

5 June 2020

Taylor Wimpey plc

Business update

Overview

- Progressing construction on majority of our sites across England and Wales, with Scottish sites now starting preparation for return to construction in line with Scottish Government guidance
- Majority of show homes and sales centres open in England, on an appointment only basis, with a very high level of demand for appointments
- All employees have now returned from furlough
- Health and safety remains top priority and teams are responding extremely well to new ways of working
- Order book remains strong with a healthy increase in reservations made in recent weeks
- Good level of interest in 5% discount scheme for NHS and care workers launched to recognise their significant and continuing contribution during the crisis
- Active in land market, progressing and starting to exchange on a number of sites, with increasing availability of attractive opportunities

Operational update

Construction

We have now restarted construction on the majority of our sites in England and Wales. Our first priority remains the health and safety of our customers, employees, subcontractors and wider communities, and we are extremely proud of the way our teams have adapted to the new ways of working. Our new site protocols have been implemented successfully and the new Taylor Wimpey COVID-19 Code of Conduct continues to receive strong support from our employees and subcontractors. These measures include detailed signage, phased sign-in times, strict protocols for social distancing, modification of welfare facilities and additional customised Taylor Wimpey PPE.

As our teams build experience in working under the Taylor Wimpey COVID-19 Code of Conduct, we are on track to reach meaningful production capacity from the end of June 2020. Our priority however remains scaling up operations in a controlled, safe and responsible way and delivering high quality homes to our customers. Our phased approach prioritises the protection of our customers, employees and subcontractors over the volumes achievable at these early stages.

Sales centres

Further to our announcement on 13 May, we have now safely reopened the majority of our sales centres and show homes in England, operating an appointment only service and with social distancing protocols in place. We will apply the same robust protocols after we receive support from the Scottish and Welsh Governments to resume trading from our sales centres in Scotland and Wales, which we hope will happen by early July.

Total Group completions (including joint ventures) in the 22 weeks to 31 May were 2,455 (2019 equivalent period: 4,052), reflecting the impact of site closures.

Our UK net sales rate has increased to 0.51 for week ending 31 May 2020 (2019 equivalent period: 0.85) and is now 0.72 for the five months to 31 May (2019 equivalent period: 0.99).

The UK order book has continued to increase and as at week ending 31 May 2020 its total value stood at approximately £2,779 million (2019: £2,515 million). This represents 11,228 homes (2019 equivalent period: 10,557 homes), excluding legal completions to date, of which 7,788 (69%) are exchanged (including affordable). We are operating on 231 selling outlets (2019 equivalent period: 255).

Cancellation rates have remained at a low level during the crisis. In the nine weeks since the start of lockdown there were 306 cancellations, which represents 5% of the private order book over that time (2019 equivalent period: 386 cancellations and 6% of the private order book).

Forward indicators have improved since reopening our sales centres in England and we have experienced a strong level of interest with a threefold increase in appointment bookings made in the week to 31 May 2020 and a 32% increase in website traffic compared to the same period last year. All of our digital methods of sale are becoming increasingly effective.

Active in the land market with increased opportunities

The COVID-19 pandemic disrupted activity in the land market in March and April with many deals agreed prior to the crisis not completing and with significantly reduced appetite for new land from many housebuilders and other land buyers.

Despite putting discretionary land spend on temporary hold early in the lockdown, we have maintained an active dialogue and strong relationships with land vendors and agents and are beginning to see increased opportunities on favourable terms, as a result of these strong relationships.

We are currently assessing a number of land opportunities across the country comprising a mix of small, medium and large sites in high quality locations and see an opportunity to balance the mix of our land portfolio in line with our strategy as outlined in February, and with the potential to embed future growth in our business over the medium term. We have also contracted on a small number of early purchases. Given the current backdrop, we expect the number of attractive land opportunities to grow over the coming months.

Employees

All of our employees have now returned to work as of the beginning of June with none remaining on furlough. Many are still working from home, including those shielding or those who are shielding someone vulnerable. It remains our policy not to ask anyone to return physically to work, if they do not feel it is safe for them to do so. Our offices remain closed to

all but essential visits and our office-based employees and a large number of our Sales Executives continue to work remotely from home. We continue to regularly communicate with our employees through a number of different channels and are pleased that engagement remains at a very high level.

Making a difference to our customers

Customer service is a key priority and we continue to keep our customers regularly updated on our actions to support them. We have written to all customers to extend our two-year warranty free of charge for all customers in warranty, at any point in the lockdown, by two months in England and Wales, and three months in Scotland, reflecting the length of the effective lockdown of construction.

Following customer feedback, we have also extended our video appointments and virtual show home tours for our customers. We are pleased to continue to be recognised as the 'Most recommended housebuilder' on Trustpilot, based on the number of 'excellent' reviews.

Making a difference in our communities

Together with our teams across the country, we have been proud to extend our support to a number of charities, care homes and our wider communities, making a difference where we can.

We recently launched our care worker discount scheme, recognising the significant and ongoing contribution made by care workers during the COVID-19 pandemic. This scheme offers a 5% discount to the purchase price of a new home that will legally complete in 2020 or 2021 and we are pleased that there has been a strong level of interest so far.

We are extremely proud of our employees who, as well as raising and contributing money directly, have volunteered their time to supporting the NHS, care homes and their local communities, making and delivering vital PPE, volunteering their time as NHS responders and delivering medical and food supplies.

We have also worked with St Mungo's to help deliver 3,000 food boxes and help set up a distribution hub as well as donating laptops to seven hospices, through CRASH. To date, we have procured and delivered 120,000 face masks, 75,000 pairs of gloves and 120,000 aprons to care homes and manufactured and delivered over 800 reusable face shields.

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Notes to editors:

Taylor Wimpey plc is a customer-focused residential developer, operating at a local level from 24 regional businesses across the UK. We also have operations in Spain.

For further information, please visit the Group's website:

www.taylorwimpey.co.uk

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