1 August 2012

Taylor Wimpey plc

Half Year Results for the period ended 1 July 2012
Ongoing implementation of strategy delivers 50% increase in operating profit

Highlights

- Group operating margin[a] increased to 11.1% (H1 2011: 8.2%)
- Group Return on Net Operating Assets[b] increased to 11.6% (H1 2011: 7.2%)
- Tangible net asset value per share[c] 58.0p (3 July 2011: 57.0p)

- Group operating profit[a] increased by 50% to £100.9 million
- Group pre-exceptional profit before tax increased by 171% to £78.2 million
- Further significant improvement in UK operational performance:
  - UK operating margin increased to 11.4% (H1 2011: 8.4%)
  - Growth in completions to 5,083 (H1 2011: 4,707)
  - Increased average selling price of £176k (H1 2011: £168k)
  - 18% increase in the value of the private order book to £688 million
  - 6,890 new plots approved for purchase (H1 2011: 5,289)
  - Planning consents achieved on 1,565 plots from our strategic land portfolio
  - Customer satisfaction increased to 91.8% (H1 2011: 89.5%)
  - H1 Injury Incidence Rate of 259 per 100,000 employees and contractors (H1 2011: 231, FY 2011: 378)
- Interim dividend of 0.19 pence per share declared (H1 2011: nil)
- Repurchased a further £5.6 million of 10.375% Senior Notes due 2015

Financial Summary

Continuing operations	**H1 2012**	**H1 2011**	**Change**	**FY 2011**
Revenue £m	906.2	817.8	10.8%	1,808.0
Operating profit[a] £m	100.9	67.2	50.1%	159.5
Profit before tax and exceptional items £m	78.2	28.9	170.6%	89.9
Exceptional items before tax £m	22.4	-	N/A	(11.3)
Profit for the period £m	130.3	11.8	1,004.2%	55.9
Adjusted basic earnings per share p	1.5	0.4	275.0%	2.1

Total Group				
Basic earnings/(loss) per share p	4.1	(0.1)	N/A	3.1
Net debt £m	135.2	165.9[d]	(18.5)%	116.9

Notes:

[a] 'Operating profit' is defined as profit on ordinary activities from continuing operations before finance costs and exceptional items, after share of results of joint ventures.

[b] Return on net operating assets is defined as operating profit divided by the average of the opening and closing net operating assets.

[c] Tangible net asset value per share is defined as net assets excluding goodwill and intangible assets divided by the number of shares in issue at the period end.

[d] Reported net debt at 3 July 2011 was £848.8 million, prior to adjusting for North America sales proceeds of £731.9 million, transaction costs of £16.5 million and one-off pension deficit repair payment.

Pete Redfern, Chief Executive, said:

"I am very pleased to report another period of strong financial and operating performance. We've seen improvements across the business driven by our continued focus on prioritising margin growth and return on capital

Although wider economic conditions remain uncertain, we have been reassured by the continued stability in trading conditions and the strength of our order book

Looking ahead, we expect to deliver further improvements in performance across all key metrics."

-ends-

A presentation to analysts will be made at 09:00 hours on 1 August 2012. This presentation will be broadcast live at:

http://pres.taylorwimpey.com/tw030/default.asp.

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Notes to editors:
Taylor Wimpey plc is a focused residential developer with operations in the UK and Spain. We aim to be the UK's leading residential developer for creating value and delivering quality.

We select land and optimise planning consents, taking into account the needs of local stakeholders, to design and deliver sustainable communities where people aspire to live, work and play. We build safely, efficiently, cost effectively and with minimal impact on the environment and strive to provide our customers with a stress-free, high quality service.

For further information, please visit the Group's website:
http://plc.taylorwimpey.co.uk

Interim Management Report

Group Summary

We have delivered another period of strong performance, with improvements across all key financial metrics. We have achieved an increase of 290 basis points in our Group operating margin[a] to 11.1% and our return on net operating assets of 11.6% (H1 2011: 7.2%) is now above our weighted average cost of capital. We have also increased the tangible net asset value per share to 58.0 pence (3 July 2011: 57.0 pence).

[a] Throughout this Interim Management Report 'operating profit' or 'operating loss' is defined as profit or loss on ordinary activities from continuing operations before finance costs and exceptional items, after share of results of joint ventures.

Strategy

The implementation of our strategy is delivering ongoing improvement in our financial and operational performance, driven by a combination of: increasing the proportion of strategic land sites; improving returns from land purchases since the downturn; an ongoing tight focus on costs and value optimisation; and the benefits of increasing use of our new housetype range.

We continue to focus on the creation of medium to long term value for our shareholders, which we believe is best delivered through the core skills of strategic land management, targeted and well-timed land acquisition and providing our customers with high quality, desirable homes that are efficient to build. While we retain an overall cautious approach, maintaining tight control over the level of debt and exposure to land creditors, we continue to take advantage of the best opportunities to acquire land at attractive return levels.

In addition to creating value in stable or improving market conditions, our high quality land portfolio, increased order book and strong balance sheet put us in a solid position should market conditions weaken.

UK

Financial and operational performance

As previously announced, following the disposal of our North American business and the merger of the Corporate office and UK head office, the Group has combined the 'Corporate' and 'UK Housing segments. 2011 comparative figures have been restated.

	H1 2012	H1 2011	Change	FY 2011
Completions	5,083	4,707	8.0%	10,180
Average Selling Price £k	176	168	4.8%	171
Revenue £m	903.3	809.2	11.6%	1,779.4
Operating profit[a] £m	102.6	68.3	50.2%	159.3
Operating margin[a] %	11.4	8.4	3.0ppt	9.0
Return on net operating assets[b] %	12.1%	7.6%	4.5ppt	10.0%
Contribution per legal completion £k	33.6	30.0	12.0%	28.6
Forward order book as a % of completions	54.6	61.0	(6.4)ppt	53.1
Owned and controlled plots with planning or resolution to grant	64,898	64,357	0.8%	65,264
Customer satisfaction %	91.8	89.5	2.3ppt	92.1
Health and safety injury frequency rate (per 100,000 employees and contractors)	259	231	(12.1)%	378

We have delivered a further strong improvement in performance during the first half of 2012. Revenue has increased by 11.6%, driven by increases in both completions and the average selling price of homes. We continue to prioritise margin performance ahead of volume growth and have achieved continued growth in the operating margin to 11.4% (H1 2011: 8.4%) through a continued focus on optimising returns on pre-downturn land assets and an increased proportion of completions from strategically-sourced land and land acquired since the downturn.

Net operating assets in the UK were £1,609.4 million (3 July 2011: £1,591.0 million) and we have increased the return on net operating assets to 12.1% (H1 2011: 7.6%).

Sales, completions and pricing

UK market conditions remain stable, with underlying pricing unchanged over the course of the first half of 2012. Mortgage lending continues to be constrained, although we have been encouraged by the introduction of a number of higher loan to value products since the start of the year, most notably under the NewBuy scheme.

We have maintained our strong sales performance during the first half of this year, achieving an average private net reservation rate of 0.60 sales per outlet per week (H1 2011: 0.56). Cancellation rates remain below the long term average at 15.1% (H1 2011: 15.1%).

We completed a total of 5,083 homes during the first half of 2012 (H1 2011: 4,707), of which 4,137 were private completions (H1 2011: 3,675), 893 were affordable completions (H1 2011: 1,004) and 53 were our share of joint venture completions (H1 2011: 28). The overall average selling price of these completions increased to £176k (H1 2011: £168k). As a result of higher value locations and our plan to increase average home size, the average selling price on private completions increased to £189k (H1 2011: £182k). The average selling price on affordable completions decreased to £115k (H1 2011: £117k).

Selecting land

We view our landbank as an investment portfolio that we manage actively to create value for shareholders. In line with this approach we continue to consider it appropriate to hold a longer land portfolio at this stage of the market cycle. We have maintained our consistent, disciplined approach to new land acquisition and we continue to deliver enhanced returns on these sites as we open them for home sales. We keep market conditions under regular review and our land approvals to date in 2012 have been more weighted to deals that are conditional on planning. These provide upside potential in stable or improving market conditions, but are lower risk in the event of market softening.

We have approved the purchase of 6,890 plots on a total of 53 sites during the first half of 2012.

Our owned and controlled short term land portfolio, representing plots with planning or a resolution to grant planning, contained 64,898 plots at 1 July 2012 (3 July 2011: 64,357 plots). This is equivalent to 6.2 years of land supply at current completions levels (3 July 2011: 6.6 years). The average cost in the owned short term land portfolio was £33k per plot as at 1 July 2012, on the basis of allocating all net realisable value provisions against land value (3 July 2011: £32k). 31% of our owned and controlled short term land portfolio is previously impaired (31 December 2011: 39%), 8% acquired prior to the downturn and unimpaired (31 December 2011: 15%), 29% acquired since we re-entered the land market in September 2009 (31 December 2011: 19%) and 32% originally sourced through our strategic land portfolio (31 December 2011: 27%).

We also continue to improve the quality of our strategic land portfolio, both by the progression of existing sites through the planning process and by the targeted addition of significant new potential plots. We have achieved planning consents on 1,565 plots from our strategic land portfolio during the first half of 2012 and we have added a total of 4,518 potential plots on 24 sites during the first half of 2012.

Our primary goals with new outlets continue to be to optimise planning consents and to value-engineer sites prior to opening and we were operating from 314 outlets at 1 July 2012 (3 July 2011: 311).

Managing the planning and community engagement process

We believe that the underlying principle of the Localism Act, of ensuring that planning decisions involve the local people whom they affect, is the right one and welcome the presumption in favour of sustainable development contained within the National Planning Policy Framework.

We aim to become the industry leader in managing the planning process across our business and have rolled out a community and customer engagement process that has received excellent feedback from Local Authorities and Planning Councils.

Although the transition to the new planning system is in its early stages, both for us and for Local Authorities, we have been encouraged by the early successes that we have achieved. Community engagement has the potential to result in greater support for planning applications and also generate sales as 70% of our customers move less than 5 miles.

We continue to receive positive feedback on our new housetype range from customers, planning authorities, sub-contractors and our employees as they plan, build and sell them. These homes are designed to be high quality, extremely energy efficient and straightforward, cost effective and safe to build. They are also extremely flexible with different internal layouts and exteriors that can be varied easily to complement local landscapes and streetscapes. Over 100 sites are now plotted with designs from the new range.

We look to play our part in the communities in which we operate and continue to support a number of local charities, clubs and sports teams. At a national level, we are continuing our association with the homelessness charities Centrepoint and CRASH. In addition, we are proud to have sponsored Macmillan Cancer Support's annual House of Lords versus House of Commons Tug of War since its inception in 1987 with this year's event raising in excess of £100,000.

Getting the homebuilding basics right

Health and safety remains our non-negotiable priority and we are committed to providing a safe place in which our employees and sub-contractors can work and our customers can live. We have seen an increase in our Injury Incidence Rate to 259 per 100,000 employees and contractors in the first half of 2012 (H1 2011: 231). We have undertaken a detailed examination of the underlying causes and have identified an increase in the number of incidents involving slips and trips on site due to the wet weather conditions during the period.

We also have a responsibility to maintain high standards of environmental management. Having completed an energy and carbon strategy in 2011 working with the Carbon Trust, we are conducting energy surveys of our offices, sites and other premises to identify potential energy efficiency savings, and we have commenced a review of resource efficiency in our supply chain. We have also commenced measurement of our water usage, along with a suite of other environmental metrics, to help us to identify further opportunities to reduce both resource use and cost.

Our commitment to build quality is reflected in our ongoing success in the National House-Building Council (NHBC) Pride in the Job Awards. Our site managers won a total of 66 Quality Awards (2011: 65), equivalent to more than 20% of our active outlets.

Caring about our customers

Financing remains a key consideration for many of our customers, as mortgage availability remains constrained. We achieved a total of 201 home reservations under the NewBuy scheme from its launch in March 2012 until the end of the first half, representing around one-third of overall industry reservations. We also continue to support the government-backed FirstBuy scheme and have completed a further 641 plots under the scheme during the first half of 2012. Taking into account our 173 completions under the scheme in 2011, our revised funding allocation will allow us to deliver approximately 750 further completions.

We continue to enhance our web site to meet the needs of our customers, both before and after they buy their home. The number of visits to our mobile web site in June 2012 was more than double the equivalent number in June 2011. We will be launching a redesigned mobile web site later this month, which is easier to use and has a more extensive 'help for buyers' section. The customer services section of our

web site provides customers with a range of information to assist them once they have moved in and has resulted in a decrease in the number of telephone calls to our customer service teams.

Our aim is to offer homes that are aspirational for our target customers, appropriately priced for each local market and to ensure that our processes deliver the high standards of service that our customers rightly expect. We are proud of our five star rating in the Home Builders Federation's customer satisfaction survey and have maintained this high standard of service during the first half of 2012.

Optimising value

Having delivered significant value recovery and improvement over the last four years, we continue to target the identification and capture of enhanced value at all stages of the development cycle, from planning to construction.

We continue to manage our land portfolio actively, reviewing planning consents to ensure that they deliver the right mix of homes to meet local market demand and that the site is optimised for safe, efficient, cost effective and considerate development. We undertake land sales where we feel that the price achieved delivers value and the land does not fit our strategy or is excess to our requirements in a particular local market. Revenue from land sales totalled £14.9 million (H1 2011: £12.6 million) with an operating profit[a] of £2.8 million (H1 2011: £3.6 million).

We are making good progress with the implementation of our new IT system, which is now live in 8 of our 24 regional business units. This system is expected to deliver significant savings through the retirement of a number of legacy systems, as well as supporting our focus on value improvement through enhanced management information, process efficiency, reporting and analysis.

Simply the best people

Our people are critical to our success and we have introduced a number of new benefits for our monthly paid employees to offer greater flexibility and help to set us apart as an employer of choice. These benefits range from enabling a larger number of employees to elect to receive an enhanced bonus in shares to introducing a Cycle to Work scheme and the ability to purchase additional days of holiday from salary. We also maintain our commitment to and investment in training at all levels.

Spain

The market in Spain remains challenging, with Spanish buyers particularly impacted by restricted mortgage availability and an ongoing lack of confidence in the economy. We continue to see interest from overseas buyers, particularly from Germany and from UK purchasers looking to take advantage of Sterling's recent strength against the Euro.

We completed 13 homes in Spain during the first half of 2012 (H1 2011: 30) at an average selling price of £172k (H1 2011: £266k). The order book value was £20 million at 1 July 2012 (3 July 2011: £17 million), representing 97 homes (3 July 2011: 75 homes).

Group financial performance

Group revenue from continuing operations was £906.2 million in the first half of 2012 (H1 2011: £817.8 million), as the higher number of completions and higher average selling price in the UK was marginally diluted by the declines in both metrics in Spain.

Gross profit of £161.7 million (H1 2011: £131.4 million) includes a positive contribution of £39.4 million (H1 2011: £48.9 million), relating to realisation of written down inventory above its originally estimated net realisable value, where the combination of selling prices and cost, or mix improvements have exceeded our original market assumptions. These amounts are stated before the allocation of overhead excluded from the Group's net realisable value exercise. There has been no sustained change in the economic environment in the half year and, as such, the Group has not adjusted the net realisable value of inventory.

Operating profit[a] increased to £100.9 million (H1 2011: £67.2 million), delivering an operating margin[a] of 11.1% (H1 2011: 8.2%). These improvements have been driven by the ongoing benefits of our strategy to optimise our UK residential development business as well as a reduction in overhead costs.

Pre-exceptional finance costs for the period were £22.7 million (H1 2011: £38.3 million), net of interest receivable of £0.8 million (H1 2011: £3.4 million). This improvement is primarily driven by the reduced level of net debt following the sale of our North American business and also the lower level of 10.375% Senior Notes outstanding following the repurchase of £85.4 million in 2011 and a further £5.6 million in the first half of 2012.

Pre-exceptional profit before tax for the period from continuing operations increased by 170% to £78.2 million (H1 2011: £28.9 million), benefitting from improved operational performance and lower finance costs. The pre-exceptional tax charge of £29.9 million (H1 2011: £17.1 million) includes the impact of an £11.6 million write down of deferred tax assets resulting from the reduction in the UK corporation tax rate to 24% from 1 April 2012.

Following the favourable resolution of an historic potential tax liability, the associated provision has been released in the first half of 2012. This resulted in an exceptional tax credit of £59.6 million and a related exceptional interest credit of £22.4 million (H1 2011 exceptional items: nil).

This resulted in a profit for the period of £130.3 million (H1 2011: loss £4.2 million after accounting for a loss from discontinued operations of £16.0 million).

Basic earnings per share for the total Group were 4.1 pence (H1 2011 loss: 0.1 pence).The adjusted basic earnings per share for continuing operations were 1.5 pence (H1 2011: 0.4 pence).

Net assets at 1 July 2012 were £1.87 billion (3 July 2011: £1.83 billion), equivalent to a tangible net asset value of 58.0 pence per share (3 July 2011: 57.0 pence). The balance sheet value of our inventories has decreased slightly to £2.71 billion (3 July 2011: £2.73 billion) as an increase in our land portfolio was outweighed by a decline in work in progress, reflecting our ongoing focus on operational efficiency. We retain a cautious approach to shared equity products and the mortgage debtor balance was £79.0 million at 1 July 2012 (3 July 2011: £54.7 million).

Our deferred tax asset declined to £335.4 million (31 December 2011: £342.8 million) with the reduction arising from the step down in the UK corporation tax rate and current profitability being partially mitigated as a result of the increase in the pension deficit.

Net debt decreased from £165.9 million (on a pro forma basis) at 3 July 2011 to £135.2 million at 1 July 2012, as a result of the profitability in the period offset by working capital requirements, pension and finance costs, 2011 final dividend payment and share repurchases. Gearing was 7.2% (3 July 2011 pro forma: 9.1%).

Land creditors have remained stable since the year end and, combined with net debt, results in adjusted gearing of 23.4% (3 July 2011 pro forma: 24.4%).

At 1 July 2012, the Group had total committed facilities of £859 million, with a weighted average maturity of 2.7 years, providing us with significant financial capacity.

Pensions

The IAS19 pension deficit, which is reported on the Group's balance sheet, is £299.4 million at 1 July 2012 (3 July 2011: £234.8 million). The increase in the deficit was predominantly caused by a significant decrease in the discount rate used in the valuation of liabilities, partially offset by lower inflation rates. This is largely a consequence of fiscal measures taken to reinvigorate the economy and the Group sees this as a short to medium term consideration. The Group also has a gross post-retirement healthcare liability of £1.9 million (3 July 2011: £2.0 million).

The Group's ongoing deficit reduction payments in respect of the Defined Benefit pension schemes remain unchanged at £46 million per annum.

We continue to review options to manage the volatility of the pension deficit actively. We have now completed the enhanced transfer value exercise in respect of the George Wimpey Scheme, with 764 members choosing to transfer out of the scheme. We are currently assessing further liability management exercises and will shortly enter into discussion with the trustees on these proposals.

Dividends

Following the recommencement of the dividend at the 2011 full year results, the Board has declared an interim dividend of 0.19 pence per share. In line with the policy outlined at that time, this interim dividend has been calculated with reference to the net asset value of the Group and is expected to represent around one-third of the total dividend for the year. This dividend will be paid on 25 September 2012 to shareholders on the register at close of business on 24 August 2012.

The company offers shareholders the opportunity to use their dividends to purchase shares on the market under the terms of the Dividend Reinvestment Plan. Elections to join the Plan must reach the Registrar by 31 August 2012 in order to be effective for this dividend. Further details can be found on our website http://plc.taylorwimpey.co.uk

Outlook

Trading in recent weeks has continued to be stable, in spite of the ongoing uncertainty in the wider economy. We welcome the recently announced 'Funding for Lending' scheme, although it is too early to quantify the benefits for mortgage lending.

We continue to benefit from our high quality land portfolio, increased order book and strong balance sheet, along with the performance benefits being delivered through the ongoing implementation of our strategy.

Assuming that current stable markets persist, we expect to continue to achieve improved performance period on period and to deliver full year returns in 2012 that are in line with our expectations.

Risks and Uncertainties

As with any business, Taylor Wimpey faces a number of risks and uncertainties in the course of its day to day operations.

In summary, these risks are:

- *Impact of economic environment on mortgage availability*. Mortgage providers have been impacted by the financial crisis and the resulting requirement to increase capital (such as Basel III) reducing their ability to provide mortgages.
- *Government regulations and planning policy*. The Localism Act and the National Planning Policy Framework have introduced significant change in the planning system, which potentially increases the time to obtain planning consents.
- *Impact of market environment on demand*. Significant economic uncertainty in Europe, government austerity measures, flat economic growth and the potential for increased unemployment could suppress demand for housing.
- *Land purchasing*. The purchase of land of poor quality or at too high a price could impact on future profitability.
- *Site and product safety*. Building sites are inherently dangerous places. Unsafe practices by our employees or sub-contractors have the potential to cause serious injury or death.
- *Material costs and availability of sub-contractors*. Supply of labour and materials has reduced as industry volumes declined over recent years. However, as market conditions recover, there will be greater demand and competition for key skills and materials which could lead to increased prices.
- *Ability to attract and retain high calibre employees*. Recruiting employees with inadequate skills or in insufficient numbers, or not being able to retain key staff could have a detrimental impact on our business.

Further detail on the relevance of these risks to our strategy, the potential impact on key performance indicators, mitigation and responsibility are provided on page 12 and 13 of our Annual Report and Accounts 2011, which is available from http://plc.taylorwimpey.co.uk.

Cautionary note concerning forward looking statements

The IMR contains certain forward looking statements. These statements are made by the Directors in good faith based on the information available to them up to the time of their approval of this report and such statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such forward looking information.

Taylor Wimpey plc
Condensed Consolidated Income Statement
For the half year ended 1 July 2012

£ million	Half year ended 1 July 2012 Before exceptional items	Half year ended 1 July 2012 (Reviewed) Exceptional items (Note 3)	Half year ended 1 July 2012 Total	Half year ended 3 July 2011 Before exceptional items	Half year ended 3 July 2011 (Reviewed) Exceptional items (Note 3)	Half year ended 3 July 2011 Total	Year ended 31 December 2011 Before exceptional items	Year ended 31 December 2011 (Audited) Exceptional items (Note 3)	Year ended 31 December 2011 Total
Continuing Operations:									
Revenue	**906.2**	**-**	**906.2**	817.8		817.8	1,808.0	-	1,808.0
Cost of sales	**(744.5)**	**-**	**(744.5)**	(686.4)	-	(686.4)	(1,520.3)	-	(1,520.3)
Gross profit	**161.7**	**-**	**161.7**	131.4	-	131.4	287.7	-	287.7
Net operating expenses	**(62.0)**	**-**	**(62.0)**	(64.5)	-	(64.5)	(129.4)	(5.8)	(135.2)
Profit/(loss) on ordinary activities before finance costs	**99.7**	**-**	**99.7**	66.9	-	66.9	158.3	(5.8)	152.5
Interest receivable	**0.8**	**-**	**0.8**	3.4		3.4	3.7	-	3.7
Finance costs	**(23.5)**	**22.4**	**(1.1)**	(41.7)	-	(41.7)	(73.3)	(5.5)	(78.8)
Share of results of joint ventures	**1.2**	**-**	**1.2**	0.3		0.3	1.2	-	1.2
Profit/(loss) on ordinary activities before tax	**78.2**	**22.4**	**100.6**	28.9	-	28.9	89.9	(11.3)	78.6
Tax (charge)/credit	**(29.9)**	**59.6**	**29.7**	(17.1)	-	(17.1)	(24.2)	1.5	(22.7)
Profit/(loss) for the period from continuing operations	**48.3**	**82.0**	**130.3**	11.8	-	11.8	65.7	(9.8)	55.9
Discontinued operations:									
(Loss)/profit for the period from discontinued operations	**-**	**-**	**-**	(16.0)	-	(16.0)	43.1	-	43.1
Profit/(loss) for the period	**48.3**	**82.0**	**130.3**	(4.2)	-	(4.2)	108.8	(9.8)	99.0
Attributable to:									
Equity holders of the parent			**130.3**			(4.2)			99.0
Non-controlling interests			**-**			-			-
			130.3			(4.2)			99.0
Basic earnings/(loss) per share – total Group			**4.1p**			(0.1p)			3.1p
Diluted earnings/(loss) per share – total Group			**4.0p**			(0.1p)			3.0p
Basic earnings per share – continuing operations			**4.1p**			0.4p			1.8p
Diluted earnings per share – continuing operations			**4.0p**			0.4p			1.7p
Adjusted basic earnings per share – continuing operations			**1.5p**			0.4p			2.1p
Adjusted diluted earnings per share – continuing operations			**1.5p**			0.4p			2.0p

Taylor Wimpey plc
Condensed Consolidated Statement of Comprehensive Income
For the half year ended 1 July 2012

£ million	Half year ended 1 July 2012 (Reviewed)	Half year ended 3 July 2011 (Reviewed)	Year ended 31 December 2011 (Audited)
Exchange differences on translation of foreign operations	**(1.4)**	(0.2)	1.8
Movement in fair value of hedging derivatives	**1.5**	3.0	3.0
Actuarial (loss)/gain on defined benefit pension schemes	**(102.8)**	3.5	(33.2)
Tax on items taken directly to equity	**22.7**	(1.2)	4.8
Other comprehensive (expense)/income for the period net of tax	**(80.0)**	5.1	(23.6)
Profit/(loss) for the period	**130.3**	(4.2)	99.0
Total comprehensive income for the period	**50.3**	0.9	75.4
Attributable to:			
Equity holders of the parent	**50.3**	0.9	75.4
Non-controlling interests	**-**	-	-
	50.3	0.9	75.4

Taylor Wimpey plc
Condensed Consolidated Balance Sheet
As at 1 July 2012

£ million	1 July 2012 (Reviewed)	3 July 2011 (Reviewed)	31 December 2011 (Audited)
Non-current assets			
Other intangible assets	**5.5**	1.2	5.1
Property, plant and equipment	**4.5**	7.4	5.0
Interests in joint ventures	**31.8**	30.6	31.9
Trade and other receivables	**89.3**	65.8	70.3
Deferred tax assets	**335.4**	343.7	342.8
	466.5	448.7	455.1
Current assets			
Inventories	**2,705.1**	2,725.0	2,686.6
Trade and other receivables	**98.4**	71.4	72.5
Tax receivables	**9.8**	11.1	10.9
Cash and cash equivalents	**123.8**	73.8	147.7
Assets held for sale	**-**	1,065.5	-
	2,937.1	3,946.8	2,917.7
Total assets	**3,403.6**	4,395.5	3,372.8
Current liabilities			
Trade and other payables	**(665.1)**	(679.3)	(697.8)
Tax payables	**(8.7)**	(74.6)	(70.4)
Provisions	**(82.2)**	(80.7)	(76.6)
Liabilities directly associated with assets held for sale	**-**	(333.6)	-
	(756.0)	(1,168.2)	(844.8)
Net current assets	**2,181.1**	2,778.6	2,072.9
Non-current liabilities			
Trade and other payables	**(201.6)**	(225.3)	(199.7)
Debenture loans	**(159.0)**	(250.0)	(164.6)
Bank loans	**(100.0)**	(672.6)	(100.0)
Retirement benefit obligations	**(301.3)**	(236.8)	(210.2)
Provisions	**(12.3)**	(16.8)	(18.5)
	(774.2)	(1,401.5)	(693.0)
Total liabilities	**(1,530.2)**	(2,569.7)	(1,537.8)
Net assets	**1,873.4**	1,825.8	1,835.0

£ million			
Share capital	**288.0**	287.7	287.7
Share premium account	**758.2**	753.8	754.4
Own shares	**(13.4)**	(0.5)	(8.4)
Other reserves	**44.6**	104.1	46.7
Retained earnings	**794.6**	679.1	753.1
Equity attributable to equity holders of the parent	**1,872.0**	1,824.2	1,833.5
Non-controlling interests	**1.4**	1.6	1.5
Total equity	**1,873.4**	1,825.8	1,835.0

Taylor Wimpey plc
Condensed Consolidated Statement of Changes in Equity
For the half year ended 1 July 2012

Reviewed half year ended 1 July 2012 £ million	Share capital	Share premium	Own shares	Other reserves	Retained earnings	Total
Balance as at 1 January 2012	287.7	754.4	(8.4)	46.7	753.1	**1,833.5**
New share capital subscribed	0.3	3.8	-	-	-	**4.1**
Own shares acquired	-	-	(5.0)	-	-	**(5.0)**
Share based payment credit	-	-	-	-	1.8	**1.8**
Cash cost of share options	-	-	-	-	(0.6)	**(0.6)**
Exchange differences on translation of foreign operations	-	-	-	(1.4)	-	**(1.4)**
Increase in fair value of hedging derivatives	-	-	-	1.5	-	**1.5**
Actuarial loss on defined benefit pension schemes	-	-	-	-	(102.8)	**(102.8)**
Deferred tax credit	-	-	-	-	22.7	**22.7**
Transfer to retained earnings	-	-	-	(2.2)	2.2	**-**
Dividends approved and paid	-	-	-	-	(12.1)	**(12.1)**
Profit for the period	-	-	-	-	130.3	**130.3**
Equity attributable to parent	288.0	758.2	(13.4)	44.6	794.6	**1,872.0**
Non-controlling interests						**1.4**
Total equity						**1,873.4**

Reviewed half year ended 3 July 2011 £ million	Share capital	Share premium	Own shares	Other reserves	Retained earnings	Total
Balance as at 1 January 2011	287.7	753.7	(0.6)	101.4	679.4	1,821.6
New share capital subscribed	-	0.1	-	-	-	0.1
Utilisation of own shares	-	-	0.1	-	(0.1)	-
Share based payment credit	-	-	-	-	1.7	1.7
Cash cost of share options	-	-	-	-	(0.1)	(0.1)
Exchange differences on translation of foreign operations	-	-	-	(0.2)	-	(0.2)
Increase in fair value of hedging derivatives	-	-	-	3.0	-	3.0
Actuarial gain on defined benefit pension schemes	-	-	-	-	3.5	3.5
Deferred tax charge	-	-	-	-	(1.2)	(1.2)
Transfer to retained earnings	-	-	-	(0.1)	0.1	-
Loss for the period	-	-	-	-	(4.2)	(4.2)
Equity attributable to parent	287.7	753.8	(0.5)	104.1	679.1	1,824.2
Non-controlling interests						1.6
Total equity						1,825.8

Audited year ended to 31 December 2011 £ million	Share capital	Share premium	Own shares	Other reserves	Retained earnings	Total
Balance as at 1 January 2011	287.7	753.7	(0.6)	101.4	679.4	1,821.6
New share capital subscribed	-	0.7	-	-	-	0.7
Own shares acquired	-	-	(10.0)	-		(10.0)
Utilisation of own shares	-	-	2.2	-	-	2.2
Share-based payment credit	-	-	-	-	3.9	3.9
Cash cost of satisfying share options	-	-	-	-	(1.2)	(1.2)
Exchange differences on translation of foreign operations	-	-	-	1.8	-	1.8
Increase in fair value of hedging derivatives	-	-	-	3.0	-	3.0
Actuarial loss on defined benefit pension schemes	-	-	-	-	(33.2)	(33.2)
Deferred tax credit	-	-	-	-	4.8	4.8
Transfer to retained earnings	-	-	-	(0.4)	0.4	-
Recycling of translation reserve on disposal of subsidiaries				(59.1)	-	(59.1)
Profit for the year	-	-	-	-	99.0	99.0
Equity attributable to parent	287.7	754.4	(8.4)	46.7	753.1	1,833.5
Non-controlling interests						1.5
Total equity						1,835.0

Taylor Wimpey plc
Condensed Consolidated Cash flow Statement
For the half year ended 1 July 2012

£ million	Half year ended 1 July 2012 (Reviewed)	Half year ended 3 July 2011 (Reviewed)	Year ended 31 December 2011 (Audited)
Net cash used in operating activities	**(5.4)**	(58.8)	(34.8)
Investing activities			
Interest received	**0.1**	4.3	6.3
Dividends received from joint ventures	**0.4**	10.1	10.9
Proceeds on disposal of property, plant and investments	**-**	0.1	0.8
Purchases of property, plant and investments	**(0.1)**	(3.1)	(1.7)
Purchase of software	**(0.4)**	(0.1)	(4.1)
Amounts repaid from joint ventures	**0.9**	3.6	2.5
Disposal of subsidiaries	**-**	-	562.3
Net cash from investing activities	**0.9**	14.9	577.0
Financing activities			
Dividends paid	**(12.1)**	-	-
Proceeds from sale of own shares	**4.1**	-	0.7
Cash cost of satisfying share options	**(0.6)**	(0.1)	(1.2)
Purchase of own shares	**(5.0)**	-	(7.9)
Repayment of debenture loans	**(5.6)**	-	(85.4)
Repayment of overdrafts, bank and other loans	**-**	-	(487.1)
Increase in bank and other loans	**-**	131.6	-
Net cash (used in)/generated from financing activities	**(19.2)**	131.5	(580.9)
Net (decrease)/increase in cash and cash equivalents	**(23.7)**	87.6	(38.7)
Cash and cash equivalents at beginning of period	**147.7**	183.9	183.9
Cash and cash equivalents reclassified to assets held for sale	**-**	(199.3)	-
Effect of foreign exchange rate changes	**(0.2)**	1.6	2.5
Cash and cash equivalents at end of period	**123.8**	73.8	147.7

1. Accounting policies

Basis of preparation

The half year report has been prepared in accordance with the recognition and measurement criteria of International Financial Reporting Standards (IFRSs) and the disclosure requirements of the Listing Rules.

The condensed set of financial statements included in this half year report has been prepared in accordance with IAS 34 'Interim Financial Reporting', as adopted by the European Union. These should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2011, which have been prepared in accordance with applicable IFRSs.

The information for the year ended 31 December 2011 does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. A copy of the statutory accounts for that year has been delivered to the Registrar of Companies. The auditors reported on those accounts: their report was unqualified, did not draw attention to any matters by way of emphasis and did not contain a statement under sections 498 (2) or (3) respectively of the Companies Act 2006.

The accounting policies, presentation and method of computations adopted in the preparation of the half year 2012 condensed and consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2011, with the exception of the application of new accounting standards and the presentation of segmental reporting and calculation of taxation.

Following the merger of the UK and Corporate offices and the disposal of the North American operations, the Corporate segment has been combined with the UK Housing segment. In accordance with IAS 12 'Income taxes' the tax charged in the period is based on an estimated annual rate.

The new standards applicable from the 1 January 2012 that have been adopted by the European Union are:

- IFRS 7 (revised 2010) - Financial Instruments: Disclosures

The adoption of this standard has not led to any changes to the Group's accounting policies and had no effect on the financial position or performance of the Group.

The following new standards, amendments to standards or interpretations have been adopted by the European Union and are mandatory for the first time for the year ending on or after 1 January 2013:

- IAS 19 (revised 2011) Employee Benefits

The Group is currently assessing the impact of this standard on the Group's financial position and performance.

Going concern

The condensed and consolidated financial statements have been prepared on a going concern basis.

The Group has a significantly strengthened balance sheet following the disposal of its North American operations in 2011, continued profitability in the half year to 2012 and based on its latest budgets, the Group will be able to continue to operate for the foreseeable future.

Estimates and judgements

The preparation of a condensed set of financial statements requires management to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities at each period end. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

In preparing these condensed set of consolidated financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were principally the same as those applied to the Group's consolidated financial statements as at and for the year ended 31 December 2011.

2. Operating segments

Following the sale of the North American business and the merger of our Corporate and UK Head Office offices, the Group has consolidated the UK Housing and Corporate segments and is now organised into two operating divisions – Housing United Kingdom and Housing Spain. These divisions are the basis on which the Group reports its segment information.

The results, operating assets and liabilities of the North American operations as at 3 July 2011 and the results of the North American operations has been presented as 31 December 2011 have been presented separately as discontinued operations, following the announcement of the sale of the business on 31 March 2011 and subsequent disposal on the 13 July 2011.

Half year ended 1 July 2012 £ million	Housing United Kingdom	Housing Spain	Consolidated
Revenue:			
External sales	903.3	2.9	906.2
Result:			
Operating profit/(loss) before joint ventures and exceptional items	101.4	(1.7)	99.7
Share of results of joint ventures	1.2	-	1.2
Profit/(loss) on ordinary activities before finance costs, after share of results of joint ventures	102.6	(1.7)	100.9
Net finance costs (including exceptional finance costs)			(0.3)
Profit on ordinary activities before tax			100.6
Taxation (including exceptional tax)			29.7
Profit for the period – total Group			130.3

As at 1 July 2012 £ million	Housing United Kingdom	Housing Spain	Consolidated
Assets and liabilities:			
Segment operating assets	2,821.2	81.6	2,902.8
Joint ventures	31.6	0.2	31.8
Segment operating liabilities	(1,243.4)	(19.1)	(1,262.5)
Group net operating assets	1,609.4	62.7	1,672.1
Net current taxation			1.1
Net deferred taxation			335.4
Net debt			(135.2)
Net assets			1,873.4

2. Operating segments (continued)

Half year ended 3 July 2011 (restated) £ million	Housing United Kingdom	Housing Spain	Consolidated
Revenue:			
External sales	809.2	8.6	817.8
Result:			
Operating profit/(loss) before joint ventures and exceptional items	68.0	(1.1)	66.9
Share of results of joint ventures	0.3	-	0.3
Profit/(loss) on ordinary activities before finance costs and exceptional items and after share of results of joint ventures	68.3	(1.1)	67.2
Exceptional items	-	-	-
Profit/(loss) on ordinary activities before finance costs, after share of results of joint ventures	68.3	(1.1)	67.2
Net finance costs (including exceptional finance costs)			(38.3)
Profit on ordinary activities before tax			28.9
Taxation (including exceptional tax)			(17.1)
Result from continuing operations:			11.8
Result from discontinued operations:			
Loss for the period from discontinued operations			(16.0)
Loss for the period – total Group			(4.2)

As at 3 July 2011 (restated) £ million	Housing United Kingdom	Housing Spain	Consolidated
Assets and liabilities – continuing operations:			
Segment operating assets	2,783.8	87.0	2,870.8
Joint ventures	30.4	0.2	30.6
Segment operating liabilities	(1,223.2)	(15.7)	(1,238.9)
Continuing Group net operating assets	1,591.0	71.5	1,662.5
Discontinued operations:			
Operating assets			1,065.5
Operating liabilities			(333.6)
			731.9
Total net operating assets			2,394.4
Net current taxation			(63.5)
Net deferred taxation			343.7
Net debt			(848.8)
Net assets			1,825.8

2. Operating segments (continued)

For the year to 31 December 2011 (restated) £ million	Housing United Kingdom	Housing Spain	Consolidated
Revenue:			
External sales	1,779.4	28.6	1,808.0
Result:			
Operating profit before joint ventures and exceptional items	158.1	0.2	158.3
Share of results of joint ventures	1.2	-	1.2
Profit on ordinary activities before finance costs and exceptional items and after share of results of joint ventures	159.3	0.2	159.5
Exceptional items	(5.8)	-	(5.8)
Profit on ordinary activities before finance costs, after share of results of joint ventures	153.5	0.2	153.7
Net finance costs (including exceptional finance costs)			(75.1)
Profit on ordinary activities before tax			78.6
Taxation (including exceptional tax)			(22.7)
Result from continuing operations:			55.9
Result from discontinued operations:			
Profit for the period from discontinued operations:			43.1
Profit for the period – total Group			99.0

At 31 December 2011 (restated) £ million	Housing United Kingdom	Housing Spain	Consolidated
Assets and liabilities:			
Segment operating assets	2,763.4	76.1	2,839.5
Joint ventures	31.7	0.2	31.9
Segment operating liabilities	(1,187.9)	(14.9)	(1,202.8)
Group net operating assets	1,607.2	61.4	1,668.6
Net current taxation			(59.5)
Net deferred taxation			342.8
Net debt			(116.9)
Net assets			1,835.0

3. Exceptional items

Exceptional items from continuing operations are analysed as follows:

£ million	Half year ended 1 July 2012	Half year ended 3 July 2011	Year ended 31 December 2011
Pension enhanced transfer value offer	-	-	5.8
Finance (credit)/costs (Note 4)	(22.4)	-	5.5
Tax credit (Note 5)	(59.6)	-	-
Exceptional items	(82.0)	-	11.3

4. Finance costs

Finance costs from continuing operations are analysed as follows:

£ million	Half year ended 1 July 2012	Half year ended 3 July 2011	Year ended 31 December 2011
Interest on overdrafts, bank and other loans	6.6	19.9	29.1
Interest on debenture loans	8.9	14.3	23.2
Movement on interest rate derivatives and foreign exchange movements	(0.1)	(3.3)	(1.0)
	15.4	30.9	51.3
Unwinding of discount on land creditors and other payables	3.6	3.9	7.9
Notional net interest on pension liability	4.5	6.9	14.1
	23.5	41.7	73.3
Exceptional finance costs:			
Tax liability interest (Note 5)	(22.4)	-	-
Senior Note 10.375% due 2015 premium on repurchase	-	-	5.5
	1.1	41.7	78.8

In the period the Group released £22.4 million of accrued interest relating to a historic potential tax liability for which favourable resolution was reached.

In addition to the above, there was £3.6 million of finance costs relating to discontinued operations in the half year to 3 July, which is also included in the results for the year to 31 December 2011.

5. Tax

The pre-exceptional tax charge of £29.9 million includes the impact of £11.6 million write down of deferred tax assets resulting from the reduction in the UK corporation tax rate to 24% from 1 April 2012 and other items that in aggregate reduce the overall half year tax charge by £0.3 million. The remaining tax charge relates to the utilisation of the deferred tax asset against profits generated in the period. A further 1% reduction in corporation tax rates to 23% was enacted shortly after the balance sheet date. In accordance with IAS 12 Income Taxes this rate reduction will be recognised in the full year results.

The exceptional tax credit of £59.6 million relates to the favourable resolution of an historic potential tax liability during the period. No tax charge has arisen on the associated exceptional interest release due to the utilisation of unrecognised losses.

6. Earnings per share

	Half year ended 1 July 2012	Half year ended 3 July 2011	Year ended 31 December 2011
Basic earnings/(loss) per share – total Group	4.1p	(0.1p)	3.1p
Diluted earnings/(loss) per share – total Group	4.0p	(0.1p)	3.0p
Basic earnings per share from continuing operations	4.1p	0.4p	1.8p
Diluted earnings per share from continuing operations	4.0p	0.4p	1.7p
Basic (loss)/earnings per share from discontinued operations	-	(0.5p)	1.4p
Diluted (loss)/earnings per share from discontinued operations	-	(0.5p)	1.3p
Adjusted basic earnings per share from continuing operations	1.5p	0.4p	2.1p
Adjusted diluted earnings per share from continuing operations	1.5p	0.4p	2.0p
Weighted average number of shares for basic earnings per share – million	3,186.3	3,195.5	3,190.1
Weighted average number of shares for diluted earnings per share – million	3,264.9	3,284.4	3,282.3

Adjusted basic and adjusted diluted earnings per share, which exclude the impact of exceptional items and the associated net tax charges, are shown to provide clarity on the underlying performance of the continuing Group. A reconciliation from profit from continuing operations attributable to equity shareholders used for basic and diluted earnings per share to that used for adjusted earnings per share is shown below:

£ million	Half year ended 1 July 2012	Half year ended 3 July 2011	Year ended 31 December 2011
Earnings from continuing operations for basic profit per share and diluted earnings per share	130.3	11.8	55.9
Adjust for exceptional items	(22.4)	-	11.3
Adjust for exceptional tax items	(59.6)	-	(1.5)
Earnings from continuing operations for adjusted basic and adjusted diluted earnings per share	48.3	11.8	65.7

7. Notes to the cash flow statement

£ million	Half year ended 1 July 2012	Half year ended 3 July 2011	Year ended 31 December 2011
Profit on ordinary activities before finance costs			
- continuing	99.7	66.9	152.5
- discontinued	-	34.6	34.6
Adjustments for:			
Pensions curtailment	-	-	1.8
Depreciation of plant and equipment	0.5	1.3	1.7
Share-based payment charge	1.8	1.7	3.9
Profit on disposal of property and plant	(0.1)	-	(0.2)
Decrease in provisions	(0.6)	(8.3)	(11.9)
Operating cash flows before movements in working capital	101.3	96.2	182.4
Increase in inventories	(20.4)	(43.4)	(7.1)
Increase in receivables	(39.5)	(3.8)	(12.9)
Decrease in payables	(12.0)	(50.1)	(38.8)
Pension contributions in excess of charge	(16.2)	(12.6)	(84.7)
Cash generated by/(used in) operations	13.2	(13.7)	38.9
Income taxes paid	(0.8)	(15.4)	(16.4)
Interest paid including exceptional charges	(17.8)	(29.7)	(57.3)
Net cash used in operating activities	(5.4)	(58.8)	(34.8)

Cash and cash equivalents (which are presented as a single class of assets on the face of the balance sheet) comprise of cash at bank and other short term highly liquid investments with an original maturity of three months or less.

During the period to 13 July 2011, the North American operations contributed £8.9 million to the Group's net operating cash flows, received £10.0 million in respect of investing activities and £31.9 million in respect of financing activities.

Movement in net debt:

£ million	Cash and cash equivalents	Overdrafts, banks & other loans	Debenture loans	Total net debt
Balance 1 January 2012	147.7	(100.0)	(164.6)	(116.9)
Cash flow	(23.7)	-	5.6	(18.1)
Foreign exchange	(0.2)	-	-	(0.2)
Balance 1 July 2012	123.8	(100.0)	(159.0)	(135.2)

£ million	Cash and cash equivalents	Overdrafts, banks & other loans	Debenture loans	Total net debt
Balance 1 January 2011	183.9	(588.4)	(250.0)	(654.5)
Cash flow	87.6	(131.6)	-	(44.0)
Cash and debt reclassified to assets held for sale	(199.3)	46.2	-	(153.1)
Foreign exchange	1.6	1.2	-	2.8
Balance 3 July 2011	73.8	(672.6)	(250.0)	(848.8)

In the half year to 3 July 2011, £199.3 million of cash and cash equivalents and £46.2 million of overdrafts, bank and other loans associated with the North American operations were classified to assets held for sale.

£ million	Cash and cash equivalents	Overdrafts, banks & other loans	Debenture loans	Total net debt
Balance 1 January 2011	183.9	(588.4)	(250.0)	(654.5)
Cash flow	(38.7)	487.1	85.4	533.8
Foreign exchange	2.5	1.3	-	3.8
Balance 31 December 2011	147.7	(100.0)	(164.6)	(116.9)

8. Discontinued operations

On 13 July 2011, Taylor Wimpey plc disposed of its North America operations, the results of which have been presented as discontinued operations. In the period to 3 July 2011 the North American business generated a profit after tax of £24.5 million and the Group recorded an impairment of £24.0 million to reflect the net assets of the North American operations at fair value less costs to sell.

Previously recognised translation differences relating to the North American business of £59.1 million were also recycled to the Income Statement upon disposal and were presented as part of the results of discontinued operations in the year ended 31 December 2011.

The Group received net proceeds of £731.9 million for the net assets of the North American business and incurred transaction costs for the disposal of £16.5 million.

9. Pensions

The Group's significant defined benefit pension schemes were actuarially assessed for the half year 1 July 2012. The increase in the pension scheme deficits was predominantly caused by a significant decrease in the discount rate used in the valuation of the liabilities. This is partly as a consequence of fiscal measures taken to reinvigorate the economy, which has impacted AA Corporate bond yields, and the Group sees this as a short to medium term consideration. The impact of the reduction on the discount rate was partially mitigated by a fall in inflation.

In the prior year, following the completion of the disposal of North America on 13 July 2011, the Group made one-off cash contributions of £16.25 million into each of the two UK defined benefit schemes.

10. Related party transactions

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed within the financial statements or related notes.

The Chief Executive, Pete Redfern, purchased a property on one of the Group's developments under the staff discount scheme for £90,563 during the period to 1 July 2012. The property was sold on the same terms available to all employees.

11. Seasonality

Weekly sales rates in some of the Group's key markets historically experience significant seasonal variation, with the highest levels of reservations occurring in the spring and autumn in the UK. As such, economic weakness which affects these peak selling seasons can have a disproportionate impact on our results for the year.

This pattern of reservations tends to result in higher levels of home completions towards the end of the financial year. As a result, the Group's debt profile exhibits peaks and troughs over the course of the financial year.

12. Events occurring after 1 July 2012

There were no material subsequent events affecting the Group after 1 July 2012 and the date of this announcement that need to be disclosed.

13. Dividends

The Directors have assessed the Group's performance in the period and believe it is appropriate to pay an interim dividend in line with the dividend policy announced earlier this year with the full year 2011 results. Accordingly the Directors have approved an interim dividend of 0.19 pence per share, payable to all shareholders on the register at the close of business on 24 August 2012 which will be paid on 25 September 2012.

In accordance with IAS 10 'Events after the balance sheet date' the approved dividend has not been accrued in the 1 July 2012 balance sheet.

Taylor Wimpey plc

Statement of Directors' responsibility

For the half year ended 1 July 2012

The Directors confirm that, to the best of their knowledge, these condensed consolidated interim financial statements have been prepared in accordance with IAS 34 as adopted by the European Union.

The interim management report includes a fair review of the information required by DTR 4.2.7R and DTR 4.2.8R of the Disclosure and Transparency Rules, namely:

- an indication of important events that have occurred during the first half year of the financial year and their impact on the condensed set of financial statements;
- a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- material related-party transactions in the first half year of the financial year and any material changes in the related party transactions described in the last Annual Report.

The Directors of Taylor Wimpey plc are listed in the Taylor Wimpey plc Annual Report and Accounts to 31 December 2011.

A list of current directors is maintained on the Taylor Wimpey plc Group website: http://plc.taylorwimpey.co.uk

By order of the Board

Kevin Beeston, Chairman

Pete Redfern, Group Chief Executive

31 July 2012

INDEPENDENT REVIEW REPORT TO TAYLOR WIMPEY plc

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the half year ended 1 July 2012 which comprises the condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated balance sheet, condensed consolidated statement changes in equity, condensed consolidated cash flow statement and related notes 1 to 13. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the company in accordance with International Standard on Review Engagements (UK and Ireland) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board. Our work has been undertaken so that we might state to the company those matters we are required to state to them in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our review work, for this report, or for the conclusions we have formed.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

As disclosed in note 1, the annual financial statements of the group are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting," as adopted by the European Union.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the half year ended 1 July 2012 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

Deloitte LLP

Chartered Accountants and Statutory Auditors

London, United Kingdom

31 July 2012