



Full Year Results 2025

Thursday, 5 March 2026

2025 trading and market backdrop

Jennie Daly

Chief Executive, Taylor Wimpey plc

Welcome

Good morning to you all. We are going to start nice and sharp today, because I know it is a really busy results day. But before I do, and it has become usual practice, we have members of our Group Management Team with us here today and also our first newly appointed Customer Experience Director, Maria Sebastian. So Maria, give everybody a wave so they know who you are. Hopefully, you will have the opportunity to catch up with Maria later this morning. Here is Maria, our Customer Experience Director. While not here today, I am also pleased to say that we have appointed a new Divisional Chair for the London and South East, Tom Pocock, formerly of Berkeley. Tom will be joining us soon, and you will no doubt meet through the course of the year.

Agenda

Let's get started. I will start with some highlights on 2025 and the delivery of the medium term targets we set out last October. Chris will cover 2025 performance in more detail and turn to guidance. Then I will update you on how the Spring selling season is playing out and how we are driving the business forward with those medium term targets firmly in our sights.

A clear strategy for enhanced return on capital

This morning, you will hear our strategy for driving returns in what has been a challenging year for the industry. Against that backdrop, we delivered 2025 volumes in line with guidance, growing completions by 6% with new outlet openings up 29% in the year, ending 2025 with 219 outlets, ahead of expectations.

The planning activity we created and stoked over the last three years has gained momentum through the year and is now delivering results in both applications submitted, but more pleasingly, in the rate of permissions granted. This is ultimately the basis for future outlet openings. And you will hear that we remain very confident in delivering average outlet growth year on year.

Another key focus is utilising our strong existing landbank and increasing capital efficiency. Chris will speak more about this. It is not something that happens overnight, but we are well on that journey. Our strategy and the actions that we have been taking will drive improved returns, both in terms of margin and return on assets in the medium term.

We have a continued focus on cost discipline, grinding out cost whilst protecting value and balancing the medium term strategy commitments.

While the housing market remains tough, we remain confident in this plan that it is in our control and deliverable. And you will hear more about this during the presentation.

However, our outlook does not incorporate potential impacts from recent events in the Middle East that may arise for the UK economy and our business, given the early stages of development.

Finally, you will have seen that we have added flexibility to our capital allocation. Chris will talk you through the detail, but suffice to say that we remain confident that the unchanged quantum

of net asset value based returns remains appropriate, but do see benefits for shareholders in having more flexibility by adding the potential for a buyback element to our ordinary distributions.

2025 highlights

This slide will be a bit more familiar to you and gets a bit more into the guts of our 2025 performance. I would not run through them all, but I will just pull out a couple of the highlights.

We delivered a robust sales rate, which attests to the quality of our product and locations and the efforts of our teams.

Turning now to landbank. You can see that our landbank has come down slightly, as planned, as we seek to reduce landbank years. This is a key objective for us, given the strong landbank that we hold, though we will do so principally by growing volumes.

We have continued to prioritise customer scores and build quality as part of our commitment to operational excellence. We have a high customer score comfortably above the five-star threshold under the new survey criteria, and our build quality continues to lead the sector. I am delighted that for the second consecutive year and the third in five years. A Taylor Wimpey site manager was awarded the Supreme Award in the NHBC Housebuilders Award. This year, congratulations go to Lee Dewing of our North Yorkshire business.

2025 UK trading performance

You will have already seen most of the key numbers on the slide through the trading statement, but I will just highlight the outlet chart, which illustrates the progress that we are making in outlet openings.

We opened 71 outlets last year, 29% up from 2024 with good progress year on year. There is some good momentum here, and we remain very much on track. We expect to open more outlets in 2026 than we did in 2025 and remain confident in growing average outlet numbers year on year.

It is worth reminding you what we said about our approach to outlets. We have a strong single brand, and we mostly run our sites as single outlets. This increase in outlets represents real growth in new markets.

I will now hand over to Chris to take you through our performance and guidance in detail.

Financial review

Chris Carney

Group Finance Director, Taylor Wimpey plc

Summary Group results

Thanks, Jennie, and good morning, everyone. As usual, I will take you through the financial performance for 2025, a year in which the Group delivered a robust set of results despite a challenging market backdrop.

Our disciplined operational focus, the consistent execution of our strategy and the continued progress in planning and outlet openings underpins the financial resilience you will see across the next few slides.

Let me begin with the headline financials. Group revenue increased 13% to £3.84 billion, supported by growth in the UK completions, resilient private pricing, and a stronger contribution from land sales. Overall, a very good performance in a year where second half sentiment softened.

Gross profit was slightly higher at £658 million with gross margin stepping down to 17.1%. This movement is consistent with the factors that we have been flagging throughout the year: modest build cost inflation, slightly lower opening order book pricing, and the impact of landbank evolution.

Adjusted operating profit was £421 million, up 1% year on year, delivering an adjusted operating margin of 10.9%, and I will come back to margin performance in more detail shortly.

PBT and adjusted EPS were both lower year on year, reflecting higher net finance costs.

Finally, return on net operating assets edged up to 11% with improved asset turn more than offsetting the margin headwinds.

UK performance summary

Turning to the UK. We completed 10,614 homes, excluding joint ventures, up 6.4% year on year and in the middle of the guidance range we set a year ago. Private completions increased by 7.7%, while affordable completions increased by almost 2%.

Affordable represented 21% of total completions, and we expect a similar mix of around 20% to 21% in 2026. The blended UK average selling price was £335,000 with the private average selling price at £374,000, both about 5% higher. This reflects a greater proportion of completions in London and the South.

Underlying pricing was positive in the North and became progressively softer as you move down the country, but overall remained reasonably resilient. As we entered 2026, underlying pricing in the order book was roughly 0.5% lower year on year, primarily due to those late year bulk deals in London that we highlighted in the January trading update. After taking that into account, we expect mix benefits to support an increase in the 2026 blended average selling price of around 2% over the £335,000 reported for 2025.

Adjusted UK operating profit remained steady at £369 million, while margin softened to 10.1%. On the next slide, I will walk you through the main drivers of the 1.4 percentage point operating margin reduction.

UK adjusted operating profit margin

In 2025, we saw modest market-driven pressures from both pricing and build cost, which together reduced adjusted operating margin by 110 basis points. On pricing, the pressure came from the opening 2025 order book and the London bulk deals, which contributed to completions in 2025 and formed part of the order book for 2026.

Build cost inflation was about 0.5% in half one and 1% for the year overall, driven mainly by materials rather than labour. The underlying market rate was slightly higher, but our supply

chain self-help initiatives and increasing usage of our new house type range helped offset part of the pressure, and that work will continue into 2026.

Landbank evolution was also a factor as we continue to trade out of older higher margin sites acquired after the Brexit referendum. We still expect this to normalise and then become a positive contributor, and, as we discussed in October, that improvement will start in 2027 and become more meaningful in 2028 and 2029.

As we said in January, land sales were particularly strong in 2025, enhancing our Group margin by roughly 60 basis points, a similar benefit to 2024. However, as we said, we do not expect land sales to be margin-enhancing in 2026, so that benefit will unwind. We also had a 0.5 percentage point impact from the £20 million one-off charge relating to historic workmanship issues at the legacy London apartment scheme. These two impacts dropping out will be broadly neutral going into 2026.

The headwinds from pricing and build cost inflation were partly offset by improved recovery of operating expenses as both volume and revenue grew.

Building safety update

Turning to cladding and fire safety. This slide will look familiar to everyone from the half year, and I am pleased to say that the overall provision has remained broadly unchanged. That sits alongside strong operational progress. We have continued to move at pace, progressing assessments, initiating further works, and we have now fully remediated 62 buildings.

Since June, the number of buildings awaiting formal assessment has reduced by around half. There is still significant work ahead, but the stability of the provision over the past six months reinforces the robustness of the assumptions we updated in June.

To date, we have set aside £544 million for cladding and fire safety remediation and spent £131 million. That leaves a remaining provision of £413 million. Our cost estimates on assessed buildings, including the cavity barrier risks highlighted at the half year have continued to prove robust. The small uplift you see reflects routine mechanics, the unwind of discounting and minor updates to assumptions such as inflation and legal costs.

Cash spent in 2025 was £49 million, around half our previous guidance, mainly due to the delayed invoicing from the Building Safety Fund. With those payments now expected this year, we anticipate around £150 million of cash outflow in 2026 and about £100 million in 2027, with remediation still expected to conclude in 2030.

Summary Group balance sheet

Our balance sheet remains a core strength of the business. Net operating assets were broadly flat at £3.8 billion. Land, net of land creditors reduced modestly, reflecting the contraction in the short term landbank to 77,000 plots, consistent with progress towards the targets we set out in October.

Work in progress increased year on year, supporting higher outlet numbers and continued infrastructure investment to support new outlet openings.

Tangible net asset value per share declined to 117.6p, driven by the increase in the building safety provisions in the first half.

Group cash flow

Turning to cash flow then. This bridge shows the movement from opening to closing net cash. The working capital outflow reflects higher debtors due to the London bulk deal signed towards the end of the year and lower creditors mainly from reduced affordable advanced receipts and customer deposits.

The land decrease includes a higher level of deferred receipts on land sales, and the increase in WIP supports our outlet growth strategy as planning momentum improves. After tax, interest, dividends and other items, we ended the year with a strong net cash position of £343 million, in line with guidance provided at the half year.

Capital efficiency supporting >20% RONO target

Now I have included this slide to reiterate a couple of points from our Investor and Analyst event in October as this is a critical focus for the business. Our medium term plan remains: 14,000 UK completions; 4.5 to 5 years of short term landbank; 16% to 18% adjusted operating margin; and return on net operating assets above 20%.

Capital discipline across land and WIP is central to delivering those improved returns.

In 2025, we made good progress: returning capital into smaller sites; reducing the scale of the landbank; increasing outlet numbers; and improving the distribution of our investments across the country.

The short term owned and controlled landbank is now 77,000 plots, down from 79,000. The average approved site size reduced again in 2025 to 211 plots compared to an average of 260 in the previous five years. We closed the year with 219 outlets, up 3%.

As we discussed in October, WIP invested in both London and infrastructure will take time to normalise, but we are seeing early progress. WIP per outlet has improved since the half year and is now back in line with end of 2024 levels. London apartment WIP reduced from £270 million in June to £200 million, and the £100 million of land sales completed in 2025 will release around £30 million of infrastructure capital for reinvestment to fuel future growth.

There was good progress in 2025, increasing confidence in our ability to deliver the returns set out in our medium term plan.

Our capital allocation priorities

Next, turning to our capital allocation priorities. Today, we are announcing an evolution of our shareholder distribution policy. Before outlining the change, it is important to note the context.

Taylor Wimpey is inherently highly cash generative through the cycle, and that cash continues to fund the consistent investment we make in land and work in progress to support future growth. That remains unchanged.

As a result, the first two priorities of our framework stay exactly as they are: maintaining a strong balance sheet, and investing in land and WIP to underpin sustainable long term growth.

We have been equally consistent in returning significant cash to shareholders. Since introducing our Ordinary Dividend Policy in 2018, more than £2.8 billion has been returned.

Our existing Distribution Policy, returning 7.5% of net assets or at least £250 million each year through the cycle also remains in place. What we are introducing today is an element of

flexibility in how that amount is delivered. We will continue to return 7.5% of net assets split equally between the final and interim. However, from here, a minimum of 5% of net assets will be paid as a regular ordinary dividend with the remaining portion returned either via dividend or share buyback to be determined by the Board as most appropriate at the time.

This added flexibility strengthens the policy and supports the long term interests of all shareholders.

Accordingly, today, we are announcing a final 2025 dividend of 2.95p per share, equivalent to £105 million and a £52 million share buyback, which will commence shortly. Taken together, this brings total shareholder distributions for 2025 to £322 million, including the 2025 interim dividend.

Finally, our fourth priority remains unchanged. We will return excess cash to shareholders when appropriate.

With the combination of good cash generation, a strong landbank and an invested WIP position, giving us everything we need to support disciplined profitable growth, it is clear that our long-standing commitment to funding the business first remains fully intact, and this evolution in policy is built on that foundation.

Guidance

Finally, turning to guidance. As you would expect, we remain mindful of the broader geopolitical backdrop, including recent developments in the Middle East. Our outlook today reflects the conditions we see in our markets at present and does not incorporate any potential impact from those emerging events, given the uncertainty and the early stage of development.

With our strategic approach to land and strong conversion into outlets, we continue to expect average outlets to be higher in 2026 than in 2025.

Trading in the year to date has been encouraging, although we did enter the year with a slightly lower order book. Against that backdrop, we are setting UK volume guidance, excluding joint ventures at 10,600 to 11,000 completions for 2026.

At our January trading update, we covered the two main moving parts impacting adjusted operating margin in 2026, and I will recap those now together with one further relevant factor for 2026.

Pricing in the opening order book was around 0.5% lower year on year, driven by bulk deals. We continue to see low single digit build cost inflation. And legal completions in Spain are expected to normalise this year to around 350 to 400 after two years of higher than usual output.

Taken together, these factors are a headwind to profit margin in 2026 relative to 2025, and we, therefore, expect adjusted operating profit of around £400 million, and we expect pre-exceptional net finance charges to be around £30 million. As we said in January, UK volumes in 2026 are likely to be more second half weighted than usual with around 40% completing in half one, reflecting the softer market conditions in Q4 last year.

Given the half one/half two phasing effect, we anticipate a larger half one cash outflow than last year, resulting in around zero to £50 million of net cash at the half year with the half two weighting of completion supporting a recovery in the balance by the year end.

In summary, I am pleased with the Group's performance in 2025, a strong and resilient result despite a changeable market backdrop. Looking ahead, our focus is on leveraging our excellent land position to drive outlet growth, which in turn supports: volume growth; margin progression; and enhanced return to shareholders over time.

I will hand you back to Jennie.

Well-positioned for medium term growth

Jennie Daly

Chief Executive, Taylor Wimpey plc

Market fundamentals remain supportive

Taking a step back then and looking at the market as a whole. We are pleased to see some signs of improvement and opportunity. Mortgage availability remains good with mortgage rates lower year on year and real wage growth supporting affordability, though still more challenged than in the years before the downturn.

Unemployment remains at low levels. And although customer sentiment is lower generally, it has been on an improving trend. In addition to the Budget uncertainty through much of the second half, last year was also impacted by a notable increase in the amount of second hand stock on the market. Although we hope for improvement this year, we are also ensuring that our customers are aware of the benefits of buying new.

Encouragingly, first time buyer numbers are showing some signs of improvement, but remain well below the levels we saw before the downturn. Deposit building remains a real challenge for this group, particularly in the affordability constrained South.

On the Section 106 affordable housing side of the market, securing partners remains a challenge. Despite that, we are in a good position for 2026 affordable deliveries. Overall, medium to long term drivers continue to look positive. As a result, our medium to long term view of the market opportunity is unchanged.

There is a long term structural undersupply of homes in the UK. However, we also now have a political commitment to address undersupply with meaningful interventions to support supply side bottlenecks, such as planning, and more on that later.

Focused on driving high-quality leads

Turning now to Taylor Wimpey and our focus on controlling what we can and driving value from it. A good example here is the performance that we are driving from our marketing platforms. Last year, we updated you on how we changed our marketing approach to target fewer but higher quality leads, and it is pleasing to see clear benefits of this.

We have also improved the online experience for customers through optimising media and website effectiveness. We are seeing good quality lead generation, a year on year increase in overall appointments, which is still the best indicator of future intention to purchase and better conversion rates.

Finally, we are seeing good quality visitors with a strong intention to move, but decisions are taking time with customers visiting sites multiple times before commitment.

Current trading

Spring selling season is progressing well with our performance similar to this time last year, which you will remember as a strong comparator. The year to date net private sales rate compares well to this point last year. The last four weeks have been a bit stronger at 0.87, including bulks, or 0.83, excluding bulks. That compares to the same period in 2025, which was 0.82 with no bulks.

Whilst this is encouraging, we should remain mindful of the weak trading in quarter four and that it is still early in the year.

As we told you in January, our order book at the start of the year is a bit lower than the comparative period, given the tougher trading environment that we saw in the second half of 2025. We had a strong Boxing Day sales campaign supported by proactive management actions, and we can see that the appointments taken in this period are now converting into sales in recent weeks.

As a result, the order book has made some progress, and it currently stands at 7,678 homes compared to around 8,000 at the same time last year. As I said, customer sentiment is moving in the right direction. However, we are still seeing first time buyers, especially those in the South, grappling with affordability constraints.

As a result, incentives remain an important factor in gaining commitment and are running around 6%.

Early action delivering as planning backdrop demonstrates further improvement

Now over the next few slides, I will show you the progress that we are making in driving a more efficient land position and liberating our strategic land pipeline through our assertive planning strategy.

We are still at the relatively early stages of the new planning cycle. But as expected, we have seen some early improvements in decision-making because of the changes introduced by the NPPF at the very end of 2024. These pie charts represent a snapshot of expected outcomes for our assertive strategic applications as at February 2025 and February 2026.

If you want a stat that really shows the shift in sentiment, this is a good one. At this moment in time, we forecast 49% of planning officers will make a positive recommendation on our assertive applications. That is more than double the 22% we saw at the same point last year. I would stress that this is a point in time snapshot of what is a dynamic process. As applications progress through the various stages of planning consideration, such as consultation stage, we would expect the not known categories to crystallise in some numbers towards the positive.

With a clearer and more consistent planning policy backdrop weighted to housing delivery, our proactive strategy is delivering. This clarity means that we are being more determinative in our approach to engagement at a local level. It also means that we are more confident in a positive appeal outcome than in past years, and we are choosing this route more quickly when local engagement routes are exhausted.

Not on the slide, but in terms of overall applications, sentiment has visibly improved with positive planning progress or planning achieved on 71% of applications in 2025 compared to 58% the prior year.

Unlocking our landbank

Against this positive and improving backdrop, how are we faring? You will recall that I have been telling you for some time that we have had a very deliberate and targeted strategy since 2023 to get ahead, load the planning basis and now we are seeing results.

We achieved detailed planning for over 10,000 plots in 2025, a 28% increase year on year. On the chart that you can see on the left, while some of those applications have been in the system since 2023, many more were submitted more recently and have benefited from early progress following the NPPF.

We also converted over 5,000 plots from the strategic pipeline in the year, not unexpectedly weighted to the second half and final quarter. Additionally, plots for first principle planning determination are continuing to increase, now standing around 32,000 plots, and we are progressing them through planning at a pleasing rate.

Proactive approach to improving planning environment

At the Investor and Analyst update, we set out a number of assertive applications that we intended to submit from our strategic land pipeline. Just to stress, these applications are over and above our business as usual planning activity. In October, we expected to submit 52 applications in 2025 compared to 20 in 2024 or around 11,500 plots.

I am pleased to say that our teams have worked hard and hit the application target, surpassing the plot count a little.

In October, we also talked about 17 assertive applications being targeted for committee decisions. This was a stretching target, and whilst applications came in slightly below, in plot terms, the numbers came in broadly in line. We have since had a number of those delayed applications go to planning committees in 2026.

All in all, it is a good showing relative to our experience in most recent years. All this is key to driving outlets, and we are maintaining the momentum, which we will see in the next slides.

Planning momentum underpinning confidence in medium term

We start from a position of strength, a strong short term landbank sitting at 77,000 plots, which continues to give us the confidence that we can deliver growth without net investment in land.

Our intention in the land market in 2025 was to continue to be selective and below replacement. In the year, we approved around 8,000 plots. As you heard from Chris already, the average site size of those approvals was around 211 plots, in line with our strategy to target smaller sites. The geographic distribution of approvals nudged in favour of our Northern businesses.

The land market remains uneven, but there are signs of gradual stabilising as the flows of opportunity improve. Competition remains high for well-located deliverable sites, whilst more complex or lower value locations see less competition.

Investment is expected to remain selective in the near term as landowner pricing realism continues to act as a constraint in some areas. We remain confident of delivery over the next few years. We already own and have planning for all of our 2026 completions and already own or control everything we need for 2027, almost all of which has planning.

With the momentum we have outlined, we are on track to open more outlets in 2026 than we did in 2025 and expect average outlets to increase year on year.

Opportunistic approach driving delivery of outlets from our landbank

Now I am going to run through a couple of example sites approved during 2025. Both examples are owned sites that we have unlocked and I think reflect the tangible benefit of our assertive planning actions. They demonstrate the improving planning environment and illustrate how our mature strategic land pipeline is supporting early delivery during this period of planning opportunity.

Lighthall Farm, Solihull

You may recall that, in October, Shaun White highlighted this particular site located in the green belt on the edge of Solihull. We have held this land for over 30 years. Few sites demonstrate the maturity and value within our strategic pipeline or indeed the frustrations of the planning system quite as well as this one.

The journey has not been straightforward. Though, it was considered as a draft allocation in the early 2010s, the site did not make it into the 2013 adopted Solihull local plan, given limited green belt review. Though the site was not formally adopted, it was never dropped, but was identified as a draft allocation since the local plan review commenced in 2015.

After various stages of consultation, the local plan journey concluded negatively in October 2024 when an inspector's report into the plan concluded that it would be found unsound if pursued. After nearly 10 years of effort, the council withdrew their plan.

The breakthrough came when two things aligned: our continuing local engagement and the emergence of the draft NPPF 2024. This caused an immediate shift in sentiment within the council, a council which now found itself under real pressure to deliver a five-year housing land supply.

In fact, as Shaun noted in October, whilst we had already worked to prepare an application, we were now actively encouraged by the planning authority, and we submitted an application in December 2024. This came against a positive backdrop, an updated NPPF guidance on green belt release and strengthened recognition of local housing need.

What followed was a marked change in pace, engagement with officers and elected members was constructive throughout, and we secured a resolution to grant within 12 months. That is rapid progress in today's planning environment and a testament to the quality of the work from our team and the appetite of forward-thinking councils to approve high-quality schemes on a proactive basis to support their housing need.

We now move to the next phase. Reserve matters applications are underway and will be submitted later this year with an outlet anticipated late 2027.

This site is a story of our commitment to strategic land over the long term, to partnership and being agile enough to act decisively when the environment shifts in our favour. It represents exactly the kind of capital-efficient progress we need; land we have held for decades, unlocked through determination, good timing, and the strength of our relationships.

Opportunistic approach driving delivery of outlets from our landbank*Abbots Langley*

Now, a smaller site example, this one at Abbots Langley, another owned site, which was acquired in 1996 on green belt land now considered grey belt.

We submitted a detailed application in July 2025, proposing 50% affordable housing. What made this possible was the constructive early engagement with the local planning authority. They encouraged a detailed submission in this instance because the housing need was clear and the authority could not demonstrate a five-year housing land supply. As a result, the presumption in favour applied, giving the application a strong footing from the outset.

That clarity in national policy meant that our teams could move confidently and present a high-quality scheme with the right evidence behind it. The shift in sentiment, combined with the planning reforms created an environment where good applications are now progressed quickly and Abbots Langley is a perfect example.

We will shortly begin work on site with an outlet scheduled to open in the second half of this year.

To summarise, the assertive planning strategy that we have pursued since 2023 is delivering results. The planning reforms have created a more decisive and supportive environment, and where engagement is tougher, the NPPF gives our teams the certainty they need to pursue an appeal route, if required.

The examples this morning give me confidence that the planning landscape is continuing to improve and that it will be supportive of our medium term targets.

Confident in achieving medium term targets

We outlined these targets to you in October last year, and this is our business focus. We remain both committed and confident in achieving these over the medium term.

During 2026, we will continue to focus on strategy execution and with improvements in results coming through over the medium term. As a reminder, this plan is predicated on current market conditions, so sales rates around the levels we have seen over the last two years.

A clear strategy for enhanced return on capital

You have heard today that our strategy is in progress and is driving returns on what has been a challenging environment over the last few years. We are a business with a strong balance sheet, excellent landbank and experienced teams, and we have ensured that we are ready and poised for growth.

We are well positioned. Our planning strategy shows signs of early wins with continuing momentum in an improving planning backdrop. Day to day, we are focused on driving outlets, recycling capital, and driving returns without net land investment.

Thank you. Happy now to move to questions.

Q&A

Allison Sun (Bank of America): Just two questions from my side. First, can you give us a bit of colour in terms of the sales rate in January, February, like how it is progressing? And what is the driver behind that?

The second is, can you tell us how the incentive has changed maybe year to date versus last year?

Jennie Daly: Okay. In terms of what is driving the sales rate, probably different than we saw at the end of 2024 and start of 2025, we had a fairly subdued market in the final stages of 2025. I talked about our leaning into the Boxing Day campaign. We had generated a lot of interest, but we were coming off a fairly soft start. So the teams need the opportunity to build the leads into sort of further engagement into site visits and then reservations.

It is perhaps not surprising that January was just a little softer, given that slow start coming in from the tail end of 2025. As I mentioned, we have seen increased momentum in the last four weeks. So February, the last four week rate was 0.87 and excluding bulk was 0.83 against a comparator of 0.82. So month on month improvement there.

In terms of incentives, we are running at around 6% now. We are seeing that customers have an expectation of a deal. There is, as I mentioned, quite a lot of inventory on the second hand market. So there is customer choice. So using that incentive to support customer commitment.

Zaim Beekawa (JP Morgan): The first is, obviously, in light of no demand stimulus, some of your peers have done some shared equity schemes. Has the view changed there in terms of offering something similar?

Then second, on the landbank evolution. Chris, you gave the details on the margin bridge, but maybe some details as to how much that could impact completions in 2026 also? Thank you.

Jennie Daly: Okay. I will give Chris the landbank evolution question. We continue to look at various models in the market around shared equity and others. We see them as quite expensive, both for the customer and for our balance sheet. From what we can see in the market, they are not really driving customer engagement. We have a very strong platform to engage with customers and to drive enquiries, which is working well for us at the moment.

I would stress that we do continue to look at various models coming to the market, but we need to ensure that it is actually a benefit to the customer and that it also comes at a reasonable price to the developer. Chris?

Chris Carney: Yes. On the landbank evolution, I said back in October that our expectation was that the impact would be minimal in 2026. It would start to kick in, in 2027 with the lion's share in 2028 and 2029.

Ami Galla (Citigroup): A few questions from me. The first one was on the market. To an extent on the PRS side or on bulk deals, I remember that the broader backdrop was a lot more difficult in the second half of last year. How has that shifted into early this year? And are you seeing more opportunities there to make bulk deals at a better pricing? If you could give us some colour in terms of the discount that you have to give on bulk deals, that will be helpful.

The second question was just on the Section 106 process. The Government has talked about a clearance mechanism. Can you give us some sense of how do you think that will pan out? Do you think that would help you as we think about the second half and the order book beyond that?

The last one was just on the timber frame facility. Can you give us an update of how that is progressing? And how should we think about the utilisation there?

Jennie Daly: Okay. Just on the Section 106, Ami, to Government clearance?

We have not seen any material change in PRS activity or pricing since we entered the year. We are seeing some fairly deep discounts being presented out in the market. So no shift that we are seeing.

On the Section 106, although Government have made some guidance available, the frustration, if I can call it that, is that it is just guidance. It is not a directive, and it lacks a degree of punch that we need with local authorities who are unwilling to engage. We are actually making really good progress with local authorities who are willing to engage, and that is very pleasing. We do continue to meet some fairly intransigent authorities unwilling to discuss potential cascade mechanisms, for example, for Section 106. So we would be still asking Government for something that is genuinely a solution to drive that part of the market. But to just reconfirm, we are in a good place for 2026.

In terms of timber frame, it is progressing well. It is maturing. We are learning as we go, and I am quite pleased with progress at this point, Ami. But it really will come into its own when volumes start to step up. It is intended to be there to support us through skill shortage and more rapid growth period.

Aynsley Lammin (Investec Bank): I have got three as well actually, please. Just you flagged up again the affordability constraint around first time buyers, and there has been some noise again around the potential fiscal stimulus support on the demand side from Government. Just interested, you are always quite well plugged in, so interested in your view of where we might be there, where Government's thinking is on a Help to Buy type scheme.

Second question, just interested, a bit more colour on build material cost inflation, labour inflation, what the trends are doing there?

Then thirdly, just on the change of more flexible share capital returns. Did you consider at all reducing the quantum? You still obviously seem very wedded to that 7.5%. What is the criteria you would use between choosing dividends versus share buyback?

Jennie Daly: Okay. I mean, in terms of affordability, although we are seeing some improvements, we talked about the variable difference between North and South. The wage growth and some improvements from the FCA and PRA changes last year have helped around thresholds, stress testing, income multiples. But in higher value areas where deposit building is still a very significant challenge and maybe add into that stamp duty as well in some areas where entry homes are above the stamp duty threshold.

We see that the first time buyer is still heavily impacted, and that is playing out right across the market. The scale of the inventory that is sitting in the second hand market, that the lack of activity from first time buyers is part of the cause of that also.

We do think that there is a case, particularly now that we are seeing such progress in supply side, but continuing weakness in demand for some form of demand side stimulus. There have been discussions with Government, but it would be too much to say that those are progressive at this point.

Then in terms of capital returns, before I pass over to Chris for the build cost and maybe more detail around dividend, it is important to note that the overall distribution remains at 7.5% of net asset value. But that flexibility or evolution, we think, is in the best interest of our shareholders at this point in time.

Chris, do you want to pick up on build costs?

Chris Carney: Yes, of course. You saw on the slide today, 1% build cost inflation for completions in 2025. The exit rate that I mentioned in January was 1.5%. In January, we saw several manufacturers request pretty sizable increases, the order of 5% to 10%, well above inflation. We pushed back and many of those were either withdrawn, deferred or partially offset through rebates, although we have not been able to eliminate all of those increases. The pressure is coming from raw materials, energy, packaging and a little bit of labour inflation as well.

Based on where we stand today, obviously, you can see we are guiding to another year of low single digit build cost inflation, likely higher than the 1% that you saw on the slide. But we will continue to aim to beat the market through improvement in our procurement practices and other self-help measures, including the benefits from the pull-through of the new house type range, but we would still expect build cost inflation to be above 1% in 2026.

Just to follow-up on what Jennie said on the question on capital returns. We are in a very strong position, Aynsley, to grow outlets and volumes without needing additional investment across land and WIP, as we set out in October. Yes, as you would expect, the Board does regularly review the overall quantum of distributions in the context of our capital allocation priorities, and you remember what they are.

The first one is maintain a strong balance sheet and the second is to invest in land and WIP to support future growth. And yes, if either of those constraints came about in either one of those priorities, then that would prompt a change, but we do not have that at the moment.

Will Jones (Rothschild & Co Redburn): I will try three as well, please. First, just maybe extending on build costs. Could you just remind us at this stage of the year, what visibility you have in terms of cover for the year ahead? Maybe just expand, if you can a little bit, on those efficiencies and particularly interested in the house type range and where we are on rollout.

Second was London. Could you give us a sense of either plots remaining, completions, just some sense of the proportions there? Maybe if you could help on what the margin drag has been from London in 2025 and potentially 2026, just high level to think about as and when that reverses back out?

The last, maybe just around land and intake margins, and I appreciate you do not give hard numbers anymore. But any colour on, as you have migrated somewhat to the smaller sites into the North, how that is affecting the economics?

Jennie Daly: Okay.

Chris Carney: Yes. In terms of build cost inflation and cover, yes, I mean, we are well progressed in that position. So over 90% of our materials are negotiated centrally. We have moved away in recent years from having like a point in the year where they all get negotiated, but we have pretty good visibility for this year. So very comfortable with what I have outlined.

It is worth just bearing in mind that we have been dealing with build cost inflation and little or no house price inflation for three years now, and that has been tough. It has driven a real step change in how we procure. We have expanded the number of categories and the spend that we manage centrally to maximise our purchasing power. We are retendering those categories

more often. We have introduced rapid repricing, which lets us benchmark more quickly and secure better terms as soon as we see signs of pressure from suppliers.

We have recently added e-auctions as one of the things that we are doing and the early results are very encouraging. And yes, where we have suppliers who are a bit intransigent, pushing for unjustified increases, then if we have to, we will switch supply.

We have made pretty meaningful changes in how we address the market conditions, and we are seeing benefits in that.

In terms of the new house type range, it accounted for just over a quarter of our completions in 2025, and that will rise to just under half in 2026. Obviously, those rollouts just take time to flush them through the landbank. Obviously, planning has been difficult. So now it is a little bit better than obviously the pace improves.

In terms of London completions and margin drag and all that stuff, actually, I do not think you should necessarily think about it like that. It is all tied up in the landbank evolution that we have talked about. Actually, some of the London sites, they were procured a long time ago, and they have been delivered very well. It is not quite right to just assume that they have a massive drag. Some of them are actually pretty good in terms of their margin performance.

The last one was?

Jennie Daly: Yes, the landbank or the land intake. I will take that one, and give you a rest there, Chris. I mean, look, we do not give guidance, but I am really comfortable. The acquisitions that we made last year, good markets, good intake margins, entirely supportive of our medium term targets.

Glynis Johnson (Jefferies): Four questions, but hopefully super quick. You talked about North-South in terms of approvals, a bit of a skew. Can you talk about the outlet openings? Do the outlet openings also have a North-South skew? And does that make a difference?

Second of all, in terms of incentives. One of your peers yesterday talked about stepping up incentives and stepping up quite substantially and was of the view that others would have to follow. Have you seen incentives move up as we have gone through February? Are you seeing any areas where incentives have stepped up markedly or competition as a whole step up?

Thirdly, London. When do you need to take the decision about whether or not to do further bulk sales in London? What are you looking for in London to say, okay, we can just sell out on a normal basis or need to do bulk deals, which you have already said PRS is at quite substantial discounts. Actually, I will leave it there at three.

Jennie Daly: Yes. In terms of outlet openings, we are a business that looks to support all our businesses, and we have got a reasonably good spread across our divisions of outlet openings.

On incentives, I mean, I mentioned that incentives are running at 6%. We are working hard on pricing, Glynis. It remains disciplined, and we are certainly aligned to the wider market rather than trading aggressively for volumes. We are working, as we always do, to balance price and sales rates without sacrificing value or long term value.

We can see some movements. It is part of the everyday. There is a lot going on in the markets. Our businesses are mindful of changes in behaviour by others. But we will continue to drive

that really disciplined balance and ensure that we are doing the right thing in terms of long term value.

Then in London, the decisions around bulk deals. They are carefully balanced. They are relative to how we are seeing the sales market evolve. We are also mindful of the capital that is potentially locked up and where we think that, that capital is better recycled through a potential bulk deal. As you saw last year, we will make those decisions.

We remain very active in the private sales market also. So there is no plan as such. We will continue to watch the market, and we will make judgments as we progress. Overall, our approach to bulks has not changed. Our preference is to do those on a planned basis.

Alastair Stewart (Progressive Equity Research): A couple of broad-ish questions. First, on the market. You mentioned it is taking time to secure sales. Have you got any broad comparatives either in the overall length of time from first clicking on to the website and then finishing? Or is it a case of coming back and forward more often than in the past?

Related to that, you said there is quite a lot of inventory in the second hand market. Is a lot of that buy to let landlords trying to get out? That is the first question.

Second question is on the Iran situation. Obviously, a week is not a long time. But are you getting any feedback from your sales outlets that the rank and file buyers are getting a bit jittery. Possibly on the other side, is this great exodus to Dubai tax exiles. Some of them actually thinking of getting back in a hurry and that in turn may actually support your London market.

Finally, again, costs. Any brick manufacturers or anybody else giving you gentle calls saying we have been noticing the price of gas recently, gird your loins for further increases.

Jennie Daly: Okay. Quite a few things there.

Alastair Stewart: Two questions.

Jennie Daly: Yes. I think there is four, but we will go. In terms of taking time, I mean, the overall time taken about 80 days from enquiry to reservation.

Alastair Stewart: Sorry, what was that?

Jennie Daly: 80. Actually, that has not moved massively. The interesting point in the comments that I made was the multiple visits. We are seeing customers coming back more frequently than previously. Our teams are working hard with our customer group.

In terms of the second hand market, it is a good question. We did do some work as we saw the second hand inventory climbing last year. It is not as simple as that. Yes, there is a couple of markets where you would say maybe buy to let landlords. But it is pretty pervasive, Alastair, right across the country. I would take it back to, you need first time buyers to drive the whole ecosystem, and that is where I would put the issue.

We are not hearing anything from customers as yet. We have not had any calls from any of the suppliers, if they are listening, I do not want any, around gas. And a lot of them are hedged in the near term in any event. As Chris says, we will make sure that we are pushing back very hard on that.

Whether there is opportunity in this crisis, I am bound to say there is a human cost to what is going on in the Middle East, I am sure that our London teams will be ready and able to talk to them.

Rebecca Parker (Goldman Sachs): I am just wondering in terms of your outlets that you plan to open in 2026. How many of those have detailed planning consent?

Then secondly, how are you seeing land market opportunities at the moment? I know that you were saying that some landowners, the pricing realism is acting as a bit of a constraint.

Then thirdly, how should we be thinking about WIP as we go into 2026, just given that you do have that target to increase outlets?

Jennie Daly: Okay. Sorry, could you repeat the second question?

Rebecca Parker: How are you seeing land market opportunities just given that you commented that there was a bit of pricing realism acting as a constraint?

Jennie Daly: Okay. I mean, as I said in my narrative, we are in an excellent position for 2026 in terms of planning and, in fact, in an exceptionally good position for 2027 as well.

We are seeing, as I said, some stabilisation in the land market. We are seeing more opportunities coming through in many of the geographies. Competition is stronger for sites that are further along the planning process and in good quality locations, weaker where it is more complex, where planning is less evolved. We talked about in an environment with build cost inflation and particularly with some of the regulatory costs that we are going to see realising over the coming year, ensuring that landowners are realistic, is an important part in the market. Some of the other commentators, Savills and the RICS are seeing very similar positions.

Then WIP. Chris, can you take the WIP question?

Chris Carney: Yes. So WIP at the end of 2025 was £2.07 billion. As we progress to the first half, it would probably be somewhere between £2.1 billion, £2.2 billion at that point.

Chris Millington (Deutsche Bank): First one, I just wanted to ask about the medium term targets. Obviously, the market has been a bit stop/starting over the last couple of years. And recalling back to the CMD, it looked like the profile was to get you to those 14,000 completions by about 2029 based on the CAGR growth rate. Where do you think that is at the moment? Obviously, this year, we are looking at 2% growth at the midrange. That is number one, just the timing about mid terms.

Second one is you have had a few questions around London, etc., etc. Could you just talk in a general sense how North Midlands versus South has progressed over the last couple of years? And is there much of a margin difference between the two, given the relative demand profiles rather than just picking out discrete parts of the market?

The final one is H1/H2 margins this year with volumes back end loaded with the order book coming in a bit lower. Can you give us some feel how that H1 margin can look? Obviously, we can do the sums over the full year and back out H2?

Jennie Daly: Okay. If you will take the last one, Chris. I mean, in terms of the medium term, we were really clear when we spoke in October about 2026, not likely to demonstrate full growth, and we talked about the achievement of our medium term targets not being linear. We also said somewhere between three and five years. So we remain confident. I have talked a

few times in the narrative about remaining confident in the medium term targets over that time frame.

In terms of London differential, it is probably the same answer that Chris gave really. There are differentials. There has always been differentials between our Northern operating businesses and in London. And it would be wrong to characterise all schemes in and around London as poor schemes. There is definitely some challenge around sales in those sites, but some of them are performing fairly well on a relative basis.

Then half one/half two margins, Chris?

Chris Carney: Yes, of course. So our half one operating margin in 2026 is going to be lower than half one operating margin was in 2025, which I think was 9.7% and that reflects three key factors. We came into this year with underlying pricing in the order book around 0.5% lower year on year. Second, we have seen low single digit build cost inflation in that 12-month period. We talked about that this morning. Third, obviously, we have signalled very clearly in the statement that the volumes are going to be weighted 40% in the first half, 60% in the second half. That was due obviously to the softer market conditions that we experienced in Q4. That means we expect to deliver around 30% of the Group's 2026 adjusted operating profit in the first half.

Chris Millington: Can I come back really quickly? Not on the margin on the geographic split, proportional on completions. However you do split your geography, how much would you regard as North and Midlands versus below that or South of that?

Chris Carney: Sorry, Chris.

Chris Millington: I am talking about the proportion of completions.

Jennie Daly: Yes. So we do not segment, Chris, as you know.

Chris Millington: You do not.

Jennie Daly: I mean, it would be reasonable to expect everything from Nottingham, Birmingham North is North and everything South is South. We have talked about it is also gradations of. So it gets softer the further South you come. It is not simply just characterising all of the South as impacted. There are some markets that are more challenged in the South. There are some markets in the North, which are more challenged. So I am not happy to strike a line and say that is North and this is South, because it is a movable depending on markets.

Chris Millington: It is just it keeps getting referred to as being softer. It is just to put context around that comment which we keep hearing.

Jennie Daly: Yes. Well, just think of it on the basis of the further South you come, there is a gradual softening. Or look at it in terms of pricing. Pricing as you come South it increases, then it becomes more challenging. There are some markets in Kent where affordability is easier. They are doing really well. So it is just a way of helping you understand the broad variables. Okay. One more.

Kate Middleton (Panmure Liberum): Just a quick question on pricing. I know you are speaking about stronger growth in sales prices in the Northern regions. Just wondering if you can attribute a particular ASP to the North versus London and the South?

Then just a couple on sites. So guiding to net outlet growth, and obviously, you have said 211 plots per site is the average for the year. Wondering if that is just what you are continuing to target moving forwards, whether that is due to reduce?

Also with the outlet growth, are we looking at sites closing as well as opening at a greater rate? Or is the rate of site closure staying relatively consistent moving forwards?

Jennie Daly: Okay. We do not segment on an ASP basis, albeit, we do give Spain on a separate basis.

In terms of average site size, so the 211 that we referred to was on land intake rather than outlet opening. We talked about targeting smaller sites. We were really clear in October, that is not small. It is sites that we can still achieve a volume housebuilder benefit in. So 211 is pretty good. I am comfortable with that. If it was a little bit lower, that would be good, a little bit higher, fine.

Then in terms of outlet growth, well, the rate of closure is a function of the market. So we will see how the market evolves over time in the coming months.

Well, thank you very much for your time today. I do know it has been a busy results day. And Chris and I look forward to seeing you later in the year.

[END OF TRANSCRIPT]