Taylor Wimpey plc

Half Year Results Presentation
for the six months to 28 June 2020

29 July 2020

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Agenda

UK operational overview

Pete Redfern

Financial review and guidance

Chris Carney

Priorities, tactics and outlook

Pete Redfern

Taylor Wimpey plc

UK operational overview

Pete Redfern

Chief Executive

Emerging from the crisis in a position of strength

Proactive management through crisis

- Prioritised health and safety
- Positive interactions with customers, employees and subcontractors
- Fast mobilisation due to investment in IT / agile working
- Supporting subcontractors with Pay It Forward scheme
- Delivering PPE to care homes and NHS

Operational strength and planning

- Decisive and transparent decisions to stop and restart operations
  - Detailed plan and effective communication of site return
- Benefit of investments:
  - Site teams and quality
  - Customer service (protect and grow order book)
- Strong cost discipline and balance sheet throughout

Near term opportunities / long term strategy

- Resilient business model, long term strategy intact
- Improved flexibility of service for customers
- Equity raise:
  - Buying land at right time to maximise shareholder value
  - Existing operating structure to support land acquisitions

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Operating overview

Production

- Safe and steady return to sites with capacity of c.80% achieved
- Implications to costs and speed of build likely to be largely limited to 2020
- Continued to open new outlets

Sales

- IT systems allowed us to successfully work throughout the crisis
- Returned to sales offices with strong demand for visits by appointment only
- Good sales recovery with average sales rate since reopening of 0.70 per outlet per week
- Progress with digital offering and opportunity to do things differently going forward

Suppliers and contractors

- All major trades back on site and working well under COVID-19 Secure protocols
- Enhanced communication and working relationships with suppliers and contractors
- No major bottlenecks encountered so far

Medium to long term structural backdrop remains favourable

Political environment

- Government recognition of importance of housebuilding to economy
- Welcome steps Government has taken to work with sector during the crisis
- Sustained desire to increase housebuilding volumes
- Ongoing improvement of planning environment

Housing market and cycle

- Significant impact of crisis on 2020 and 2021 industry volumes
- Prices stable – HPI shown modest increases over recent years, no ‘boom’ to precede a ‘bust’
- Historic low interest rates and supportive mortgage environment

Risks

- Unemployment increasing
- Help to Buy changes in pipeline, mitigation in place
- New regulations and policies, particularly around the environment

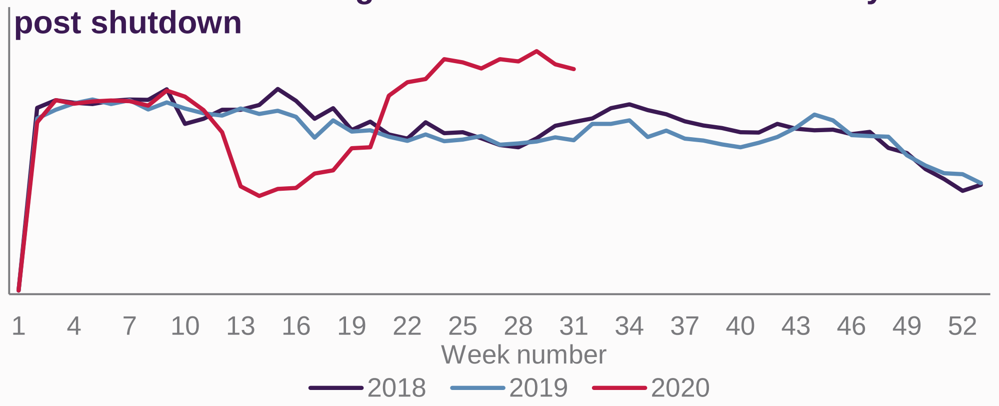
Customer drivers remain solid and risks manageable

Positive sales momentum and forward indicators

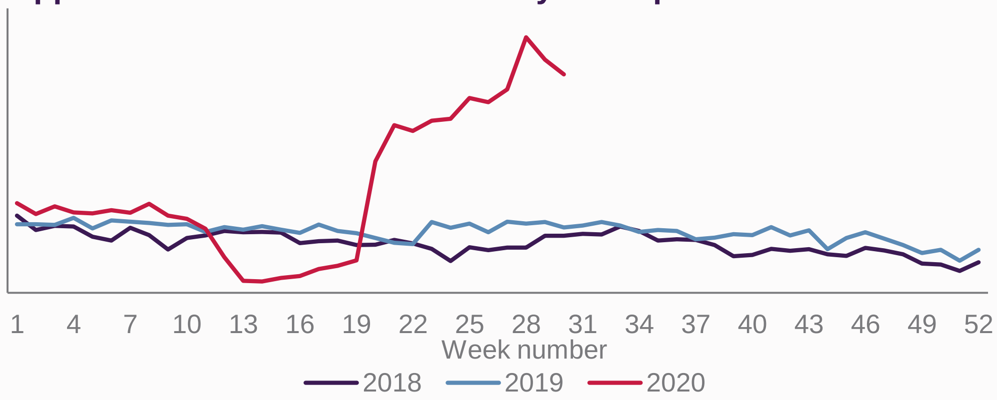
	First quarter pre-shutdown	During shutdown weeks 14-21	Post shutdown weeks 22-30
Average outlets open	240	231*	243
Net private sales rate per outlet per week	0.97	0.30	0.70
Cancellation rate (private)	15%	29%	30%
Cancellations per week as % of private order book	0.8%	0.5%	1.1%
Order book units	10,917	11,152	12,014
Order book value £m	2,688	2,757	3,022
% of order book exchanged	69%	70%	67%

- As at 26 July 2020 c.97% forward sold for private completions for 2020 (2019 equivalent period: 87%) and are building our order book for 2021

Customer interest – organic website visits increased by 50% post shutdown**



Appointments booked increased by 206% post shutdown



* All outlets were physically shut down but an average of 231 outlets remained open digitally
** Organic traffic i.e. traffic via a search engine, to our plot and development pages

NHS and care workers discount scheme

Reservations	H2 2020 (w/e 26 July 2020)	H1 2020
Order book £m	324.4	228.6
Order book units	1,164	830
Order book ASP £000	279	275

Completions	H2 2020 (w/e 26 July 2020)	H1 2020
Legal completions	42	6
ASP	319	422

- Net private sales rate for the year to date excluding care worker discount scheme is 0.62

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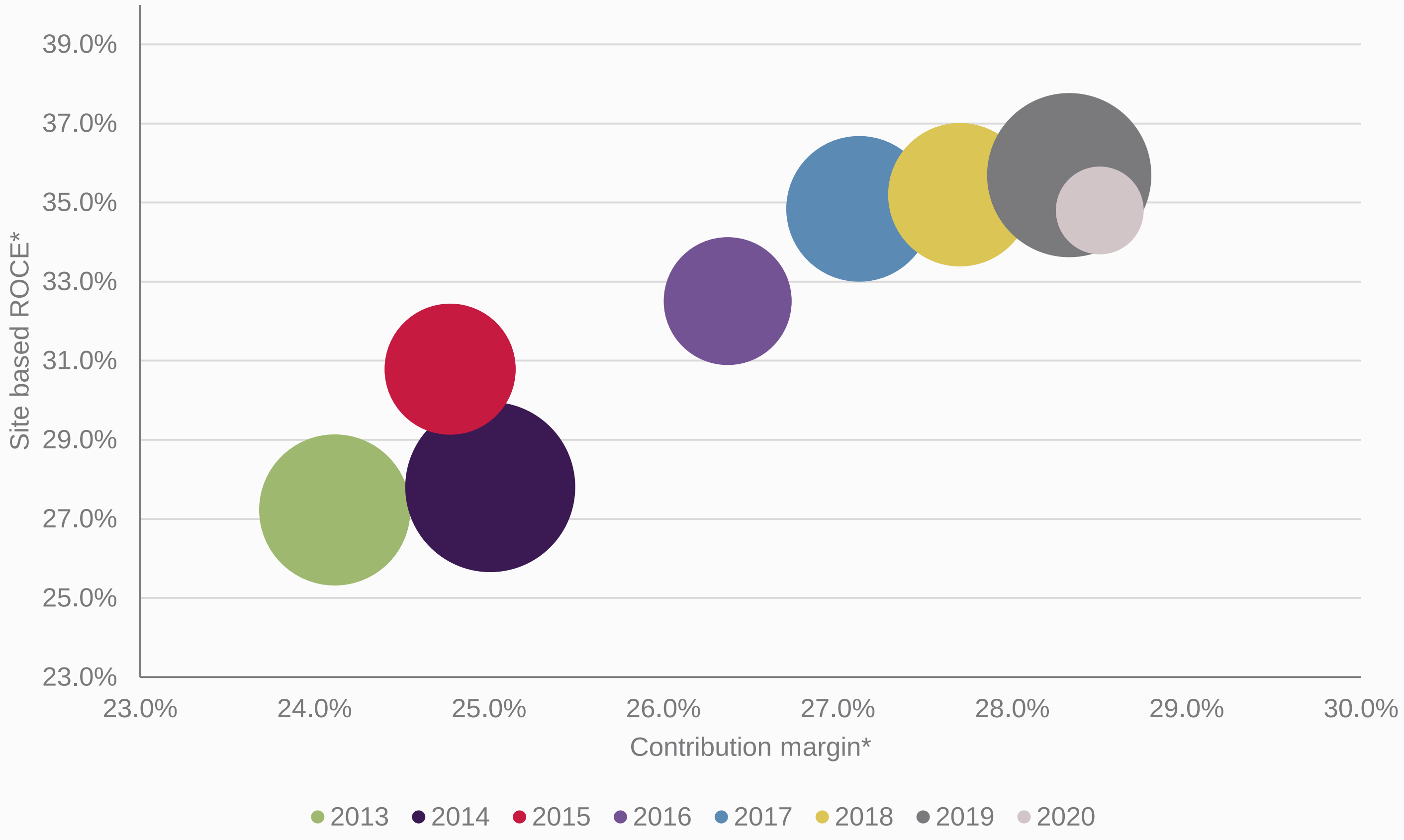
Land – significant near term land market opportunities

- Raised equity of c.£510 million net proceeds to pursue attractive land opportunities over next 6-12 months due to market dislocation
- Number of opportunities and strength of our negotiating position continues to improve
- Ability to add smaller sites at more favourable returns than previously available
- Since recommencing land activity in Q2 2020, we have approved or contracted 26 land deals at a total cost of £346 million
    - Average return on capital of c.35% and average operating margin* above c.21-22% medium term target with average site size of 237 plots
    - Broad geographical spread across all three divisions
    - Opportunities across the South particularly interesting
- Pipeline continues to build, now over 80 sites and almost 30,000 plots under discussion and consideration
- Continuing to focus on geographic spread, smaller sites and delivering attractive returns and margins

Our high-quality landbank is a key competitive advantage and value driver, increasing land buying now to benefit shareholder returns over coming years

*See definitions slide in the appendix

Quality additions to a strong landbank



- Approved 5,167 plots in H1 2020 (H1 2019: 5,846 plots) at average contribution margin of 28.5% and ROCE of 34.8%
- Six sites, with average plots of 166, approved since the end of June
- Short term landbank stood at c.77k plots at the end of June 2020 (Dec 2019: c.76k plots)
- Strategic land pipeline was c.138k potential plots at the end of June 2020 (Dec 2019: c.140k potential plots)
- Converted 2,501 strategic pipeline plots into the short term landbank in H1 2020
- 55% of H1 2020 completions were sourced from the strategic land pipeline

At current costs and current selling prices in year of acquisition

* See definitions slide in the appendix

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Financial review and guidance

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Chris Carney
Group Finance Director

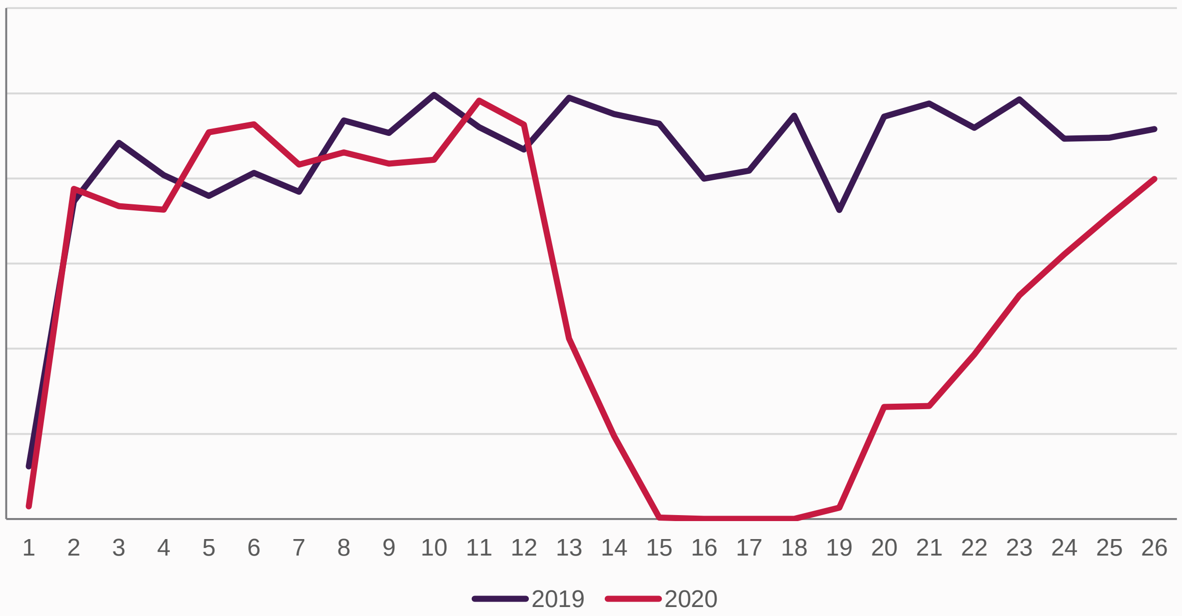
Summary Group results

£m (before exceptional items)	H1 2020	H1 2019	Change	FY 2019
Revenue	754.6	1,732.7	(56.4)%	4,341.3
Gross profit*	91.0	409.6	(77.8)%	1,044.1
Gross profit margin %	12.1	23.6	(11.5)ppt	24.1
Operating (loss) / profit*	(16.1)	311.9	-	850.5
Operating margin %	(2.1)	18.0	(20.1)ppt	19.6
(Loss) / profit before tax and exceptional items	(29.8)	299.8	-	821.6
Adjusted basic (loss) / earnings per share* pence	(0.7)	7.4	-	20.3
Tangible NAV per share* pence	102.8	102.2	0.6%	100.5
Return on net operating assets* %	16.8	29.4	(12.6)ppt	31.4

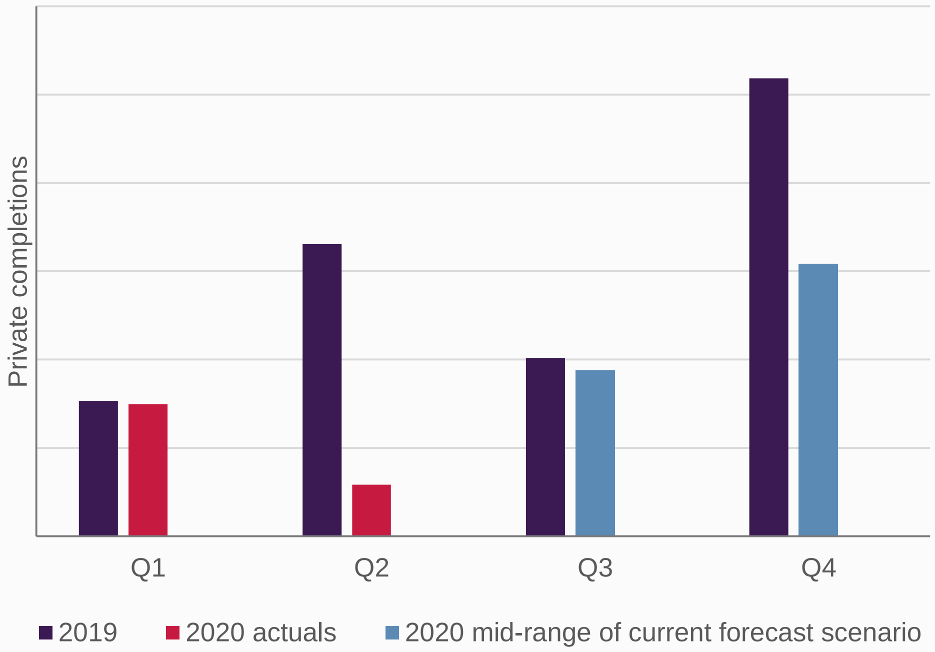
* See definitions slide in the appendix

Impact of COVID-19 on build output and quarterly private completions profile

Build output by week



Private completion delivery



- Sites and sales centres closed from 23 March
- Remobilisation started on sites in England and Wales on 4 May
- Show homes and sales centres in England re-opened on 22 May

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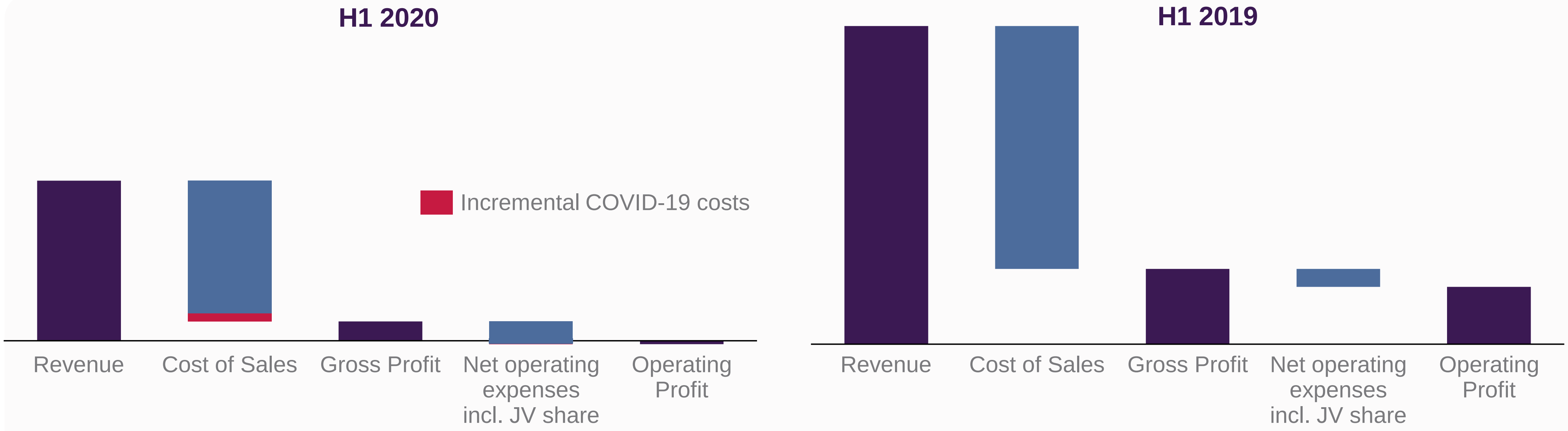
Impact of COVID-19 on operating profit



- COVID-19 costs of £39.2 million include:
  - Site overheads during closure period – normally capitalised to WIP, but expensed in the period
  - Inefficient element of site overheads during remobilisation, extending site durations – normally capitalised to WIP, but expensed in the period
  - Incremental costs incurred directly as a result of COVID-19

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Indicative movements in UK operating margin

H1 2019 to H1 2020	Annual change	Impact on H1 2020 income statement (ppt)
Market inflation on selling prices	c.1.2%*	0.8
Market inflation on build cost	c.3.0%	(1.7)
Net economic benefit captured		**(0.9)**
Market impact of landbank evolution		-
Net market impact		**(0.9)**
Investment in quality and business improvement		(0.9)
Change in land mix		(0.6)
Impact of fixed elements of build costs		(1.8)
Direct selling expenses		(2.8)
Net operating expenses		(8.2)
Incremental COVID-19 costs		(5.3)
Share of JV profits		(0.2)
Total UK operating margin movement		**(20.7)**

* Source: Adjusted average of latest Nationwide regional data (weighted based on regional HPI prevailing at time of reservation)

UK performance summary

	H1 2020	H1 2019	Change	FY 2019
Legal completions – excl JVs	**2,713**	**6,432**	**(57.8)%**	**15,520**
Private	2,076	4,838	(57.1)%	12,043
Affordable	637	1,594	(60.0)%	3,477
Average selling price – excl JVs	**269**	**261**	**3.1%**	**269**
Private £000	307	301	2.0%	305
Affordable £000	144	139	3.6%	141
Legal completions – JVs	35	66	(47.0)%	199
Share of results – JVs £m	(1.8)	(0.2)	-	8.0
Gross profit margin* %	**11.6**	**23.6**	**(12.0)ppt**	**23.8**
Operating (loss) / profit £m	**(19.6)**	**303.8**	**-**	**818.4**
Operating margin %	**(2.7)**	**18.0**	**(20.7)ppt**	**19.4**

* Gross profit margin is inclusive of incremental COVID-19 costs

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Summary Group balance sheet

Group £m	28 June 2020	30 June 2019	Change	31 Dec 2019
Long term assets and JVs	134.9	122.4	12.5	115.3
Land	2,806.3	2,809.8	(3.5)	2,735.9
WIP	1,737.1	1,605.2	131.9	1,460.1
Debtors	186.0	236.4	(50.4)	204.7
Land creditors	(630.6)	(717.7)	87.1	(729.2)
Other creditors	(745.6)	(825.6)	80.0	(773.2)
Pensions and post retirement benefits	(114.7)	(103.6)	(11.1)	(85.0)
Provisions	(129.6)	(145.2)	15.6	(128.4)
Net operating assets*	**3,243.8**	**2,981.7**	**262.1**	**2,800.2**
Accrued dividends	-	(350.0)	350.0	-
Tax	14.1	(16.1)	30.2	(38.1)
Net cash*	497.3	392.0	105.3	545.7
Net assets	**3,755.2**	**3,007.6**	**747.6**	**3,307.8**
Tangible NAV per share	**102.8p**	**102.2p**	**0.6p**	**100.5p**

- Growth in net operating assets of 8.8%
- Tangible NAV per share growth of 0.6%

* See definitions slide in the appendix

Group cashflow

Group £m	H1 2016	H1 2017	H1 2018	H1 2019	H1 2020
Operating profit / (loss)	**281.2**	**350.5**	**344.3**	**311.9**	**(16.1)**
Payments to the pension scheme	(12.7)	(12.3)	(31.6)	(25.1)	(14.8)
Increase in net land	(109.3)	(9.0)	(40.3)	(80.1)	(167.5)
Increase in WIP and other	(199.6)	(123.0)	(77.4)	(222.7)	(276.9)
Operating cash (outflows) / inflows	**(40.4)**	**206.2**	**195.0**	**(16.0)**	**(475.3)**
Cash conversion %*	*55.0%*	*103.7%*	*86.4%*	*71.3%*	*46.5%*
Net interest and tax	(4.5)	(63.8)	(66.9)	(73.0)	(38.7)
Exceptional payments	-	-	(8.9)	(11.5)	(7.8)
Other investing and financing	(23.2)	(3.3)	(26.1)	(27.4)	473.4
Dividends paid	(38.5)	(74.8)	(79.8)	(124.2)	-
(Decrease) / increase in net cash	**(106.6)**	**64.3**	**13.3**	**(252.1)**	**(48.4)**

* See definitions slide in the appendix

Financial priorities

- Maintaining focus on cost management and margin
  - Work closely with subcontractors and suppliers to achieve a competitive and sustainable cost base
  - Follow through with implementation of systems improvements to drive efficiencies (e.g. tender management, workflow, valuation ticks)
  - Drive benchmark savings, supply chain savings and reductions to dayworks and variations
- Returning to strong cash generation
  - Tight cash management via daily, weekly and monthly forecasts
  - Supporting our subcontractors through the crisis
- Retaining a strong balance sheet position

2020 guidance

Completions	Volumes impacted by COVID-19 shutdown, c.40% lower than 2019
Year end net cash	c.£550-£750 million
Build cost inflation	c.3%
Finance charges	c.£25 million (c.£10 million cash)
JV share of profit	Similar levels to 2019
Dividends	Expect to resume ordinary dividend payment (2020 final) in 2021 Review special dividend in 2021 for payment in 2022

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Priorities, tactics and outlook

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Pete Redfern

Chief Executive

Our priorities

Do the right thing and show our leadership

Deliver quality homes and as close to ‘normal service’ to our customers as possible

Build on the skills and responsiveness of the business to adapt to change

Manage costs now and challenge the underlying cost base going forward

Use the opportunity to make great land investments and grow the outlet base

Accelerating out of the shutdown period

Proactive response reinforces key stakeholder relationships	• Early closure of sites and sales centres to plan and communicate a safe and responsible reopening • Operating majority of sales centres and show homes with high levels of demand for appointments since reopening • Restarted construction on majority of sites in May – up to c.80% of site capacity from end of June with further improvement expected • Collaborative approach with suppliers and subcontractors – visibility to help them mobilise alongside us, easing friction • Supported subcontractor base financially via the Pay It Forward scheme, bolstering those relationships
Well positioned for 2021 and 2022	• Having invested in resources, processes and systems, now able to deliver the value • Continuing to progress and open new outlets while controlling the pace of WIP investment – volume impact of crisis visible in 2020 / 2021 • Strong balance sheet further strengthened by the placing • Retain a highly engaged and motivated workforce
Retain the positives from dealing with the crisis	• Community reputation and customer trust, building the brand • Enhanced communication and dialogue with all employees • Serving customers in a new way – increasing digital offering and flexibility • Benefits of flexible and remote working • Benefits of enhanced supplier and subcontractor relationships

Differentiators demonstrated through challenging first half

1. Strong culture and values

Investing in our people and supporting our partners

2. Renewed focus on sustainability

Continued to progress quality, customer care and biodiversity and carbon goals

3. Quality landbank and strong balance sheet

Equity raise enabling accelerated land purchases, maintaining a strong balance sheet

4. Growth from responding to land opportunity

Investing in the landbank now to produce future enhanced returns and cash generation for investors

5. Cash generation and reliable shareholder returns

Expect to recommence ordinary dividend payments in 2021

Outlook

- Strong 2020 visibility – c.97% forward sold for private completions with strong and growing order book, with very limited availability of homes for customers to move into in 2020
- Now operating at c.80% production capacity with further improvement expected in Q4
- Robust demand with strong forward indicators
- Good early progress adding land following equity raise
- Interest rates remain at an historic low and continue to support affordability
- Political support for the wider industry has been robust and is expected to continue
- Mortgage finance continues to be available and we welcome the signals from the banks and Government to continue to lend to and support homebuyers
- Potential near term uncertainty in unemployment levels
- Group well positioned for further recovery in H2 2020 and 2021 as build capacity normalises

Expect to emerge from this period in a strong competitive position

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Appendices

Half Year Results Presentation
for the six months to 28 June 2020

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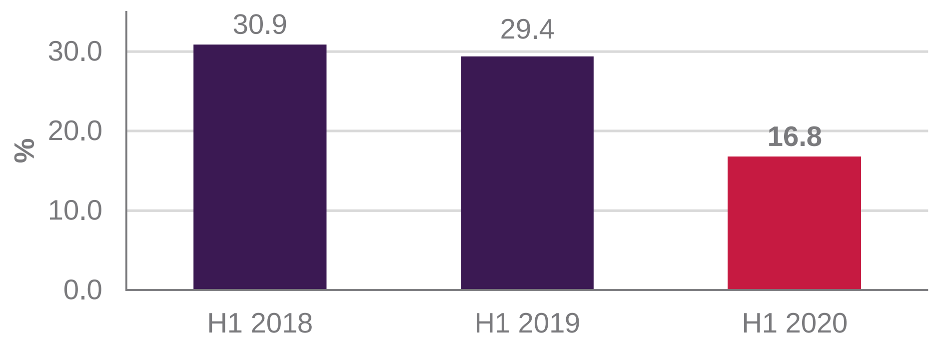
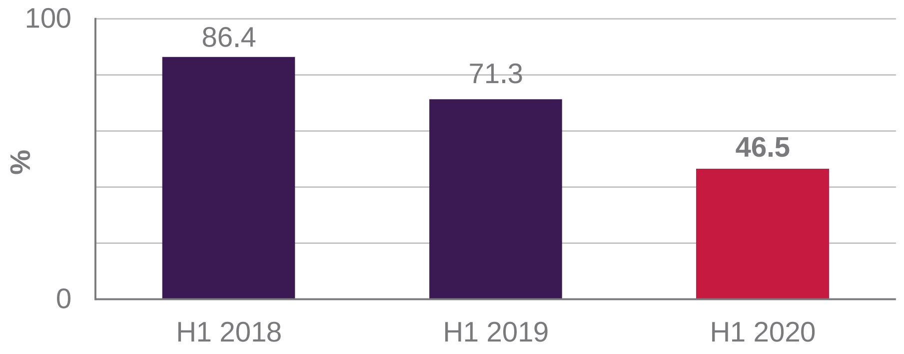
Group financial highlights

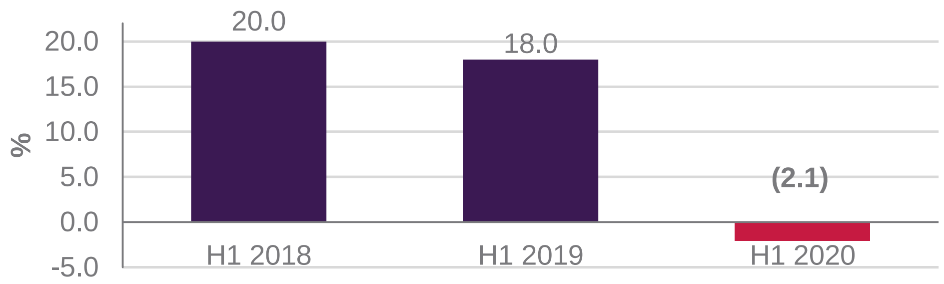
Return on net operating assets



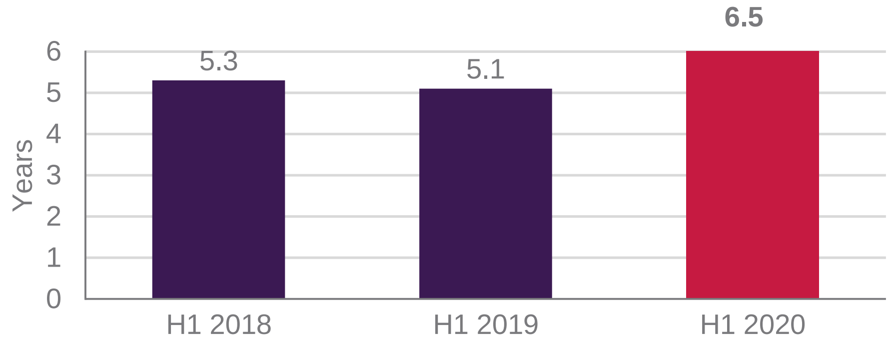
Cash conversion



Operating margin



Landbank years



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H1 2020 operational performance – our KPIs

Customer	H1 2020	H2 2019	H1 2019	FY 2019
Customer satisfaction – would you recommend 8-week score %*	91	90	89	89
Customer satisfaction – would you recommend 9-month score %**	76	78	77	77
Build quality				
Construction Quality Review – average score out of 6	4.31	4.22	4.05	4.13
Average reportable items per inspection	0.26	0.29	0.28	0.28
Land and planning				
Land cost as % of ASP on approvals	20.1	14.1	21.2	16.2
Landbank years	c.6.5	c.4.8	c.5.1	c.4.8
Completions from strategically sourced land %	55	55	58	56

KPIs for UK only
* The 8-week 'would you recommend' score for H1 2020 relates to customers who legally completed between October 2019 and March 2020, with the comparators relating to the same period in the prior years
** The 9-month 'would you recommend' score for H1 2020 relates to customers who legally completed between October 2018 and March 2019, with the comparators relating to the same period in the prior years

H1 2020 operational performance – our KPIs

Efficiency	H1 2020	H2 2019	H1 2019	FY 2019
Net private sales rate per outlet per week	0.70	0.92	1.00	0.96
Private legal completions per outlet	8.8	29.7	18.8	48.2
Order book value £m	2,904	2,176	2,366	2,176
Order book volume – number of homes	11,686	9,725	10,137	9,725
Employee				
Employee turnover (voluntary)* %	11.1	12.9	12.9	12.9
Number of people recruited into early talent programmes: graduates, management trainees and site management trainees*	98	116	152	116
Directly employed key trades people including trade apprentices	1,110	1,169	821	1,169
Health and Safety Injury Incidence Rate** (per 100,000 employees and contractors)*	130	156	241	156

KPIs for UK only
* Rolling 12 months
** See definitions slide in the appendix

Summary income statement*

Group £m	H1 2020	H1 2019	Change	FY 2019
Revenue	754.6	1,732.7	(56.4)%	4,341.3
Cost of sales	(663.6)	(1,323.1)	(49.8)%	(3,297.2)
Gross profit	**91.0**	**409.6**	**(77.8)%**	**1,044.1**
Net operating expenses	(105.3)	(97.5)	8.0%	(201.6)
(Loss) / profit on ordinary activities before finance costs and tax	**(14.3)**	**312.1**	**-**	**842.5**
Net finance cost	(13.7)	(12.1)	13.2%	(28.9)
Share of results of JVs	(1.8)	(0.2)	-	8.0
(Loss) / profit before tax	**(29.8)**	**299.8**	**-**	**821.6**
Tax charge	6.6	(57.8)	-	(159.3)
(Loss) / profit for the period	**(23.2)**	**242.0**	**-**	**662.3**

* Before exceptional items

Cash flow summary

Group £m	H1 2020	FY 2019	H2 2019	H1 2019
(Loss) / profit from ordinary activities before finance costs*	(24.3)	856.8	544.7	312.1
(Increase) / decrease in inventories	(423.8)	(21.7)	218.2	(239.9)
Exceptional items charge / (credit)	10.0	(14.3)	(14.3)	-
Other operating items**	(37.2)	(118.6)	(30.4)	(88.2)
Cash generated by operations	**(475.3)**	**702.2**	**718.2**	**(16.0)**
Payments relating to exceptional charges	(7.8)	(36.8)	(25.3)	(11.5)
Tax paid	(34.1)	(149.0)	(77.5)	(71.5)
Interest paid	(6.5)	(6.4)	(3.1)	(3.3)
Net cash (used in) / from operating activities	**(523.7)**	**510.0**	**612.3**	**(102.3)**
Investing activities	(26.4)	(8.6)	15.2	(23.8)
Financing activities	519.9	(602.6)	(476.9)	(125.7)
Cash flow for the period	**(30.2)**	**(101.2)**	**150.6**	**(251.8)**
Opening net cash	**545.7**	**644.1**	**392.0**	**644.1**
Cash (outflow) / inflow***	(43.7)	(101.2)	150.6	(251.8)
Foreign exchange	(4.7)	2.8	3.1	(0.3)
Closing net cash	**497.3**	**545.7**	**545.7**	**392.0**

* See definitions slide in the appendix
** Includes other non-cash items, movement in receivables and payables and pension contributions
*** Includes movements in debt balance

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Group segmental analysis

	H1 2020			H1 2019			FY 2019		
	Operating (loss)/ profit £m	Operating margin %	RONOA %	Operating profit £m	Operating margin %	RONOA %	Operating profit £m	Operating margin %	RONOA %
North	(3.2)	(1.2)	18.1	134.4	20.7	34.2	320.0	20.7	37.1
Central and South West	22.3	8.5	24.2	124.8	20.9	39.7	316.2	21.8	39.9
London and South East	(5.2)	(2.5)	13.5	71.2	16.0	22.0	234.9	19.3	22.8
Corporate	(33.5)	-	-	(26.6)	-	-	(52.7)	-	-
UK	**(19.6)**	**(2.7)**	**16.4**	**303.8**	**18.0**	**29.2**	**818.4**	**19.4**	**31.1**
Spain	3.5	17.2	30.4	8.1	19.7	38.6	32.1	26.7	45.5
Group	**(16.1)**	**(2.1)**	**16.8**	**311.9**	**18.0**	**29.4**	**850.5**	**19.6**	**31.4**

UK landbank

- Land cost in short term owned landbank is 14.8% of ASP (H1 2019: 15.3%), supported by strategic pipeline conversions
- Land cost as % of ASP on H1 2020 approvals of 20.1% (H1 2019: 21.2%)
- Potential revenue in the landbank at 28 June 2020 was £54 billion (31 Dec 2019: £53 billion), comprising short term land of £23 billion (31 Dec 2019: £21 billion) and strategic land of £31 billion (31 Dec 2019: £32 billion)

	Land cost on balance sheet £m 28 June 2020	Number of plots 28 June 2020	Land cost on balance sheet £m 31 Dec 2019	Number of plots 31 Dec 2019
Short term owned	2,306	54,201	2,309	54,641
Short term controlled	115	23,137	136	20,971
Total short term	**2,421**	**77,338**	**2,445**	**75,612**
Strategic owned*	189	35,628	97	33,329
Strategic controlled*	93	102,161	94	106,895
Total strategic*	**282**	**137,789**	**191**	**140,224**
Total landbank	**2,703**	**215,127**	**2,636**	**215,836**

Data includes JV plots
* Excludes land with less than 50% certainty of achieving planning permission

Net private sales by price band

Net private sales	<£200k	£201k – £250k	£251k – £300k	£301k – £450k	£451k – £600k	£601k – £1m	>£1m	Total
North	556	570	444	346	44	5	-	1,965
Central and South West	62	225	364	625	118	10	-	1,404
London and South East	41	62	85	422	224	102	38	974
Total	**659**	**857**	**893**	**1,393**	**386**	**117**	**38**	**4,343**
Total	**15%**	**20%**	**20%**	**32%**	**9%**	**3%**	**1%**	**100%**

Central London market performance

	H1 2020	H2 2019	H1 2019	H2 2018	H1 2018
Average outlets open	4	5	6	7	8
Private sales rate (net)	0.59	1.12	0.54	0.36	0.47
Private sales price £000	1,158	1,035	1,006	1,092	896
Cancellation rate (private)	30%	14%	24%	39%	12%

Data based on reservations excluding JVs

Financing

- On 18 June 2020 the Company successfully issued new ordinary shares raising net proceeds of £510.1 million after expenses
- Net cash at 28 June 2020: £497.3 million (31 December 2019: £545.7 million, 30 June 2019: £392.0 million)
- Adjusted gearing* including land creditors of 3.5% (31 December 2019: 5.5%, 30 June 2019: 10.8%)
- Average net cash during H1 2020: £241.5 million (2019: £157.0 million, H1 2019: £290.6 million)

- Main borrowings and facilities:
  - £550 million Revolving Credit Facility – expiring February 2025 – fully undrawn
    - Extended by one year in February 2020
  - €100 million 2.02% Senior Loan Notes due June 2023
    - Used to hedge the investment in our Spanish business
  - Weighted average life of 4.3 years
  - The Company does not anticipate accessing the Government's CCFF scheme

* See definitions slide in the appendix

Help to Buy – a manageable adjustment

Homes England Region	Help to Buy price cap**	First time buyers using Help to Buy as a % of total H1 2020 private completions	% within price cap
North East	£186,100	31%	24%
North West	£224,400	44%	62%
Yorkshire & The Humber	£228,100	33%	57%
East Midlands	£261,900	36%	49%
West Midlands	£255,600	33%	67%
East of England	£407,400	33%	80%
London	£600,000	38%	100%
South East	£437,600	42%	92%
South West	£349,000	35%	88%
Total*		**37%**	**73%**

* England only, excludes Scotland and Wales which are not affected by the announced changes to the Help to Buy Equity Loan Scheme
** Regional price caps for properties sold under Help to Buy Equity Loan scheme from April 2021 to March 2023

Tax

Asset / (liability)	Current tax £m	Deferred tax £m	Net tax £m
As at 1 January 2020	(67.9)	29.8	(38.1)
Income statement*	10.3	(2.0)	8.3
SOCI / SOCIE	0.2	9.3	9.5
Cash paid	34.1	-	34.1
Other (including foreign exchange)	-	0.3	0.3
As at 28 June 2020	(23.3)	37.4	14.1

- Pre-exceptional effective tax rate of 22.1% (H1 2019: 19.3%)
- Remeasurement of UK deferred tax asset at 19% resulting in £3.1 million credit (£1.3 million income statement, £1.8 million SOCI/SOCIE)
- Expect future underlying tax rate to largely reflect statutory rate
- £36.9 million unrecognised Spanish temporary differences

* Including tax on exceptional items

Pension fund contributions

- Funding update as at 28 June 2020:
  - Technical provisions deficit of £217 million and funding level of 92%
  - Deficit contributions of £40 million per year re-instated from January 2019 until the earlier of full funding or Q4 2020
  - Deficit contributions for Q2 2020 subsequently deferred until Q1 2021 resulting in:
    - Nil contributions from 1 April 2020 until 30 June 2020
    - £20.0 million payable between 1 July 2020 and 31 December 2020
    - £10.3 million payable from 1 January 2021 until 31 March 2021 – includes interest incurred on the deferred contributions
  - Funding level is re-assessed quarterly and deficit contributions can cease if full funding is reached
- Total contributions for 2020 expected to be £37.1 million (2019: £47.1 million) consisting of:
  - £30.0 million deficit contributions after £10.0 million deferred into the first quarter of 2021
  - £5.1 million Pension Funding Partnership
  - £2.0 million scheme expenses

Pensions

Movement in present value of defined benefit obligations

Total UK £m	H1 2020	FY 2019	FY 2018	FY 2017
Pre-IFRIC 14 (surplus) / deficit brought forward	**(100.5)**	**(33.1)**	**(23.9)**	**232.7**
Employer contributions*	(16.1)	(47.1)	(34.1)	(23.1)
Administration cost	1.3	1.8	1.9	3.0
Interest (income) / charge	(1.1)	(1.7)	(1.1)	5.9
Increase in scheme liabilities due to GMP	-	-	16.1	-
Decrease in scheme liabilities due to PIE	-	(15.3)	-	-
Amounts recognised through other comprehensive income	196.5	(5.1)	8.0	(242.4)
Pre-IFRIC 14 deficit / (surplus)	**80.1**	**(100.5)**	**(33.1)**	**(23.9)**
Interest charge arising on IFRIC 14	1.9	4.9	2.2	-
Adjustment for IFRIC 14	32.2	180.1	163.9	87.6
Carried forward deficit	**114.2**	**84.5**	**133.0**	**63.7**

* Includes £5.1 million paid through the Pension Funding Partnership structure in 2020 (2019: £5.1 million)

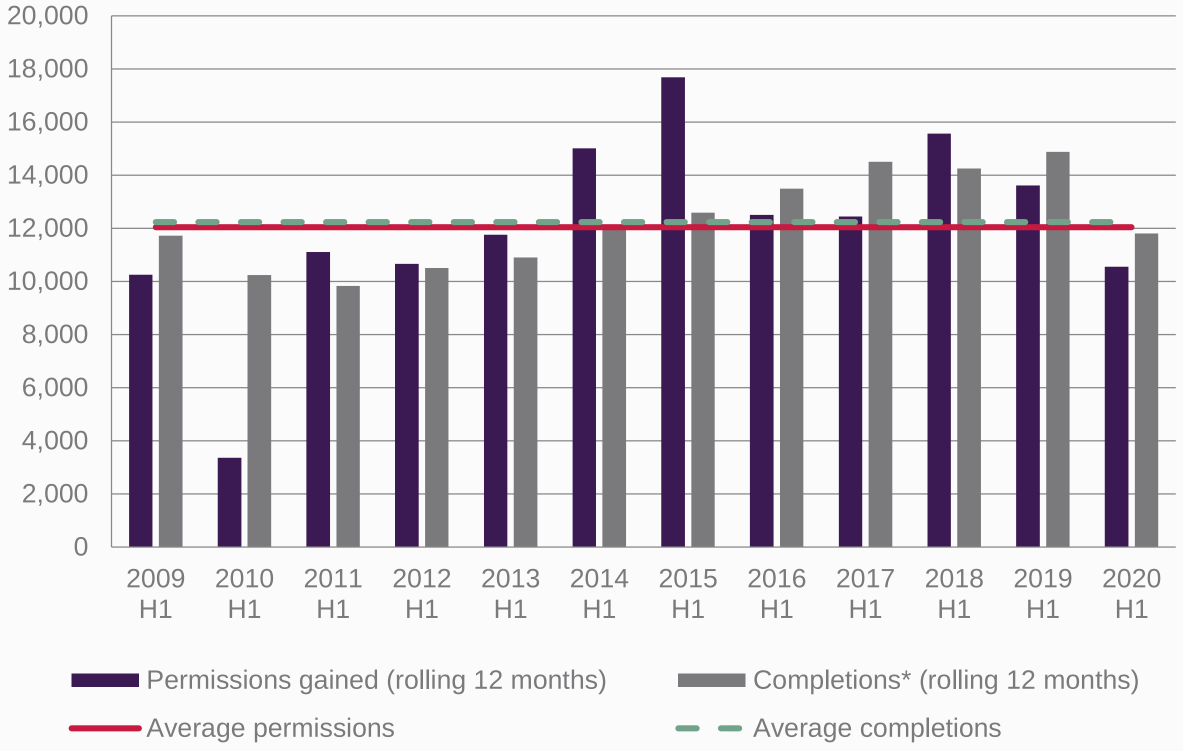
UK land commitments

£m	< 1 yr	1-2 yrs	2-5 yrs	5+ yrs	As at 28 June 2020	As at 31 Dec 2019
Committed cash payments in respect of unconditional land contracts	287	163	173	24	**647**	**740**
Expected cash payments in respect of conditional land contracts	94	44	89	3	**230**	**295**

- Included in unconditional land contracts at 28 June 2020 are UK overage commitments of £53 million (31 December 2019: £56 million)

Taylor Wimpey plc

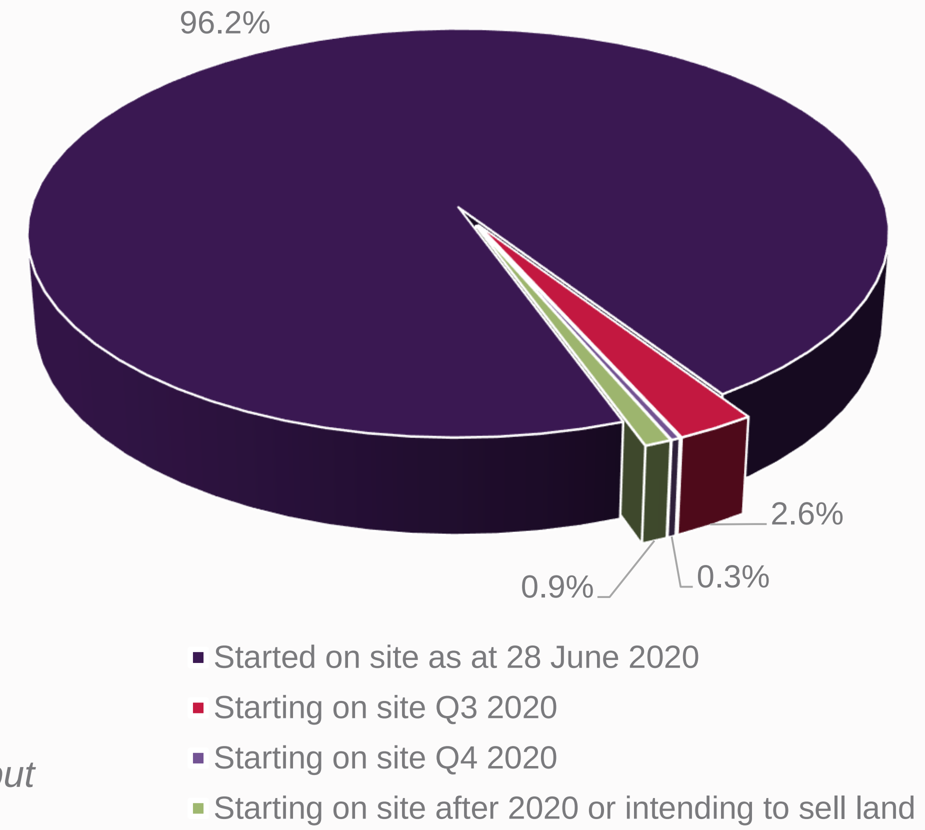
UK planning permissions



- Average detailed planning permissions achieved - *Intake*
- Average completions / detailed planning permissions implemented - *Output*

* Data includes JV plots

Sites with implementable planning permission



Finance charges

£m	H1 2020	H1 2019	Change	FY 2019
Financial indebtedness	5.7	2.4	137.5%	5.5
Foreign exchange movements	(0.6)	0.5	-	1.1
Unwind of land creditors and other items	9.5	9.0	5.6%	21.5
Pensions	0.8	1.8	(55.6)%	3.2
Interest on lease liabilities	0.2	0.2	-	0.5
Total	**15.6**	**13.9**	**12.2%**	**31.8**

UK land pipeline

Plots	28 June 2020 Owned	Controlled	Total	31 Dec 2019 Total
Detailed planning	39,742	5,266	45,008	43,460
Outline planning	13,178	5,288	18,466	19,726
Resolution to grant	1,281	12,583	13,864	12,426
Short term	**54,201**	**23,137**	**77,338**	**75,612**
Short term with implementable planning	**39,300**	**-**	**39,300**	**36,833**
Allocated strategic*	4,810	12,845	17,655	17,755
Non-allocated strategic*	30,818	89,316	120,134	122,469
Strategic	**35,628**	**102,161**	**137,789**	**140,224**
Total	**89,829**	**125,298**	**215,127**	**215,836**

Data includes JV plots
* Excludes land with less than 50% certainty of achieving planning permission

UK land portfolio – net cost

£m	28 June 2020 Owned	Controlled	Total	31 Dec 2019 Total
Detailed planning	1,912	8	1,920	1,891
Outline planning	377	82	459	514
Resolution to grant	17	25	42	40
Sub-total	**2,306**	**115**	**2,421**	**2,445**
plots	*54,201*	*23,137*	*77,338*	*75,612*
Strategic	189	93	282	191
plots	*35,628*	*102,161*	*137,789*	*140,224*
Total	**2,495**	**208**	**2,703**	**2,636**

Of the short term owned and controlled land portfolio:

- 52% - post 2009 strategic land
- 37% - post 2009 short term land
- 11% - pre 2009 land

Includes JV plots at no cost, excludes land with less than 50% certainty of achieving planning permission
NRV is wholly allocated to land, comparable basis to peers

Customer service

Customer satisfaction (Would you recommend?) 8-week score	H1 2020 average Homes legally completed Oct 19-Mar 20	FY 2019 average Homes legally completed Oct 18-Sep 19
Taylor Wimpey UK Ltd	**91%**	**89%**
North	91%	88%
Central and South West	92%	91%
London and South East	90%	90%

9-month scores	Homes legally completed Oct 18-Mar 19	Homes legally completed Oct 17-Sep 18
Recommend	76%	77%
Quality	75%	76%
No. of problems (<11)	54%	58%
Standard of repair	68%	69%
Service after	59%	59%
Development	87%	86%
Overall CSM score	**70%**	**71%**

Land disposals

Proceeds £m	H1 2020	H1 2019	FY 2019
UK	2.2	6.8	37.9
Spain	-	-	-
Total	**2.2**	**6.8**	**37.9**

Gross profit £m	H1 2020	H1 2019	FY 2019
UK	2.1	4.2	19.3
Spain	-	-	-
Total	**2.1**	**4.2**	**19.3**

Land disposals are included in revenue and cost of sales

UK customer segmentation

Total reservations	H1 2020	FY 2019	H2 2019	H1 2019	FY 2018	H2 2018	H1 2018
First time buyers	50%	34%	31%	38%	34%	33%	35%
Second time buyers	39%	34%	31%	37%	31%	30%	32%
Affordable	8%	27%	32%	20%	30%	31%	29%
Investor	3%	5%	6%	5%	5%	6%	4%
Total	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
Help to Buy*	50%	34%	30%	40%	36%	34%	39%

Data based on reservations excluding JVs
*Help to Buy Equity Loan Scheme

UK product mix

Private completions	H1 2020	FY 2019	H2 2019	H1 2019	FY 2018	H2 2018	H1 2018
Apartments	8%	11%	11%	11%	12%	14%	10%
1 / 2 / 3 bed houses	50%	48%	49%	47%	48%	47%	49%
4 / 5 / 6 bed houses	42%	41%	40%	42%	40%	39%	41%
Total	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Data based on completions excluding JVs

UK sales performance

Private and affordable reservations excl JV	H2 2020 (w/e 26 July 2020)	H1 2020	H2 2019	H1 2019
Average outlets open	250	237	243	257
Average sales rate (net)	0.84	0.76	1.37	1.24
Average selling price £000	312	308	253	269

As at	H2 2020 (w/e 26 July 2020)	28 June 2020	31 Dec 2019	30 June 2019
Total order book value £m	3,022	2,904	2,176	2,366
Total order book units	12,014	11,686	9,725	10,137
ASP in total order book £000	252	249	224	233
Outlets at end of period	246	252	240	246
Order book value £m per outlet	12.3	11.5	9.1	9.6

Data based on both private and affordable reservations excluding JVs

Spain financial summary

	H1 2020	H1 2019	Change	FY 2019
Average number of active sites	20	20	-	21
Legal completions	58	109	(46.8)%	323
Average selling price £000	352	379	(7.1)%	373
Average selling price €000	407	434	(6.2)%	429
Revenue £m	20.3	41.1	(50.6)%	120.4
Operating profit £m	3.5	8.1	(56.8)%	32.1
Operating margin %	17.2	19.7	(2.5)ppt	26.7
Order book £m	75.7	120.2	(37.0)%	76.1
Order book units	209	312	(33.0)%	217
Net operating assets £m	98.6	82.4	19.7%	78.1
Total landbank plots*	2,791	2,983	(6.4)%	2,841

* Landbank includes owned and controlled land

Definitions

- Operating profit or loss is defined as profit on ordinary activities before net finance costs, exceptional items and tax, after share of results of joint ventures.
- Operating margin is defined as operating profit or loss divided by revenue.
- Adjusted basic earnings per share represents earnings attributed to the shareholders of the parent, excluding exceptional items and tax on exceptional items, divided by the weighted average number of shares in issue during the period.
- Net operating assets is defined as net assets less net cash, excluding net taxation balances and accrued dividends.
- Return on net operating assets (RONOA) is defined as 12-month rolling operating profit or loss divided by the average of the opening and closing net operating assets.
- Tangible net assets per share is defined as net assets before any accrued dividends excluding goodwill and intangible assets divided by the number of ordinary shares in issue at the end of the period.
- Contribution margin is defined as revenue less build costs, less land costs and less direct selling expenses, but before the benefit of supplier rebates, the utilisation of impairment provisions, and the discounting of deferred land commitments.
- Gross profit is defined as contribution margin plus the benefit of supplier rebates, the utilisation of impairment provisions, and the discounting of deferred land commitments.
- Profit from ordinary activities before finance costs is defined as profit on ordinary activities before net finance costs and tax, and before share of results of joint ventures.
- Cash conversion is defined as operating cash flow divided by operating profit or loss on a rolling 12-month basis. Operating cash flow is defined as cash generated by operations before tax, interest paid and exceptional cash flows.
- Return on capital employed (ROCE) is defined as 12-month rolling operating profit or loss divided by average capital employed calculated on a monthly basis over the period.
- Net cash is defined as total cash less total financing.
- Adjusted gearing is defined as adjusted net debt divided by net assets. Adjusted net debt is defined as net cash less land creditors.
- The Injury Incidence Rate (IIR) is defined as the number of incidents per 100,000 employees and contractors, calculated on a rolling 12 month basis, where the number of employees and contractors is calculated using a monthly average over the same period.