

Unaudited operational performance and financial metrics 2019/20

Operational performance

- Harmonisation of systems, processes, procedures, and teams took place during 2018/19 and into early 2019/20
- System changes and stock acquisition from Guinness have impacted on re-let times, however recovery actions are driving monthly performance back towards target levels
- Broadly, performance has been maintained during any periods of integration and increasing UC roll-out with current arrears in 19/20 at 3.19% compared to 18/19 of 2.66%
- Our headline social housing cost per unit for Karbon Homes Group in 19/20 is £3,102 (18/19: £3,135)
- Group operating margin in 19/20 is 25.3% (18/19: 24.6%)

Karbon Homes Association: Performance Benchmarking	Measure	FY 19/20 unaudited	Target 19/20	FY 18/19 audited
Rent collected against rent debit	%	99.11%	99.30%	99.17%
Void rent loss as % of annual rent debit (rolling 12 months)	%	1.60%	0.90%	1.57%
Average re-let time (Housemark Standard)	Days	48.33	32.00	51.00
Benefit income achieved for our customers	£	6.4m	5.0m	5.3m
Responsive repairs completed to target date	%	99.96%	94.00%	92.58%
Appointments made and kept	%	98.14%	94.00%	98.40%
Average number of calendar days to complete standard void repairs	Days	14.53	14.00	16.72
Average cost of responsive repairs	£	£147.57	£132.60	£143.79
Homes meeting Decent Homes Standard	%	100.00%	100.00%	100.00%
Gas servicing completed against service plan	%	99.91%	100.00%	99.99%
Customers very and fairly satisfied with responsive repairs	%	87.70%	95.00%	91.80%

Performance summary

Metric	FY 19/20 Unaudited	FY 18/19 Audited
SH as % of turnover	87.1%	89.9%
SH Core EBITDA Margin	37.3%	35.5%
EBITDA Margin	38.5%	37.5%
EBITDA MRI Margin	30.7%	30.1%
Debt to EBITDA MRI	9.2x	10.0x
Gearing (VFM definition)	41.6%	43.8%
EBITDA MRI ICR	229%	206.0%
Average cost of borrowing	4.3%	4.3%
Capitalised major repairs	£10.6m	£9.5m
Development – completions	534	371

Sources: Audited Karbon Homes Group annual financial statements 2018/19, unaudited Karbon Homes Group 2019/20 financial statements.

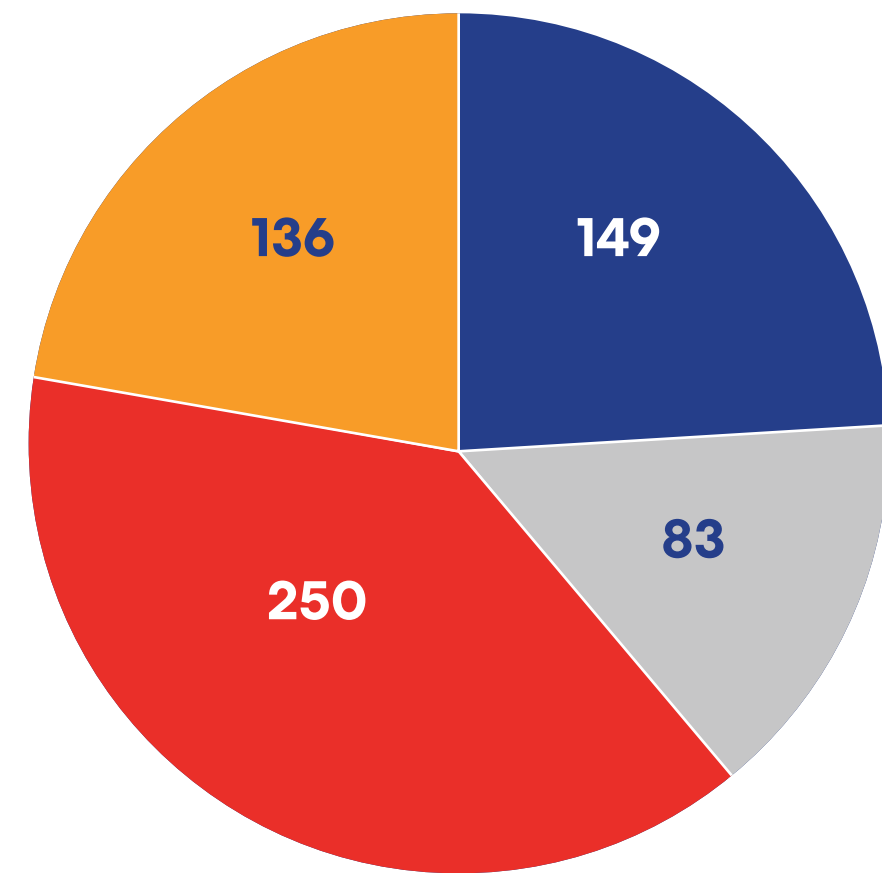
Group statutory financials

£m	FY 19/20 Unaudited	FY 18/19 Audited
SH core turnover	113.1	111.3
Sales and other turnover	22.4	18.1
Turnover	135.6	129.4
Cost of sales and other operating costs	-17.4	-11.2
SH core operating costs	-83.9	-86.4
SH core operating surplus	29.2	24.9
Operating surplus	34.3	31.8
Surplus on disposals	4.3	1.7
Net interest cost	-16.8	-17.7
Other	0.4	-9.6
Surplus before tax	22.2	6.2

Sources: Audited Karbon Homes Group annual financial statements 2018/19, unaudited Karbon Homes Group 2019/20 financial statements.

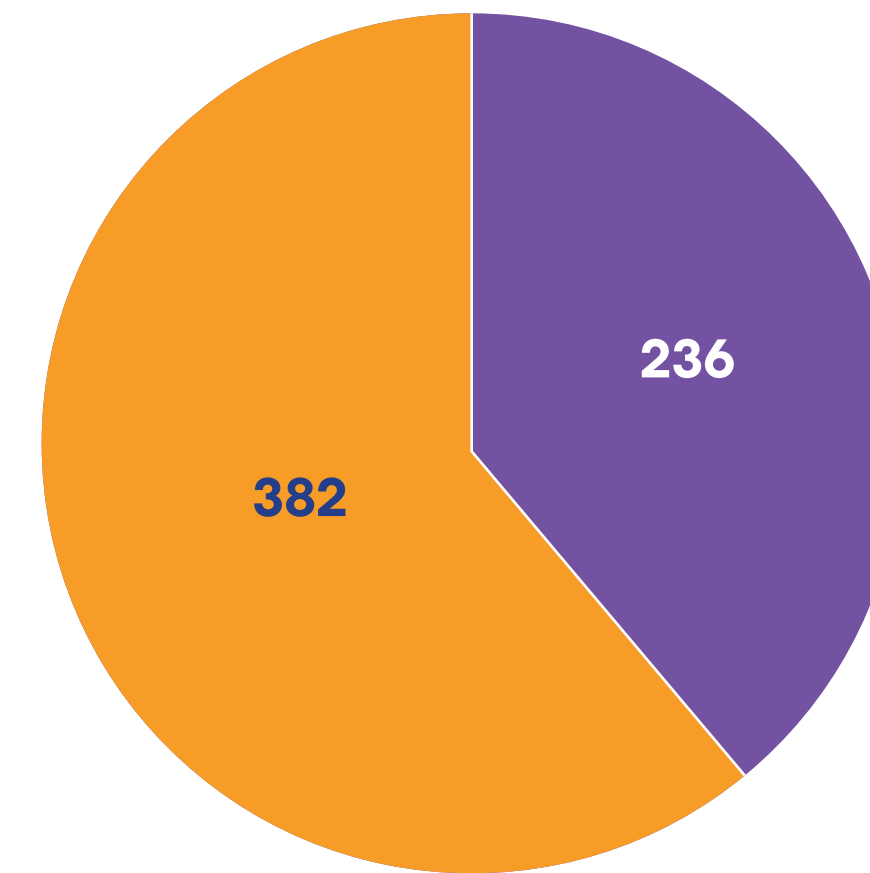
Treasury overview

Funding facilities of £618m at 31 March 2020



● Bank Loans ● Capital markets ● Bonds ● RCFs

Drawn vs undrawn facilities (£m) at 31 March 2020



● Undrawn ● Drawn