

5 March 2026

Taylor Wimpey plc

Full year results for the year ended 31 December 2025

Robust 2025 performance; progressing well against outlet-led growth strategy

Jennie Daly, Chief Executive, commented:

“We delivered a robust performance in 2025, with completions up 6% and results in line with guidance – testament to the hard work and commitment of our teams in delivering the Group’s strategy against a challenging market backdrop.

The Spring selling season is progressing well, with encouraging levels of customer interest reflecting the quality of our sites and locations. We are also driving growth in outlets through improved planning outcomes and the consistent and proactive approach of our teams, which will support our growth ambitions.

Taylor Wimpey is a strong and agile business with highly experienced teams, and we are well positioned to generate value from our high-quality, well located landbank. Against a backdrop of continuing market uncertainty and more recent geopolitical events, we remain focussed on delivering our strategy set out at our recent Investor and Analyst event in October. This is progressing well and the actions we are taking give us confidence in our ability to deliver profitable growth and maximise shareholder returns over the medium term.”

Group financial highlights:

	2025	2024	Change
Revenue £m	3,844.6	3,401.2	13.0%
Adjusted operating profit* £m	420.6	416.2	1.1%
Adjusted operating profit margin ^{††} %	10.9%	12.2%	(1.3)ppt
Profit before tax and exceptional items £m	394.2	418.5	(5.8)%
Profit before tax £m	146.5	320.3	(54.3)%
Profit for the year £m	100.4	219.6	(54.3)%
Basic earnings per share pence	2.8	6.2	(54.8)%
Adjusted basic earnings per share ^{††} pence	8.0	8.4	(4.8)%
Ordinary dividend per share pence	7.62	9.46	(19.5)%
Tangible net assets value per share [†] pence	117.6	123.8	(5.0)%
Net cash [†] £m	342.6	564.8	(39.3)%
Return on net operating assets ^{***}	11.0%	10.9%	0.1ppt

N.B. Definitions can be found at the end of the Group financial review

Exceptional costs in the year, before tax and interest, totalled £243.8 million: net cladding fire safety provision increase in the year (£225.8 million), and costs related to the voluntary agreement with the CMA (£18.0 million).

Operational highlights:

- Group completions (including JVs) of 11,229 (2024: 10,593)
- UK home completions excluding joint ventures of 10,614 (2024: 9,972) including 2,220 affordable homes (2024: 2,178)
- UK net private sales rate of 0.75 homes per outlet per week (2024: 0.75). Excluding bulk deals, the net private sales rate was 0.65 (2024: 0.67)
- UK average selling price on private completions of £374k (2024: £356k) with overall average selling price of £335k (2024: £319k)
- 71 UK outlets opened in the year (2024: 55), up 29%. Operated from an average of 208 outlets (2024: 216), ending the year with a total of 219 outlets (31 December 2024: 213)
- Updated Distribution Policy: overall distribution maintained at 7.5% of net assets per annum or at least £250 million, with 5.0% of net assets returned via ordinary dividend and 2.5% of net assets returned either by way of ordinary dividend or a share buyback
- Today, we announce a 2025 final dividend of 2.95 pence per share (totalling c.£105 million) subject to shareholder approval and share buyback of £52 million intended to be completed by the end of June 2026

Responsible and sustainable business:

- The cladding fire safety provision is broadly unchanged from the half year, with the full year increase of £225.8 million (of which £222.2 million was in the first half) mainly driven by cavity barrier remediation behind brickwork and render
- Rated five-star for customer service in the Home Builders Federation (HBF) survey with a customer service score of 4.24 under the new scoring system (current benchmark for five-star is 4.15)
- Continue to lead the volume sector in quality with a Construction Quality Review (CQR) score of 4.96 (2024: 4.93)

Current trading and outlook

The Spring selling season has started well, with encouraging levels of customer interest, reflecting our excellent locations, and focus on targeted marketing and high-quality lead generation. There continues to be good mortgage availability at competitive rates as lenders remain committed to the UK mortgage market. However, while affordability is improving, it remains difficult for first time buyers to access the market, particularly in the South of England.

We entered 2026 with a slightly lower order book compared to the previous year following a period of uncertainty for house buyers ahead of the Autumn Budget in the second half of 2025. As at 1 March 2026, our total order book excluding joint ventures was £2,182 million (2025 equivalent period: £2,283 million), comprising 7,678 homes (2025 equivalent period: 8,097 homes).

The year to date net private sales rate (w/e 1 March 2026) is 0.74 per outlet per week, (2025 equivalent period: 0.76). Excluding bulk deals the sales rate for the period is 0.73 (2025: 0.76). The cancellation rate is 14% (2025 equivalent period: 16%).

We set out our strategy for medium term growth with our Investor and Analyst Update in October, focused on delivering growth from our excellent landbank without the need for net land investment, cycling capital into smaller sites and freeing up working capital from larger sites to accelerate outlet-led growth. We are making good progress on outlet openings and are on site on all the outlets required to deliver our 2026 UK completions which we expect to be in the range of 10,600 to 11,000 excluding JVs. Reflecting the softer market conditions in the final quarter of 2025, we expect 2026 performance to be more second half weighted with around 40% of completions in the first half. As previously guided, Group adjusted operating profit margin for 2026 is expected to be lower than 2025, reflecting softer pricing in the order book coming into the year together with continued low single digit build cost inflation. Therefore, we expect 2026 adjusted operating profit to be around £400 million¹.

As we look to our medium term targets, we continue to drive the pipeline of new planning applications, benefiting from our quality strategic pipeline and the improving planning system. We are on track to open more outlets in 2026 than in 2025 and continue to expect average outlets to increase year on year in 2026 and into the medium term. Newer land will help drive margin progress from 2027 onwards and we will continue to unlock value through operational excellence, protecting and maximising returns.

¹ All 2026 guidance provided in this document is collated in a table following the 'Commitment to sustainability' section

-Ends-

A presentation to analysts will be hosted by Chief Executive Jennie Daly and Group Finance Director Chris Carney, at 9am on Thursday 5 March 2026. This presentation will be webcast live on our website: www.taylorwimpey.co.uk/corporate

An on-demand version of the webcast will be available on our website in the afternoon of 5 March 2026.

For further information please contact:

Taylor Wimpey plc

Tel: +44 (0) 1494 885656

Jennie Daly, Chief Executive
Chris Carney, Group Finance Director
Debbie Archibald, Investor Relations
Andrew McGeary, Investor Relations

FGS Global

TaylorWimpey-LON@fgsglobal.com

Faeth Birch
Anjali Unnikrishnan

Notes to editors:

Taylor Wimpey plc is a customer-focused homebuilder operating at a local level from 22 regional businesses across the UK. We also have operations in Spain. Our purpose is to build great homes and create thriving communities.

For further information please visit the Group's website: www.taylorwimpey.co.uk/corporate

Follow our company page on LinkedIn, Taylor Wimpey plc

2025 overview

Total Group completions including joint ventures were 11,229 (2024: 10,593). UK home completions excluding joint ventures were in the middle of our guidance range at 10,614 (2024: 9,972). We delivered 2,220 affordable homes excluding joint ventures (2024: 2,178), equating to 21% of total UK completions (2024: 22%). Our UK net private reservation rate for 2025 was 0.75 homes per outlet per week (2024: 0.75). Excluding the impact of bulk deals, the net private sales rate was 0.65 (2024: 0.67). The full year cancellation rate was 15% (2024: 15%).

Revenue for the year increased to £3,844.6 million (2024: £3,401.2 million), driven by higher volumes, average selling prices and land sales. Adjusted operating profit was £420.6 million (2024: £416.2 million), with an adjusted operating profit margin of 10.9% (2024: 12.2%). Net finance expense before exceptional items was £26.4 million (2024: £2.3 million net finance income), total net finance expense was £30.3 million (2024: £2.3 million net finance income).

Exceptional costs in the year, before tax and interest, totalled £243.8 million consisting of the net cladding fire safety provision increase of £225.8 million and costs related to the voluntary agreement with the Competition and Markets Authority (CMA) of £18.0 million.

Profit for the year was £100.4 million (2024: £219.6 million) and we ended the year with a net cash position of £342.6 million (31 December 2024: £564.8 million).

Distribution Policy

We recognise the importance of cash returns to shareholders and have demonstrated our commitment to making significant distributions, returning over £2.8 billion since the introduction of our Dividend Policy in 2018.

Today we are announcing an updated 'Distribution Policy' whilst maintaining our returns at 7.5% of net assets per annum, or at least £250 million, in two equal instalments. It is the Board's intention to return a minimum of 5.0% of net assets as an annual ordinary dividend, with a further 2.5% of net assets returned annually either by way of ordinary cash dividend or a share buyback as considered appropriate by the Board. The Board believes that the greater flexibility provided by this approach is in the best interests of all shareholders.

In line with this updated Distribution Policy, and subject to shareholder approval, the Board today announces a 2025 final dividend of 2.95 pence per share (totalling c.£105 million). We are today also announcing a share buyback of £52 million to be commenced shortly and intended to be completed by the end of June 2026. This results in a total 2025 distribution, including the interim dividend of £165 million, of c.£322 million.

Going forward, in line with our established capital allocation framework, we remain committed to returning excess cash to shareholders as the cycle evolves. The method of return of any excess cash (share buyback or special dividend) will be considered at the appropriate time.

Strategy and medium term targets

In October 2025, we updated the market on our medium term (3-5 years) targets to drive growth and returns:

- UK completions (excl. JVs): 14,000
- UK landbank years: 4.5-5
- Group adjusted operating profit margin: 16-18%
- Group return on net operating assets: >20%

Our strategy remains centred on four strategic cornerstones: land, operational excellence, sustainability and capital allocation.

We enter the next stage of the housing cycle with ongoing customer affordability constraints, but with positive planning reform to drive greater supply of much needed new homes. Against this backdrop, building on the proactive approach to planning we have taken, we will drive growth from higher outlet numbers, without the need for net land investment. We have a clear strategy to unlock the value of our strong, existing landbank of c.77k plots and strategic pipeline of over c.133k potential plots and reinvest in smaller sites.

We are highly focused on optimising our capital efficiency helping us to deliver materially improved returns on net operating assets. Reducing our landbank years, improving our work in progress (WIP) efficiency and delivering higher volumes will significantly improve asset turn. For example, we will recycle WIP investment in nine greater London apartment schemes and other infrastructure heavy sites over the medium term to drive improved efficiency from smaller sites that require lower WIP per outlet.

Over the medium term, adjusted operating profit margins will benefit from operating leverage as volumes grow and from the evolution of the landbank as we cycle into newly purchased land with improved embedded margin.

Performance and operational review

Our performance and operational review focuses on the UK (unless stated otherwise) as the majority of metrics are not comparable in our Spanish business. There is a short summary of the Spanish business in the Group financial review. The financial review is presented at Group level, which includes Spain, unless otherwise indicated. Joint ventures are excluded from the operational review and are separated out in the Group financial review, unless stated otherwise.

2025 was another challenging year for the sector. The first quarter of the year was strong reflecting interest rate reductions and wage growth. However, uncertainty ahead of the late Autumn Budget impacted sales through the second half of 2025 and our order book coming into 2026. While overall affordability is slowly improving, demand continues to be muted, particularly in the South and among the important first time buyer category, which is constraining overall sector output.

Against that backdrop, UK home completions excluding joint ventures were in the middle of our guidance range at 10,614 (2024: 9,972).

UK average selling price on private completions was £374k (2024: £356k), and the overall average selling price was £335k (2024: £319k). We ended the year with an order book valued at £1,864 million (31 December 2024: £1,995 million), excluding joint ventures, which represents 6,832 homes (31 December 2024: 7,312 homes), of which 2,902 are private (2024: 3,208) and 3,930 are affordable (2024: 4,104).

Incentives remained an important element in driving customer commitment throughout 2025. We continued to experience weaker pricing in the South of England where affordability has been most stretched, compared to the North where we have captured some price growth. As a result, overall underlying pricing remained resilient. Pricing on bulk deals entered into in the second half of the year was softer, reflecting decisive action taken on certain London schemes, resulting in pricing in the year end order book being around 0.5% lower year on year.

In 2025, we made good progress recycling capital into smaller sites, reducing the scale of the landbank, increasing outlet numbers and improving the distribution of our investments across the country. We reduced WIP investment in nine greater London apartment schemes from £270 million to £200 million in the period and are on track to release the remainder of this investment over the medium term in addition to a further £100 million of investment released from other infrastructure heavy sites.

Our regional businesses continue to work hard to drive value improvement and embed the efficiency savings we have made over the past few years. Low single digit build cost inflation continued to negatively impact in 2025, but our supply chain self-help initiatives and increased usage of our new house type range are driving efficiencies, resulting in the net build cost inflation of c.1% in the year (2024: c.1.5%).

Land and planning

In October 2025, we outlined our approach to land investment with our target to reduce landbank years to between 4.5 and 5 years. Our medium term plan will allow us to target increased volumes with a slightly smaller landbank of between 63k and 70k plots which will increase asset efficiency.

As at 31 December 2025, our short term landbank stood at c.77k plots (31 December 2024: c.79k plots). Our strategic land pipeline was c.133k potential plots (31 December 2024: c.136k potential plots).

The average cost of land as a proportion of average selling price within the short term owned landbank remains low at 12.7% (2024: 12.9%).

The average selling price in the short term owned landbank in 2025 increased by 0.9% to £347k (2024: £344k).

As at 31 December 2025, we were building on, or due to start in the first quarter of 2026, on 98.7% of sites with implementable planning (2024: 98.4%).

In 2025, we opened 71 outlets in the year (2024: 55) and traded from an average of 208 outlets (2024: 216), ending the year with a total of 219 outlets (31 December 2024: 213). We continue to expect growth in average outlets year on year, including in 2026 and beyond.

Early action delivering improved planning outcomes

Our early action has resulted in an increase in the pace of planning successes. We have seen improved sentiment towards our planning applications and have driven a significant increase in applications and enjoyed a strong final quarter with a marked increase in planning successes.

In terms of our overall applications, sentiment has visibly improved with positive planning progress or planning achieved on 71% of applications in 2025 compared to 58% in the prior year.

As outlined in our October 2025 Investor and Analyst Update, alongside our plan to drive outlet-led volume growth and increase our margins, we are executing several actions to improve capital efficiency. We have pursued a proactive planning strategy since 2023, well ahead of any changes to planning with increased engagement with planning authorities and the submission of a greater number of targeted, high-quality planning applications. We currently have c.32k plots (2024: c.27k plots) in the planning system for first principle determination.

Since 2023, our focus has evolved to smaller sites where we see the most opportunity and is aligned with the emerging planning backdrop, which requires Local Authorities to establish a five-year housing land supply. We are also rebalancing our landbank slightly with a greater number of approvals in the North where affordability is stronger.

This enables us to open outlets more quickly, using less capital for a shorter time period, compared to larger sites. In 2025 we approved c.8k plots, at an average site size of 211 plots, compared to c.12k plots at an average site size of 224 plots in 2024.

Strategic land

Our success in developing our strategic pipeline is a key strength and remains an important component of our strategy. In total, 59% of our short term landbank has originated from this source (2024: 56%). In the year, 39% of our completions were sourced from the strategic pipeline (2024: 40%). During 2025, we converted a further c.5k plots from the strategic pipeline to the short term landbank (2024: c.6k plots).

Customers

We have continued to invest in our customer offering. As previously reported, the means by which the industry's customer service ratings are calculated has changed and now involves four questions relating to quality and service from the 8-week survey and four questions on quality and service from the 9-month survey. The current basis for a five-star rating is 4.15. We are pleased to have comfortably exceeded this and are delivering a five-star performance with our score of 4.24.

Build quality

We continue to see improvements in our build quality as measured by the NHBC CQR score, which measures build quality at key build stages. In 2025, we scored an average of 4.96 (2024: 4.93) from a possible score of six. This compares with an industry benchmark group average score of 4.75.

We aim to maintain high standards by ensuring our quality assurance processes are embedded at every stage of the build. We clearly communicate our quality standards to subcontractors and invest in training, process improvements and regular inspections throughout the build process to ensure consistently high standards and to prevent quality issues from occurring.

Placemaking

We aim to put people at the heart of our developments, with a placemaking approach that creates sustainable, connected neighbourhoods that provide great places to live for our customers and integrate well into surrounding communities.

Our Placemaking Charter is a new framework to further embed strong placemaking standards across our business based around five key principles: Connected communities; Places where life happens; Attractive and welcoming places; Safe places; and Places designed with nature. During 2025, we focused on training and upskilling for our teams to enable them to implement our Charter and conduct initial design assessments effectively.

Cladding fire safety

The safety of our customers remains our highest priority, and this principle has consistently guided our approach. We have long maintained that leaseholders should not bear the cost of fire safety remediation, and our focus has always been on ensuring that residents in Taylor Wimpey buildings have a clear path to resolution.

Since 2017, following the Grenfell Tower tragedy, we took early and proactive steps reviewing all legacy and current buildings, prioritising remediation works on those presenting the greatest risk. As fire safety guidance has evolved, we have continued to reassess our buildings.

During 2025, as part of our ongoing work to meet the Government's Remediation Action Plan deadlines, we have continued to carry out intrusive investigations and Fire Risk Appraisal of External Walls (FRAEW) assessments across our legacy buildings. These assessments and increased engagement with chartered fire engineers in the first half of the year led to a reassessment of our risk exposure on building remediation, including updated evaluation of buildings that have not yet undergone intrusive FRAEW assessments. As previously announced, in the first half we increased our provision for cladding fire safety remediation by £222.2 million to reflect findings from updated fire risk assessments and investigations. Approximately two thirds of the increase was to remediate historical building defects, relating to cavity barriers behind brickwork and render, which were not visible in earlier non-intrusive assessments.

In the second half of the year, we have continued to make good progress with assessments, tenders and works. Since June 2025, the provision has increased by £3.6 million as a result of inflation, legal fees and other minor differences taking the total increase for 2025 to £225.8 million. In addition, in the period there was £3.9 million of unwind of the provision discounting.

The provision represents our current best estimate to remediate our buildings. While no recoveries are included in the provision values, we are actively assessing and, where appropriate, pursuing claims against those responsible for poor design, workmanship, or material failures.

Our focus remains on doing the right thing for our customers, completing these works as quickly and efficiently as possible, without compromising on quality or safety.

Employees

Health and safety

Health and safety remains our number one priority and is covered in every Board, Group Management Team (GMT) and regional management team meeting across the business.

Our Annual Injury Incidence Rate^{****} (AIIR) for reportable injuries per 100,000 employees and contractors was 200 in 2025 (2024: 212). While we are pleased with this small reduction, we continue to focus on efforts to reduce the number of injuries.

Our AIIR for major injuries per 100,000 employees and contractors was 50 in 2025 (2024: 59).

Culture and people

We have a strong culture at Taylor Wimpey of which we and our employees are proud. This is demonstrated in our latest employee survey with an overall employee engagement score of 92% (2024: 93%), with a 72% response rate (2024: 73%).

We seek feedback from, and engagement with, all employees. We have a comprehensive programme of employee communication including regular updates and forums with the Chief Executive and a wide variety of senior management and supported by a National Employee Forum, Young Person's Forum and Local Employee Forums in our regional businesses. Employees are encouraged to provide feedback to, and ask questions of, members of the Board and other senior management directly.

During 2025, our voluntary employee turnover rate reduced to 11.9% (2024: 12.1%).

Taylor Wimpey was once again recognised in the NHBC Pride in the Job Awards, with 50 Quality Awards (2024: 62), 12 Seal of Excellence Awards (2024: 16), three Regional Awards (2024: two) and the Supreme Award in the Large Builder category for the second consecutive year.

We are proud that in January 2026, Senior Site Manager, Lee Dewing from our North Yorkshire business was awarded the NHBC Pride in the Job Supreme Award, in the Large Builder Category for his work at our Oaklands development in Kirklevington. This is the highest recognition granted in the national awards programme, with only one award granted per builder category.

Skills

During 2025, we directly employed, on average, 4,393 people across the UK (2024: 4,354) and provided opportunities for, on average, a further c.9.6k operatives (2024: c.9.4k) on our sites.

Supported by our central functions and shared Group culture, our local management teams understand their responsibilities in driving our people agenda and maintaining our high retention rates. This includes quarterly reviews and development programmes for each of our employees. They also focus on talent identification and succession planning.

A key priority for our teams is identifying and strengthening future skills gaps to drive sustainable delivery.

We have invested in technology to aid our training and development with our online learning management system allowing us to rapidly update and deploy training modules when change is required.

We recognise that building the skills of our current and future workforce is essential to address current and potential future skills gaps in our industry and subcontractor base. We work closely with our partners on our skills programmes to identify and address gaps.

In recognition of this challenge our Chief Executive, Jennie Daly, has joined other construction industry leaders on the Government's Construction Skills Mission Board.

The Government announced the launch of the Construction Skills Mission Board in early 2025 and it first met in June 2025. The Board is aiming to recruit 100k additional construction workers by the end of this parliament. Comprised of key Government ministers and industry leaders, the Construction Skills Mission Board will focus on five areas: providing confidence for employers to invest, creating new entry pathways, improving training access, simplifying funding and ensuring career reliability.

Equality, diversity and inclusion (ED&I)

We remain committed to creating a more diverse workforce and will publish our fifth Diversity and Inclusion Report in 2026. Our aim remains to create a workplace where colleagues feel championed and supported regardless of their background and identity.

As at 31 December 2025, we employed c.4.4k people of which c.2.9k (65.1%) were male and c.1.5k (34.9%) were female (2024: c.4.3k employed, 65.3% male / 34.7% female). Our Board was comprised of 5 males (55.6%) and 4 females (44.4%), no change from 2024. Our most senior executive committee the GMT was comprised of 8 people, 6 males (75.0%) and 2 females (25.0%) (2024: 6 males and 3 females, 66.7% males / 33.3% females). GMT and direct reports included 71 people, 52 males (73.2%) and 19 females (26.8%). This compares to 72 people, 53 males (73.6%) and 19 females (26.4%) in 2024.

Our UK employee base is not yet reflective of the UK's ethnic diversity and addressing this remains a focus for the business. However, proportional ethnic representation in our workforce increased to 6.7% as at 31 December 2025 (2024: 5.5%). At the same date, ethnic minority representation in the GMT and direct reports was 5.6% (2024: 6.9%) and was 3.6% in regional business leadership roles (2024: 2.5%). Ethnic diversity for graduates was 24.0% (2024: 28.6%) and for management trainees and apprentices it was 14.3% (2024: 14.4%).

In line with the Gender Pay Gap regulations, we calculated our 2025 gender pay gap based on pay and bonus data at the 'snapshot date' of 5 April 2025 (paid over the preceding 12 months). The calculations cover all staff employed by Taylor Wimpey UK Limited as at 5 April 2025. This data shows that our mean gender pay gap was 3% in favour of men (2024: 8% in favour of men) and median pay gap was 0% (2024: 6% in favour of men). Further details will be available in our Diversity Report on our website.

Charity partnerships

We prioritise causes linked to aspiration, education and wellbeing, as well as projects that tackle homelessness and support vulnerable groups. Our national charity partners reflect these priorities and include CRASH, Crisis, St Mungo's, Every Youth, Magic Breakfast, and the Youth Adventure Trust. We provide structured support to these organisations alongside local donations where our funding, time and expertise can create a meaningful impact. In 2025, Taylor Wimpey contributed c.£1 million to national and local charities, community organisations and resident led initiatives (2024: c.£1 million), in addition to time from employee volunteering supported through our volunteering policy.

Closure of Competition and Markets Authority (CMA) investigation

We welcomed the announcement from the CMA on 30 October 2025 that it closed its investigation into the conduct of seven housebuilders including Taylor Wimpey announced in February 2024, accepting voluntary commitments from all parties involved.

Taylor Wimpey engaged constructively with the CMA throughout its investigation and as previously noted, the CMA did not make any infringement finding against Taylor Wimpey or any of the housebuilders subject to the investigation.

The voluntary commitments, which do not constitute any admission of wrongdoing include: (i) agreeing not to share certain categories of information with other housebuilders; (ii) supporting the Home Builders Federation and Homes for Scotland to develop and publish industry-wide guidance on information exchange; and (iii) a combined financial contribution by the seven housebuilders of £100 million to the Government's Affordable Homes Programme. Taylor Wimpey's share of the combined financial contribution was a payment of £15.8 million, which together with associated legal and professional fees of the commitments resulted in £18.0 million being recognised within exceptional items in 2025.

Our purpose and contribution to the UK economy

Our purpose is to build great homes and create thriving communities. This is a shared purpose across our business and value chain.

New housing is a cornerstone of economic activity and has far reaching positive societal impacts on local communities and the country as a whole driving employment, productivity and regional growth. New housing unlocks infrastructure investment for roads, schools and utilities which unlocks further economic benefits for local communities. Housing is fundamental to social mobility. A secure, affordable home underpins health, education, and wellbeing.

In England and Wales, the new housebuilding industry generates around £53 billion of economic output and supports over 830,000 jobs.

In 2025, Taylor Wimpey contributed £359 million to local communities across the UK via planning obligations (2024: £345 million). This funded affordable housing, green spaces, community facilities, commercial and leisure facilities, transport infrastructure, heritage buildings and public art, and helped to deliver on our purpose.

The new build sector will play a major role in the UK's net zero agenda. Research by the HBF shows new homes are significantly more energy efficient than older homes, leading to yearly energy cost savings for residents of, on average, £618. The report suggests that, on average, most new homes emit 74% less CO² than older properties. Looking ahead, we have tested cost effective, all-electric zero carbon ready homes in preparation for Future Homes Standard regulations (expected to be announced in the first half of 2026).

Commitment to sustainability

We recognise the importance of sustainability which is integrated throughout our business and has been incorporated as one of our four strategic cornerstones. Our approach encompasses environmental, social, economic and governance aspects.

In 2025, we developed our sustainability framework to guide our approach to further embedding and integrating sustainability practices across the business. The framework identifies five priority areas, with each supported by clear objectives, targets and metrics to guide and drive improvement of our performance:

- Homes and places – We plan, design, and build our homes and developments to enable our customers to enjoy a good quality of life, adopt sustainable living habits, and feel part of a community. We invest in improving our customer service and work with partners to deliver quality homes and quality places that enhance nature.
- Our people – To be recognised as an employer of choice within our sector and beyond, by fostering inclusive workplaces, empowering and enabling our people to be the best they can be.
- Supply chain partners – To engage our suppliers and subcontractors to contribute towards growth, innovation, cost-efficiency, and sustainability, to support our delivery of quality homes and places.
- Environmental impact – We support a more sustainable future for our customers, colleagues, and communities by reducing and mitigating environmental impacts from our business operations, our homes, and our supply chain.
- Responsible and resilient business – We are a responsible business, guided by our values. We put in place robust policies and governance processes and engage with our stakeholders to help us deliver quality homes and places in a safe and responsible way.

Environmental Social and Governance performance measures

We continue to support the UK's transition to net zero through delivery of energy efficient, low carbon homes and delivery of our Net Zero Transition Plan. As we move forward, we are ensuring that biodiversity and nature are still prioritised as changes to the planning system are rolled out.

We disclose our performance on ESG issues through our reporting and by participating in many investor and industry disclosure initiatives. This includes CDP Climate A rating (2024: A-), achieving a place on the CDP Climate A List for the first time, CDP Water B (2024: C), and CDP Forests B (2024: B-). We are a constituent of the Dow Jones Sustainability Europe Index (Standard & Poor's Corporate Sustainability Assessment) and included in the S&P Sustainability Yearbook 2026 and are a constituent of FTSE4Good. We are a member of Next Generation, the sustainability benchmark for UK housebuilders, and ranked fifth with a silver rating in 2024, the latest score available. We were included on the Financial Times Europe's Climate Leaders list 2025.

Environment Strategy

Our Environment Strategy, 'Building a Better World', was launched in 2021 with ambitious targets for reducing our environmental impact. Since then, we have made strong progress in many areas including reducing our carbon footprint and waste and embedding nature initiatives into our developments to create space and homes for wildlife.

In 2025, we took the opportunity to update our targets as part of the development of our sustainability framework and to reflect business development, regulatory shifts and movement in market conditions since 2021, as well as improved data, and sector-wide developments like the Future Homes Delivery Plan. Our updated targets will drive our teams to further reduce our impacts relating to climate, waste, water and nature across our operations, homes, developments and supply chain.

To further strengthen oversight and accountability we've also updated our environmental governance. Details are included in our Annual Report and Accounts 2025 and our Sustainability Summary.

Net zero by 2045

We published our Net Zero Transition Plan in early 2023, with our target to reach net zero emissions across our value chain by 2045 (scope 1, 2 and 3) (comprising at least a 90% absolute reduction and neutralising residual emissions). This is five years ahead of the UK Government's target.

Our net zero target was developed with the Carbon Trust in line with the requirements of the SBTi Corporate Net Zero Standard and has been validated by the SBTi confirming that it is aligned with their 1.5°C mitigation pathways for reaching net zero by 2050 or sooner.

We have also set targets to reduce both scope 1 and 2, and scope 3 absolute emissions by 46.2% by 2030.

In 2025, we reduced absolute operational emissions (scope 1 and 2) by 60% against our 2019 baseline, with operational emissions intensity falling by 44% over the same period. A scope 1 and 2 carbon reduction measure was included in the incentive plans for senior leadership and regional management in 2025 to support progress on our near term carbon reduction targets.

Preparing for regulatory changes and opportunities in green building

The Future Homes Standard

We have been preparing for Future Homes Standard regulations, the final details of which are expected in the first half of 2026. This regulation will see our homes become all-electric and zero carbon ready and we are well advanced on this journey with many of our new sites designed to be fully electric.

The Building Safety Levy

The Building Safety Levy aims to raise around £3.4 billion over at least 10 years to contribute towards remediation of fire safety issues. In 2025, the Building Safety Levy regulations were finalised and the guidance published. Implementation of the Levy was postponed from Autumn 2025 to October 2026. Sites with building regulation initial notice applications registered before that date will have three years' exemption from the Levy, meaning the cash flow impact will mostly occur after 2029. We continue to mitigate and manage risk, insofar as is possible, in our landbank and strategic pipeline and in our approach to landbuying.

Research and Development

We invest in research and product trials to help us keep improving the homes and places we build for customers, to align with changing regulation and to benefit from technological development. Our Director of Research and Technical Innovation oversees our research strategy and chairs our Innovation Group for New Ideas, Transformation and Excellence (IGNITE), and Road to Net Zero Carbon Working Group.

During 2025, we refreshed our research strategy, incorporating learnings from recent large-scale research projects such as our Future Homes Trial at Sudbury. Our updated strategy includes a focus on regulatory compliance, skills, supply chain resilience, product innovation, efficiency and risk mitigation. In 2025, we conducted a number of research projects in particular, working closely with our industry partners and supply chain to identify and develop solutions and specifications which may support us to meet the requirements of the Future Homes Standard which is expected in 2026.

In 2026, we will be running projects focusing on home water efficiency and water management on our developments; advancing training and resources in relation to installation of low carbon technologies; and a review of processes for introducing new products, among other topics.

Our Key Performance Indicators (KPIs)

Our key performance indicators align to our strategic cornerstones.

UK	2025	2024	Change
Land			
Land cost as % of average selling price on approvals	16.9%	17.0%	(0.1) ppt
Landbank years	c.7.2	c.7.8	(7.7)%
% of completions from strategically sourced land	39%	40%	(1.0) ppt
Operational excellence			
Construction Quality Review (average score / 6)	4.96	4.93	0.6%
Average reportable items per inspection	0.17	0.18	(0.01)
Annual Injury Incidence Rate (per 100,000 employees and contractors)	200	212	(5.7)%
Employee engagement (annual survey)	92%	93%	(1.0) ppt
Sustainability			
Customer satisfaction score ¹	4.24	-	-
Reduction in operational carbon emissions intensity against our 2019 baseline	44%	21%	23.0 ppt

¹No prior year data as this is the first year we are reporting our customer satisfaction score under the revised methodology. The score for 2025 includes customers who legally completed between 1 October 2024 and 30 September 2025 for the 8-week survey and customers who legally completed between 1 February 2024 and 31 January 2025 for the 9-month survey. An aggregate score of 4.15 will be the measure of five-star builder status as at March 2026, which is the cut-off date for determining the star status for the following 12 months.

2026 guidance summary

Metric	2026 guidance
UK completions excluding JVs	10,600 to 11,000 range, weighted 40% in H1
Blended average UK selling price	c.2% increase
Build cost inflation	Low single digit
Adjusted operating profit	c.£400 million
JV share of profits	c.£4 million
Spain completions	350 to 400 range
Net finance charges ¹	c.£30 million
Cladding fire safety spend	c.£150 million
Net cash (half year 2026)	c.£0-50 million

¹ Excluding unwind of provision discounting (in exceptionals)

Group financial review

Income statement

Group revenue was £3,844.6 million in 2025 (2024: £3,401.2 million), with Group completions, excluding joint ventures, 6.0% higher at 11,108 (2024: 10,476). The UK ASP for private completions increased by 5.1% to £374k (2024: £356k), due mainly to regional mix. The UK ASP for affordable housing increased modestly to £187k (2024: £186k). Affordable housing accounted for 20.9% of total completions, slightly lower than the prior year (2024: 21.8%). The total UK ASP was 5.0% higher at £335k (2024: £319k).

Group gross profit increased to £658.4 million (2024: £648.7 million), the current year including an unexpected £20.0 million charge in relation to historical defective workmanship by a principal contractor at one of our London developments and the combined impact of ongoing low single digit build cost inflation alongside softer pricing in the opening orderbook. These factors contributed to a decrease in gross margin to 17.1% (2024: 19.1%).

Net operating expenses were £483.7 million (2024: £314.8 million), which includes £225.8 million (net of discounting) of costs relating to the cladding fire safety provision, as described above, (2024: £68.9 million) and £18.0 million relating to the CMA information sharing investigation commitments, including associated legal and professional fees (2024: nil). Excluding exceptional costs, net operating expenses were £239.9 million (2024: £232.3 million), mainly made up of administrative costs of £247.4 million (2024: £242.0 million), which increased due to annual salary reviews and the higher employers' National Insurance rate. This resulted in a profit on ordinary activities before financing of £174.7 million (2024: £333.9 million), £418.5 million (2024: £416.4 million) excluding exceptional items.

Completions from joint ventures in the year were 121 (2024: 117). The Group's share of joint ventures' results in the year was a £2.1 million profit (2024: £15.9 million loss, £0.2 million loss before exceptional items). The total order book value of joint ventures as at 31 December 2025 decreased to £10 million (31 December 2024: £28 million), representing 38 homes (31 December 2024: 104 homes).

When including the share of joint ventures' results in the profit on ordinary activities before financing and exceptional items, the resulting adjusted operating profit was £420.6 million (2024: £416.2 million), delivering an adjusted operating profit margin of 10.9% (2024: 12.2%).

The net finance expense before exceptional items was £26.4 million (2024: £2.3 million income) and is predominantly made up of imputed interest on land acquired on deferred terms, bank interest and interest on the pension scheme. In the prior year, this was more than offset by interest earned on the higher cash balances held through that year. The unwinding of the discounting of the cladding fire safety provision in the year was £3.9 million (2024: nil), recognised as an exceptional item. The total net finance expense for the year was £30.3 million (2024: £2.3 million income).

Profit on ordinary activities before tax was £146.5 million (2024: £320.3 million). The total tax charge for the year was £46.1 million (2024: £100.7 million), an effective rate of 31.5% (2024: 31.4%); the current year includes a credit of £65.5 million in respect of the exceptional charges recognised (2024: £20.2 million). The pre-exceptional tax charge was £111.6 million (2024: £120.9 million), representing an underlying tax rate of 28.3% (2024: 28.9%).

As a result, the profit for the year was £100.4 million (2024: £219.6 million).

Basic earnings per share was 2.8 pence (2024: 6.2 pence). The adjusted basic earnings per share was 8.0 pence (2024: 8.4 pence).

Spain

Our Spanish business primarily sells second homes to European and other international customers, with a small proportion of sales being primary homes for Spanish occupiers. The business completed 494 homes (2024: 504 homes) with the ASP increasing to €455k (2024: €440k), due to regional and product mix. The order book as at 31 December 2025 decreased to 361 homes due to the timing of site openings (31 December 2024: 491 homes).

Gross margin was 29.6% (2024: 28.2%), which flowed through to an adjusted operating profit of £51.7 million (2024: £47.4 million) and an adjusted operating profit margin of 26.8% (2024: 25.4%).

The total plots in the landbank stood at 3,157 (31 December 2024: 3,214), with net operating assets** of £89.3 million (31 December 2024: £89.5 million).

Balance sheet

Net assets at 31 December 2025 decreased to £4,186.8 million (31 December 2024: £4,405.2 million), with net operating assets decreasing marginally by £3.9 million to £3,813.1 million (31 December 2024: £3,817.0 million). Return on net operating assets increased to 11.0% (31 December 2024: 10.9%). Group net operating asset turn* was 1.01 times (31 December 2024: 0.89), reflecting the increase in revenue in the year.

Land

Land reduced by £187.1 million to £3,200.4 million at 31 December 2025, primarily reflecting strong recoveries on completions, which exceeded investment in new land in the year. In addition, routine land disposals contributed to the reduction, with proceeds reinvested into smaller, higher returning sites in line with our disciplined capital allocation strategy. Land creditors decreased to £522.5 million as payment of existing creditors exceeded new commitments arising from the acquisition of land (31 December 2024: £627.9 million). Included within the gross land creditor balance is £40.4 million of UK land overage commitments (31 December 2024: £39.9 million). £296.4 million of the land creditors is expected to be paid within 12 months and £226.1 million thereafter (31 December 2024: £355.9 million and £272.0 million).

As at 31 December 2025, the UK short term landbank comprised 76,772 plots (31 December 2024: 78,626), with a net book value of £2.8 billion (31 December 2024: £2.9 billion). Short term owned land had a net book value of £2.7 billion (31 December 2024: £2.9 billion), representing 62,402 plots (31 December 2024: 65,521). The controlled short term landbank represented 14,370 plots (31 December 2024: 13,105).

The value of strategic owned land decreased to £157 million (31 December 2024: £180 million), representing 29,401 plots (31 December 2024: 31,764), with a further total controlled strategic pipeline of 103,610 plots (31 December 2024: 104,375). Total potential revenue in the owned and controlled landbank was £61 billion (31 December 2024: £60 billion).

Work in progress (WIP)

Total WIP investment, excluding part exchange and other, increased to £2,019.7 million (31 December 2024: £1,949.3 million), due to an increase in the number of open outlets and build cost

inflation. Average WIP per UK outlet increased marginally to £9.1 million (31 December 2024: £8.9 million).

Provisions and deferred tax

Provisions increased to £492.1 million (31 December 2024: £306.7 million) due primarily to the increase recognised in the cladding fire safety provision noted above. There were also increases from costs for remediation at one of the Group's historical London developments where the original principal contractor was carrying out the works, but ceased operations on site, and the costs associated with the commitments made to the CMA. These increases were partly offset by utilisation of the cladding fire safety provision (£49.4 million) as works have been carried out, as well as utilisation of other provisions.

The net deferred tax asset of £25.6 million (31 December 2024: £20.6 million) relates to the pension deficit and UK and Spanish provisions that are tax deductible when the expenditure is incurred.

Pensions

During 2023, the Group engaged with the Trustee of the Taylor Wimpey Pension Scheme (TWPS) on the triennial valuation of the Scheme with a reference date of 31 December 2022. The valuation was concluded in March 2024 and showed that the TWPS had a surplus of £55 million on its Technical Provisions funding basis and a funding level of 103%. As a result, no deficit contributions were required to be paid to the TWPS or to the escrow account established following the 2019 valuation. The escrow account will remain in place until 30 June 2028, at which point a funding test will be conducted and funds will either be paid to the TWPS or returned to the Group.

The Group continues to provide a contribution for Scheme expenses (£2.0 million per annum) and also makes contributions via the Pension Funding Partnership (PFP) (£5.1 million per annum until 2029). The PFP also has seven annual payments due of up to £12.5 million each from 2029 to 2035, these are only payable if the TWPS has a deficit on its Technical Provisions funding basis at the prior 31 December.

Total Scheme contributions and expenses in the year were £7.1 million (2024: £7.1 million). At 31 December 2025, the IAS 19 valuation of the Scheme was a surplus of £107.0 million (31 December 2024: £90.2 million). Due to the rules of the TWPS, any surplus cannot be recovered by the Group and therefore a deficit has been recognised on the balance sheet under IFRIC 14. The deficit is equal to the present value of the remaining committed payments and any forecasted distributions from the PFP.

Retirement benefit obligations of £18.1 million at 31 December 2025 (31 December 2024: £22.2 million) comprise a defined benefit pension liability of £17.8 million (31 December 2024: £22.0 million) and a post-retirement healthcare liability of £0.3 million (31 December 2024: £0.2 million).

The Group continues to work closely with the Trustee in managing pension risks, including management of interest rate, inflation and longevity risks.

Net cash and financing position

Net cash decreased to £342.6 million at 31 December 2025 (31 December 2024: £564.8 million), reflecting the reduction in land creditors and other payables, the payment of dividends and cash outflows related to exceptional charges. Average net cash for the year was £220.5 million (31 December 2024: £494.5 million).

Cash conversion# decreasing to 63.7% of adjusted operating profit for the year ended 31 December 2025 (2024: 74.9%) reflects a lower cash generated from operations due to the decrease in land creditors, as payments have been made, and the increase in receivables arising from land sales and bulk deals.

Net cash, combined with land creditors, resulted in an adjusted gearing### of 4.3% (31 December 2024: 1.4%).

At 31 December 2025, our committed borrowing facilities were £687 million, of which the £600 million revolving credit facility was undrawn at the end of the year. The weighted average maturity of the committed borrowing facilities at 31 December 2025 was 4.5 years (31 December 2024: 4.6 years). During the year an extension of one year to 2030 was agreed for the revolving credit facility.

Distributions

Subject to shareholder approval at the AGM scheduled for 28 April 2026, the 2025 final ordinary dividend of 2.95 pence per share will be paid on 15 May 2026 to shareholders on the register at the close of business on 7 April 2026 (2024 final dividend: 4.66 pence per share). In combination with the 2025 interim dividend of 4.67 pence per share, this gives total ordinary dividends for the year of 7.62 pence per share (2024 ordinary dividend: 9.46 pence per share).

In addition, the Group has announced the intention to commence a buyback of £52 million, to be commenced shortly and intended to be completed by the end of June 2026. Combined with the 2025 final ordinary dividend, this forms part of the Group's policy to annually return 7.5% of the Group's net assets.

The dividend will be paid as a cash dividend, and shareholders have the option to reinvest all of their dividend under the Dividend Re-Investment Plan (DRIP), details of which are available on our website www.taylorwimpey.co.uk/corporate.

Going concern

The Directors remain of the view that the Group's financing arrangements and balance sheet strength provide both the necessary liquidity and covenant headroom to enable the Group to conduct its business for at least the next 12 months from the date of signature of the 2025 financial statements. Accordingly, the financial statements are prepared on a going concern basis. See Note 1 of the Condensed Consolidated Financial Statements for further details of the assessment performed.

Viability disclosure

In accordance with the 2024 UK Corporate Governance Code, the Directors and the senior management team have assessed the prospects and financial viability of the Group for a period longer than the 12 months required for the purpose of the 'going concern' assessment.

Time period

The Directors have assessed the viability of the Group over a five-year period, taking account of the Group's current financial position, current market circumstances and the potential impact of the Principal and emerging risks facing the Group. The Directors have determined this as an appropriate period over which to assess the viability based on the following:

- It is aligned with the Group's bottom-up five-year budgeting and forecasting cycle

- Five years represents a reasonable estimate of the typical time between purchasing land, its progression through the planning cycle, building out the development and selling homes to customers from it

Five years is also a reasonable period for consideration given the following broader external trends:

- The cyclical nature of the market in which the Group operates, which tends to follow the economic cycle
- Consideration of the impact of government policy, planning regulations and the mortgage market
- Long term supply of land, which is supported by our strategic land pipeline
- Changes in technology and customer expectations

Assessment of prospects

We consider the long term prospects of the Group in light of our business model. Our strategy to deliver sustainable value is achieved through delivering high-quality homes for our customers, in the locations where people want to live, while carefully managing our cost base and the Group's balance sheet.

In assessing the Group's prospects and long term viability, due consideration is given to:

- The Group's current performance and the Group's financing arrangements
- The wider economic environment and mortgage market, as well as changes to government policies and regulations, including those influenced by sustainability, climate change and the environment, that could impact the Group's business model
- Strategy and business model flexibility, including customer dynamics and approach to land investment
- Principal Risks associated with the Group's strategy and business model, including those which have the most impact on our ability to remain in operation and meet our liabilities as they fall due

Principal Risks

The Principal Risks, to which the Group is subject, have undergone a comprehensive review by the GMT and Board in the current year. Consideration is given to the risk likelihood based on the probability of occurrence and potential impact on our business, together with the effectiveness of mitigations.

The Directors identified the Principal Risks that have the most impact on the longer term prospects and viability of the Group, and as such these have been used in the modelling of a severe but plausible downside scenario, as:

- Government policies, regulations and planning (A)
- Mortgage availability and housing demand (B)
- Availability and costs of materials and subcontractors (C)
- Quality and reputation (F)
- IT environment and security (I)

A range of sensitivity analyses for these risks, together with likely mitigating actions that would be adopted in response to these circumstances, were modelled, including a severe but plausible downside scenario in which the impacts were aggregated together.

The impact from 'Natural resources and climate change' (H) is not deemed to be material within the five-year forecast period, as costs associated with the regulatory changes have been included in the modelling.

Assessment of viability

The Group adopts a disciplined annual business planning process involving the management teams of the UK regional businesses and Spain, and the Group's senior management, and is built on a bottom-up basis. This planning process covers a five-year period comprising a detailed budget for the next financial year, together with a forecast for the following four financial years.

The financial planning process considers the Group's profitability and Income Statement, Balance Sheet including landbank, gearing and debt covenants, cash flows and other key financial metrics over the forecast period. These financial forecasts are based on a number of key assumptions, the most important of which include:

- Timing and volume of legal completions of new homes sold, which includes annual production volumes and sales rates over the life of the individual developments
- Average selling prices achieved
- Build costs and cost of land acquisitions
- Working capital requirements
- Capital repayment plan, where we have assumed the payment of the ordinary distribution in line with the current policy, which is a minimum of £250 million or 7.5% of the Group's net assets per annum, throughout the period

Stress testing our risk resilience

The assessment considers sensitivity analysis on a series of realistically possible, but severe and prolonged, changes to principal assumptions. In determining these, we have included macroeconomic and industry-wide projections as well as matters specific to the Group.

The severe but plausible downside scenario reflects the aggregated impact of sensitivities, taking account of a further decline in customer confidence, disposable incomes and mortgage availability. To arrive at our stress test we have drawn on experience gained from managing the business through previous economic downturns.

We have applied the market dynamics encountered at those times, as well as the mitigations adopted, in order to test the resilience of our business. As a result, we have stress tested our business against the following severe but plausible downside scenario, which can be attributed back to the Group's Principal Risks that have been identified as having the most impact on the longer term prospects and viability of the Group.

Volume (Principal Risk: A, B, C, F) – a decline in total volumes of 10% in 2026 from 2025 levels, before recovering back to 2025 levels by 2028.

Price (Principal Risk: B) – a reduction to current selling prices of 10%, remaining at these levels across 2026 and 2027 before recovering to current levels by 2028.

One-off costs (Principal Risk: A, F, I) – a one-off exceptional charge and cash cost of £150 million for an unanticipated event, change in government regulations or financial penalty has been included in 2026.

The mitigating actions considered in the model include a reduction in land investment, a reduction in the level of production and work in progress held and reducing our overhead base to reflect the lower volumes.

If this scenario were to occur, the Directors also have a range of additional options to maintain financial strength, including a more severe reduction in land spend and work in progress, the sale of assets, reducing the distributions and / or raising debt.

At 31 December 2025, the Group had a cash balance of £430 million and access to £600 million from a fully undrawn revolving credit facility, together totalling £1,030 million. The combination of both of these is sufficient to absorb the financial impact of each of the risks modelled in the stress and sensitivity analysis, individually and in aggregate.

Confirmation of viability

Based on the results of this analysis, the Directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the five-year period of their assessment.

Definitions

In preparation for the adoption of IFRS 18 'Presentation and Disclosure in Financial Statements' in 2027, which for the first time defines an operating profit subtotal, the Group has renamed the measures of operating profit and operating profit margin to adjusted operating profit and adjusted operating profit margin respectively. The calculation methodologies for the measures are unchanged.

* Adjusted operating profit is defined as profit on ordinary activities before financing, exceptional items and tax, after share of results of joint ventures.

*† Adjusted operating profit margin is defined as adjusted operating profit divided by revenue.

** Net operating assets is defined as basic net assets less net cash, excluding net taxation balances and accrued dividends. Average net operating assets is the average of the opening and closing net operating assets of the 12-month period.

*** Return on net operating assets (RONOA) is defined as rolling 12-month adjusted operating profit divided by average net operating assets.

† Tangible net assets per share is defined as net assets before any accrued dividends, excluding intangible assets, divided by the number of ordinary shares in issue at the end of the period.

†† Adjusted basic earnings per share represents earnings attributed to the shareholders of the parent, excluding exceptional items and tax on exceptional items, divided by the weighted average number of shares in issue during the period.

*† Net operating asset turn is defined as total revenue divided by the average of opening and closing net operating assets, based on a rolling 12-month period.

††† The Annual Injury Incidence Rate (AIIR) is defined as the number of incidents per 100,000 employees and contractors, calculated on a rolling 12-month basis, where the number of employees and contractors is calculated using a monthly average over the same period.

‡ Net cash is defined as total cash less total borrowings.

‡‡ Cash conversion is defined as cash generated from operations divided by adjusted operating profit, based on a rolling 12-month period.

‡‡‡ Adjusted gearing is defined as adjusted net debt divided by net assets. Adjusted net debt is defined as net cash less land creditors.

The Group uses Alternative Performance Measures (APMs) as important financial performance indicators to assess underlying performance of the Group. The Group's two main financial targets are adjusted operating profit margin and return on net operating assets. Definitions and reconciliations to the equivalent statutory measures are included in Note 13 of the Condensed Consolidated Financial Statements.

Shareholder information

The Company's 2026 Annual General Meeting (AGM) will be held at 10:30am on 28 April 2026 in the Garden Suite at the Crowne Plaza Gerrards Cross, Oxford Road, Beaconsfield, HP9 2XE.

Copies of the Annual Report and Accounts 2025 will be available from 20 March 2026 on the Company's website www.taylorwimpey.co.uk/corporate. Hard copy documents will be posted to shareholders who have elected to receive them and will also be available from our registered office at Gate House, Turnpike Road, High Wycombe, Buckinghamshire, HP12 3NR from 23 March 2026.

A copy of the Annual Report and Accounts 2025 will be submitted to the National Storage Mechanism and will be available for inspection at:

<https://data.fca.org.uk/#/nsm/nationalstoragemechanism>

Directors' responsibilities

The responsibility statement below has been prepared in connection with the full Annual Report and Accounts for the year ended 31 December 2025. Certain parts thereof are not included within this announcement.

We confirm to the best of our knowledge that:

- the Group financial statements, which have been prepared in accordance with UK-adopted international accounting standards, give a true and fair view of the assets, liabilities, financial position and profit of the Group; and
- the Strategic report includes a fair review of the development and performance of the business and the position of the Group and Company, together with a description of the Principal Risks and uncertainties that it faces.

This responsibility statement was approved by the Board of Directors on 4 March 2026 and is signed on its behalf by:

Robert Noel, Chair

Jennie Daly, Chief Executive

Principal Risks and uncertainties

The Board has overall responsibility for risk oversight, for maintaining a robust risk management and internal control system and for determining the Group's appetite and tolerance for exposure to the Principal Risks to the achievement of its strategy. Our Annual Report and Accounts 2025 details the full governance procedures and processes for identification and subsequent monitoring of the risks undertaken by the Group.

The Audit Committee supports the Board in the management of risk and is responsible for reviewing the effectiveness of the risk management and internal control processes during the year.

The Chief Executive is primarily responsible for the management of the risks, with the support of the GMT and other senior managers located in the business. In line with the 2024 UK Corporate Governance Code, the Board holds formal risk reviews, at least half yearly, and routinely considers risk at each Board meeting as appropriate.

The formal assessment includes a robust consideration of the Principal Risks, to ensure they remain appropriate, a review of the key risks identified by the business, their risk profiles and mitigating factors, and an annual review of the established risk appetite and tolerance levels. At the Board meeting in March 2026, the Board completed its annual assessment of risks. This followed the Audit Committee's formal assessment of risks in December 2025, which was supported by a detailed risk assessment by the GMT and its review of the effectiveness of internal controls in mitigating the risks. During the year, two of our Principal Risks saw increases in their inherent and residual profiles. The increase in the 'Government policies, regulations and planning' Principal Risk was driven by a combination of further Future Homes Standards announcements and the impact of the Building Safety regulator. The increase in the 'Natural resources and climate change' Principal Risk was driven by matters arising within the environmental space, for example increasing wastewater capacity issues.

The Board also considers emerging risks which could impact on the Group's ability to deliver its strategy. The emerging risks are those where the extent and implications are not yet fully understood but consideration has been given to the potential timeframe of occurrence and velocity of impact that these could have on the Group. As part of our risk management process, these are monitored and reviewed on an ongoing basis and discussed and agreed by the Board.

Our emerging risks are grouped into the categories listed in the table below, which also contains some narrative description against each category indicating example focus areas into which the identified emerging risks fall.

Category	Example focus area
Environmental / climate	Unpredictable weather patterns
Operational / build	Adaption of building methodologies
Political / economic	Geopolitical uncertainty
Social	Customer demographics and preferences
Governmental	Changing Government policies

The Group considers other specific risk areas recognising the increasing complexity of the industry in which it operates and which are in addition to its identified Principal Risks. We continue to monitor and mitigate the impacts on our supply chain and labour force and the overall economic market impacting mortgage availability and demand.

Our Sustainability and Climate Change Risk and Opportunity Register highlights the material risks and opportunities facing the Group in relation to sustainability and climate change. In addition, our climate change-related risks and opportunities are available as part of our 2025 CDP submission. More information is available at www.taylorwimpey.co.uk/corporate.

The Principal Risks, their mitigations and risk indicators are detailed below:

Description	Residual risk rating	Risk appetite	Example risk indicators, mitigations and opportunities
<p>A. Government policies, regulations and planning</p> <p>The industry in which we operate is becoming increasingly regulated. Failure to adhere to Government regulations could impact our operational performance and our ability to meet our strategic objectives.</p> <p>Changes to the planning system or planning delays could result in missed opportunities to optimise our landbank, affecting profitability and delivery of new homes.</p> <p>Accountability</p> <ul style="list-style-type: none"> - Group Technical Director - Director of Planning - Regional Managing Directors - Group Cladding Director 	Moderate	Low	<p>Example risk indicators</p> <ul style="list-style-type: none"> - New Government regulations (e.g. around planning and climate) - Delays in planning - Sentiment towards the industry (e.g. cladding fire safety remediation) <p>Key mitigations</p> <ul style="list-style-type: none"> - Research conducted to update technical specification of our standard house type range, in preparation for the Future Homes Standard (FHS), including a trial of five FHS-compliant plots - Consultation with Government agencies - Cladding fire safety remediation and signing of the Developer Remediation Contracts in England and Wales - Engagement with national and local Government - Working with the Home Builders Federation (HBF), the Building Safety Regulator and other stakeholders - Member of the Future Homes Hub <p>Opportunities</p> <ul style="list-style-type: none"> - To build enhanced collaborative networks with stakeholders and peers, to monitor the implications of regulatory change - Lead the business in addressing pressing environmental issues, including reducing our carbon footprint and targeting biodiversity
Description	Residual risk rating	Risk appetite	Example risk indicators, mitigations and opportunities
<p>B. Mortgage availability and housing demand</p> <p>A decline in the economic environment, driven by sustained growth in interest rates, increased cost of living, low wage inflation or increasing levels of unemployment, could result in tightened mortgage availability and challenge mortgage affordability for our customers, resulting in a direct impact on our volume targets.</p> <p>Accountability</p> <ul style="list-style-type: none"> - UK Sales and Marketing Director - Regional Sales and Marketing Directors 	Moderate	Low	<p>Example risk indicators</p> <ul style="list-style-type: none"> - Interest rate increases - Levels of unemployment - Volume of enquiries/people visiting our developments - UK household spending/levels of disposable income - Loan-to-value metrics - Number and value of bids from affordable housing providers <p>Key mitigations</p> <ul style="list-style-type: none"> - Increase outlets to provide greater customer choice and flexibility to respond quickly to changing market conditions - Review of pricing and incentives offered - Monitor external market data (e.g. HBF and mortgage lenders) - Strong relationships with mainstream lenders - Work with financial services industry to ensure customers receive appropriate advice on mortgage products

			Opportunities - To continue to develop strong working relationships with established mainstream lenders and those wishing to increase volume in the new build market
Description	Residual risk rating	Risk appetite	Example risk indicators, mitigations and opportunities
C. Availability and costs of materials and subcontractors Increase in housing demand and production or a breakdown within the supply chain may further strain the availability of skilled subcontractors and materials and put pressure on utility firms to keep up with the pace of installation, resulting in increased costs and construction delays. Accountability - Supply Chain Director - Procurement Director - Group Commercial Director	Moderate	Low-moderate	Example risk indicators - Material and trade shortages - Material and trade price increases - Level of build quality and waste produced from sites - Longer build times - Number of skilled trades Key mitigations - Central procurement and key supplier agreements - Supplier and subcontractor relationships - Disaster recovery and business continuity plans with all key suppliers - Buffer stock with key suppliers - Contingency plans for critical path products - Direct trade and apprenticeship programmes - Key commodity risk assessment matrix - Regular checks on all key suppliers - Continual monitoring of the supply chain - Multi-source strategies Opportunities - To develop and implement different build methods as alternatives to conventional brick and block
Description	Residual risk rating	Risk appetite	Example risk indicators, mitigations and opportunities
D. Attract and retain high-calibre employees An inability to attract, develop, motivate and retain high-calibre employees, together with a failure to consider the retention and succession of key management, could result in a failure to deliver our strategic objectives, a loss of corporate knowledge and a loss of competitive advantage. Accountability - Group HR Director - Every employee managing people	Low	Moderate	Example risk indicators - Employee engagement score - Number of, and time to fill, vacancies - Employee turnover levels Key mitigations - Production Academy and Production Manager succession development programme - Schools outreach strategy - Collaboration with major organisations on a sector skills plan - Graduate and apprenticeship programmes - Management training - Enhanced remote working procedures - Educational masterclasses - Salary benchmarking - Long term manpower planning Opportunities - To further develop in-house capability, expertise and knowledge
Description	Residual risk rating	Risk appetite	Example risk indicators, mitigations and opportunities
E. Land availability An inability to secure land at an appropriate cost, the purchase of land of poor quality or in the wrong location, or the incorrect timing of land purchases in relation to the economic cycle could impact future profitability.	Low	Moderate	Example risk indicators - Movement in landbank years - Number of land approvals - Timing of conversions from strategically sourced land Key mitigations - Critically assess opportunities - Land quality framework - Engagement with national and local Government

Accountability - Divisional Chairs - Group Land Director - Regional Managing Directors - Regional Land and Planning Directors - Managing Director Group Strategic Land			- Review of land portfolio - Obtaining specialist environmental and legal advice Opportunities - A strong balance sheet allows us to invest when land market conditions are attractive
Description	Residual risk rating	Risk appetite	Example risk indicators, mitigations and opportunities
F. Quality and reputation The quality of our products is key to a strategic objective of being a customer-focused business and in ensuring that we do things right first time. If the Group fails to deliver against these standards and its wider development obligations, it could be exposed to reputational damage, as well as reduced sales and increased costs. Accountability - Group Customer Experience Director - Customer Director - UK Head of Production - Director of Design	Moderate	Low	Example risk indicators - Customer satisfaction scores - Number of National House Building Council (NHBC) claims - Construction Quality Review (CQR) scores - Average reportable items per inspection found during NHBC inspections at key stages of the build Key mitigations - Customer-ready Home Quality Inspection - Consistent Quality Approach - Quality Managers in the business - Customer-driven strategy - Enhanced data analytics - Ombudsman readiness Opportunities - To better understand the needs of our customers, enabling increased transparency of our build profile - To lead the industry in quality standards (our CQR score) and reduce the number of reportable items identified through monitoring defects at every stage of build
Description	Residual risk rating	Risk appetite	Example risk indicators, mitigations and opportunities
G. Health, safety and environment The health and safety of all our employees, subcontractors, visitors and customers is of paramount importance. Failure to implement and monitor our stringent health, safety and environment (HSE) procedures and policies across all parts of the business could lead to accidents or site-related incidents, resulting in serious injury or loss of life. Accountability - Head of Health, Safety and Environment - Regional Managing Directors	Low	Low	Example risk indicators - Increase in near misses and fatalities - Health and safety audit outcomes - Number of reportable health and safety incidents Key mitigations - Embedded HSE system - HSE training and inductions - Mental health training and support for all employees - Robust monitoring and reporting procedures - Utilisation of certified operatives - Identification, review and evaluation of the impact of new construction methods and materials Opportunities - To lead the industry in health and safety and to reduce the amount and level of incidents
Description	Residual risk rating	Risk appetite	Example risk indicators, mitigations and opportunities
H. Natural resources and climate change An inability to reduce our environmental footprint, the challenges of a degraded environment, including the impacts of climate change, nature loss and water scarcity on our business, supply chain scarcity due to environmental change, and the increasing desire of our	Moderate	Low	Example risk indicators - Energy use and greenhouse gas emissions - Biodiversity net gain % - Construction waste generation and waste to landfill Key mitigations - Net Zero Transition Plan - Published Environment Strategy

<p>customers to live more sustainably could impact our reputation, our ability to attract investment and obtain planning permission, and the delivery of our strategic targets.</p> <p>Accountability</p> <ul style="list-style-type: none"> - Group Communities Director - Regional Managing Directors 			<ul style="list-style-type: none"> - Adopted and validated net zero science-based targets - Climate change governance, including Environmental Governance Group and Sustainability Champions - HBF and investor liaison - Training and development in-house and in our supply chain - External benchmarking - Collection and interpretation of data to drive relevant actions <p>Opportunities</p> <ul style="list-style-type: none"> - Sustainable homes and developments attractive to customers - A sustainable business of choice for investors - Advantageous planning positions
Description	Residual risk rating	Risk appetite	Example risk indicators, mitigations and opportunities
<p>I. IT environment and security</p> <p>The Group places increasing reliance on IT to conduct its operations and the requirement to maintain the accuracy and confidentiality of its information systems and the data contained therein. A cyber attack leading to the corruption, loss or theft of data could result in reputational and operational damage.</p> <p>Accountability</p> <ul style="list-style-type: none"> - IT Director 	Moderate	Low-moderate	<p>Example risk indicators</p> <ul style="list-style-type: none"> - Number of devices with critical and high open vulnerabilities - Number of devices without latest patching in place - Phishing test results - Cyber training completion statistics - Number of users with administrative privileges to critical systems <p>Key mitigations</p> <ul style="list-style-type: none"> - Complex passwords policy and multi-factor authentication for remote access - Regular security patching and penetration testing - Risky logins check - Intrusion detection and prevention systems - Suspected phishing emails process - Mandated cyber training for all staff - Cyber insurance - Dedicated Head of Cyber Security - Cyber security KPIs - Enhanced end-point protection software implemented across the IT estate - Blocked traffic originating from countries deemed a threat to the UK - Disaster recovery process <p>Opportunities</p> <ul style="list-style-type: none"> - Together with our service partners, provide a level of security to reinforce our reputation as a trusted partner

Cautionary note concerning forward-looking statements

This report contains certain forward-looking statements. These statements are made by the Directors and include statements regarding their current intentions, beliefs and expectations, based on the information available to them up to the time of their approval of this report and unless otherwise required by applicable law, the Company and its Directors undertake no obligation to update or revise these forward-looking statements, nor do they accept any liability should the future results actually achieved fail to correspond to the forward-looking statements included in this report.

By their nature these forward-looking statements involve uncertainty (including both economic and business risk factors) and are subject to a number of risks since future events and circumstances

can cause actual results and developments to differ materially to those anticipated. As such, these forward-looking statements should be treated with caution.

Nothing in this report should be construed as a profit forecast and does not constitute or form part of, any offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities in Taylor Wimpey plc or any other invitation or inducement to engage in investment activities and does not constitute a recommendation to sell or buy any such securities.

Consolidated Income Statement

for the year to 31 December 2025

£ million	Note	Before	Exceptional	Total	Before	Exceptional	Total
		exceptional items 2025	items 2025		exceptional items 2024	items 2024	
Continuing operations							
Revenue	2	3,844.6	–	3,844.6	3,401.2	–	3,401.2
Cost of sales		(3,186.2)	–	(3,186.2)	(2,752.5)	–	(2,752.5)
Gross profit		658.4	–	658.4	648.7	–	648.7
Net operating expenses	4	(239.9)	(243.8)	(483.7)	(232.3)	(82.5)	(314.8)
Profit on ordinary activities before financing		418.5	(243.8)	174.7	416.4	(82.5)	333.9
Finance income	5	12.1	–	12.1	29.7	–	29.7
Finance costs	5	(38.5)	(3.9)	(42.4)	(27.4)	–	(27.4)
Share of results of joint ventures		2.1	–	2.1	(0.2)	(15.7)	(15.9)
Profit before taxation		394.2	(247.7)	146.5	418.5	(98.2)	320.3
Taxation (charge)/credit	6	(111.6)	65.5	(46.1)	(120.9)	20.2	(100.7)
Profit for the year		282.6	(182.2)	100.4	297.6	(78.0)	219.6
				2025			2024
Basic earnings per share	7			2.8p			6.2p
Diluted earnings per share	7			2.8p			6.2p
Adjusted basic earnings per share	7			8.0p			8.4p
Adjusted diluted earnings per share	7			8.0p			8.4p

All of the profit for both years is attributable to the equity holders of the Parent Company.

Consolidated Statement of Comprehensive Income

for the year to 31 December 2025

£ million	Note	2025	2024
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		8.2	(8.8)
Movement in fair value of hedging instruments		(4.3)	3.9
Items that will not be reclassified subsequently to profit or loss:			
Actuarial gain on defined benefit pension schemes	10	1.0	1.4
Tax charge on items taken directly to other comprehensive income	8	(0.3)	(0.4)
Other comprehensive income/(expense) for the year		4.6	(3.9)
Profit for the year		100.4	219.6
Total comprehensive income for the year		105.0	215.7

All of the comprehensive income for both years is attributable to the equity holders of the Parent Company.

Consolidated Balance Sheet

at 31 December 2025

£ million	Note	2025	2024
Non-current assets			
Intangible assets		2.7	1.5
Property, plant and equipment		23.1	21.9
Right-of-use assets		34.6	35.9
Interests in joint ventures		26.6	26.9
Trade and other receivables		26.7	14.9
Other financial assets	10	11.3	10.8
Deferred tax assets	8	25.6	20.6
		150.6	132.5
Current assets			
Inventories	9	5,271.4	5,376.6
Trade and other receivables		205.6	130.4
Tax receivables		8.9	4.4
Cash and cash equivalents		429.6	647.4
		5,915.5	6,158.8
Total assets		6,066.1	6,291.3
Current liabilities			
Trade and other payables		(966.7)	(1,083.9)
Lease liabilities		(11.7)	(10.4)
Tax payables		(3.4)	(1.6)
Provisions		(211.1)	(161.7)
		(1,192.9)	(1,257.6)
Net current assets		4,722.6	4,901.2
Non-current liabilities			
Trade and other payables		(275.0)	(350.7)
Lease liabilities		(25.3)	(28.0)
Bank and other loans		(87.0)	(82.6)
Retirement benefit obligations	10	(18.1)	(22.2)
Provisions		(281.0)	(145.0)
		(686.4)	(628.5)
Total liabilities		(1,879.3)	(1,886.1)
Net assets		4,186.8	4,405.2
Equity			
Share capital		291.3	291.3
Share premium		777.9	777.9
Own shares		(20.2)	(27.6)
Other reserves		543.4	539.5
Retained earnings		2,594.4	2,824.1
Total equity		4,186.8	4,405.2

Consolidated Statement of Changes in Equity

for the year to 31 December 2025

£ million	Note	Share capital	Share premium	Own shares	Other reserves	Retained earnings	Total
Total equity at 1 January 2024		291.3	777.9	(29.7)	544.4	2,939.5	4,523.4
Other comprehensive (expense)/income for the year		–	–	–	(4.9)	1.0	(3.9)
Profit for the year		–	–	–	–	219.6	219.6
Total comprehensive (expense)/income for the year		–	–	–	(4.9)	220.6	215.7
Own shares acquired		–	–	(4.0)	–	–	(4.0)
Utilisation of own shares		–	–	6.1	–	–	6.1
Cash cost of satisfying share options		–	–	–	–	(5.4)	(5.4)
Share-based payment credit		–	–	–	–	9.2	9.2
Tax charge on items taken directly to statement of changes in equity	8	–	–	–	–	(0.4)	(0.4)
Dividends approved and paid	12	–	–	–	–	(339.4)	(339.4)
Total equity at 31 December 2024		291.3	777.9	(27.6)	539.5	2,824.1	4,405.2
Other comprehensive income for the year		–	–	–	3.9	0.7	4.6
Profit for the year		–	–	–	–	100.4	100.4
Total comprehensive income for the year		–	–	–	3.9	101.1	105.0
Own shares acquired		–	–	(3.3)	–	–	(3.3)
Utilisation of own shares		–	–	10.7	–	–	10.7
Cash cost of satisfying share options		–	–	–	–	(9.0)	(9.0)
Share-based payment credit		–	–	–	–	8.9	8.9
Tax charge on items taken directly to statement of changes in equity	8	–	–	–	–	(0.3)	(0.3)
Dividends approved and paid	12	–	–	–	–	(330.4)	(330.4)
Total equity at 31 December 2025		291.3	777.9	(20.2)	543.4	2,594.4	4,186.8

Consolidated Cash Flow Statement

for the year to 31 December 2025

£ million	Note	2025	2024
Profit on ordinary activities before financing		174.7	333.9
Adjustments for:			
Depreciation and amortisation		15.7	14.3
Pension contributions in excess of charge to the income statement		(4.3)	(4.0)
Share-based payment charge		8.9	9.2
Loss on disposal of assets		–	14.5
Increase in provisions excluding exceptional payments		249.8	53.9
Operating cash flows before movements in working capital		444.8	421.8
Increase in inventories		(14.8)	(86.8)
(Increase)/decrease in receivables		(53.6)	3.8
Decrease in payables		(108.4)	(27.1)
Cash generated from operations		268.0	311.7
Payments related to exceptional charges		(68.5)	(34.1)
Income taxes paid		(50.0)	(102.5)
Interest paid		(16.3)	(10.2)
Net cash generated from operating activities		133.2	164.9
Investing activities:			
Interest received		12.0	28.1
Proceeds on disposal of property, plant and equipment		–	0.1
Purchase of property, plant and equipment		(4.2)	(3.4)
Purchase of intangible assets		(2.5)	–
Proceeds on disposal of joint venture		–	18.5
Amounts (invested in)/received from joint ventures		(15.8)	30.6
Net cash (used in)/generated from investing activities		(10.5)	73.9
Financing activities:			
Lease capital repayments		(11.6)	(9.6)
Cash received on exercise of share options		1.7	0.7
Purchase of own shares		(3.3)	(4.0)
Repayment of borrowings		(175.0)	–
Proceeds from borrowings		175.0	–
Dividends paid		(330.4)	(339.4)
Net cash used in financing activities		(343.6)	(352.3)
Net decrease in cash and cash equivalents		(220.9)	(113.5)
Cash and cash equivalents at beginning of year		647.4	764.9
Effect of foreign exchange rate changes		3.1	(4.0)
Cash and cash equivalents at end of year	11	429.6	647.4

Notes to the Condensed Consolidated Financial Statements

1. Basis of preparation

These results do not constitute the Group's statutory accounts for the year ended 31 December 2025 but are derived from those accounts. Statutory accounts for 2024 have been delivered to the Registrar of Companies and those for 2025 will be delivered following the Company's Annual General Meeting. The external auditors have reported on those accounts; its report was unqualified, did not contain an emphasis of matter paragraph and did not contain any statements under section 498 of the Companies Act 2006.

The consolidated financial statements are prepared in accordance with UK-adopted international accounting standards. The statutory accounts have been prepared based on the accounting policies and method of computations consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2024.

Going concern

Group forecasts have been prepared that have considered the Group's current financial position and current market circumstances. The forecasts were subject to sensitivity analysis, including a severe but plausible scenario together with the likely effectiveness of mitigating actions.

The assessment considered sensitivity analysis based on a number of realistically possible, but severe and prolonged, changes to principal assumptions. In determining these, the Group included macro-economic and industry wide projections, as well as matters specific to the Group. To arrive at the sensitivity analysis, the Group has also drawn on experience gained managing the business through previous economic downturns and stress tested the business against a number of scenarios, which included a scenario that reflected:

- Volume – a decline in total volumes of 10% in 2026 from 2025 levels, before recovering back to 2025 levels by 2028
- Price – a reduction to current selling prices of 10%, remaining at these levels across 2026 and 2027 before recovering to current levels by 2028
- Costs – a one-off exceptional charge and cash cost of £150 million for an unanticipated event, change in government regulations or financial penalty has been included in 2026

Mitigations to this sensitivity analysis include a reduction in land investment, a reduction in the level of production and work in progress held and optimising the overhead base to ensure it is aligned with the scale of the operations through the cycle. If this scenario were to occur, the Directors also have a range of additional options to maintain financial strength, including a more severe reduction in land spend and work in progress, the sale of assets, reducing the distributions, and / or raising debt.

At 31 December 2025, the Group had a cash balance of £430 million and had access to £600 million from a fully undrawn revolving credit facility, together totalling £1,030 million. The combination of both of these is sufficient to absorb the financial impact of each of the risks modelled in the stress and sensitivity analysis, individually and in aggregate.

Based on these forecasts, it is considered that there are sufficient resources available for the Group to conduct its business, and meet its liabilities as they fall due, for at least the next 12 months from the date of these consolidated financial statements. Consequently, the consolidated financial statements have been prepared on a going concern basis.

Notes to the Condensed Consolidated Financial Statements (continued)

1. Basis of preparation (continued)

Estimates and judgements

The provision for cladding fire safety works is considered to be a key source of estimation uncertainty given its size and the estimation inherent in developing the provision where assessments have yet to be performed and works are not yet tendered. The Group estimates the provision based on the number of buildings that may require works and the costs to carry out the identified works. In determining the total cost of works, management has increasingly been supported by third party quotations received.

However, on buildings not yet tendered or assessed, estimates are made for the nature of works to be carried out and the costs of those works based on the experience the Group has from projects currently ongoing. The provision is therefore complex in nature and involves judgements and estimates, which can be impacted by changes in the costs of materials and labour, unanticipated works being required, evolving industry practices and changes to regulations. If there were a 10% change in costs for untendered projects, arising from changes to scope or rates, the provision would increase/decrease by £24 million. During the year the provision has been increased by £225.8 million, net of discounting, (2024: £68.9 million), see Note 4. Based on the information currently available, the provision represents management's best estimate of the liability for the Group.

2. Revenue

An analysis of the Group's continuing revenue is as follows:

£ million	2025	2024
Private sales	3,329.3	2,960.7
Partnership housing	414.1	404.1
Land and other	101.2	36.4
	3,844.6	3,401.2

3. Operating segments

The Group operates in two countries, the United Kingdom and Spain. Revenue in Spain arises entirely on private sales.

£ million	2025			2024		
	UK	Spain	Total	UK	Spain	Total
Revenue						
External sales	3,652.0	192.6	3,844.6	3,214.6	186.6	3,401.2
Result						
Profit before joint ventures, finance income/(costs) and exceptional items	366.8	51.7	418.5	369.0	47.4	416.4
Share of results of joint ventures before exceptional items	2.1	-	2.1	(0.2)	-	(0.2)
Adjusted operating profit (Note 13)	368.9	51.7	420.6	368.8	47.4	416.2
Exceptional items (Note 4)	(243.8)	-	(243.8)	(98.2)	-	(98.2)
Profit before net finance (costs)/income	125.1	51.7	176.8	270.6	47.4	318.0
Net finance (costs)/income			(30.3)			2.3
Profit before taxation			146.5			320.3
Taxation charge			(46.1)			(100.7)
Profit for the year			100.4			219.6

£ million	2025			2024		
	UK	Spain	Total	UK	Spain	Total
Segment operating assets	5,342.1	233.3	5,575.4	5,355.4	236.6	5,592.0
Joint ventures	26.6	-	26.6	26.9	-	26.9
Segment operating liabilities	(1,644.9)	(144.0)	(1,788.9)	(1,654.8)	(147.1)	(1,801.9)
Net operating assets	3,723.8	89.3	3,813.1	3,727.5	89.5	3,817.0
Net current taxation			5.5			2.8
Net deferred taxation			25.6			20.6
Net cash			342.6			564.8
Net assets			4,186.8			4,405.2

Notes to the Condensed Consolidated Financial Statements (continued)

3. Operating segments (continued)

£ million	2025			2024		
	UK	Spain	Total	UK	Spain	Total
Property, plant and equipment additions	4.0	0.2	4.2	3.3	0.1	3.4
Right-of-use asset additions	10.0	0.7	10.7	9.2	0.2	9.4
Intangible asset additions	2.5	–	2.5	–	–	–
Property, plant and equipment depreciation	(2.8)	(0.2)	(3.0)	(2.4)	(0.1)	(2.5)
Right-of-use asset depreciation	(11.0)	(0.4)	(11.4)	(10.4)	(0.3)	(10.7)
Amortisation of intangible assets	(1.3)	–	(1.3)	(1.1)	–	(1.1)

4. Net operating expenses and profit on ordinary activities before financing

Profit on ordinary activities before financing for continuing operations has been arrived at after charging/(crediting):

£ million	2025	2024
Administration expenses	247.4	242.0
Other expenses	115.3	101.4
Other income	(122.8)	(111.1)
Exceptional items	243.8	82.5
Net operating expenses	483.7	314.8

The majority of the other income and other expenses shown above relates to the income and associated costs arising on the sale of part exchange properties. Also included in other income and other expenses are profit/loss on the sale of property, plant and equipment, the revaluation of certain shared equity mortgage receivables and abortive land acquisition costs.

Exceptional items

£ million	2025	2024
Provision in relation to cladding fire safety	225.8	68.9
Loss on disposal of joint venture	–	13.6
CMA information sharing investigation	18.0	–
	243.8	82.5
Share of results of joint ventures	–	15.7
Unwinding of discount on cladding fire safety provision	3.9	–
Total exceptional items	247.7	98.2

Cladding fire safety

In 2025, as part of the Group's ongoing work to meet the Government's Remediation Action Plan deadlines, the Group has continued to carry out intrusive investigations and updated FRAEW assessments across its legacy buildings. These assessments and increased engagement with chartered fire engineers in the first half of the year led to a reassessment of the Group's risk exposure on building remediation, including updated evaluation of buildings that had not yet undergone intrusive FRAEW assessments. As a result, in the first half of the year, the provision for cladding fire safety remediation increased by £222.2 million, which was recognised as an exceptional item. In the second half of the year the Group has made good progress with assessments, tenders and works. Since June 2025 the provision has increased by a further £3.6 million due to inflation, legal fees and other minor differences, resulting in the provision increasing by £225.8 million (net of discounting) in the year, recognised as an exceptional item. This overall increase in the provision in the year is as a result of:

- The scope of works has been expanded to remediate historical building defects. These building defects, relating to cavity barriers behind brickwork and render, were not visible in earlier non-intrusive assessments. The increased provision includes an allowance, which represents the Group's best estimate, to remediate cavity barrier defects in buildings where an FRAEW assessment has not yet been received. As more FRAEW assessments are received this risk element reduces over time.
- The Group has experienced chartered fire engineers' interpretation of the PAS9980 standard evolve, becoming more cautious. Some buildings that were previously considered acceptable requiring no remediation work under earlier EWS1 assessments have now been identified as needing remediation through recent FRAEW assessments, thereby increasing the level of remediation required and costs involved.

Notes to the Condensed Consolidated Financial Statements (continued)

4. Net operating expenses and profit on ordinary activities before financing (continued)

- Wider associated project costs have increased as a result of the above, including site-specific cost increases, professional fees, contingencies and an uplift in Building Safety Fund related buildings, partially offset by discounting.

In 2024, the Group recognised an increase in the provision of £88.0 million due to an escalation of costs on tenders received in that year, a small number of new buildings being added and increased project delivery administration costs, including the funding of Building Safety Fund pre-tender costs. In addition, one of the Group's joint ventures recognised a provision for remediation works on the buildings it built, and as a result £19.1 million was released from the provision held by the Group in relation to those buildings. This resulted in the net expense recognised by the Group in 2024 being £68.9 million.

CMA information sharing investigation

In February 2024 the CMA announced it was commencing an investigation into a number of housebuilders, including the Group, relating to concerns that they may have exchanged competitively sensitive information. In 2025 the Group agreed certain commitments with the CMA in respect of those concerns, the costs of which, including associated legal and professional fees, have been recognised as an exceptional item.

Loss on disposal of joint venture

During the prior year, the Group disposed of its interest in Winstanley and York Road Regeneration LLP and recognised a £13.6 million loss arising from the difference between proceeds on disposal and the Group's net investment in the joint venture. This expense, being non-recurring, and outside of the normal operations of the Group, was recognised as an exceptional item.

Share of results of joint ventures

As noted above, in the prior year, a joint venture of the Group recognised a provision for remediation costs on buildings it built. The Group's share of that cost, net of tax, was recognised as an exceptional item in line with the recognition of the Group's cladding fire safety provision.

Profit on ordinary activities before financing has been arrived at after charging:

£ million	2025	2024
Cost of inventories recognised as an expense in cost of sales	3,030.4	2,635.0
Property, plant and equipment depreciation	3.0	2.5
Right-of-use asset depreciation	11.4	10.7
Amortisation of intangible assets	1.3	1.1

5. Finance income and finance costs

Finance income:

£ million	2025	2024
Interest receivable	12.1	29.7
	12.1	29.7

Finance costs:

£ million	2025	2024
Interest on bank and other loans	(8.9)	(8.0)
Foreign exchange loss	(0.8)	(0.1)
	(9.7)	(8.1)
Unwinding of discount on land creditors and other items	(26.1)	(16.7)
Unwinding of discount on provisions	(3.9)	–
Interest on lease liabilities	(1.6)	(1.5)
Net interest on pension liability (Note 10)	(1.1)	(1.1)
	(42.4)	(27.4)

Notes to the Condensed Consolidated Financial Statements (continued)

6. Taxation charge

Tax (charged)/credited in the income statement is analysed as follows:

£ million		2025	2024
Current tax:			
UK:	Current year	(39.1)	(91.9)
	Adjustment in respect of prior years	2.9	4.1
Overseas:	Current year	(15.3)	(11.2)
	Adjustment in respect of prior years	–	–
		(51.5)	(99.0)
Deferred tax:			
UK:	Current year	5.2	(3.8)
	Adjustment in respect of prior years	(0.8)	2.7
Overseas:	Current year	1.0	(0.6)
	Adjustment in respect of prior years	–	–
		5.4	(1.7)
Taxation charge		(46.1)	(100.7)

Corporation tax is calculated at 29.0% (2024: 29.0%) of the estimated assessable profit for the year in the UK. This includes corporation tax at the rate of 25.0% (2024: 25.0%) for the year and residential property developer tax at the rate of 4.0% (2024: 4.0%) on profits arising from residential property development activities. Taxation outside the UK is calculated at the rates prevailing in the respective jurisdictions. The tax charge for the year includes an exceptional credit of £65.5 million relating to the cladding fire safety provision and other exceptional items (2024: £20.2 million).

The charge for the year can be reconciled to the profit per the income statement as follows:

£ million		2025	2024
Profit before taxation		146.5	320.3
Tax at the UK corporation tax rate of 29.0% (2024: 29.0%)		(42.5)	(92.9)
Net over provision in respect of prior years		2.1	6.8
Net impact of items that are not taxable or deductible		(7.8)	(13.7)
Derecognition of deferred tax assets		–	(2.8)
Other rate impacting adjustments		2.1	1.9
Taxation charge		(46.1)	(100.7)

Notes to the Condensed Consolidated Financial Statements (continued)

7. Earnings per share

	2025	2024
Basic earnings per share	2.8p	6.2p
Diluted earnings per share	2.8p	6.2p
Adjusted basic earnings per share	8.0p	8.4p
Adjusted diluted earnings per share	8.0p	8.4p
Weighted average number of shares for basic earnings per share – million	3,539.4	3,538.5
Weighted average number of shares for diluted earnings per share – million	3,548.6	3,551.9

Adjusted basic and adjusted diluted earnings per share, which exclude the impact of exceptional items and any associated net tax amounts, are presented to provide a measure of the underlying performance of the Group. A reconciliation of earnings attributable to equity shareholders used for basic and diluted earnings per share to that used for adjusted earnings per share is shown below.

£ million	2025	2024
Earnings for basic and diluted earnings per share	100.4	219.6
Adjust for exceptional items (Note 4)	247.7	98.2
Adjust for tax on exceptional items (Note 6)	(65.5)	(20.2)
Earnings for adjusted basic and adjusted diluted earnings per share	282.6	297.6

8. Deferred tax

£ million	Share-based payments	Capital allowances	Temporary differences on overseas provisions	Retirement benefit obligations	Losses and other temporary differences	Total
At 31 December 2023	1.9	2.0	5.3	7.7	6.5	23.4
(Charge)/credit to income	(0.2)	(2.3)	(0.6)	(0.9)	2.3	(1.7)
Charge to other comprehensive income	–	–	–	(0.4)	–	(0.4)
Charge to statement of changes in equity	(0.4)	–	–	–	–	(0.4)
Foreign exchange	–	–	(0.3)	–	–	(0.3)
At 31 December 2024	1.3	(0.3)	4.4	6.4	8.8	20.6
(Charge)/credit to income	(0.4)	(0.8)	1.0	(0.9)	6.5	5.4
Charge to other comprehensive income	–	–	–	(0.3)	–	(0.3)
Charge to statement of changes in equity	(0.3)	–	–	–	–	(0.3)
Foreign exchange	–	–	0.2	–	–	0.2
At 31 December 2025	0.6	(1.1)	5.6	5.2	15.3	25.6

Closing deferred tax on temporary differences has been calculated at the tax rates that are expected to apply for the period when the asset is realised or liability is settled. Accordingly, deferred tax on UK temporary differences has been calculated at 29% (31 December 2024: 29%). Deferred tax on Spanish temporary differences has been calculated at 25% (31 December 2024: 25%).

Notes to the Condensed Consolidated Financial Statements (continued)

8. Deferred tax (continued)

The net deferred tax balance is analysed into assets and liabilities as follows:

£ million	2025	2024
Deferred tax assets	26.2	21.6
Deferred tax liabilities	(0.6)	(1.0)
	25.6	20.6

The Group has not recognised temporary differences relating to tax losses carried forward and other temporary differences amounting to £14.1 million (2024: £15.9 million) in the UK and £19.4 million (2024: £18.4 million) in Spain. The UK and Spanish temporary differences have not been recognised as insufficient certainty exists as to their future utilisation.

At the balance sheet date, the Group has unused UK capital losses of £269.7 million (2024: £269.7 million). No deferred tax asset has been recognised in respect of the capital losses at 31 December 2025 (2024: £nil) because the Group does not believe that it is probable that these capital losses will be utilised in the foreseeable future.

9. Inventories

£ million	2025	2024
Land	3,200.4	3,387.5
Development and construction costs	2,019.7	1,949.3
Part exchange and other	51.3	39.8
	5,271.4	5,376.6

The markets in our core geographies, which are the primary drivers of our business, continue to trade positively. At 31 December 2025, the Group completed a net realisable value assessment of inventory, considering each site individually and based on estimates of sales price, costs to complete and costs to sell. At 31 December 2025, the provision held in the United Kingdom was £12.6 million (2024: £25.1 million) and £27.6 million in Spain (2024: £28.0 million).

The table below details the movements on the inventory provision recorded in the year.

£ million	2025	2024
At 1 January	53.1	58.9
Net utilised	(14.3)	(4.2)
Foreign exchange	1.4	(1.6)
At 31 December	40.2	53.1

Notes to the Condensed Consolidated Financial Statements (continued)

10. Retirement benefit obligations

Total retirement benefit obligations of £18.1 million (2024: £22.2 million) comprise a defined benefit pension liability of £17.8 million (2024: £22.0 million) and a post-retirement healthcare liability of £0.3 million (2024: £0.2 million).

Defined benefit pension scheme

The Group's defined benefit pension scheme in the UK is the Taylor Wimpey Pension Scheme (TWPS). The TWPS is a funded defined benefit pension scheme which provides benefits to beneficiaries in the form of a guaranteed level of pension payable for life. The level of benefits provided depends on an individual member's length of service and their salary in the final years leading up to retirement or date of ceasing active accrual if earlier. Pension payments are generally increased in line with inflation subject to caps specified in the TWPS rules. The TWPS is closed to new members and future accrual.

The Group operates the TWPS under the UK regulatory framework. Benefits are paid to members from a Trustee-administered fund and the Trustee is responsible for ensuring that the TWPS is well managed and that members' benefits are secure. Scheme assets are held in trust.

The TWPS Trustee's other duties include managing the investment of scheme assets, administration of scheme benefits and exercising of discretionary powers. The Group works closely with the Trustee to manage the TWPS. The Trustee of the TWPS owes fiduciary duties to the TWPS' beneficiaries. The appointment of the Directors to the Trustee Board is determined by the TWPS trust documentation.

The most recent triennial valuation of the TWPS was undertaken with a reference date of 31 December 2022. The result of this valuation was a Technical Provisions surplus at 31 December 2022 of £55 million. As a result, no deficit contributions were required to be paid to the TWPS or to the escrow account established following the 2019 valuation. On an IAS 19 accounting basis the underlying surplus in the TWPS at 31 December 2025 was £107.0 million (2024: £90.2 million). The terms of the TWPS are such that the Group does not have an unconditional right to a refund of surplus. As a result, the Group recognised an adjustment to the underlying surplus in the TWPS on an IAS 19 accounting basis of £124.8 million (31 December 2024: £112.2 million), resulting in an IFRIC 14 deficit of £17.8 million (31 December 2024: £22.0 million), which represented the present value of future contributions under the funding plan.

The TWPS Trustee holds a fixed charge over the escrow account, established following the 2019 valuation, that is recognised in other financial assets. At 31 December 2025 the escrow account held £11.3 million (31 December 2024: £10.8 million), with interest earned by the escrow account being retained within the escrow account. Transfers out of the escrow account (either to the TWPS or the Group) are subject to the 2019 triennial funding arrangement entered into between the Group and the Trustee and as such the funds are restricted from use by the Group for other purposes and are therefore not classified as cash or cash equivalents. The escrow account will be in place until 30 June 2028, at which point a funding test will be conducted and funds will either be paid to the TWPS or returned to the Group.

Notes to the Condensed Consolidated Financial Statements (continued)

10. Retirement benefit obligations (continued)

In 2013, the Group introduced a £100.0 million Pension Funding Partnership (PFP) that utilises the Group's show homes, as well as six offices, in a sale and leaseback structure. This provides £5.1 million of annual funding for the TWPS. In March 2024, the Group reached agreement with the Trustee to restructure the PFP. The restructure retained the existing contributions payable until 2029 but replaced the payment of up to £100 million that may have been due in 2029, with seven annual payments of up to £12.5 million each from 2029 to 2035. These are only payable if the TWPS has a deficit on its Technical Provisions funding basis at the prior 31 December. The assets held within the PFP do not affect the IAS 19 figures (before IFRIC 14) as they remain assets of the Group, and are not assets of the TWPS. At 31 December 2025, there was £94.1 million of property and £18.8 million of cash held within the structure (31 December 2024: £75.1 million of property and £37.6 million of cash).

The Group continues to work closely with the Trustee in managing pension risks, including management of interest rate, inflation and longevity risks. The TWPS assets are approximately 102% (2024: 102%) hedged against changes in both interest rates and inflation expectations on the scheme's long term funding basis that is currently used for investment strategy purposes. The TWPS also benefits from a bulk annuity contract which covers some of the largest liabilities in the scheme, providing protection against interest rate, inflation and longevity risk.

Accounting assumptions:

The assumptions used in calculating the accounting costs and obligations of the TWPS, as detailed below, are set by the Directors after consultation with independent actuaries. The basis for these assumptions is prescribed by IAS 19 and they do not reflect the assumptions that may be used in future funding valuations of the TWPS.

	2025	2024
At 31 December		
Discount rate for scheme liabilities	5.40%	5.35%
General pay inflation	n/a	n/a
Deferred pension increases	2.00%	2.30%
Pension increases	1.85%-3.60%	1.95%-3.70%

The table below shows the impact to the present value of scheme liabilities of movements in key assumptions.

Assumption	Change in assumption	Impact on scheme liabilities	Impact on scheme liabilities (%)
Discount rate	Decrease by 0.5% p.a.	Increase by £71m	4.6
Rate of inflation*	Increase by 0.5% p.a.	Increase by £37m	2.4
Life expectancy	Members live 1 year longer	Increase by £62m	4.0

* Assumed to affect deferred revaluation and pensioner increases in payment.

Notes to the Condensed Consolidated Financial Statements (continued)

10. Retirement benefit obligations (continued)

The table below details the movements in the TWPS pension liability and assets recorded through the income statement and other comprehensive income.

£ million	Present value of obligation	Fair value of scheme assets	Asset/(liability) recognised on balance sheet
At 1 January 2025	(1,544.3)	1,522.3	(22.0)
Administration expenses	–	(2.8)	(2.8)
Interest (expense)/income	(79.8)	78.7	(1.1)
Total amount recognised in income statement	(79.8)	75.9	(3.9)
Remeasurement gain on scheme assets	–	15.7	15.7
Change in demographic assumptions	(18.2)	–	(18.2)
Change in financial assumptions	30.5	–	30.5
Experience loss	(20.4)	–	(20.4)
Adjustment to liabilities for IFRIC 14	(6.6)	–	(6.6)
Total remeasurements in other comprehensive income	(14.7)	15.7	1.0
Employer contributions	–	7.1	7.1
Employee contributions	–	–	–
Benefit payments	107.2	(107.2)	–
At 31 December 2025	(1,531.6)	1,513.8	(17.8)

£ million	Present value of obligation	Fair value of scheme assets	Asset/(liability) recognised on balance sheet
At 1 January 2024	(1,679.8)	1,653.5	(26.3)
Administration expenses	–	(3.1)	(3.1)
Interest (expense)/income	(74.7)	73.6	(1.1)
Total amount recognised in income statement	(74.7)	70.5	(4.2)
Remeasurement loss on scheme assets	–	(98.5)	(98.5)
Change in demographic assumptions	(1.0)	–	(1.0)
Change in financial assumptions	104.1	–	104.1
Experience gain	1.3	–	1.3
Adjustment to liabilities for IFRIC 14	(4.5)	–	(4.5)
Total remeasurements in other comprehensive income	99.9	(98.5)	1.4
Employer contributions	–	7.1	7.1
Employee contributions	–	–	–
Benefit payments	110.3	(110.3)	–
At 31 December 2024	(1,544.3)	1,522.3	(22.0)

11. Notes to the cash flow statement

Cash and cash equivalents comprise cash at bank and other short term highly liquid investments with an original maturity of three months or less.

Movement in net cash

£ million	Cash and cash equivalents	Bank and other loans	Total net cash
At 31 December 2023	764.9	(87.0)	677.9
Net cash flow	(113.5)	–	(113.5)
Foreign exchange	(4.0)	4.4	0.4
At 31 December 2024	647.4	(82.6)	564.8
Net cash flow	(220.9)	–	(220.9)
Foreign exchange	3.1	(4.4)	(1.3)
At 31 December 2025	429.6	(87.0)	342.6

Notes to the Condensed Consolidated Financial Statements (continued)

12. Dividends

£ million	2025	2024
Proposed		
Interim dividend 2025: 4.67p (2024: 4.80p) per ordinary share of 1p each	165.4	169.9
Final dividend 2025: 2.95p (2024: 4.66p) per ordinary share of 1p each	104.6	165.0
	270.0	334.9
Amounts recognised as distributions to equity holders		
Paid		
Final dividend 2024: 4.66p (2023: 4.79p) per ordinary share of 1p each	165.0	169.5
Interim dividend 2025: 4.67p (2024: 4.80p) per ordinary share of 1p each	165.4	169.9
	330.4	339.4

The Directors recommend a final dividend for the year ended 31 December 2025 of 2.95 pence per share (2024: 4.66 pence per share) subject to shareholder approval at the Annual General Meeting, with an equivalent final dividend charge of c.£105 million based on the number of shares in issue at the end of the year (2024: £165.0 million). The final dividend will be paid on 15 May 2026 to all shareholders registered at the close of business on 7 April 2026.

In accordance with IAS 10 'Events after the Reporting Period', the proposed final dividend has not been accrued as a liability at 31 December 2025.

13. Alternative performance measures

The Group uses a number of alternative performance measures (APMs) which are not defined within UK-adopted international accounting standards. The Directors use these measures in order to assess the underlying operational performance of the Group and, as such, these measures should be considered alongside the statutory measures. The following APMs are referred to throughout the year end results.

Profit before taxation and exceptional items and profit for the period before exceptional items

The Directors consider that the removal of exceptional items from the reported results provides more clarity on the performance of the Group. They are reconciled to profit before tax and profit for the period on the face of the Consolidated Income Statement.

Adjusted operating profit and adjusted operating profit margin

Throughout the statement, adjusted operating profit is used as one of the main measures of performance. Adjusted operating profit is defined as profit on ordinary activities before financing, exceptional items and tax, after share of results of joint ventures. The Directors consider this to be an important measure of the underlying performance of the Group. Adjusted operating profit margin is calculated as adjusted operating profit divided by total revenue.

In preparation for the adoption of IFRS 18 'Presentation and Disclosure in Financial Statements' in 2027, which for the first time defines an operating profit subtotal, the Group has renamed the measures of operating profit and operating profit margin to adjusted operating profit and adjusted operating profit margin respectively. The calculation methodologies for the measures are unchanged.

	2025	2024
Profit on ordinary activities before financing (£m)	174.7	333.9
Adjusted for:		
Share of results of joint ventures (£m)	2.1	(15.9)
Exceptional items (£m)	243.8	98.2
Adjusted operating profit (£m)	420.6	416.2
Revenue (£m)	3,844.6	3,401.2
Adjusted operating profit margin	10.9%	12.2%

Notes to the Condensed Consolidated Financial Statements (continued)

13. Alternative performance measures (continued)

Net operating assets

Net operating assets is defined as basic net assets less net cash, excluding net taxation balances and accrued dividends. Average net operating assets is the average of the opening and closing net operating assets of the 12 month period. With return on net operating assets, the Directors consider this to be an important measure of the underlying operating efficiency and performance of the Group.

	2025	2024	2023
Basic net assets (£m)	4,186.8	4,405.2	4,523.4
Adjusted for:			
Cash (£m)	(429.6)	(647.4)	(764.9)
Borrowings (£m)	87.0	82.6	87.0
Net taxation (£m)	(31.1)	(23.4)	(21.8)
Accrued dividends (£m)	–	–	–
Net operating assets (£m)	3,813.1	3,817.0	3,823.7
Average basic net assets (£m)	4,296.0	4,464.3	
Average net operating assets (£m)	3,815.1	3,820.4	

Return on net operating assets

Return on net operating assets is defined as rolling 12-month adjusted operating profit divided by average net operating assets. The Directors consider this to be an important measure of the underlying operating efficiency and performance of the Group.

	2025	2024
Adjusted operating profit (£m)	420.6	416.2
Average net operating assets (£m)	3,815.1	3,820.4
Return on net operating assets	11.0%	10.9%

Net operating asset turn

This is defined as total revenue divided by average net operating assets, based on a rolling 12-month period. The Directors consider this to be a good indicator of how efficiently the Group is utilising its assets to generate value for shareholders.

	2025	2024
Revenue (£m)	3,844.6	3,401.2
Average net operating assets (£m)	3,815.1	3,820.4
Net operating asset turn	1.01	0.89

Tangible net assets per share

This is calculated as net assets before any accrued dividends, excluding intangible assets, divided by the number of ordinary shares in issue at the end of the period. The Directors consider this to be a good measure of the value intrinsic within each ordinary share.

	2025	2024
Basic net assets (£m)	4,186.8	4,405.2
Adjusted for:		
Intangible assets (£m)	(2.7)	(1.5)
Tangible net assets (£m)	4,184.1	4,403.7
Ordinary shares in issue (millions)	3,557.0	3,557.0
Tangible net assets per share (pence)	117.6	123.8

Net cash

Net cash is defined as cash and cash equivalents less total borrowings. This is considered by the Directors to be the best indicator of the financing position of the Group and is reconciled in Note 11.

Notes to the Condensed Consolidated Financial Statements (continued)

13. Alternative performance measures (continued)

Cash conversion

This is defined as cash generated from operations, which excludes payments relating to exceptional charges, divided by adjusted operating profit on a rolling 12 month basis. The Directors consider this measure to be a good indication of how efficiently the Group is turning profit into cash.

	2025	2024
Cash generated from operations (£m)	268.0	311.7
Adjusted operating profit (£m)	420.6	416.2
Cash conversion	63.7%	74.9%

Adjusted gearing

This is defined as adjusted net debt divided by basic net assets. The Directors consider this to be a more representative measure of the Group's gearing levels. Adjusted net debt is defined as net cash less land creditors.

	2025	2024
Cash (£m)	429.6	647.4
Loans (£m)	(87.0)	(82.6)
Net cash (£m)	342.6	564.8
Land creditors (£m)	(522.5)	(627.9)
Adjusted net debt (£m)	(179.9)	(63.1)
Basic net assets (£m)	4,186.8	4,405.2
Adjusted gearing	4.3%	1.4%

Adjusted basic and diluted earnings per share

This is calculated as earnings attributed to the shareholders, excluding exceptional items and tax on exceptional items, divided by the weighted average number of shares in issue during the period. The Directors consider this provides an important measure of the underlying earnings capacity of the Group. Note 7 shows a reconciliation from basic and diluted earnings per share to adjusted basic and diluted earnings per share.

14. Post balance sheet events

There were no material subsequent events affecting the Group after 31 December 2025.