

Taylor Wimpey plc  
Interim Results 2008  
27 August 2008

TaylorWimpey<sup>plc</sup>

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## Basis of preparation of 2007 comparative pro forma information

To assist investors in understanding the performance of the combined Taylor Wimpey plc Group, pro forma half year comparative analyses have been prepared, by aggregating the previously reported half year information for the 6 months to 30 June 2007 of the former Taylor Woodrow plc ("TW") and the 26 weeks to 1 July 2007 of the former George Wimpey Plc ("GW"), to illustrate the effect of the merger as if the transaction had taken place on 1 January 2007. The 2007 pro forma results from the two legacy businesses were prepared on the basis of their historic accounting policies as published in the 2006 financial statements of the two Groups. In aggregating the two sets of financial information, intra-Group trading between the two entities was not eliminated and fair value adjustments arising from the acquisition accounting were excluded.

## Summary & Strategy

Pete Redfern, Group Chief Executive

## Agenda

- |                          |               |
|--------------------------|---------------|
| > Summary & Strategy     | Pete Redfern  |
| > Financial Review       | Peter Johnson |
| > Taylor Morrison Review | Sheryl Palmer |
| > UK housing Review      | Pete Redfern  |
| > Group Outlook          | Pete Redfern  |

## Summary & strategy Market conditions

- > Market conditions at Jan 2008:
  - > Trading conditions challenging and uncertain in our key housing markets
  - > US market going through a major downturn in volumes and prices
  - > UK market was challenging from Q3 2007, 2008 outlook very uncertain
- > Market conditions to August 2008:
  - > Trading conditions remain very challenging
  - > US less volatile than H2 2007, but still very slow, with no recovery expected until 2009 at earliest
  - > UK market:
    - > Slow spring selling season as expected
    - > Dramatic further slow down in April/May
    - > Conditions today remain extremely subdued

## Summary & strategy

### Group overview – 27/8/08

- > Taylor Wimpey position 1/1/2008:
  - > Integration still to be completed but proceeding well.
  - > UK margin below sector average but significant evidence of improvement already shown
  - > Strong UK land and outlets position
  - > NA business substantially adapted to changed conditions
  - > Group focused on balance of cash and profit
- > Taylor Wimpey position Aug 2008:
  - > Integration management now completed
  - > UK business adapting quickly – significant changes underway
  - > NA business fighting fit for current conditions – and for future recovery
  - > Covenant structure under renegotiation to take account of market conditions
  - > Group focused on cash and longer term value

## Summary & strategy

### Group strategy

- > Release cash and reduce cost in all businesses to:
  - > reduce gearing
  - > reduce exposure to assets in falling markets
  - > allow for reinvestment at low point of cycle
  - > establish competitive advantage from cost leadership
- > Maintain North American position to take advantage of:
  - > Overall market recovery and cautious accounting approach to date
  - > Good land positions in markets with underlying strong demographics
  - > Strong management team and business capacity
- > Position the UK business in the same 'fighting fit' mode as NA:
  - > Build on strong early actions on costs and cash
  - > Focus on land bank quality – retain the existing 'family silver' and build quality as cycle turns
  - > Continue to strengthen underlying systems, processes and people

## Summary & strategy Group synergies

<b>£m</b>	<b>Original savings targeted</b>	<b>Action taken to date</b>	<b>Potential savings identified</b>
Overheads	60.0	72.4	74.7
Build & procurement	35.0	28.5	45.4
Sales costs	5.0	20.2	20.2
<b>Total synergies</b>	<b>100.0</b>	<b>121.1</b>	<b>140.3</b>

## Financial Review

Peter Johnson, Group Finance Director

## Financial review Overview

- > Summary financials
- > Financing
- > Pensions

## Financial review H1 2008 results - Reported

£m	H1 2008 before exceptional items	H1 2008 exceptional items	H1 2008 Total	H1 2007 Total
Revenue	1,894.7	-	1,894.7	1,401.9
PBIT	71.4	(1,546.3)	(1,474.9)	48.7
Net finance costs	(67.1)	-	(67.1)	(30.4)
Profit/(Loss) before tax	4.3	(1,546.3)	(1,542.0)	18.3
Tax	(1.0)	124.0	123.0	4.6
Profit/(Loss) after tax	3.3	(1,422.3)	(1,419.0)	22.9
EPS			(134.9)p	3.9p
Tangible NAV per share			207.0p	294.6p
Dividend per share			-	5.5p

## Financial review Exceptional items

£m	H1 2008	H1 2007	FY 2007
UK inventory	585.9	-	-
North American inventory	70.8	86.0	283.4
Spanish inventory	33.3	-	6.3
Provision for legal claim	-	15.5	-
Restructuring costs	40.2	-	60.0
<b>Tangible assets</b>	<b>730.2</b>	<b>101.5</b>	<b>349.7</b>
Impairment of goodwill	699.8	-	-
Impairment of other intangible assets	116.3	-	30.0
<b>Intangible assets</b>	<b>816.1</b>	<b>-</b>	<b>30.0</b>
<b>Total</b>	<b>1,546.3</b>	<b>101.5</b>	<b>379.7</b>

>Currently expect to obtain a repayment of £90m of UK tax paid in respect of 2007 as a result of the NRV provisions by the end of 2009 at the latest

## Financial review Summary of reported cash flow

£m	H1 2008
Operating cash flow before excluding exceptional items and movements in working capital	(1,480.4)
Exceptional items	1,543.8
Increase in inventories	(42.9)
Decrease in receivables	15.7
Decrease in payables (inc pensions)	(205.0)
<b>Cash outflow from operations</b>	<b>(168.8)</b>
Net interest paid	(65.6)
New bank loans raised	229.5
Income taxes paid	(22.2)
Other including exchange	(7.2)
<b>Net decrease in cash and cash equivalents</b>	<b>(34.3)</b>

## Financial review Balance sheet financing

	<b>30 June 2008</b>
Net assets £m	2,181.3
Net debt £m	1,675.4
<hr/>	
Capital employed £m	3,856.7
<hr/>	
Covenant gearing %	73.5%
<hr/>	
Interest cover on a rolling annual basis*	
Cash (net interest on borrowings)	3.3

\* Before exceptional items

## Financial review Financing

- > Continue to operate within our current debt covenants
- > c£600m available for utilisation under our existing facilities
- > Risk of breach of interest cover covenants in early 2009
- > Primary focus is renegotiation of debt covenants
  - > Constructive discussions with the relevant lenders are ongoing
  - > Rothschild appointed as debt advisors
  - > Aim is to secure the business and provide a base for long term growth
  - > Negotiations likely to take a number of weeks



## Financial review Pensions

GWSPS	IAS 19 Accounting basis		Trustees' Actuarial Valuation	
	As at 30/06/2008 £m	As at 31/12/2007 £m	As at 31/03/2007 £m	As at 31/03/2005 £m
Deficit	(108.9)	(112.8)	(215.0)	(148.0)
TWGP & LAF	As at 30/06/2008 £m	As at 31/12/2007 £m	As at 31/05/07 £m	As at 31/05/2004 £m
Deficit	(105.5)	(104.4)	(162.5)	(64.6)
<b>Total</b>	<b>(214.4)*</b>	<b>(217.2)*</b>	<b>(377.5)</b>	<b>(212.6)</b>

> Buy out liability of £1,177m only relevant on liquidation or voluntary wind up

\* The balance sheet deficit also includes the North American Scheme and post retirement health care.

## Taylor Morrison Review

Sheryl Palmer, President and CEO, Taylor Morrison

## Taylor Morrison North America market overview

- > US market conditions remain weak overall, but more stable than volatile 2007
- > Over supply of re-sale homes, increased foreclosure activity, weak pricing in many sun-belt US markets
- > Mortgage market impacting consumer confidence and loan availability
- > Builder assisted down payment programs being withdrawn
- > Stimulus Program and Foreclosure Prevention Act will begin inventory repair
- > US unit order books down over 40% on average, year on year
- > Canada remaining relatively stable

## Taylor Morrison US financial summary

	H1 2008	Pro forma H1 2007	Change %	Pro forma FY 2007
Legal completions	1,677	2,382	(29.6)	5,330
Ave selling price £000	154	186	(17.2)	175
Homes revenue £m	258.0	447.5	(42.3)	929.6
Other revenue £m	11.5	28.5	(59.7)	32.0
Total revenue £m	269.5	476.0	(43.4)	961.6
Joint venture legal completions	-	8	n/a	13
PBIT £m*	4.9	40.0	(87.8)	28.4
PBIT margin	1.8%	8.4%	(6.6)ppt	3.0%

\* Before exceptional items

## Taylor Morrison Canada financial summary

	H1 2008	H1 2007	Change %	FY 2007
Legal completions	417	529	(21.2)	1,397
Ave selling price £000	213	173	23.1	176
Homes revenue £m	88.8	91.3	(2.7)	246.4
Other revenue £m	4.6	-	n/a	7.1
Total revenue £m	93.4	91.3	2.3	253.5
Joint venture legal completions	-	-	-	-
PBIT £m	12.4	14.0	(11.4)	34.0
PBIT margin	13.3%	15.3%	(2.0)ppt	13.4%

## Taylor Morrison Sales performance – pro forma

	H2 2008 (to week 33)	H1 2008	H2 2007	H1 2007	FY 2006
Ave outlets open	244	245	240	243	218
Ave sales rate (net)	0.9	0.5	0.5	0.6	0.6
Ave sales price £000	141	166	167	185	212
Ave cancellation rate	12%	20%	28%	20%	28%
Homes order book value £m	670.9	657.5	522.8	633.1	769.0

- > Year to date net sales performance at 3,058 – 20% lower than H107; compared to industry average down over 33%
- > Cancellation rate of 20% consistent with H1 2007
- > NA order book up 26%, US order book value up 54% at end of H1.

## Taylor Morrison North American Purchasing Initiatives

- > Company-wide direct cost re-bid
- > Implementation of BuildPro/SupplyPro
- > Plans management
- > National and regional strategic sourcing deal review and renegotiation
- > Cycle time measurement and reporting
- > Purchasing and construction conferences
- > GE supply connect, B2B solution
- > Review of indirects and overheads
- > Working with municipalities across U.S. to enact fee reductions and avoid delays

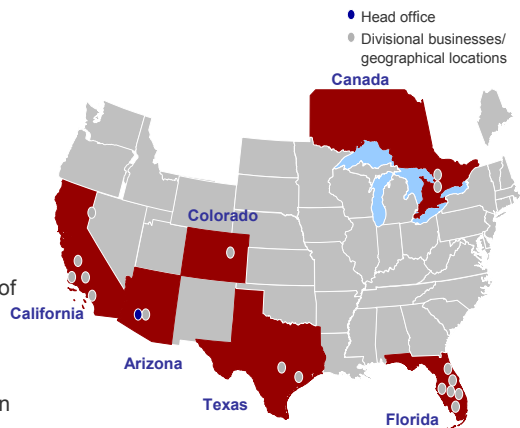
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Interim Results for the six months to 30 June 2008

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## Taylor Morrison Managing overhead cost

- > Continually reviewing all overhead opportunities
- > Head office relocating to Scottsdale, Arizona (Sept '08)
- > 17 divisional businesses/geographical locations, now 11 managed regional offices
- > Headcount down 35% at end of 2007 and 40% as at 30/6/08 from merger
- > Total overhead savings estimated to be \$35m between H2 2007 and H1 2008



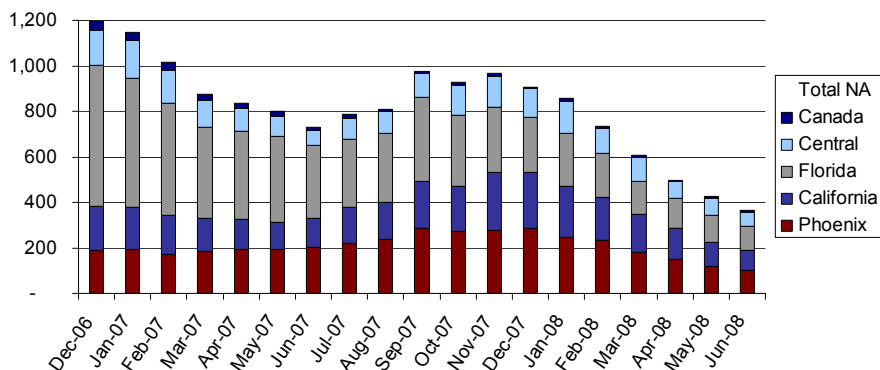
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## Taylor Morrison Managing WIP - Inventory levels

NA Completed Spec Inventory



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## Taylor Morrison Landbank by region

### Landbank plots\* Land values (net)#

	H1 2008	FY 2007	H1 2008 £m	FY 2007 £m
Arizona	5,834	6,325	125.5	135.6
California	2,979	3,447	128.3	184.7
Central	3,613	3,831	58.7	62.5
Florida	10,217	10,848	66.4	69.7
Canada	3,758	4,086	144.2	133.9
<b>TOTAL</b>	<b>26,401</b>	<b>28,537</b>	<b>523.2</b>	<b>586.4</b>

- > Land impairments to date – £590.6M (NRV - £436.4M, FV - £154.2M)
- > Land write downs taken and low risk of further issues
- > 5.0 years supply of owned and controlled land v 8.1 years industry average

\* owned plots

# value of land and development net of NRV and FV.

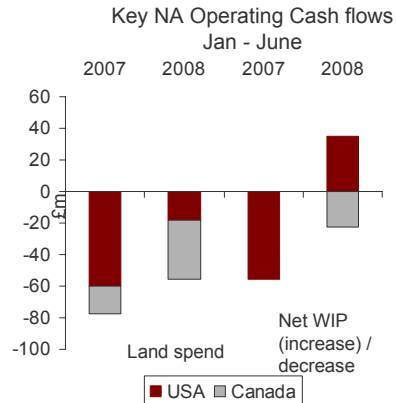
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**Actions**

- > 2006: Stopped buying new land in US
- > Tight controls on US WIP and particularly spec homes
- > Showing results  
2007: c.200 reduction in headcount in US operations
- > NRV provisions and fair value adjustments of £590.6m land and WIP in US to date
- > Reduced US selling prices to gain sales momentum and generate positive cash flow



- > Maintain steady sales pace
- > Ensure landbank is well placed for market recovery
- > Best in Class Cash Management – operating excellence, accelerating cash collections, scrutinizing and delaying cash payments, rebate management
- > Continued focus on cost reduction
- > Difficult decisions taken over 2007 and early 2008 – showing significant signs of progress
  - > Very experienced and capable team
  - > Right sized staffing and business infrastructure

## UK Housing Review

Pete Redfern, Group Chief Executive

TaylorWimpey<sup>plc</sup>

### UK housing Market overview

- > Market deterioration from H2 last year, with significant worsening in Q2 2008
  - > Increasing restrictions on lending criteria and lack of available funds
  - > Adverse media speculation
  - > Volume heavily impacted in H1, down 31%
  - > Price reductions increasing during Q2
- > Cancellation rate significantly higher than historic norm
  - > Volatility in mortgage product availability
  - > Reducing customer confidence in future pricing
- > Short term environment difficult, but there are strong fundamentals supporting the housing market

## UK housing Financial summary

	H1 2008	Pro forma H1 2007	Change %	Pro forma FY 2007
Ave no of active sites	489	479	2	464
Legal completions - total	6,317	9,206	(31)	20,690
Private	4,728	7,642	(38)	17,268
Affordable	1,542	1,367	13	3,128
JVs	47	197	(76)	294
Ave selling price – total £000	177	191	(7)	188
Private £000	202	205	(1)	203
Affordable £000	108	112	(4)	106
Revenue £m	1,160	1,793	(35)	3,999
PBIT £m*	61	263	(77)	609
Operating margin % †	5	15	(63)	15.2
Order book £m	1,199	1,784	(33)	1,064

\* Before exceptional items

† Operating margin is based on profit on ordinary activities before finance costs, exceptional items and amortisation of brands

## UK housing Customer segmentation– indicative figures

	2008	2007
First Time Buyers	20%	21%
Second Time Buyers	37%	43%
Investors	12%	21%
Social housing	31%	15%

2008 figures based on gross sales; 2007 figures based on customer survey returns



## UK housing Sales tactics

- > Getting the basics right
  - > Presentation of sales centres and show homes
  - > Sales processes – revised and in process of being implemented; consistent across the group
  - > Increasing transparency of reservation process
  - > Customer care – during and after a priority
- > The best sales team
  - > Identify, retain and develop the best people
- > Customers
  - > Strict guidelines for investors to ensure performance through to completion
  - > Tailoring deals to customer groups and individuals
- > Getting competitive price on local basis

## UK housing Sales incentives

Sales incentives used in plots sold	H1 2008
No incentive/price	33%
Assisted move	19%
Investor schemes	17%
FTBI/Own home/TW Shared Equity	11%
Deposit paid	9%
Part exchange	7%
Other	4%
<b>Total</b>	<b>100%</b>

## UK housing Sales performance – pro forma

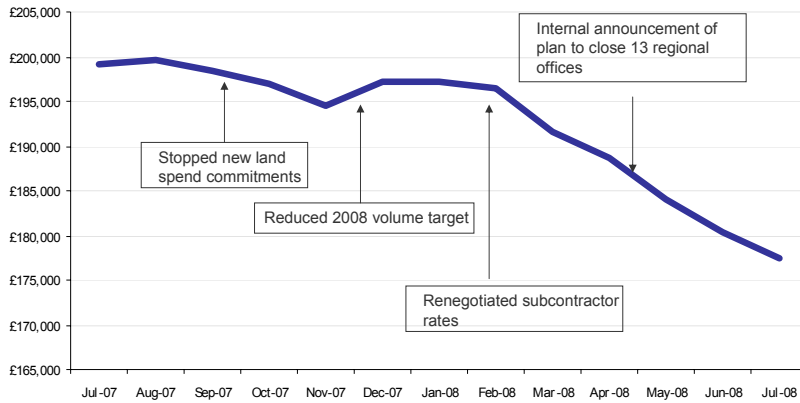
	H2 2008 (weeks 29 to 33)	H1 2008	H2 2007	H1 2007	FY 2006
Ave outlets open	442	489	449	479	461
Ave sales rate (net)	0.47	0.65	0.81	1.07	1.18
Ave sales price £000	172	175	188	188	184
Private sales rate (net)	0.45	0.45	0.50	0.82	0.82
Private sales price £000	171	197	202	203	198
Cancellation rate (private)	36%	29%	35%	19%	22%
Part exchange £m	51	56	101	46	63
Order book value £m	1,168	1,199	1,064	1,784	1,316
Unsold stock units	1,495	2,025	1,793	*	*

\* Not historically available

## UK housing Adapting to market conditions

- > Aggressive approach to changing market – implementing lessons learnt from US
  - > Scale of business reassessed
  - > Review of operations and procedures
  - > Overheads scrutinised both centrally and at regional level
- > Regional business structure scaled back by 1/3<sup>rd</sup>
  - > All staff now have certainty on their circumstances
- > Brand strategy currently remains unchanged
  - > Operating under Bryant, George Wimpey and G2 brands in UK to optimise outlets and sales potential
  - > Strategy under review in H2

## UK housing Timeline



Source: Halifax Standardised Average Price (all houses, all buyers, seasonally adjusted)

## UK housing Overhead cost savings

	£m
2006 Pre Merger Cost Base	216
Synergy savings	(45)
Inflation at 3% per annum	20
Restructuring savings	(37)
2009 Expected Cost base	154

## UK housing Managing cash

- > Work in Progress
  - > All new site starts signed off by Group Chief Executive
  - > Build releases to be authorised by Divisional MDs, not at site level
  - > Tightening of procedures
  - > Stock units targeted by sales
  - > Reviewed by stage of construction, on weekly basis
- > Land
  - > Stopped new land spend commitments in September 2007 – early call
  - > Thorough review of all existing contracts and opportunities in current market conditions, not against projections
  - > Strong existing land portfolio
  - > Reviewing balance of strategic land portfolio

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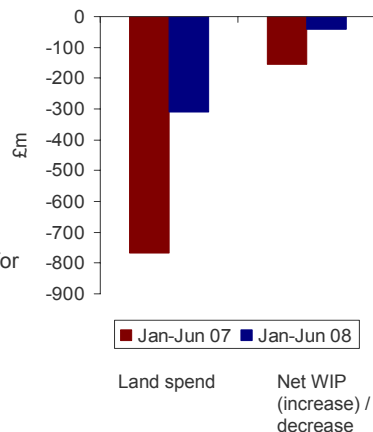
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## UK housing Land and WIP

### Actions

- > Sep 2007: Stopped new land spend commitments
- > Apr 2008: Reduced selling prices to gain momentum
- > May 2008: Tighter cash management implemented
- > Jun 2008: Deeper selling pricing review for cash recovery
- > Review of non-core land assets and operations



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## UK housing Ongoing land commitments

	Actual Jun 2008 YTD £m	Estimated H2 2008 £m	Estimated 2009 £m
Payments made to date	(310)		
Expected payments in respect of unconditional contracts as at June 2008		(160)	(250)
Expected payments in respect of conditional contracts as at June 2008		(80)	(175)
<b>Total</b>	<b>(310)</b>	<b>(240)</b>	<b>(425)</b>
Expected total 2008 cash outflow in respect of land		550	
Expected total 2009 cash outflow in respect of land			425

Note: numbers are rounded

## UK housing Overall land position

	H1 2008			FY 2007	
	Owned	Controlled	Pipeline	Total	Total
Detailed planning	42,041	716	0	42,757	45,161
Outline planning	26,439	1,367	0	27,806	32,152
Resolution to grant	2,773	4,079	0	6,852	13,746
Sub-total	71,253	6,162	0	77,415	91,059
Allocated strategic	3,557	7,527	0	11,084	12,495
Non allocated strategic	22,116	62,623	72	84,811	90,397
<b>Total</b>	<b>96,926</b>	<b>76,312</b>	<b>72</b>	<b>173,310</b>	<b>193,951</b>

## UK housing Land carrying value

- > A full exercise has been completed to review the carrying value of the UK land/WIP as at 30 June 2008
- > Average assumption on active sites of price movements of c12%

	<b>Value £m</b>	<b>Approx % land value</b>
Active sites	218	12%
Sites not yet open	84	7%
Mothballed sites	84	58%
Long term and larger sites	200	54%
<b>Estimated Total</b>	<b>586</b>	<b>16%</b>

## UK housing Summary

- > Market remains tough
- > Sales tactics in place to deliver competitive price on a local basis
- > Actions taken on build and overhead cost
- > Tight control of work in progress and land spend
- > Believe NRV provisions represent a prudent view of current market conditions

## Group Outlook

Pete Redfern, Group Chief Executive

TaylorWimpey<sup>plc</sup>

## Group outlook UK housing

- > Market conditions are extremely challenging
  - > Restrictions on lending criteria and lack of available funds must be addressed
  - > Expect H2 margins to be significantly affected by pricing pressure
- > Short term tough, but long term fundamentals in the UK remain sound:
  - > Continuing undersupply of new housing in the UK
  - > Government objective to deliver significant volume
- > Early signs that focus on cash, costs and sales is enabling us to maintain momentum in these tough conditions

## Group outlook Taylor Morrison

- > Market conditions still depressed
  - > More stability in pricing and cancellations
  - > Consumer confidence a key determinant
  - > Repossessions, not high level of inventory, putting pressure on prices
- > Some markets in North America show tentative signs of stabilisation
- > We expect conditions to remain weak at least through the second half of 2008
- > Taylor Morrison is in good shape and ready to make the most of the available market

## Group outlook Spain and Gibraltar and Taylor Woodrow Construction

- > Spain and Gibraltar
  - > Spanish business operating to same overall objectives as UK
  - > Plan to exit Gibraltar in place and expected to be complete during 2009
- > Taylor Woodrow Construction
  - > Trading in line with expectations



## Summary

- > UK in period of great uncertainty; US market remains weak
- > Group focused on our core UK and North American housing businesses
  - > Both markets have attractive demographics in longer term
  - > Significant focus on building strongest teams and asset values in short term market weakness
- > Business driving to create cash
  - > Right strategy to preserve value
  - > Experience from US shows that businesses that slow down too much in order to preserve price lose out in the end
- > Aggressive strategy to deal with short term challenge quickly will position the group strongly

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## Future investor communications

- |                                    |               |
|------------------------------------|---------------|
| > IMS and analyst presentation     | November 2008 |
| > Trading update                   | January 2009  |
| > Preliminary results presentation | February 2009 |

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## Questions and Answers

Pete Redfern, Group Chief Executive

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Appendices

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## Appendices Contents

- > Group financial information
- > UK housing financial information
- > Taylor Morrison financial information
- > Spain and Gibraltar housing financial information
- > Taylor Woodrow Construction financial information

## Segmental analysis First half 2008

	Revenue		PBIT*		PBIT margin*	
	£m	Change**	£m	Change**	2008	2007**
UK	1,159.6	(35.3)%	61.0	(76.8)%	5.3%	14.7%
North America	362.9	(36.0)%	17.3	(68.0)%	4.8%	9.5%
Spain & Gibraltar	26.4	(12.0)%	0.3	(83.3)%	1.1%	6.0%
TW Construction	345.8	24.4%	0.9	(43.8)%	0.3%	0.6%
Corporate	-	-	(8.1)	(12.5)%		
<b>Total</b>	<b>1,894.7</b>	<b>(29.1)%</b>	<b>71.4</b>	<b>(77.2)%</b>		

\* Before exceptional items

\*\* Based on pro forma comparative

## Group Completions First half 2008

	Completions		Ave selling price	
	No	Change*	£000	Change*
UK private	4,728	(38)%	202	(1)%
UK affordable	1,542	13%	108	(4)%
UK joint ventures	47	(76)%	273	(7)%
UK total	6,317	(31)%	177	(6)%
US	1,677	(30)%	154	(17)%
Canada	417	(21)%	213	24%
North America joint ventures	-	(100)%	-	(100)%
North America total	2,094	(28)%	166	(11)%
Spain & Gibraltar	83	(19)%	310	9%
<b>Group total</b>	<b>8,494</b>	<b>(31)%</b>		

\*Based on pro forma comparative

## Group reservations

£m	Reservations		Ave outlets		Per outlet / per week	
	H1 2008	H1 2007*	H1 2008	H1 2007*	H1 2008	H1 2007*
UK private	5,718	10,157	483	479	0.46	0.82
UK affordable	2,518	1,457				
UK total	8,236	11,614				
US	2,469	2,917	219	217	0.4	0.7
Canada	589	886	26	26	0.9	1.3
North America Total	3,058	3,803	245	243	0.5	0.8
Spain and Gibraltar	69	82	24	32	0.1	0.1
<b>Group total</b>	<b>11,363</b>	<b>15,499</b>				

\* Prepared on a pro forma basis

## Summary Group income statement

£m	Six months to 30 June	
	2008	2007 Pro forma †
Revenue	1,894.7	2,671.9
Cost of sales	(1,676.5)	(2,226.3)
Gross profit	218.2	445.6
Net operating expenses	(151.8)	(148.2)
Share of results of joint ventures	5.0	15.8
(Loss)/profit on ordinary activities before finance costs and exceptional items	71.4	313.2
Exceptional items	(1,546.3)	(118.1)
(Loss)/profit on ordinary activities before finance costs	(1,474.9)	195.1
Net finance costs	(67.1)	(54.2)
(Loss)/profit on ordinary activities before taxation	(1,542.0)	140.9
Taxation	123.0	(35.1)
(Loss)/profit for the period	(1,419.0)	105.8

† Basis of preparation of pro forma information is detailed on slide 3

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Interim Results for the six months to 30 June 2008

TaylorWimpey plc

## Consolidated net finance cost

£m	H1 2008	Pro forma H1 2007	Change %
Interest on borrowings	59.0	49.5	19.2
Interest receivable	(2.0)	(6.1)	(67.2)
Sub-total	57.0	43.4	31.3
Pensions	3.1	3.6	(13.9)
Derivatives	(6.4)	(5.9)	8.5
Land creditors and other	13.4	13.1	2.3
<b>Total net finance cost</b>	<b>67.1</b>	<b>54.2</b>	<b>23.8</b>

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Interim Results for the six months to 30 June 2008

TaylorWimpey plc

## Taxation

£m	Pre-exceptional	Exceptional	Post-exceptional
Result before tax	4.3	(1,546.3)	(1,542.0)
Tax charge/(credit)	1.0	(124.0)	(123.0)
Tax rate	23.3%	(8.0)%	8.0%

- > Tax charge on pre-exceptional items lower than UK rate due to a combination of some non-taxable items outweighing losses attracting no relief
- > Currently expect to obtain a repayment of £90m of UK tax paid in respect of 2007 as a result of the NRV provisions by the end of 2009 at the latest

## Exchange rates

Exchange (£m)	North America	Other	Total
Turnover	11.2	2.5	13.7
PBIT*	1.2	(0.1)	1.1

	US	Canada	Euro
H1 2008 ave exchange rate	1.97	1.99	1.28
H1 2007 ave exchange rate	1.99	2.19	1.49
H1 2008 closing exchange rate	1.99	2.01	1.26
H1 2007 closing exchange rate	2.01	2.13	1.49

\* Before exceptional items

## Summary group balance sheet

£m	30 Jun 2008	31 Dec 2007
Intangible assets	-	820.3
Fixed assets and joint ventures	105.6	98.9
Land and WIP	5,299.9	5,899.0
Land creditors	(677.4)	(829.0)
Other net operating assets	(647.3)	(513.2)
Tax and provisions	(7.9)	(136.3)
Pensions deficit	(216.2)	(219.1)
<b>Total capital employed</b>	<b>3,856.7</b>	<b>5,120.6</b>

## Net operating assets by market

£m	30 Jun 2008	31 Dec 2007	Change %
UK housing	3,274.4	3,841.0	(14.8)
US housing	497.5	574.3	(13.4)
Canada housing	130.2	106.0	22.8
Spain & Gibraltar housing	104.4	115.6	(9.7)
<b>Total housing</b>	<b>4,006.5</b>	<b>4,636.9</b>	<b>(13.6)</b>
Construction	(120.6)	(135.3)	10.9
Corporate	(125.2)	(31.1)	302.6
<b>Total</b>	<b>3,760.7</b>	<b>4,470.5</b>	<b>(15.9)</b>

Net operating assets exclude goodwill, current tax, deferred tax and net debt

## Analysis of inventory at 30 June 2008

£m	Gross Inventory	Provision/ FV adjustment	Net Inventory	% Provided
UK housing	5,043	(636)	4,407	13%
North America housing	1,268.3	(465.0)	803.3	36.6%
Spain & Gibraltar housing	182.2	(24.2)	158	13.3%

## Group housing landbank

H1 2008	UK	Taylor Morrison	Spain & Gibraltar	Total
<b>Landbank (with planning*)</b>				
Owned	71,253	26,401	2,072	99,726
Controlled	6,162	10,385	-	16,547
Total landbank	77,415	36,786	2,072	116,273
Landbank years **	4.4	5.0	10.8	4.6
<b>FY 2007</b>				
<b>Landbank (with planning*)</b>				
Owned	72,716	28,537	2,225	107,519
Controlled	13,439	12,066	268	21,732
Total landbank	86,155	40,603	2,493	129,251
Landbank years **	4.2	5.2	11.8	4.5

\* Includes land with detailed or outline planning or resolution to grant

\*\* Based on home and lot completions in North America



## Land disposals

£m		H1 2008	Pro forma H1 2007
<b>Proceeds</b>	UK	12.6	97.8
	North America	16.1	12.8
	Spain and Gibraltar	-	-
	<b>Total</b>	<b>28.7</b>	<b>110.6</b>
<b>Profit</b>	UK	12.5	24.9
	North America	1.4	4.8
	Spain and Gibraltar	-	-
	<b>Total</b>	<b>13.9</b>	<b>29.7</b>

In line with the former Taylor Woodrow policy, land disposals are included in revenue and cost of sales.

## UK housing Revenue analysis

		H1 2008	pro forma- 2007		
			H1	H2	FY
Private	volume	4,728	7,659	9,609	17,268
	ASP £000	202	203	204	203
	revenue £m	954	1,556	1,956	3,512
Affordable	Volume	1,542	1,350	1,778	3,128
	ASP £000	108	111	102	106
	revenue £m	167	150	181	331
Other	revenue £m	40	87	69	156
<b>Total</b>	Volume	<b>6,317</b>	<b>9,009</b>	<b>11,387</b>	<b>20,396</b>
	ASP £000	<b>177</b>	<b>189</b>	<b>188</b>	<b>188</b>
	revenue £m	<b>1,160</b>	<b>1,793</b>	<b>2,206</b>	<b>3,999</b>
Joint Ventures	volume	47	197	97	294

## UK housing Margin analysis

	H1 2008	pro forma		
		H1 2007	H2 2007	FY 2007
Revenue £m	1,160	1,793	2,206	3,999
Land cost £m	(293)	(466)	(500)	(966)
Build cost £m	(666)	(903)	(1,194)	(2,097)
Gross profit £m	201	424	512	936
Gross margin %	17.5	24	23	23
Direct Selling £m	(51)	(53)	(62)	(115)
Overhead costs £m	(91)	(116)	(109)	(225)
Share of JV Profit after tax	2	8	5	13
PBIT £m*	61	263	346	609
Operating margin %	5.3	15	16	15

\* Pre exceptional costs

## UK housing Capital employed

	30 Jun 2008	31 Dec 2007
Fixed assets	9	137
Investment in joint ventures	51	40
Stocks		
Land	3,222	3,611
WIP	1,151	1,289
Other	34	31
Total stocks	4,407	4,931
Debtors	231	282
Creditors		
Land	(583)	(711)
Other	(781)	(803)
Total creditors	(1,364)	(1,514)
Provisions	(60)	(35)
<b>Capital employed</b>	<b>3,274</b>	<b>3,841</b>

UK housing  
Private development product mix

Completions %	H1 2008	2007 – pro forma		
		H1	H2	FY
Apartments	34	40	41	40
1 / 2 / 3 bed houses	35	31	32	31
4 / 5 bed houses	31	29	27	29
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

UK housing  
Private development activity analysis

	H1 2008	2007 – pro forma		
		H1	H2	FY
Average house size sq ft	947	971	954	962
Average selling price (£/sq ft)	211	210	214	212

UK housing  
Private development price mix

%	H1 2008	2007 – pro forma		
		H1	H2	FY
£51 – 100k	3	3	2	3
£101 – 150k	26	26	26	26
£151 – 200k	31	32	31	31
£201 – 250k	20	20	21	20
£251 – 300k	10	10	10	10
£301 – 500k	9	8	9	9
£500k +	1	1	1	1
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

UK housing  
Private development geographic mix

	H1 2008		H1 2007 – pro forma	
	Completions	ASP £000	Completions	ASP £000
North	1,570	185	2,930	187
Midlands	1,527	183	2,222	195
South	1,631	229	2,490	236
Total	4,728	202	7,642	205
Joint Ventures	47	273	197	295
<b>Total</b>	<b>4,775</b>	<b>202</b>	<b>7,839</b>	<b>208</b>

## UK housing Regional landbank data

<b>H1 2008</b>	<b>North</b>	<b>Midlands</b>	<b>South</b>	<b>Total</b>
Total plots owned and controlled with consent or resolution to grant	20,036	24,878	32,501	77,415
Land years	4.2	4.3	4.6	4.4
Strategic land – plots	27,468	38,582	29,773	95,823
<b>FY 2007</b>				
Total plots owned and controlled with consent or resolution to grant	21,649	28,470	36,036	86,155
Land years	3.4	4.4	4.5	4.2
Strategic land – plots	22,993	40,492	38,570	102,055

## UK housing Owned land position

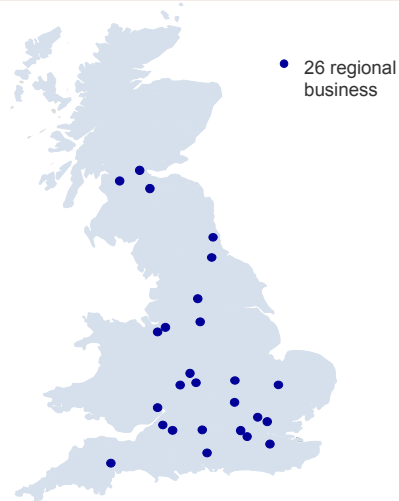
<b>Cost per plot £000</b>	<b>H1 2008</b>	<b>Pro forma H1 2007</b>	<b>FY 2007</b>	<b>FY 2006</b>
Opening landbank	45	43	43	43
Acquired	51	61	53	47
Completions	45	46	47	45
Closing landbank	46	45	45	43

> The net land cost per plot after NRV is £41k which is in line with 2002 land acquisition costs

Please note: above relates to land with detailed or outline planning consent, or resolution to grant

## UK housing Regional structure

- > Four regional businesses closed following the merger
- > Post merger, operated 34 regional businesses and five satellite offices
- > April 2008: Internal announcement of plan to close 13 regional offices

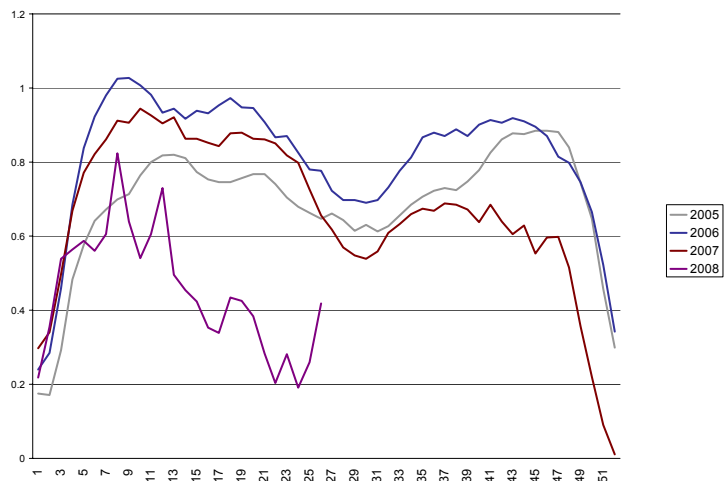


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Interim Results for the six months to 30 June 2008

TaylorWimpey plc

## UK housing Private development average weekly sales rates



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Interim Results for the six months to 30 June 2008

TaylorWimpey plc

## Taylor Morrison Revenue analysis

			2007 – pro forma		
		H1 2008	H1	H2	FY
US	volume	1,677	2,382	2,948	5,330
	ASP £000	154	186	163	175
	revenue £m	258	448	482	930
Canada	Volume	417	529	868	1,397
	ASP £000	213	172	179	176
	revenue £m	89	91	155	246
Other	revenue £m	16	29	10	39
<b>Total</b>	Volume	2,094	2,911	3,816	6,727
	ASP £000	166	186	167	175
	revenue £000	363	567	648	1,215
Joint Ventures	volume	-	8	5	13

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Interim Results for the six months to 30 June 2008

TaylorWimpey plc

## Taylor Morrison Margin analysis

		pro forma		
	H1 2008	H1 2007	H2 2007	FY 2007
Revenue £m	362.9	567.3	647.8	1,215.1
Land cost* £m	(36.7)	(88.5)	(124.3)	(212.8)
Development cost £m	(41.8)	(33.2)	(42.6)	(75.8)
Build cost £m	(223.7)	(315.0)	(369.3)	(684.3)
Other income/(expense) £m	10.0	(2.8)	(11.6)	(14.4)
Gross profit £m	70.7	127.8	100.0	227.8
Gross margin %	19.5	22.5	15.4	18.7
Direct Selling £m	(16.3)	(27.0)	(25.3)	(52.3)
Overhead costs £m	(40.5)	(55.2)	(72.9)	(128.1)
Share of JV results £m	3.4	8.4	6.6	15.0
PBIT £m	17.3	54.0	8.4	62.4
Operating margin %	4.8	9.5	1.3	5.1

\*Includes all NRV and FV utilization

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Interim Results for the six months to 30 June 2008

TaylorWimpey plc

## Taylor Morrison Regional performance

	Revenue		PBIT		PBIT margin	
	H1 2008 £m	H1 2007* £m	H1 2008 £m	H1 2007* £m	H1 2008 %	H1 2007* %
Arizona	43.6	79.1	0.4	11.4	0.9	14.4
California	69.4	87.8	(0.5)	(0.5)	(0.7)	(0.6)
Central	67.3	95.0	3.8	11.7	5.7	12.3
Florida	89.2	185.7	4.8	25.1	5.4	13.5
Canada	93.4	91.3	12.4	14.0	13.3	15.3
Corporate	-	28.4	(3.6)	(7.7)		
<b>Total</b>	<b>362.9</b>	<b>567.3</b>	<b>17.3</b>	<b>54.0</b>	<b>4.8</b>	<b>9.5</b>

\*Prepared on a pro forma basis.

## Taylor Morrison Capital employed

	30 Jun 2008	31 Dec 2007
Fixed assets	3.8	4.2
Investment in joint ventures	20.3	19.9
Stocks		
Land	186.1	264.0
WIP	617.2	642.3
Total stocks	803.3	906.3
Debtors	64.0	66.1
Creditors		
Land	(58.9)	(80.8)
Other	(170.9)	(193.7)
Total creditors	(229.8)	(274.5)
Provisions	(33.9)	(41.7)
<b>Total capital employed</b>	<b>627.7</b>	<b>680.3</b>



## Taylor Morrison US Sales performance – pro forma

	<b>Week 33 2008</b>	<b>H1 2008</b>	<b>H2 2007</b>	<b>H1 2007</b>	<b>FY 2006</b>
Ave outlets open	212	220	216	217	188
Ave sales rate (net)	0.4	0.4	0.3	0.5	0.5
Ave sales price £000	135	153	164	187	224
Ave cancellation rate	24%	24%	39%	24%	34%
Order book value £m	285.8	269.1	174.5	372.6	607.2

## Taylor Morrison Canada sales performance – pro forma

	<b>Week 33 2008</b>	<b>H1 2008</b>	<b>H2 2007</b>	<b>H1 2007</b>	<b>FY 2006</b>
Ave outlets open	24	26	24	26	30
Ave sales rate (net)	1.6	0.9	2.0	1.3	1.1
Ave sales price £000	162	213	179	173	155
Ave cancellation rate	2%	2%	1%	2%	3%
Order book value £m	385.1	388.4	348.3	260.5	161.8

## Taylor Morrison Price mix

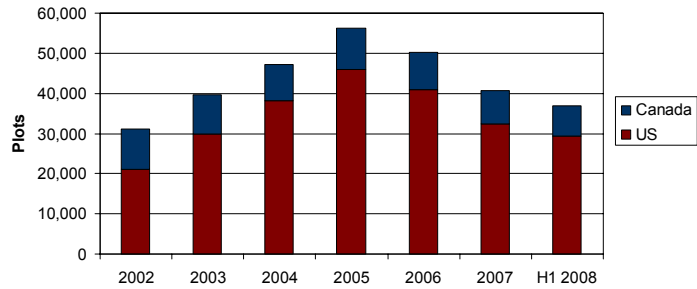
Completions %	H1 2008	2007 – pro forma		
		H1	H2	FY
£0 – 75k	6	2	2	2
£76 - 125k	36	30	35	33
£126 - 250k	46	51	50	51
£251 -375k	10	10	10	10
£376 -500k	1	4	2	2
£501 - 750k	1	3	1	2
£750k +*	-	-	-	-
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

\* Category includes 2007 completions, but at a level below 1%

## Taylor Morrison Geographic mix

Completions	H1 2008	2007 – pro forma		
		H1	H2	FY
Arizona	363	543	794	1,337
California	311	339	499	838
Central	435	690	807	1,497
Florida	568	810	848	1,658
Canada	417	529	868	1,397
<b>Total</b>	<b>2,094</b>	<b>2,911</b>	<b>3,816</b>	<b>6,727</b>
Joint Ventures	-	8	5	13
<b>Average selling price £000</b>				
Arizona	117	146	135	139
California	219	259	243	249
Central	154	138	152	146
Florida	141	229	153	190
Canada	213	173	179	176
<b>Total</b>	<b>166</b>	<b>184</b>	<b>166</b>	<b>175</b>

## Taylor Morrison Total landbank – pro forma



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Interim Results for the six months to 30 June 2008

TaylorWimpey plc

## Taylor Morrison Short term land

	2008		2007 – pro forma		
	H1	H2	H1	H2	FY
<b>Owned</b>					
Start of period	28,537		31,867	30,961	31,867
Additions	592		2,311	2,227	4,538
Legal completions	(2,728)		(3,217)	(4,651)	(7,868)
End of period	26,401		30,961	28,537	28,537
<b>Controlled</b>					
End of period	10,385		15,577	12,066	12,066
<b>Total landbank</b>	<b>36,786</b>		<b>46,538</b>	<b>40,603</b>	<b>40,603</b>
<b>Land spend £m</b>	<b>30</b>		<b>78</b>	<b>72</b>	<b>150</b>

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Interim Results for the six months to 30 June 2008

TaylorWimpey plc

## Taylor Morrison Landbank by region: Owned and Controlled

	H1 2008			FY 2007		
	Owned	Controlled	Total	Owned	Controlled	Total
Arizona	5,834	687	6,521	6,325	182	6,507
California	2,979	981	3,960	3,447	992	4,439
Central	3,613	1,146	4,759	3,831	1,670	5,501
Florida	10,217	3,873	14,090	10,848	4,985	15,833
<b>Total US</b>	<b>22,643</b>	<b>6,687</b>	<b>29,330</b>	<b>24,451</b>	<b>7,829</b>	<b>32,280</b>
Canada	3,758	3,698	7,456	4,086	4,237	8,323
<b>Total North America</b>	<b>26,401</b>	<b>10,385</b>	<b>36,786</b>	<b>28,537</b>	<b>12,066</b>	<b>40,603</b>

## Spain and Gibraltar housing Financial summary

	H1 2008	H1 2007	Change %
Ave no of active sites	27	32	(15.6)
Legal completions	83	103	(19.4)
Mainland Spain	29	20	45.0
Mallorca	39	45	(13.3)
Gibraltar	15	38	(60.5)
Ave selling price £000	309.7	284.4	8.9
Revenue £m	26.4	30.0	(12.0)
PBIT £m*	0.3	2.0	(85.0)
PBIT margin %*	0.1%	6.7%	6.6ppt
Order book £m	72.8	91	(20.0)

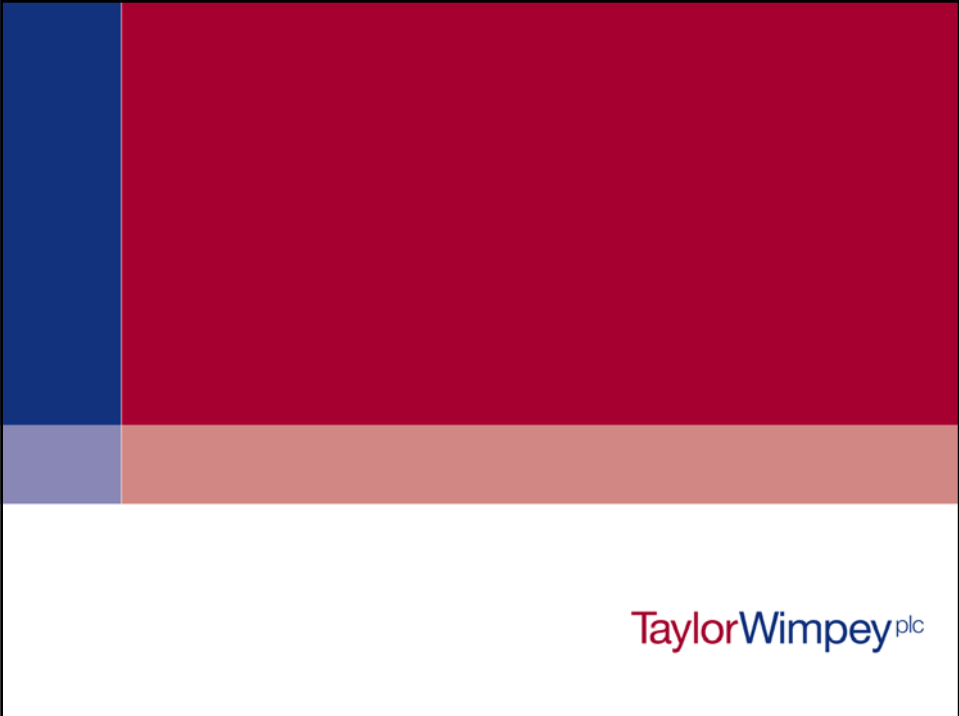
\*Before exceptional items

## Spain and Gibraltar housing Short term land

	H1 2008	FY 2007	Change %
Landbank plots	2,072	2,493	(16.9)
Landbank years	10.8	11.8	(8.5)

## Taylor Woodrow Construction Financial summary

	H1 2008	H1 2007	Change
Revenue £m	345.7	277.9	24.4%
Profit before tax £m	5.4	5.0	5.9%
Internal work %	4%	6%	(2.0)ppt
External order book £m	1,028	1,163	(11.6)%



TaylorWimpey<sup>plc</sup>