

23 December 2008

**Taylor Wimpey plc
Update on Financing Discussions**

The Company notes the press speculation regarding its covenant deferral negotiations and the recent movements in its share price.

At the time of our Interim Management Statement on 11 November, we confirmed that it was likely that a revised covenant structure with all of our debt providers would be agreed in early 2009, prior to the announcement of our Preliminary Results. We have made good progress since our Interim Management Statement and the discussions with our debt providers are continuing on a constructive basis.

As previously indicated it is likely that we will breach our interest cover covenants in January 2009 under the original testing schedule for the year to 31 December 2008. We have been progressing towards a deferral agreement with our lenders on these covenants. These discussions are close to completion and we expect to reach an agreement prior to the end of the year.

We are confident that a robust, stable medium term financing solution for the Group, which takes into account the requirements of all relevant stakeholders, will be achieved prior to the announcement of our Preliminary Results.

For further information please contact:

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