

**22 April 2021**

**Taylor Wimpey plc**

**Trading statement for the period covering 1 January 2021 to today**

Taylor Wimpey plc is holding its Annual General Meeting (AGM) at 10:00am today at its registered office in High Wycombe, where the following comments will be made regarding current trading, financial performance, and outlook for the financial year. In light of current restrictions, shareholders will unfortunately not be permitted to attend the AGM in person and are encouraged to follow the AGM remotely via an audiocast facility.

Pete Redfern, Chief Executive, commented:

“The UK housing market continues to be resilient and we are trading in line with our full year expectations. With strong market fundamentals, customer demand for our high-quality homes remains robust and we are achieving a strong sales rate and building a healthy forward order book.

The last year has been very challenging for everyone and I must again thank our teams for their outstanding efforts and commitment which have enabled us to continue to deliver for customers. It was pleasing to be recognised by the Home Builders Federation as a five-star homebuilder in March this year and we remain focused on delivering the highest quality service to our customers.

We are a cash generative business with a strong balance sheet and remain focused on our strategic priorities to drive operating profit margin while creating long term value for our customers and shareholders.”

## **UK current trading and operations**

The UK housing market has remained healthy in 2021, underpinned by continued strong customer demand, low interest rates, good mortgage availability and ongoing Government support, particularly for first time buyers. The transition into the next phase of Help to Buy has progressed smoothly and we have experienced strong customer demand for our homes under the new scheme.

Our net private sales rate for the year to 18 April was strong at 1.00 (2020 equivalent period: 0.90) with a cancellation rate of 14% (2020 equivalent period: 16%). We have achieved growth on sales prices realised at the end of last year.

As at 18 April 2021, our total order book value stood at approximately £2,808 million (2020 equivalent period: £2,668 million). This represents 10,995 homes (2020 equivalent period: 10,853 homes), excluding legal completions to date.

We have made good early progress on our 2021 priorities, including driving operating profit\* margin and an enhanced cost control mindset across the business. Our focus remains on delivering our operating profit margin target of c.21-22% in the medium term.

## **Growing quality landbank**

Our high-quality landbank continues to be a strategic differentiator for the business. At the end of March 2021, our short term landbank stood at c.82k plots (2020 equivalent period: c.78k plots). Our strategic land pipeline stood at c.143k potential plots as at the end of March 2021 (2020 equivalent period: c.137k plots).

## **Dividends**

As previously announced, we intend to pay a 2020 final ordinary dividend of 4.14 pence per share on 14 May 2021 (2019 final dividend: nil), subject to shareholder approval at today's AGM, and a 2021 interim dividend of c.4.14 pence per share in November, in line with our Ordinary Dividend Policy to return c.7.5% of net assets annually, in two equal instalments.

As we look forward, it remains our intention to return excess capital to shareholders in line with our policy. We are not planning to make a capital return in 2021 and will review the potential level of excess capital at the time of our 2021 full year results in March 2022, for payment in 2022.

## **Board updates**

Since last year's AGM, Kate Barker stepped down at the end of her tenure after serving commendably on the Board since 2010. Two new Non Executive Directors, Scilla Grimble and Jitesh Gadhia joined our Board on 1 March 2021. Both are highly experienced executives who will add valuable skills and perspectives to the Board.

## **Outlook**

Despite the continuation of national restrictions in the first few months of the year, customer demand for new housing has remained resilient. The extension of the Stamp Duty Land Tax holiday and the announcement of the 95% Mortgage Guarantee Scheme demonstrate that housing remains a priority for the UK Government.

Trading is in line with expectations and we remain on track to deliver against our guidance set out at our 2020 full year results in March.

-Ends-

\* Operating profit is defined as profit on ordinary activities before net finance costs, exceptional items and tax, after share of results of joint ventures.

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**Notes to editors:**

Taylor Wimpey plc is a customer-focused residential developer, operating at a local level from 23 regional businesses across the UK. We also have operations in Spain.

For further information, please visit the Group's website:  
[www.taylorwimpey.co.uk](http://www.taylorwimpey.co.uk)

Follow us on Twitter via @TaylorWimpeyplc