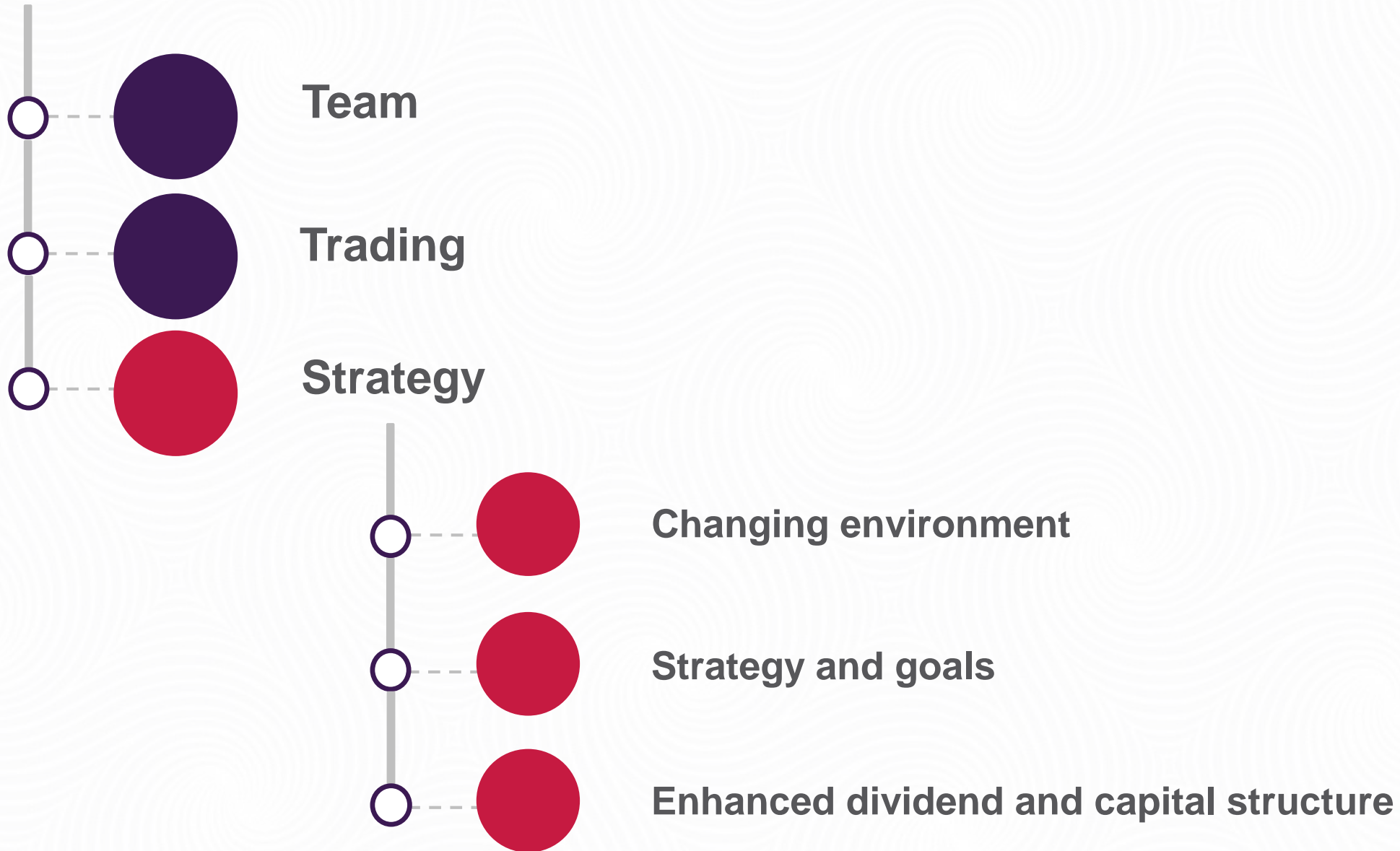


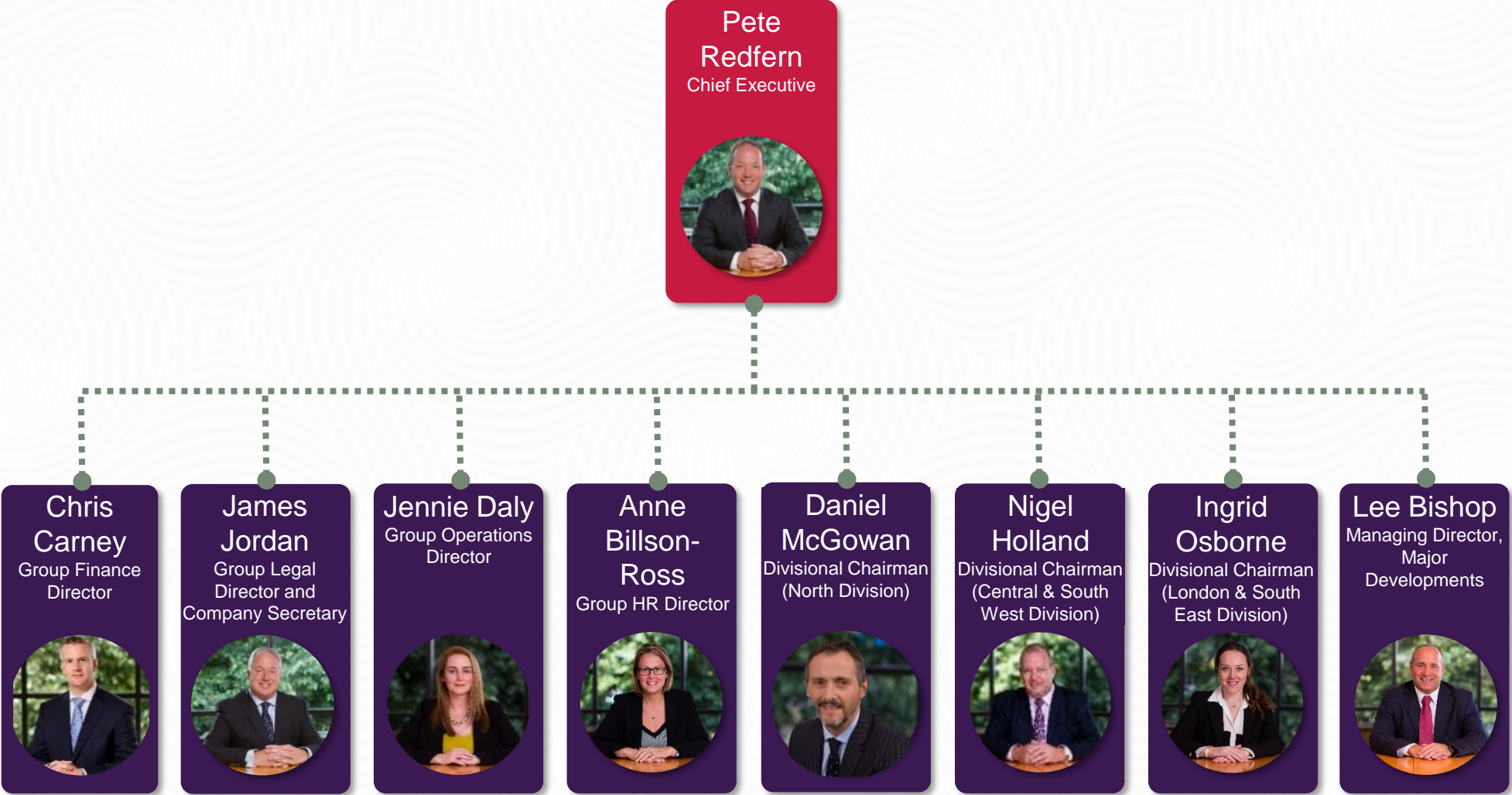


Strategy 2018 – 2028
Pete Redfern
15 May 2018

Agenda



Group Management Team



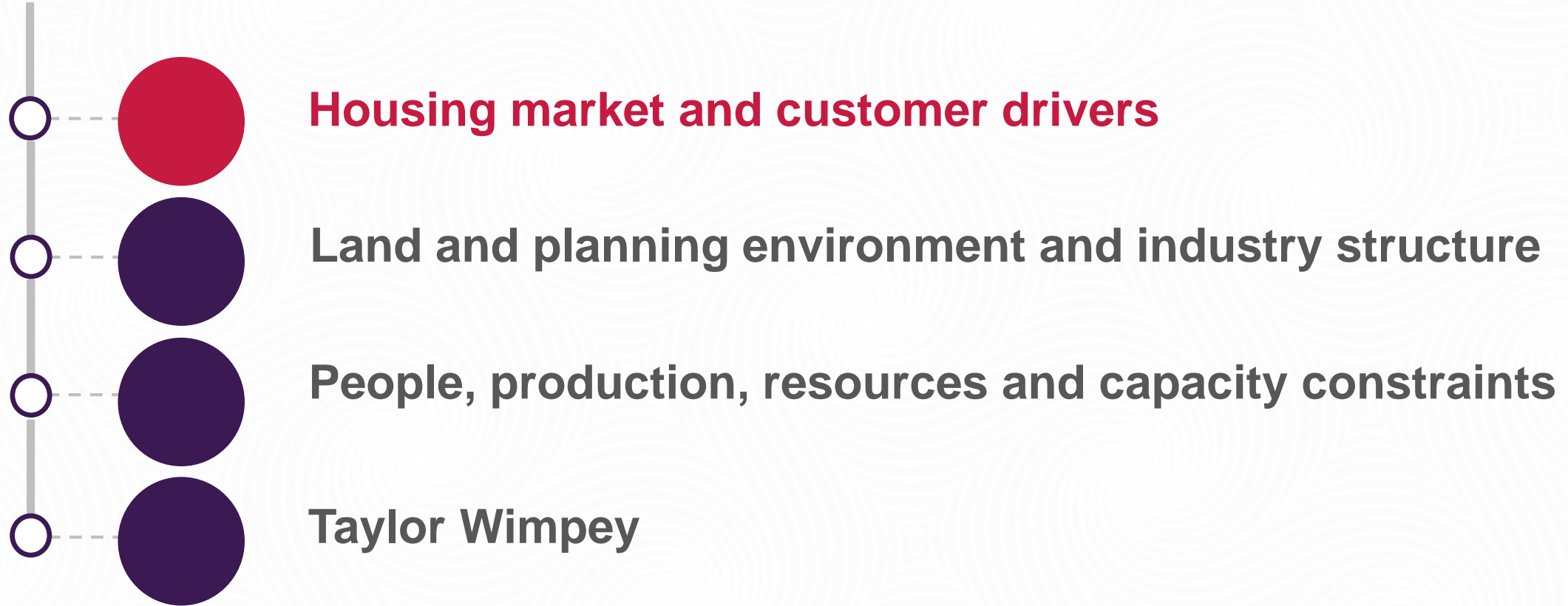
Current trading and outlook for 2018 – no change since AGM

- The underlying housing market has remained stable in the first four months of 2018, with continued good accessibility to mortgages at competitive rates
- During the first few weeks of March, poor weather conditions had a noticeable impact on sales and build rates but activity has since recovered
- Solid consumer demand continues to drive a healthy sales rate against a very strong comparator. Average private sales for the year to date were 0.85 sales per outlet per week (2017 equivalent period: 0.93) in line with our expectations
- Cancellation rates remained low at 13% (2017 equivalent period: 10%)
- Total order book stood at 9,057 homes (2017 week 18: 9,226), excluding legal completions to date
- Total order book value stood at approximately £2,182 million (2017 week 18: £2,230 million)
- Guidance for 2018 unchanged

Strategy introduction

- Operating to current strategy since around 2011, have updated during the last 7 years with:
 - Increased focus on customer satisfaction and staff development
 - New financial targets
 - Enhanced dividend
- Now is the time for a more in depth review:
 - Changed and changing environment
 - Previous strategy essentially complete
 - Important to test, challenge and push ourselves

2011 – 2018: A changing environment?



Today's housing market drivers

- Macro drivers have changed little over 20 years:
 - Strong underlying demand due to household formation
 - Supply running consistently below
 - Mortgage availability and cost remain the key determinants of volume and value
- However financing market and therefore the newbuild sales environment have changed significantly:
 - Low interest rates
 - Help to Buy
 - Very slow second hand market
 - Increased rental choices
 - Tight mortgage controls – MMR – they did say it would be different this time?!
- Looking ahead is difficult but:
 - Long term supply demand balance unlikely to move dramatically in next 10 years
 - Confidence and issues like Brexit and the general economy may drive quarter on quarter performance, but
 - The balance between wage growth and interest rates will be the driver of house prices
- Housebuilders in an unusual position in a developed economy of having greater demand for their product than the industry can supply

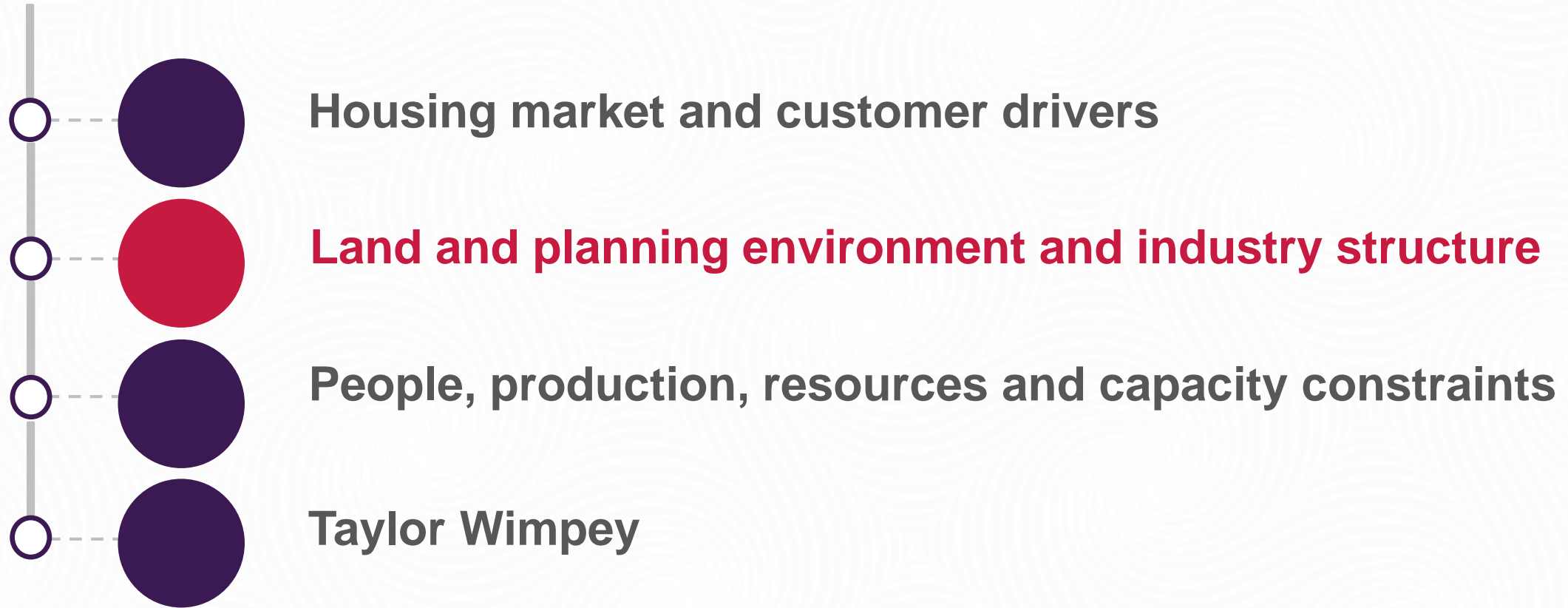
Today's customer drivers

- Again, many of the drivers for individual customers haven't changed:
 - Location, location, location, and the suitability of product for need
 - Short term affordability of mortgage costs and therefore price
 - Confidence in underlying house prices and own employment positions

- However there are also changing trends:
 - Different lifestyle expectations promote a desire for flexibility and a reduced sense of wanting 'what my parents had'
 - A growing acceptance of a need to rent for longer
 - Need for connectivity and convenience and a desire for environmental performance
 - Changing views of the car in urban and suburban areas
 - A growing 're-understanding' of the importance of community

- And a sense of frustration with a 'dated and reactive' industry:
 - Outdated communications
 - Lacking product innovation
 - Unable to scale up to meet demand
 - Sometimes lacking empathy with the fears and challenges that customers face

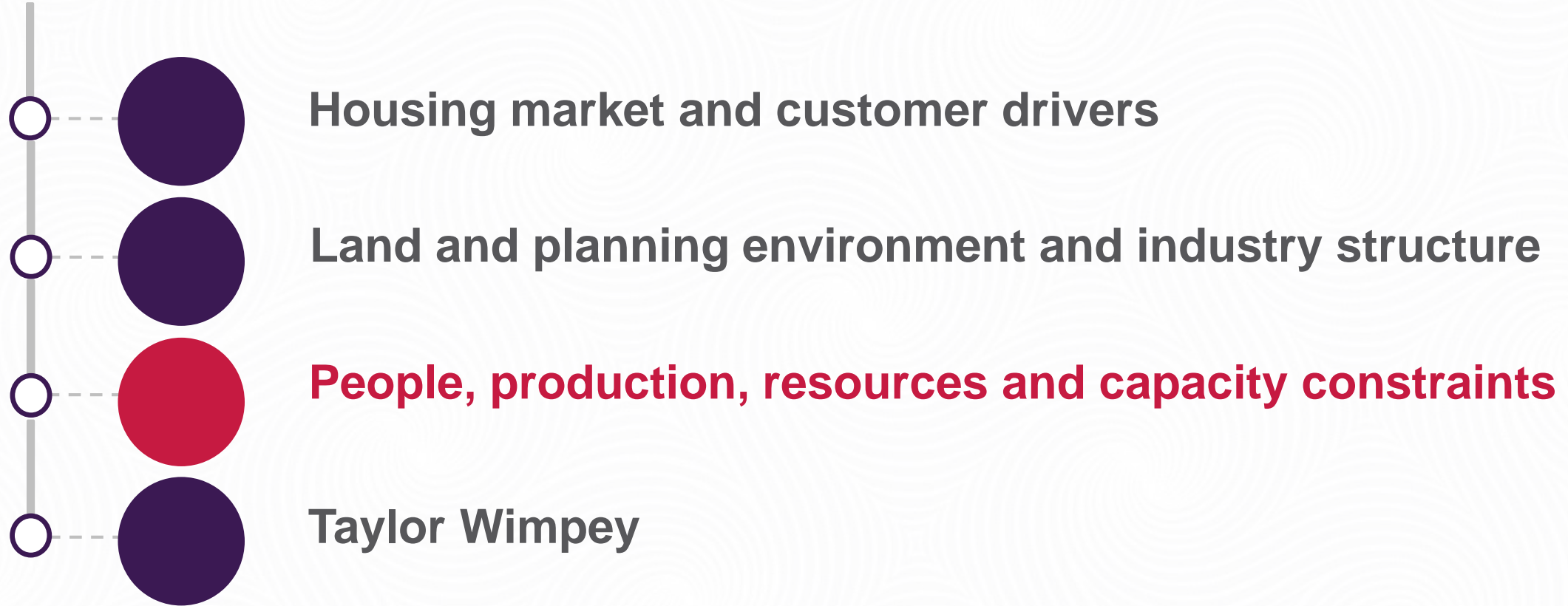
2011 – 2018: A changing environment?



Land and planning environment and industry structure

- Land and planning no longer the single key determinant of success:
 - Still important – defines target customers, product, locations, financial structure, market risk
 - However both more land is available with a decent planning prospect and industry competition is less
- Key reasons are well understood
 - A better planning environment with the acceptance of the need for new homes
 - More understanding from local authorities of the local economic benefits of homebuilding
 - Specifics of the NPPF and Government policy
 - Reduced competition from debt funded small housebuilders
 - More long term approach from major homebuilders
- Impacts are significant
 - Steady underlying growth in completions
 - Significantly better financial returns
 - Less cash locked up in land
 - Increased pressure on other resources
- Rather than asking why small housebuilders are less significant, we should ask why entrants from new scale competition has been limited?
- Overall the industry impact is positive, giving more strategic options – grow, geographic specialisation, generate cash, develop products etc.

2011 – 2018: A changing environment?



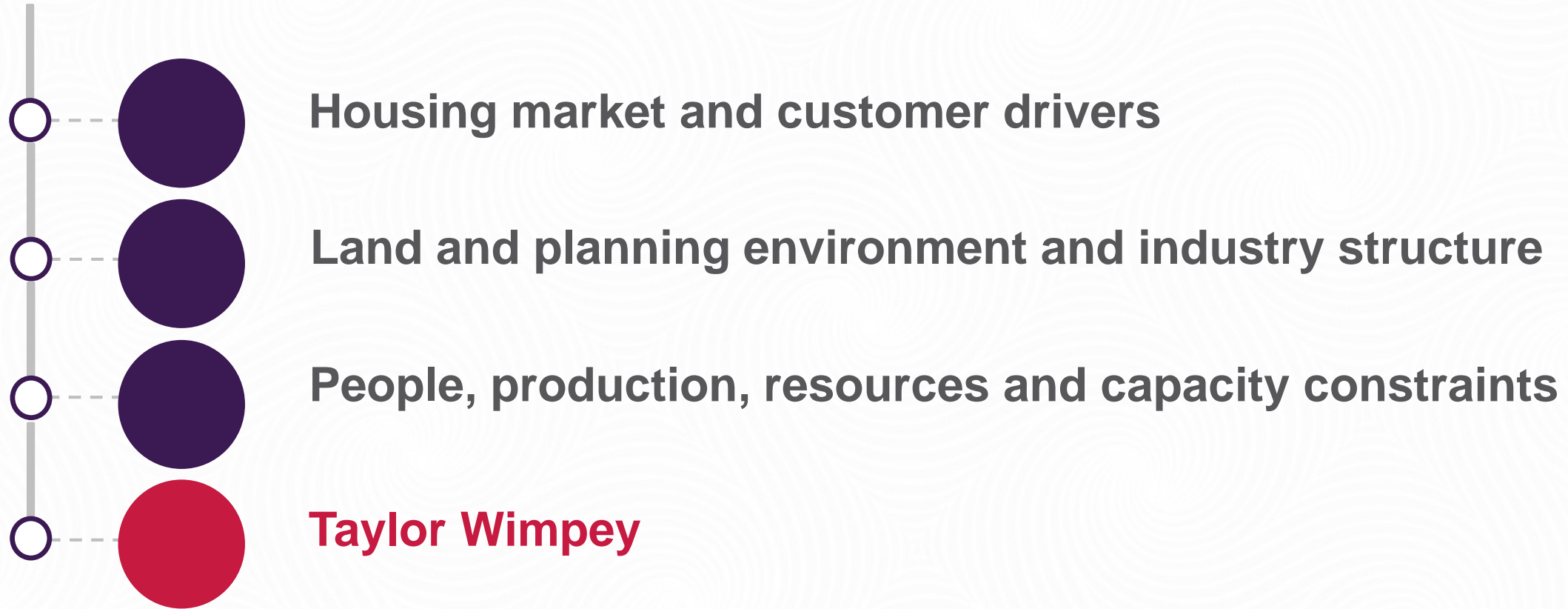
People, production, resources and capacity constraints

- With the growth in the industry, and the easing of land restrictions, other constraints have a bigger impact:
 - Production resources
 - Technical and management skills
 - Managing quality and volume growth
 - Ensuring that we respond to the changing mix of sites
- The importance and the challenge of delivering high quality, on time and at efficient cost is greater and more important than in the past, but there are no silver bullets:
 - Modern Methods of Construction
 - Vertical integration
 - Product specification reduction
- However there are some key development areas that will increase delivery effectiveness and efficiency
 - Stronger supply chain links
 - More direct labour
 - Production method optionality
 - Better skills training
 - Better use of data and sharing of improvements
 - 'Factory' efficiency approach to sites

Sites, outlets and factories, balancing sales and production

- Site – a single piece of land, generally getting outline planning as a single entity. TW size range 50-3,500 homes
 - Outlet – a sales unit, with fully staffed customer presence. TW pa range historically 30-75 homes (inc. affordable)
 - Factory – a build team, with separate compound and management structure. TW pa range historically 30-60 homes
- The balance between these three can be changed significantly over time, materially impacting overall volumes
 - The greatest flexibility is on large sites, where we have annual production / completion levels of up to 250 homes
 - Obviously, growing the business on these sites involves confidence in sales and production capacity
 - Sales factors – no. of outlets, location quality, product quality and product variation, wider routes to market, customer reputation and sales processes and team
 - Production factors – no. of factories, quality of production processes and team, managing supply chain, managing quality, build efficiency of product

2011 – 2018: A changing environment?



2018 – Taylor Wimpey position

- Very strong land positions – £47 billion (31 Dec 2017) of revenue potential in the landbank all at strong financial returns
- Strong balance sheet and a generally cautious approach
- Well established network of 24 regional businesses which cover the geographies with the best through the cycle potential
- Capable, motivated and stable team at all levels
- Strong consistent processes and systems embedded across the business
- A clear and consistent culture with belief and reputation for doing things right
- Highly motivated to give our customers the products and service that they expect and deserve
- But...a bit safe, a bit staid and not agile and responsive enough?

What has changed?

Group *	FY 2006 (George Wimpey)	FY 2011 (Taylor Wimpey)	FY 2017 (Taylor Wimpey)
Operating profit margin	13.4%	8.8%	21.2%
Return on net operating assets	20.8%	9.8%	32.4%
Net cash / (debt) - £m	(387.1)	(116.9)	511.8
Dividends paid - £m	58.2	-	450.5

UK	FY 2006 (George Wimpey)	FY 2011 (Taylor Wimpey)	FY 2017 (Taylor Wimpey)
Legal completions inc. JV	13,616	10,180	14,541
Operating profit margin	13.0%	9.7%	21.0%
Average outlets	275	305	287
Average size of land acquisitions (plots)**	90	111	174
Land cost as %age of ASP in acquired plots	25.5%	24.0%	19.8%
Strategic pipeline – plots (k)**	c.40-50	84	117
% of strategic land pipeline in completions**	c.12%-13%	17%	53%
Owned short term landbank years	3.2	5.2	3.9
Customer service score	88%	93%	89%
People in Customer Service roles – FTE	107	110	428

* 2006 Group disclosures include North American business, excluding exceptional items

** Some metrics for period prior to FY 2011 represent estimates

2011 – 2017: Underlying principles

- Maximise the value from each home completion
- Will not return to 'feed the machine' mentality
- Active management of land portfolio is the key driver of value creation
- Efficient 'engine-room' to protect and enhance value through build stage
- Far more active approach to managing the cycle



Life has moved on but do those principles still apply?

- Maximise the value from each home completion
- Will not return to 'feed the machine' mentality
- Active management of land portfolio is a key driver of value creation
- Efficient 'engine-room' to protect and enhance value through build stage
- Far more active approach to managing the cycle



But they don't tell the whole story...

Summary of strategic direction

- Continuing focus on customer satisfaction but going further to ensure that the business puts the needs of customers at the heart of decisions. Share the responsibility for affordability of our homes
- Use the increased opportunity in the land market to work our land harder, to deliver growth. Invest in more land when the time and opportunity is right – no ‘feed the machine’ mentality
- Develop best in class ‘engine-room’ and be able to respond quickly to opportunities and risks. Manage large sites smarter. See the constraints as barriers we can knock down if we are determined and clever enough, not as permanent immovable facts
- Remain cyclically cautious and committed to a strong balance sheet with a focus on maintaining high margins. We believe that improving the products and services we offer and the places we create will add value in potentially more volatile conditions
- Affordability is good at present with very low interest rates and Help to Buy, however look ahead to potential changes and considering affordability and access for customers in the future. This includes active work on PRS, affordable housing, shared equity and rent to buy schemes

Summary of strategic direction continued

- Develop on our internal work of the last 4-5 years to launch our new social purpose, which is very much about connecting with and supporting communities around the UK
- We are committed to investment in skills, supply chain development and research and development, to meet the delivery challenge as the industry grows. This will underpin growth and delivery from the existing overhead structure
- Build on our investment in key skills for our employees – particularly project management and technical skills, best in class production management and land development. Give our people more challenge, more ownership and more flexibility – where it counts. Become more innovative and more agile
- Execute the optimum performance in current trading, and ensure that we are as efficient as possible. We have started a cost and efficiency review to make sure that both underlying and value added cost investment is as efficient as possible

Changing operational metrics – next 5 years

- We will measure our customer performance based on:
 - The existing 'standard' NHBC '5 Star' survey where we see 90% as the appropriate target
 - The longer term 9 month survey which measures a more rounded view of long term satisfaction
 - Sales rates and pricing relative to market – including value added after we have left a site
 - Community development and interaction
- Continue to focus on three key financial metrics:
 - Operating profit margin where we maintain our guidance at 21-22% in the current environment
 - Return on capital where we upgrade our objectives to 35% as we look over the period to 2023
 - Cash generation where an enhanced dividend stream will be supported by an operating cash conversion of between 70% and 100%
- The single biggest driver of change in the return on capital and cash generation is increased landbank efficiency
 - We expect our landbank years (short term owned and controlled) to reduce by roughly one year over the next 5 years
 - Subject to quality of opportunity continue to expect the absolute landbank size to remain between c.75k and c.80k plots over the near term
 - We will continue to invest in our high quality strategic landbank, currently standing at c.118k plots (moving towards larger sites and London and SE). We expect between 40% and 50% of our completions to come from our strategic sites

Operational metrics

- We anticipate medium term completion growth coming from the existing scale of landbank
 - We will start to report on site numbers and factory numbers in addition to outlets which gives better visibility of the potential of the business
 - Depending on the value available in the land market, we expect outlet numbers to grow but relatively slowly to c.320 over 5 years, as average site size also grows
 - We expect sales per outlet to grow more materially to c.1.0 as we restructure delivery, sales capacity and product and service
 - We will also be focusing on reducing time to a high quality site start and time from slab to completion

- There are moving parts around increased efficiency and driving out cost offset by investment in future delivery and customer quality and specification. These broadly offset and we will continue to update as the plan progresses

What does being customer-centric mean?

- Starting from the simple premise that our main goal is to identify and understand customer need and deliver on it in a commercially sound way
- Best illustrated by some examples:
 - Garages
 - Storage
 - Pricing transparency and process communication
 - Placemaking and community building
 - Smart homes
 - Smart communication

Widening routes to market

- Start from the basic premise that underlying demand is and will remain ahead of supply for at least the period to 2030
- Demand side constraint is affordability, including particularly the cost, availability and qualification for a mortgage
- Help to Buy helps bridge both the cost and availability gap, and although the mortgage market is still broadening, withdrawal would affect the market
- We are focused therefore on making sure we can widen the long term access of customers to the homes we build, including testing, for example:
 - Changing product mix, including targeted apartments and smaller homes
 - Direct and JV involvement in PRS
 - Shared equity and shared ownership
 - Space sharing models
 - Rent to Buy schemes

Cyclical management

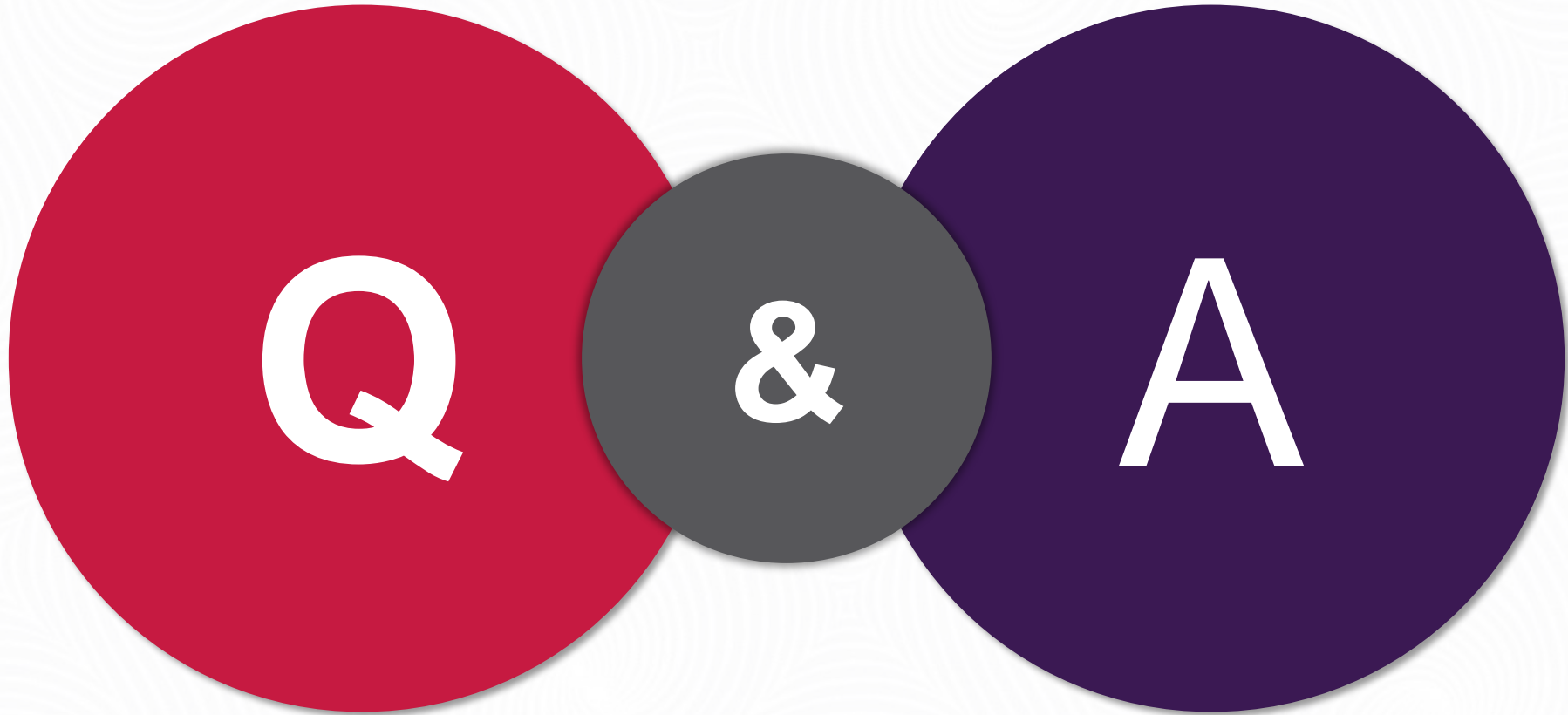
- Maintain a strong balance sheet at all times, with flexible debt structure and covenants
- Maintain high margin at land acquisition
- Do not over stretch land investment at points of boom trading
- Focus on site quality and be best in class at delivering customer requirements
- Develop routes to market that counter Help to Buy risk
- Dual dividend policy withdraws cash in times of strong performance but retains flexibility
- Principle of being able to turn the business cash positive within six months of changing market conditions

Dividends

- Dividends will remain a key part of the value offer for investors and the cyclical management strategy of the business
- We will maintain the dual dividend approach of a healthy long term ordinary dividend that can be paid through a normal market correction, and an additional cash return that is more flexible to balance the cyclicity of the market
- We are announcing today that after review, and based on a further period of strong performance and continued confidence in cash generation that we are increasing our ordinary dividend for 2019 by 56% to £250 million
- We are also announcing that our 2019 special dividend will be £350 million, so total dividends are anticipated to be c.£600 million, an increase of 20% and weighted more towards ordinary dividends
- We will continue to announce future special dividends in the July preceding, but based on our current expectation for the next 5 years, we expect them to remain comparable to the 2018 and 2019 levels

Summary

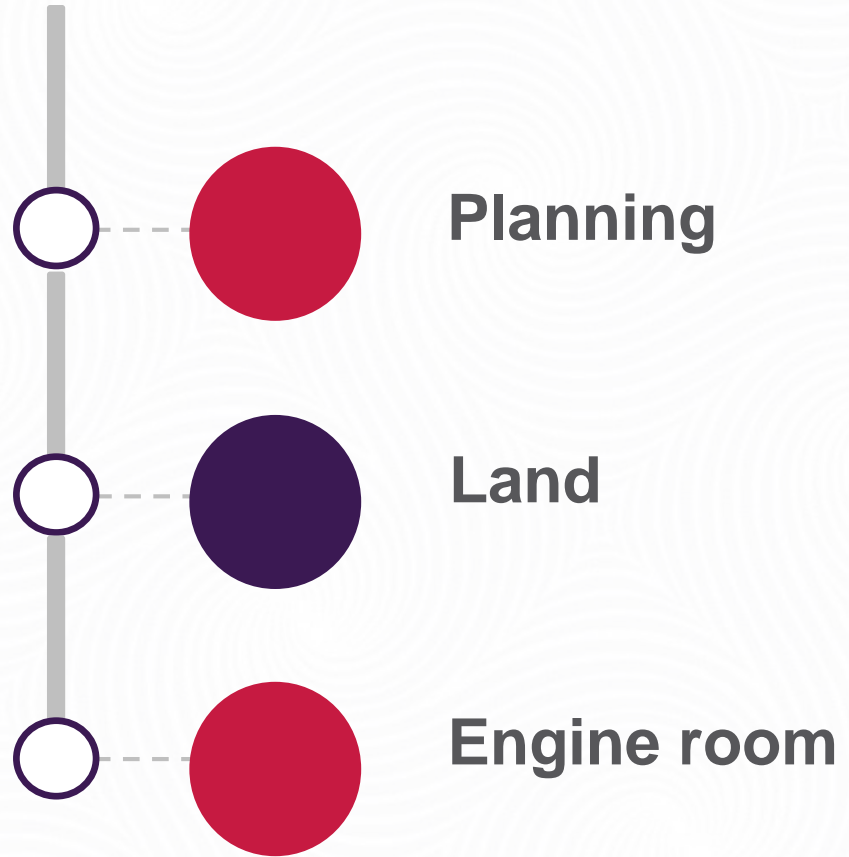
- Long term direction focused on identifying customer needs and aspirations and delivering them in a commercially sound way
- Build on existing strategic land assets and skills, and work our land harder in a less constrained land environment
- Invest in the build and delivery capacity of the business to enable increased production, quality and flexibility over the medium and long term
- Continue to deliver high margins, and improving returns on capital
- Maintain a cyclically cautious approach, with a strong balance sheet and appropriate cash returns to investors
- Build a sector leading, customer-centric, highly professional, robust business model that can take advantage of long term demand and be much better able to flex to meet short term threats





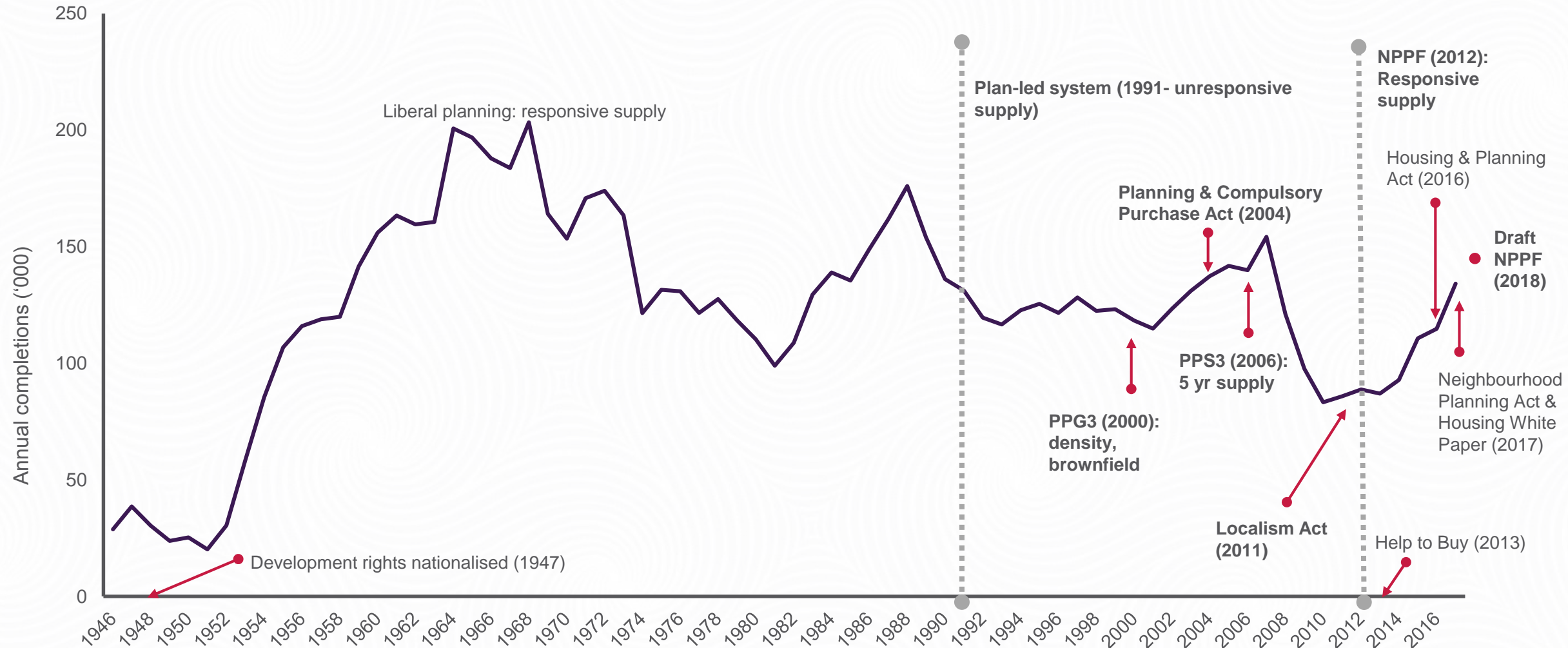
Planning, land and engine room
Jennie Daly
15 May 2018

Agenda



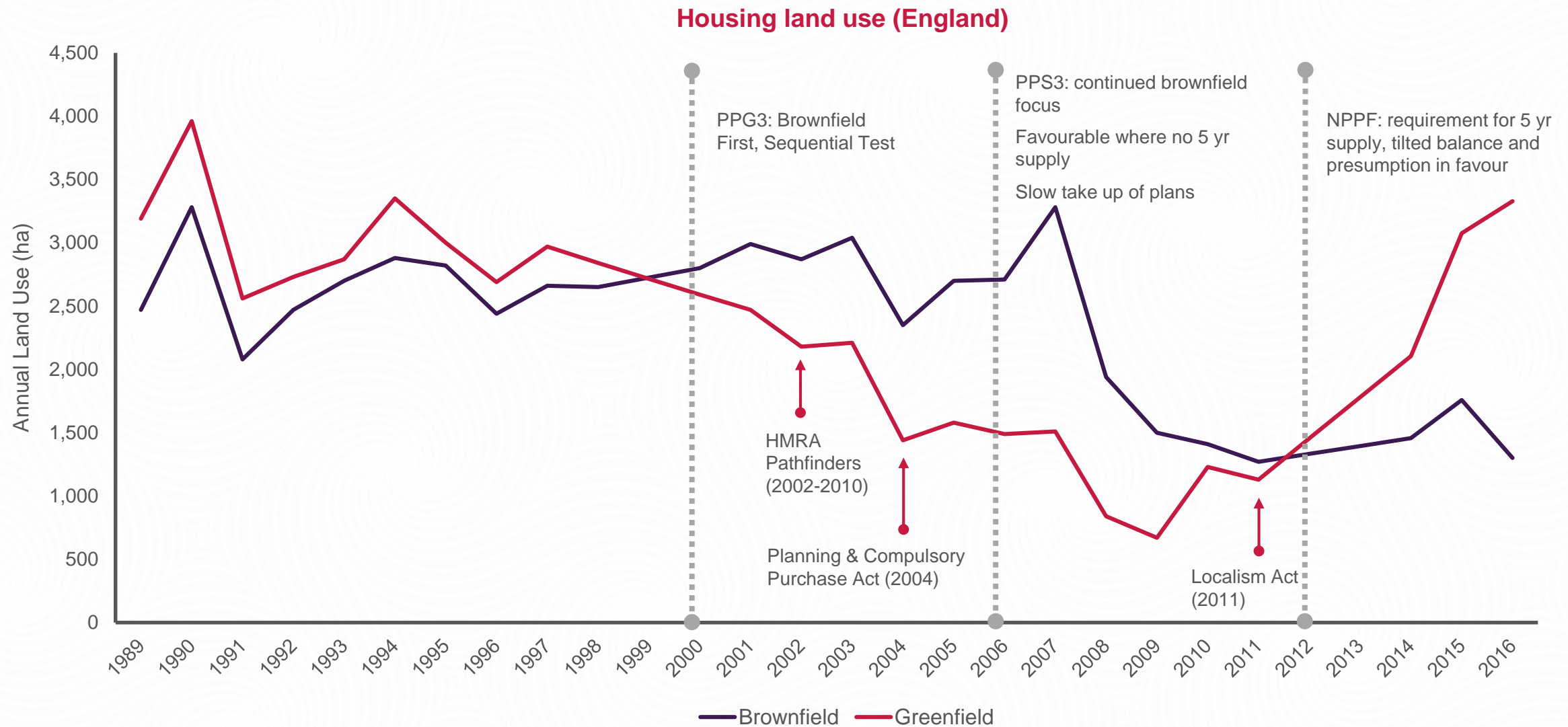
Planning and supply side

Private completions (England)



Source: MHCLG Live Table 244 House Building 22 March 2018

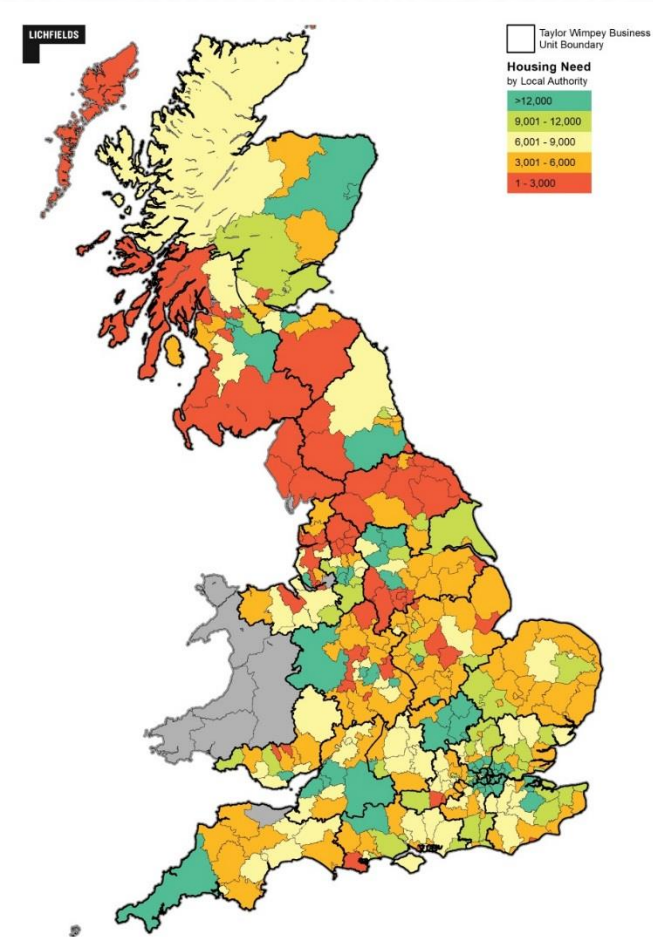
The strategic land journey



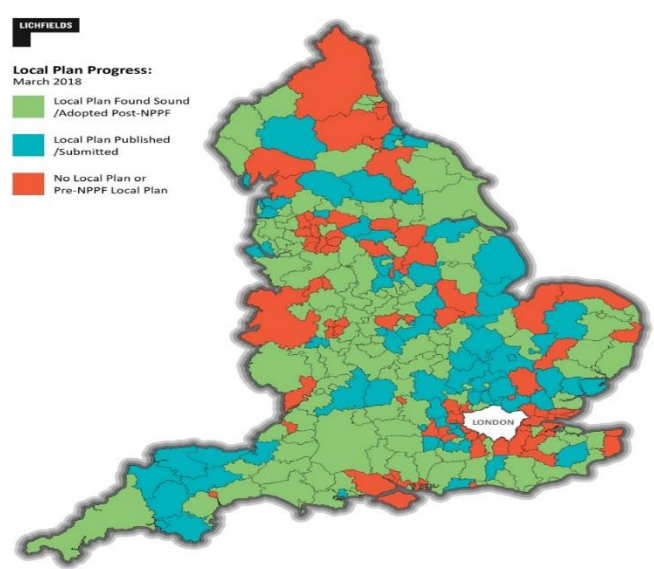
Sources: MHCLG Land Use Change Statistics Live Tables P370 – 2017 & MHCLG Table P226 Land Use Change 1989-2011
No data collected by MHCLG period 2011-2013 – graph assumes line of best fit

Three pillars of land supply

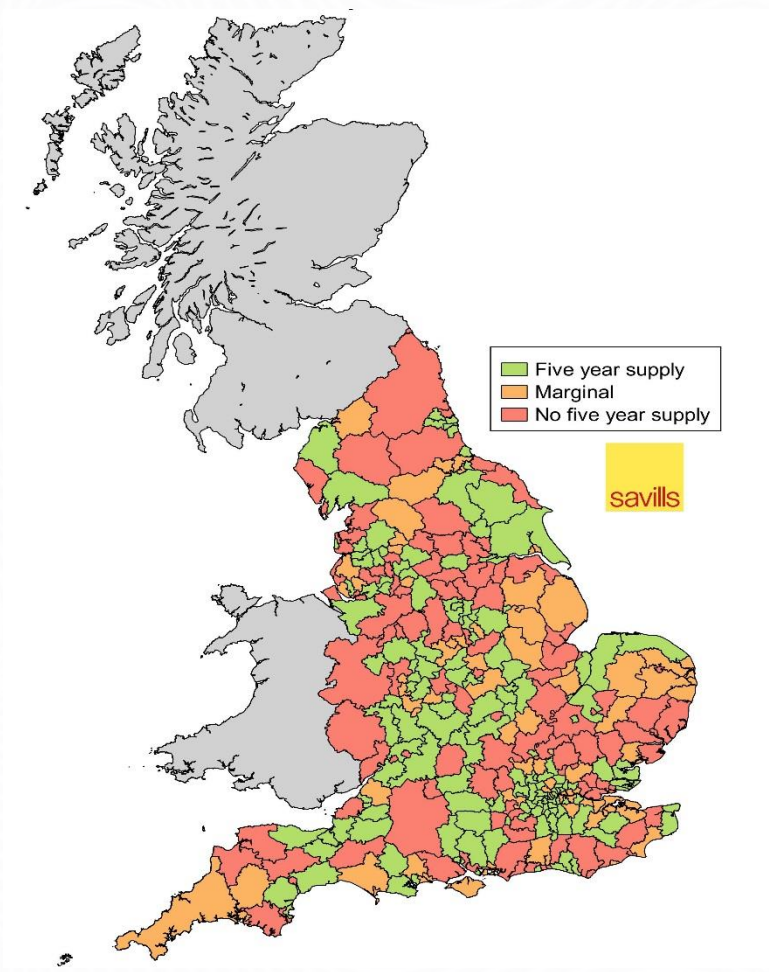
10-year housing need



Local Plan progress



Five year land supply

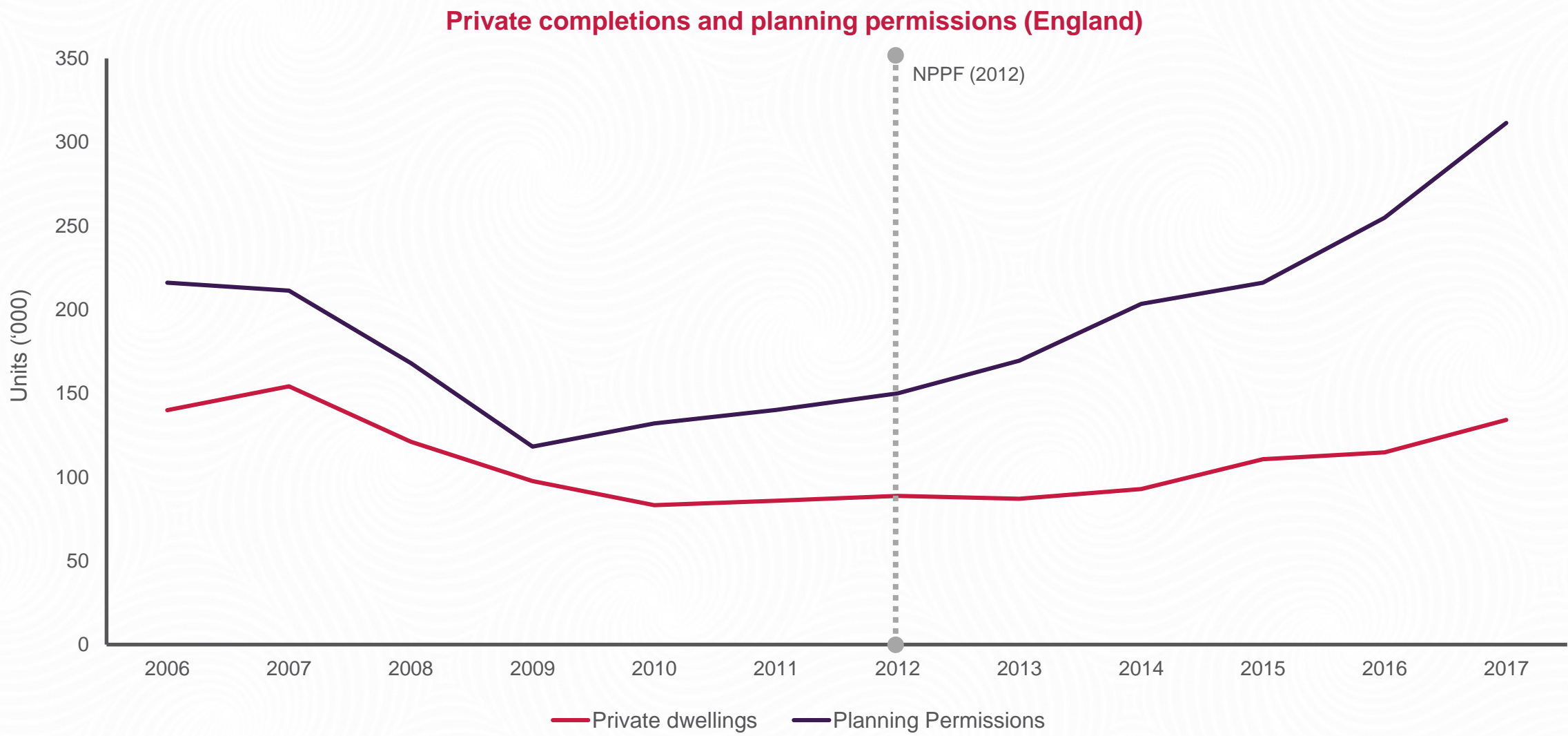


Sources: England – MHCLG’s Standardised Methodology for Assessing Housing Need
Wales – Adopted Local Development Plans
Scotland – Housing Need and Demand Assessments

Source: Planning Inspectorate

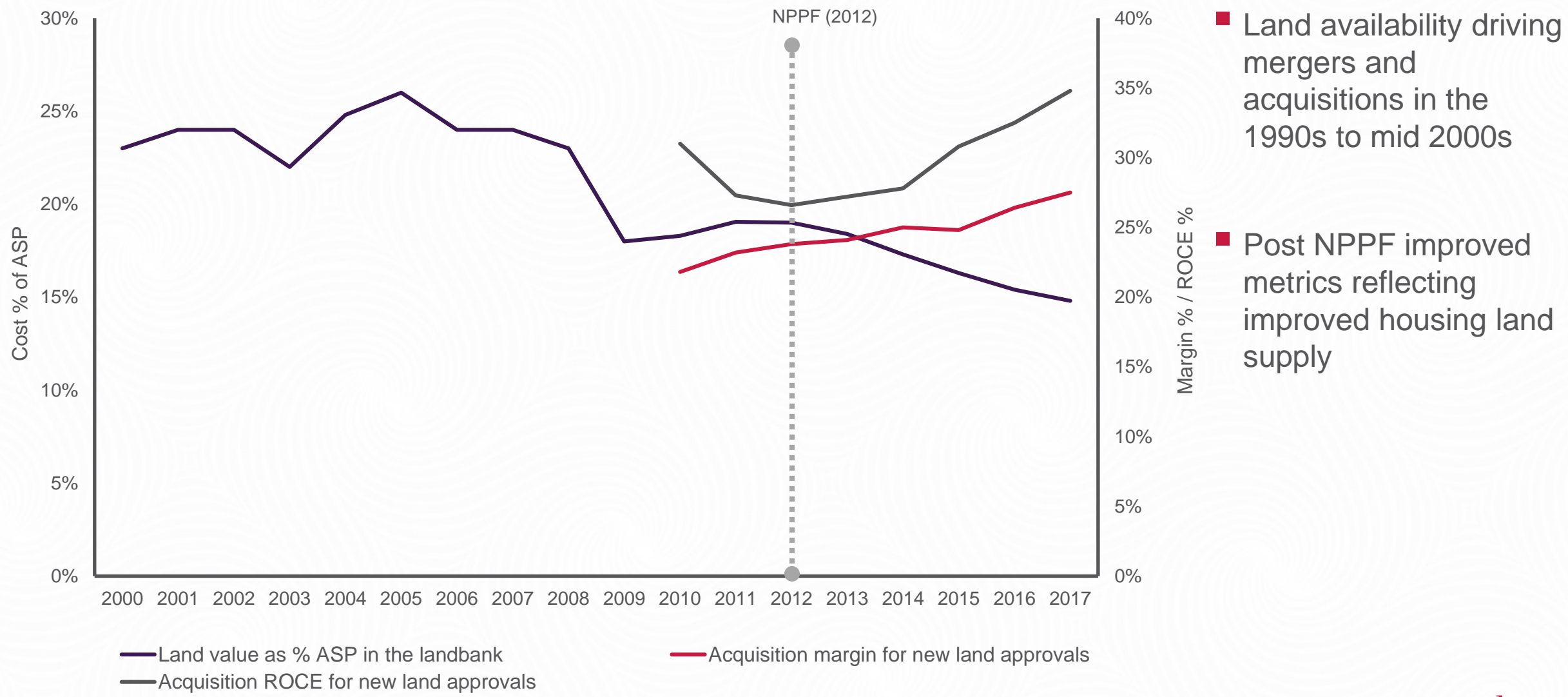
Source: Savills

Steadily improving environment

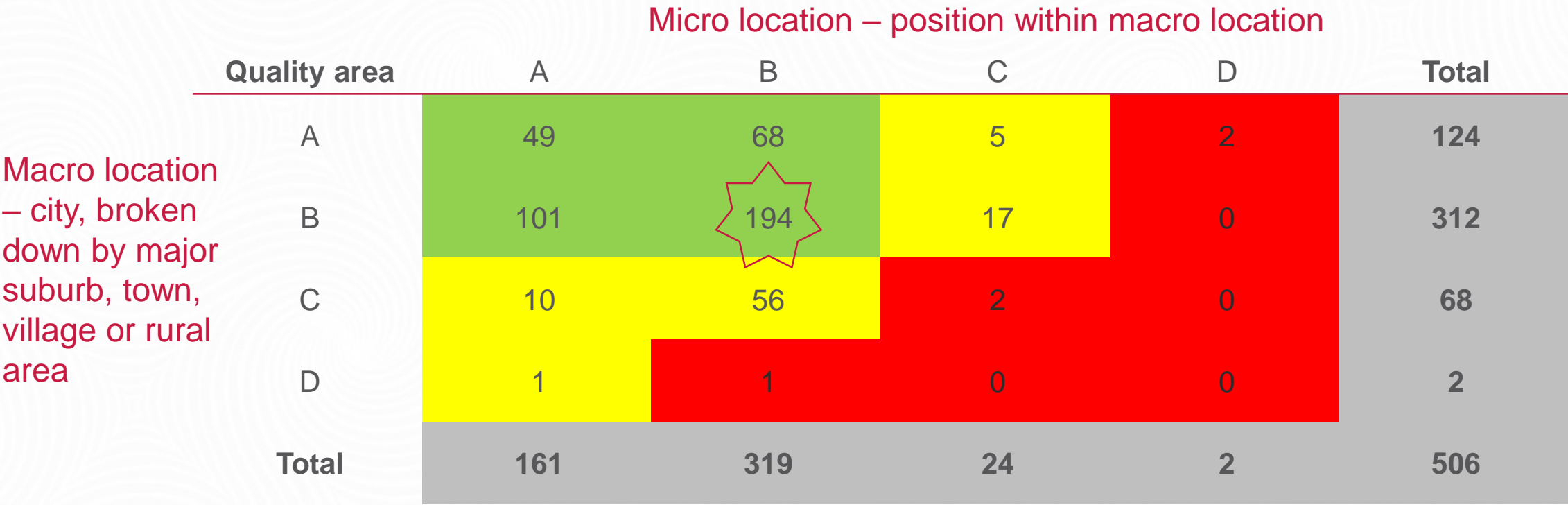


Source: HBF Data Tables 2006 to 2017

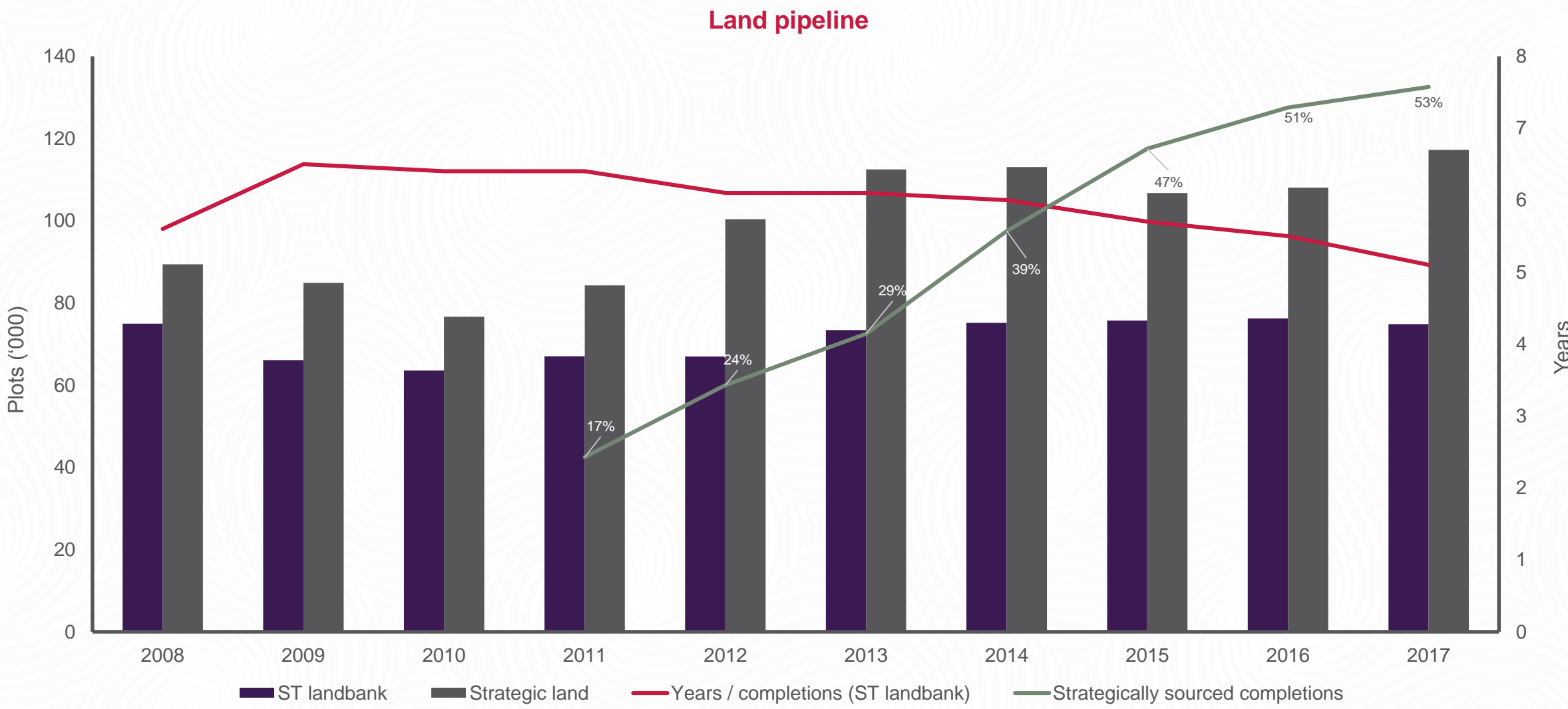
Continuing attractive land metrics



Maintaining land quality



Short term and strategic land pipeline



A primed land position

	Small (0-200)		Medium (201-375)		Large (376-750)		Super large (750+)		Total	
	sites	plots	sites	plots	sites	plots	sites	plots	sites	plots
Total owned and controlled	315	30.3%	123	31.9%	58	25.2%	10	12.6%	506	100%
Average plots per site		72		194		326		941		148
Strategic land total owned and controlled		19.3%		20.2%		25.2%		35.3%		100%
Average plots per site		111		275		508		1,378		310

Current land market

■ Short term land market

- Good levels of quality opportunities across a range of site sizes and geographies, most competition chasing smaller sites. Better opportunities and less competition in larger sites
- Increasing activity from new regions by others, RSL sector and SMEs

■ London market

- Land pricing remains competitive for sites with planning consent, and increased competition in the outer boroughs
- TW focus remains on structures with opportunities for additional growth
- Mayoral Affordable Housing guidance and new London Plan likely to increase risk and reduce opportunity as alternative uses become more competitive in land market

■ Strategic land market

- Opportunities remain plentiful with competition from promoters strong, though many focusing on small and medium sized sites
- The creation in 2017 of a dedicated strategic land team in London & South East has increased our presence and success in this area
- Deals continue to be secured on a one to one basis. More competitive on larger sites with significant infrastructure requirements and need to demonstrate delivery capability

Land strategy

- Quality locations where customers most want to live
- Maintain high investment margins differentiated by site size and delivery risk
- An increase in the use of larger sites:
 - Opportunity to deliver larger volumes – less competition
 - Will concentrate around economic growth areas resulting in uneven distribution and proportionately larger land pipelines in these areas
 - Preference will be for these to be delivered from strategic land but will maintain a presence in the short term land market
 - Will be open to joint venturing / partnering large sites held by public bodies
 - Optimise on the ‘right type of planning’, and maximise volume delivery capability
 - Increase in use of low apartments in the right locations and in preparation for changes in the market, e.g. Help to Buy
 - Technical and planning expertise will focus to drive speedier outcomes, including early investment to ensure we get on site faster
 - A significant challenge to managing a shortened landbank will be the lumpiness when large sites are acquired
- We will be prepared to sell or swap strategic sites not fitting strategy

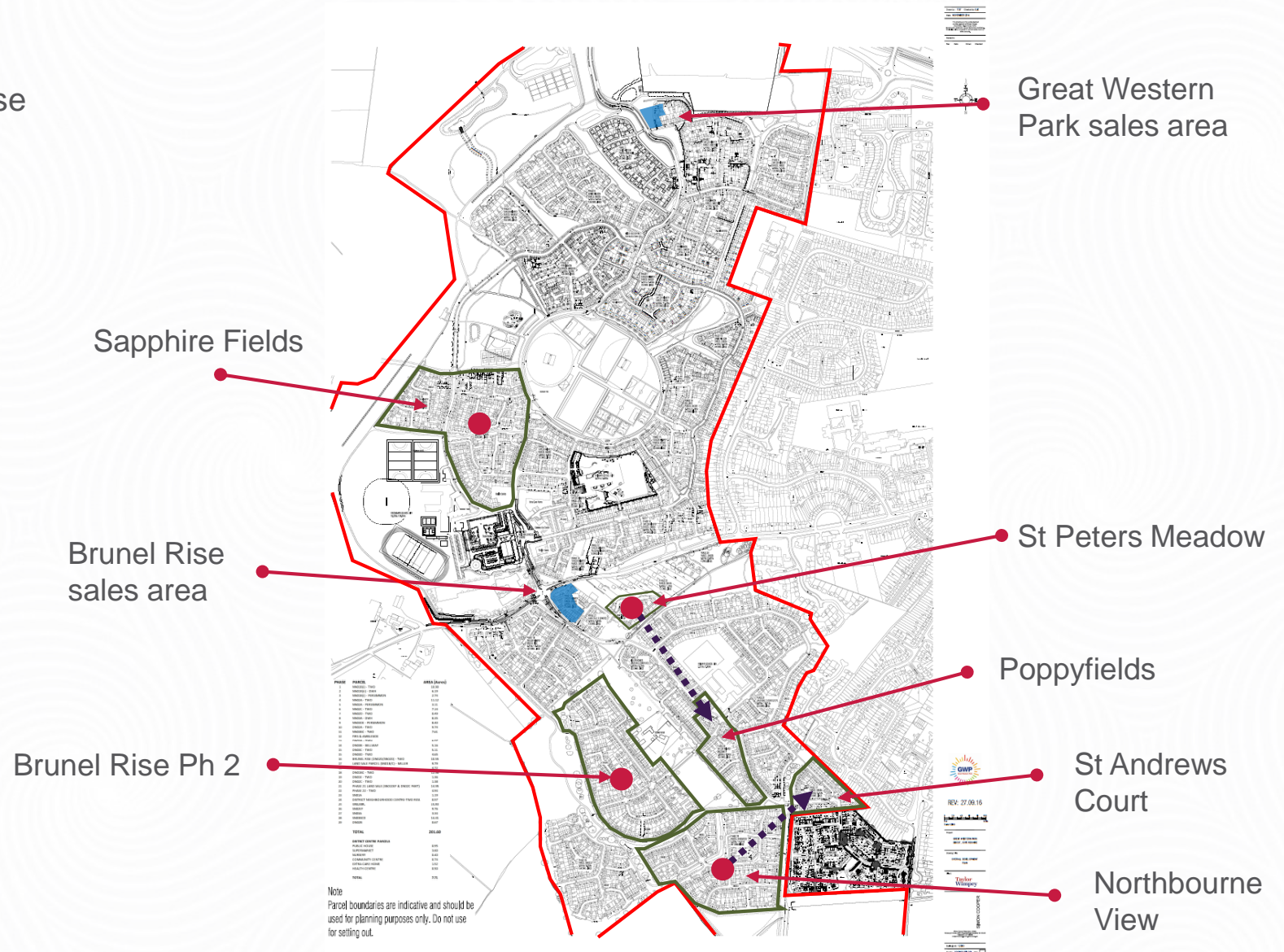
Understanding the relationship between outlets and volume

- Site x 1 – Great Western Park, TW Oxfordshire
- Outlet x 2 – Great Western Park and Brunel Rise
- Factory x 4 –
 - 1 @ Sapphire Fields
 - 3 @ Brunel Rise (over 4 phases)

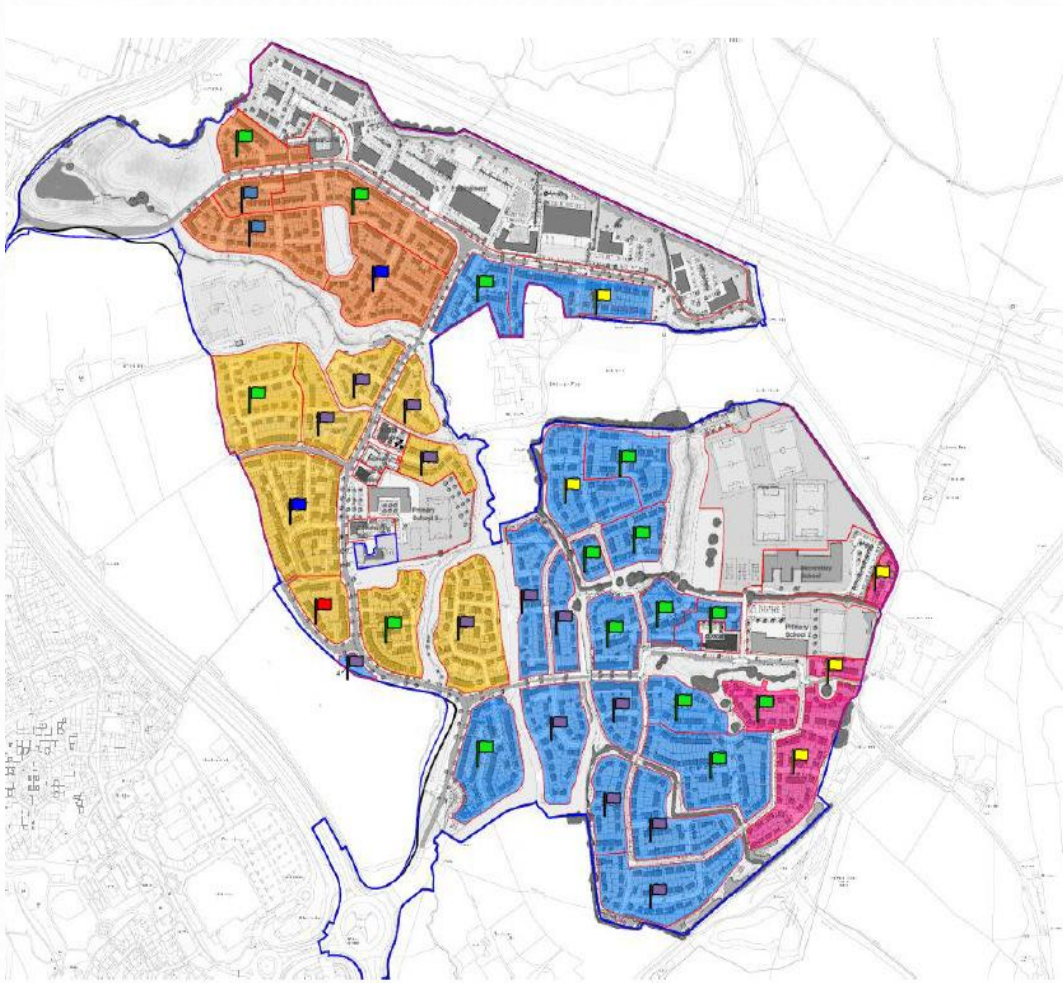
- Taylor Wimpey 2017:
 - Sites – 275
 - Outlets – 278
 - Factories – 301

Theoretical example

- Taylor Wimpey 2023:
 - Sites – c.310
 - Outlets – c.320
 - Factories – c.360



A traditional approach



Phase	Competitors	No. of outlets on site	No. of factories in total
1	Taylor Wimpey	1	2
	A	2	2
	B	1	1
	C	1	1
2	C	1	1
	A	1	2
	D	1	1
3	Taylor Wimpey	1	3
	A	2	2
4	A	Not started on site	

Building for the future

Skills

- Increased focus on bringing labour and skills in-house:
 - Expansion of skilled direct employed labour – target of 30% of TW employees by 2021
 - Trade Apprentices with a development path for each apprenticeship
 - Trainee Apprentice Site Managers
- Learning, development and retention via Production Academy – targeting 600 TW candidates
- Increased investment in training and development across the function

Delivery Excellence

- Actively pursuing efficiency advantages by developing technology improvements deployed at site level
- Implementing a self auditing process (Design to Build) to ensure full understanding and compliance through design and procurement to construction on site

Quality

- Quality Assurance Journey – delivering quality at the forefront of our decision making – a cross functional group ensuring touch points to quality throughout the lifecycle of a development
- Good progress on improved build quality assurance, enhanced by third party peer reviews

Securing the supply chain

- Increased use of timber frame on appropriate sites
- Security of supply chain, increased transparency with emphasis on business continuity
- Focus in on timely and accurate programme forecasting
- Monitoring and “protection” of critical materials on fast moving sites
- Building strategic alliances; sharing of information and delivery programmes with high risk and critical suppliers
- Continuing to assess and trail “off site components”; e.g. room in the roof
- Maintained focus on reviewing new methods at both macro and detailed level and developing “optionality”
- Partnering agreements to ensure quality outcomes; e.g. Knauf Insulation
- Increased standardisation and specification control for product quality and efficiency
- Centralised approach to product reviews and trials
- New role of Research and Development Manager to deliver quality and efficiency focused solutions in collaboration with the supply chain

TW Logistics – a tactical advantage

- Wholly owned and key supply chain differentiator
- Based in 65,000 sq ft warehouse and 3.5 acre external storage facility in Newmarket
- Dedicated and liveried rigid vehicles and subcontract artic vehicles
- Security of supply and supplier transparency
- ‘One stop shop’ approach - less order administration
- Delivers standardisation and product variety reduction
- Build pack system - increasing efficiency and easier handling on site
- Standard schedules and scheduling expertise
- Leverage on national deals
- Management Information – compliance, trends, early warnings

Design and placemaking

Placemaking

- Completed site reviews; customer feedback, third party design reviews and post completion property value assessments – lessons learned
- Design and placemaking workshops and virtual design academy launched
- In-house design reviews and master-planning assistance from design team increasing awareness of the value of good design
- Increased awareness of the importance and value of creating good places, benefiting our customers and the wider community for the long term

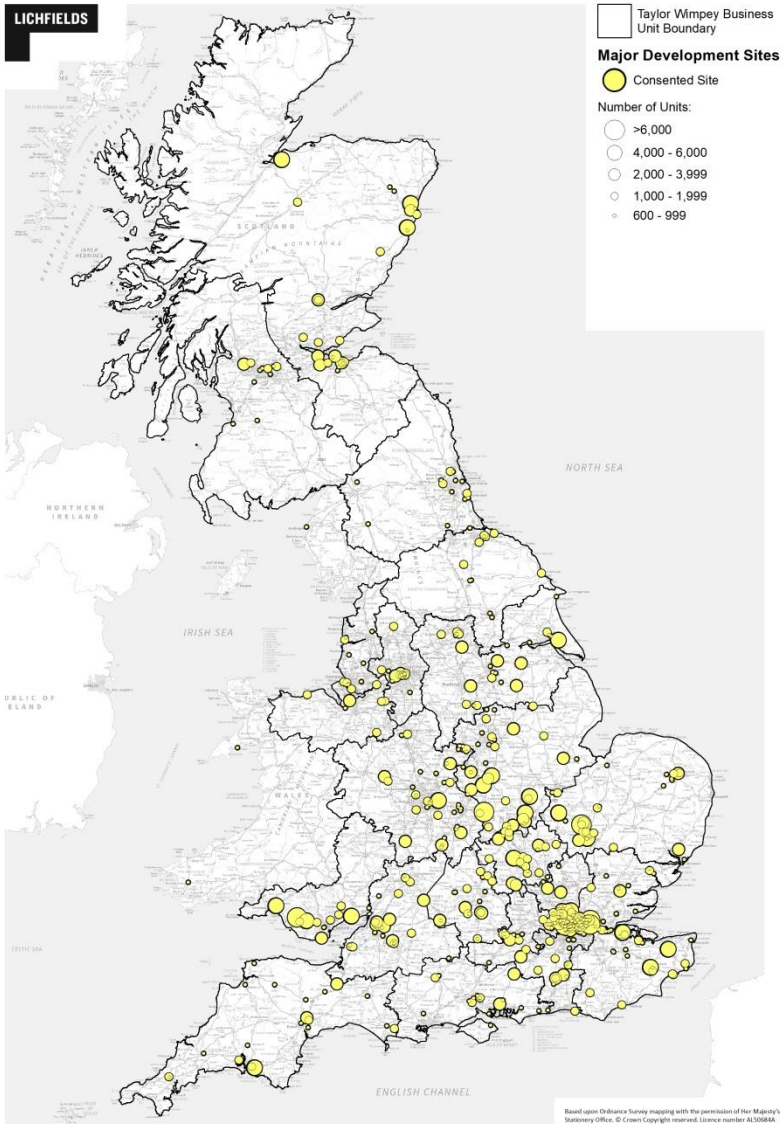
House type design

- Consolidation and rationalisation of house type range
- Houses that meet space standards and accessibility without compromising quality and value
- Looking to the future with 2020 prototypes and our next house type range driven by customer feedback



Appendix

Major sites consented



■ 560 sites identified

■ 836,895 units

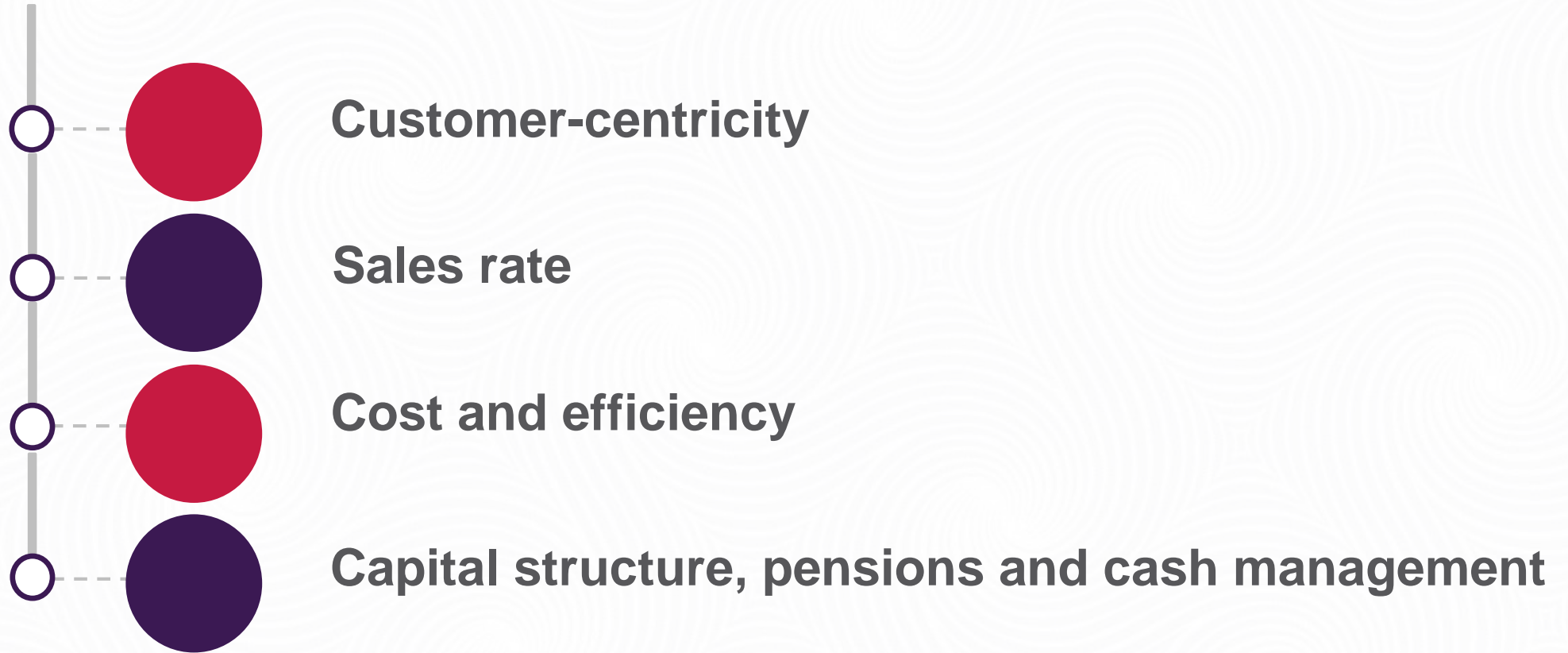
England	257	sites
	560,370	units
Scotland	21	sites
	40,322	units
Wales	3	sites
	7,550	units

Source: Lichfields analysis of Glenigan data
Note: National totals only capture within TW catchments

Taylor Wimpey | plc

Customers, sales rate, costs and cash
Chris Carney
15 May 2018

Agenda



Learning about customers the hard way

- Engagement with customers can be uncomfortable at times but is always enlightening
- Focus and attention can drive temporary improvement but permanent change is harder
- Getting people to consistently do the right thing in difficult circumstances is easier if they know that's what you want and expect them to do
- If you focus on the customer first the benefits will follow

TW – a business unit example	2017	2010
Operating profit - £m	33.8	6.6
Total completions	545	402
Customer service staff (FTE)	21	6
Customer satisfaction score	94%	57%

Customer-centricity



The drive to become **truly customer-centric** is a critical pillar of Taylor Wimpey's future strategy



This is not just the right thing to do for the people we serve
It is **critical for the long term prosperity** of our organisation

Understanding our customers' enduring emotional needs

Assurance

Every customer wants to feel reassured that they're making an informed choice that gets them to their end goal: a home they feel settled in.

Respect

Every customer wants to trust us to have the honest conversations with them, and give them extra support when they need it.

Pride

Every customer wants to take pride in where they live and find the home that's perfectly suited to them

Customer-centric concepts

Academy of Customer Excellence

Accredited teams
Continuous improvement
Consistent experience

Community Living

Connecting people
to develop a
thriving community

Enhanced Experience

Book our show home
Virtual reality as standard
Visualise your style

Ready Home

Ensure our
specification eases the
stress of move in day

Touchpoint

Enhanced communication
Choose options on-line
Access customer services

Completion License

Allow customers
access prior to
completion easing
the pressure on
'Move in Day'

Meet the nearly buyer

What do first time buyers do before they buy?

67% Rent privately

29% Live with family or friends

4% Rent in social sector

How does that 67% break down?

Customer segments				Households (UK)
	Motivated to buy	Able to buy	Aware of options	
Nearly Buyers Expect to buy within 5 years	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	1.9m
Aspiring Buyers Expect to buy after 5 years or more	<div><div></div></div>		<div><div></div></div>	1.3m
Long Term Renters Do not expect to buy				2.2m

With or without Help to Buy, they face a challenge

Scenario1 HtB, 5% deposit

Employment

Mr Smith – Trainee doctor current salary - £30,000
Mrs Smith – Legal graduate - £25,000

Financial situation

The customers have no savings
Customers renting a property for £1,025
Monthly income Mr - £1,750
Monthly income Mrs - £1,500
Other outgoings - £1,600
Surplus income - £625

Income required to purchase a £250k property under Help to Buy is £41,666 (jointly)

Scenario 2 95% Mortgage non HtB, 5% deposit

Employment

Mr Smith – Trainee doctor current salary - £30,000
Mrs Smith – Legal graduate - £25,000

Financial situation

The customers have no savings
Customers renting a property for £1,025
Monthly income Mr - £1,750
Monthly income Mrs - £1,500
Other outgoings - £1,600
Surplus income - £625

Income required to purchase a £250k property with a 95% mortgage is £55,000 (jointly)

Working with real customers, we're piloting a solution



1. Pick your dream home

- Pick the house that suits you best
- Add the personal touches to make it feel like home

2. Rent it

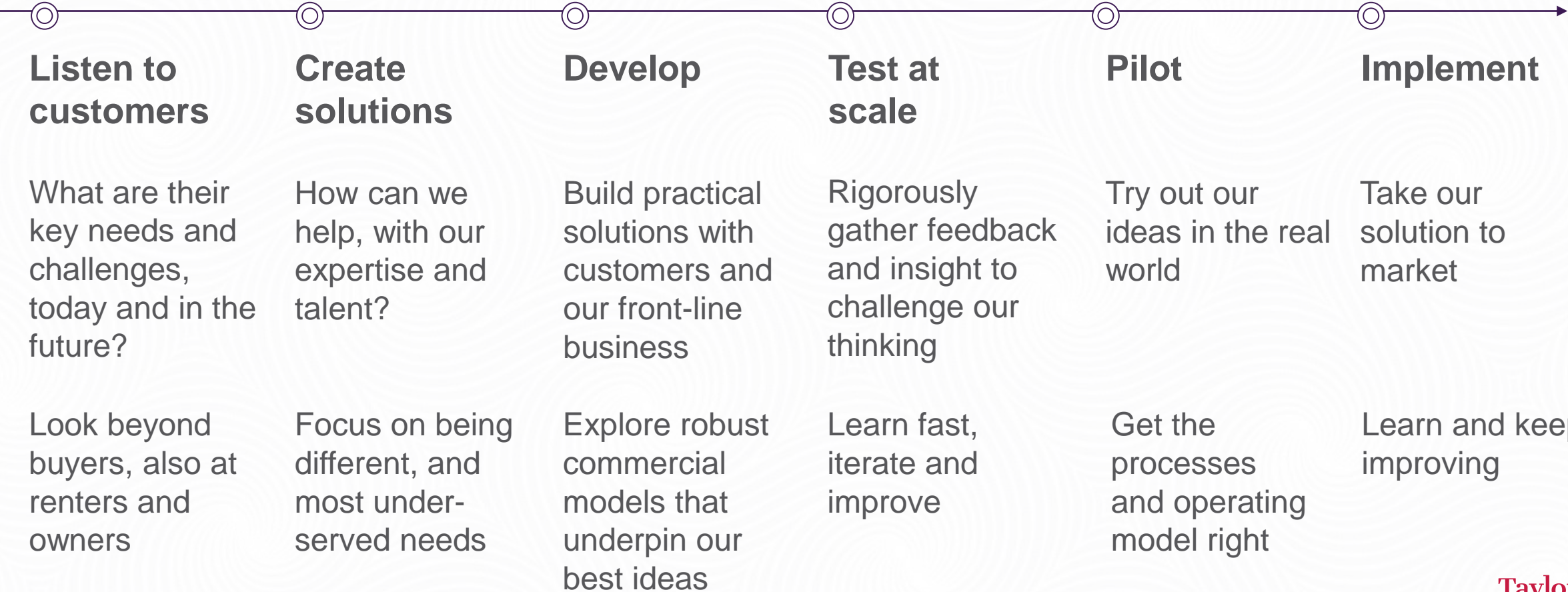
- Live in a brand new home built and backed by a major homebuilder
- Track progress towards your deposit savings goal with regular updates

3. Buy it

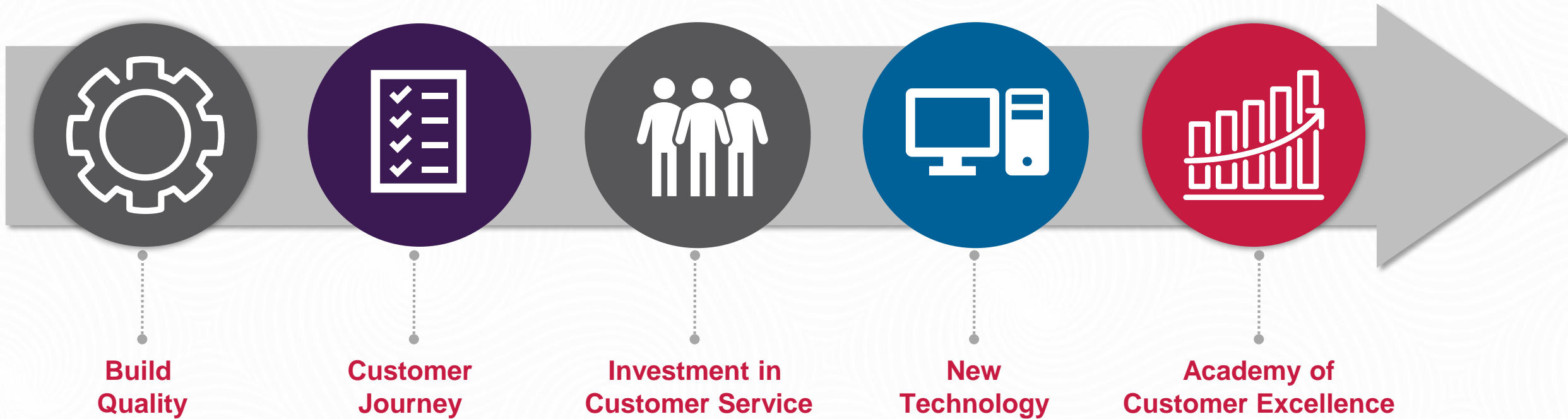
- After two years, receive a 5% gift deposit to help buy your home
- Or continue saving until your 5th year when you'll become eligible to renew for another 5 years

We will keep developing innovative ways to help customers now and in the future

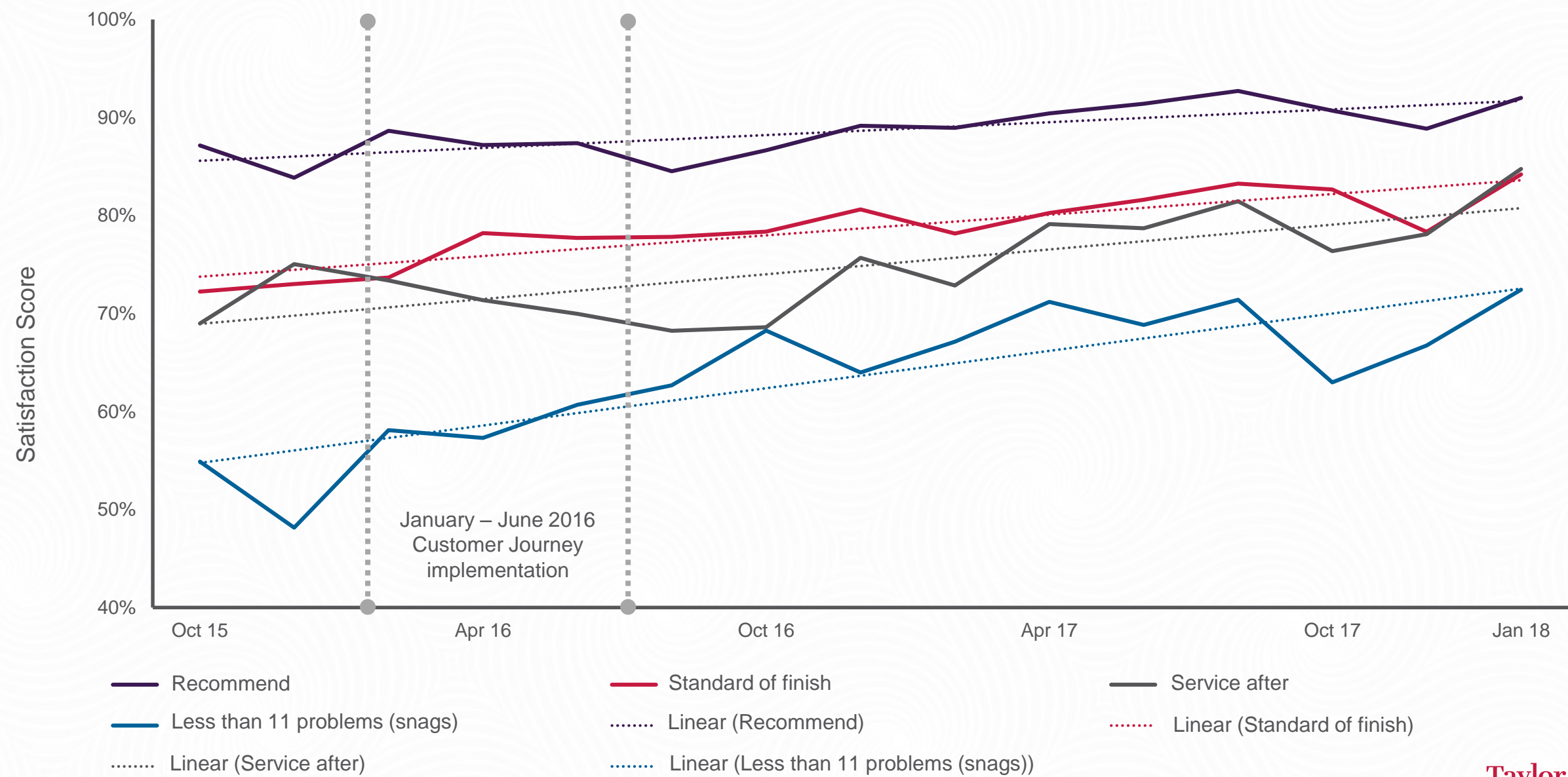
Our process:



What have we already done to improve our service?



NHBC Customer satisfaction scores – 8 weeks



Sales – applying an efficient development approach to large sites

- Opportunity to optimise the production efficiency of our larger sites
- An experienced site manager can generate 75,000 sq ft of build given the right resources (1 factory)
- Our land strategy targets high quality locations and in most if not all of these locations the sales market can absorb the additional volume, assuming market conditions remain unchanged
- Delivery confidence based on six sites where we built and sold more than 130 homes in 2017

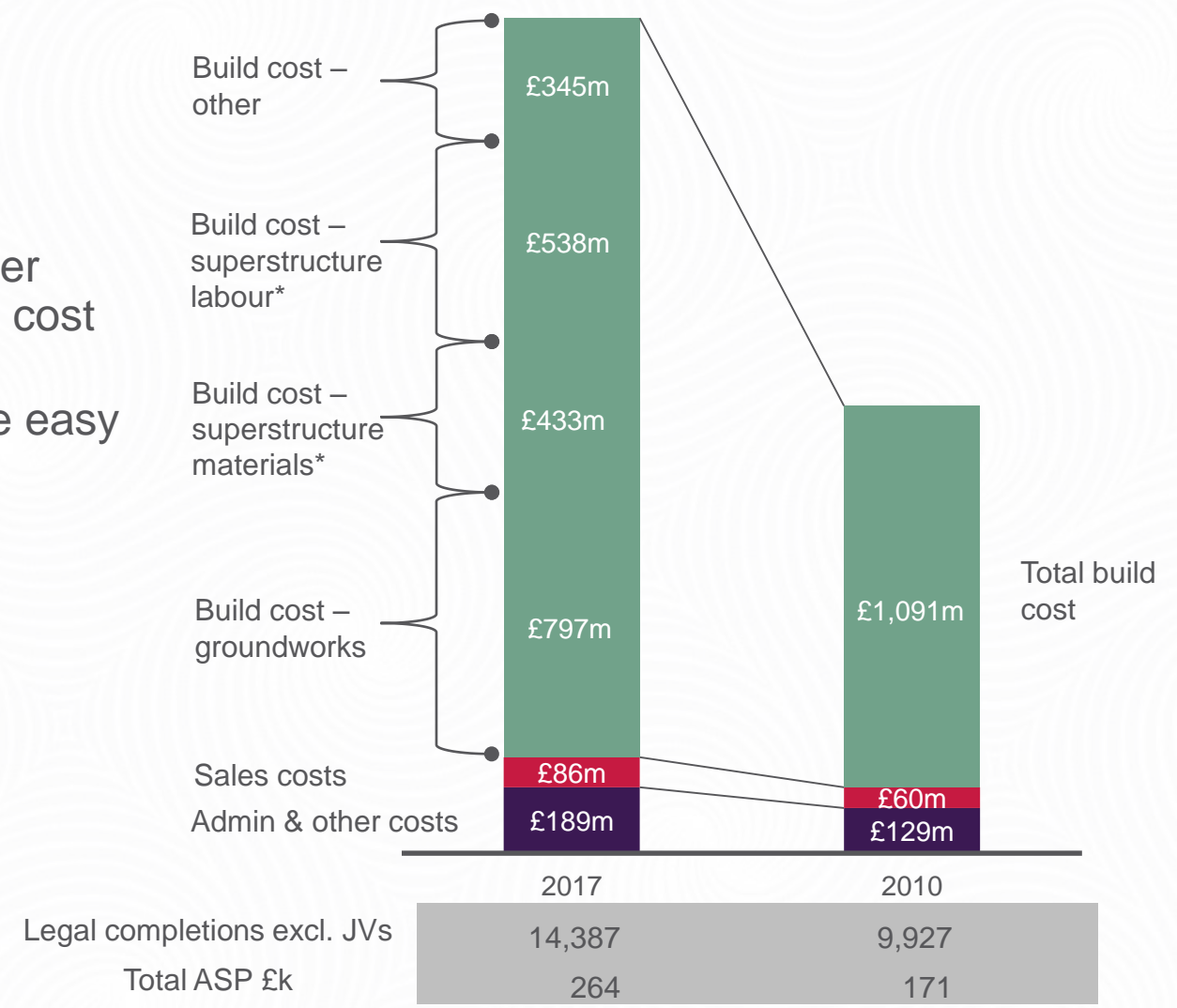
Illustrative business unit outside the South East

No. of sites	Scope	Typical delivery		Target delivery	
		*Total volume p.a.	Private net sales rate	*Total volume p.a.	Private net sales rate
4 – 6	150	40 – 50	0.6 – 0.7	40 – 50	0.6 – 0.7
5 – 7	250	50 – 60	0.7 – 0.9	60 – 80	0.9 – 1.1
1	500	60 – 80	0.9 – 1.1	110 – 130	1.6 – 1.9
1	1,000	70 – 90	1.1 – 1.3	130 – 150	1.9 – 2.2
11 – 15			0.7 – 0.9		0.9 – 1.1

* Private volume c.75% of total

Cost and efficiency

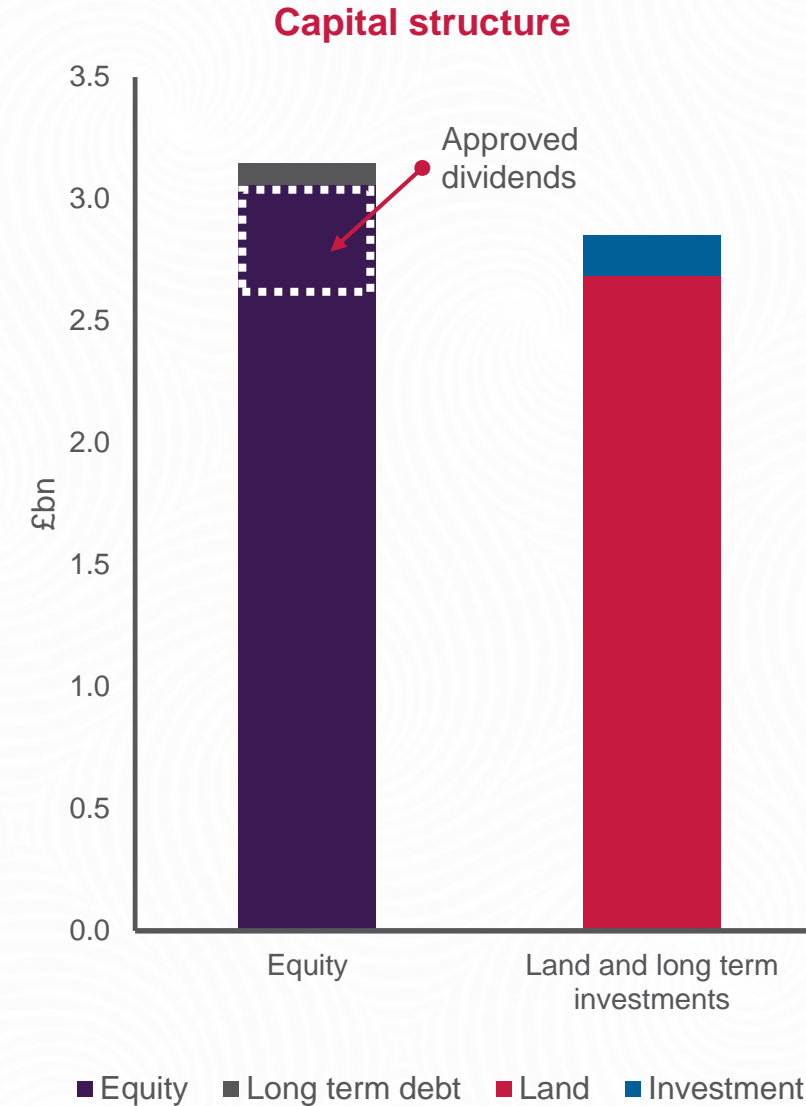
- After years of sustained growth driving strong improvements in financial performance it makes sense to assess how efficient and effective the business operations are
- No sacred cows
- Cross functional collaboration to ensure quality and other performance metrics are assessed at the same time as cost
- Opportunities to improve performance are unlikely to be easy to get at
- Update at Half Year results in July on areas of focus



* Incorporates estimated split of superstructure labour and materials for supply and fit contracts

Conservative capital structure

- Continue to maintain a strong financial base through the cycle
- Shareholders equity and long term debt principally used to finance our investment in land and other long term investments
- Short term borrowings to finance working capital and seasonal requirements

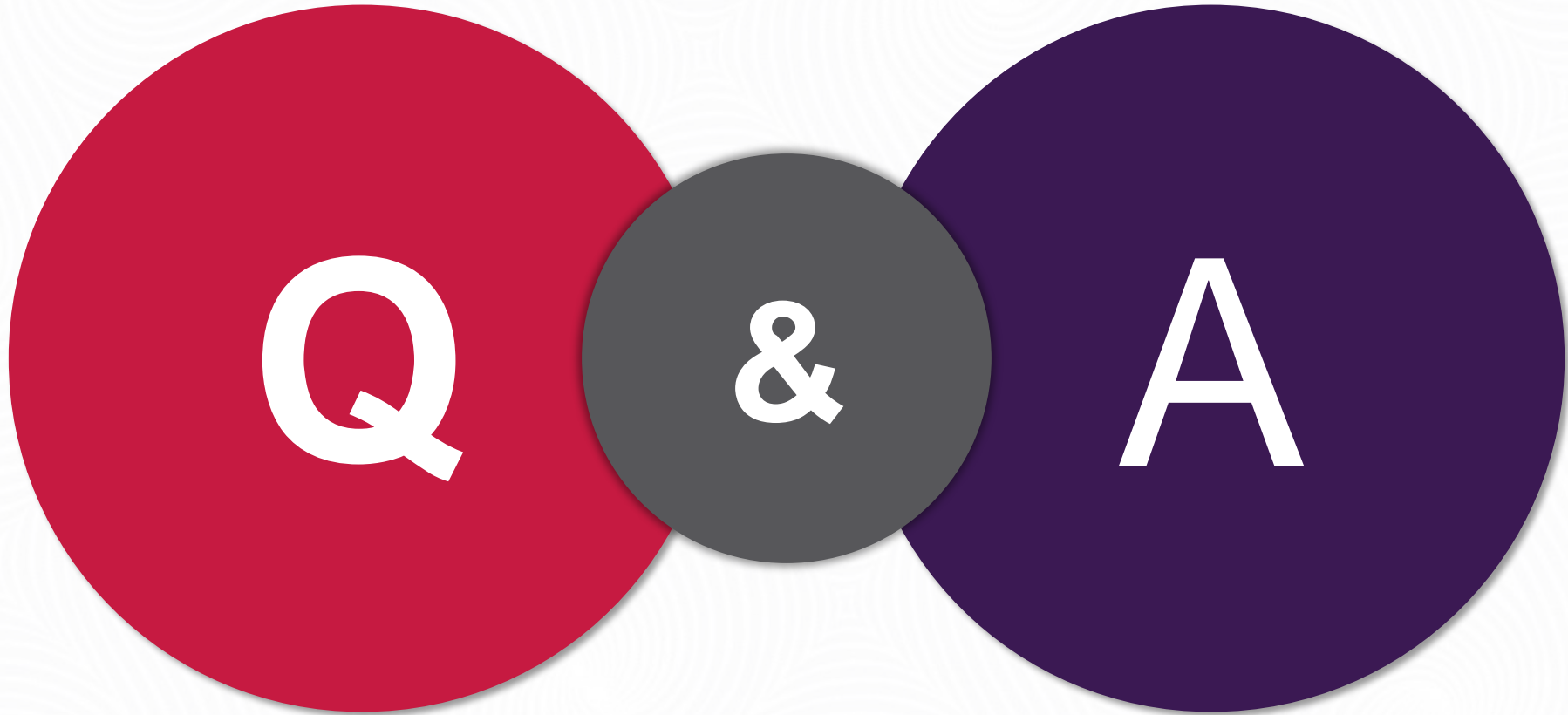


Pension fund contributions

- A funding update of the Group's defined benefit pension scheme (TWPS) at 29 March 2018 identified a deficit of £23 million
- Decision taken to fully repair the deficit with a bullet payment of £23 million in April 2018 triggering a suspension in regular contributions
- As at end of April 2018 the scheme was fully funded
- Contributions will only recommence if the funding level drops below 96%
- The Group will continue to cover scheme expenses (£2 million) and make contributions via the Pension Funding Partnership (£5.1 million)
- Total scheme contributions expected to be £34.1 million in 2018 (2017: £23.1 million) reducing to £7.1 million in 2019 assuming scheme funding levels of not less than 96%

Strong cash generation

- Cash generated by operations will continue to be obtained from high levels of profitability of at least 70% of operating profit under current market conditions
 - Land replacement cost similar to land cost of sales as land market remains benign
 - Modest increase in inventories as output continues to grow
- Increased investments in joint ventures and other fixed assets over the next few years
- Low interest costs due to low levels of debt
- Ordinary dividend will be paid through the cycle
- Excess capital returned to shareholders





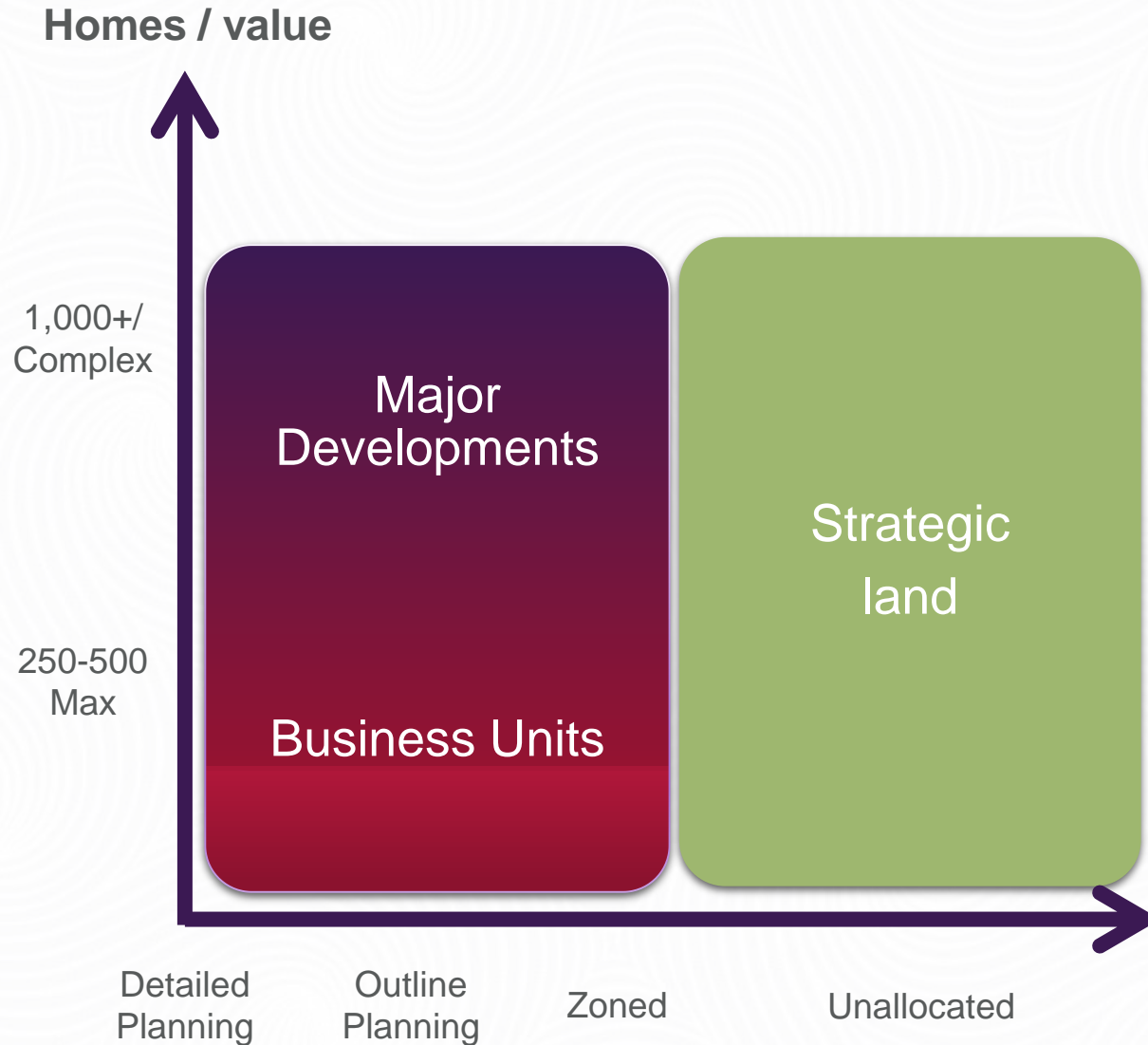
Major Developments
Lee Bishop
15 May 2018

Agenda



What is Major Developments?

How do we fit into Taylor Wimpey?

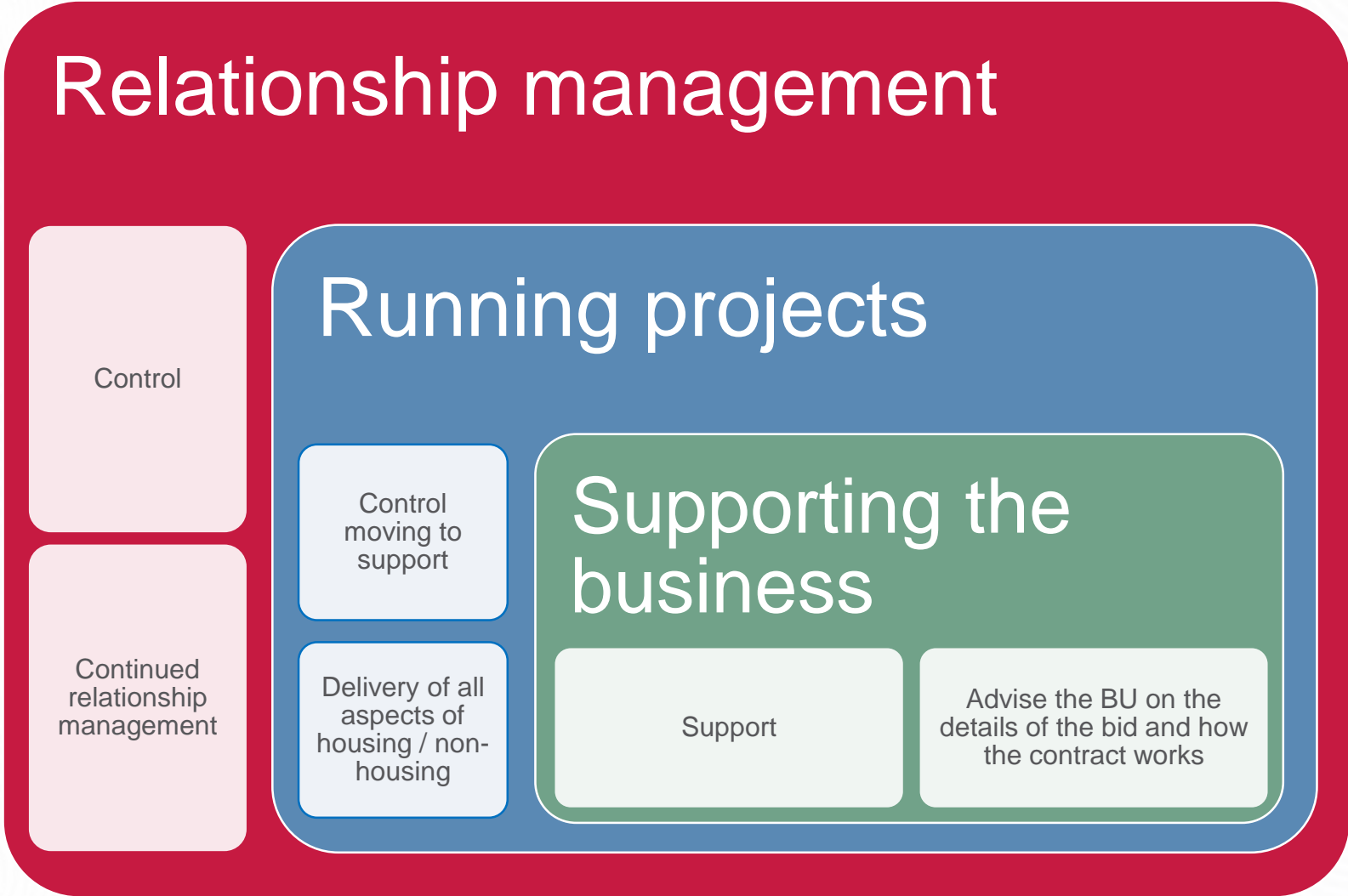


Opportunities that are:

- ✓ Large, typically 1,000 homes+
- ✓ Longer term delivery
- ✓ Control without commitment
- ✓ Complex by nature
- ✓ Partnerships / Joint Ventures

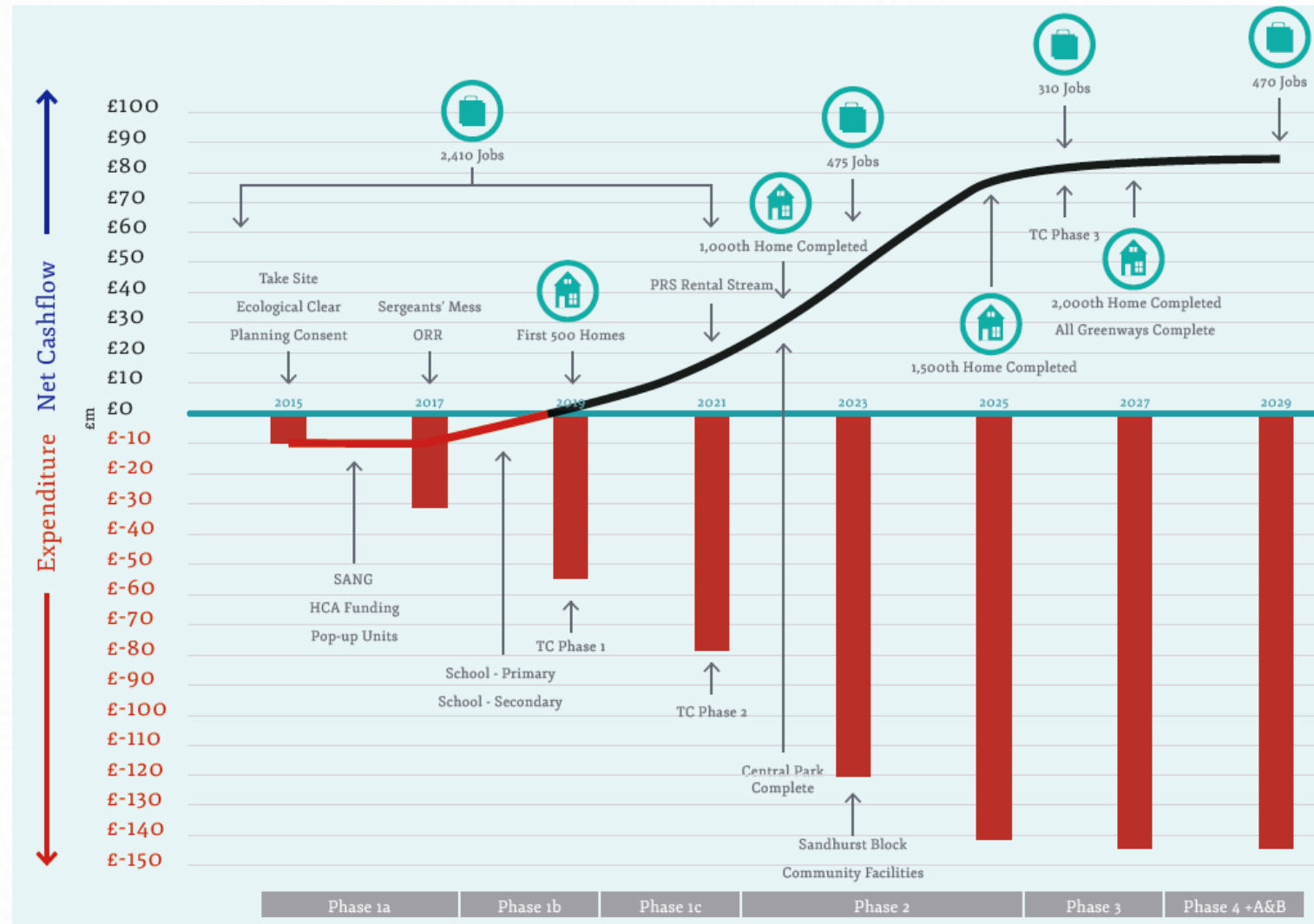
A 'normal' procurement





What is the benefit to Taylor Wimpey?

1. Shared risk and reward
2. Enhanced stakeholder relationships
3. Early delivery of placemaking
4. Security of landbank delivery
5. Improved cash flow position and ROCE position
6. Long term and future opportunities; controlled and managed



Projects underway



Direct delivery of new homes

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Total	102	170	340	360	395	200
TWD JV	40	40	40	55	40	70
Taylor Wimpey	20	20	20	28	20	35

Prince Philip Barracks, Bordon - Hampshire



Prince Philip Barracks, Bordon - Hampshire

- Mixed use developments over 18 years
 - 2,400 new homes
 - 250,000 sq ft town centre
 - Outer relief road
 - 6FE Secondary School, 2FE Primary School
 - 3,000 new jobs
- Entitled to 35% of all private housing, and have the option to deliver:
 - 100% of the affordable
 - 100% of any PRS / BTR / elderly care
 - 100% of any military housing
- Entitled to town centre and employment opportunities
- Receive a gainshare of land value and annual management fee
- DIO can put to us any other opportunities in 30 mile radius on same terms



WINSTANLEY & YORK RD.

Winstanley & York Road Regeneration - Battersea



Direct delivery of new homes

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Total	0	31	237	174	396	287
Taylor Wimpey	0	15	119	87	198	143

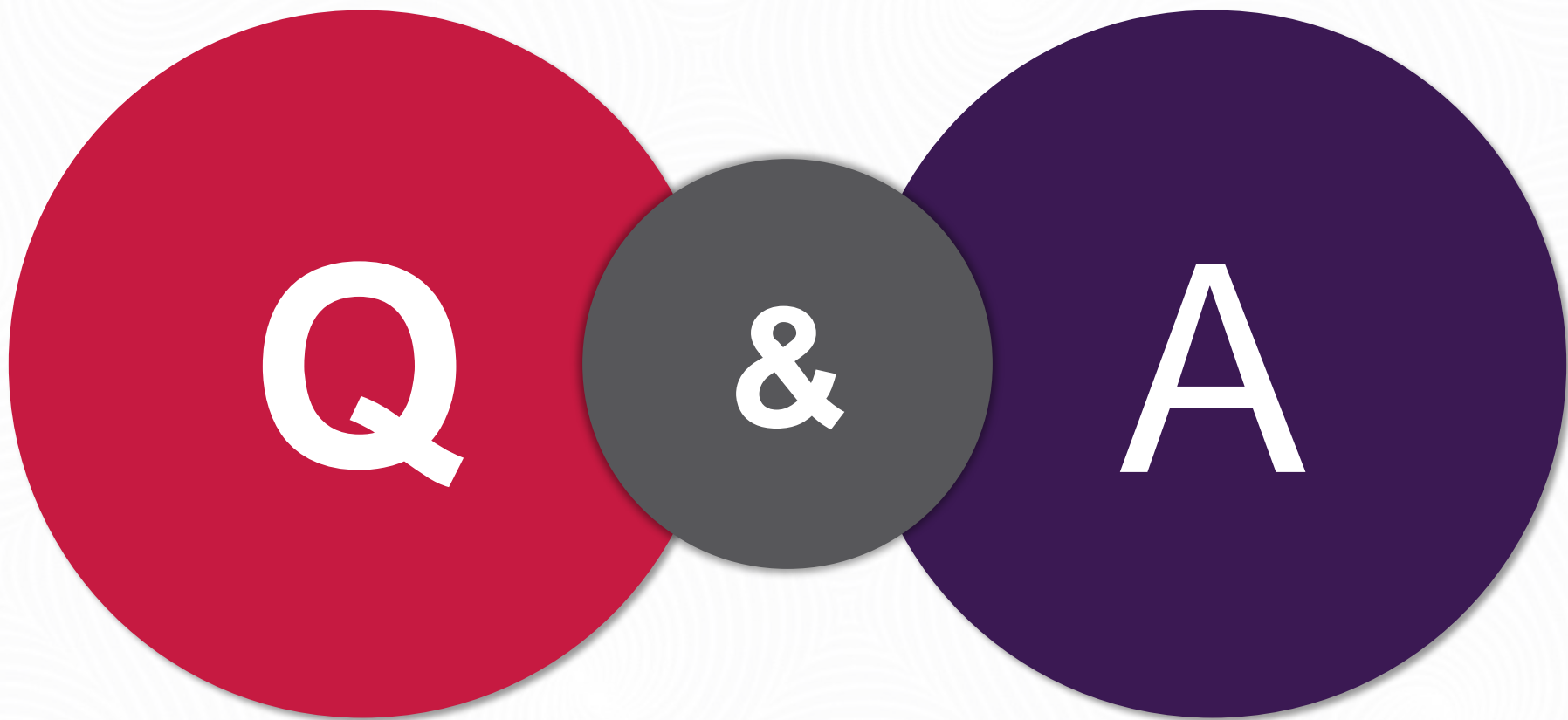
Winstanley & York Road Regeneration - Battersea

- JV partnership with Wandsworth Borough Council
- 2,775 homes anticipated across 12 years of development
 - 608 residents rehoused
 - 132 leaseholders exchange properties
 - New leisure centre, library and community centre
 - Creation of York Gardens will be a new London park
 - 311 PRS apartments with Legal & General
- £1.1 billion GDV, margin fixed, land value fluctuates
- Extension to Bramlands if vacant within 12 years (extra 500 apartments)
- Long term, sustainable social value enhancement:
 - Placemaking, meanwhile uses, employment, engagement

Our strategy for the future

Current opportunities

Garden villages & strategic releases	Estate regeneration	Infrastructure partnerships
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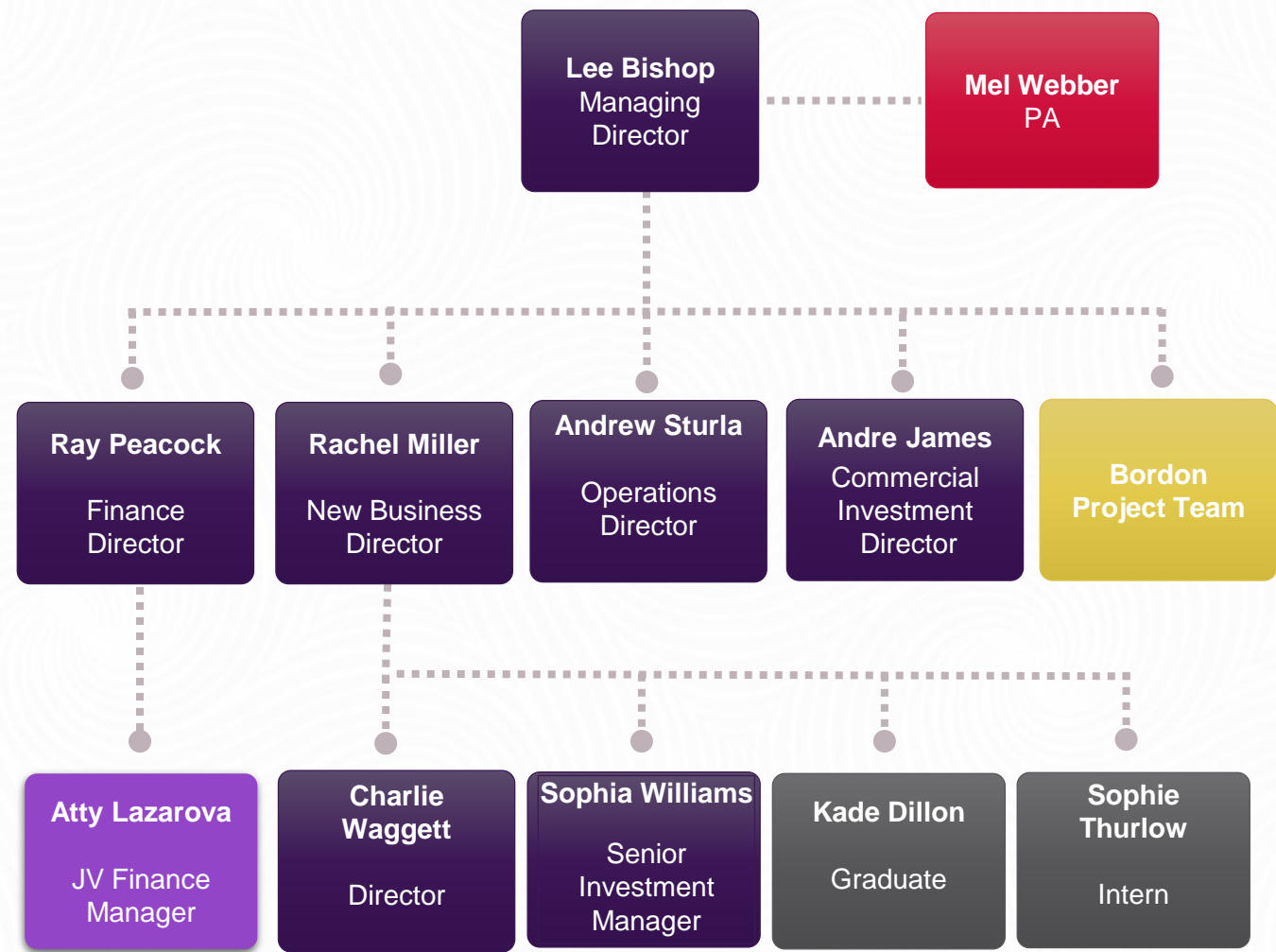


Appendix

Working with public and private organisations

- Government bodies
- Ex government / industry
- Private land holders
- Land promoters / enablers (infrastructure)
- Complementary developers
- RSLs (Registered Social Landlords)
- PRS (Private Rental Sector) investors
- Funders

Major Developments core team



A wealth of experience



LEE BISHOP
35yrs in industry
30yrs at TW



RACHEL MILLER
17yrs in industry
17yrs at TW



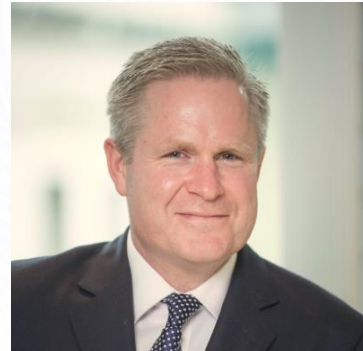
RAY PEACOCK
30yrs in industry
19yrs at TW



ANDRE JAMES
30yrs in industry
<1yr at TW



SOPHIA WILLIAMS
8yrs in industry
8yrs at TW



CHARLIE WAGGETT
3yrs in industry
3yrs at TW

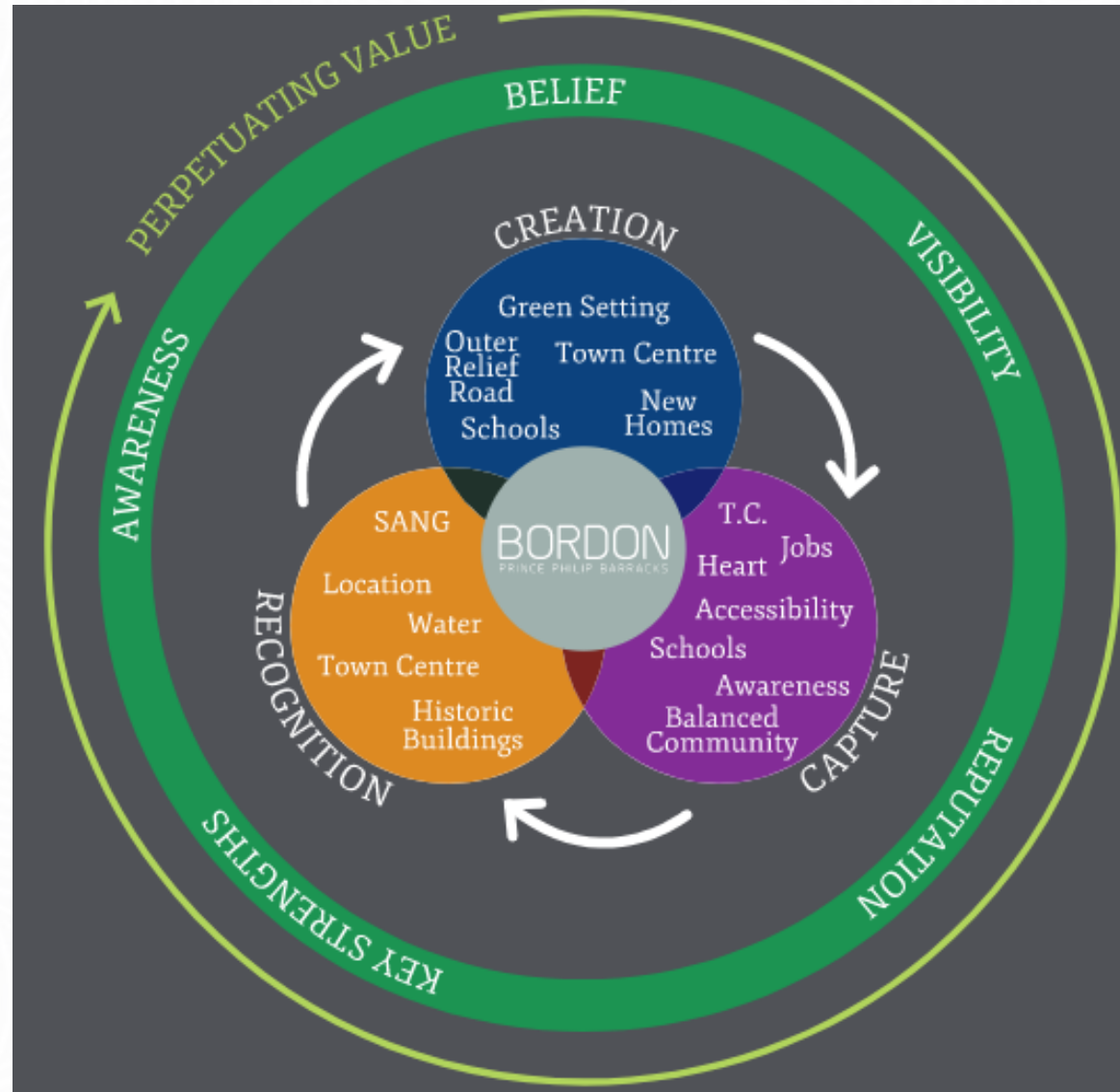


ANDREW STURLA
46yrs in industry
13yrs at TW

Bordon site overview



The Value Cycle



Social Value



Enhancing social value

- Understanding the background of the community
- Understanding the diversity of the area
- Being aware of the local difficulties
- Community cohesion
- Creating a sense of belonging and pride
- Seeking solutions to problems
- Working with the community on the journey

80 events reaching 6,796
people in 2017

2,550 Facebook followers

E-newsletters to 1,600
people

Merging old and new

- Regular joint events with town partnership
- Creating a community development group
- Linking social media
- Enabling access from old to new town
- Leaving newsletters in old town
- Regular personal visits to businesses



