Tuesday 17 April.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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