

**Taylor Wimpey plc**

**3 October 2008**

**Update on financing discussions**

At the time of the Interim Results, Taylor Wimpey announced that it was engaged in discussions with certain of the Group's debt providers to amend the future provisions of our existing borrowing agreements, which were likely to be concluded before the New Year.

These discussions are continuing on a constructive basis and the coordinating banks have indicated that it is their intention to agree to replace the current covenants with a revised set of covenants which are more appropriate to the current market environment.

The recent unprecedented events in world financial markets have reinforced the Board's cautious view of the short term outlook for UK housing. In the current environment, securing a comprehensive financing structure that is robust under all reasonable downside scenarios is essential. To that end the Board has decided to extend the current discussions with debt providers to include applicable Eurobond holders, which will prolong the negotiation process. As a consequence, it is now likely that a revised covenant structure will be concluded early next year before the announcement of our Preliminary Results.

We will update the market on current trading in our Interim Management Statement during November 2008 and will provide further information on the progress of discussions in due course. The Group remains in compliance with its existing covenant package and has adequate facilities available.

ENDS

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